

The New Encana Investor Day 2010



The **New** Encana:
the clear energy choice

Calgary | March 16, 2010
New York | March 18, 2010

encana[™]
natural gas

Future Oriented Information

In the interest of providing Encana Corporation ("Encana" or the "Company") shareholders and potential investors with information regarding the Company, its subsidiaries, including management's assessment of the Company's future plans and operations, certain statements and graphs throughout these presentations contain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 or "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking statements in these presentations include, but are not limited to, statements and tables with respect to: total and per resource play's estimates of reserves and economic contingent resources and the future economic opportunities that they may provide to Encana; the Company's goal to double the size of Encana over the next five years, including doubling its daily production; the expected development of low estimate economic contingent resources after development of proved reserves once the contingencies relating to the same are removed; estimated number of net drilling locations available; projected and additional capital to be invested in 2010 including in various resource plays; projections contained in the Company's guidance forecasts and the anticipated ability to meet the Company's guidance forecasts; anticipated producing life of reserves and resources; anticipated growth, production and success of resource and emerging plays and the expected characteristics of resource plays; estimates of recoverable quantities of reserves and resources of natural gas and liquids; expected returns at different price ranges; potential increases in demand for natural gas for use in transportation and power generation; targeted financial metrics for 2010; estimates for natural gas prices for 2010 and beyond; capital appreciation and dividend expectations; and projected share purchases under Encana's NCIB program.

Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause the Company's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These assumptions, risks and uncertainties include, among other things: volatility of and assumptions regarding commodity prices; assumptions based upon the Company's current guidance; fluctuations in currency and interest rates; product supply and demand; market competition; risks inherent in the Company's marketing operations, including credit risks; 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; marketing margins; unexpected cost increases or technical difficulties in constructing or modifying processing facilities; risks associated with technology; land expiration risks; the Company's ability to replace and expand gas reserves; its ability to generate sufficient cash flow from operations to meet its current and future obligations; its ability to access external sources of debt and equity capital; the timing and the costs of well and pipeline construction; the Company's ability to secure adequate product transportation; changes in royalty, tax, environmental, greenhouse gas, carbon, accounting and other laws or regulations or the interpretations of such laws or regulations; political and economic conditions in the countries in which the Company operates; terrorist threats; risks associated with existing and potential future lawsuits and regulatory actions made against the Company; and other risks and uncertainties described from time to time in the reports and filings made with securities regulatory authorities by Encana. Although Encana believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned that the foregoing list of important factors is not exhaustive. Forward-looking statements with respect to anticipated production, reserves and Company size growth, including over the next five years, is based upon numerous facts and assumptions which are discussed in further detail in these presentations, including Encana's current net drilling location inventory, natural gas price expectations over the next few years, production expectations made in light of advancements in horizontal drilling, multi-stage fracture stimulation and multi-well pad drilling, the current and expected productive characteristics of various existing and emerging resource plays, Encana's estimates of proved, probable and possible reserves and economic contingent resources, expectations for rates of return which may be available at various prices for natural gas and current and expected cost trends. In addition, assumptions relating to such forward-looking statements generally include Encana's current expectations and projections made in light of, and generally consistent with, its historical experience and its perception of historical trends, including the conversion of resources into proved reserves and production as well as expectations regarding rates of advancement and innovation, are generally consistent with and informed by its past experience, all of which are subject to the risk factors identified elsewhere in these presentations.

Forward-looking information respecting anticipated 2010 cash flow for Encana (post transaction) is based upon achieving average production of oil and gas for 2010 of between 3.2 and 3.3 Bcfe/d, commodity prices for natural gas of NYMEX \$5.75/Mcf, crude oil (WTI) \$75, U.S./Canadian dollar foreign exchange rate at \$0.94 and an average number of outstanding shares for Encana of approximately 750 million. Furthermore, the forward-looking statements contained in these presentations are made as of the date of these presentations, and, except as required by law, Encana does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in these presentations are expressly qualified by this cautionary statement.

Advisory Regarding Reserves Data & Other Oil & Gas Information Disclosure Protocols

Encana's disclosure of reserves data and other oil and gas information is made in reliance on an exemption granted to Encana by Canadian securities regulatory authorities which permits it to provide certain of such disclosure in accordance with the relevant legal requirements of the U.S. Securities and Exchange Commission (the "SEC"). Some of the information provided by Encana may differ from the corresponding information prepared in accordance with Canadian disclosure standards under National Instrument 51-101 (NI 51-101). Information about the differences between the U.S. requirements and the NI 51-101 requirements is set forth under the heading "Note Regarding Reserves Data and Other Oil and Gas Information" in Encana's Annual Information Form dated February 18, 2010.

The reserves numbers contained in these presentations represent estimates of Encana's reserves prepared using SEC definitions and standards, applying forecast prices. Encana has used Henry Hub forecast prices of \$5.50 per MMBtu for 2010 and \$6.50 per MMBtu for 2011 and beyond.

The estimates of economic contingent resources contained in these presentations are based on definitions contained in the Canadian Oil and Gas Evaluation Handbook. Contingent resources do not constitute, and should not be confused with, reserves. Contingent resources are defined as those quantities of petroleum estimated, on 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. Economic contingent resources are those contingent resources that are currently economically recoverable. In examining economic viability, the same fiscal conditions have been applied as in the estimation of reserves. There is a range of uncertainty of estimated recoverable volumes. A low estimate is considered to be a conservative estimate of the quantity that will actually be recovered. It is likely that the actual remaining quantities recovered will exceed the low estimate, which under probabilistic methodology reflects a 90% confidence level. A best estimate is considered to be a realistic estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate, which under probabilistic methodology reflects a 50% confidence level. A high estimate is considered to be an optimistic estimate. It is unlikely that the actual remaining quantities recovered will exceed the high estimate, which under probabilistic methodology reflects a 10% confidence level.

There is no certainty that it will be economically viable or technically feasible to produce any portion of the volumes currently classified as economic contingent resources. The primary contingencies which currently prevent the classification of Encana's disclosed economic contingent resources as reserves are the lack of a reasonable expectation that all internal and external approvals will be forthcoming and the lack of a documented intent to develop the resources within a reasonable time frame.

The estimates of various classes of reserves (proved, probable, possible) and of contingent resources (low, best, high) in these presentations represent arithmetic sums of multiple estimates of such classes for different properties, which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of reserves and contingent resources and appreciate the differing probabilities of recovery associated with each class.

In these presentations, certain crude oil and NGLs volumes have been converted to cubic feet equivalent (cfe) on the basis of one barrel (bbl) to six thousand cubic feet (Mcf). Cfe may be misleading, particularly if used in isolation. A conversion ratio of one bbl to six Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent value equivalency at the well head.

Encana uses the terms resource play and estimated ultimate recovery, total petroleum initially-in-place, original gas-in-place, natural gas-in-place, and crude oil-in-place. Resource play is a term used by Encana to describe 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. Total petroleum initially-in-place ("TIIP") 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 resources"). Original gas-in-place ("OGIP"), natural gas-in-place ("NGIP") and crude oil-in-place ("COIP") are defined in the same manner, with the substitution of "original", "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.

In these presentations, Encana has provided information with respect to certain of its Key Resource Plays and emerging opportunities which is "analogous information" as defined in NI 51-101. This analogous information includes estimates of TIIP, OGIP, NGIP or COIP and/or EUR, all as defined in the Canadian Oil & Gas Evaluation Handbook ("COGEH") or by the SPE-PRMS, and/or 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. Some of this data may not have been prepared by qualified reserves evaluators or auditors and the preparation of any estimates may not be in strict accordance with COGEH. Regardless, 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.

Finding, development and acquisition cost is calculated by dividing total capital invested in finding, development and acquisition activities by additions to proved reserves, before divestitures, which is the sum of revisions, extensions, discoveries and acquisitions. Proved reserves added in 2009 included both developed and undeveloped quantities. Encana's finding and development costs per Mcfe for (i) its most recent financial year (ended December 31, 2009) was \$1.62; (ii) its second most recent financial year (ended December 31, 2008) was \$2.50; and (iii) the average of its three most recent financial years was \$1.92.

For certain prospects, the Company calculates and discloses a full cycle F & D cost, which is defined to be the estimated total capital investment required over the full economic life of the prospect divided by the estimated ultimate recovery (EUR) of the prospect.

For convenience, references in these presentations 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.

All information included in these presentations is shown on a US dollar, after royalties basis unless otherwise noted. Sales forecasts reflect the mid-point of current public guidance on an after royalties basis.