

## Encana Announces C\$1.25 Billion Bought Deal Offering

CALGARY, ALBERTA--(Marketwired - March 4, 2015) - Encana Corporation ("Encana") (TSX:ECA)(NYSE:ECA) announced today that it has entered into an agreement with a syndicate of underwriters led by RBC Capital Markets, Credit Suisse and Scotiabank, pursuant to which the underwriters have agreed to purchase, on a bought deal basis, 85,616,500 common shares of Encana (the "Shares") at a price of C\$14.60 per Share (the "Offering Price"), for gross proceeds of approximately C\$1.25 billion (the "Offering").

Encana has granted the underwriters an over-allotment option to purchase up to an additional 12,842,475 Shares at the Offering Price, exercisable for a period of 30 days after closing of the Offering (the "Over-allotment Option"). If the Over-allotment Option is exercised in full, the aggregate gross proceeds from the Offering will be approximately C\$1.44 billion.

The net proceeds of the Offering are expected to strengthen Encana's balance sheet and provide Encana with additional financial flexibility by reducing Encana's long-term debt and interest expense. Encana intends to use the net proceeds from the Offering, along with cash on hand and, if required, other sources of funds including under its credit facilities, to redeem all of its US\$700 million aggregate principal amount of 5.90% Notes due 2017 and all of its C\$750 million aggregate principal amount of 5.80% Medium Term Notes (Series 4) due 2018, pursuant to the terms of their respective indentures.

The Offering is expected to close on or about March 16, 2015. Therefore, investors in the Offering will not be eligible to receive the dividend payable on March 31, 2015 to shareholders of record on March 13, 2015. Completion of the Offering is subject to, and conditional upon, the receipt of all necessary approvals, including approval of the Toronto Stock Exchange and the New York Stock Exchange.

Encana intends to file a prospectus supplement on or about March 5, 2015 to its base shelf prospectus dated June 27, 2014 (collectively, the "Prospectus"), filed with the securities regulatory authorities in each of the provinces and territories of Canada and included in its registration statement on Form F-10 filed with the U.S. Securities and Exchange Commission ("SEC"). This Offering is made only by the Prospectus. The Prospectus will contain important detailed information about the securities being offered. Investors should read the Prospectus before making an investment decision.

Encana has filed a registration statement (including a base shelf prospectus) with the SEC for the Offering to which this communication relates. Before you invest, you should read the registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this Offering.

The Prospectus will be available free of charge on SEDAR at <http://www.sedar.com>, on the SEC website at <http://www.sec.gov> or from the underwriters named in the Prospectus. Potential investors may request the Prospectus in Canada from RBC Capital Markets, Attention: Distribution Centre, 277 Front St. W., 5th Floor, Toronto, Ontario M5V 2X4 (fax: 416-313-6066) and in the United States from RBC Capital Markets, LLC, Attention: Prospectus Department, Three World Financial Center, 200 Vesey Street, 8th floor, New York, New York 10281-8098 (telephone: 877-822-4089, fax: 212-428-6260); in Canada from Credit Suisse, Prospectus Department at 1 First Canadian Place Suite

2900, P.O. Box 301, Toronto, Ontario, Canada, M5X 1C9; Telephone: (416) 352-4520 and in the United States from Credit Suisse Securities (USA) LLC, Prospectus Department (1-800-221-1037), One Madison Avenue, New York, New York 10010, email:[newyork.prospectus@credit-suisse.com](mailto:newyork.prospectus@credit-suisse.com); and in Canada from Scotiabank, Equity Capital Markets (Tel: 1-416-862-5837), Scotia Plaza, 66th Floor, 40 King St. West, M5W 2X6, Toronto, Ontario, and, in the United States, by contacting Scotiabank, Equity Capital Markets (Tel: 1-212-225-6853), 250 Vesey Street, 24th Floor, New York, NY 10281.

**ADVISORY REGARDING FORWARD-LOOKING STATEMENTS** - In the interests of providing Encana shareholders and potential investors with information, certain statements contained in this news release are forward-looking statements or information within the meaning of applicable securities legislation, collectively referred to herein as "forward-looking statements." Forward-looking statements in this news release include, but are not limited to: expectations that applicable approvals to the Offering will be obtained, the success of the Offering, expected timing of closing of the Offering, the size of the Offering, and the intended use of net proceeds of the Offering, including its effect on Encana's financial condition.

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 Encana'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. There can be no assurance that the Offering will ultimately be completed or that Encana will realize the anticipated benefits from the use of proceeds therefrom. Completion of the Offering is subject to a number of risks and uncertainties, including without limitation, those relating to satisfaction of closing conditions and receipt of all required approvals.

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. 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, their historical experiences and perceptions of historical trends, all of which are subject to the risk factors identified elsewhere in this news release or in or incorporated by reference into the Prospectus. For a full discussion of Encana's material risk factors, see "Risk Factors" in Encana's most recent Annual Information Form, "Risk Management" in Encana's annual MD&A and risk factors described in other documents Encana files from time to time with securities regulatory authorities, all of which are available on SEDAR at <http://www.sedar.com> and on EDGAR at <http://www.sec.gov>.

Furthermore, the forward-looking statements contained in this news release are made as of the date hereof and, except as required by law, Encana undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

Encana Corporation

Encana is a leading North American energy producer that is focused on developing its strong portfolio of resource plays, held directly and indirectly through its subsidiaries, producing natural gas, oil and natural gas liquids (NGLs). By partnering with employees, community organizations and other businesses, Encana contributes to the strength and sustainability of the communities where it operates. Encana common shares trade on the Toronto and New York stock exchanges under the symbol ECA.

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Source: Encana Corporation

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