encana

2016 Investor Day

October 5 | New York City, NY

encana.com

One. Agile. Driven.

ENCANA CORPORATION

Quality Growth

Doug Suttles

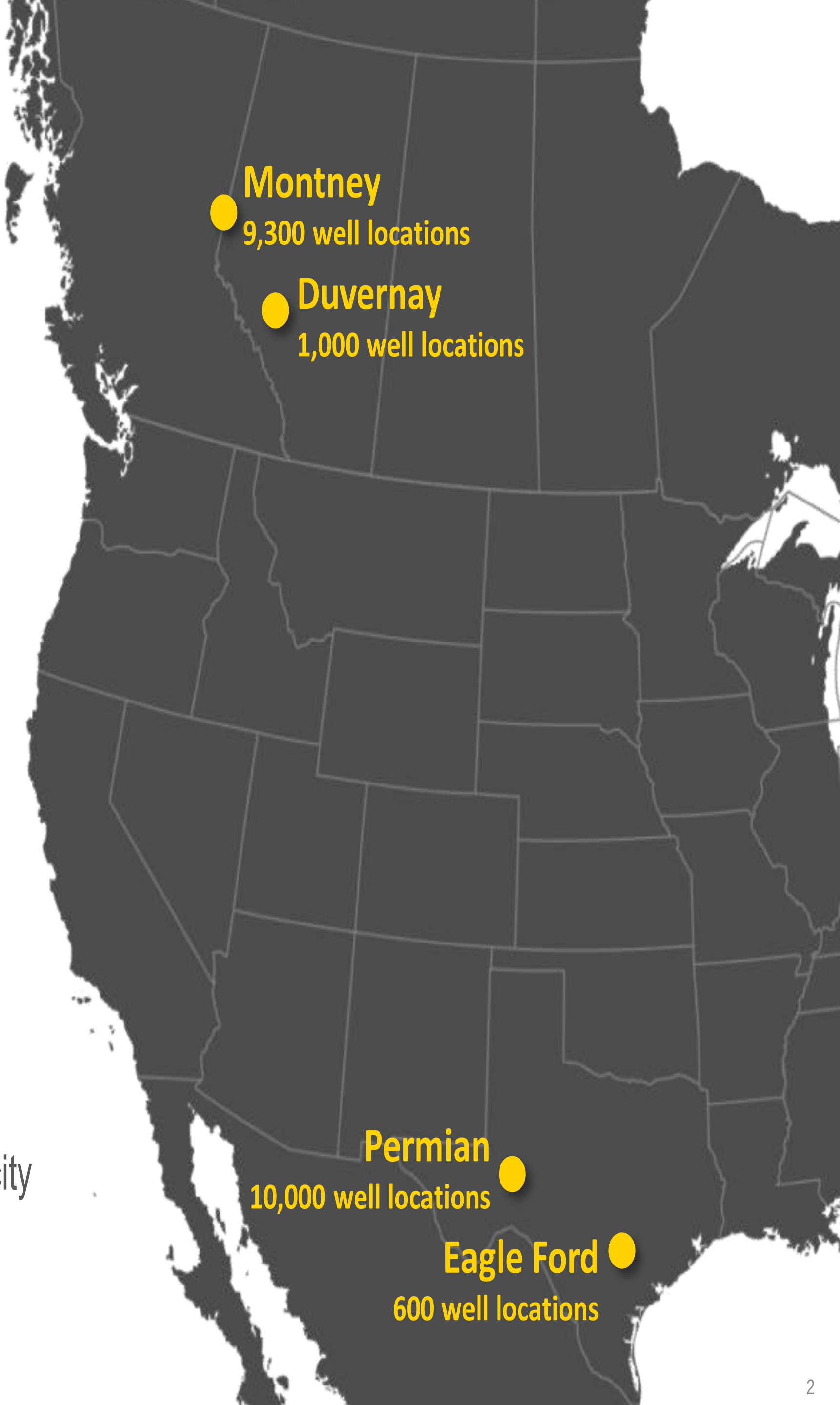
President & Chief Executive Officer

ENCANA

Clear Strategic Focus

- **Foundation (2013 – 2015)**
  - Major portfolio transformation
  - Overhauled capital allocation process
  - Continued demonstration of operational excellence
  - Reset costs and corporate culture
- **Inflection (2016)**
  - Strengthened balance sheet to support growth
    - Further divestitures and equity issuance
  - Industry leading efficiencies
- **Growth (2017+)**
  - Premium portfolio + operational excellence + financial capacity

    = low-risk, high-growth, quality corporate returns



*Total inventory is unrisked and assumes various spacing across each play

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The Growth Phase Begins Now

- **Strategy Elements**
  - Balanced commodity mix
  - North American resource play focus
  - Unconventional development expertise
  - Multi-basin portfolio advantage
- **Foundation Elements**
  - Culture of innovation
  - Organizational structure aligned with strategy
  - Financial and operational discipline

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Quality Returns & Leading Growth (2016 – 2021)

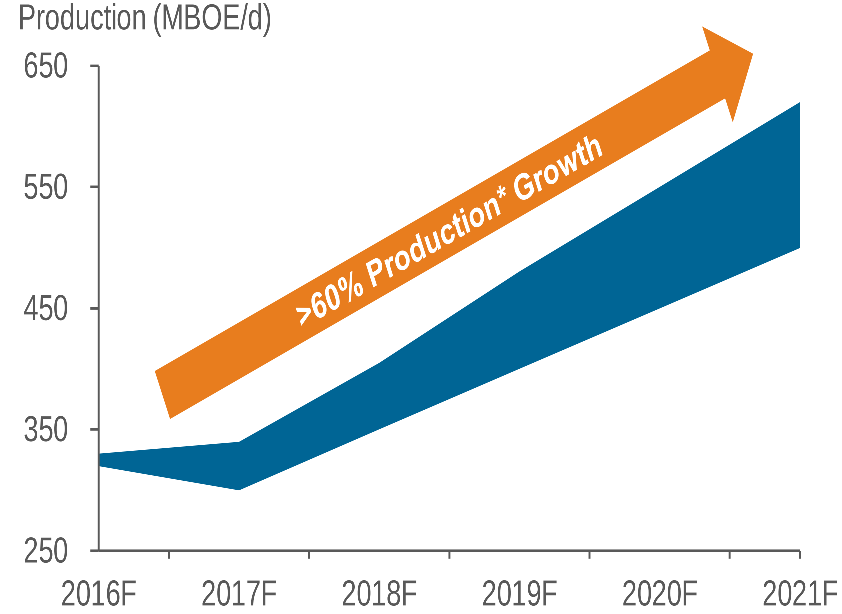
Delivering quality returns	World class asset portfolio	Resilient business model
>300% cash flow* growth	5 year plan consumes ~15% of 10,000 premium inventory locations	Competitive cost structures
>60% production* growth	Core four well returns >35% ATROR**	Balanced commodity mix
Corporate margin doubles		Strengthened financial capacity

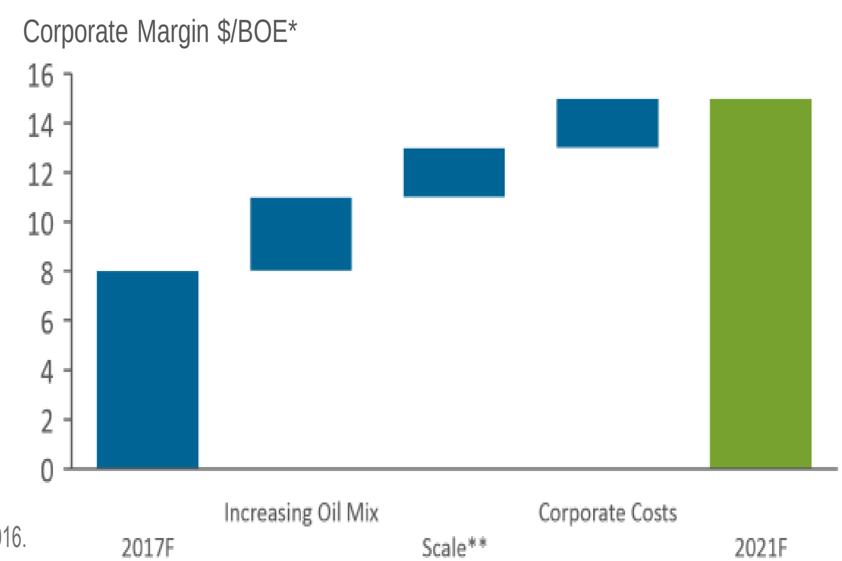
* Assumes flat $55/bbl WTI and $3/MMBtu NYMEX; ** Assumes flat $50/bbl WTI and $3/MMBtu NYMEX .

PRODUCTION GROWTH TRAJECTORY

Growing High Margin Volumes

- **>60% total company production* growth**
  - Permian grows ~3x – 4x
  - Montney liquids grow ~4x – 5x, gas grows ~2x
  - Combination of Eagle Ford and Duvernay production stays relatively flat
- **15% – 20% liquids CAGR**
- **Corporate margin doubles**
  - Core four becomes >90% of total company production
  - Commodity mix becomes balanced between liquids and natural gas
  - >50% increase in corporate margin 2017 to 2018



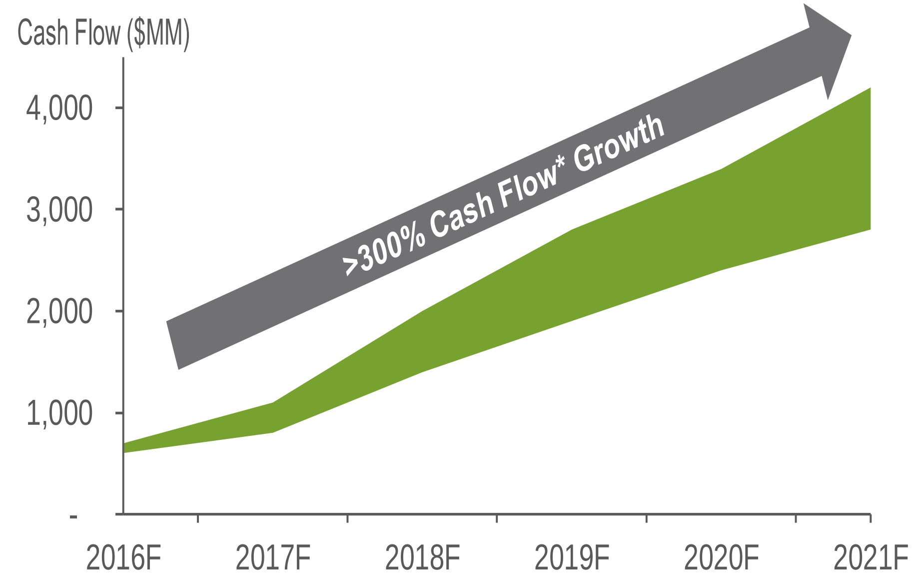


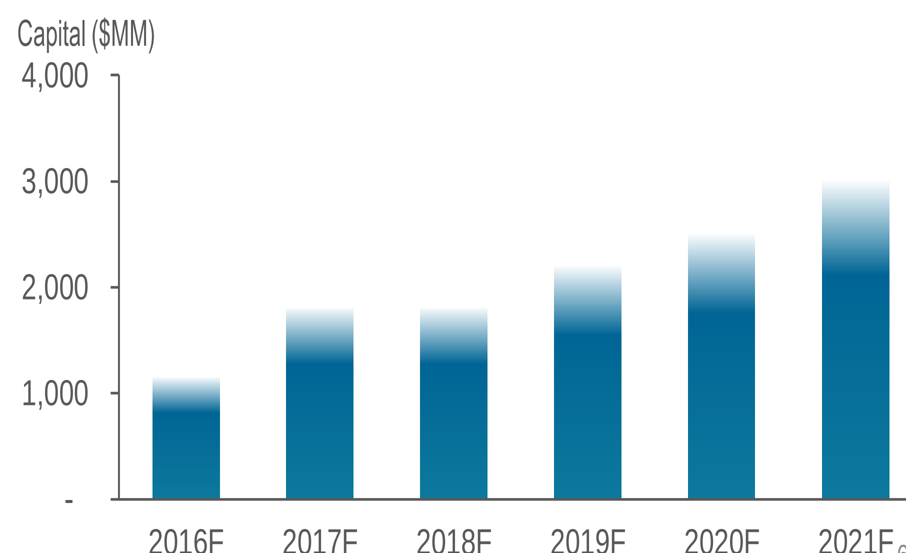
*Assumes flat $55/bbl WTI and $3/MMBtu NYMEX. 2016 production does not include volumes from assets divested in 2016. Refer to advisory for definition of corporate margin. **Impact of higher volumes on PMOT, T&P and Operating Expense.

5 YEAR CAPITAL & CASH FLOW OUTLOOK

Self-Funding Capital Program Post 2017

- **>300% cash flow* growth**
  - Focus on high margin production amplifies cash flow growth
- **Self funding post 2017**
  - Cash flow exceeds capital program at $55 WTI and $3 NYMEX
- **Multi-basin portfolio advantage**
  - Enables flexible and efficient deployment of capital





* Assumes flat $55/bbl WTI and $3/MMBtu NYMEX

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Delivering Quality Returns

- **Leading growth**
  - >300% cash flow growth over 5 year plan
- **World class assets**
  - 10,000 premium return inventory locations
- **Efficiency**
  - Focus on innovation to continuously improve capital and operating efficiency
- **Returns and margins**
  - Grow cash flow by expanding margins and allocating capital to assets that deliver strong corporate returns
- **Actively managed balance sheet**
  - Provides flexibility and funding capacity

ENCANA CORPORATION

Resource in Context

David Hill

Executive Vice President, Exploration and Business Development

ENCANA

Delivering Quality Returns

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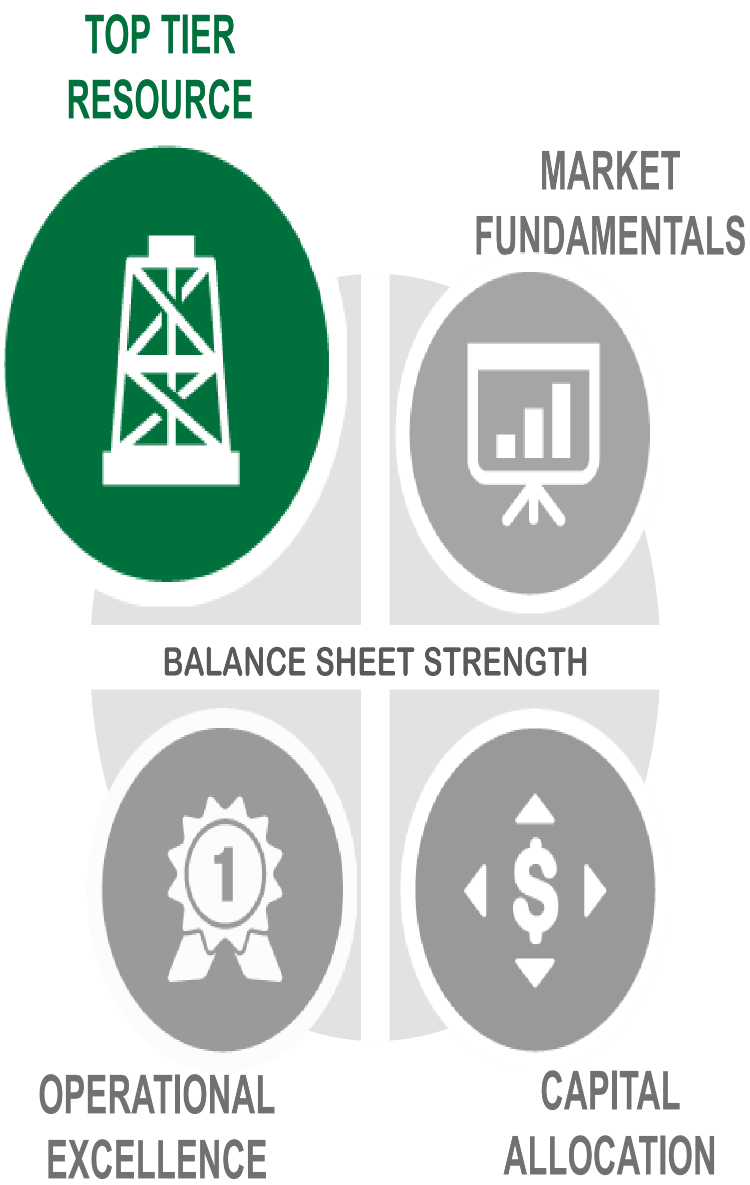


RESOURCE IN CONTEXT

Encana's World Class Portfolio

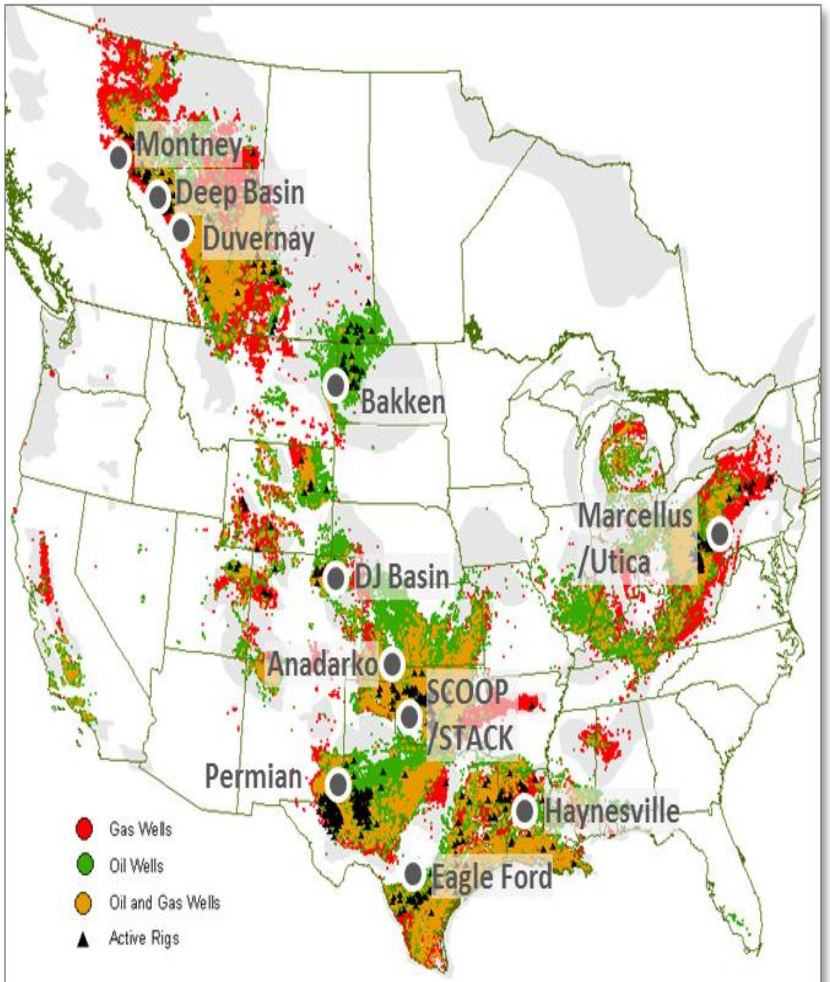
- Core positions in four of North America's premier basins
- Resource rich basins with significant upside
- Growing inventory through technical excellence in each play since entering

Core Four Assets		
Permian	Stacked resource potential located in heart of oil-rich Midland basin	• Liquids rich & oil assets • Competitive supply costs • Running room and scalability • Access to markets
Eagle Ford	Oil weighted top-tier asset generating significant cash flow with flexibility	
Duvernay	A premier position in a leading, emerging condensate rich play	
Montney	Stacked resource potential with extensive liquids and gas optionality	

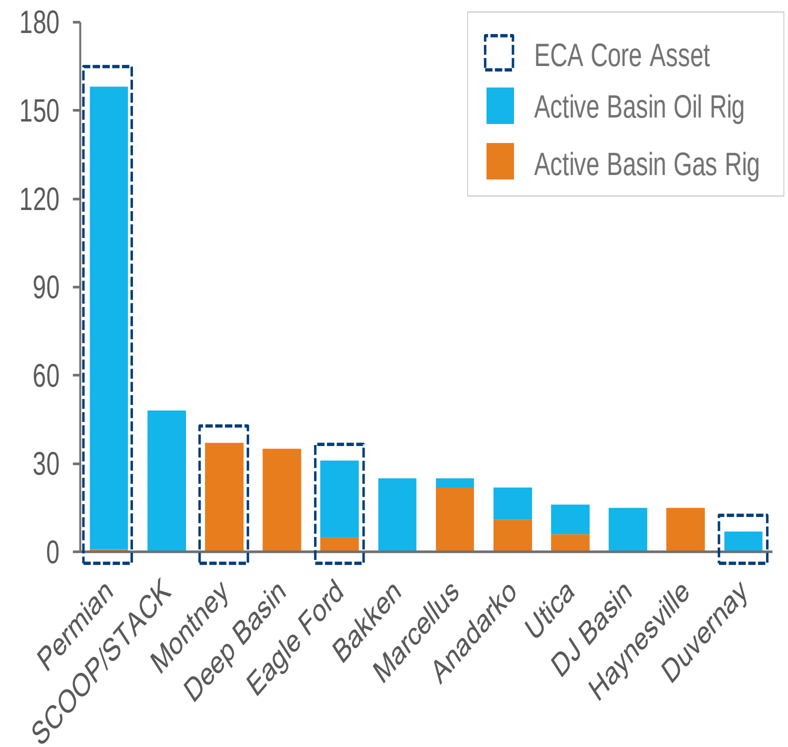
*Total inventory is unrisked and assumes various spacing across each play

RESOURCE IN CONTEXT

Encana Holds Core Positions in Premier Basins



Horizontal Rig Activity* by Play



ECA portfolio focused entirely on unconventional plays utilizing similar technology

Source: RigData, IHS, GeoScout, and RS Energy, Inc as of Sept 2016

BEST ROCKS APPROACH TO PORTFOLIO

Deliberate and Disciplined Evaluation

Basin Focus

- Resource potential
- Geologic setting
- Market access

Play Focus

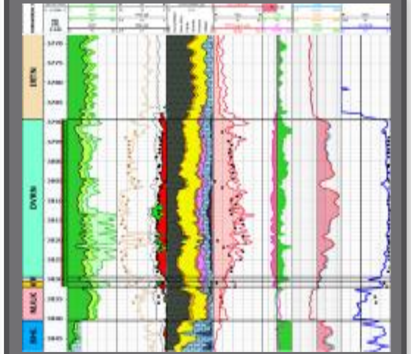
- Resource in place
- Hydrocarbon phase
- Highest deliverability

Position Focus

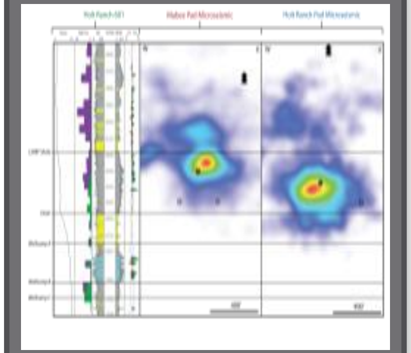
- Best rocks
- Scale with upside
- Operational excellence

Geoscience, Engineering & Data Driven Approach

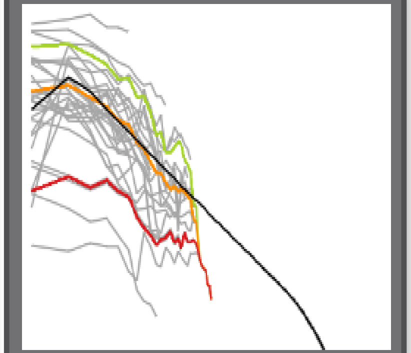
Geology



Petrophysics



Rock Mechanics



Engineering

CORE POSITIONS IN THE BEST ROCKS

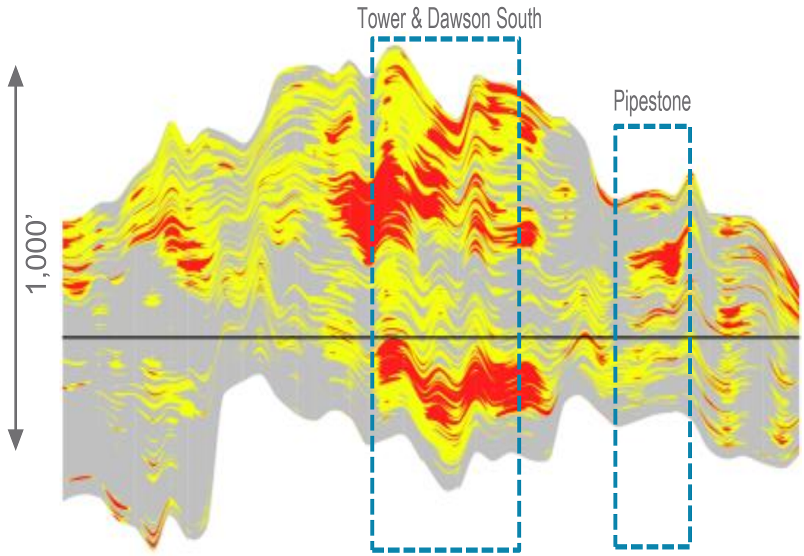
Building of a Premium Return Inventory

- Highest Quality
- Reservoir
- Non-Reservoir
- ECA Position

Montney

10 - 45 MMBOE/sec

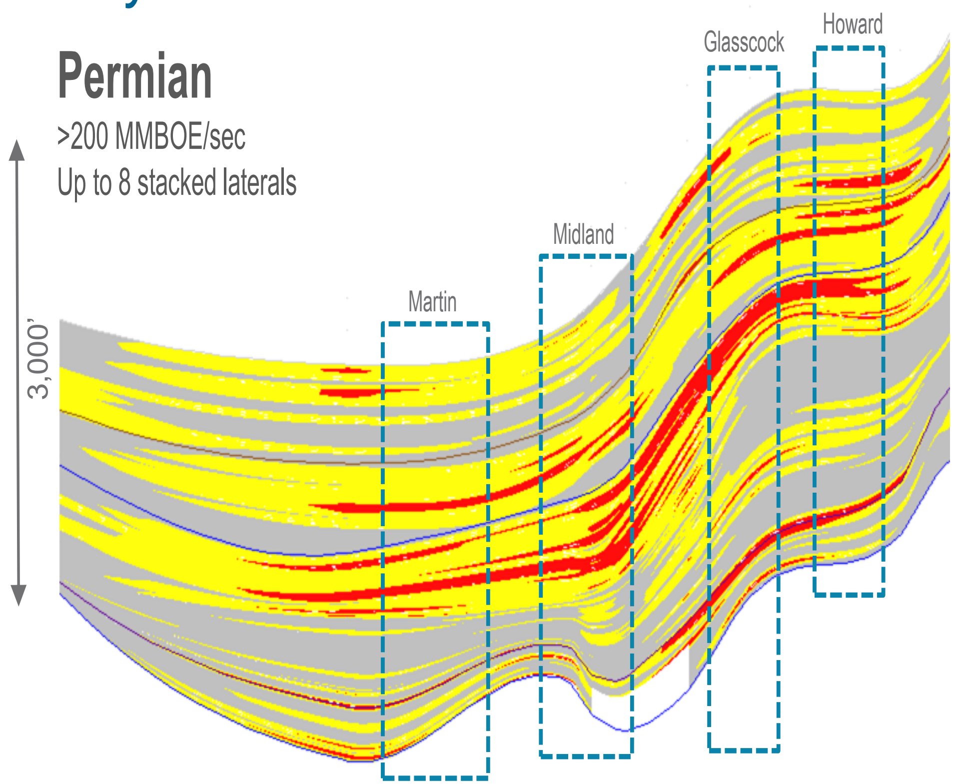
Up to 6 stacked laterals



Permian

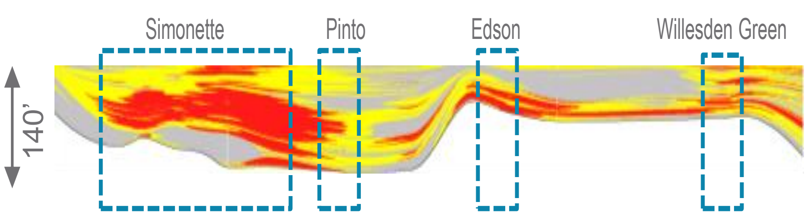
>200 MMBOE/sec

Up to 8 stacked laterals



Duvernay

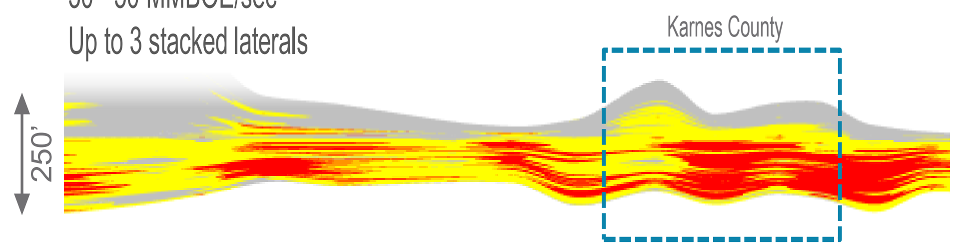
Up to 25 MMBOE/sec



Eagle Ford

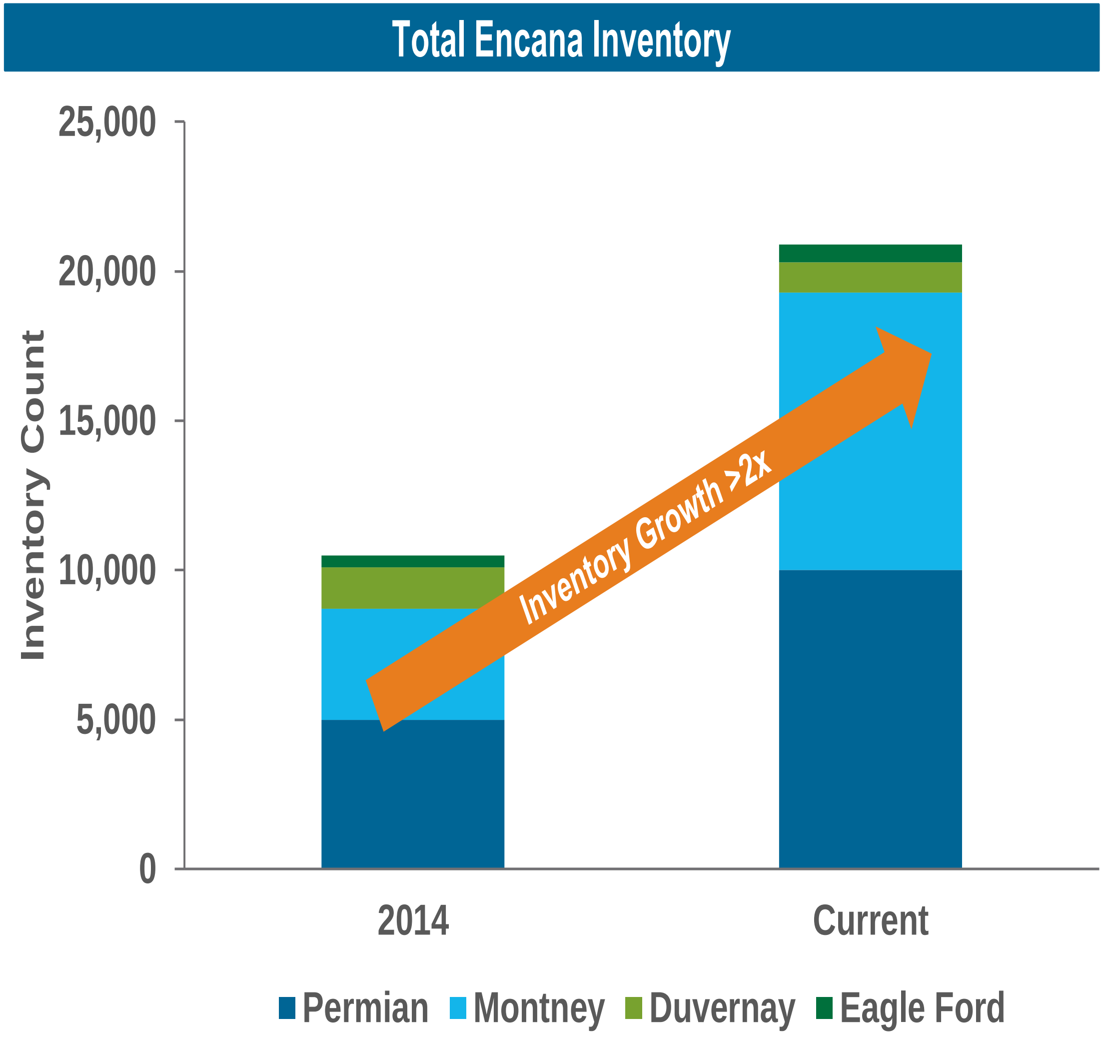
30 - 50 MMBOE/sec

Up to 3 stacked laterals



ENCANA WELL INVENTORY

Significant Growth



Current Inventory

- >20,000 locations
- ~10,000 premium locations

2014 Inventory

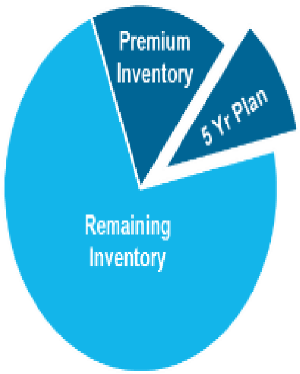
- ~10,000 locations

Change in total inventory is a function of different variables including, but not limited to, spacing and stacking.

ENCANA'S PREMIUM RETURN INVENTORY

Only ~15% of Premium Inventory Consumed in Growth Plan

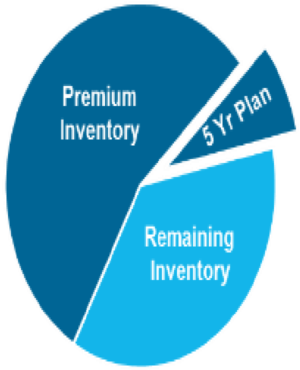
Permian Basin



10,000 well inventory
2,750 premium locations
~1,000 wells drilled in 5 year plan

Premium assumption
660' spacing on average of 2 ¼ zones across basin

Montney



9,300 well inventory
5,900 premium locations
~850 wells drilled in 5 year plan

Premium assumption
440' spacing in very rich gas condensate
660' spacing in rich gas condensate

Eagle Ford

600 well inventory
130 premium locations
~130 wells drilled in 5 year plan

Premium assumption
330' spacing

Duvernay

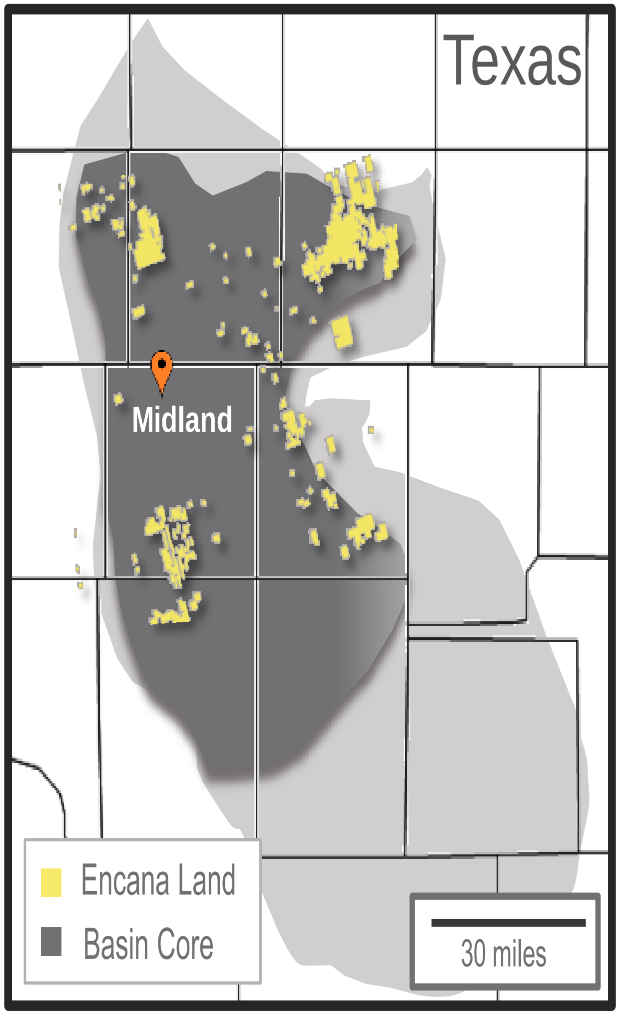
1,000 well inventory
500 premium locations
~200 wells drilled in 5 year plan

Premium assumption
1,000' spacing

*Premium locations are >35% IRR at $50 WTI & $3.00 NYMEX

RESOURCE IN CONTEXT

Permian



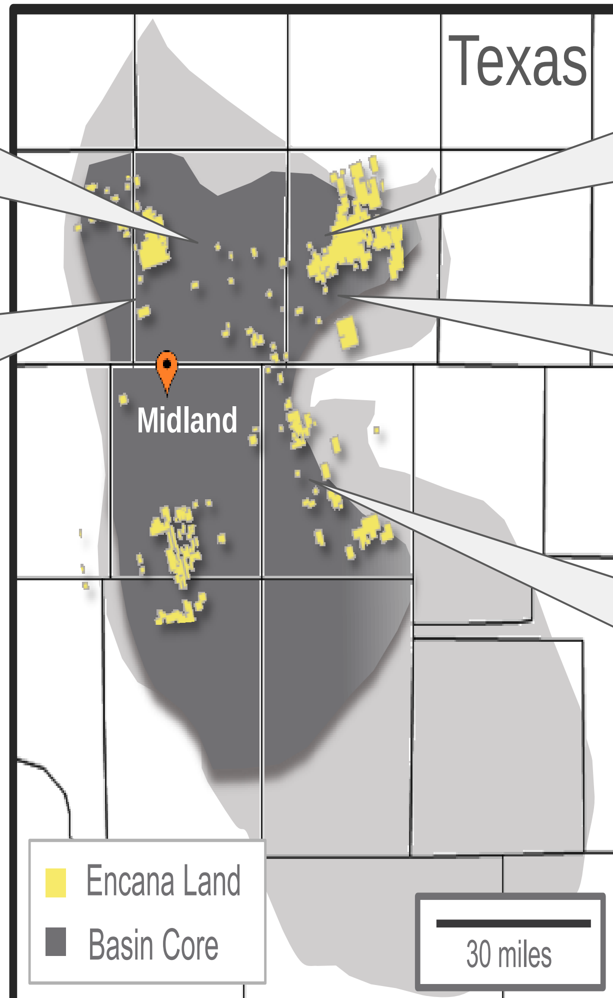
- **Premier North American oil play**
  - Heavily weighted to liquids (~80% of production)
  - Productive intervals spanning over 5,000’ of stratigraphy
- **Inventory continues to expand**
  - De-risking new zones
  - Understanding stacking and spacing of laterals
- **Exceptional performance from multiple zones across the basin**
  - Acreage situated in core of the core of the Midland Basin
  - Running room across the play provides upside as new zones across the play emerge

RECENT TRANSACTIONS SUPPORT QUALITY

2016 Industry Deals in Glasscock, Howard and Martin Counties

June 2016
QEP Resources / RK Petroleum
Implied Acreage Value: ~$59,000/acre*

August 2016
Concho Resources / Reliance Energy
Implied Acreage Value: ~$32,000/acre*



August 2016
SM Energy / Rock Oil
Implied Acreage Value: ~$32,000/acre*

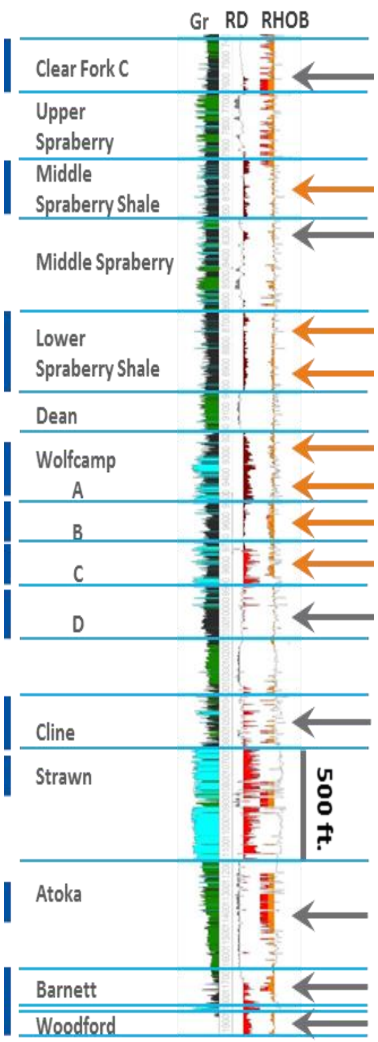
August 2016
Callon Petroleum / Big Star Oil and Gas
Implied Acreage Value: ~$25,000/acre*

August 2016
Parsley Energy / BTA
Implied Acreage Value: ~$42,000/acre*

*Implied acreage value calculated based on transaction value less the estimated value of purchased production based on $35,000/BOE/d

PERMIAN RESERVOIR

Massive Potential with Stacked Horizons



Zone	Martin	Midland*	Glasscock	Howard
Clear Fork	✓	✓		
M. SPBY	**✓**	✓		
L. SPBY	**✓**	**✓**	**✓**	**✓**
L. SPBY- 2nd	**✓**	✓	✓	✓
WCMP A	✓	**✓**	**✓**	**✓**
WCMP A- 2nd		**✓**		**✓**
WCMP B	✓	**✓**	**✓**	
WCMP C		**✓**		✓
WCMP D / Cline	✓	✓	✓	✓
Deep Targets		✓		✓
Total Inventory	*1,800*	*3,300*	*1,300*	*3,600*
Premium	**650**	**1,140**	**260**	**700**

*Midland includes Upton County

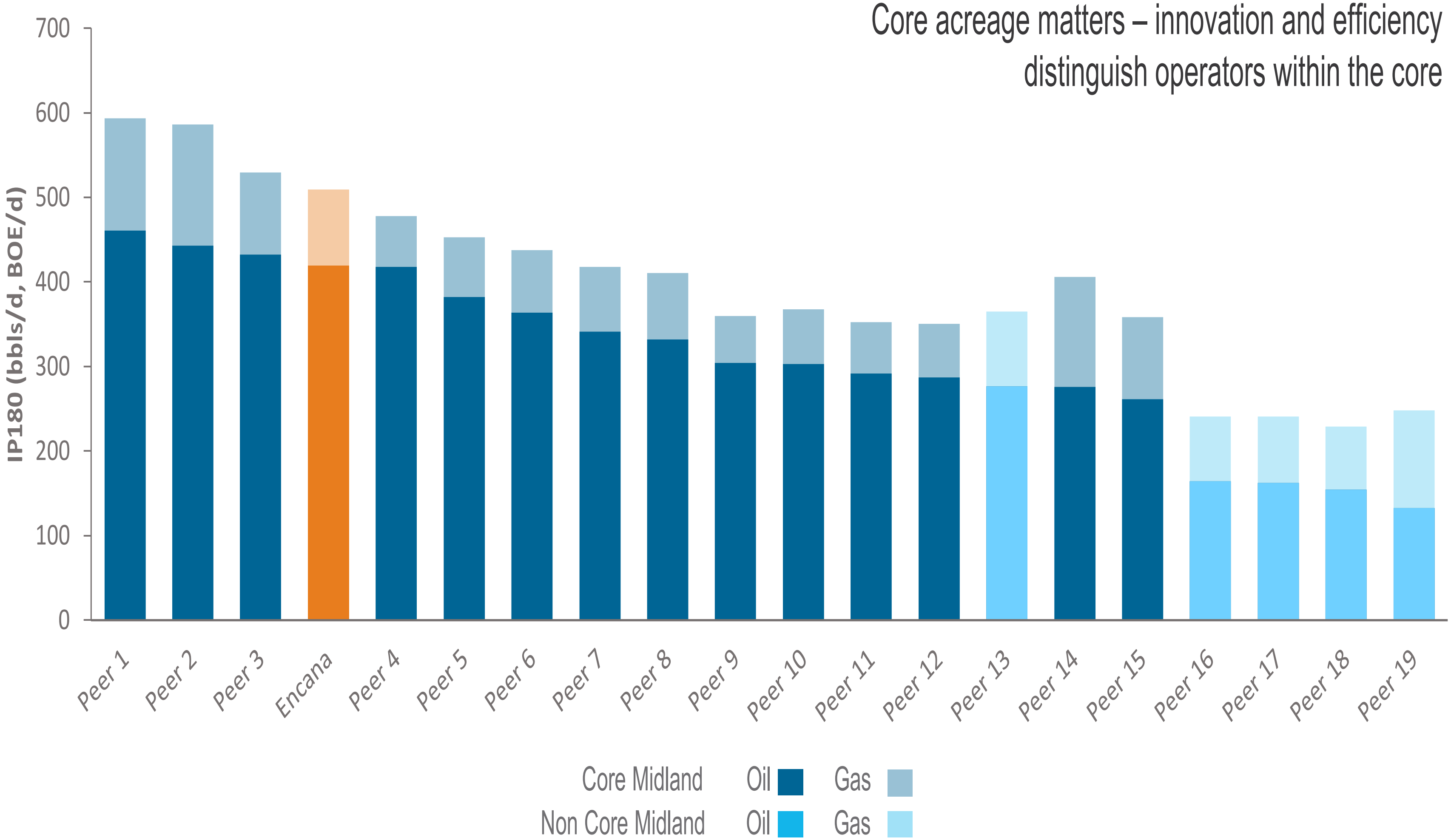
← ✓ Inventory

← **✓** Premium Return Inventory

PERMIAN WELL PRODUCTIVITY

Encana Average IP180 >500 BOE/d

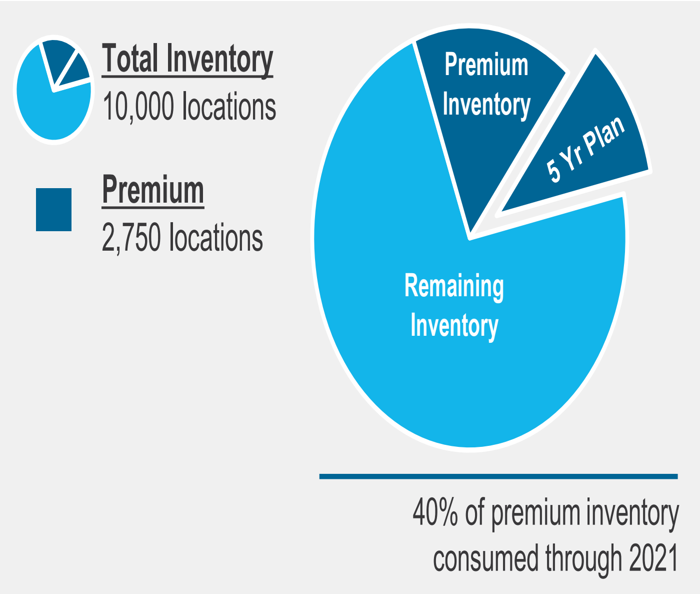
Core acreage matters – innovation and efficiency distinguish operators within the core



RESOURCE IN CONTEXT

Permian

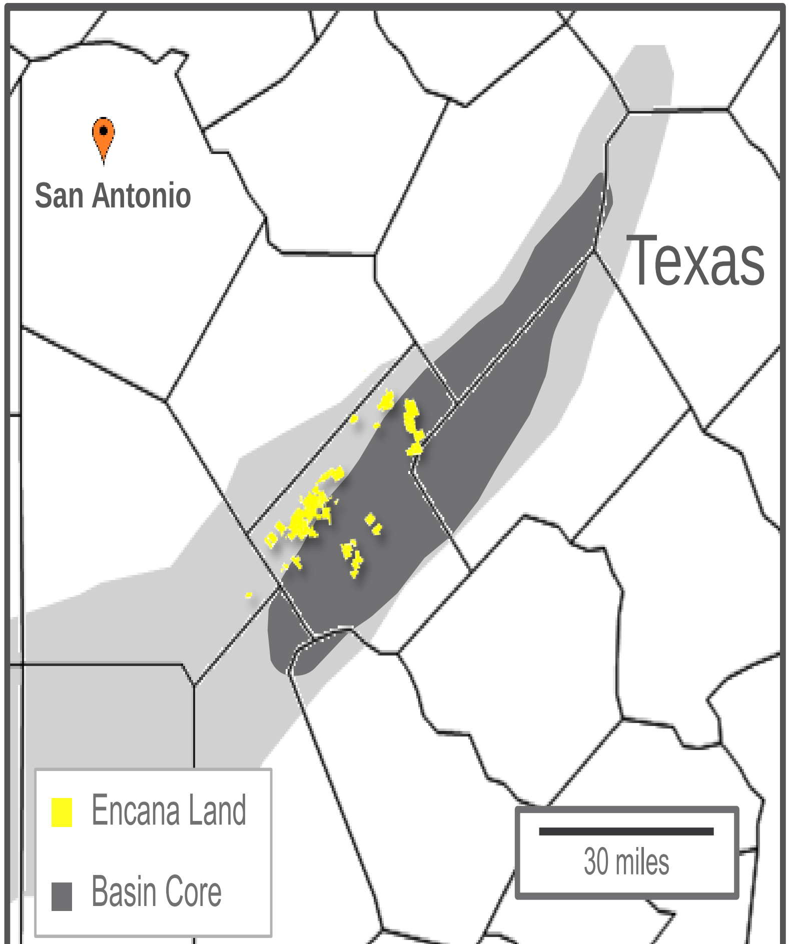
- **Core position with scale within a premier North American play**
- **Encana's innovation and efficiency are converting inventory to premium return inventory**
  - Continuous improvement of cost structure
  - Downspacing pilots beyond 660' have the potential to significantly increase resource potential
  - Stacking of laterals is optimizing resource recovery
- **Large part of Encana's growth strategy**
  - Premium return inventory well beyond five year plan



~140,000 net acres

RESOURCE IN CONTEXT

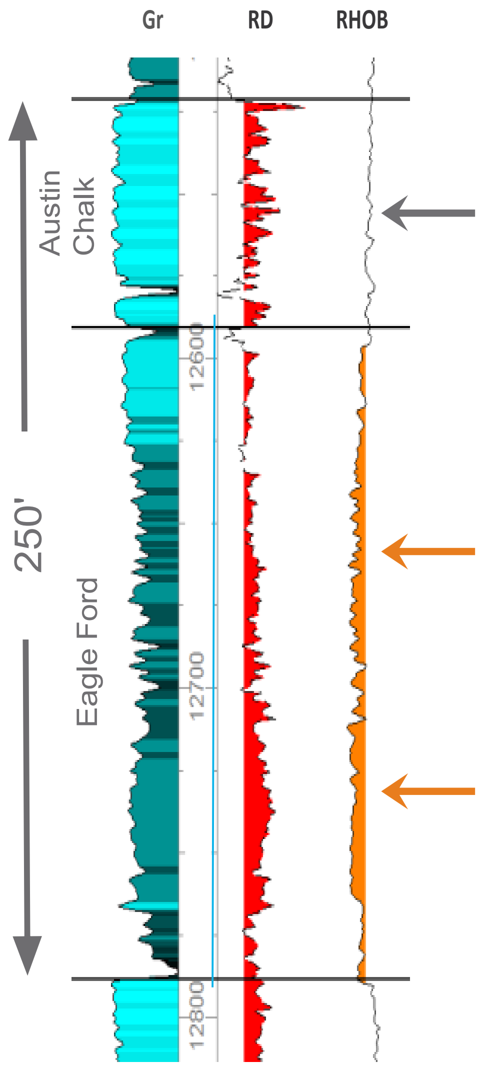
Eagle Ford



- **Strategically positioned in the Karnes Trough**
  - Best rock in the Eagle Ford
  - Most active and profitable trend in the Eagle Ford
- **Well inventory improving since entry**
  - 600 total inventory locations
  - 130 premium horizontal well inventory
  - Stacked pay, infill spacing & Austin Chalk offer premium inventory upside

STACKING WELLS IN THE EAGLE FORD

Play Continues to Expand



Austin Chalk

First Encana wells on stream for less than 30 days

No current inventory

Eagle Ford

600 well inventory, 130 premium return locations

Upper Eagle Ford

Now developing Upper Eagle Ford targets optimized with existing lower Eagle Ford development

Lower Eagle Ford

Infilling successfully at 330' spacing or tighter

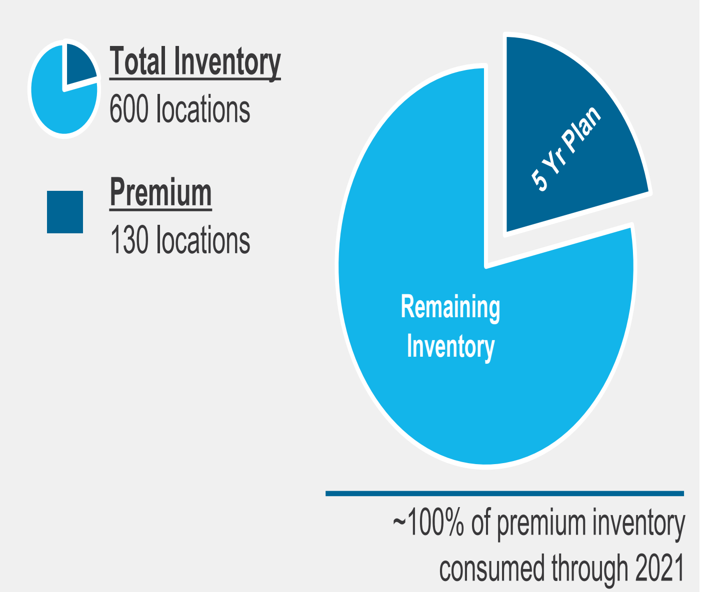
← ✓ Inventory

← ✓ Premium Return Inventory

RESOURCE IN CONTEXT

Eagle Ford

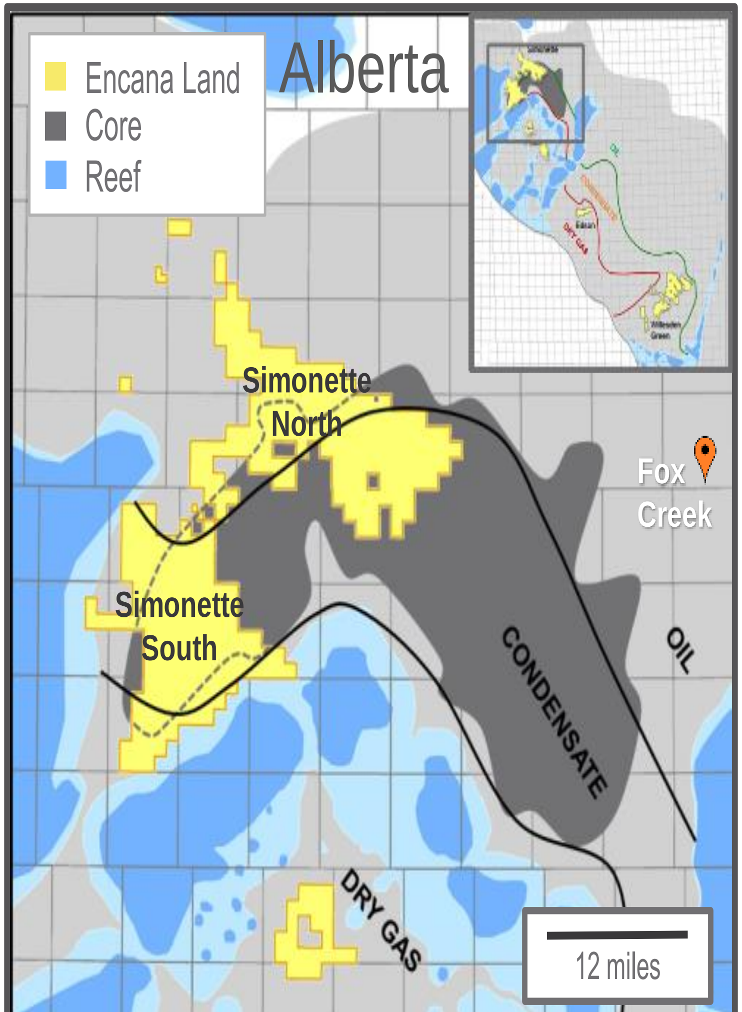
- Positioned within the most active and profitable trend
- Well inventory has significantly improved since acquisition
- Inventory upside as Upper Eagle Ford and Austin Chalk develop



~43,200 net acres

RESOURCE IN CONTEXT

Duvernay

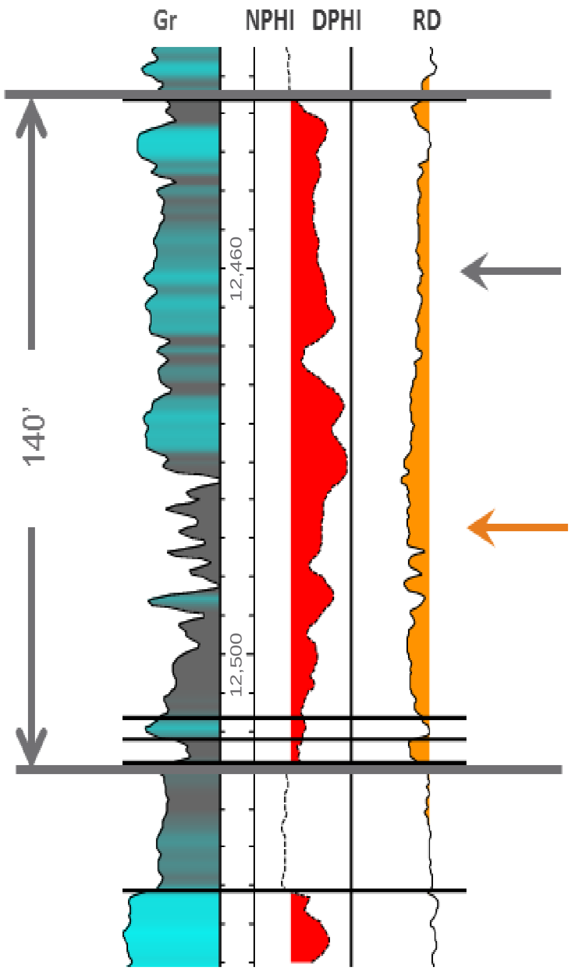


- **Encana holds a large contiguous land base within the core of the play**
  - Significant growth opportunity
  - 1,000 total locations, 500 premium locations
- **Encana focusing on Simonette region as the best rocks in play**
- **Industry leading condensate production from high quality reservoir**
- **Robust condensate market that receives WTI pricing**

SIMONETTE IS THE CORE OF THE DUVERNAY

Encana Holds Large Core Position

Significant overpressure enhances deliverability from thick resource rich section



Area	Condensate Ratio (bbls/MMcf)	Simonette North	Simonette South
Volatile Oil	>250	✓	✓
Very Rich Gas Condensate	150 – 250	✓	✓
Rich Gas Condensate	50 – 150	✓	✓
Gas Condensate	20 – 50	✓	✓
Inventory		*1,000*	
Premium Inventory		**500**	

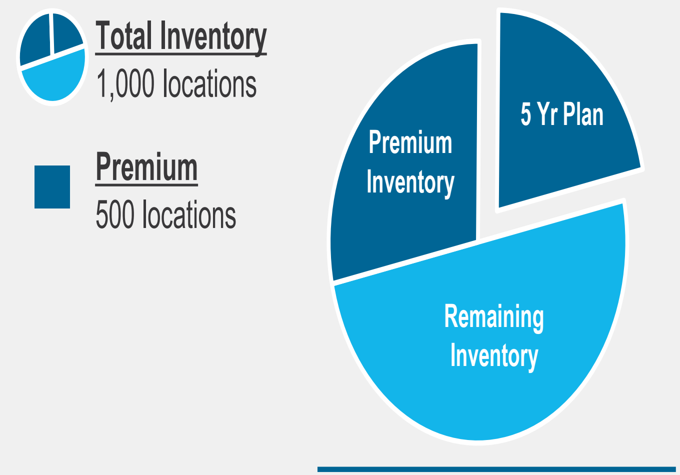
← ✓ Inventory

← ✓ Premium Return Inventory

RESOURCE IN CONTEXT

Duvernay

- **A premier position in a leading, emerging liquids rich play**
- **Encana investing into 2 key areas**
  - Simonette North – leading the industry in cost performance
  - Simonette South – deeper, more prolific, highest rate wells in the play
- **Encana's innovation and efficiency in the play are moving inventory to premium return inventory**
  - Continuous improvement of cost structure to wells costing less than $7MM
  - Down-spacing pilots beyond 1,000' have potential to significantly increase inventory



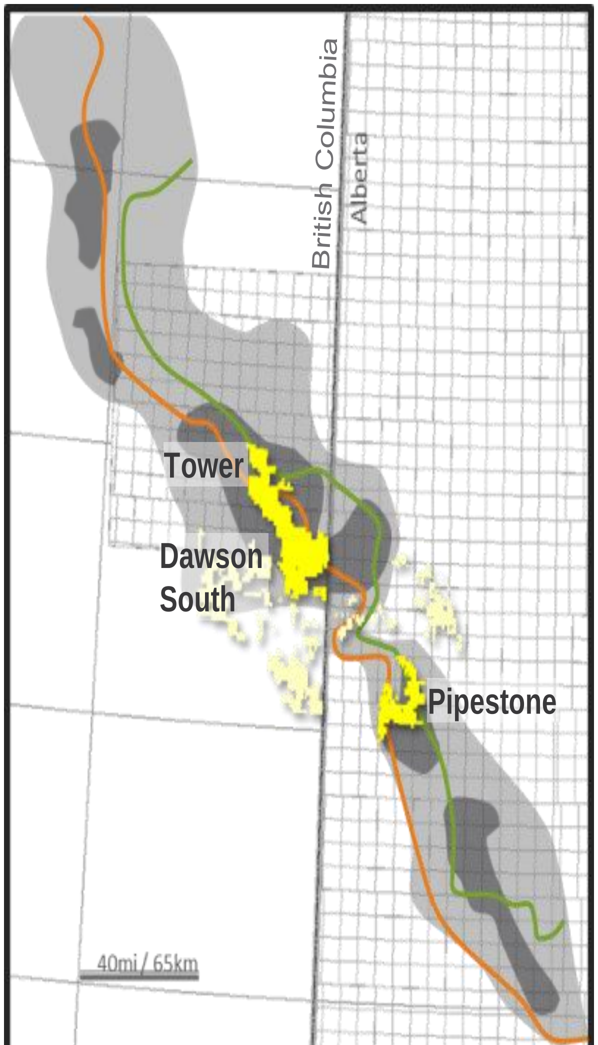
40% of premium inventory consumed through 2021

~97,000 net acres*
(335,000 total net acres)

*Duvernay development focused on Simonette

RESOURCE IN CONTEXT

Montney

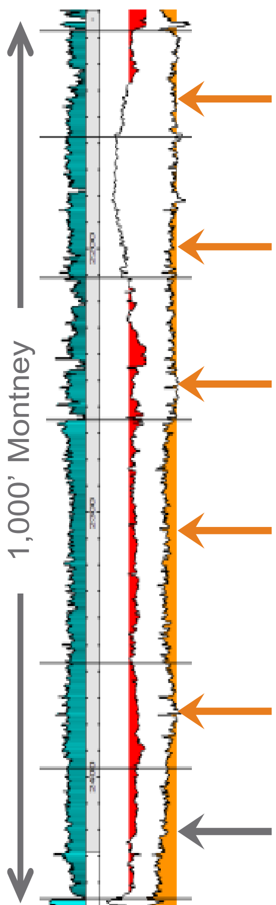


- **Massive inventory**
  - Stacked resource parallels the Permian development
  - Wells up to 2.5 MMBoe, IP >2,500 BOE/d
- **Optionality among fluid windows**
  - Not a shale; highly productive across all fluid windows
  - Condensate window offers substantial liquids rich opportunity
- **Pipestone is an emerging Alberta Montney liquids core area with significant scale**

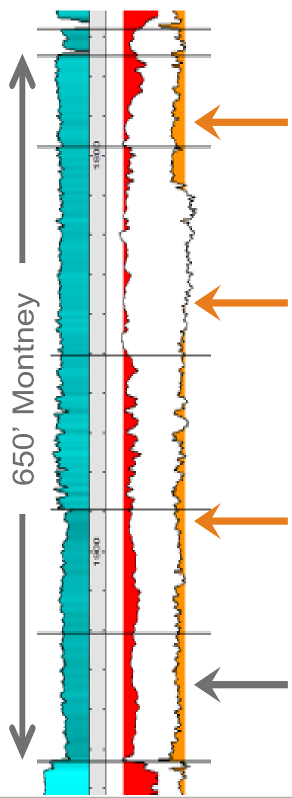
MONTNEY STACKED RESOURCE

Growing Stack of High Quality Liquids Rich Montney

Tower/Dawson
(up to 6 laterals)



Pipestone
(up to 4 laterals)



Condensate rich zones fuel premium inventory

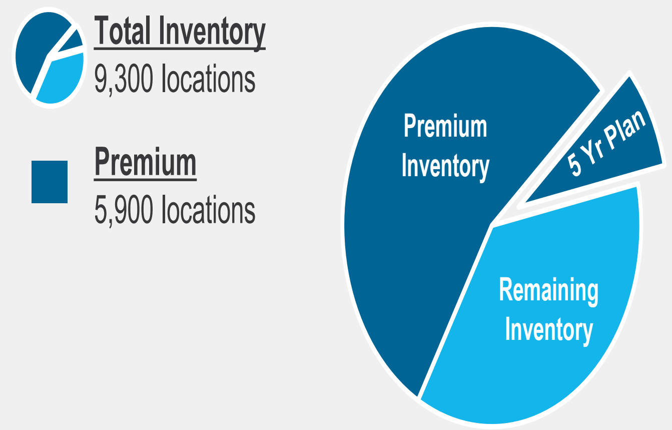
Zone	Condensate Ratio (bbls/MMcf)	Tower	Dawson South	Pipestone
Volatile Oil	>250			✓
Very Rich Gas Condensate	150 – 250			✓
Rich Gas Condensate	50 – 150	✓		✓
Gas Condensate	20 – 50	✓	✓	
Wet Gas	<20	✓	✓	
Dry Gas	0	✓	✓	
Inventory		*9,300*		
Premium Inventory		**5,900**		

← ✓ Inventory
← ✓ Premium Return Inventory

RESOURCE IN CONTEXT

Montney

- **Premium return inventory economics driven by liquids**
  - Condensate receives WTI pricing in Canada
  - Liquids rich inventory amongst best wells in Encana's portfolio
- **Liquids growth drives margin expansion over the five year plan**
- **Significant gas optionality**



15% of premium inventory consumed through 2021

~240,000 net acres*

(484,000 total net acres)

*Montney development includes Tower, Dawson South & Pipestone

ENCANA PORTFOLIO POSITIONED FOR GROWTH

Top Tier Resource Portfolio Aligned With Strategy

World Class Multi-Basin Portfolio	Permian Eagle Ford Duvernay Montney
Massive Premium Return Inventory	>20,000 Well Inventory 10,000 Premium Return Wells
Unlocking Resource Potential	~15 Billion BOE (Unrisked resource potential)

ENCANA CORPORATION

Operational Excellence

Michael McAllister
Executive Vice President & Chief Operating Officer

ENCANA

Delivering Quality Returns

- **Leading growth**
  - >300% cash flow growth
- **World class assets**
  - 10,000 premium return inventory locations
- **Efficiency**
  - Focus on innovation to continuously improve capital and operating efficiency
- **Returns and margins**
  - Grow cash flow by expanding margins and allocating capital to assets that deliver strong corporate returns
- **Actively managed balance sheet**
  - Provides flexibility and funding capacity

OPERATIONAL EXCELLENCE

Maximizing Capital & Operating Efficiency

PORTFOLIO ADVANTAGE

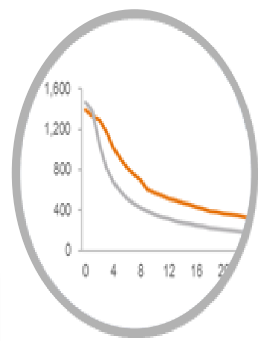
Multi-play company creates enormous flexibility

INNOVATION

R&D lab is the field

CONTINUOUS IMPROVEMENT

Structured approach to change



COMPETITOR BENCHMARKING

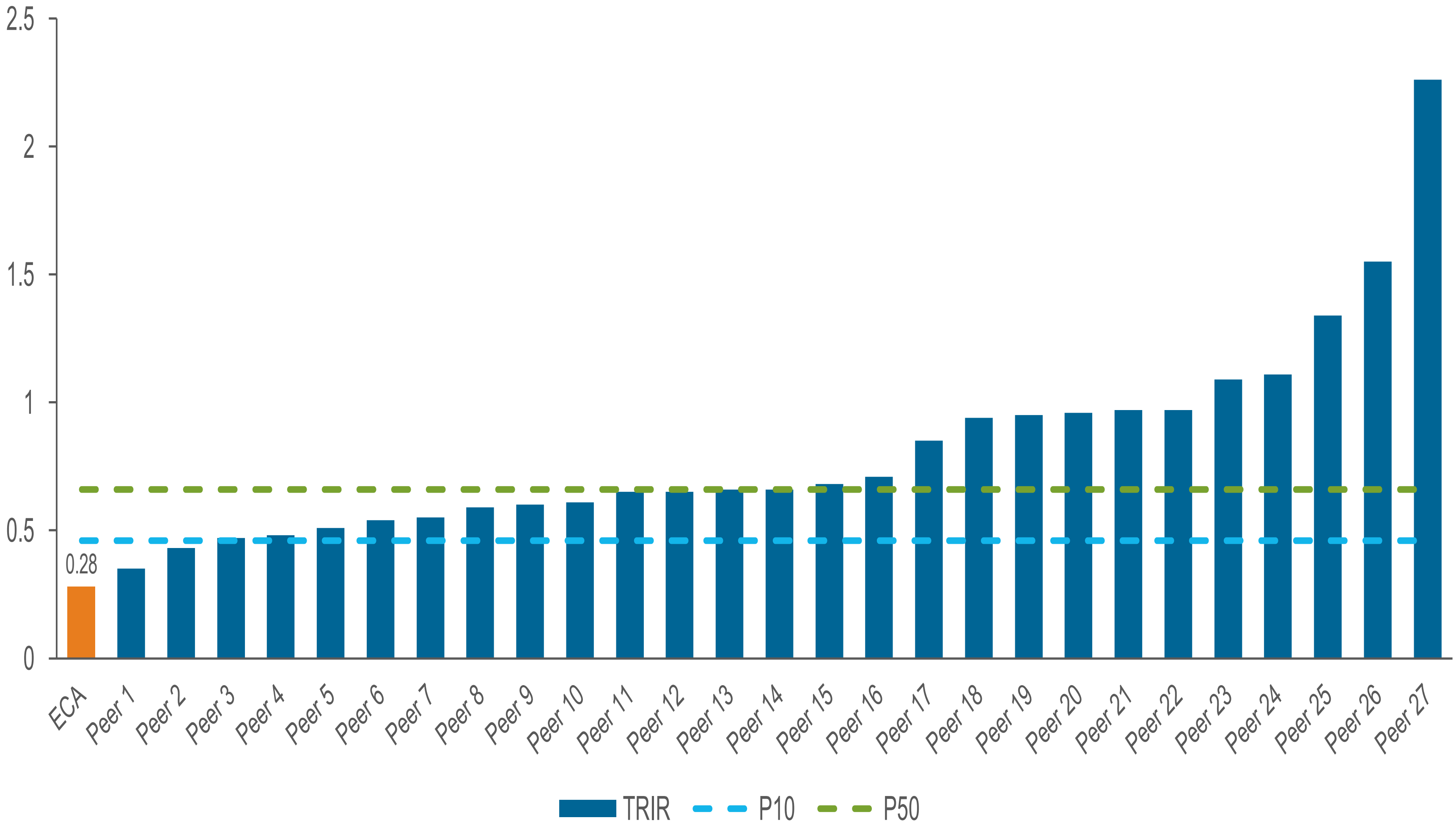
Rapid adoption of best ideas & technology in industry

Up to **40%** reduction in D&C costs
from 2015 averages

SAFE OPERATIONS ARE EFFICIENT OPERATIONS

ECA Leading Safety Results

Total Recordable Injury Rate (TRIR)

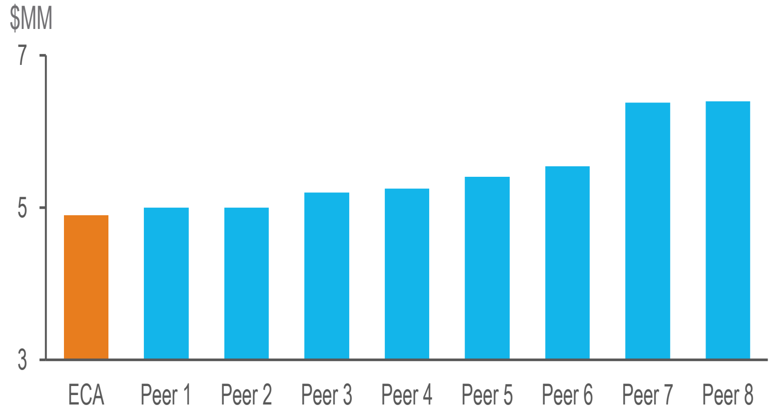


*Data sourced from the American Exploration & Production Council (AXPC). Includes all US E&P members of AXPC.

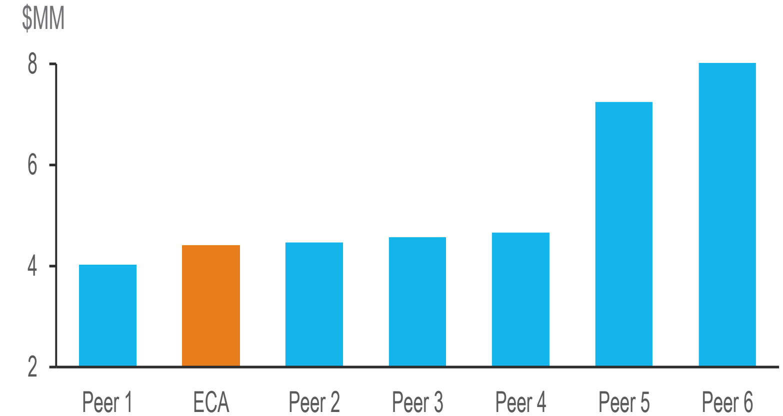
OPERATIONAL EXCELLENCE

D&C Cost Momentum Continues to Build

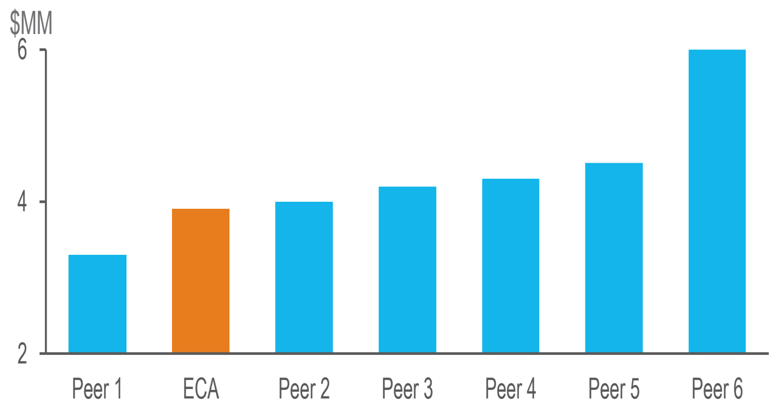
Permian



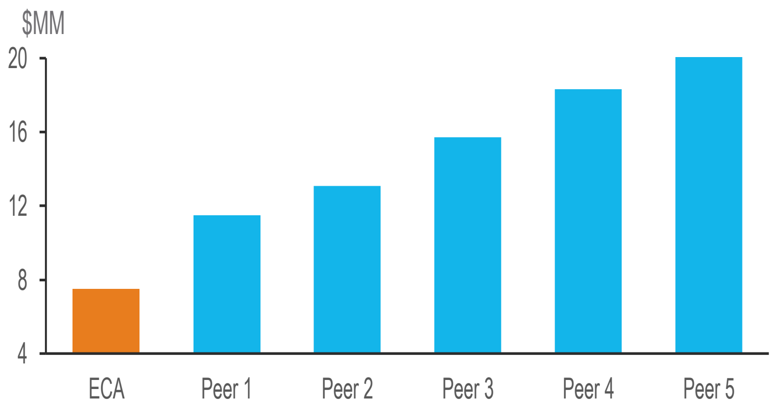
Montney



Eagle Ford



Duvernay

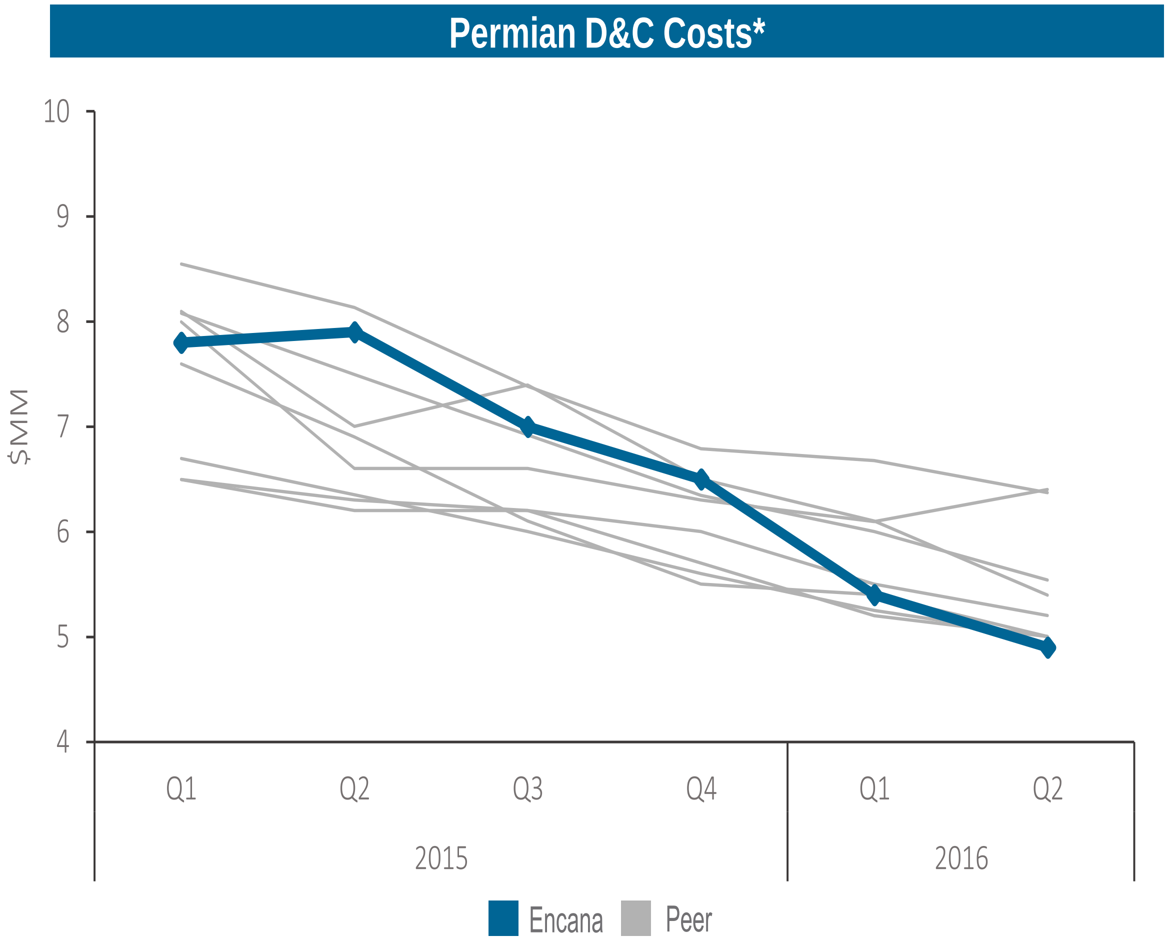


Leading D&C cost performance

*All D&C cost data sourced from peer public presentations, normalized to industry standard lengths (Permian 7,500', Eagle Ford 5,000', Montney 9,000', Duvernay 8,200')

LOWER COSTS FASTER

D&C Cost Momentum Continues to Build



- **~40% D&C cost reduction over 6 quarters**
- **Improving at a faster rate than peers**
  - Driven by innovation
- **Pacesetters become the new target**

*All D&C cost data sourced from peer public presentations; data normalized to 7,500'; Peers include: EGN, FANG, LPI, OXY, PE, PXD, QEP and RSPP

D&C COST REDUCTIONS SINCE 2014

Drivers of Success

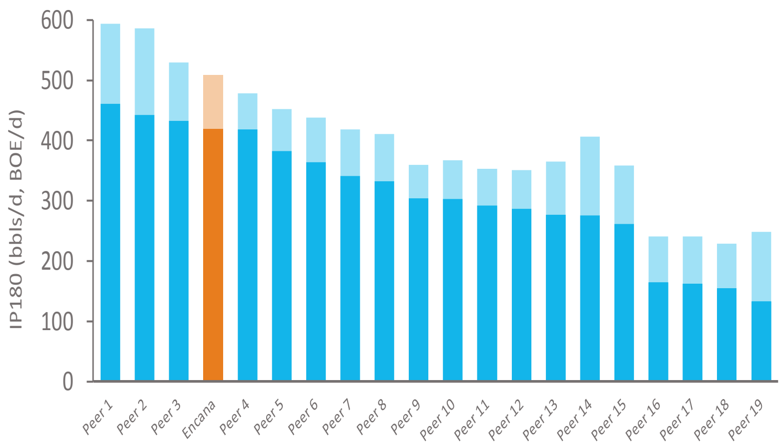
Drivers	% decrease	Key Accomplishments
Reduced drilling days	25%	Faster trip times & improved bit and motor design
Drilling design breakthroughs	20%	Simplified casing design, improved cementing programs
Increased pumping time per day	10%	Zipper fracs, reduced maintenance turnaround times
Completion design breakthroughs	10%	Dissolvable bridge plugs, reduced coil tubing interventions
Streamlined logistics	5%	Water infrastructure, sand boxes
Service cost reductions	30%	Unbundling services and competitive bidding

WELL PRODUCTIVITY

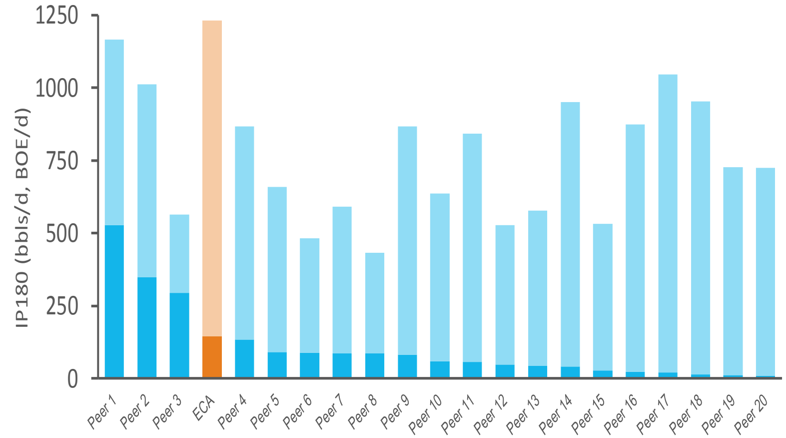
IP180 Well Performance

Gas (BOE/d)
Oil (bbls/d)
Encana

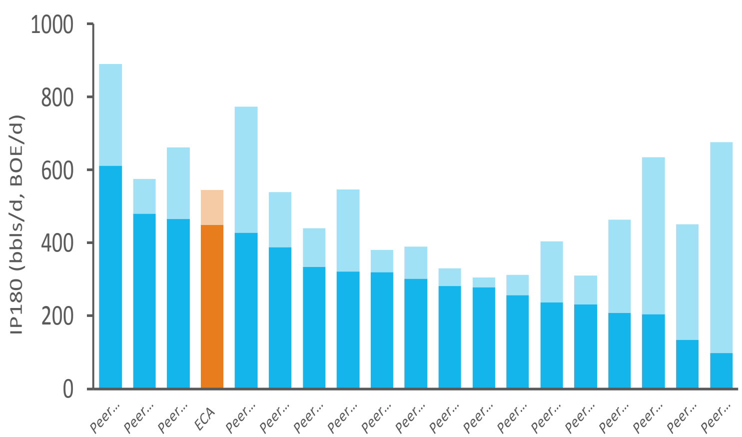
Permian



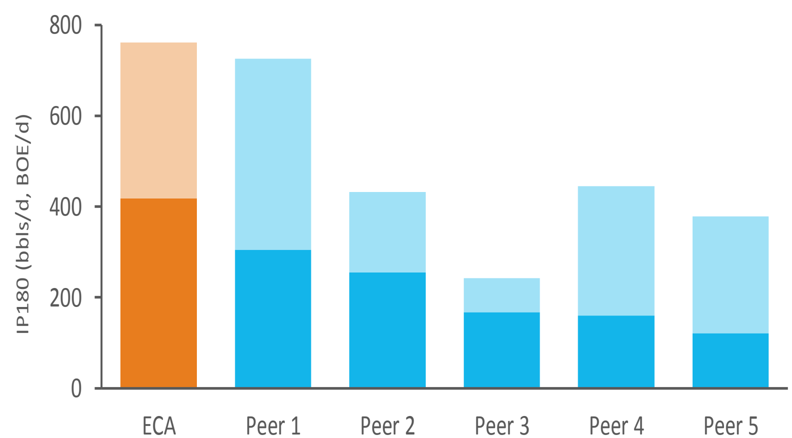
Montney*



Eagle Ford



Duvernay*

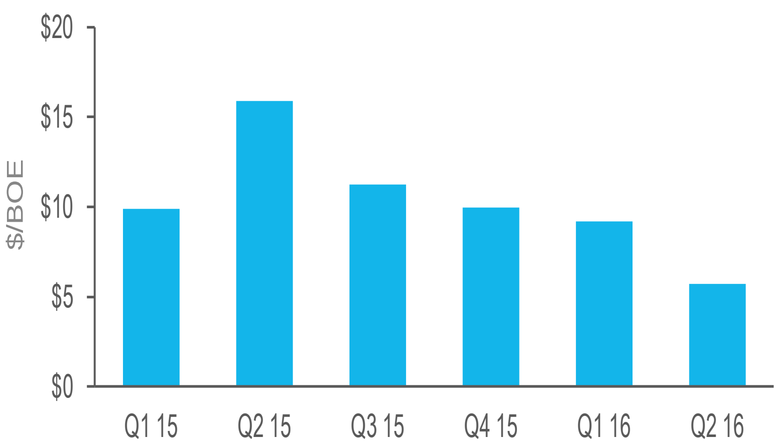


*Data sourced from RS Energy Group, raw data provided by geoSCOUT.

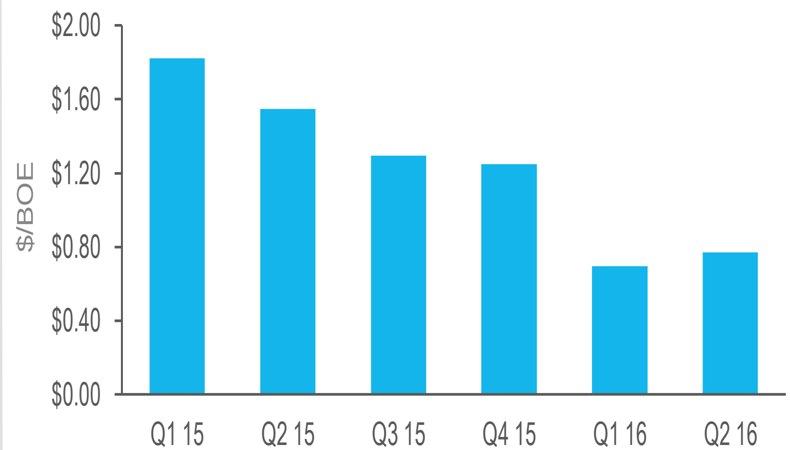
OPERATIONAL EXCELLENCE

Reducing Operating Costs

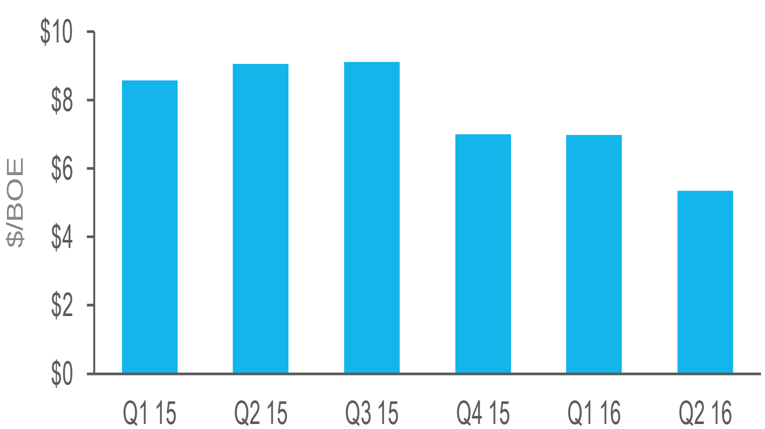
Permian



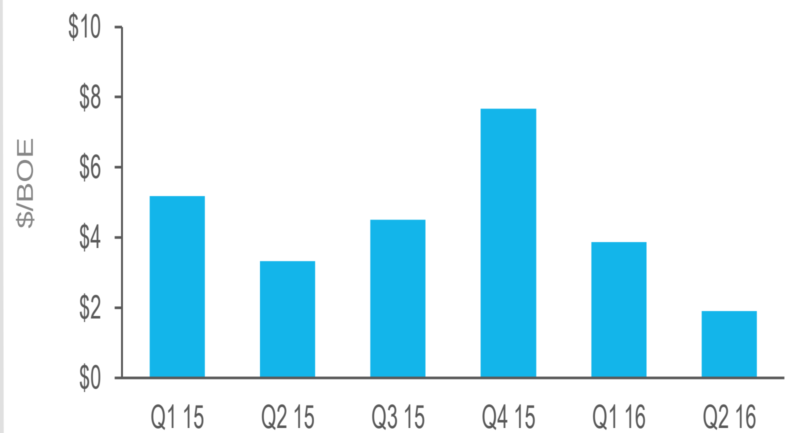
Montney



Eagle Ford



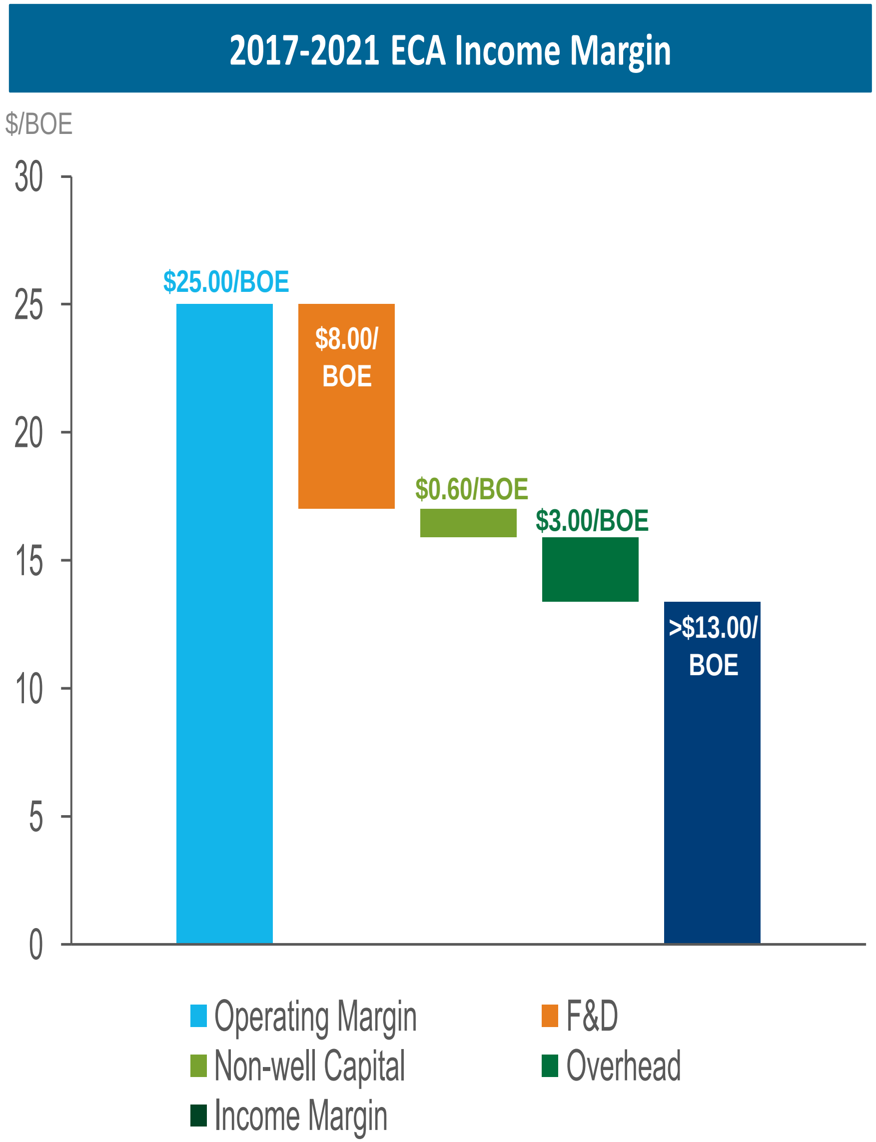
Duvernay



ENCANA INCOME MARGIN

All-In Profitability

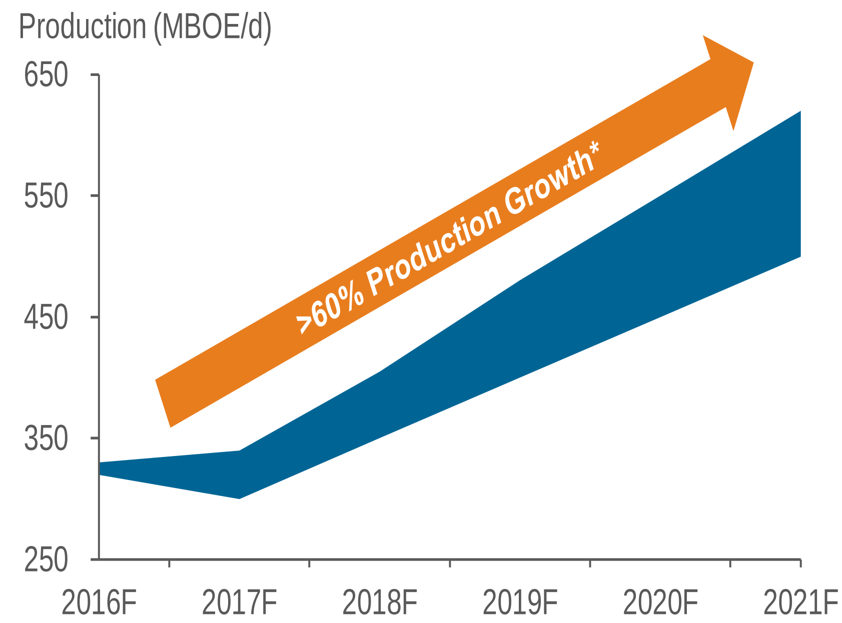
- **Premium returns at the corporate level**
  - Locations in the plan deliver an average of ~$25/BOE operating margin
  - NRI F&D ~$8.00/BOE
  - Non-well capital of $0.60/BOE
  - G&A and interest expense ~$3.00/BOE
  - Income margin at the corporate level of over $13.00/BOE

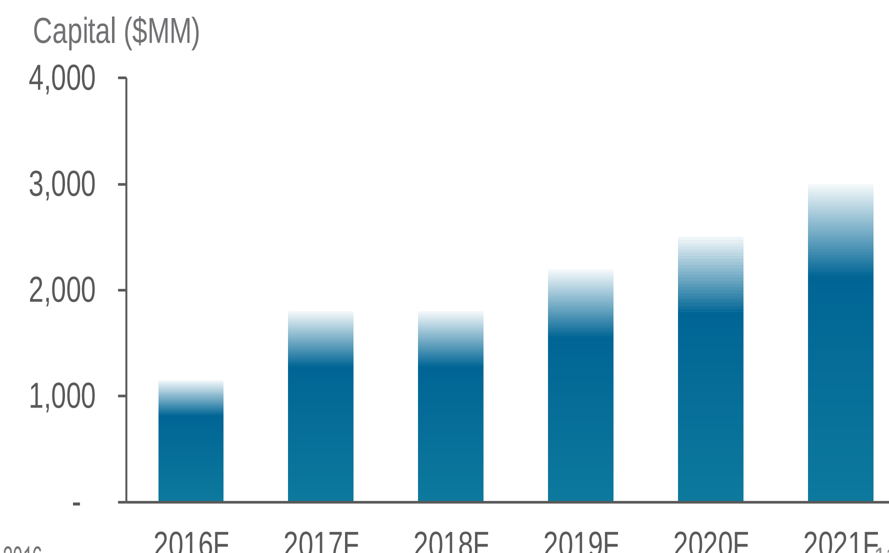


5 YEAR OUTLOOK

Self-Funding Post 2017

- Focus on high margin production
- Continuous improvement drives high returns
- Production growth of >60%*
- Leading D&C costs sets up self-funding post-2017





* Assumes flat $55/bbl WTI and $3/MMBtu NYMEX. 2016 production does not include volumes from assets divested in 2016.

ENCANA CORPORATION

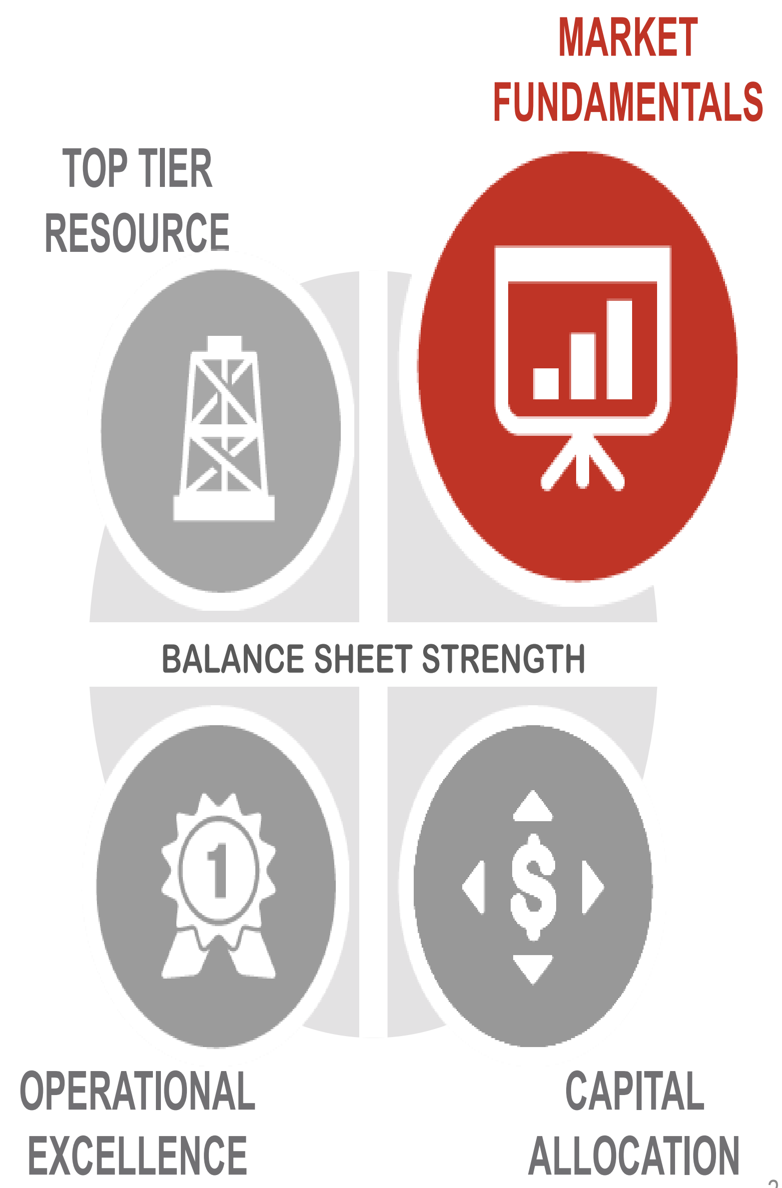
Market Access & Margin Expansion

Renee Zemljak
Executive Vice President, Midstream, Marketing & Fundamentals

ENCANA

Delivering Quality Returns

- **Leading growth**
  - >300% cash flow growth
- **World class assets**
  - 10,000 premium return inventory locations
- **Efficiency**
  - Focus on innovation to continuously improve capital and operating efficiency
- **Returns and margins**
  - Grow cash flow by expanding margins and allocating capital to assets that deliver strong corporate returns
- **Actively managed balance sheet**
  - Provides flexibility and funding capacity



DRIVING VALUE, EXPANDING MARGINS & DE-RISKING GROWTH

Strategic and Integrated Midstream and Marketing Approach

- **Detailed and proprietary analysis of all North American basins**
  - Integrated cross-functional team
  - Scenario-based with sensitivity analysis
  - Long term production profiles of all commodities
- **Market access and constraint risk analysis**
  - De-risk Encana's growth opportunities
  - Manage flow risk and optimize wellhead netback
- **Commercial focus delivers risk-adjusted value**
  - Structures designed to minimize commitments and maximize flexibility
  - Multiple transportation routes from plays and basins
  - Diversified portfolio of physical sales

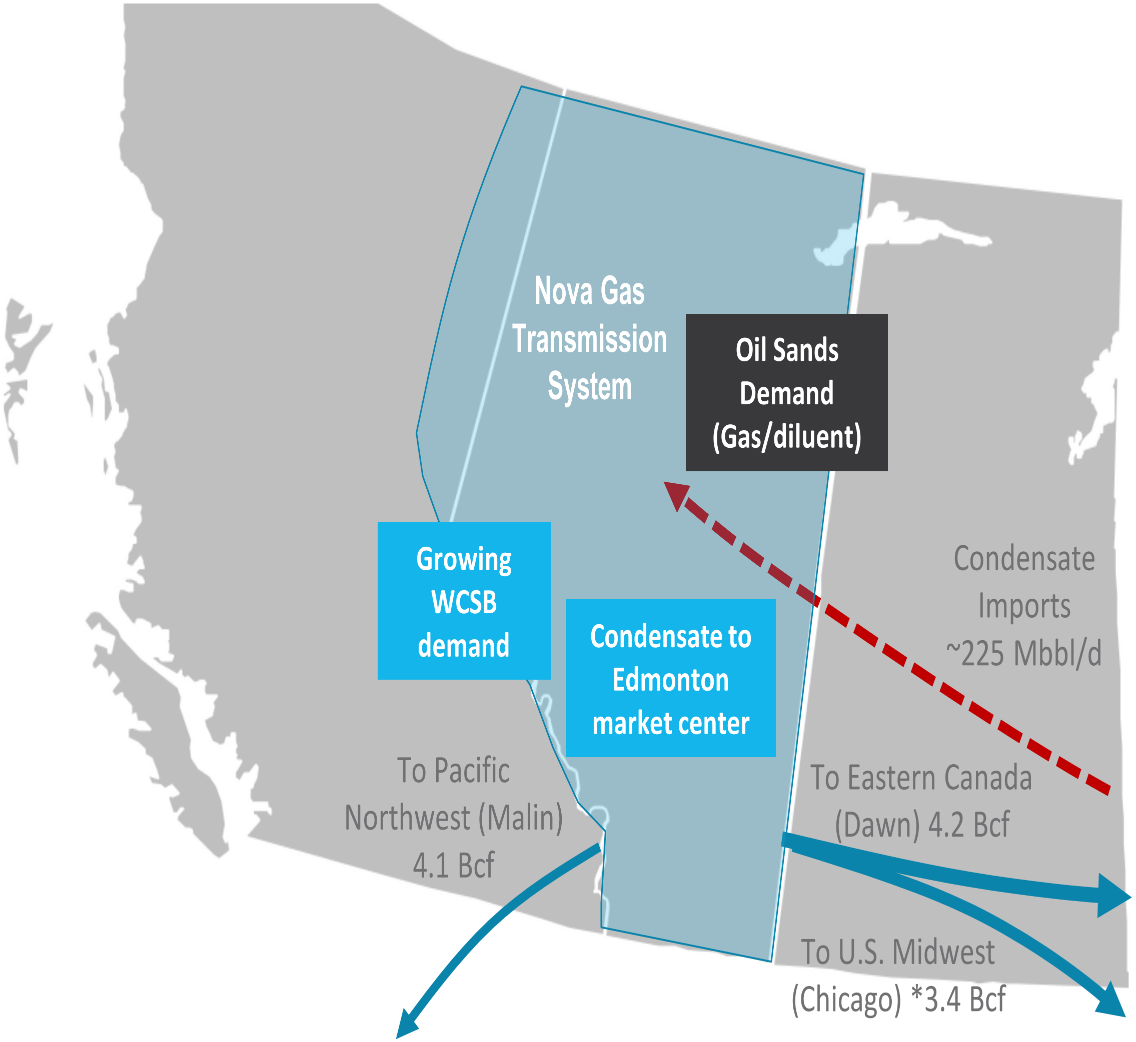
NORTH AMERICAN NATURAL GAS & OIL FUNDAMENTALS

Driving Value – Wellhead to Market

- **Value drivers for our Canadian assets**
  - AECO Pricing dynamics
  - Infrastructure connectivity and market access
  - WCSB Condensate market fundamentals
- **Key fundamentals related to our Texas assets**
  - Connectivity to market
  - Permian infrastructure development
- **Regional fundamentals and price risk mitigation**
  - AECO
  - Midland differential

WESTERN CANADIAN MARKET FUNDAMENTALS

Natural Gas Export Basin – Premium Condensate Market



Western Canadian Sedimentary Basin (WCSB)

- ~15 Bcf/d of natural gas production
- ~5.5 Bcf/d of regional demand
- 500 Bcf of working storage
- 11.7 Bcf of gas export capacity
- ~225 Mbbl/d condensate production
- ~450 Mbbl/d condensate demand

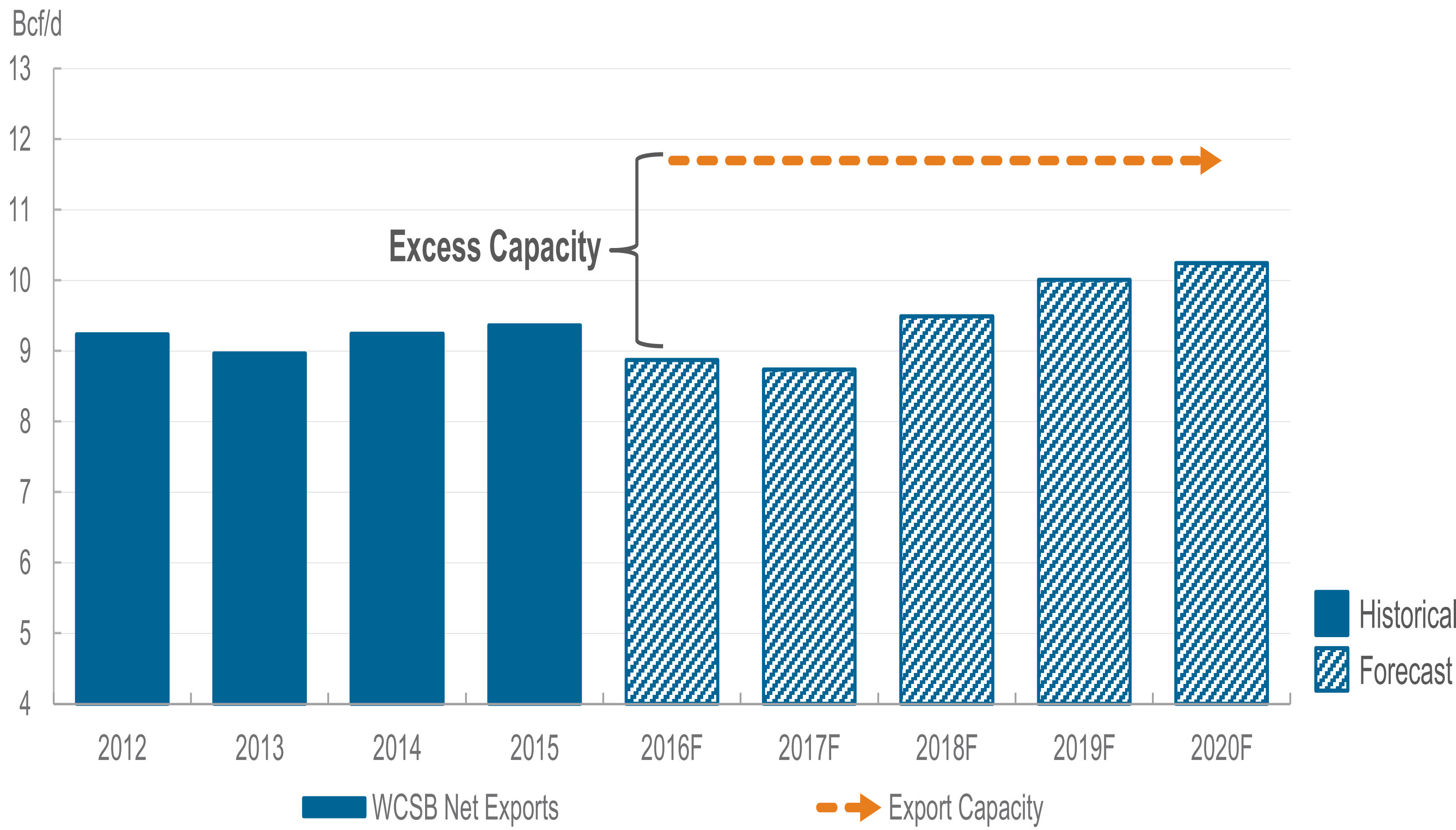
Natural Gas Export Pipeline

Condensate Import Pipeline

Source: Encana Fundamentals, RBC Capital Markets, Various Pipeline Postings; *Net Effective Capacity (Bakken Access)

WESTERN CANADIAN NATURAL GAS FUNDAMENTALS

Required Exports - Existing Infrastructure More than Sufficient for Growth

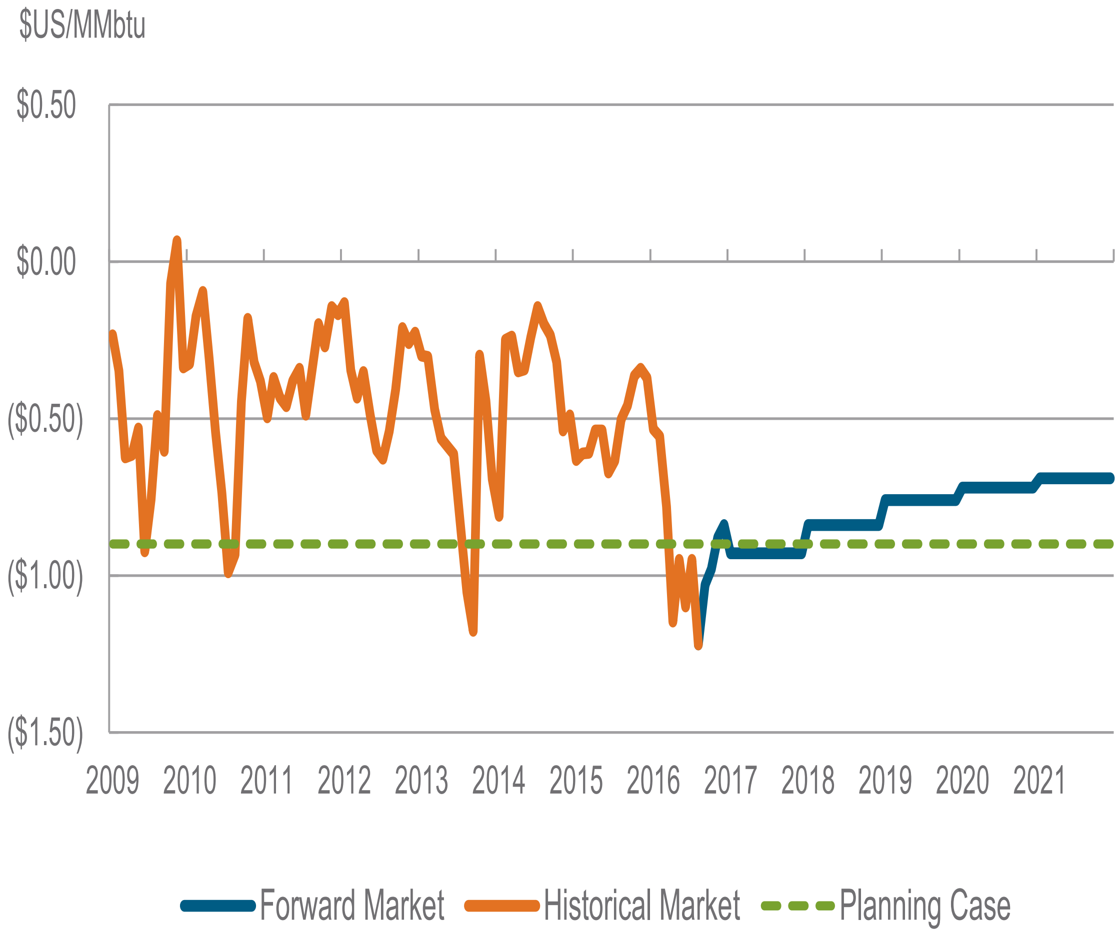


Available capacity exceeds required exports throughout the forecast period

Source: Encana Fundamentals, IHS

WESTERN CANADIAN NATURAL GAS FUNDAMENTALS

AECO Basis - Forward Market Trends Toward Historical Levels

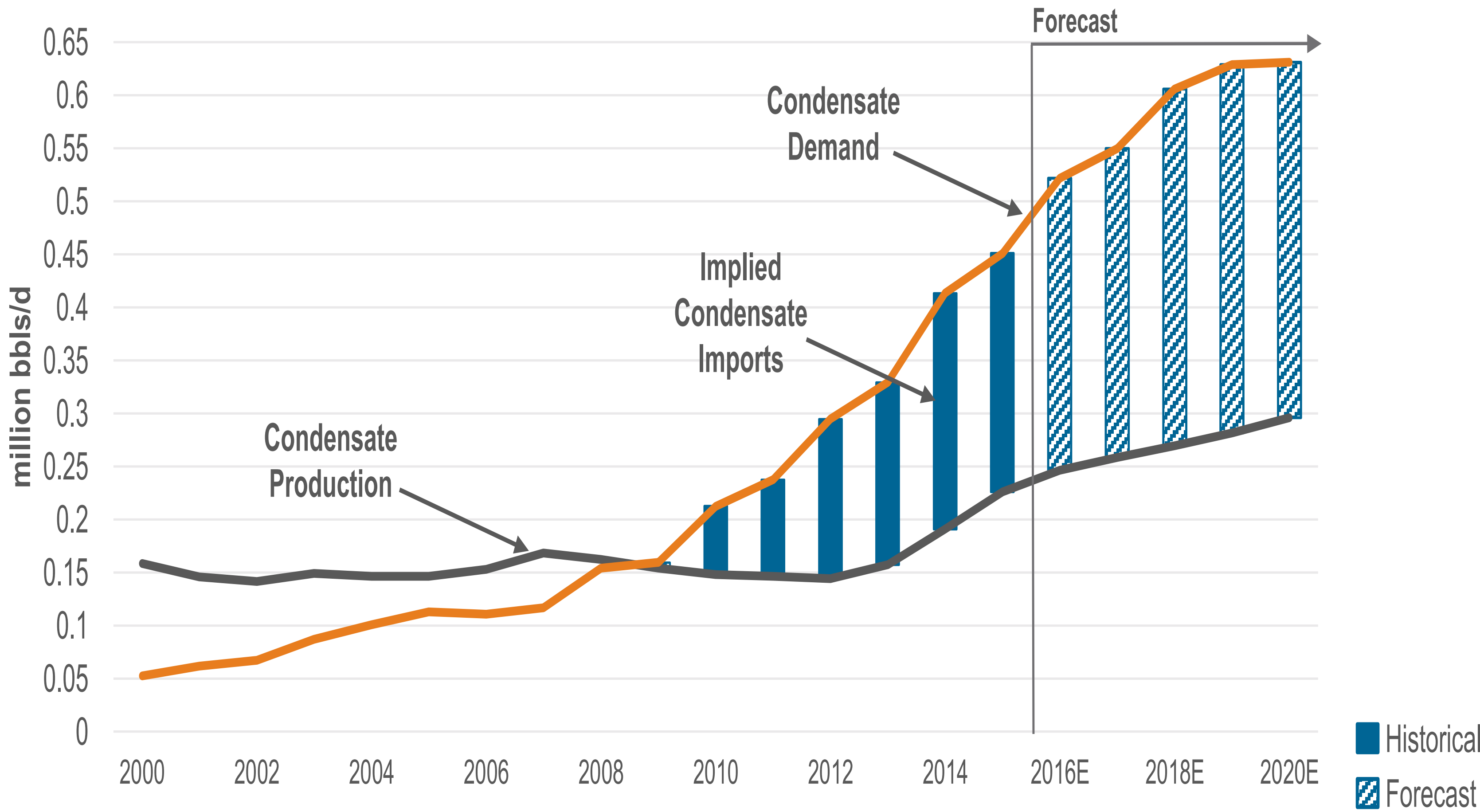


- AECO basis has averaged ~$(0.50) from 2009 through the present
- Current market dramatically affected by winter 2015-2016 (one of the warmest on record)
- Market sees a gradual tightening toward more historical levels
- Encana planning case reflects conservative scenario $(0.90)

Source: Encana Fundamentals, NGX, CME Group

WESTERN CANADIAN CONDENSATE FUNDAMENTALS

Premium Condensate Market

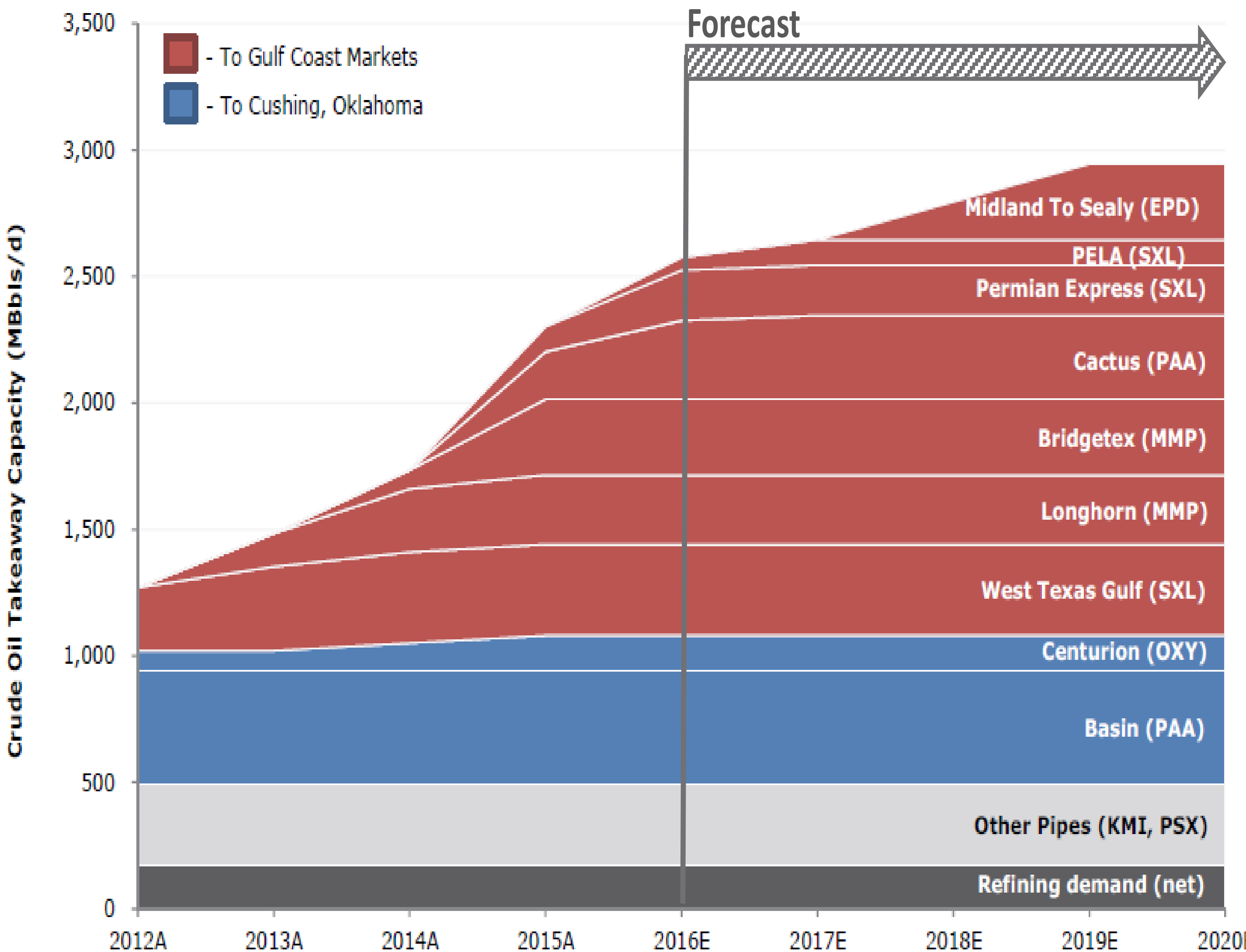


Condensate demand in Western Canada is expected to outstrip indigenous supply – with imports bridging the gap

Source: RBC Capital Markets and Government Data

PERMIAN BASIN FUNDAMENTALS

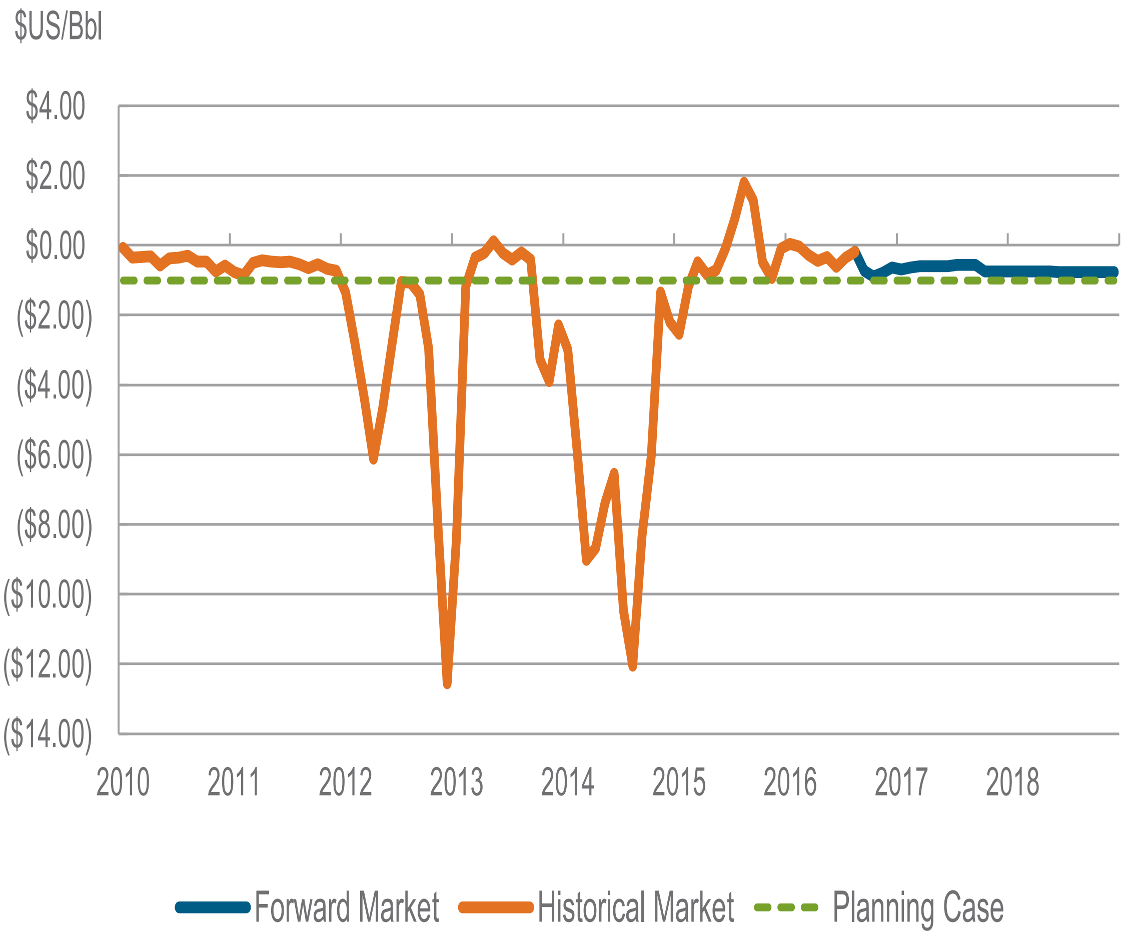
Past & Future Pipeline Capacity Expansions Align with Growth



Source: Wells Fargo Securities

MIDLAND DIFFERENTIAL

Basis Reconnects on Infrastructure Development



- Midland basis historically maintained a close connection to WTI
- Infrastructure additions have paced supply since late 2014 yielding a differential in line with historical norms
- The market is expecting pipeline development to continue to keep pace with future growth

Source: Encana Fundamentals, CME Group

DRIVING VALUE, EXPANDING MARGINS & DE-RISKING GROWTH

Summary of Midstream and Marketing Focus

- **Ensure market access**
  - Creation of flexible and reliable midstream strategies and transactions
  - Maintain diversified sales portfolio (including physical and synthetic transportation)
- **Maximize price realizations**
  - Netback optimization, active management of sales portfolio
  - Financial price risk mitigation (active basis and benchmark price hedge programs)
- **Support growth objectives, maintain capital flexibility**
  - Minimize commitments in order to yield capex flexibility
  - Risk management program reduces cash flow volatility and manages balance sheet risk

ENCANA CORPORATION

Permian Basin

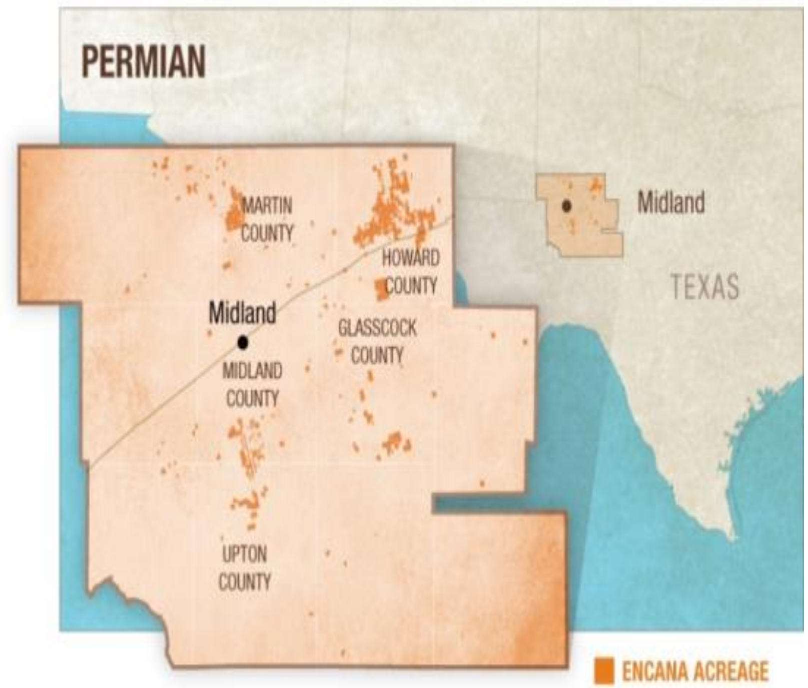
Jeff Balmer, PhD

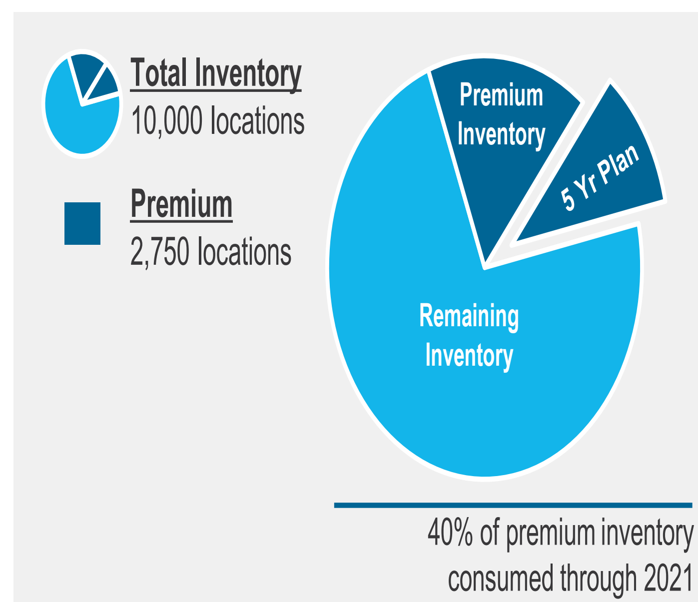
Vice-President & General Manager, Area Operations

PREMIER NORTH AMERICAN BASIN

Permian Basin

- **Core acreage within top quality basin**
  - Acreage situated in northern/central sweet spot of the Midland Basin
  - Productive intervals spanning over 5,000' of stratigraphy
- **D&C cost leader**
  - D&C costs down from >$8 MM to less than $5 MM since entering the basin
  - Performing amongst the top operators
- **Highly productive wells**
  - Top tier well performance
- **Innovation at work**
  - Proving up multiple benches/stack
  - Pushing the envelope on completions design/spacing
- **Operating performance**
  - Operating costs down 35% since entering the basin
  - <$3.00/BOE for Hz wells

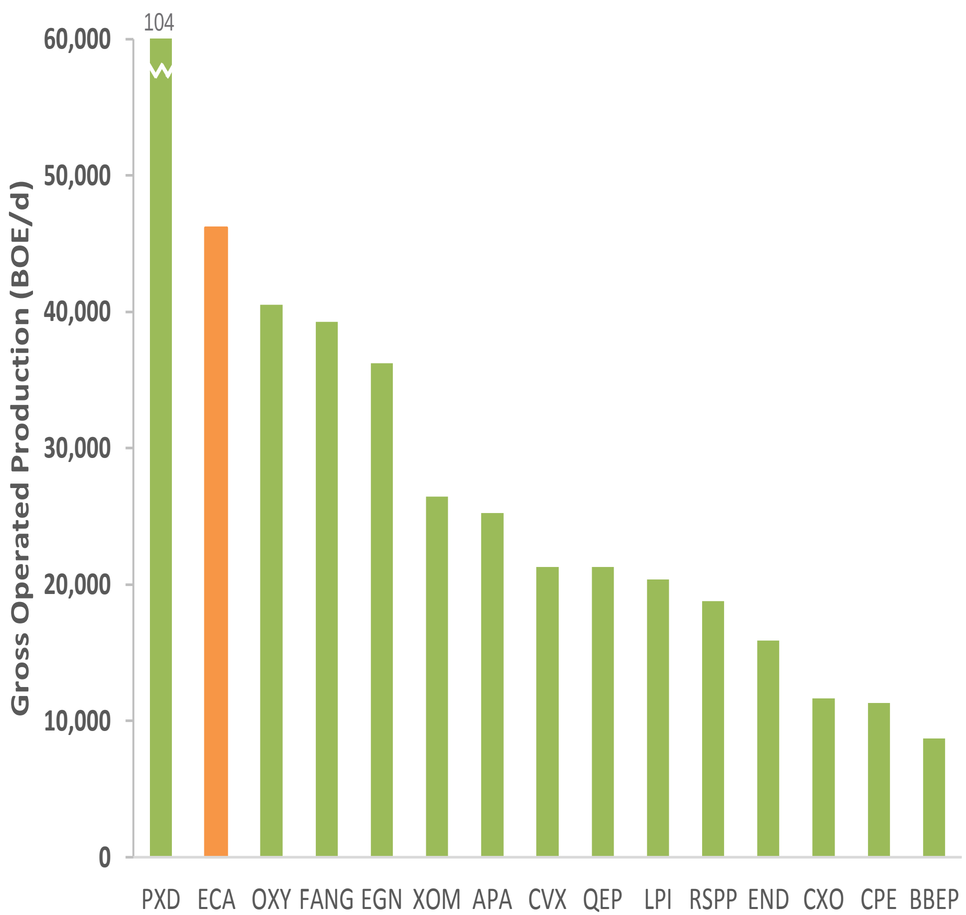




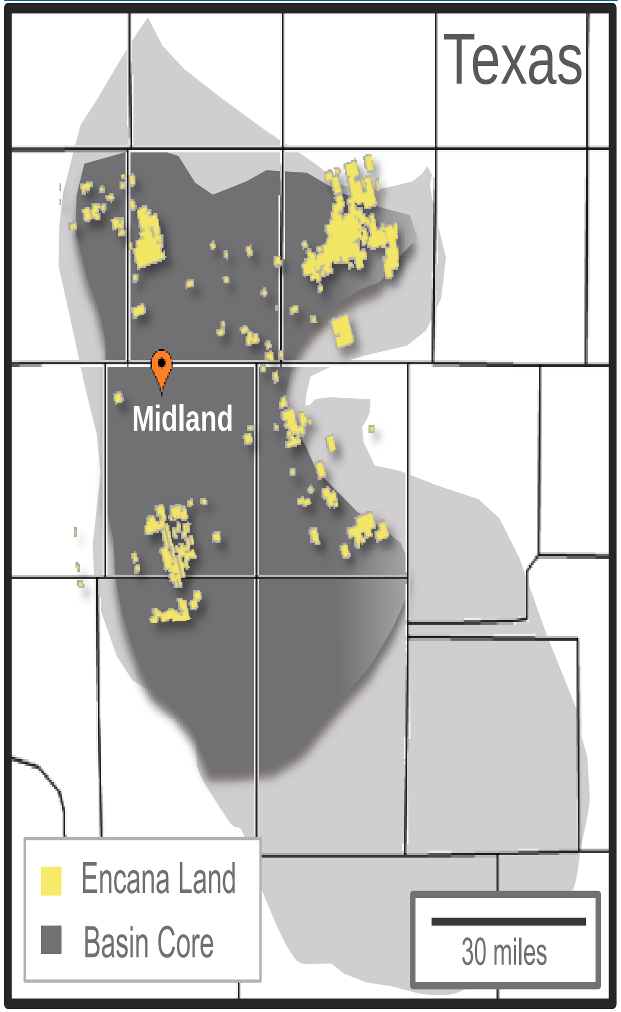
ENCANA IS THE 2nd LARGEST PRODUCER

Core Midland Basin Producers at a Glance

Encana Gross Production vs Peers



Midland Basin



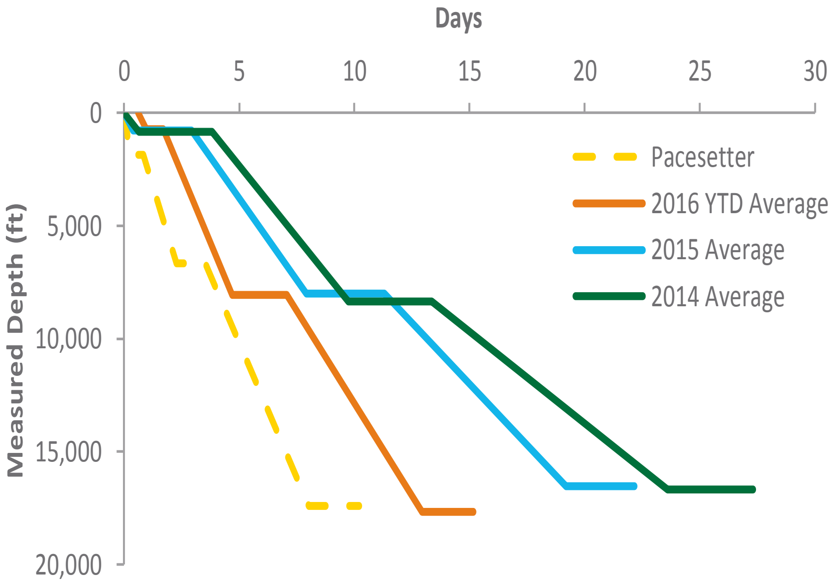
Source: Drilling Info, Inc., all production from Glasscock, Howard, Midland and Martin

PERMIAN CAPITAL EFFICIENCY

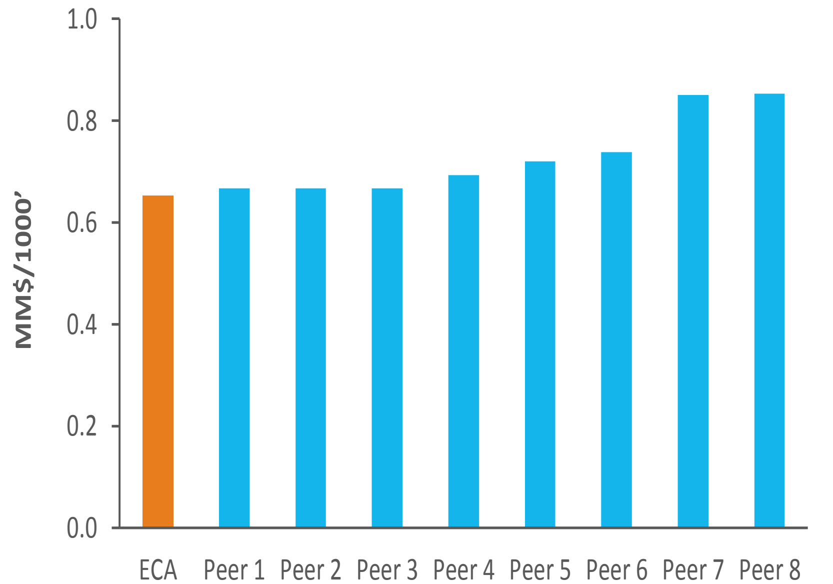
Better Wells For Lower Costs

- **Current D&C well costs of $4.9 MM/well**
  - Down from >$8MM/well since entering the basin
  - Performing amongst the top operators
- **45% reduction in drilling days**
  - Mud system improvements
  - Shortened intermediate casing string
  - More efficient bottom hole assemblies and mud motors
  - Advanced survey tools

Drilling Days vs Depth



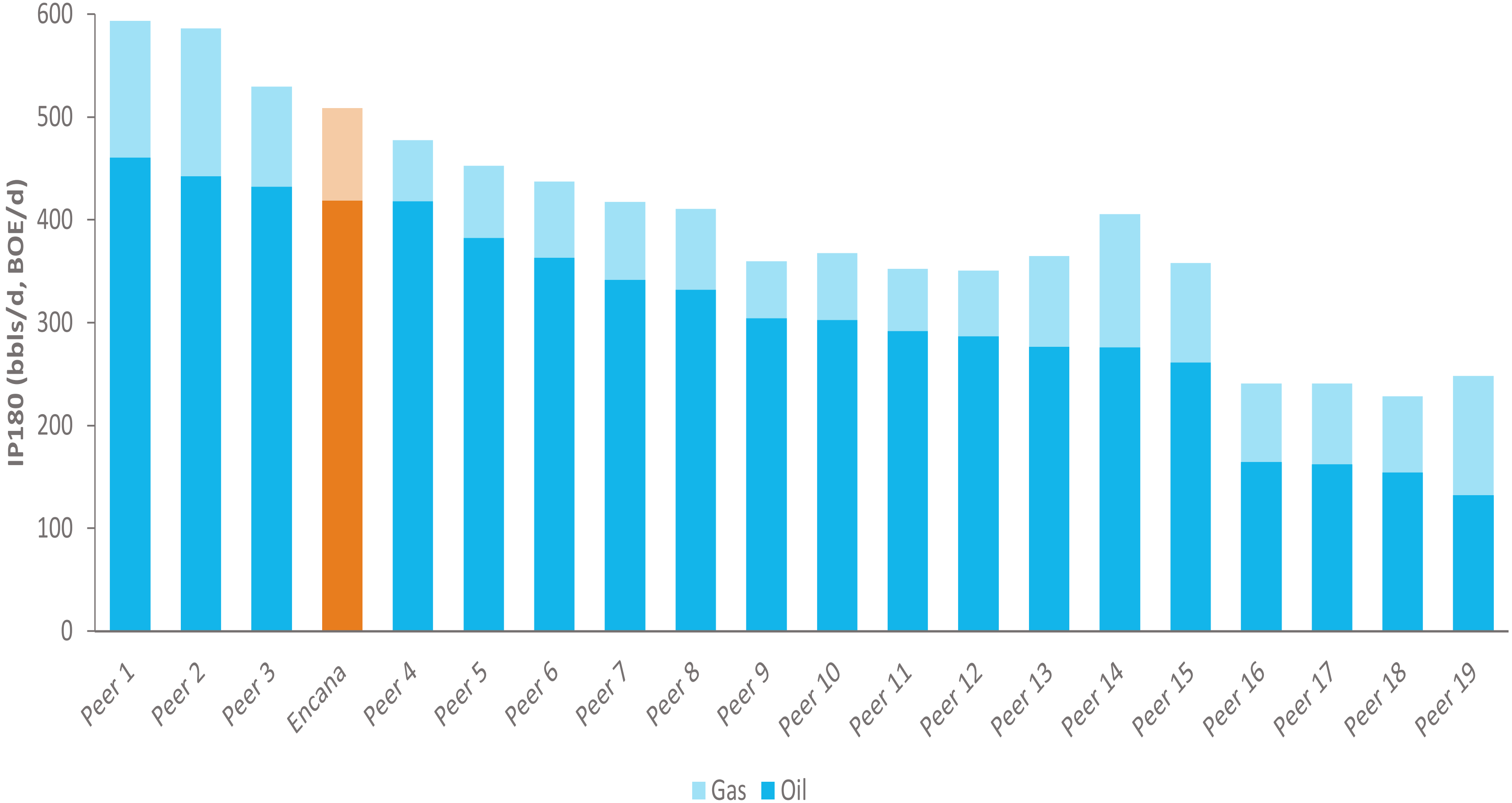
Normalized D&C Cost/1,000' vs Peers**



*Normalized to 7,500'. **Data sourced from latest peer IR presentations. Peers include APA, CPE, FANG, LPI, OXY, PE, PXD, QEP, RSPP, and SM

WELL PRODUCTIVITY

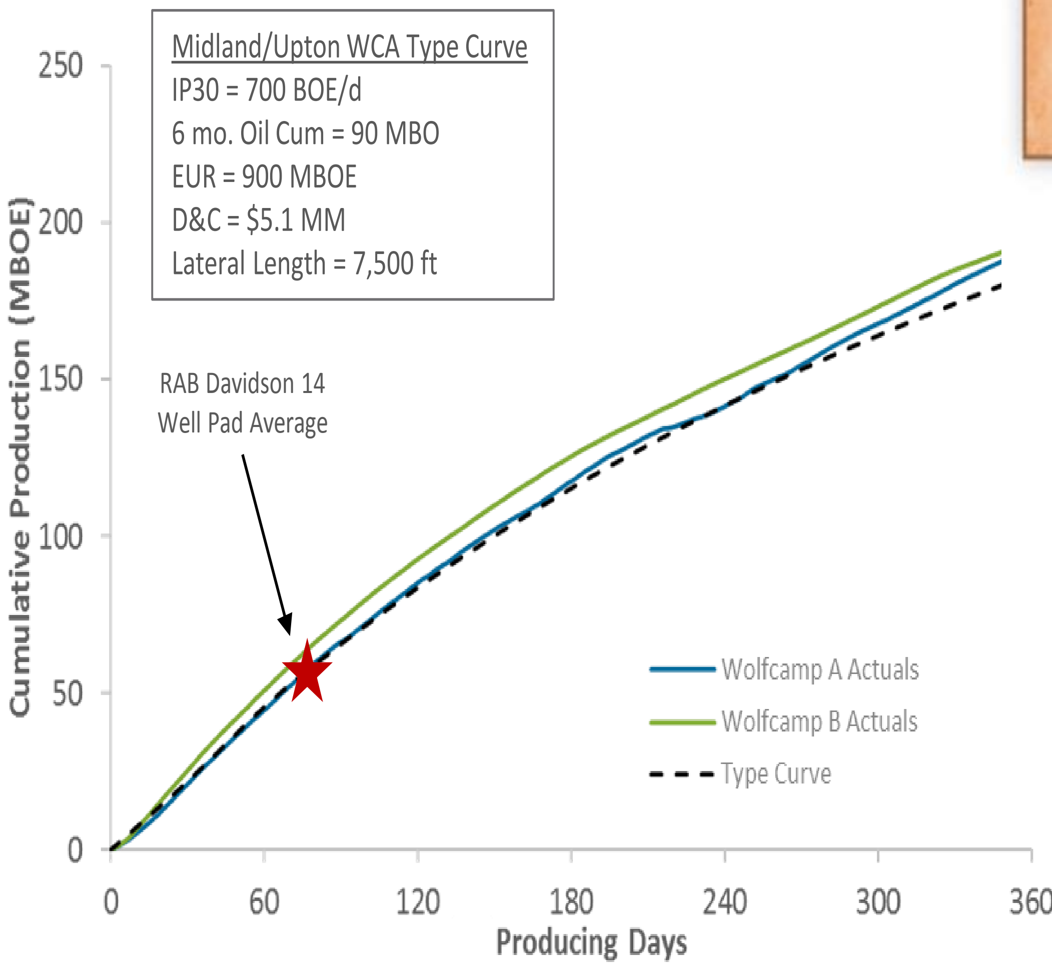
Encana Wells Outpacing Peer Results

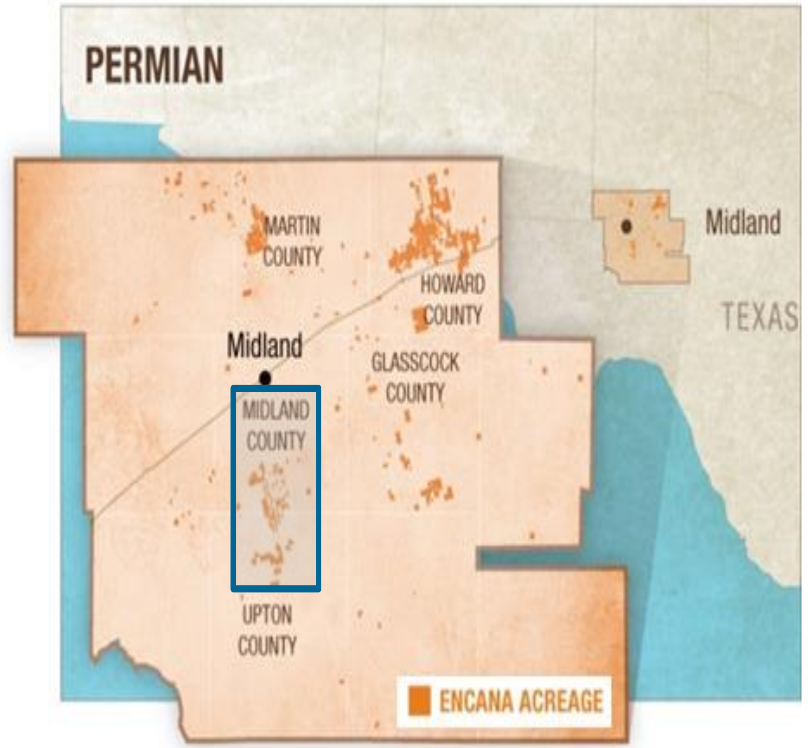


Data sourced from IHS, Inc. Results normalized to 7,500', includes all data from 2014 onward. Peers include APA, AREX, CPE, CVX, CXO, DVN, EGN, END, EOG, EPE, FANG, LPI, OXY, PE, PXD, QEP, RSPP, SM, and XOM

WOLFCAMP

Midland/Upton County





Type Well Metrics – ECA Net	
Atax IRR (%)	50%
Operating Margin ($/BOE)	$30

All metrics based on $3.0/MMBtu NYMEX, $55/bbl WTI

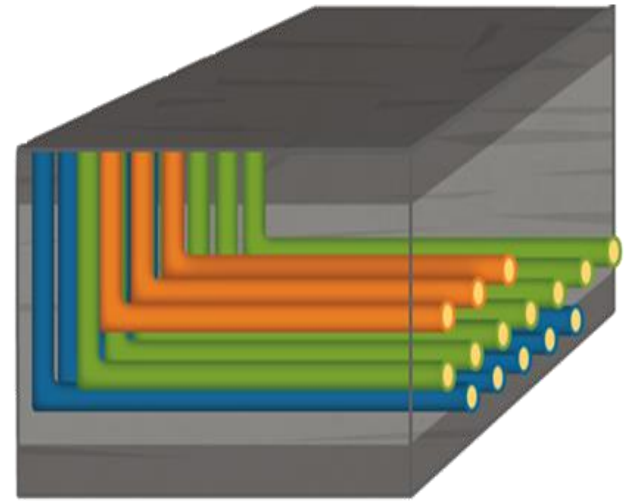
INNOVATION SUCCESS

Large Scale Pad Development

- **$1.2 MM/well savings from pad development**
  - Shared well site facilities
  - Minimized surface footprint
  - Reduced non-productive time
  - Logistical efficiencies
- **Accelerated drilling learning curve**
- **Increased completion intensity**
- **Eliminate future in-fill drilling**
  - Drain the basin without drilling through depleted reservoir
  - Minimize interruptions on producing wells

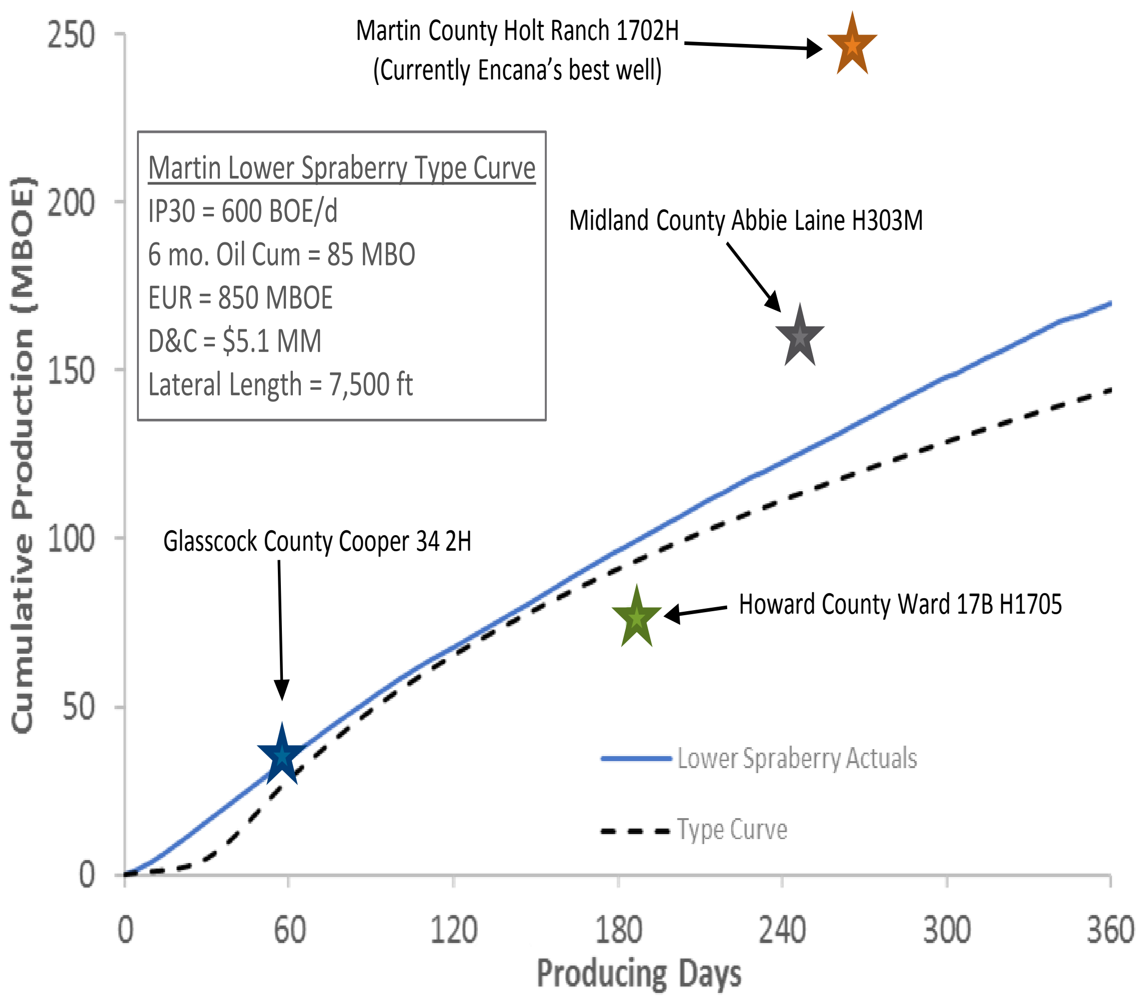
Davidson Pad Project Stats	
Well Count	14
Target Zone	Wolfcamp
Average Spud-RR	16.4 days
Average Lateral Length	8,630 ft
Average Completion	1,500 ppf, 2,000 gal/ft
Average D&C Cost	$5.7 MM
Pad spud to first production	120 days

Davidson 14-well Pad Representation



LOWER SPRABERRY

Martin, Midland/Upton, Howard, Glasscock



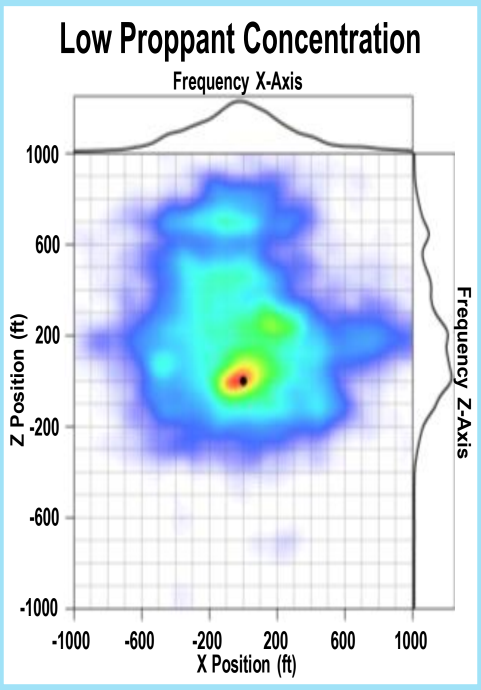
Type Well Metrics – ECA Net	
Atax IRR (%)	45%
Operating Margin ($/BOE)	$30

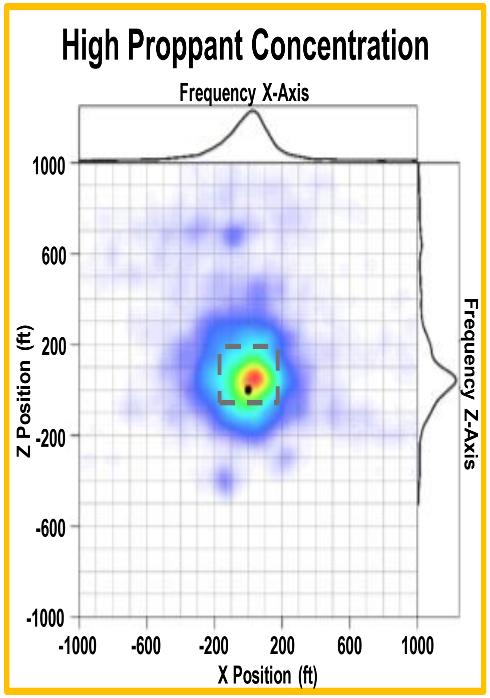
All metrics based on $3.0/MMBtu NYMEX, $55/bbl WTI

INNOVATION SUCCESS

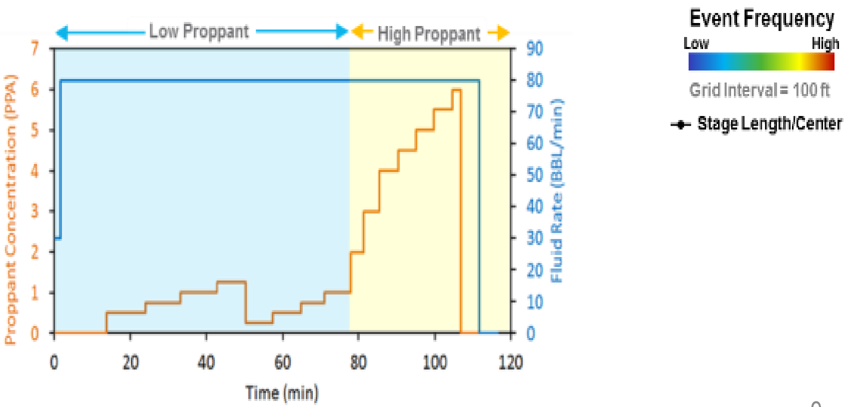
Identifying Optimal Completion Design and Geometry

- **Microseismic work identified optimal completion intensity**
- **Low proppant completions inefficiently stimulate a large area**
- **High proppant completions maximizes wellbore conductivity**
  - Better ultimate recovery
  - Less interference between wells





Lower Well Costs
and
Better Ultimate Recovery



EXPANDING MARGINS

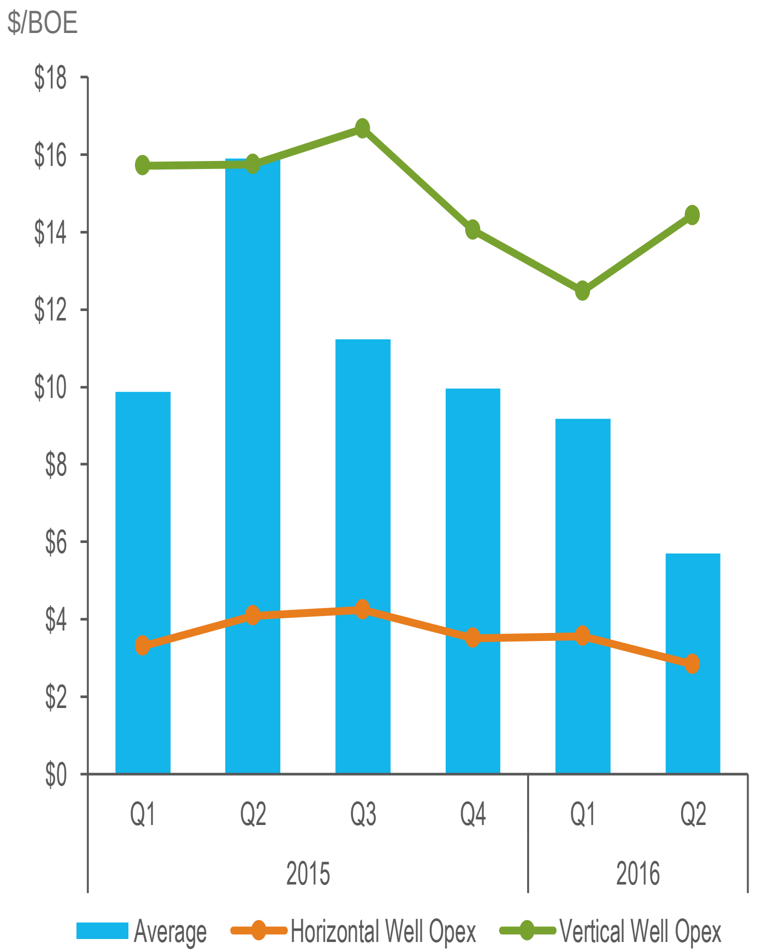
Reducing Operating Costs

- **Improving efficiencies**
  - Company-wide effort
  - Accountability at the operator level
- **Working smarter**
  - >80% of produced water on pipe
  - >70% of production on remote monitoring and control
- **Negotiating the best price**

~40%

Improvement in operating costs

Permian Operating Cost Reductions



INNOVATION SUCCESS

Water Integration and Recycling

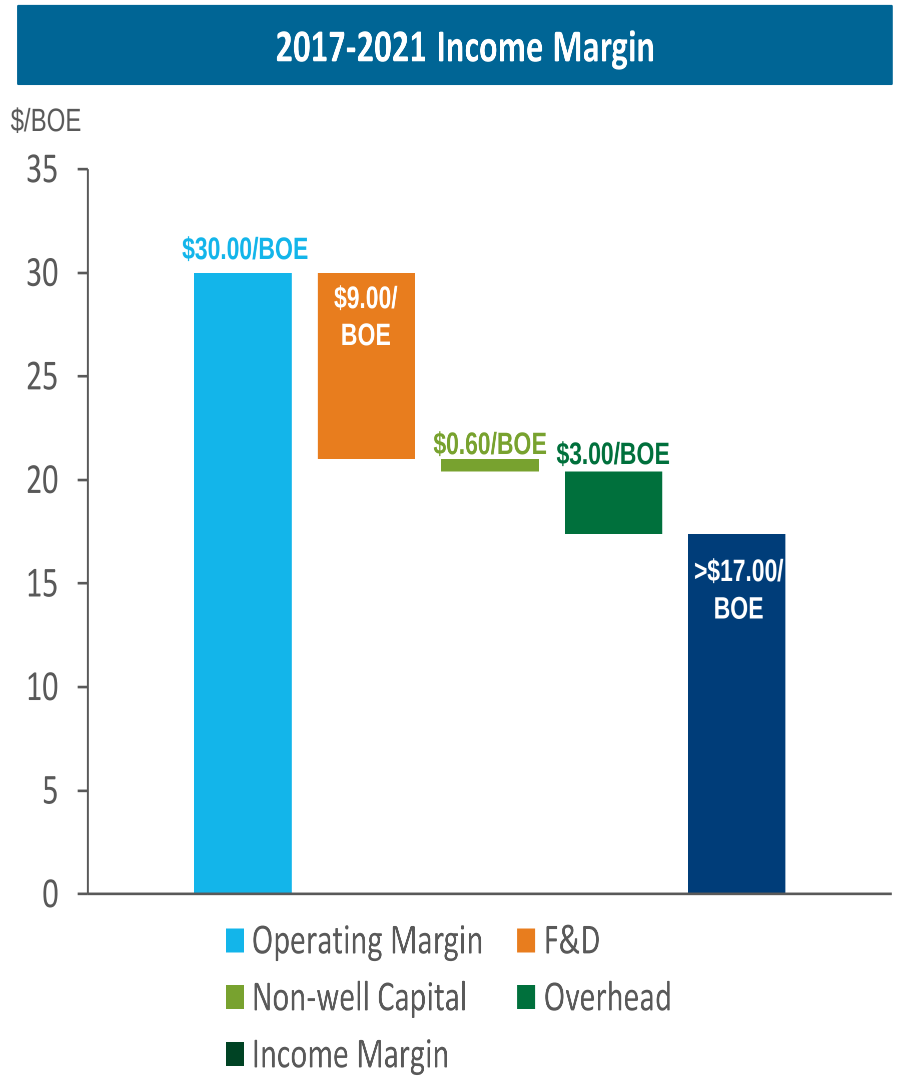
- **Self sufficient water supply**
  - Reduced dependency on third-party water supply
  - Flexibility to support development schedules
  - Reduced well costs and operating expense
- **Recycling pilots completed to determine optimal design**
  - 3-well pad in Martin County
  - 17% of water recycled during completions
  - Up to 25,000 barrels of water per day

Portable Water Treatment Plant

PERMIAN INCOME MARGIN

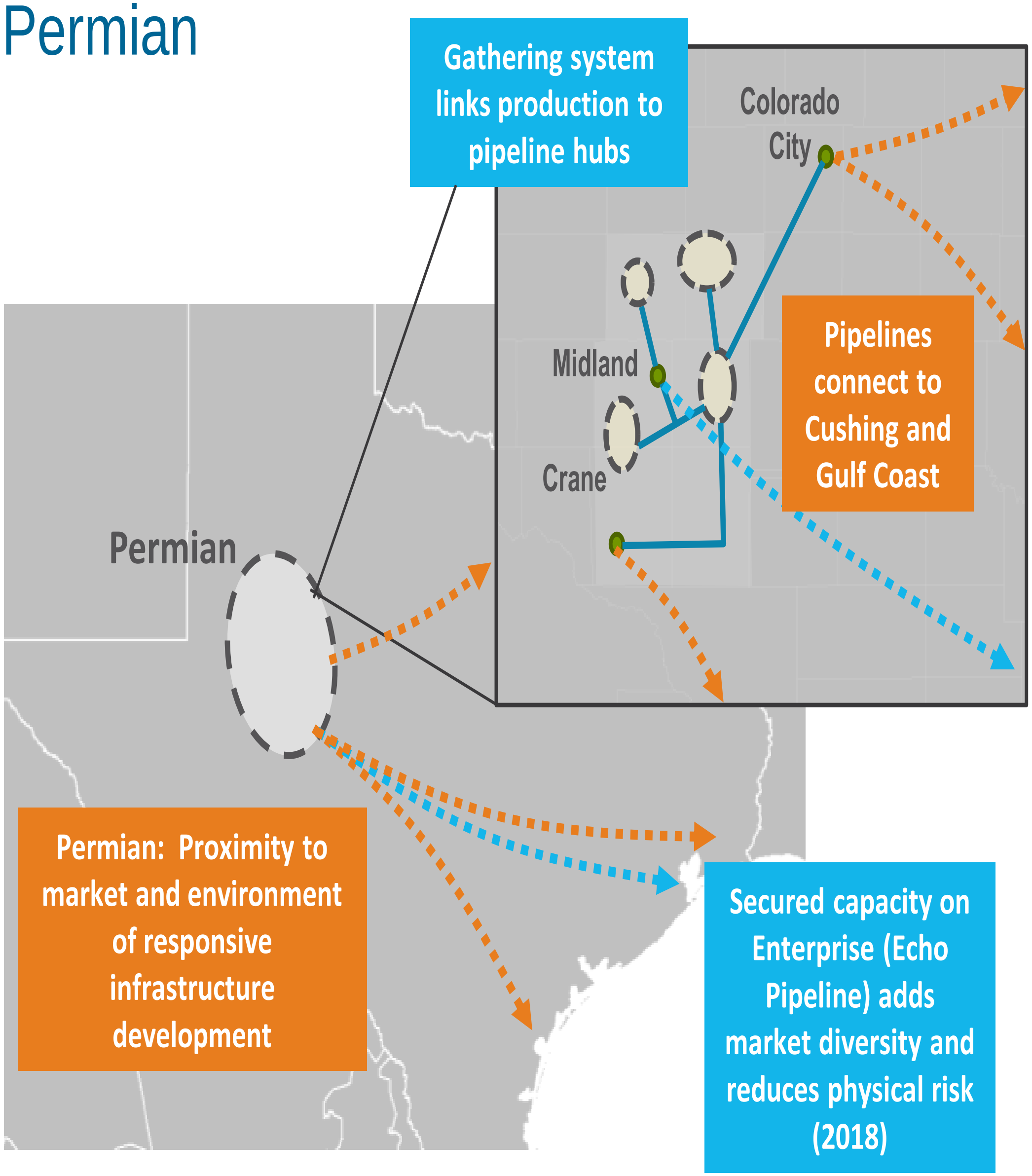
All-In Profitability

- **Premium returns at the corporate level**
  - Locations in the Permian deliver ~$30/BOE operating margin
  - NRI F&D ~$9.00/BOE
  - Non-well capital of $0.60/BOE
  - G&A and interest expense ~$3.00/BOE
  - Permian income margin at the corporate level of over $17.00/BOE



MIDSTREAM AND MARKETING OVERVIEW

Permian

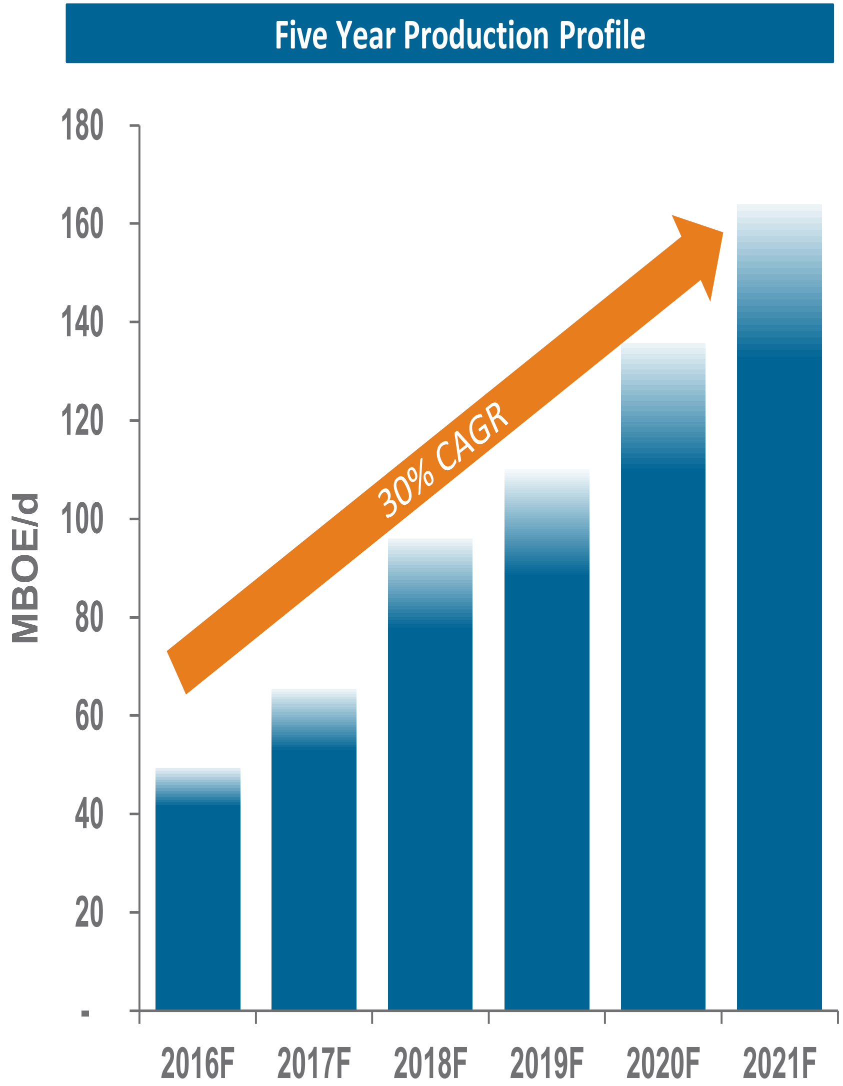


- Majority of oil production gathered via pipeline with access to multiple physical markets
- Firm gas gathering and NGL processing with access to WAHA and Mt. Bellvieu markets
- Secured firm, low-cost pipeline capacity to Gulf Coast refining/export markets (Enterprise Echo Pipeline 2018)
- No take or pay commitments

ENCANA PERMIAN

5 Year Growth Profile

- >50% of Encana's capital directed to the Permian
- Permian production expected to grow 3-4x
  - 5 year CAGR 30%
- Quality inventory with scale
- No infrastructure or midstream limitations
- Minimal vertical program



ENCANA CORPORATION

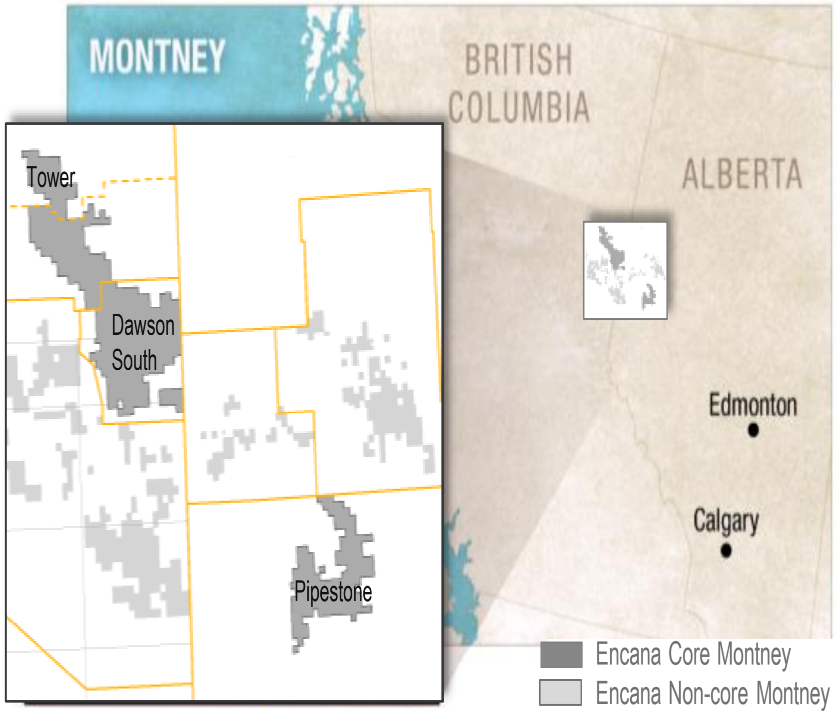
Montney

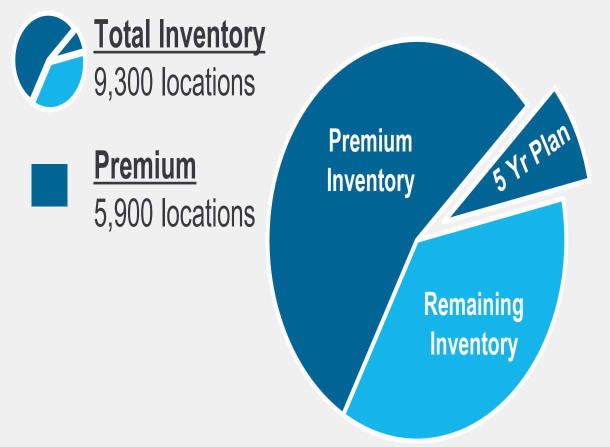
Jim Roberts
Vice-President & General Manager, Northern Operations

ENCANA IN THE MONTNEY

A Premier North American Play

- **Encana's Montney is a condensate play**
  - 5,900 premium condensate-rich inventory*
- **Stacked horizontal development**
  - Over 1,000' of pay, up to 6 stacked horizons
- **5 year growth plan**
  - Increase margins through condensate growth
    - Grow liquids to >50,000 bbls/d by end of 2018
    - 30% liquids CAGR through 2021
  - Consuming 15% of premium wells through 2021
- **Basin leading operator**
  - Largest producer in the Montney
  - Top well performance
  - Most efficient operator with track record of innovation
  - Longest laterals with highest completion intensity





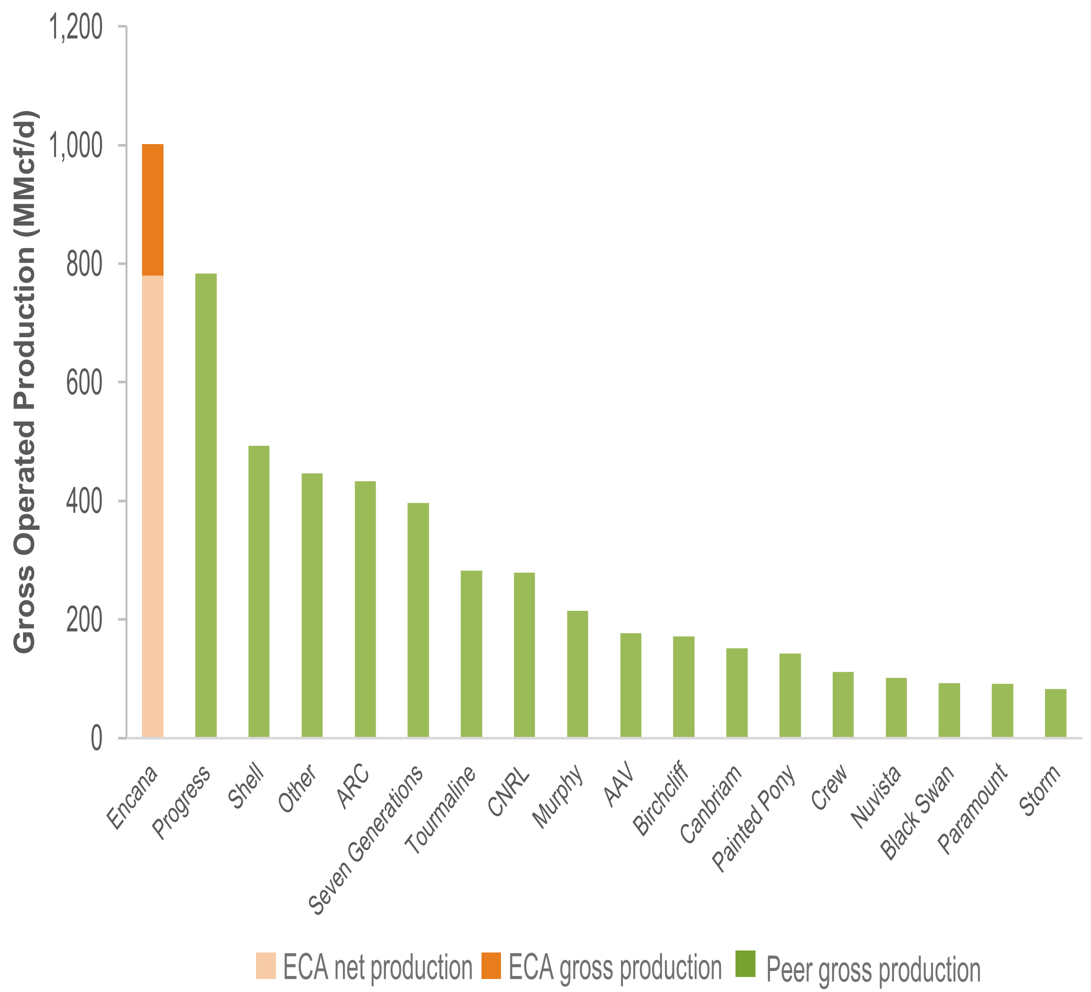
15% of premium inventory consumed through 2021

*Estimated inventory based on 440 - 880 ft spacing

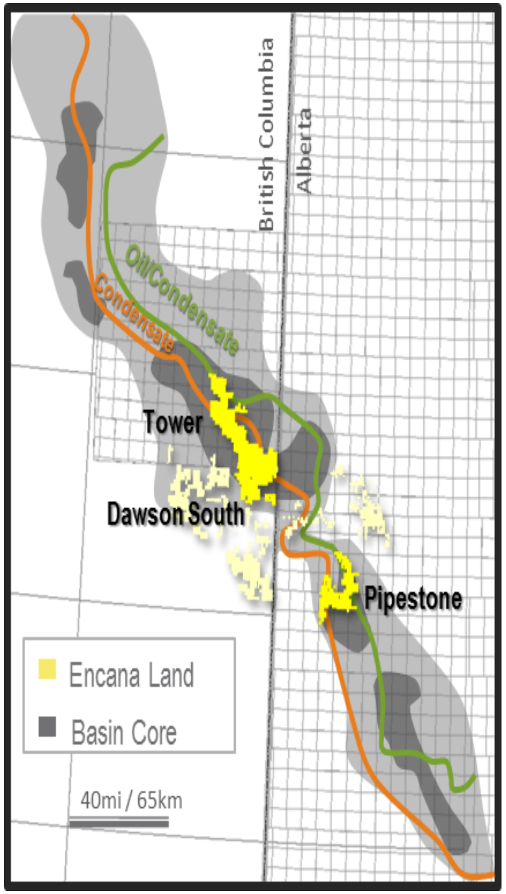
ENCANA IS THE LARGEST MONTNEY PRODUCER

Montney Producers at a Glance

Gross Production vs Peers



Montney



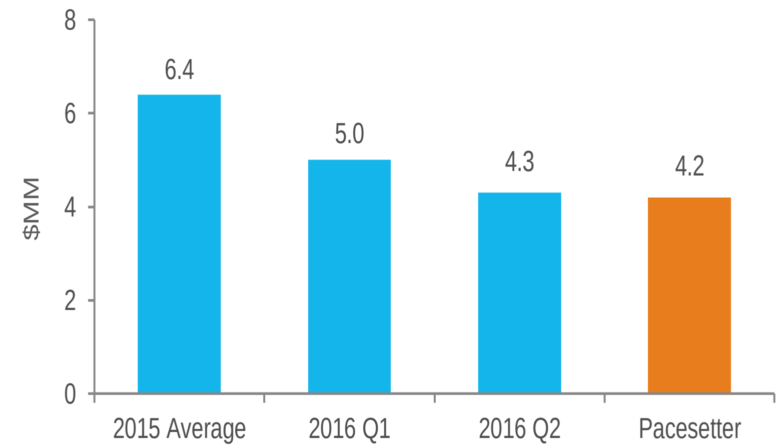
Source : Industry data

CONTINOUS IMPROVEMENT

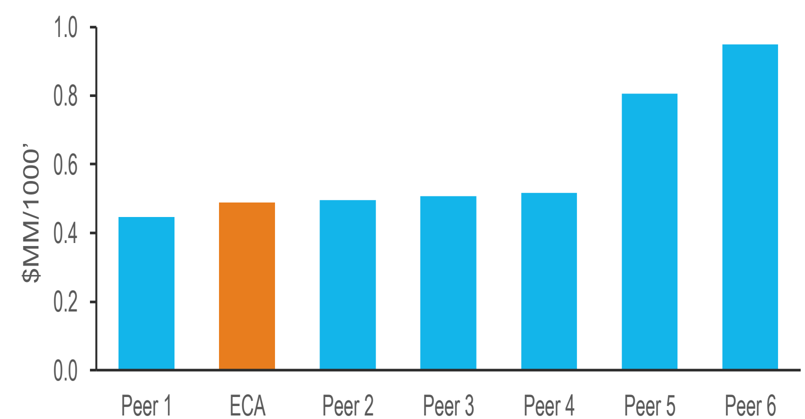
Reducing Drilling & Completion Costs

- **Significant reduction in drilling & completion costs**
  - New bit designs
  - Increased lateral drilling efficiencies
  - 30% reduction in cycle time
  - Domestic frac sand reducing costs ~55%
- **Vendor cost reductions**
  - 3.5% of the total well costs in 2016
  - Revised rig contracts to reduce 2017 costs by $150k per well

Quarterly D&C Performance*



Peer D&C Costs

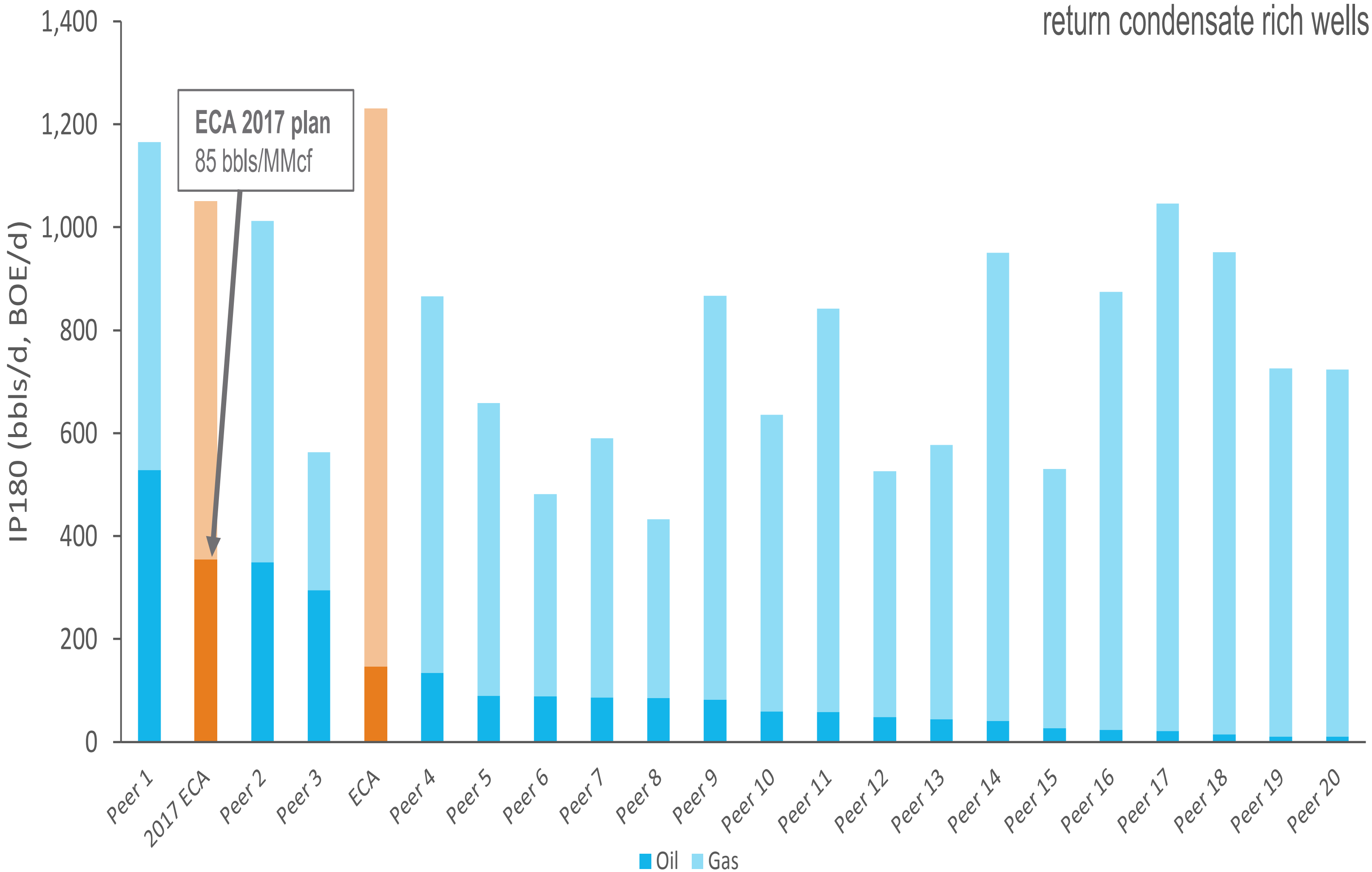


*D&C Costs normalized to 9,000 ft lateral length

WELL PRODUCTIVITY

Top Performance vs Peers

ECA 2017 focused on higher margin, higher return condensate rich wells

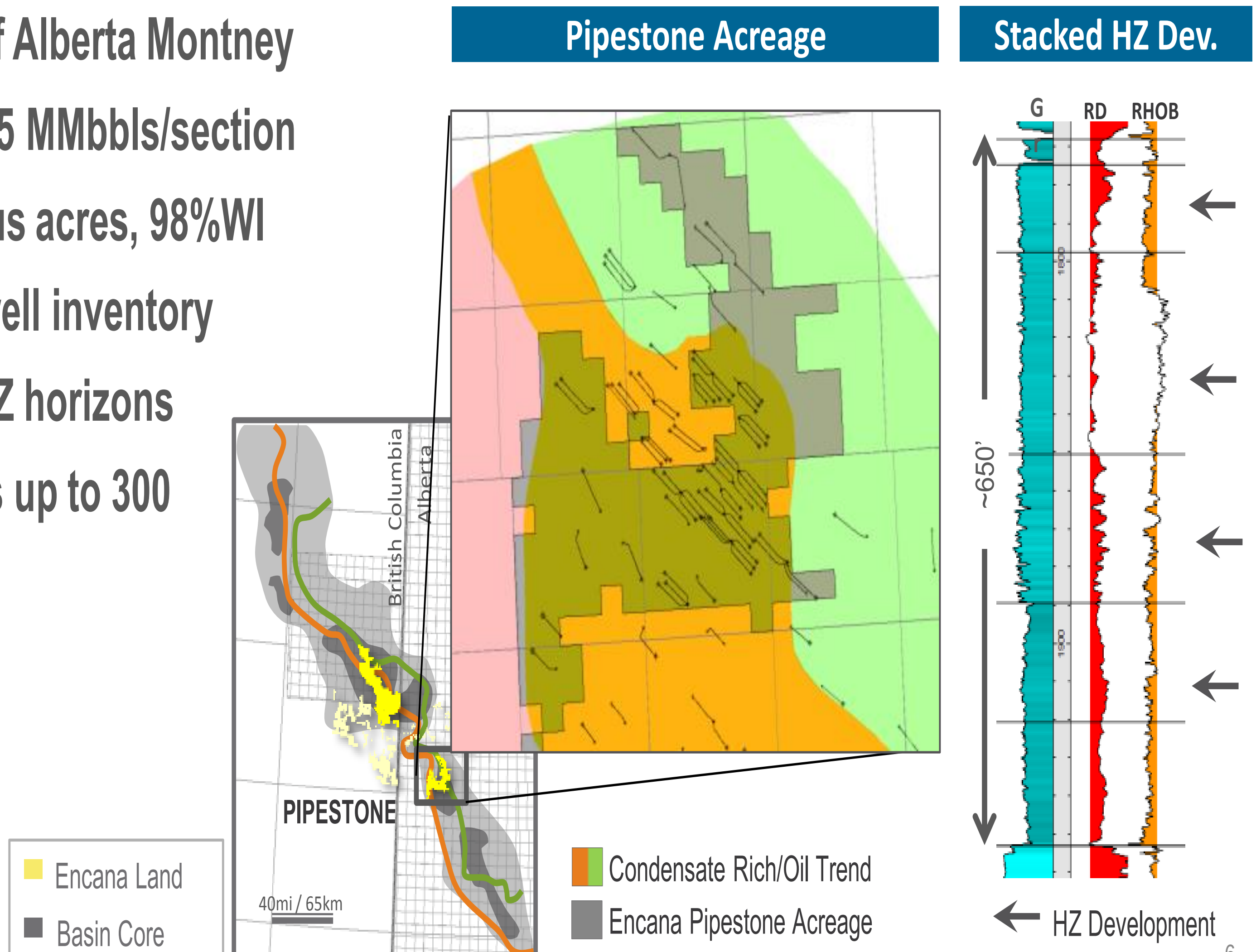


Data sourced from RS Energy Group, raw data provided by geoSCOUT.

ENCANA PIPESTONE

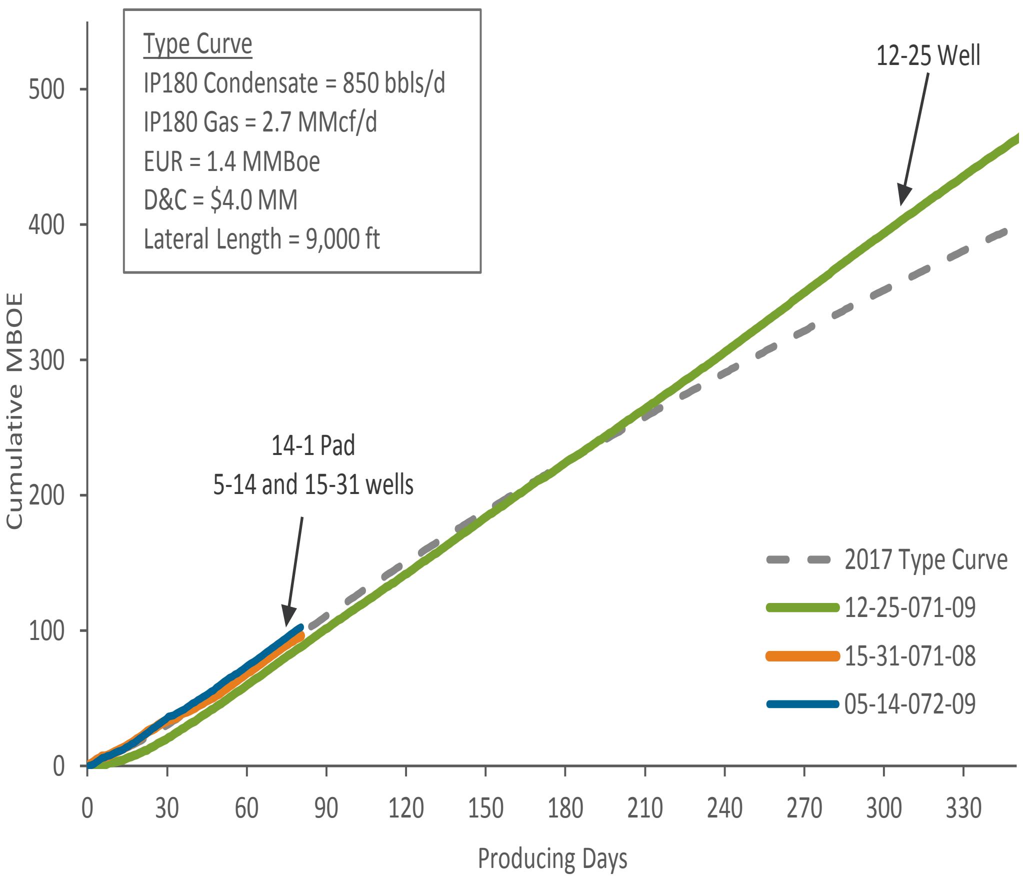
Significant Condensate & Oil Production

- Situated in core of Alberta Montney
- Oil resource of ~45 MMbbls/section
- ~90,000 contiguous acres, 98%WI
- ~2,400 premium well inventory
- Up to 4 stacked HZ horizons
- Condensate ratios up to 300 bbls/MMcf

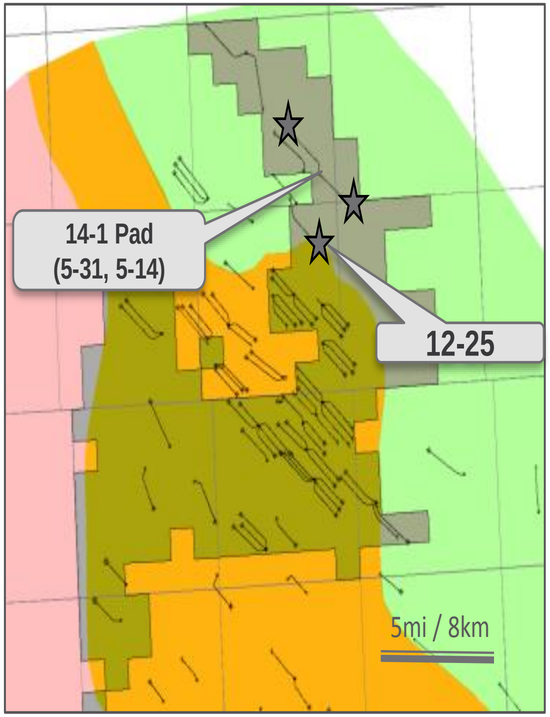


VOLATILE OIL (>250 bbls/MMcf)

Pipestone Well Performance



Pipestone Acreage



Type Well Metrics – ECA Net

Atax IRR (%)	120%
Operating Margin ($/BOE)	$19

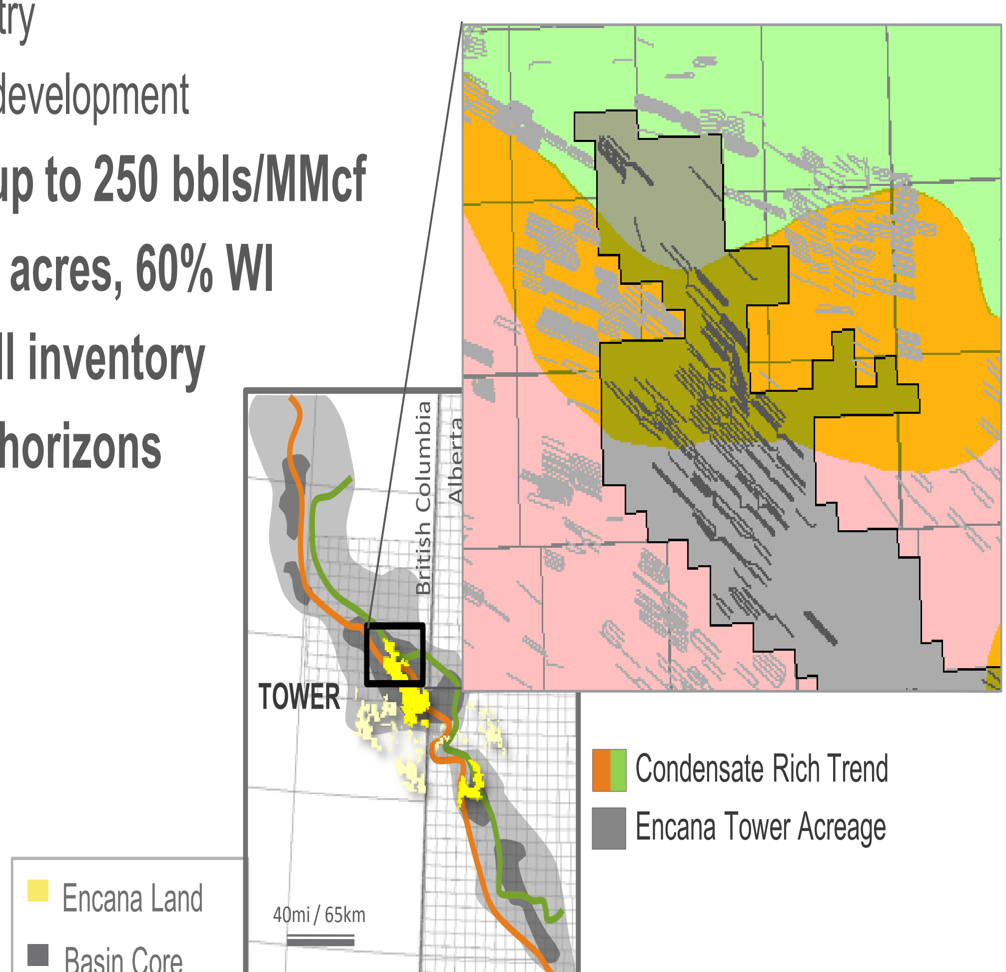
All metrics based on $3.0/MMBtu NYMEX, $55/bbl WTI, and $0.75 FX, $0.90 AECO basis differential

ENCANA TOWER

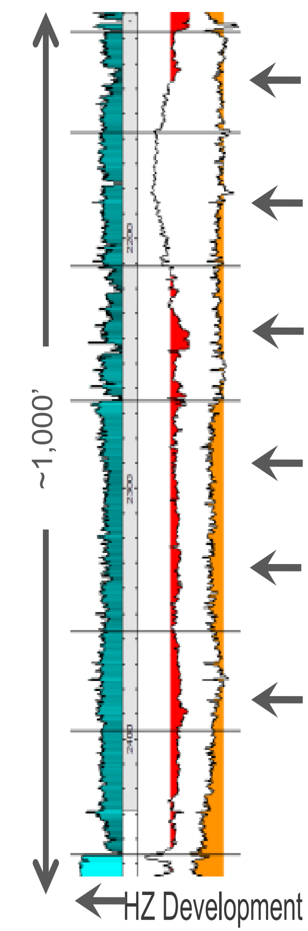
Robust Condensate Production

- **Located in core of central region**
  - Active area for industry
  - Condensate and oil development
- **Condensate ratios up to 250 bbls/MMcf**
- **~64,000 contiguous acres, 60% WI**
- **~2,400 premium well inventory**
- **Up to 6 stacked HZ horizons**

Condensate Acreage

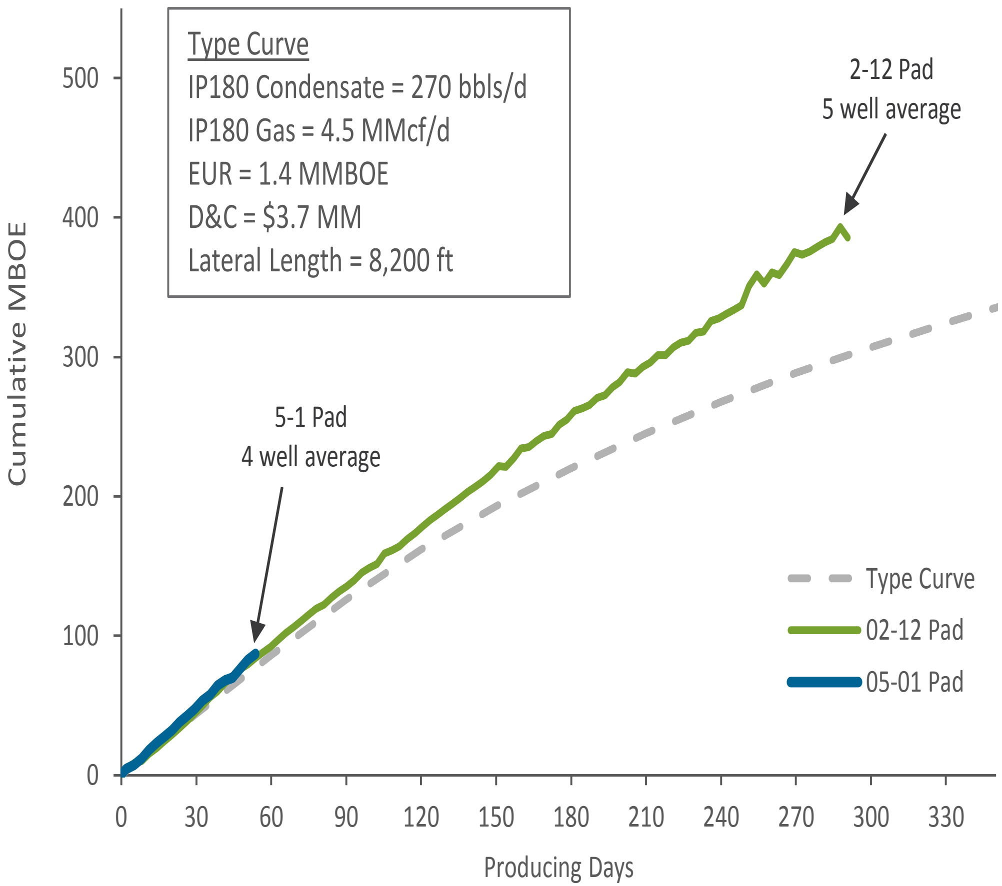


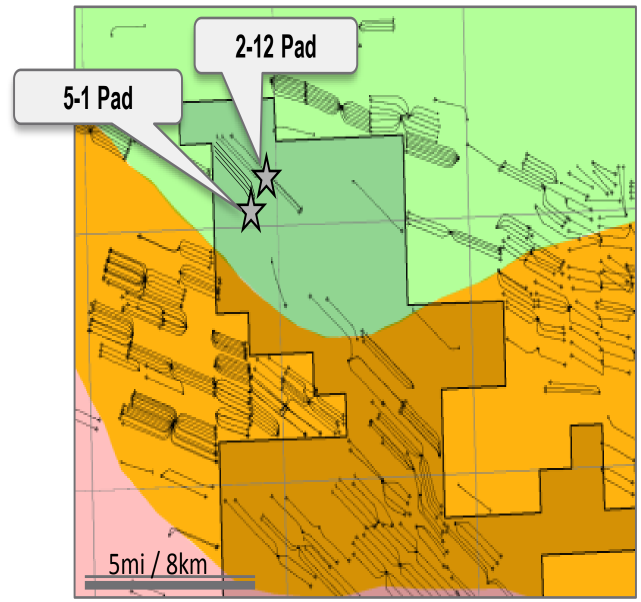
Stacked HZ Dev.



RICH GAS CONDENSATE (50-150 bbls/MMcf)

Tower Well Performance





Upper Montney Type Well Metrics – ECA Net		
	Leveraged	Unleveraged
Atax IRR (%)	>200%	60%
Operating Margin ($/BOE)	$13	$13

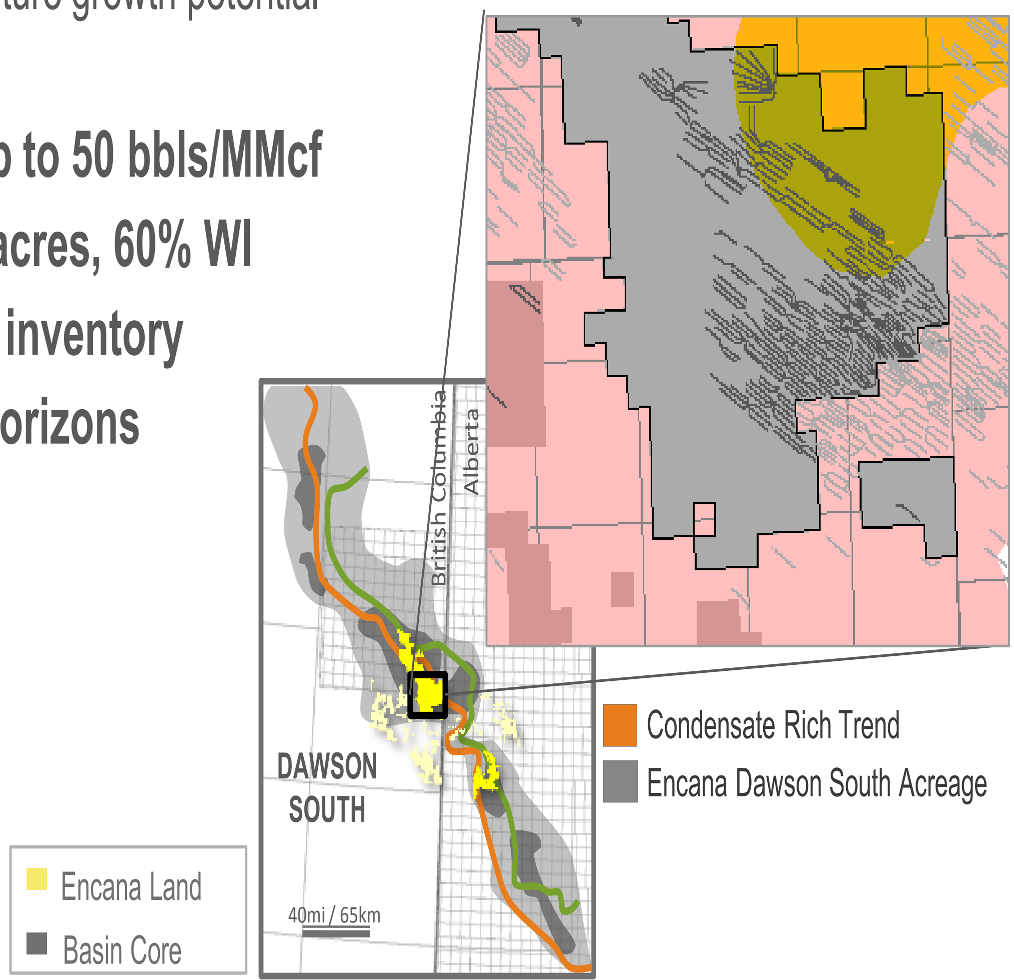
All metrics based on $3.0/MMBtu NYMEX, $55/bbl WTI, $0.75 FX, and $0.90 AECO basis differential

ENCANA DAWSON SOUTH

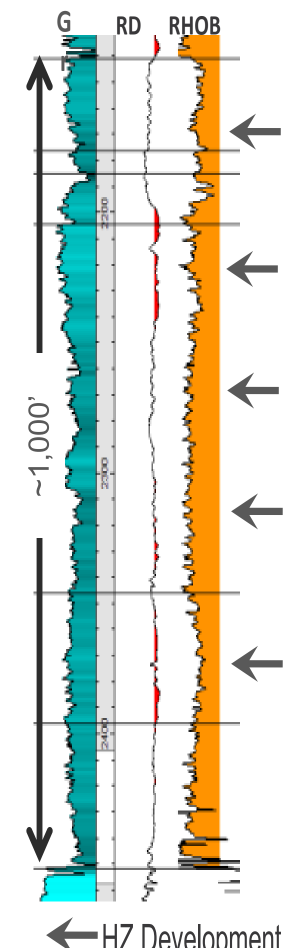
Emerging Condensate Rich Acreage

- **Located in core of central region**
  - Low risk, high value future growth potential
  - Dry gas optionality
- **Condensate ratios up to 50 bbls/MMcf**
- **~87,000 contiguous acres, 60% WI**
- **~1,100 premium well inventory**
- **Up to 5 stacked HZ horizons**

Emerging Condensate Acreage

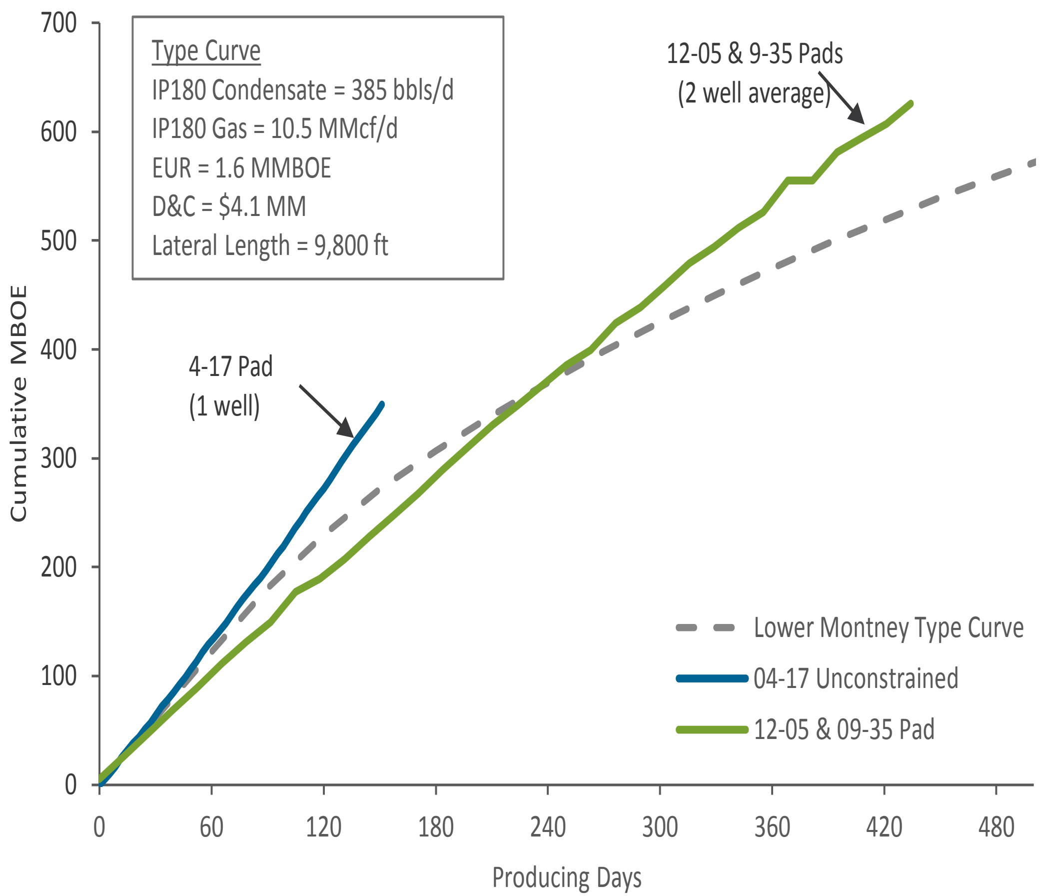


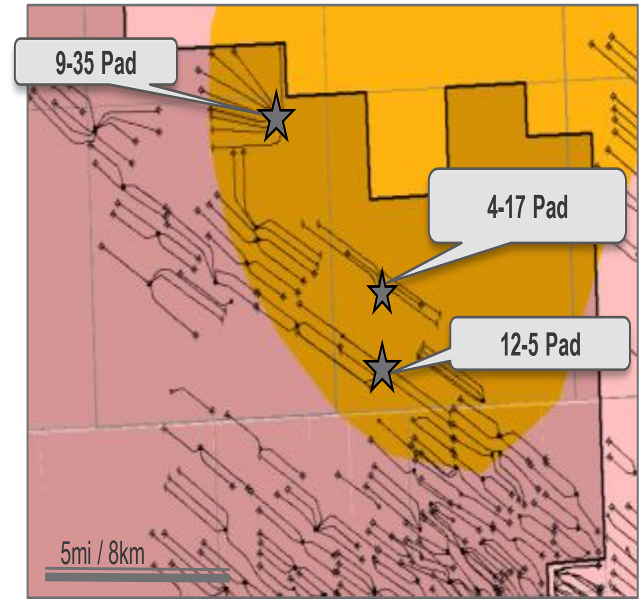
Stacked HZ Dev.



GAS CONDENSATE (20-50 bbls/MMcf)

Dawson South Well Performance





Lower Montney Type Well Metrics – ECA Net

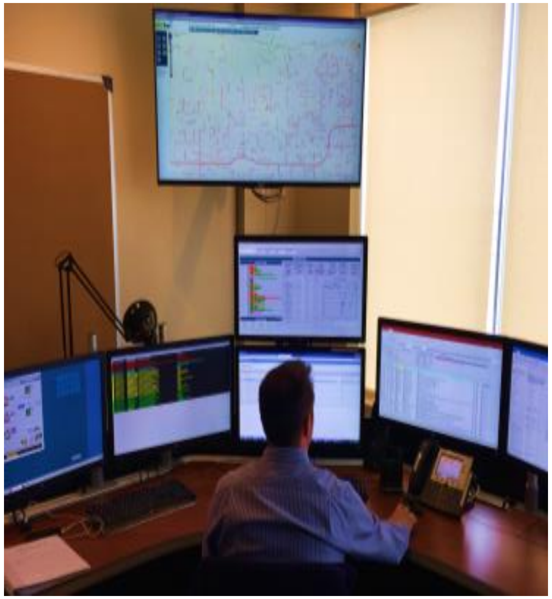
	Leveraged	Unleveraged
Atax IRR (%)	>200%	65%
Operating Margin ($/BOE)	$10.5	$10.5

All metrics based on $3.0/MMBtu NYMEX, $55/bbl WTI, $0.75 FX, and $0.90 AECO basis differential

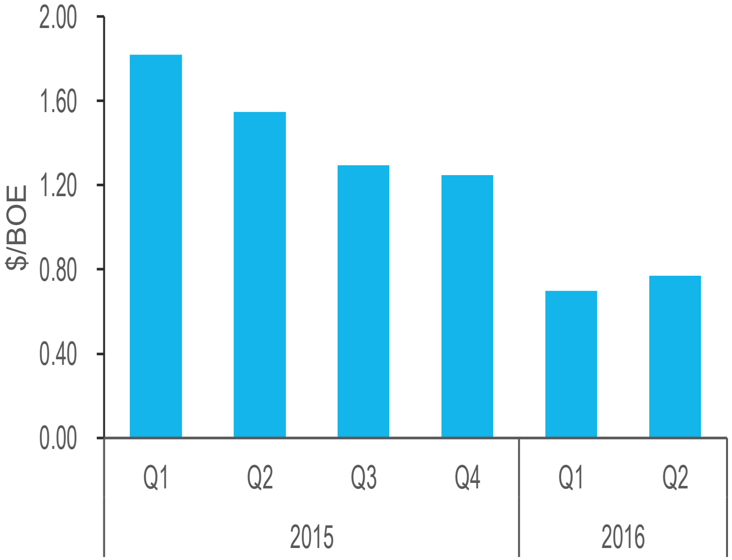
ENCANA MONTNEY

Operating Cost Performance

- **Workforce collaboration across the asset**
  - Optimizing water handling
  - Managing field work using work orders and integrated scheduling
  - Leveraging technology through the operation command center field office
- **Evaluating key contracts with suppliers & contractors**
  - Negotiating reduced rates and costs
- **Scope of work reductions**
  - Critical review of all repairs / maintenance and well workovers



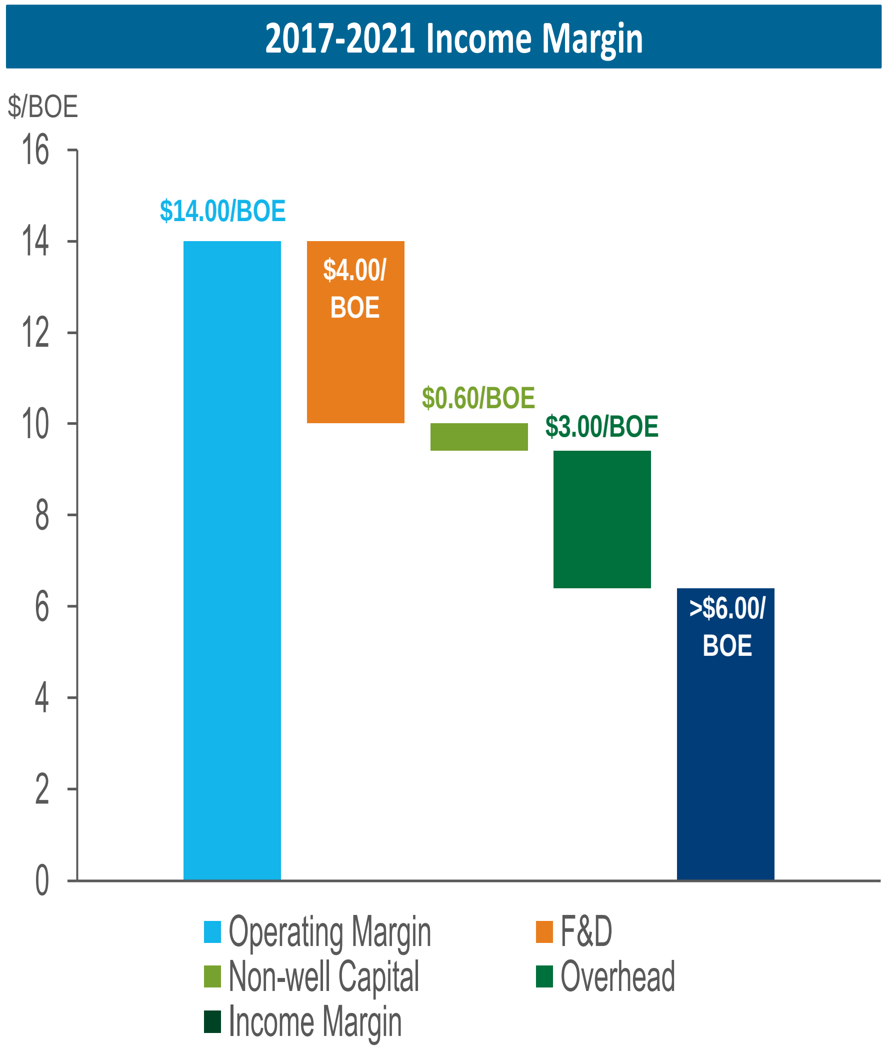
Significant Reduction in Operating Expense



MONTNEY INCOME MARGIN

All-In Profitability

- **Premium returns at the corporate level**
  - Montney delivers ~$14/BOE operating margin
  - NRI F&D ~$4.00/BOE
  - Non-well capital of $0.60/BOE
  - G&A & interest expense ~$3.00/BOE
  - Corporate level Montney income margin of over $6.00/BOE



INFRASTRUCTURE PLAN

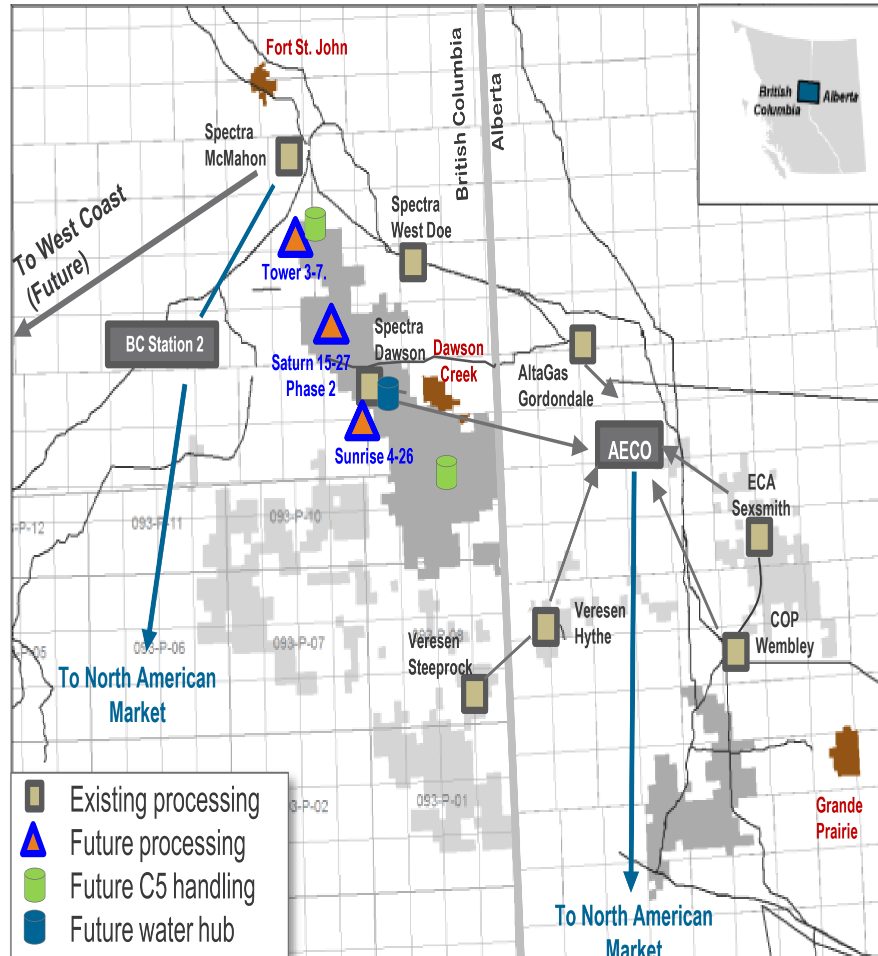
Liquids Handling Capacity Supports Growth

British Columbia

- **Majority of upstream gathering, compression, and processing is third party midstream**
- **Current capacity**
  - ~1.0 Bcf/d gas and ~10,500 bbls/d liquids
- **Future processing capacity expansions underway**
  - Adds ~800 MMcf/d compression/processing
  - Adds ~55,000 bbls/d liquids handling
  - On-stream late 2017 to mid-2018

Alberta

- **Current production through Wembley and Sexsmith**
- **Current capacity**
  - ~150 MMcf/d and ~11,000 bbls/d liquids
- **Future processing expansion at Wembley**
  - Adds ~12,000 bbls/d liquids handling
  - On-stream in 2018



AGREEMENT WITH VERESEN MIDSTREAM

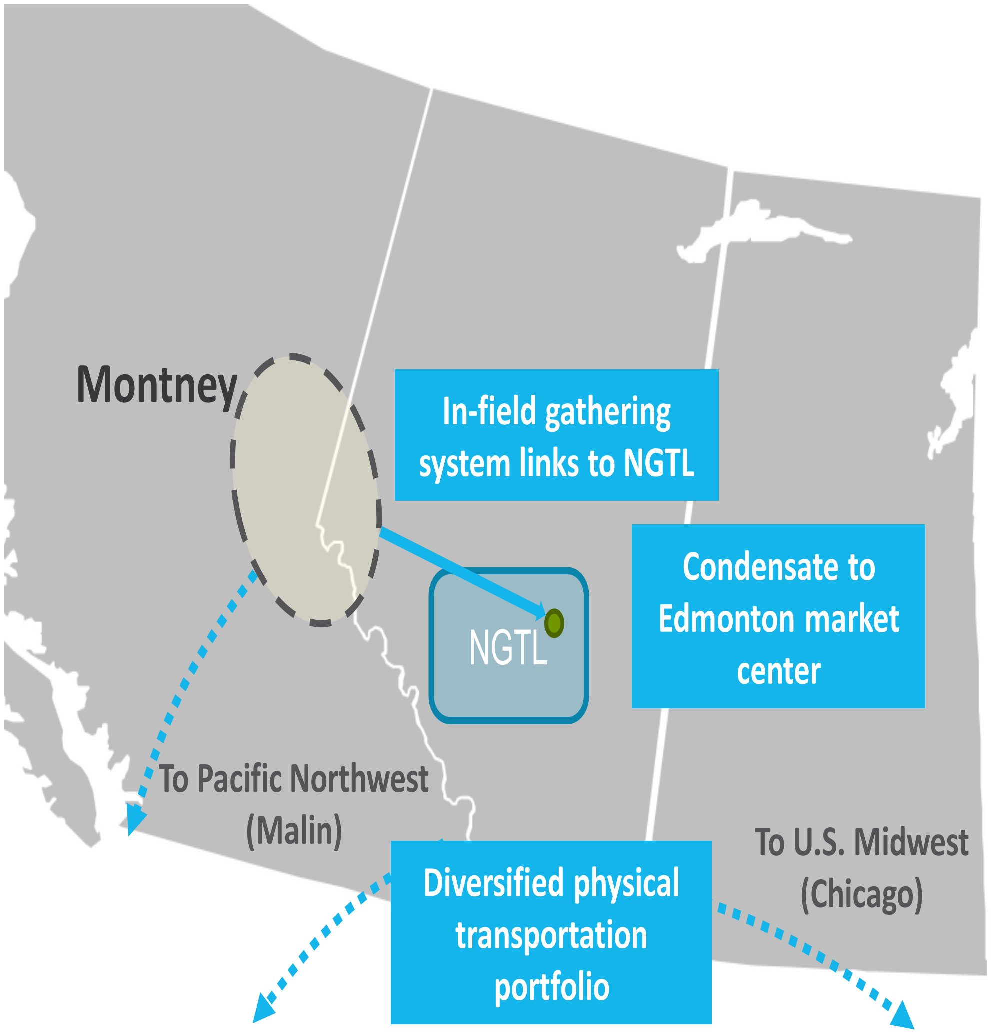
Fee-for-Service Structure

- **Maximizing flexibility while managing execution**
  - Encana/CRP* sold a portion of Montney infrastructure to Veresen Midstream & entered into gathering arrangement in 2015
  - CRP controls pace of development and Encana executes facility construction for first ten years
  - Veresen Midstream funds facility capital
- **Financial structure enables flexibility**
  - Tolls based on pre-agreed rate of return on capital and production forecast – 30 year fee arrangement
  - Variable monthly midstream costs based off toll calculation and actual production volumes
  - No traditional take or pay obligation
    - CRP guarantees a return of capital spent less revenues Veresen Midstream receives from all Encana / CRP sources, and limited third party sources, at 8 year after each facility project's operational date; revenues collected are not "ring fenced" to any individual facility project
    - Veresen Midstream receives acreage dedication

*CRP: Cutbank Ridge Partnership

MIDSTREAM AND MARKETING OVERVIEW

Montney

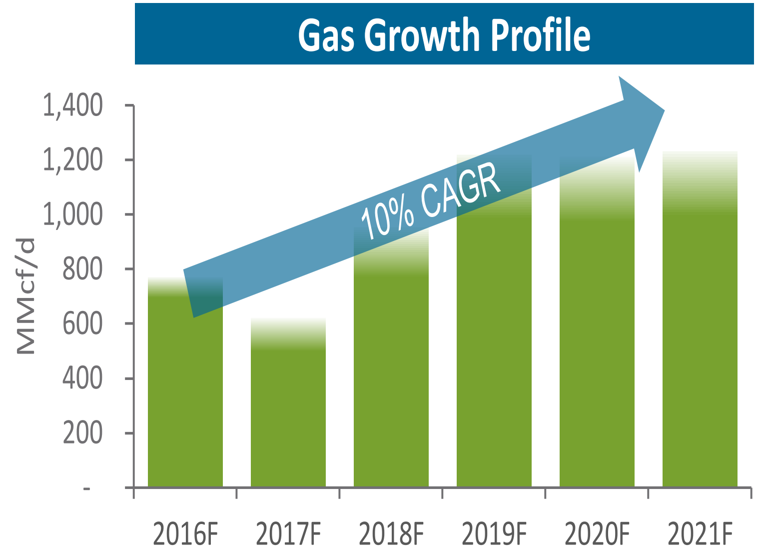


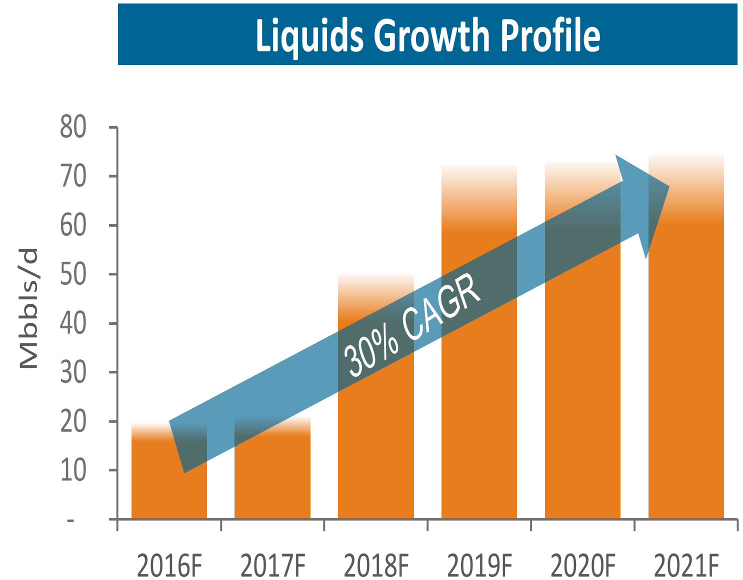
- **Flexible midstream and transportation portfolio aligned with development program**
- **Diversified physical markets and liquid financial market**
  - AECO is the benchmark price for the most liquid physical trading point in North America
- **Condensate sold via pipeline into import-driven condensate market**

ENCANA MONTNEY

5 Year Growth Profile

- **Development focused in condensate rich areas**
- **Operating margin increases by >200% by 2021**
- **Liquids production to >70 Mbbls/d by 2019**
  - 50 Mbbls/d of liquids production in 2018
  - Liquid weighting grows to >25% of total production by 2021
    - ~70% condensate
- **Liquids handling expansions support growth plans**
- **Gas production to grow to 1.2 Bcf/d by 2019**





Volumes quoted are net to Encana

ENCANA CORPORATION

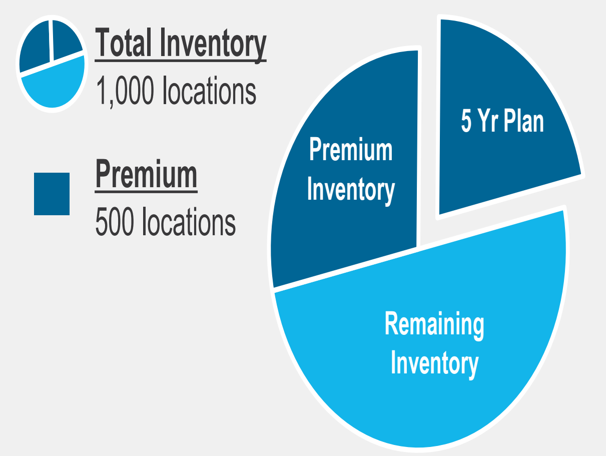
Duvernay

Jim Roberts
Vice-President & General Manager, Northern Area Operations

PREMIER POSITION IN WORLD CLASS RESERVOIR

Duvernay

- **Large contiguous land base within core of play**
  - Significant growth opportunity
  - 1,000 total locations, 500 premium locations
- **Industry leading operating performance**
  - Multi-well pads and in-place infrastructure significantly reduce cost structures
  - Consistently delivering industry leading well performance
- **Takeaway solution in place**
  - Rich Gas Premium agreement with Aux Sable, gas transport on Alliance
  - Condensate transport on Pembina's Peace Pipeline
- **WTI pricing for condensate**



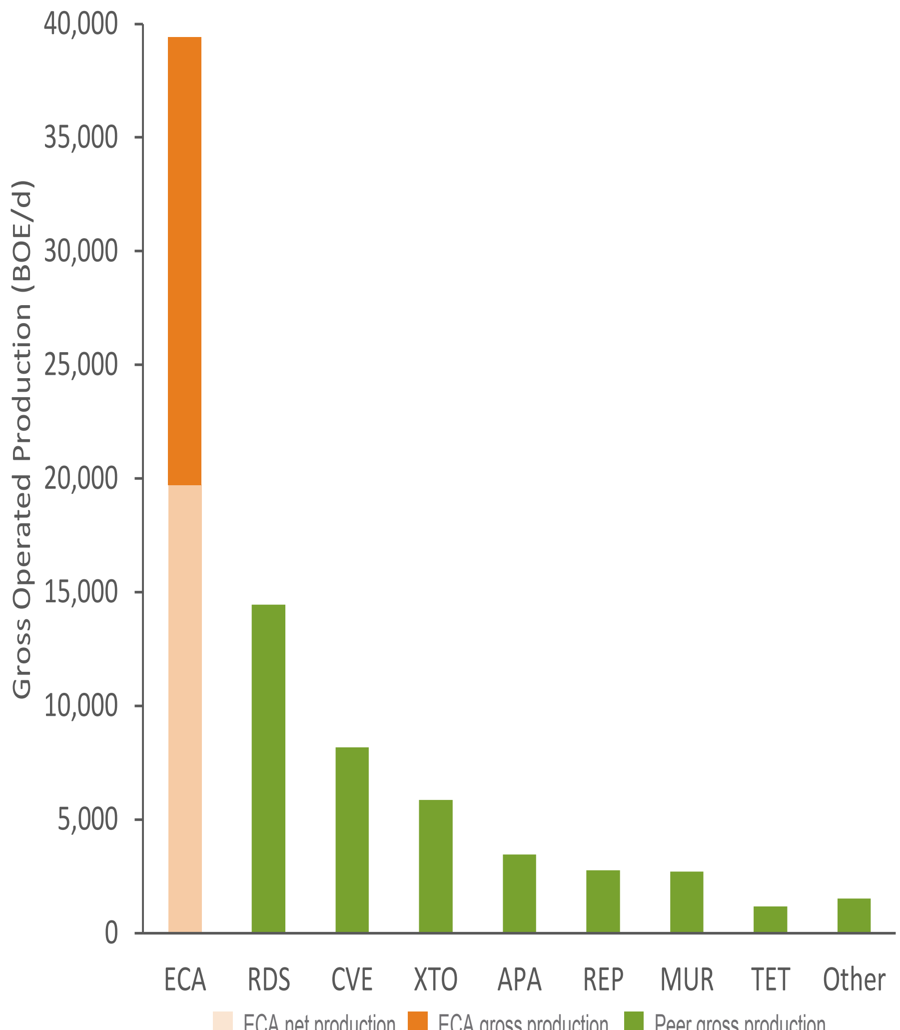
40% of premium inventory consumed through 2021

*Estimated inventory based on 1000 ft spacing

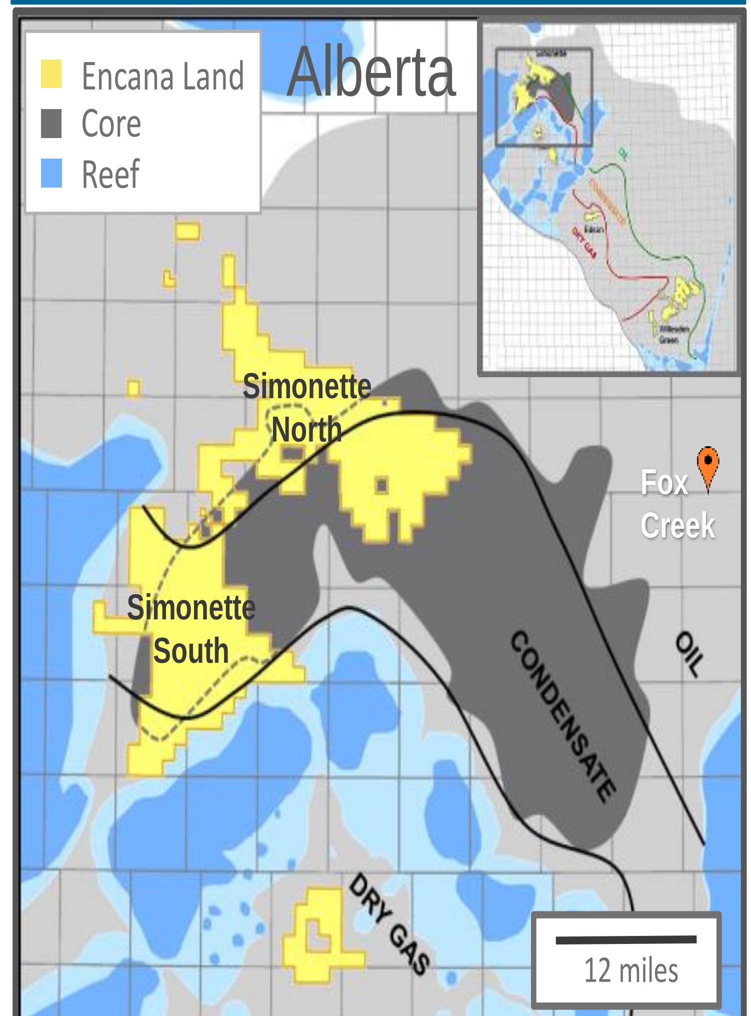
ENCANA IS THE LARGEST PRODUCER IN THE PLAY

Duvernay

Gross Production vs Peers



Duvernay Acreage

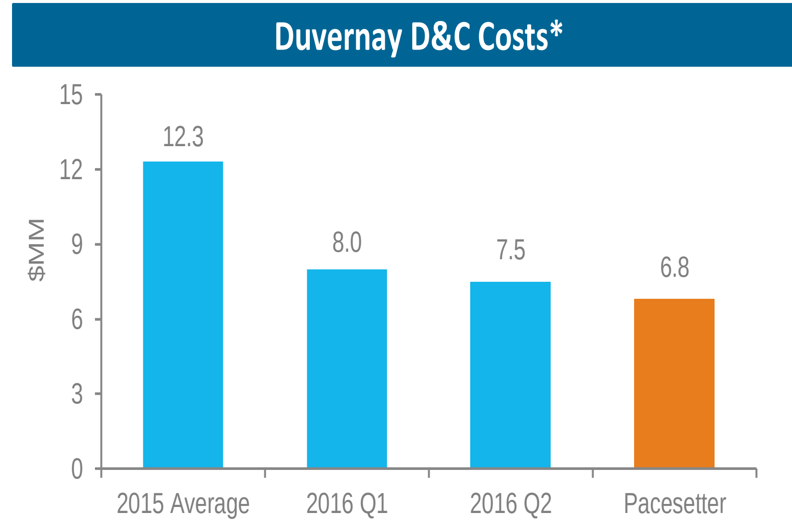


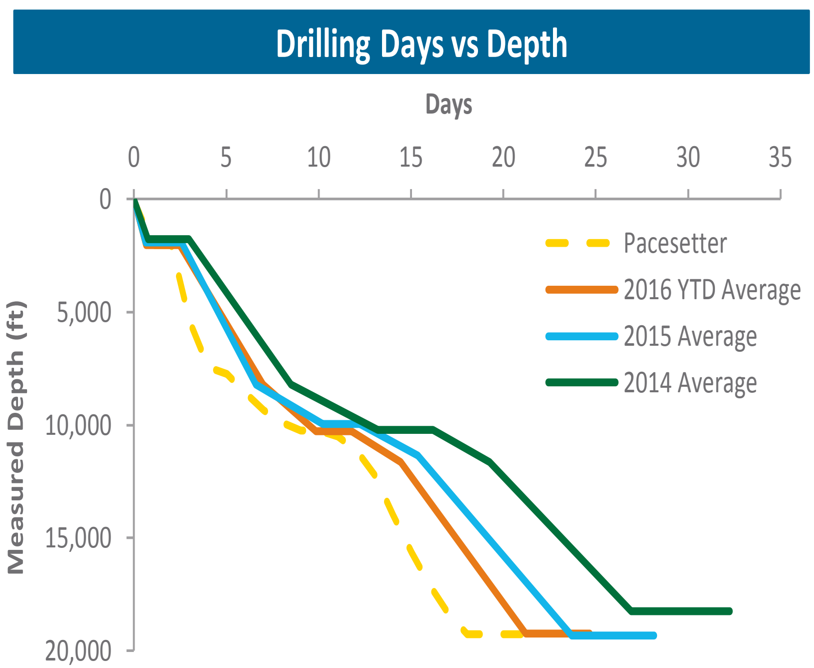
Source : Industry data.

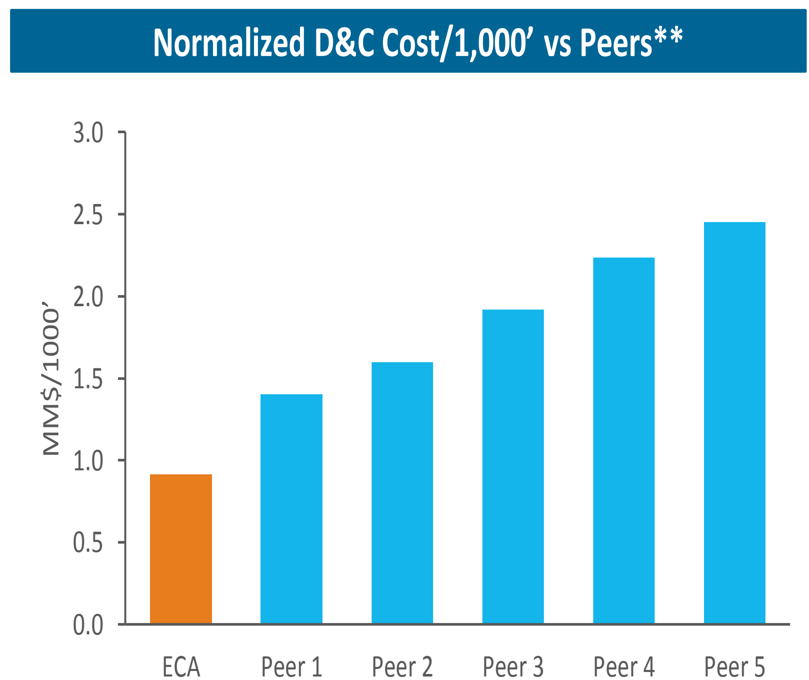
REDUCING COSTS

Duvernay

- **Lower cost structures driven by dual rig/dual frac crews per pad**
  - 50% reduction in completion cycle time
  - Reduction of offset frac hits by 50%
  - Repeatable operations drive efficiency





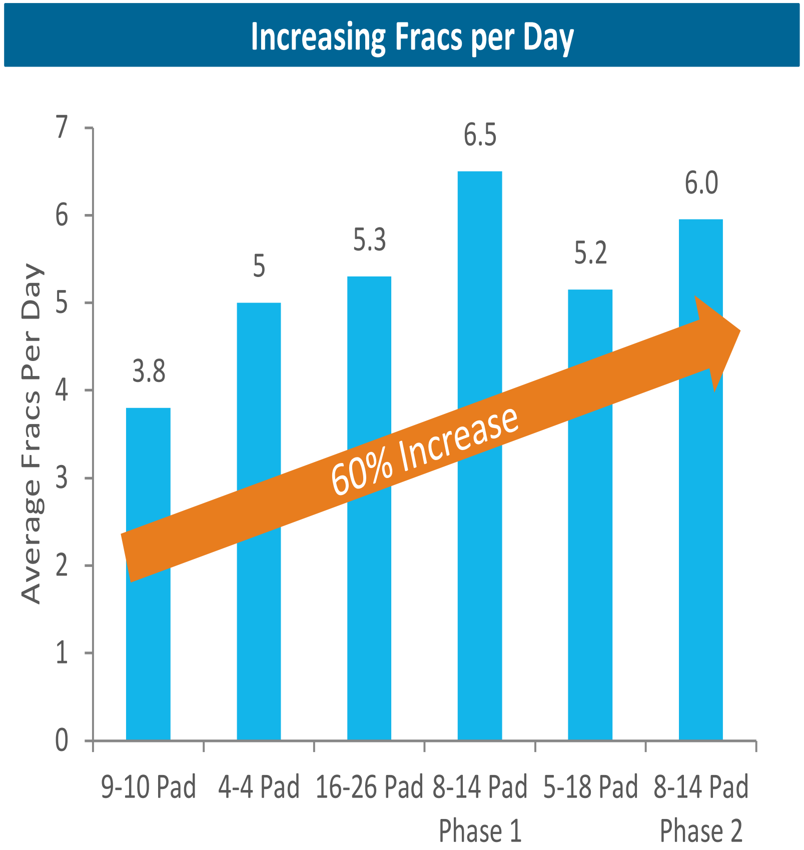


* D&C Costs normalized to 8,200 ft lateral length **Data sourced from peer investor presentations. Peers include APA, CVX, RDS, REP and TET

REDUCING COSTS

Focus on Sustainable Efficiencies

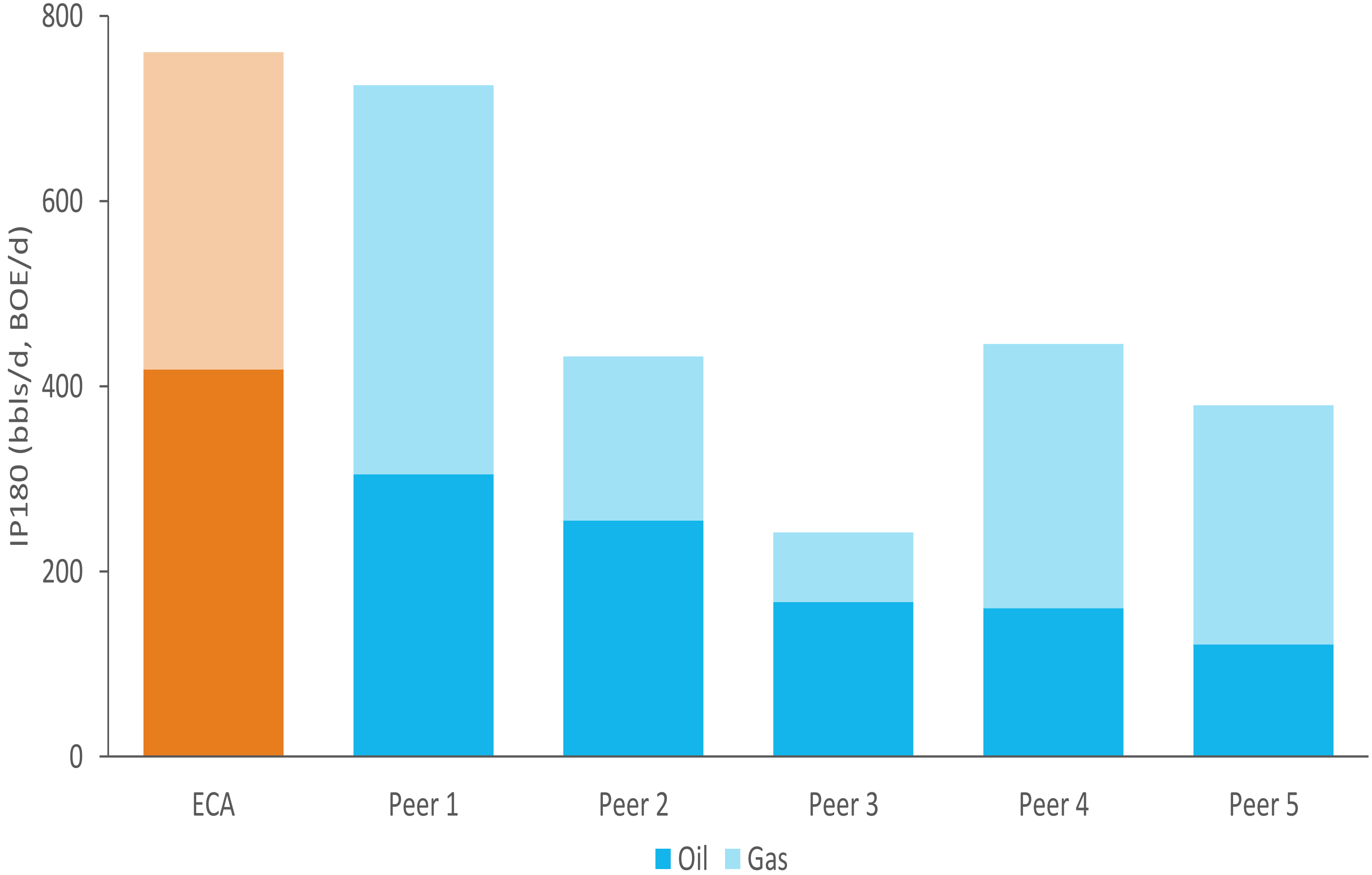
- **60% increase to fracs per day**
  - ~$0.5MM per well savings
  - Reduced pump time
  - Reduced non-productive time
- **65% reduction to maintenance time**
  - Pit-stop approach
  - Fewer maintenance periods
- **Future opportunities**
  - Innovative proppant delivery
  - Reduced maintenance periods



Continuous Improvement and Innovation driving down costs

WELL PRODUCTIVITY

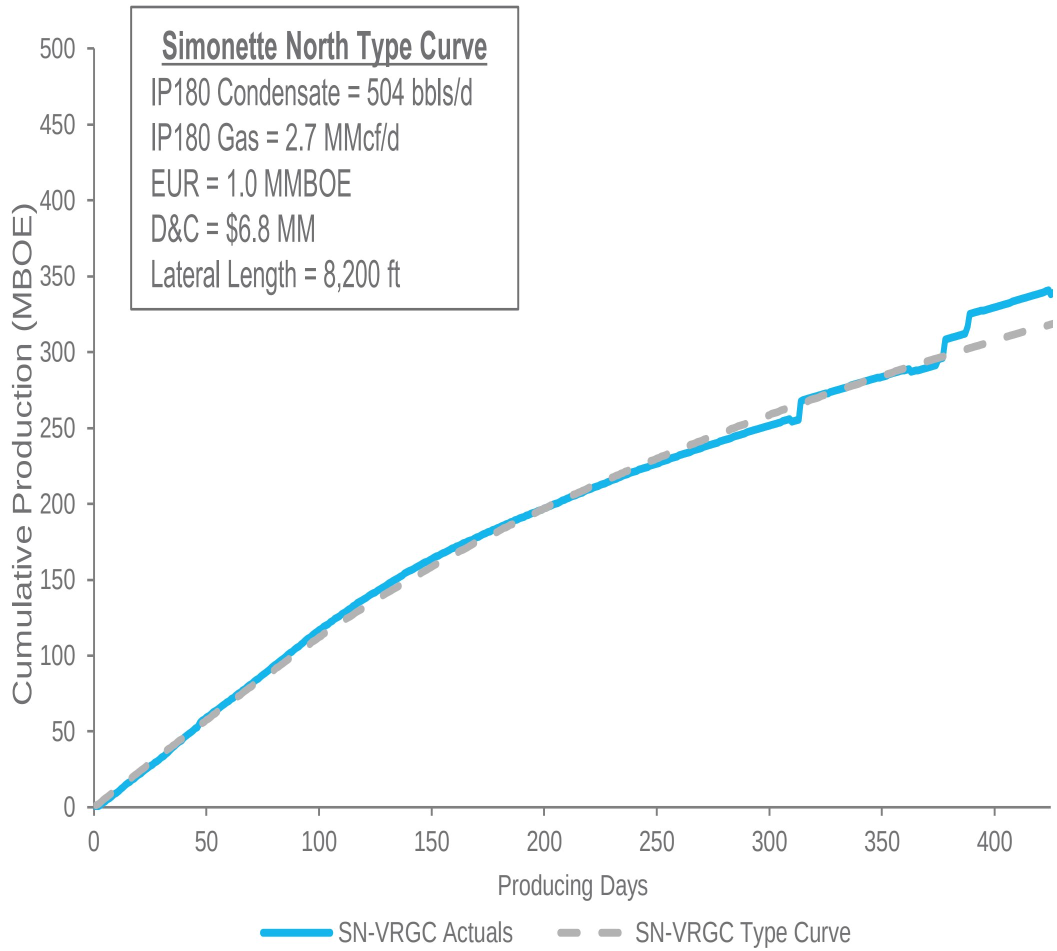
Top Performance vs Peers



Data sourced from RS Energy Group, raw data provided by geoSCOUT. Peers include APA, MUR, RDS, TET, XOM

VERY RICH GAS CONDENSATE (150-250 bbls/MMcf)

Simonette North

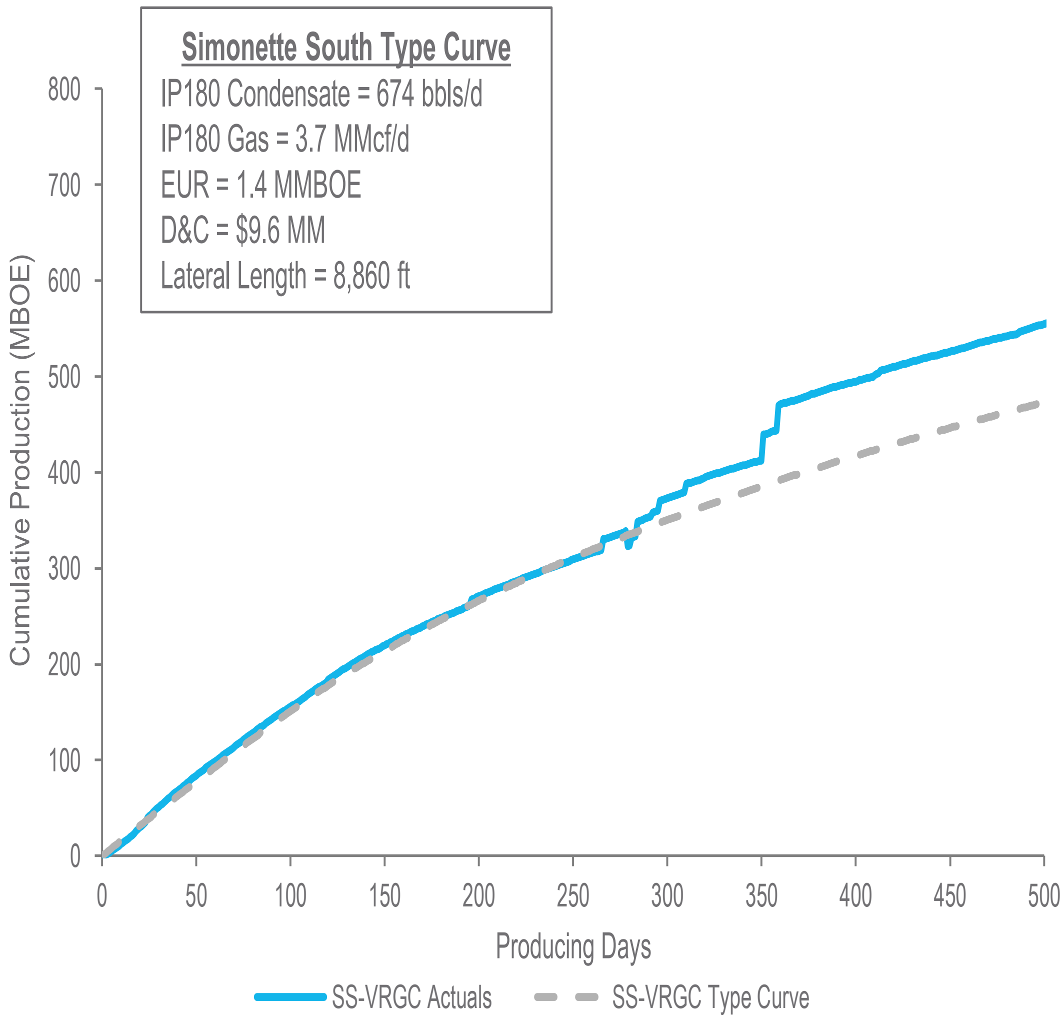


Simonette North Type Well Metrics – ECA Net		
	Leveraged	Unleveraged
Atax IRR (%)	165%	50%
Operating Margin ($/BOE)	$25	$25

All metrics based on $3.00/MMBtu NYMEX, $55/bbl WTI, and $0.75 FX

VERY RICH GAS CONDENSATE (150-250 bbls/MMcf)

Simonette South



Simonette South Type Well Metrics – ECA Net

	Leveraged	Unleveraged
Atax IRR (%)	155%	50%
Operating Margin ($/BOE)	$25	$25

All metrics based on $3.00/MMBtu NYMEX, $55/bbl WTI, and $0.75 FX

EXPANDING MARGINS

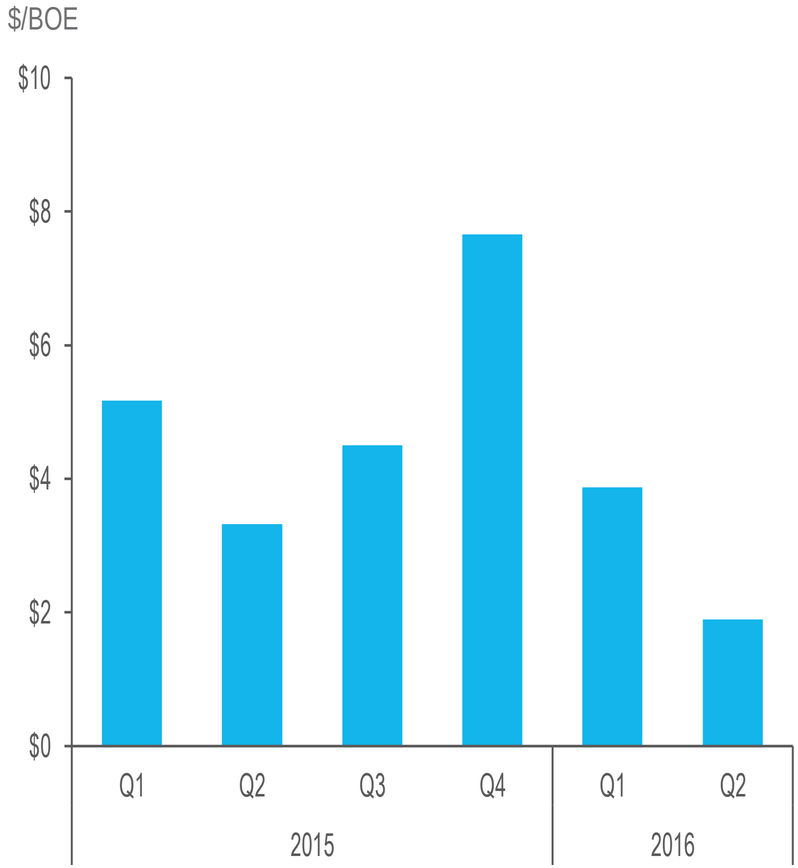
Operating Cost Performance

- **Dramatic reduction in operating costs**
- **Three plants on-stream since 2014**
  - Optimized for liquids handling
  - Reduced trucking from location

>60%

Improvement in operating costs

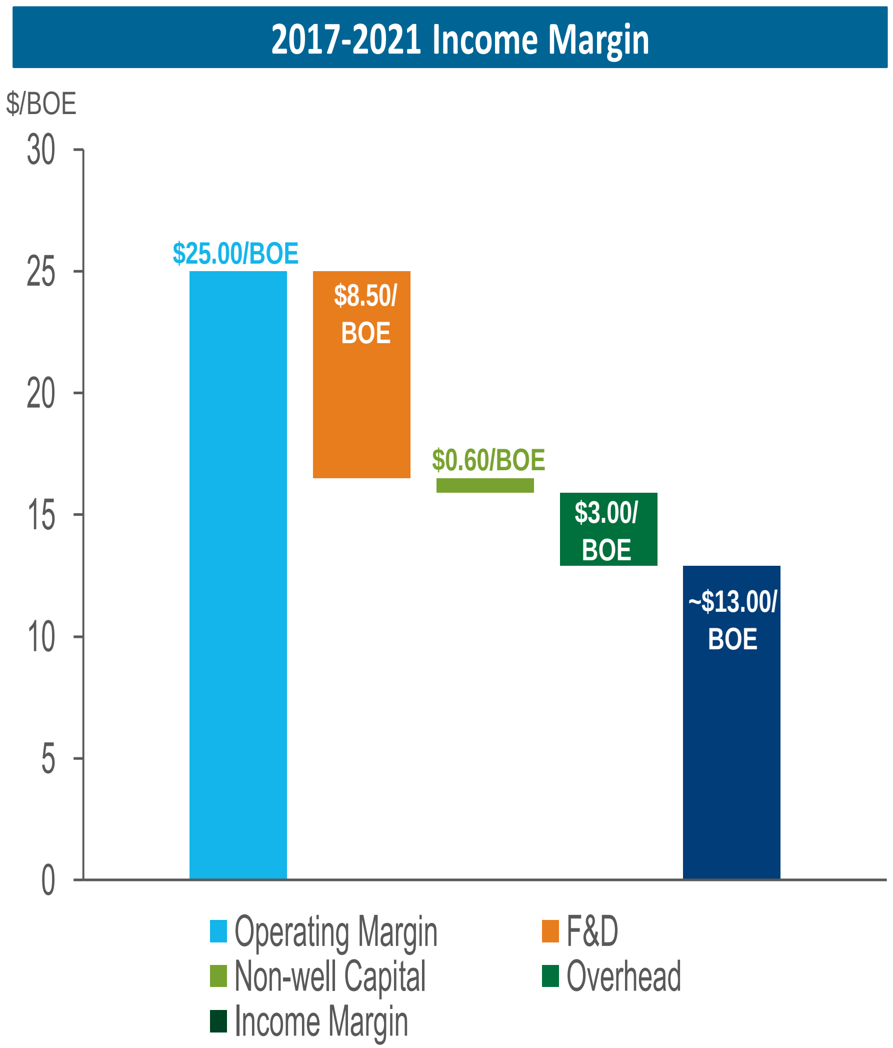
Duvernay Operating Cost Reductions



DUVERNAY INCOME MARGIN

All-In Profitability

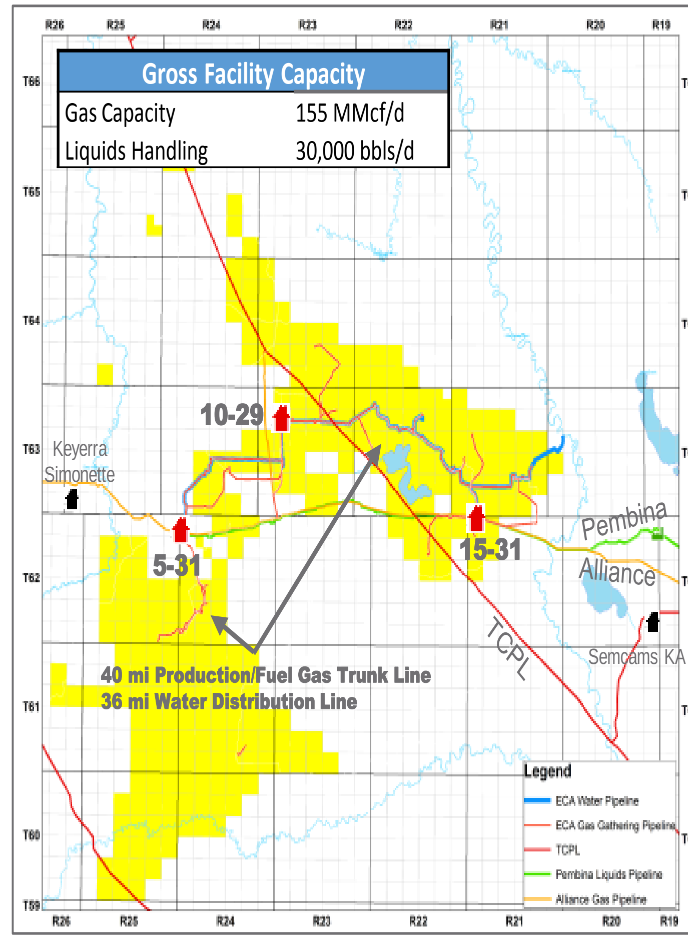
- **Premium returns at the corporate level**
  - Locations in the Duvernay deliver ~$25/BOE operating margin
  - NRI F&D ~$8.50/BOE
  - Non-well capital of $0.60/BOE
  - G&A and interest expense ~$3.00/BOE
  - Duvernay income margin at the corporate level ~$13.00/BOE



STRATEGIC INFRASTRUCTURE INVESTMENT

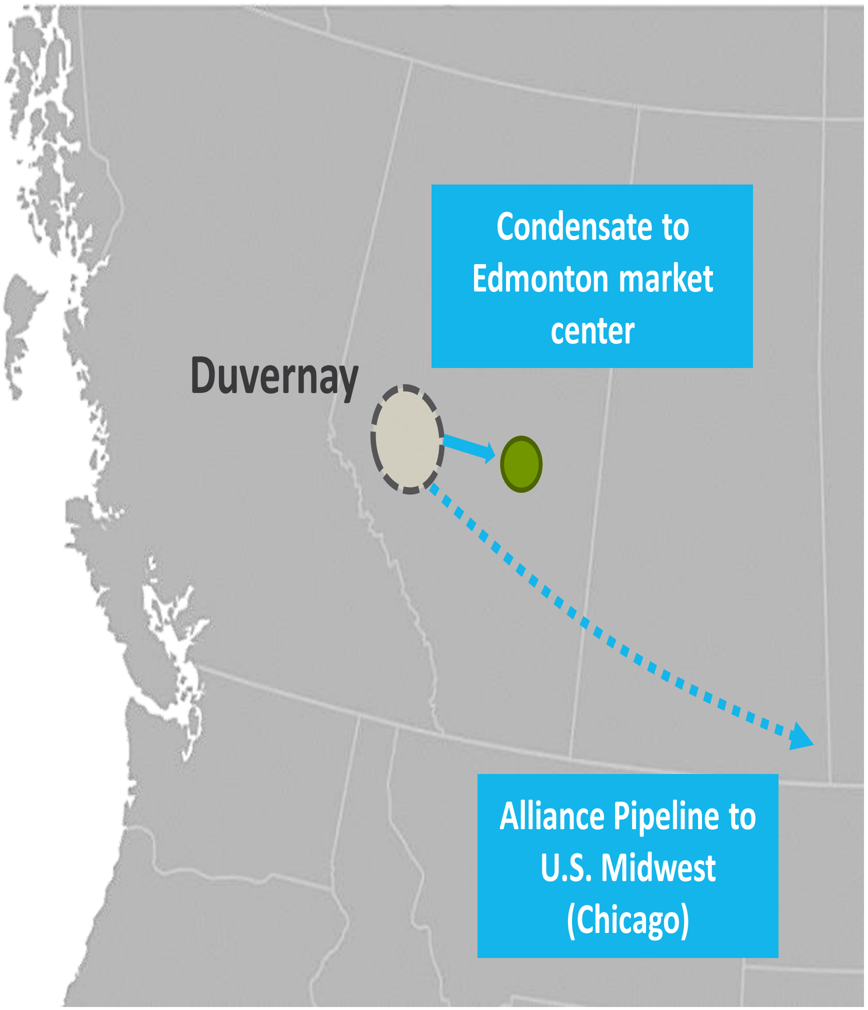
Investment in Infrastructure Reducing Operating Costs

- **Plants inter-connected through pipeline network**
- **Can operate in NGL recovery or rejection mode**
- **Requires minimal equipment on well sites**
- **Gross infrastructure capacity**
  - 155 MMcf/d & 30 Mbbls/d
- **2017+ potential build-out**
  - Debottleneck existing plants to maximize liquids throughput
  - Expansion planned at the end of the decade



MIDSTREAM AND MARKETING OVERVIEW

Duvernay



- Condensate sales via pipeline to premium Edmonton market center
- Firm market access aligned with development program
- Achieved liquids price upgrade while minimizing midstream capex via Alliance pipeline
- Diversified pricing exposure for liquids and natural gas in Chicago market

ENCANA DUVERNAY

Significant Future Growth Potential

- 500 premium return locations with potential to expand
- Innovation driving significant cost reductions
- Facilities expansions planned for end of the decade

Dual completions crews on location in the Duvernay

ENCANA CORPORATION

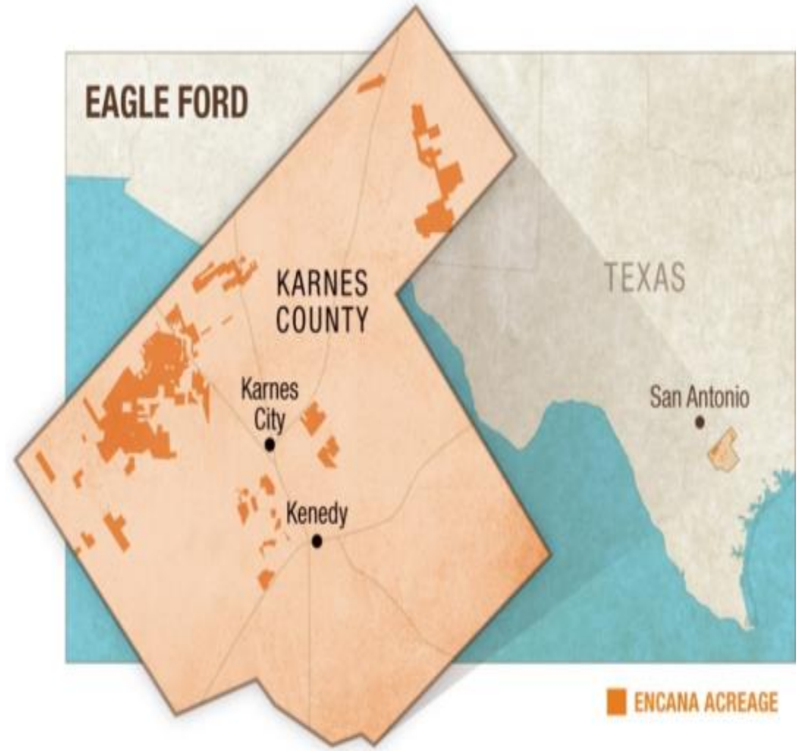
Eagle Ford

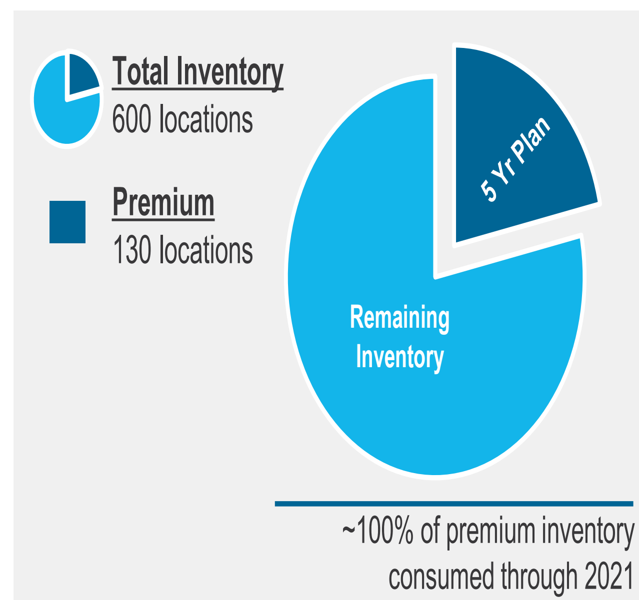
Eric T. Greager
Vice-President & General Manager, Western Operating Area

EAGLE FORD

Core Position in the Oil Window

- **Largely contiguous position in the Karnes Trough**
  - Most active and profitable trend in the Eagle Ford
- **Continued well cost improvements**
  - Leading industry with well costs below $4 MM
- **Well inventory improvement**
  - 130 premium horizontal well inventory
  - Stacked pay, infill spacing, Austin Chalk offer premium inventory upside
- **High value, high rate wells**
  - >80% of production is high value oil
  - Top quartile performance within industry

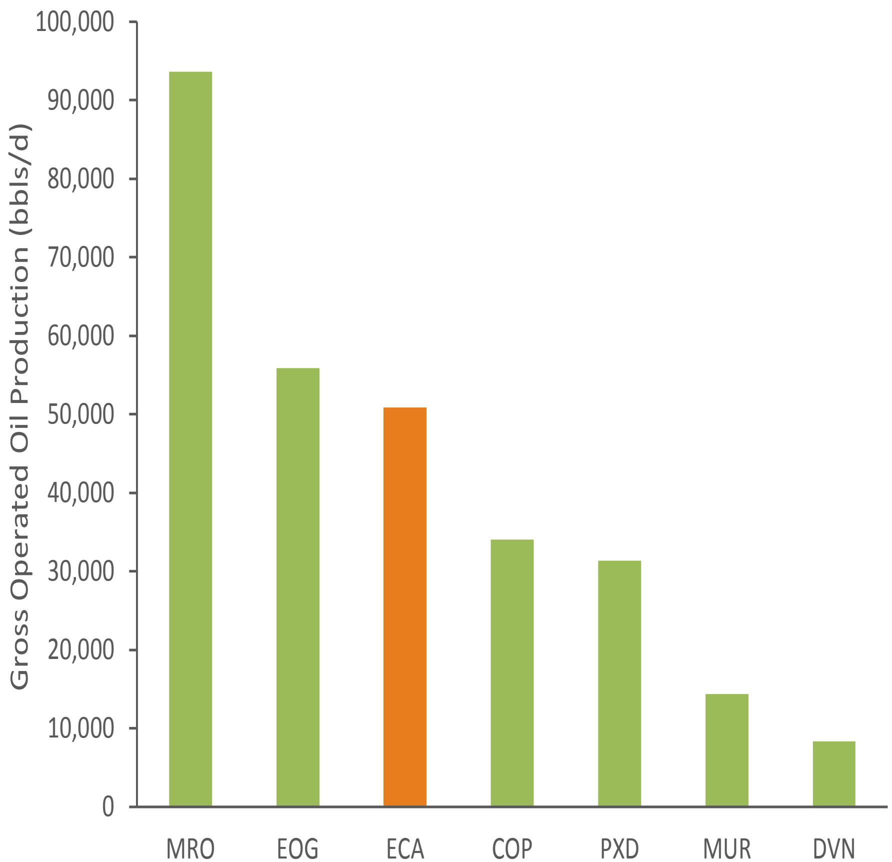




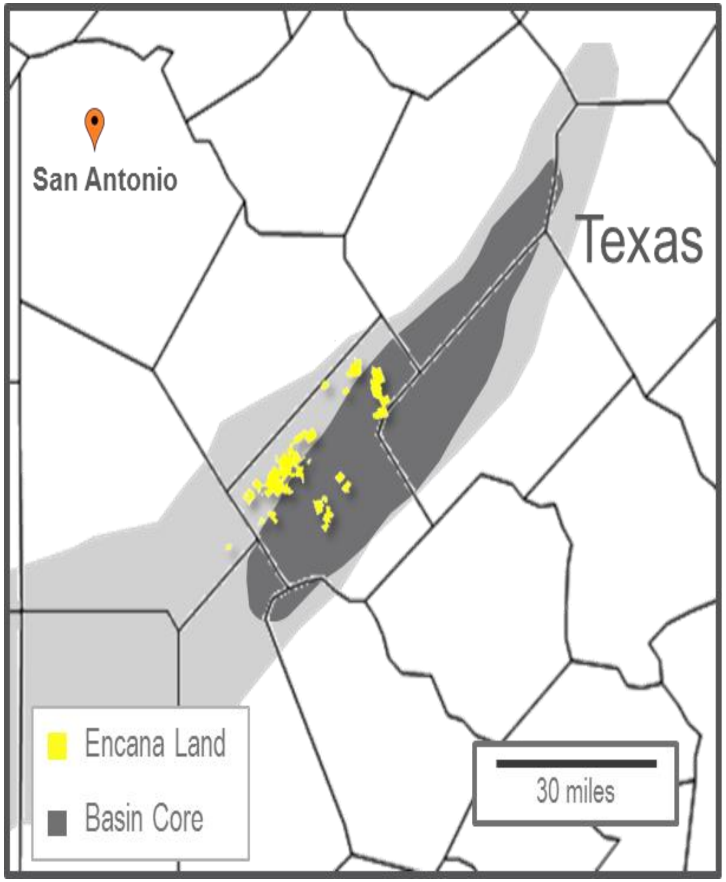
CORE POSITION WITHIN THE EAGLE FORD

Top Karnes County Producers

Gross Encana Production vs Peers



Eagle Ford



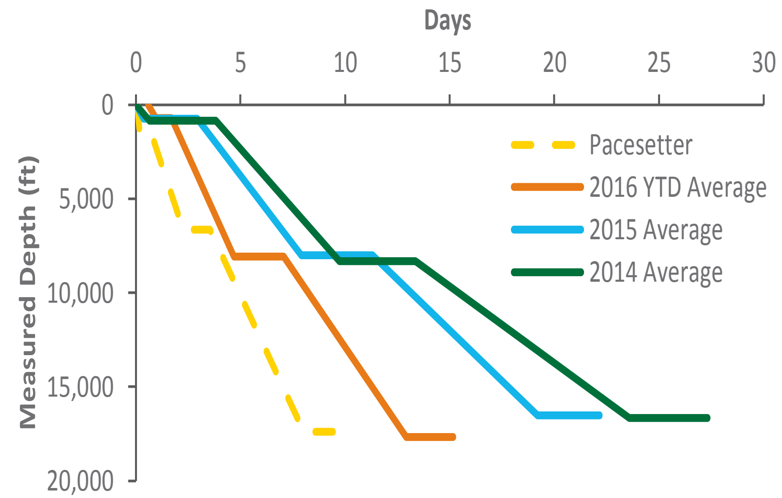
Data sourced from Drilling Info, Inc. Gross operated production in June, 2016, for Karnes County, TX.

EAGLE FORD CAPITAL EFFICIENCY

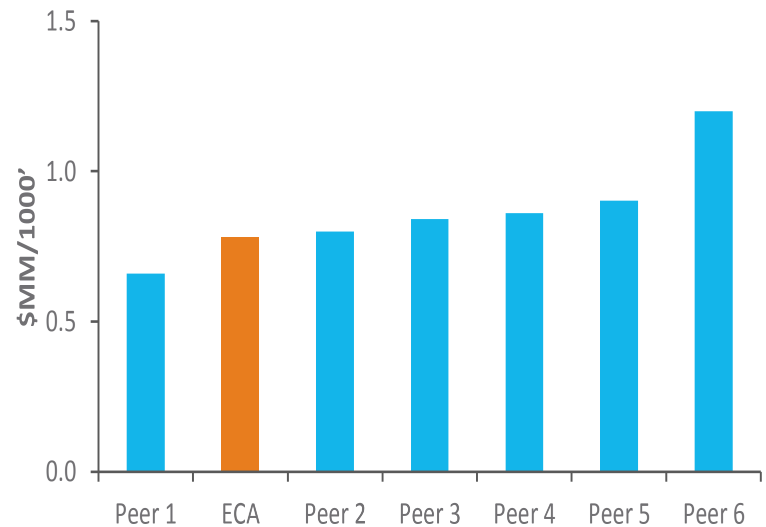
Better Wells For Lower Costs

- **Current D&C cost* of $3.9 MM/well**
- **Rapid reduction in drill days**
  - Drilled pacesetting 8.5 day well
- **Real time geosteering**
- **Custom lateral completions**
- **Faster coil tubing operations**

Drilling Days vs Depth



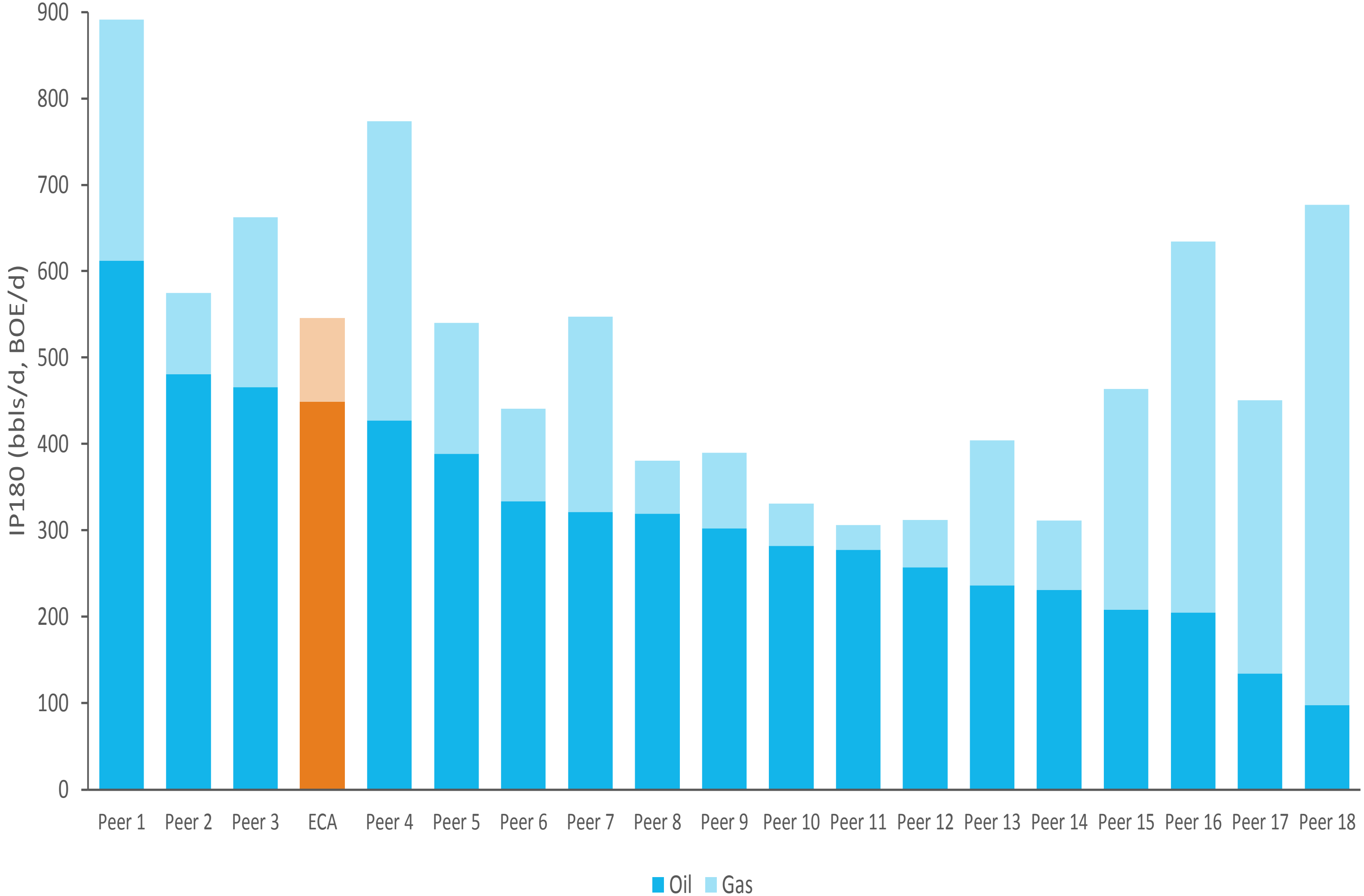
Normalized D&C Cost/1,000' vs Peers**



*Normalized to 5,000'. **Data sourced from latest peer IR presentations. Peers include BTE, DVN, EOG, MRO, MUR, and SN.

WELL PRODUCTIVITY

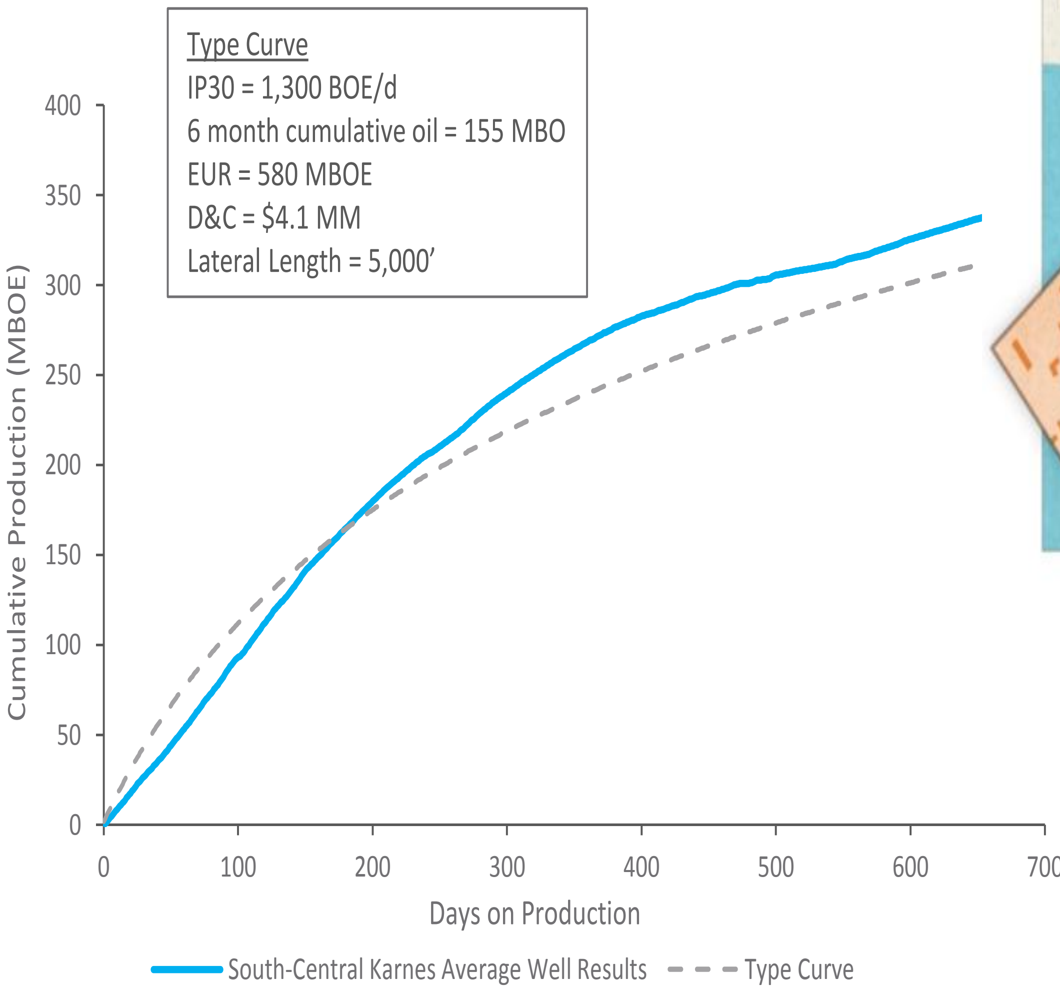
Top Quartile Performance vs Peers

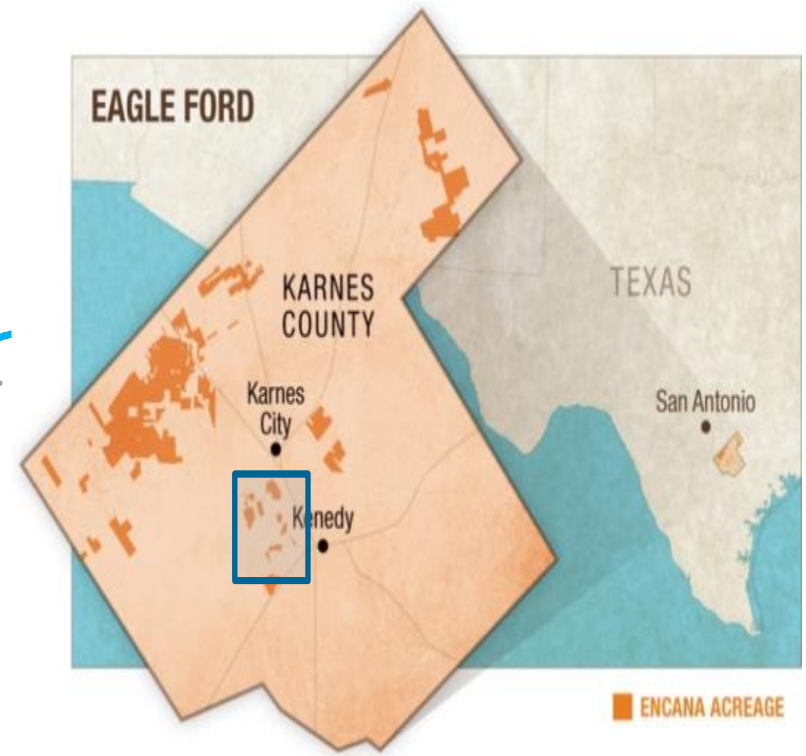


Data sourced from IHS, Inc. Includes all data from 2014 onward. Peers include BHP, CHK, COG, COP, CRZO, DVN, EOG, EPE, MRO, MTDR, MUR, NBL, NEU, PVA, PXD, SM, STO, and TLM

MARGINS & RETURNS

South-Central Karnes



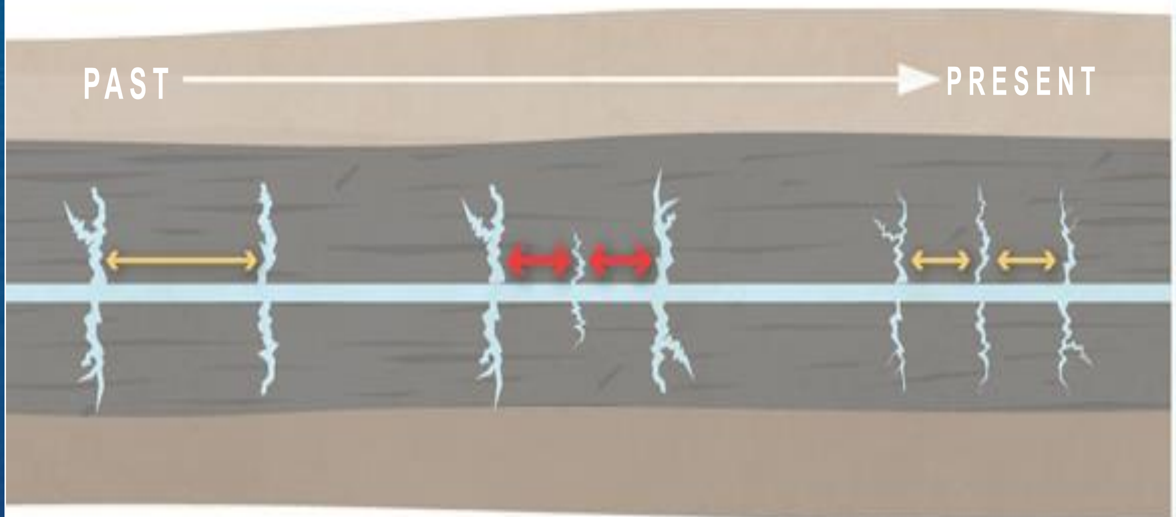


Type Well Metrics – ECA Net	
Atax IRR (%)	85%
Operating Margin ($/BOE)	$32

All metrics based on $3.00/MMBtu NYMEX, $55/bbl WTI

INNOVATION SUCCESS - FRAC COMPLEXITY

Thinner Fluids & Tighter Clusters



Early completions
- ✗ Bypassed pay

Tight spacing
- ✗ stress shadowing
- ✗ overwhelmed interior clusters

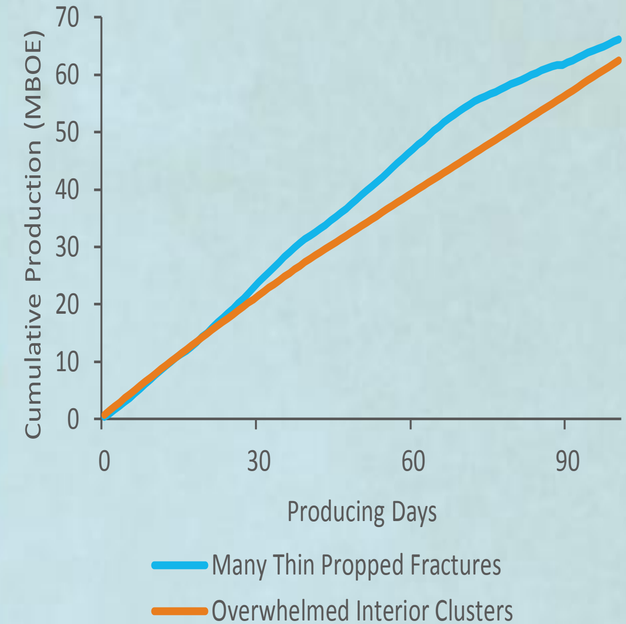
Complex system
- ✓ Many thin propped fractures

Parameters
- >60' Clusters
- High Viscosity Fluid

Parameters
- 25' Clusters
- High Viscosity Fluid

Parameters
- <20' Clusters
- Low Viscosity Fluid

Improved Fracture Complexity Driving Outperformance



Completions Parameter	Historical Standard	ECA Design Complex Fracture
Cluster Spacing (ft)	>60	<20
Proppant (lbs/ft)	<1,000	>2,000
Fluid System Viscosity	High	Low

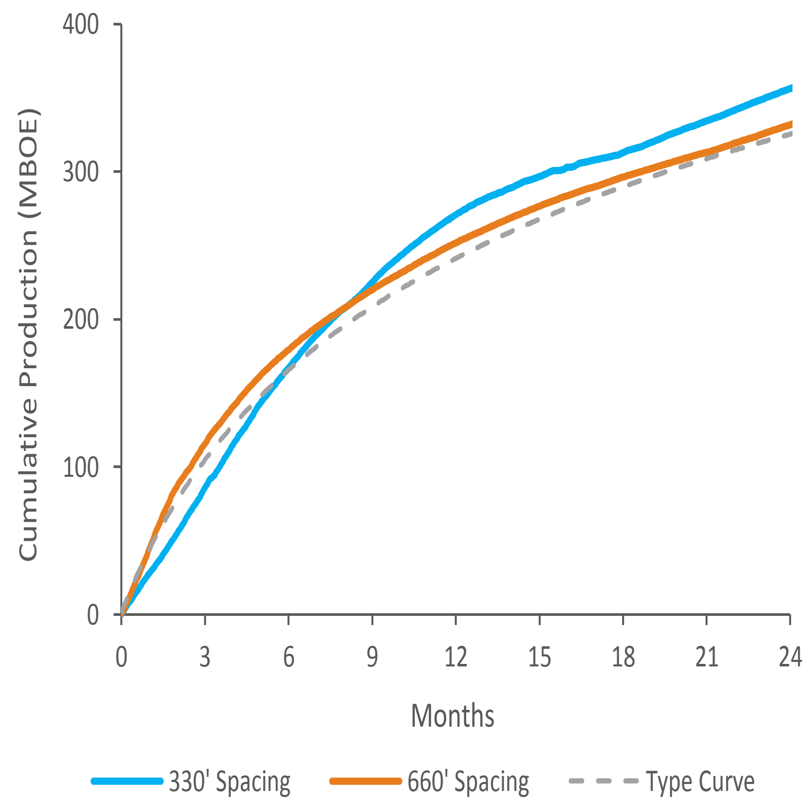
EAGLE FORD TIGHTER SPACING

Improving Fracture Effectiveness

- **Successful downspacing in Eagle Ford**
  - Greater overall resource recovery
  - Greater stimulation intensity
  - Increased fracture complexity
    - Tighter cluster spacing
    - Increasing proppant concentration
    - Greater fracture surface area

	660’ Spacing	330’ Spacing	Variance
Cluster Spacing (ft)	64	34	-47%
Proppant (lbs/ft)	787	1829	132%
EUR (MBOE)	629	858	36%

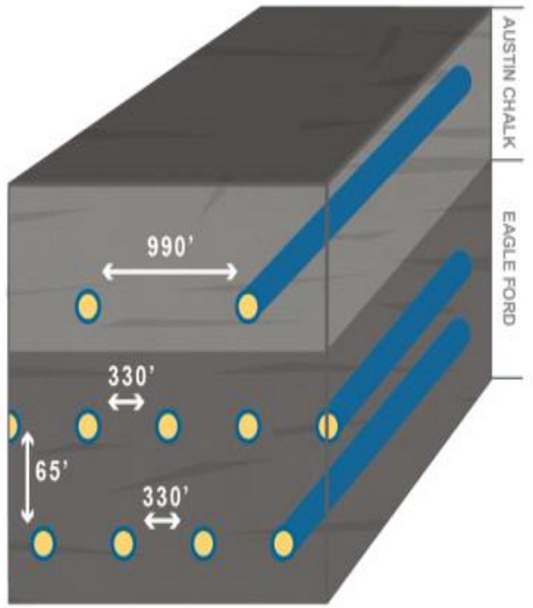
Encana Innovation Enhances Well Productivity

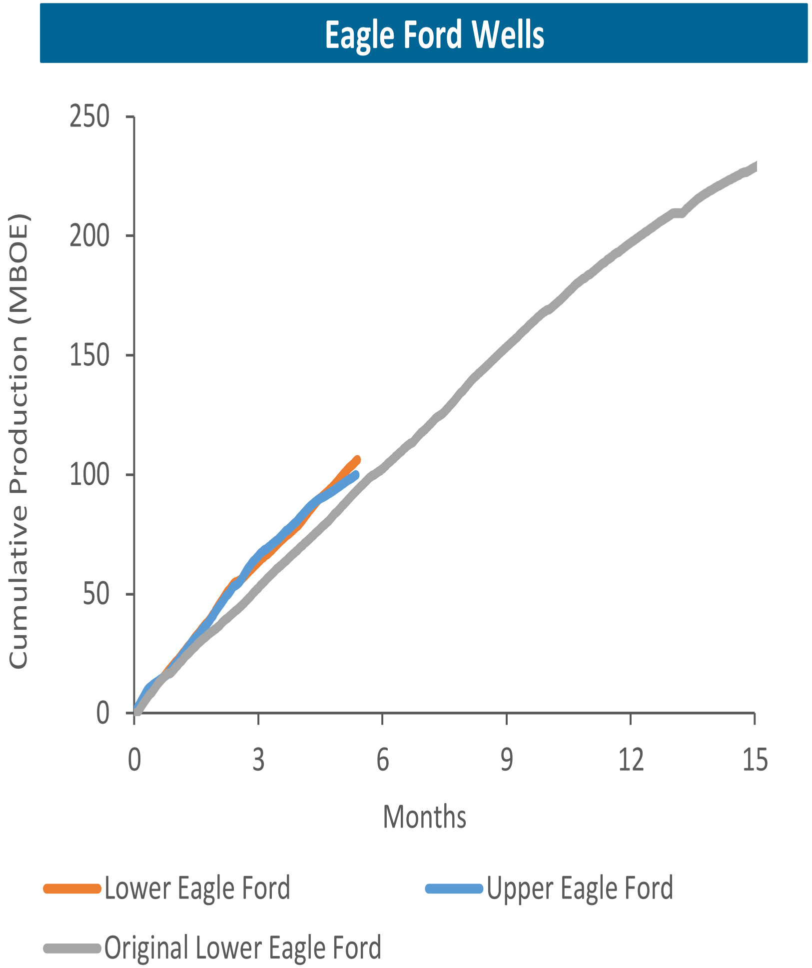


EAGLE FORD STACKED AND STAGGERED

Triple Stacking with Complex Fractures

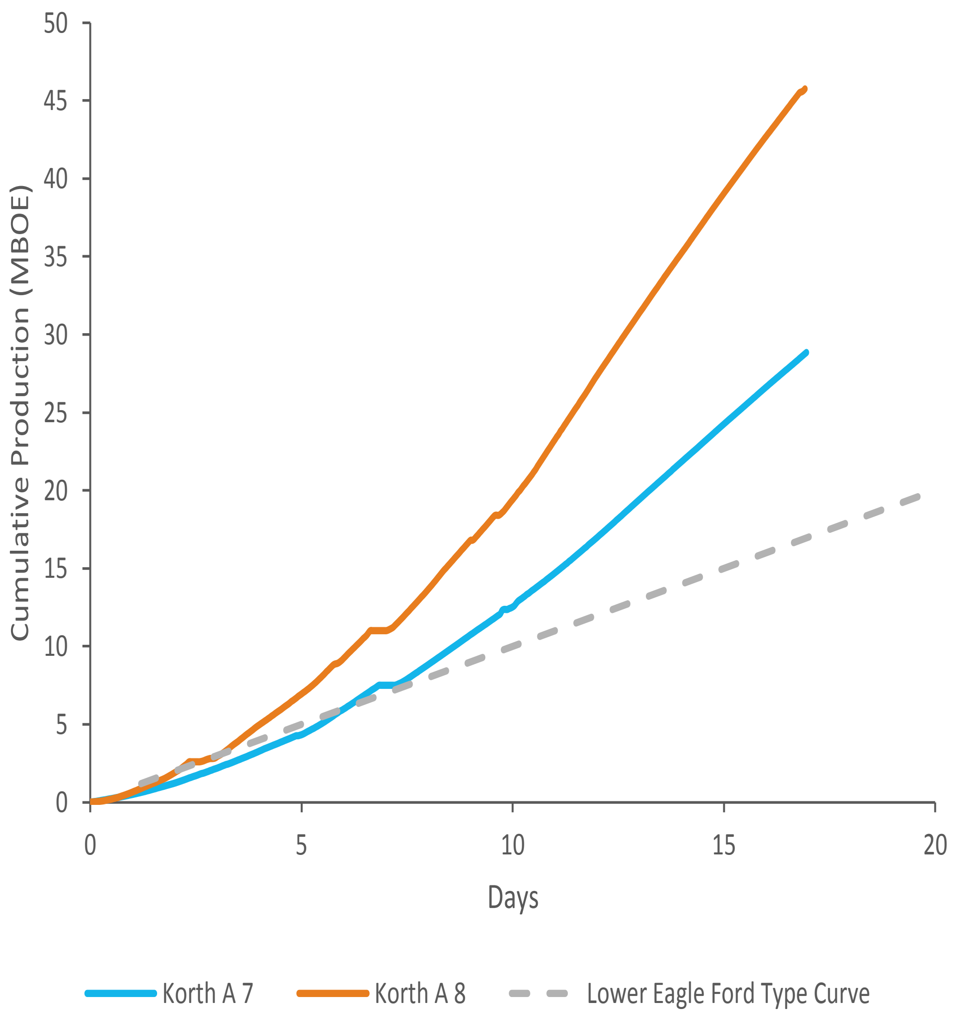
- **Optimizing spacing both vertically and horizontally**
- **Upper Eagle Ford wells on trend with Lower wells**
- **Premium inventory expansion potential**



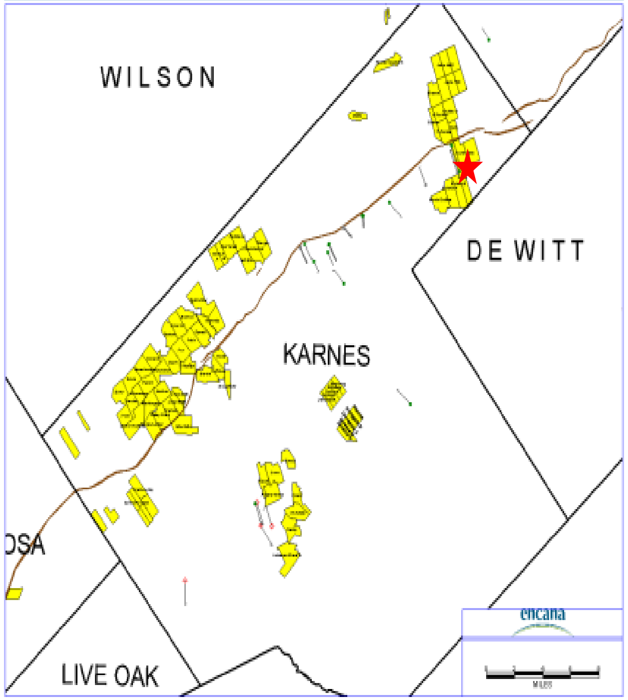


EAGLE FORD STACKED AND STAGGERED

Austin Chalk Results



Austin Chalk Pad location



Early time flow data

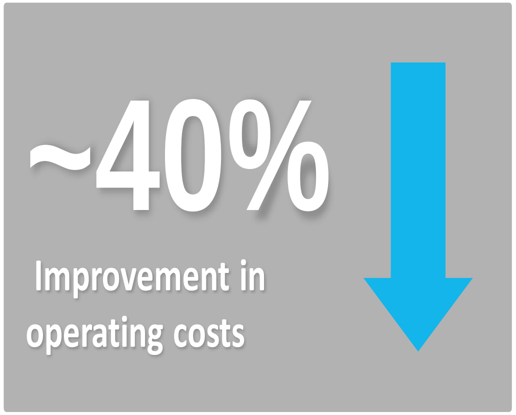
outpacing the premium

Eagle Ford type curve

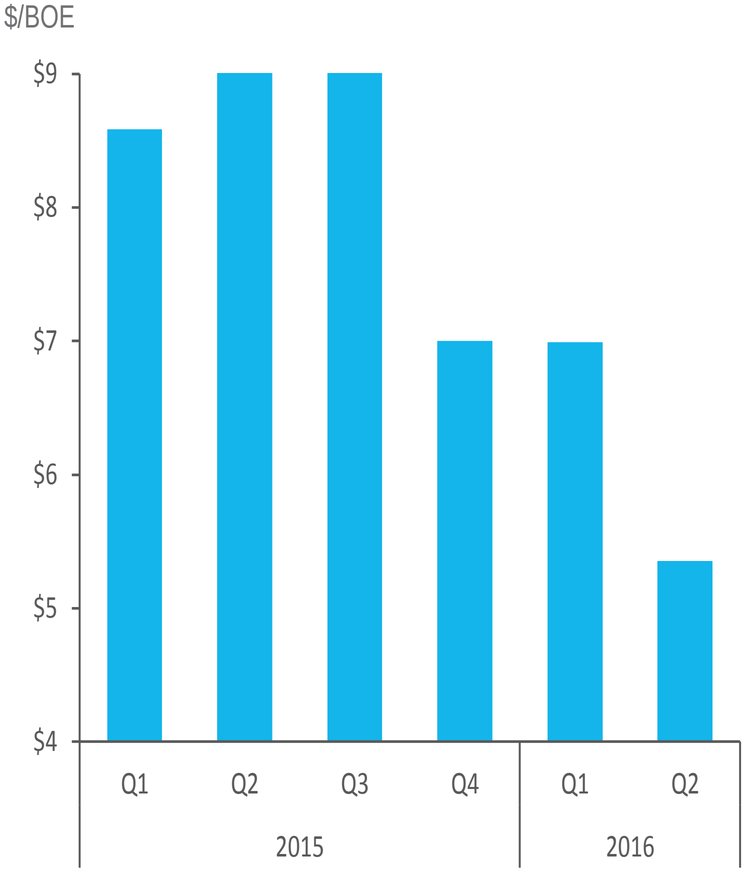
EXPANDING MARGINS

Reducing Operating Costs

- **Leveraging company-wide effort**
- **Optimized repairs, maintenance, and workovers**
  - In-house repairs, decreasing roustabout requirement
- **Supply management gains**
  - Lower costs on chemicals, water hauling
- **Improved artificial lift performance**



Eagle Ford Operating Cost Reductions

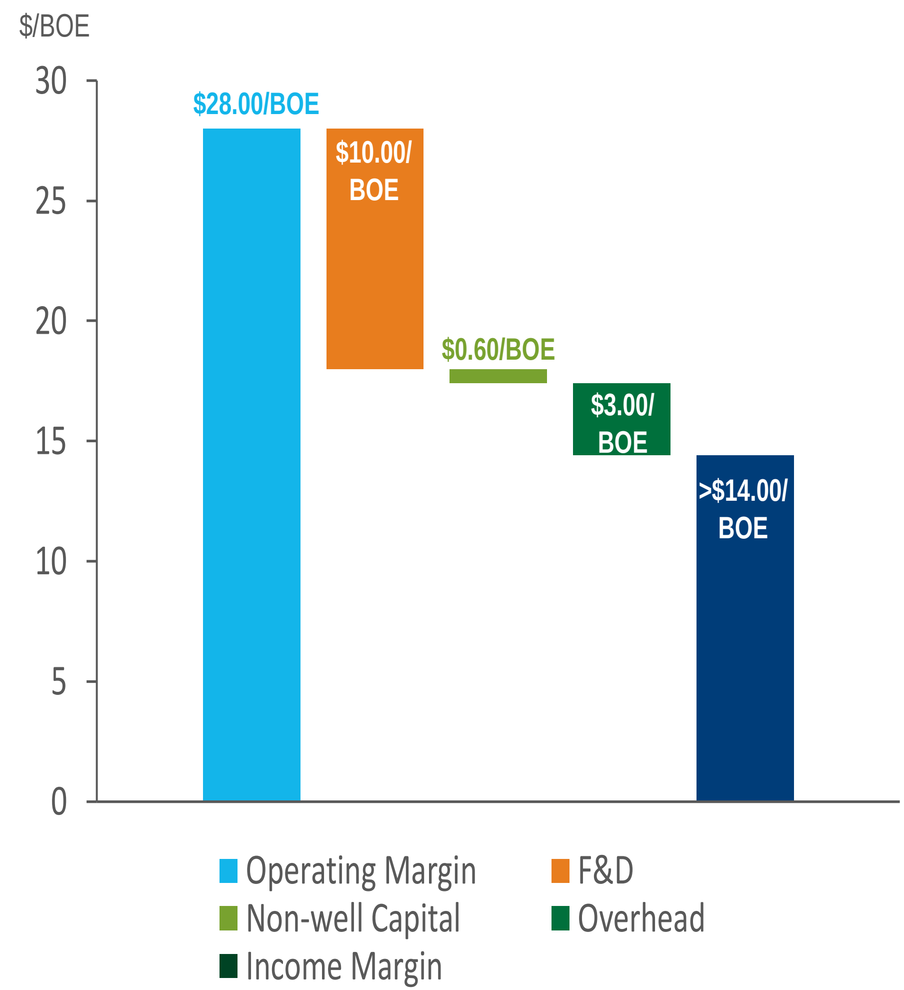


EAGLE FORD INCOME MARGIN

All-In Profitability

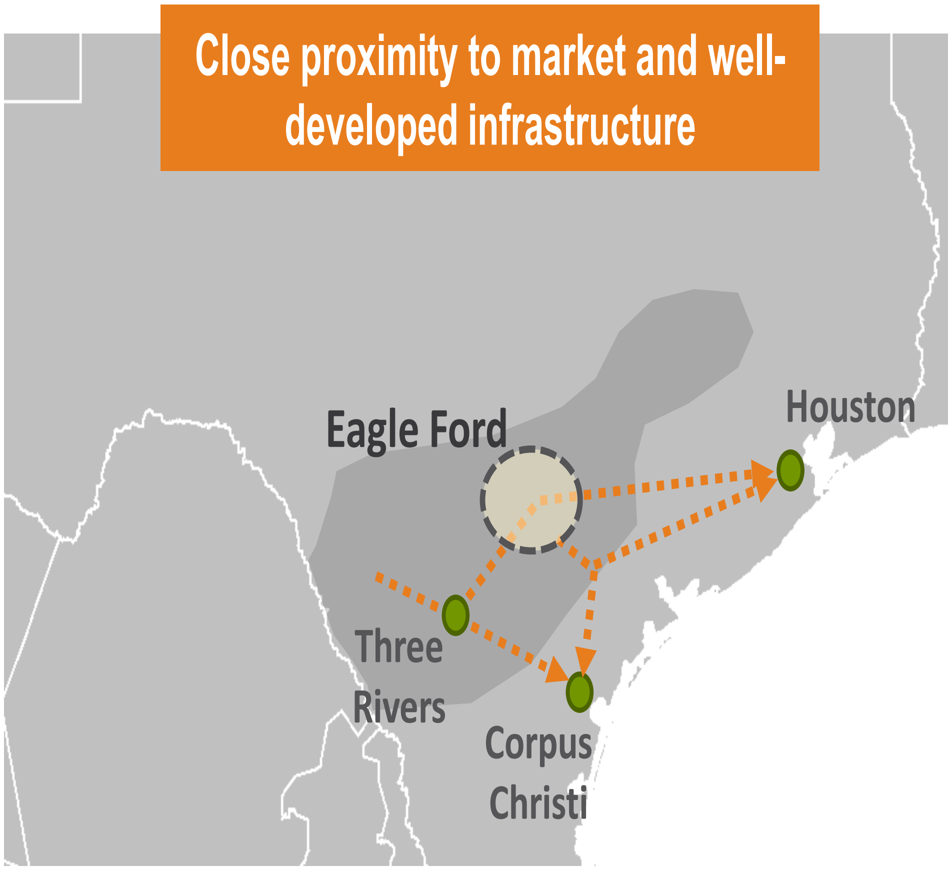
- **Premium returns at the corporate level**
  - Locations in the Eagle Ford deliver ~$28/BOE operating margin
  - NRI F&D ~$10.00/BOE
  - Non-well capital of $0.60/BOE
  - G&A and interest expense ~$3.00/BOE
  - Eagle Ford income margin at the corporate level of over $14.00/BOE

2017-2021 Income Margin



MIDSTREAM AND MARKETING OVERVIEW

Eagle Ford



- Firm gas gathering and NGL processing aligned with asset development program
- Infield gathering and extensive market assets in place to ensure flow and downstream connectivity
- Diverse physical marketing portfolio with access to Gulf Coast refining markets
- Proximity to market minimizes transportation cost and related commitments while maximizing netbacks

ENCANA EAGLE FORD

Tremendous Flex Asset

- 30-40,000 BOE/d by end of plan
- Free cash flow generator
- 5 year plan consumes current premium inventory
- Focus on transitioning remaining inventory into premium locations

ENCANA CORPORATION

Financial Strength & Discipline

Sherri Brillon

Executive Vice President & Chief Financial Officer

ENCANA

Delivering Quality Returns

- **Leading growth**
  - >300% cash flow growth over 5 year plan
- **World class assets**
  - 10,000 premium return locations
- **Efficiency**
  - Focus on innovation to continuously improve capital and operating efficiency
- **Returns and margins**
  - Grow cash flow by expanding margins and allocating capital to assets that deliver strong corporate returns
- **Actively managed balance sheet**
  - Provides flexibility and funding capacity

CORPORATE FINANCE

Providing Financial Flexibility & Liquidity to Execute our Strategy

Maintaining Financial Strength

- Ensuring ample access to a variety of funding sources
- Prudently managing debt levels
- Driving down corporate costs
- Mitigating commodity price risk
- Capital discipline reinforced with dividend

Disciplined Capital Allocation

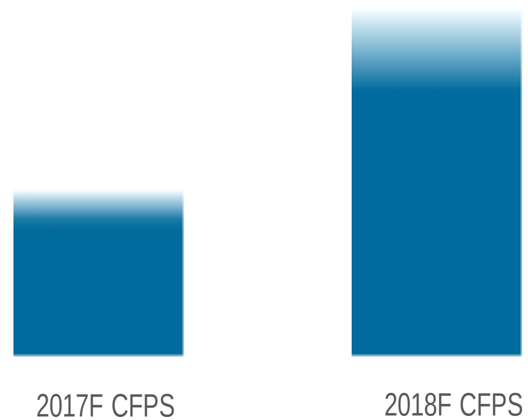
- Driven by strategy
- Disciplined & dynamic approach
- Focused on capital efficiency to drive returns
- Delivering profitable growth

MAINTAINING FINANCIAL STRENGTH

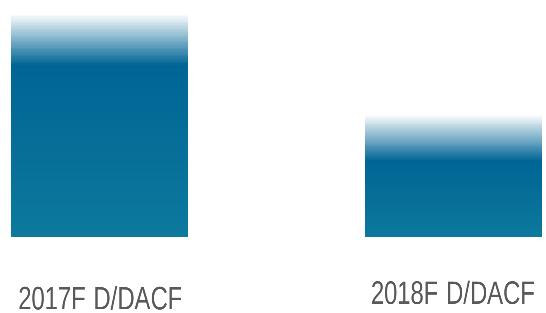
$1.15 Billion Equity Issuance

- **Confidence to unlock massive growth potential**
  - Maintains operational momentum in core four plays
  - Significantly accelerates 2017 activity in the Permian
- **De-risks 2017 capital program**
- **Accretive to cash flow, reduces leverage metrics**
  - Double digit accretion to 2017 and 2018 cash flow per share
  - Improves D/DACF by >1x in each of 2017 & 2018
- **Credit positive, maintains financial flexibility**

Cash Flow per Share Impact



Leverage Impact

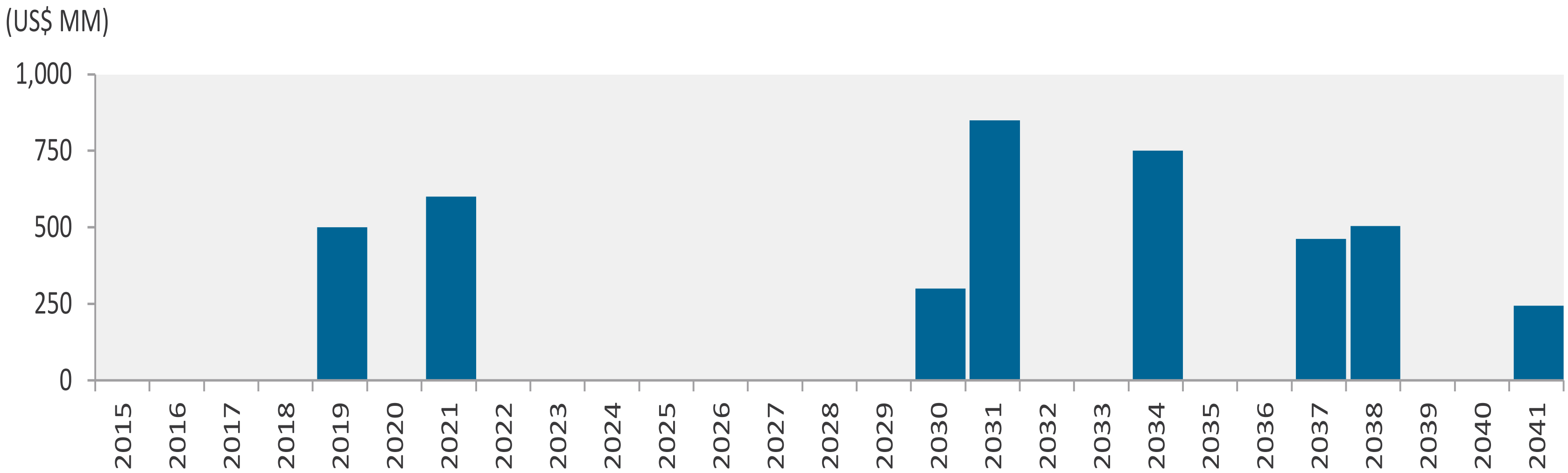


DISCIPLINED FINANCIAL MANAGEMENT

Debt Portfolio as at September 30, 2016

- Significant financial flexibility with no debt maturities until 2019
- ~75% of fixed rate long-term debt not due until 2030 and beyond
- Total debt reduced by ~$3 billion since year-end 2014
- Investment grade credit rating

Fixed Debt Maturity Schedule

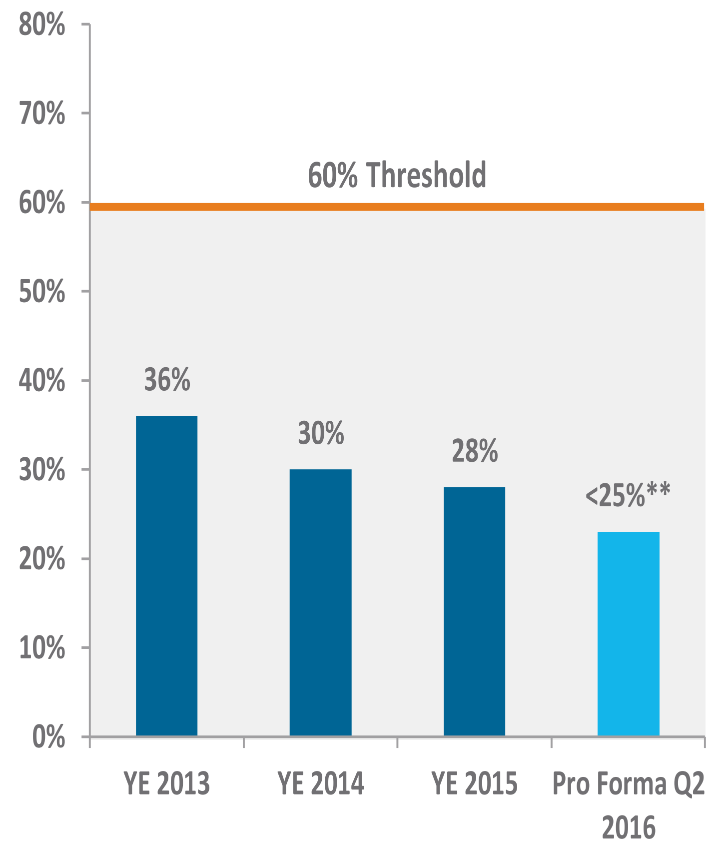


DISCIPLINED FINANCIAL MANAGEMENT

Access to Ample Liquidity Through 2020

- **$4.5B fully committed, unsecured, revolving credit facilities**
  - $4.5B available at September 30, 2016
  - Committed to July 2020
  - No use of credit facility to back-stop long term commitments
  - Single financial covenant
    - Debt cannot exceed 60% of adjusted capitalization
    - Adjusted capitalization = debt + equity + $7.7B equity adjustment*
    - <25% pro forma June 30th, 2016**
    - Debt to adjusted capitalization ratio has improved since 2013

ECA Ratio Well Within Covenant Threshold
Debt to Adjusted Capitalization Ratio

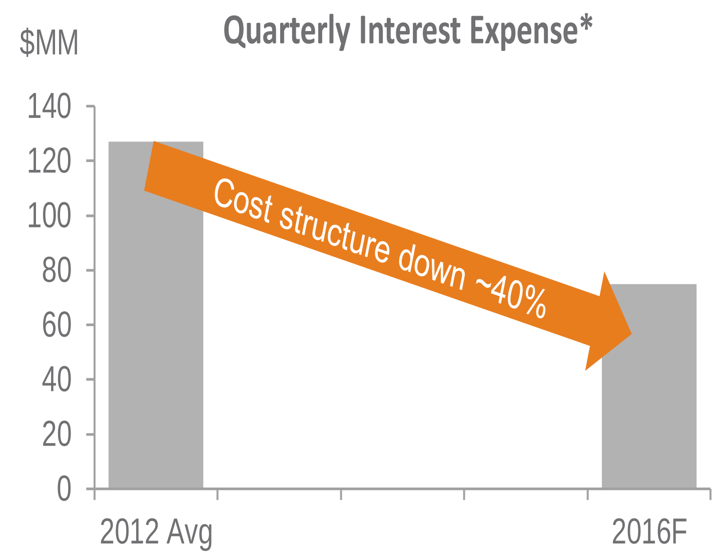


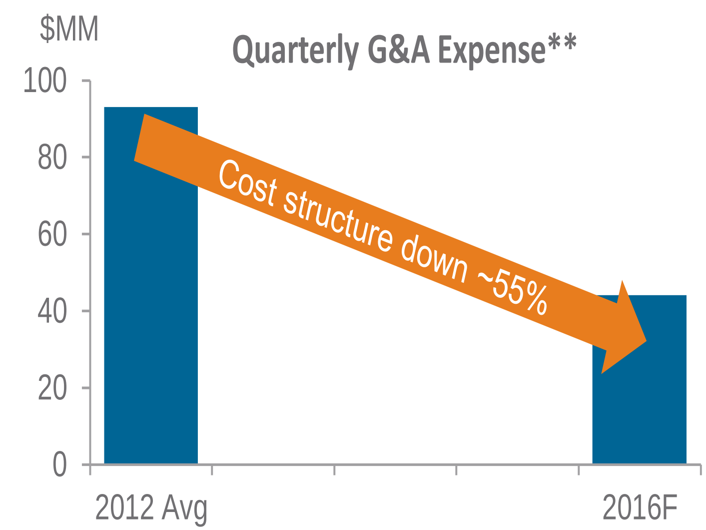
*Add back equity adjustment for cumulative historical ceiling test impairments recorded YE 2011 in conjunction with adoption of US GAAP; see MD&A for additional detail on ratio calculation.
** Includes impact of equity issuance and divestiture proceeds received during Q3 2016.

BUILDING ON OUR TRACK RECORD

Delivering Corporate Cost Savings

- **Normalized interest* on long term debt run rate ~$70 - $75 MM/quarter**
  - Interest expense reduced as a result of debt redemptions and retirements
  - Down ~40% from 2012 average
- **Normalized G&A** run rate ~$40 - $45 MM/quarter**
  - Down ~55% from 2012 average
- **Current staffing levels can support accelerated activity levels in 2017**
- **Full-year impact of cost savings to be realized in 2017**
- **Continuously looking for opportunities to further reduce corporate costs**

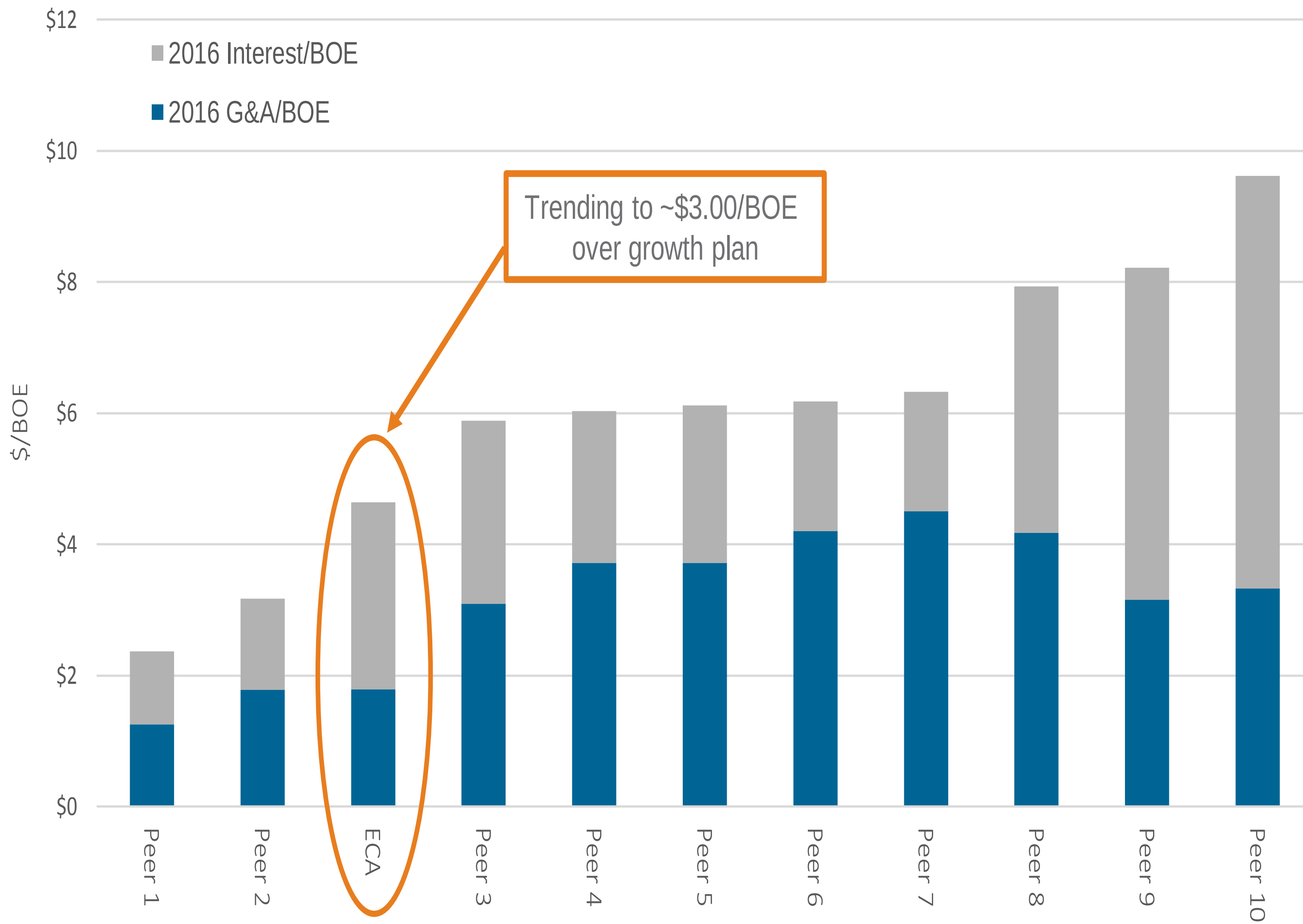




*Excluding restructuring and long-term incentive costs. ** Excluding one time payments. (Quarterly averages)

G&A & INTEREST $/BOE PEER COMPARISON

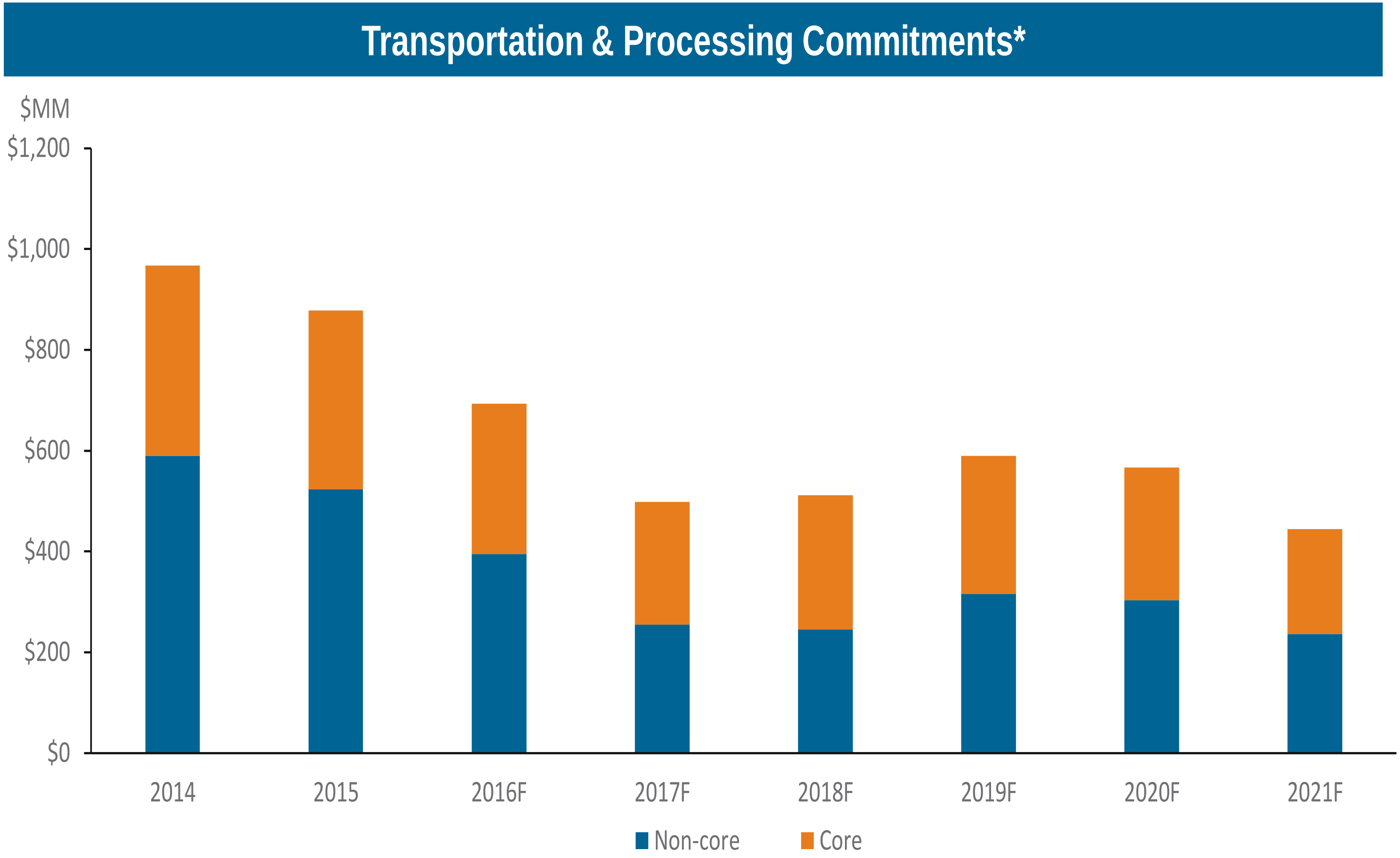
Top Quartile Cost Performance



Source: IHS Company Insights; ECA internal figures. Peers include: CNQ, CXO, EGN, EOG, FANG, LPI, MRO, MUR, PXD, RSPP, SN

REDUCING LONG TERM T&P COMMITMENTS

Legacy Costs Continue to Drop



*Represents historical and current forecasts of long-term transportation and processing commitments associated with Encana's core four assets (Permian, Montney, Eagle Ford & Duvernay) and non-core assets (all other assets).

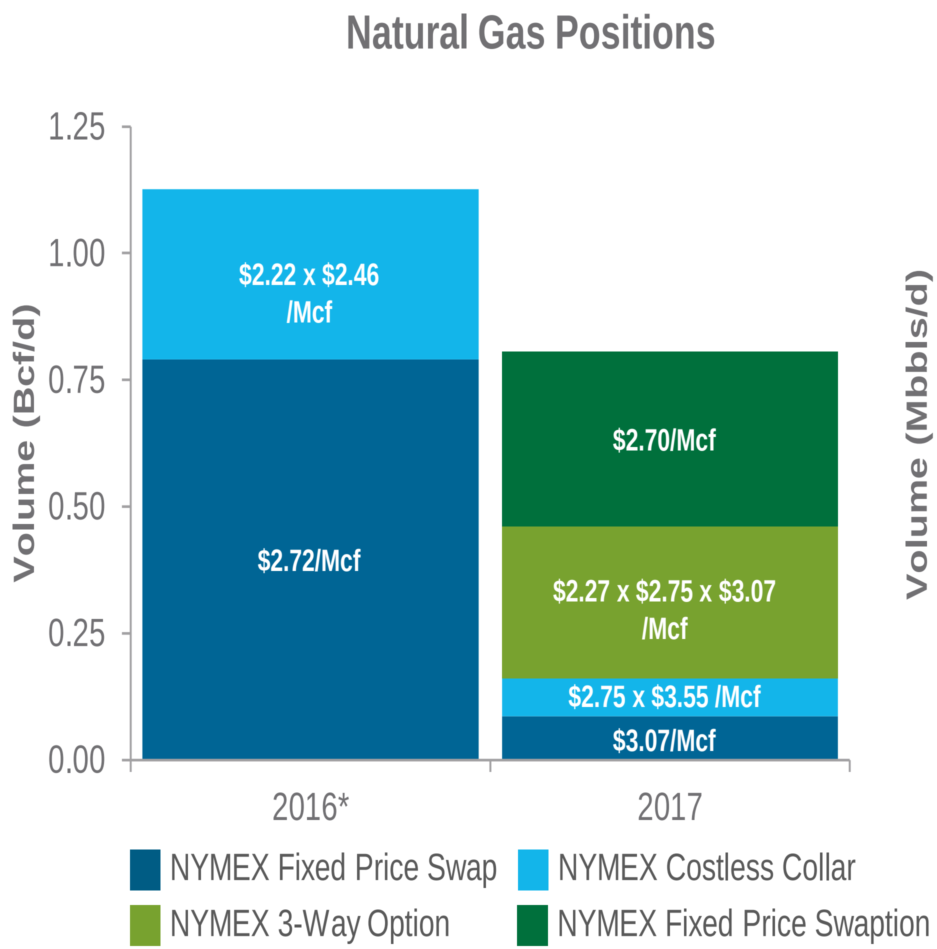
HEDGING STRATEGY

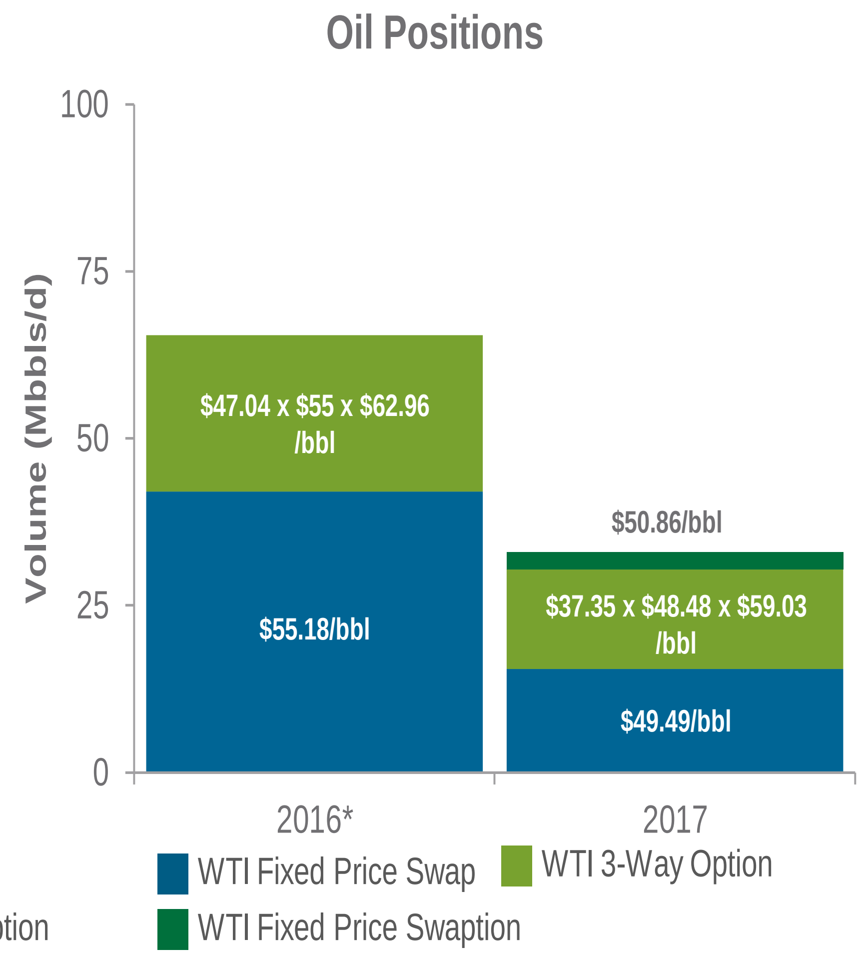
Mitigating Commodity Price Risk

- Programs designed to manage exposure to commodity price volatility
- Supports management of balance sheet risk
- Portfolio approach to derivatives for both WTI and NYMEX
- Active management of regional natural gas basis & oil differentials
- Integrated hedging decision framework

HEDGING PROGRAM

Adds Greater Certainty to Cash Flow





Hedge positions as at September 30, 2016. *October to December 2016 positions.

The NYMEX fixed price swaptions give the counterparty the option to extend 2016 fixed price swaps to December 31, 2017 at the strike price. As of Sept. 30, 2016, the options had not been exercised.

The WTI fixed price swaptions give the counterparty the option to extend Q1 2017 fixed price swaps to June 30, 2017 at the strike price. As of Sept. 30, 2016, the options had not been exercised.

2016 GUIDANCE UPDATE

Cost Performance Continues to Improve

Continued progress improving operating efficiencies and lowering costs

2016 Guidance	Feb 24, 2016	July 23, 2016	Oct 5, 2016
Capital Investment			
Capital Investment ($MM)	900 – 1,000	1,100 – 1,200	1,100 – 1,200
Production			
Natural Gas (MMcf/d)	1,300 – 1,400	1,300 – 1,400	1,300 – 1,400
Total Liquids (Mbbls/d)	120 – 130	120 – 130	120 – 130
% Oil & Condensate*	75 – 80%	75 – 80%	75 – 80%
% Natural Gas Liquids	20 – 25%	20 – 25%	20 – 25%
Total Production (MBOE/d)	340 – 360	340 – 360	340 – 360
Cash Costs			
PMOT ($/BOE)	0.75 – 0.85	0.75 – 0.85	0.75 – 0.80
Upstream Operating** ($/BOE)	4.60 – 4.90	4.15 – 4.35	3.95 – 4.10
Transportation & Processing ($/BOE)	6.80 – 7.20	6.60 – 6.70	6.45 – 6.60
G&A** ($/BOE)	1.25 – 1.35	1.30 – 1.40	1.30 – 1.40

* Includes plant & field condensate .**Excluding restructuring and long-term incentive costs

2017 – 2018 OUTLOOK*

Kick-Starting the Growth Plan

Projected 2017 Program

- **$1.4 - $1.8 B total capital**
  - Permian: $850MM to $1.0B
  - Montney: $200 to $300MM
  - EF + Duvernay: $300 to $450MM
- **>90% of capital to DC&T**
- **Growth in core four begins mid-year**
- **15-20% core four production growth 4Q/16 to 4Q/17**

Projected 2018 Program

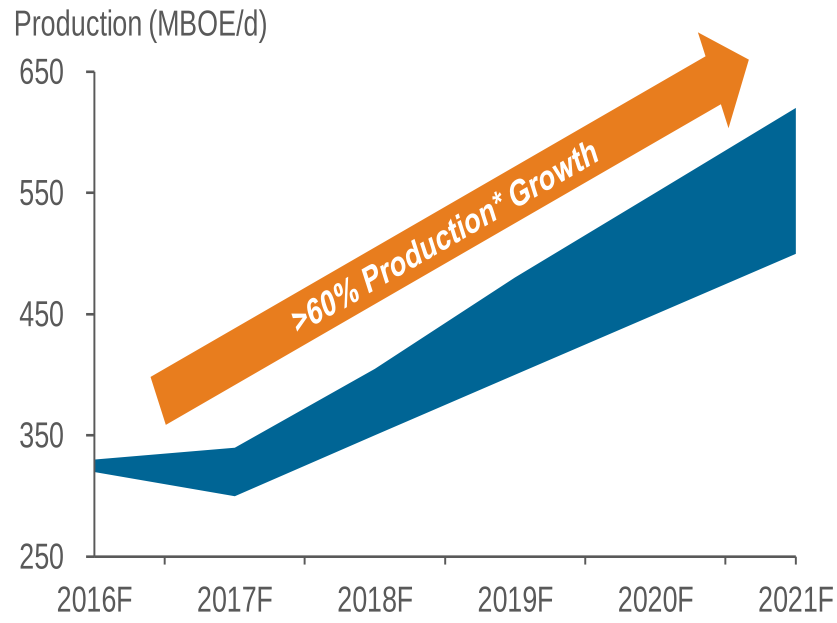
- **Self-funding capital program**
- **>400 MBOE/d total annual production**
- **>30% growth in core four production 4Q/17 to 4Q/18**
- **>50% increase in corporate margin**
- **Leverage drops to ~2x D/DACF**

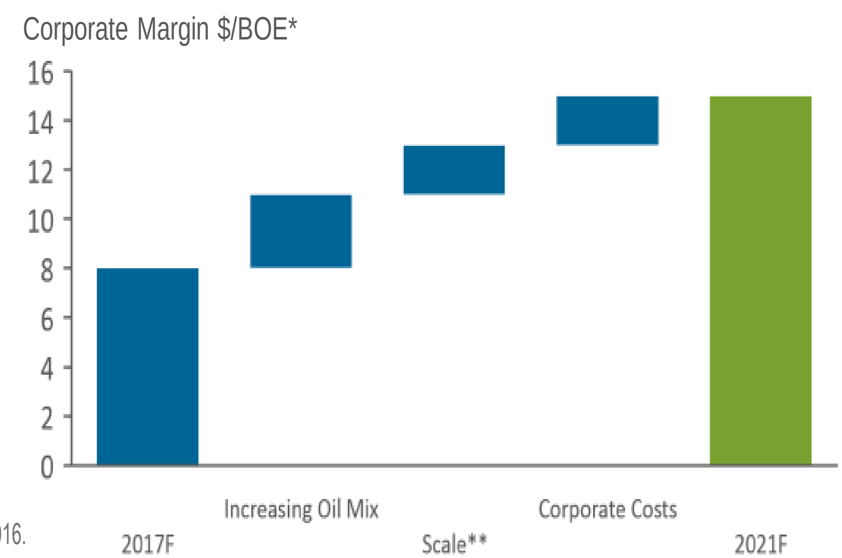
*Assumes flat $55/bbl WTI oil price, flat $3/MMBtu NYMEX natural gas price.

PRODUCTION GROWTH TRAJECTORY

Growing High Margin Volumes

- **>60% total company production* growth**
  - Permian grows ~3x – 4x
  - Montney liquids grow ~4x – 5x, gas grows ~2x
  - Combination of Eagle Ford and Duvernay production stays relatively flat
- **15% – 20% liquids CAGR**
- **Corporate margin doubles**
  - Core four becomes >90% of total company production
  - Commodity mix becomes balanced between liquids and natural gas
  - >50% increase in corporate margin 2017 to 2018



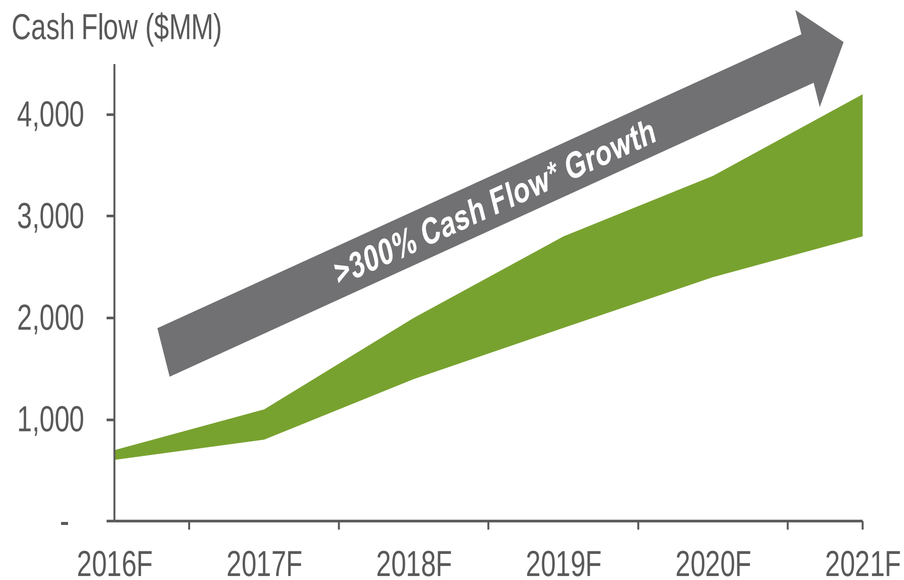


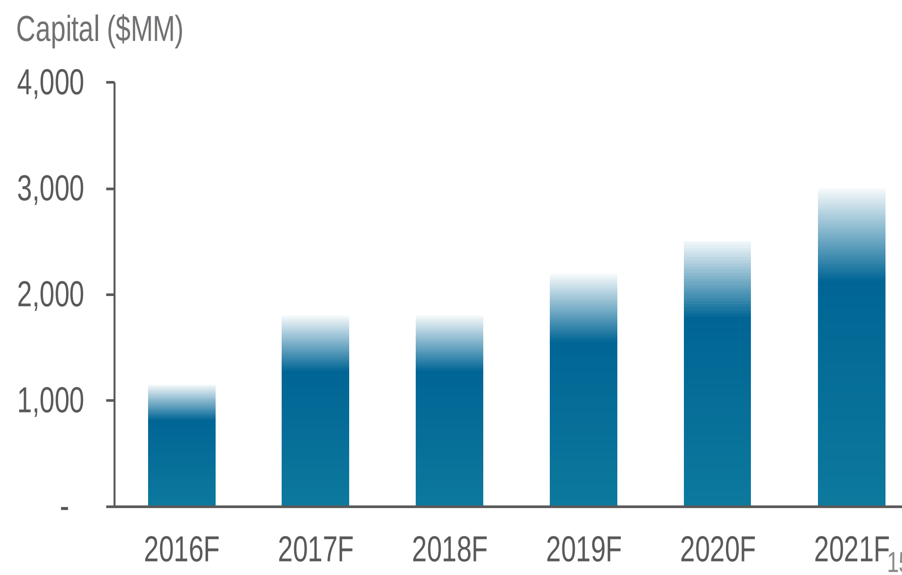
*Assumes flat $55/bbl WTI and $3/MMBtu NYMEX. 2016 production does not include volumes from assets divested in 2016. Refer to advisory for definition of corporate margin. **Impact of higher volumes on PMOT, T&P and Operating Expense.

5 YEAR CAPITAL & CASH FLOW OUTLOOK

Self-Funding Capital Program Post 2017

- **>300% cash flow* growth**
  - Focus on high margin production amplifies cash flow growth
- **Self funding post 2017**
  - Cash flow exceeds capital program at $55 WTI and $3 NYMEX
- **Multi-basin portfolio advantage**
  - Enables flexible and efficient deployment of capital





* Assumes flat $55/bbl WTI and $3/MMBtu NYMEX

ENCANA

Delivering Quality Returns

- **Leading growth**
  - >300% cash flow growth over 5 year plan
- **World class assets**
  - 10,000 premium return inventory locations
- **Efficiency**
  - Focus on innovation to continuously improve capital and operating efficiency
- **Returns and margins**
  - Grow cash flow by expanding margins and allocating capital to assets that deliver strong corporate returns
- **Actively managed balance sheet**
  - Provides flexibility and funding capacity

Supplemental

PERMIAN – 2016 PROGRAM

Focused Development to Drive Efficiencies

FY 2016 Plan	
Acreage (net acres)	**146,000**
Glasscock	18,500
Howard	58,500
Martin	30,000
Midland	33,000
Other	6,000
Average Working Interest (%)	**91%**
Average Royalty Rate (%)	**20 – 25%**
Capital (net)	**~$650 million**
Rig Count	
Horizontal	4
Vertical	0.5
Wells Drilled (net)	
Horizontal	75 - 85
Vertical	10
Wells on Stream (net)	
Horizontal	60 - 70
Vertical	20 - 25
Production Split	
Oil/condensate** %	64%
NGLs %	18%
Natural gas %	18%

- Development focus in the Midland/Martin/Upton
- Longer laterals and more wells per pad to drive efficiency
- Maintain land position through a reduced vertical drilling program
- Multi-rig and frac spreads accelerating D&C cost reductions

**Includes plant and field condensate. Encana reports plant condensate as NGL

ENCANA PERMIAN

Gross Premium Return Inventory

County	Midland		Martin	Howard		Glasscock	
Zone	WOLFCAMP	SPRABERRY	SPRABERRY	WOLFCAMP	SPRABERRY	WOLFCAMP	SPRABERRY
IP30 (BOE/d)	700	900	700	825	675	825	675
IP180 (BOE/d)	550	600	525	575	500	575	500
EUR/Well (MBO)	500	475	600	500	500	500	500
EUR/Well (MBOE)	900	750	850	850	700	850	700
GOR (MCF/bbl)	2,900	2,200	1,900	2,600	2,000	2,600	2,000
Gross Premium Return Inventory	**910**	**230**	**650**	**500**	**200**	**170**	**90**

Estimated inventory based on 660 ft spacing, 7,500' lateral length.

MONTNEY – 2016 PROGRAM

Focused On Oil and Liquids Development

FY 2016 Plan	
Acreage (net acres)	484,000
British Columbia (CRP)	293,000
Alberta (PRA)	191,000
Working Interest (%)	67%
Average Royalty Rate (%)	10 – 15%
Capital (net) $Million	~$120
Rig Count	2
Wells Drilled (net)	17-19
Wells on Stream (net)	17-19
Production Split	
Oil/condensate** %	9%
NGLs %	5%
Natural gas %	86%

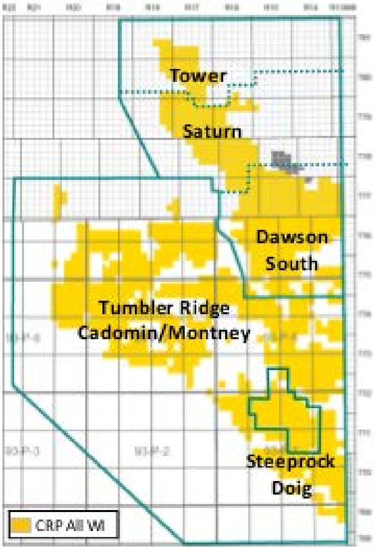
**Includes plant and field condensate; Encana reports plant condensate as NGL

- Fill existing infrastructure to maintain production
- Development focused in the liquids rich zones and acreage
- Maintain highest quality land position in Alberta

MONTNEY

Cutbank Ridge Partnership (CRP)

- **Partnership with a subsidiary of Mitsubishi**
  - Encana: 60% interest
  - Mitsubishi: 40% interest
- **Development areas**
  - Montney: Tower, Dawson North, Dawson South and Tumbler Ridge
  - Cadomin
  - Steeprock Doig
- **Investment structure (C$2.9B)**
  - C$1.45 billion upfront in 2012
  - Further investment of C$1.45 billion during the commitment period
- **Third party capital expected to extend through 2018**
  - 2016F third party capital ~C$80 million
  - 2017+ third party capital C$675 - $725 million
- **Mitsubishi also funds its 40% of the Partnership's future capital investment**



ENCANA MONTNEY

Gross Premium Return Inventory

Region	Tower			Dawson South		Pipestone			
Type	Wet Gas	Gas Condensate	Rich Gas Condensate	Wet Gas	Gas Condensate	Gas Condensate	Rich Gas Condensate	Very Rich Gas Condensate	Volatile Oil
IP30 (BOE/d)	1,000 – 1,350	1,150 – 1,550	850 – 1,100	1,350 – 2,170	2,350 – 2,500	1,450	1,670	1,820	840 – 1,250
IP180 (BOE/d)	725 – 1,000	1,100 – 1,550	750 – 1,000	910 – 1,330	1,600 – 1,750	1,150	1,300	1,450	600 – 1,050
EUR/Well (MBOE)	710 – 970	1,075 – 1,440	880 – 1,130	1,065 – 1,700	1,320 – 1,875	1,610	1,700	2,010	630 – 1,400
Condensate Yield (bbls/MMcf)	<20	20 - 50	50 - 150	<20	20 - 50	20 - 50	50 - 150	150 - 250	>250
Gross Premium Return Inventory	225	1625	550	450	650	530	900	180	790

Estimated inventory based on 440 - 880 ft spacing, 9,000' lateral length.

EAGLE FORD – 2016 PROGRAM

Enhancing Well Inventory

FY 2016 Plan	
Acreage (net acres)	43,200
Average Working Interest (%)	91%
Average Royalty Rate (%)	20 – 25%
Capital (net) $Million	~$200
Rig Count	1
Wells Drilled (net)	25-35
Wells on Stream (net)	40-50
Production Split	
Oil/condensate** %	73%
NGLs %	12%
Natural gas %	15%

**Includes plant and field condensate; Encana reports plant condensate as NGL

- Achieving substantial cost reductions
- Enhancing well inventory
  - Delineating Upper Eagle Ford & Austin Chalk potential
  - Optimizing completion design for Graben wells
  - Confirm chevron downspacing for undeveloped acreage

ENCANA EAGLE FORD TYPE CURVES

Gross Premium Return Inventory

Type Curve	Lower Eagle Ford
IP30 (BOE/d)	950
IP180 (BOE/d)	650
EUR/Well (Mbbls)	370
EUR/Well (MBOE)	570
GOR	2,500
Gross Premium Return Inventory	130

Estimated inventory based on 330 ft spacing, 5,000' lateral length.

DUVERNAY – 2016 PROGRAM

Lowering Costs, Increasing Productivity

FY 2016 Plan	
Acreage (net acres)	**335,000**
Simonette	97,000
Willesden Green	200,000
Edson/Pinto	38,000
Average Working Interest (%)	**50%**
Average Royalty Rate (%)	**5 – 15%**
Capital (net) $Million	**~$120**
Rig Count	**3**
Wells Drilled (net)	**20-22**
Wells on Stream (net)	**21-24**
Production Split	
Oil/condensate** %	48%
NGLs (C2 – C4) %	7%
Natural gas %	45%

**Includes plant and field condensate; Encana reports plant condensate as NGL

- **Advance downspacing and completion pilots**
- **Increasingly material to production and cash flow**
- **2/3 of activity focused in Simonette North**
- **Basin leading operating efficiencies**
  - Dual rig/dual frac crews per pad
  - Water and road infrastructure allowing for year-round operations

DUVERNAY JOINT VENTURE

- **Brion (formerly Phoenix, a subsidiary of PetroChina) agreed to invest C$2.18 billion for 49.9% working interest**
  - C$1.18 billion up front cash in 2012
  - Further investment of C$1.0 billion during the commitment period
- **JV carry capital reduces Encana's capital & leverages economics**
  - 2016F carry capital ~C$150 million
  - 2017+ carry capital C$95 - 115 million

ENCANA DUVERNAY

Gross Premium Return Inventory

Region	Simonette South		Simonette North	
Type	Rich Gas Condensate	Very Rich Gas Condensate	Rich Gas Condensate	Very Rich Gas Condensate
IP90 (MMcf/d)	4 - 6	3 - 5	3.5 – 4.5	2.5 – 3.5
EUR/Well (MBOE)	1,400	1,400	1,100	1,000
Di Gas (decline factor)†	59	57	57	57
Di Condensate (decline factor)*	66	67	68	68
b-factor (gas)*	1.2	1.2	1.2	1.2
b-factor (oil)*	1.0	1.0	1.0	1.0
Condensate Yield (bbls/MMcf)	**50 - 150**	**150 - 250**	**50 - 150**	**150 - 250**
Gross Premium Return Inventory	**150**	**120**	**60**	**170**

*Di factor & b-factor for use with Arps' decline equation, † Di factor influenced by 3 month flat initial gas rate. Gas heat content of 1,300 Btu/scf.
Estimated inventory based on 1,000 ft spacing, Simonette North at 8,200' lateral length, Simonette South at 8,860' lateral length.

LIQUIDS VALUE CHAIN

Projected Composition of Total Liquids Production

	Canada		US	
	2016F* (Mbbls/d)	2016F Pricing (%WTI)	2016F* (Mbbls/d)	2016F Pricing (%WTI)
Oil and Condensate**	20 – 25	97%	70 – 75	88%
Butane	2 – 5	45%	3 – 6	43%
Propane	3 – 6	5%	6 – 9	33%
Ethane	1 – 4	22%	5 – 8	7%

Liquids primarily comprised of higher-value products

*2016F based on company guidance as at October 5, 2016; production ranges are not additive
**Includes plant condensate

NON-GAAP MEASURES

Certain measures in this presentation do not have any standardized meaning as prescribed by U.S. GAAP and, therefore, are considered non-GAAP measures. These measures may not be comparable to similar measures presented by other companies. These measures have been provided for meaningful comparisons between current results and other periods and should not be viewed as a substitute for measures reported under U.S. GAAP. For additional information relating to non-GAAP measures, see Encana's most recent MD&A as filed on SEDAR and EDGAR. Non-GAAP measures include:

- Cash Flow, Cash Flow Per Share (CFPS) and Corporate Margin – Cash Flow is defined as cash from operating activities excluding net change in other assets and liabilities, net change in non-cash working capital and cash tax on sale of assets. CFPS is Cash Flow divided by the number of common shares outstanding. Corporate Margin is Cash Flow per BOE of production. Management believes these measures are useful to the company and its investors as a measure of operating and financial performance across periods and against other companies in the industry, and are indication of the company's ability to generate cash to finance capital programs, to service debt and to meet other financial obligations. These measures are used, along with other measures, in the calculation of certain performance targets for the company's management and employees.
- Debt to Debt Adjusted Cash Flow (D/DACF) – D/DACF is Encana's consolidated debt versus Cash Flow excluding interest expense after tax. This measure is monitored by management and is commonly used in the oil and gas industry as an indicator of the company's overall financial strength.
- Debt to Adjusted Capitalization – Debt to Adjusted Capitalization adjusts capitalization for historical ceiling test impairments that were recorded as at December 31, 2011. Management monitors Debt to Adjusted Capitalization as a proxy for Encana's financial covenant under its credit facility agreements which require debt to adjusted capitalization to be less than 60 percent. Adjusted Capitalization includes debt, total shareholders' equity and an equity adjustment for cumulative historical ceiling test impairments recorded as at December 31, 2011 in conjunction with the Company's January 1, 2012 adoption of U.S. GAAP.
- Normalized Interest – Normalized Interest is interest expense on long-term debt, excluding one-time charges associated with early retirement. Management believes Normalized Interest is a useful indicator of ongoing interest costs associated with long-term debt that is more comparable between periods as it eliminates certain one-time costs.
- Normalized G&A – Normalized G&A is administrative expense excluding long-term incentive and restructuring costs. Management believes Normalized G&A is a useful indicator of ongoing controllable base administrative costs that are more comparable between periods and against other companies in the industry as it eliminates certain one-time and non-cash impacts.

FUTURE ORIENTED INFORMATION

This presentation contains certain forward-looking statements or information (collectively, "FLS") within the meaning of applicable securities legislation. FLS include:

- expectation of meeting or exceeding the targets in Encana's corporate guidance
- anticipated capital program, including focus of development, amount of sustaining capital, the amount allocated to its core four assets, number of wells on stream and expected return
- well performance, completions intensity, location of acreage and costs relative to peers and within plays
- anticipated production, cash flow, capital coverage, payout, net present value, rates of return, production efficiency, commodity mix, operating and corporate margins, netbacks and growth, including expected timeframes
- number of well locations (including identification of premium return locations), well spacing, decline rate, focus of drilling and timing, commodity composition, rates of returns, and operating performance compared to type curves
- pacesetting operational metrics being indicative of average future well performance and costs, including success of technological innovation and sustainability thereof
- ability to scale or redirect capital program and innovation and asset quality to drive capital productivity
- expected capacity and transportation and processing commitments and restrictions
- anticipated reserves and resources, including product types and stacked resource potential
- competitiveness and pace of growth of Encana's plays within North America and against its peers
- anticipated third-party incremental and joint venture carry capital
- anticipated capital and cost efficiencies, including drilling and completion, operating, corporate, transportation and processing costs, associated staffing levels, and sustainability of costs thereof
- expected net debt, associated interest expense savings and quarterly run rate on interest and G&A
- growth in long-term shareholder value and timing thereof
- expected rig count and rig release metrics
- commodity price outlook
- anticipated hedging and outcomes of risk management program, including amount of hedged production
- management of Encana's balance sheet and credit rating, including access to and commitment of credit facilities and upcoming debt maturities
- expectation to continue to strengthen Encana's balance sheet and create additional financial flexibility
- expected proceeds from divestitures, expectation that the closing conditions and regulatory approvals will be satisfied, the timing of closing thereof and the use of proceeds therefrom
- running room and scale of Encana's plays and anticipated vertical and horizontal drilling
- anticipated dividends
- amount of well inventory versus long-term plan and consumption thereof

Readers are cautioned against unduly relying on FLS which, by their nature, involve numerous assumptions, risks and uncertainties that may cause such statements not to occur, or for results to differ materially from those expressed or implied. These assumptions include:

- assumptions contained in Encana's 2016 corporate guidance and in this presentation
- data contained in key modeling statistics
- availability of attractive hedges and enforceability of risk management program
- results from innovations
- expectation that counterparties will fulfill their obligations under gathering, midstream and marketing agreements
- access to transportation and processing facilities where Encana operates
- effectiveness of Encana's resource play hub model to drive productivity and efficiencies
- enforceability of transaction agreements
- expectations and projections made in light of, and generally consistent with, Encana's historical experience and its perception of historical trends, including with respect to the pace of technological development, the benefits achieved and general industry expectations

Risks and uncertainties that may affect these business outcomes include: risks inherent to closing announced divestitures on a timely basis or at all and adjustments that may reduce the expected proceeds and value to Encana; commodity price volatility; timing and costs of well, facilities and pipeline construction; ability to secure adequate product transportation and potential pipeline curtailments; business interruption and casualty losses or unexpected technical difficulties; counterparty and credit risk; fluctuations in currency and interest rates; risk and effect of a downgrade in credit rating, including below an investment-grade credit rating, and its impact on access to capital markets and other sources of liquidity; variability and discretion of Encana's Board to declare and pay dividends, if any; the ability to generate sufficient cash flow to meet Encana's obligations; failure to achieve anticipated results from cost and efficiency initiatives; risks inherent in marketing operations; risks associated with technology; Encana's ability to acquire or find additional reserves; imprecision of reserves estimates and estimates of recoverable quantities of natural gas and liquids from resource plays and other sources not currently classified as proved, probable or possible reserves or economic contingent resources, including future net revenue estimates; changes in or interpretation of royalty, tax, environmental, accounting and other laws; risks associated with past and future divestitures of certain assets or other transactions or receive amounts contemplated under the transaction agreements (such transactions may include third-party capital investments, farm-outs or partnerships, which Encana may refer to from time to time as "partnerships" or "joint ventures" and the funds received in respect thereof which Encana may refer to from time to time as "proceeds", "deferred purchase price" and/or "carry capital", regardless of the legal form) as a result of various conditions not being met; and other risks and uncertainties impacting Encana's business, as described in its most recent MD&A, financial statements, Annual Information Form and Form 40-F, as filed on SEDAR and EDGAR.

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

Certain future oriented financial information or financial outlook information is included in this presentation to communicate current expectations as to Encana's performance. Readers are cautioned that it may not be appropriate for other purposes. Rates of return for a particular play or well are on a before-tax basis and are based on specified commodity prices with local pricing offsets, capital costs associated with drilling, completing and equipping a well, field operating expenses and certain type curve assumptions. Pacesetter well costs for a particular play are a composite of the best drilling performance and best completions performance wells in the current quarter in such play and are presented for comparison purposes. Drilling and completions costs have been normalized as specified in this presentation based on certain lateral lengths for a particular play. Premium return locations are defined as locations with expected after tax returns greater than 35% at $50/bbl WTI and $3/MMBtu NYMEX.

For convenience, references in this presentation to "Encana", the "Company", "we", "us" and "our" may, where applicable, refer only to or include any relevant direct and indirect subsidiary corporations and partnerships ("Subsidiaries") of Encana Corporation, and the assets, activities and initiatives of such Subsidiaries.

ADVISORY REGARDING RESERVES DATA & OTHER OIL & GAS INFORMATION

National Instrument ("NI") 51-101 of the Canadian Securities Administrators imposes oil and gas disclosure standards for Canadian public companies engaged in oil and gas activities. Encana complies with NI 51-101 requirements in its most recently filed annual information form ("AIF"). Detailed Canadian protocol disclosure is contained in Appendix A and under "Narrative Description of the Business" of the AIF. Certain disclosure is also prepared in accordance with U.S. disclosure requirements as set forth in Appendix D of the AIF. A description of the primary differences between the disclosure requirements under Canadian and U.S. standards is set forth under the heading "Reserves and Other Oil and Gas Information" in the AIF. Additional detail regarding Encana's economic contingent resources disclosure is in the Supplemental Disclosure Document filed concurrently with the AIF. All estimates are effective as of December 31, 2015, are derived from reports prepared by independent qualified reserves evaluators ("IQREs") engaged by Encana and are prepared in accordance with procedures and standards contained in the Canadian Oil and Gas Evaluation Handbook ("COGEH"), NI 51-101 and SEC regulations, as applicable. Information on the forecast prices and costs used in preparing the estimates are contained in the AIF. For additional information relating to risks associated with the estimates of reserves and resources, see "Risk Factors" in the AIF.

Reserves are the estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on: analysis of drilling, geological, geophysical and engineering data, the use of established technology, and specified economic conditions, which are generally accepted as being reasonable. Proved reserves are those reserves which can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves. Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves. Contingent resources do not constitute, and should not be confused with, reserves. Contingent resources are defined as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. There is uncertainty that it will be commercially viable to produce any portion of the resources. All of the resources classified as contingent are considered to be discovered, and as such have been assigned a 100% chance of discovery, but have however been risked for the chance of development. The chance of development is defined as the likelihood of a project being commercially viable and development proceeding in a timely fashion. Determining the chance of development requires taking into consideration each contingency and quantifying the risks into an overall development risk factor at a project level. Contingent resources are categorized as economic if those contingent resources have a positive net present value under currently forecasted prices and costs. In examining economic viability, the same fiscal conditions have been applied as in the estimation of Encana's reserves. Contingencies include factors such as required corporate or third party (such as joint venture partners) approvals, legal, environmental, political and regulatory matters or a lack of infrastructure or markets.

Encana uses the terms play, resource play, total petroleum initially-in-place ("PIIP"), natural gas-in-place ("NGIP"), and crude oil-in-place ("COIP"). Play encompasses resource plays, geological formations and conventional plays. Resource play describes an accumulation of hydrocarbons known to exist over a large areal expanse and/or thick vertical section, which when compared to a conventional play, typically has a lower geological and/or commercial development risk and lower average decline rate. PIIP is defined by the Society of Petroleum Engineers - Petroleum Resources Management System ("SPE-PRMS") as that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production plus those estimated quantities in accumulations yet to be discovered (equivalent to "total resource potential"). NGIP and COIP are defined in the same manner, with the substitution of "natural gas" and "crude oil" where appropriate for the word "petroleum". As used by Encana, estimated ultimate recovery ("EUR") has the meaning set out jointly by the Society of Petroleum Engineers and World Petroleum Congress in the year 2000, being those quantities of petroleum which are estimated, on a given date, to be potentially recoverable from an accumulation, plus those quantities already produced therefrom.

Encana has provided information with respect to certain of its plays and emerging opportunities which is "analogous information" as defined in NI 51-101. This analogous information includes estimates of PIIP, NGIP, COIP or EUR, all as defined in the COGEH or by the SPE-PRMS, and production type curves. This analogous information is presented on a basin, sub-basin or area basis utilizing data derived from Encana's internal sources, as well as from a variety of publicly available information sources which are predominantly independent in nature. Production type curves are based on a methodology of analog, empirical and theoretical assessments and workflow with consideration of the specific asset, and as depicted in this presentation, is representative of Encana's current program, including relative to current performance. Some of this data may not have been prepared by qualified reserves evaluators, may have been prepared based on internal estimates, and the preparation of any estimates may not be in strict accordance with COGEH. Estimates by engineering and geo-technical practitioners may vary and the differences may be significant. Encana believes that the provision of this analogous information is relevant to Encana's oil and gas activities, given its acreage position and operations (either ongoing or planned) in the areas in question, and such information has been updated as of the date hereof unless otherwise specified. Due to the early life nature of the various emerging plays discussed in this presentation, PIIP is the most relevant specific assignable category of estimated resources. There is no certainty that any portion of the resources will be discovered. There is no certainty that it will be commercially viable to produce any portion of the estimated PIIP, NGIP, COIP or EUR. Disclosure of estimated well locations include proved, probable, contingent and unbooked locations. These estimates are prepared internally based on Encana's prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Approximately half of all locations in our core four plays are booked as either reserves or resources, as prepared by IQREs using forecast prices and costs as of December 31, 2015. Unbooked locations do not have attributed reserves or resources and have been identified by management as an estimation of Encana's multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that Encana will drill all unbooked locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The locations on which Encana will actually drill wells, including the number and timing thereof is ultimately dependent upon the availability of capital, regulatory and partner approvals, seasonal restrictions, equipment and personnel, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained, production rate recovery, transportation constraints and other factors. While certain of the unbooked locations have been de-risked by drilling existing wells in relative close proximity to such locations, many of other unbooked locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional proved or probable reserves, resources or production.

30-day IP and other short-term rates are not necessarily indicative of long-term performance or of ultimate recovery. The conversion of natural gas volumes to barrels of oil equivalent ("BOE") is on the basis of six thousand cubic feet to one barrel. BOE is based on a generic energy equivalency conversion method primarily applicable at the burner tip and does not represent economic value equivalency at the wellhead. Readers are cautioned that BOE may be misleading, particularly if used in isolation.

2016F ENCANA CORPORATE GUIDANCE

US$, U.S. GAAP

October 5, 2016

	2016F
Capital Investment ($ billions)	
Total Capital Investment	1.1 – 1.2
Production [1] (after royalties)	
Natural Gas (MMcf/d)	1,300 – 1,400
Liquids (Mbbls/d)	120 – 130
% Oil & Condensate [2]	75 – 80%
% Natural Gas Liquids	20 – 25%
Total Production (MBOE/d)	340 – 360
Operating Costs ($/BOE at 6:1 ratio)	
Production, Mineral and Other Taxes	0.75 – 0.80
Upstream Operating Expense [3]	3.95 – 4.10
Transportation and Processing	6.45 – 6.60
Administrative Expense [3]	1.30 – 1.40

1. Assumes ~20,000 BOE/d for the first seven months of 2016 (11,500 BOE/d annualized) production from DJ Basin and ~22,000 BOE/d for the first seven months of 2016 (13,000 BOE/d annualized) production from Gordondale.
2. Includes plant & field condensate.
3. Excludes long-term incentives and restructuring charges.

ADVISORY: This document contains certain forward-looking statements or information (collectively, "FLS") within the meaning of applicable securities legislation. FLS include:

- capital investment
- natural gas, liquids and total production, including anticipated production from the DJ Basin
- anticipated commodity mix
- operating costs

Readers are cautioned against unduly relying on FLS which, by their nature, involve numerous assumptions, risks and uncertainties that may cause such statements not to occur, or for results to differ materially from those expressed or implied. These assumptions include:

- data contained in key modeling statistics
- availability of attractive hedges and enforceability of risk management program
- results from innovations
- expectation that counterparties will fulfill their obligations under gathering, midstream and marketing agreements
- access to transportation and processing facilities where Encana operates
- effectiveness of Encana's resource play hub model to drive productivity and efficiencies
- enforceability of transaction agreements and the ability of the parties to such transactions to satisfy closing conditions and regulatory approvals
- the value of adjustments to the expected proceeds from the transactions
- expectations and projections made in light of, and generally consistent with, Encana's historical experience and its perception of historical trends, including with respect to the pace of technological development, the benefits achieved and general industry expectations

Risks and uncertainties that may affect these business outcomes include: risks inherent to closing announced divestitures on a timely basis or at all and adjustments that may reduce the expected proceeds and value to Encana; commodity price volatility; timing and costs of well, facilities and pipeline construction; ability to secure adequate product transportation and potential pipeline curtailments; business interruption and casualty losses or unexpected technical difficulties; counterparty and credit risk; fluctuations in currency and interest rates; risk and effect of a downgrade in credit rating, including below an investment-grade credit rating, and its impact on access to capital markets and other sources of liquidity; variability and discretion of Encana's Board to declare and pay dividends, if any; the ability to generate sufficient cash flow to meet Encana's obligations; failure to achieve anticipated results from cost and efficiency initiatives; risks inherent in marketing operations; risks associated with technology; Encana's ability to acquire or find additional reserves; imprecision of reserves estimates and estimates of recoverable quantities of natural gas and liquids from resource plays and other sources not currently classified as proved, probable or possible reserves or economic contingent resources, including future net revenue estimates; changes in or interpretation of royalty, tax, environmental, greenhouse gas, carbon, accounting and other laws or regulations; risks associated with existing and potential future lawsuits and regulatory actions made against Encana; risks associated with past and future divestitures of certain assets or other transactions or receive amounts contemplated under the transaction agreements (such transactions may include third-party capital investments, farm-outs or partnerships, which Encana may refer to from time to time as "partnerships" or "joint ventures" and the funds received in respect thereof which Encana may refer to from time to time as "proceeds", "deferred purchase price" and/or "carry capital", regardless of the legal form) as a result of various conditions not being met; and other risks and uncertainties impacting Encana's business, as described in its most recent MD&A, financial statements, Annual Information Form and Form 40-F, as filed on SEDAR and EDGAR.

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Certain future oriented financial information or financial outlook information is included in this document to communicate Encana's current expectations as to its performance in 2016. Readers are cautioned that it may not be appropriate for other purposes.

The conversion of natural gas volumes to barrels of oil equivalent ("BOE") is on the basis of six thousand cubic feet to one barrel. BOE is based on a generic energy equivalency conversion method primarily applicable at the burner tip and does not represent economic value equivalency at the wellhead. Readers are cautioned that BOE may be misleading, particularly if used in isolation.

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