

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

☒

For the quarterly period ended **September 30, 2024**
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

☐

Commission file number **001-39191**



Ovintiv Inc.

(Exact name of registrant as specified in its charter)

Delaware

84-4427672

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

Suite 1700 , 370 17th Street , Denver , Colorado , 80202 , U.S.A.
(Address of principal executive offices)

Registrant's telephone number, including area code **(303) 623-2300**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Trading Symbol(s)

Name of each exchange on which registered

Common Shares

OVV

New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

☒

Accelerated filer

☐

Non-accelerated filer

☐

Smaller reporting company

☐

Emerging growth company

☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Number of registrant's shares of common stock outstanding as of November 1, 2024

260,324,464

**OVINTIV INC.
FORM 10-Q
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DEFINITIONS

Unless the context otherwise requires or otherwise expressly stated, all references in this Quarterly Report on Form 10-Q to “Ovintiv,” the “Company,” “us,” “we,” “our,” and “ours” refer to Ovintiv Inc. and its consolidated subsidiaries. In addition, the following are other abbreviations and definitions of certain terms used within this Quarterly Report on Form 10-Q:

“AECO” means Alberta Energy Company and is the Canadian benchmark price for natural gas.

“ASU” means Accounting Standards Update.

“bbl” or “bbls” means barrel or barrels.

“BOE” means barrels of oil equivalent.

“Btu” means British thermal units, a measure of heating value.

“CORRA” means Canadian Overnight Repo Rate Average.

“DD&A” means depreciation, depletion and amortization expenses.

“FASB” means Financial Accounting Standards Board.

“GHG” means greenhouse gas.

“Mbbbls/d” means thousand barrels per day.

“MBOE/d” means thousand barrels of oil equivalent per day.

“Mcf” means thousand cubic feet.

“MD&A” means Management’s Discussion and Analysis of Financial Condition and Results of Operations.

“MMBOE” means million barrels of oil equivalent.

“MMBtu” means million Btu.

“MMcf/d” means million cubic feet per day.

“NCIB” means normal course issuer bid.

“NGL” or “NGLs” means natural gas liquids.

“NYMEX” means New York Mercantile Exchange.

“NYSE” means New York Stock Exchange.

“OPEC” means Organization of the Petroleum Exporting Countries.

“SEC” means United States Securities and Exchange Commission.

“S&P 400” means Standard and Poor’s MidCap 400 index.

“TSX” means Toronto Stock Exchange.

“U.S.”, “United States” or “USA” means United States of America.

“U.S. GAAP” means U.S. Generally Accepted Accounting Principles.

“WTI” means West Texas Intermediate.

CONVERSIONS

In this Quarterly Report on Form 10-Q, a conversion of natural gas volumes to BOE is on the basis of six Mcf to one bbl. 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. Given that the value ratio based on the current price of oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value, particularly if used in isolation.

CONVENTIONS

Unless otherwise specified, all dollar amounts are expressed in U.S. dollars, all references to “dollars”, “\$” or “US\$” are to U.S. dollars and all references to “C\$” are to Canadian dollars. All amounts are provided on a before tax basis, unless otherwise stated. In addition, all information provided herein is presented on an after royalties basis.

The terms "include", "includes", "including" and "included" are to be construed as if they were immediately followed by the words "without limitation", except where explicitly stated otherwise.

The term "liquids" is used to represent oil, NGLs and condensate. The term "liquids rich" is used to represent natural gas streams with associated liquids volumes. The term "play" is used to describe an area in which hydrocarbon accumulations or prospects of a given type occur. Ovintiv's focus of development is on hydrocarbon accumulations known to exist over a large areal expanse and/or thick vertical section and are developed using hydraulic fracturing. This type of development typically has a lower geological and/or commercial development risk and lower average decline rate, when compared to conventional development.

References to information contained on the Company's website at www.ovintiv.com are not incorporated by reference into, and does not constitute a part of, this Quarterly Report on Form 10-Q.

FORWARD-LOOKING STATEMENTS AND RISK

This Quarterly Report on Form 10-Q, and the other documents incorporated herein by reference (if any), contain certain forward-looking statements or information (collectively, "forward-looking statements") within the meaning of applicable securities legislation, including Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements, except for statements of historical fact, that relate to the anticipated future activities, plans, strategies, objectives or expectations of the Company are forward-looking statements. When used in this Quarterly Report on Form 10-Q, and the other documents incorporated herein by reference (if any), the use of words and phrases including "anticipates," "believes," "continue," "could," "estimates," "expects," "focused on," "forecast," "guidance," "intends," "maintain," "may," "opportunities," "outlook," "plans," "potential," "strategy," "targets," "will," "would" and other similar terminology is intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words or phrases. Without limiting the generality of the foregoing, forward-looking statements contained in this Quarterly Report on Form 10-Q include: expectations of plans, strategies and objectives of the Company, including anticipated reserves development; the Company's ability to consummate any future acquisition and divestiture transactions; the Company's ability to successfully integrate any acquired assets into its business; drilling plans and programs, including the amount and availability of capital to complete these plans and programs; the composition of the Company's assets and the anticipated capital returns associated with its assets; anticipated oil, NGL and natural gas prices; the anticipated success of, and benefits from, technology and innovation, including the cube development model, Trimulfrac and Simulfrac techniques and other new or advanced drilling techniques or well completion designs; anticipated drilling and completions activity, including the number of drilling rigs and frac crews utilized; anticipated proceeds and future benefits from various joint venture, partnership and other agreements; anticipated oil, NGLs and natural gas production and commodity mix; the Company's ability to access credit facilities, debt and equity capital markets and other sources of liquidity; the ability of the Company to timely achieve its stated environmental, social and governance goals, targets and initiatives; the impact of changes in federal, state, provincial, local and tribal laws, rules and regulations; anticipated compliance with current or proposed environmental legislation; the Company's ability to manage debt and financial ratios and comply with financial covenants; the implementation and outcomes of risk management programs, including exposure to commodity prices, interest rate and foreign exchange fluctuations and the volume of oil, NGLs and natural gas production hedged; the declaration and payment of future dividends and the anticipated repurchase of the Company's outstanding common shares; the Company's ability to manage cost inflation and expected cost structures, including expected operating, transportation, processing and labor expenses; and the outlook of the oil and natural gas industry generally, including impacts from changes to the geopolitical environment.

The forward-looking statements included in this Quarterly Report on Form 10-Q involve risks and uncertainties that could cause actual results to differ materially from projected results. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. We have based these forward-looking statements on current expectations and assumptions about future events, taking into account all information currently known by us. While we consider these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks and uncertainties, many of which are difficult to predict and beyond our control. The risks and uncertainties that may affect the operations, performance and results of our business and forward-looking statements include, but are not limited to, those set forth in Item 1A. Risk Factors of the Company's most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (the "2023 Annual Report on Form 10-K"); and other risks and uncertainties impacting the Company's business as described from time to time in the Company's other periodic filings with the SEC or Canadian securities regulators.

Although the Company believes the expectations represented by its forward-looking statements are reasonable based on the information available to it as of the date such statements are made, forward-looking statements are only predictions and statements of our current beliefs and there can be no assurance that such expectations will prove to be correct. All forward-looking statements contained in this Quarterly Report on Form 10-Q are made as of the date of this document (or in the case of a document incorporated herein by reference, the date of such document) and, except as required by law, the Company undertakes no obligation to update publicly or revise any forward-looking statements. The forward-looking statements contained or incorporated by reference in this Quarterly Report on Form 10-Q, and all subsequent forward-looking statements attributable to the Company, whether written or oral, are expressly qualified by these cautionary statements.

The reader should carefully read the risk factors described in Item 1A. Risk Factors of the 2023 Annual Report on Form 10-K for a description of certain risks that could, among other things, cause actual results to differ from these forward-looking statements.

PART I

Item 1. Financial Statements

Condensed Consolidated Statement of Earnings *(unaudited)*

(US\$ millions, except per share amounts)		Three Months Ended September 30, 2024		Nine Months Ended September 30, 2024	
			2023		2023
Revenues	<i>(Note 3)</i>				
Product and service revenues	<i>(Note 4)</i>	\$ 2,178	\$ 2,913	\$ 6,758	\$ 7,857
Gains (losses) on risk management, net	<i>(Note 19)</i>	128	(282)	151	(193)
Sublease revenues	<i>(Note 11)</i>	18	18	55	53
Total Revenues		2,324	2,649	6,964	7,717
Operating Expenses	<i>(Note 3)</i>				
Production, mineral and other taxes		86	89	258	249
Transportation and processing		408	433	1,240	1,340
Operating		235	243	715	624
Purchased product		392	846	1,165	2,239
Depreciation, depletion and amortization		599	486	1,745	1,269
Accretion of asset retirement obligation		5	5	14	14
Administrative		72	80	250	306
Total Operating Expenses		1,797	2,182	5,387	6,041
Operating Income (Loss)		527	467	1,577	1,676
Other (Income) Expenses					
Interest	<i>(Note 5)</i>	103	98	306	249
Foreign exchange (gain) loss, net	<i>(Note 6)</i>	17	(22)	21	-
Other (gains) losses, net	<i>(Note 21)</i>	(151)	(2)	(160)	(16)

Total Other (Income) Expenses	(31)	74	125	233
Net Earnings (Loss) Before Income Tax	558	393	1,452	1,443
Income tax expense (recovery)	(51)	(13)	267	214
Net Earnings (Loss)	\$ 507	\$ 406	\$ 1,185	\$ 1,229
Net Earnings (Loss) per Share of Common Stock	(Note 14)			
Basic	\$ 1.93	\$ 1.48	\$ 4.45	\$ 4.80
Diluted	1.92	1.47	4.41	4.73
Weighted Average Shares of Common Stock Outstanding (millions)	(Note 14)			
Basic	262.1	273.7	266.0	255.8
Diluted	264.0	276.3	268.7	259.7

Condensed Consolidated Statement of Comprehensive Income *(unaudited)*

(US\$ millions)	Three Months Ended September 30, 2024	2023	Nine Months Ended September 30, 2024	2023
Net Earnings (Loss)	\$ 507	\$ 406	\$ 1,185	\$ 1,229
Other Comprehensive Income (Loss), Net of Tax				
Foreign currency translation adjustment	44	(59)	63	(4)
Pension and other post-employment benefit plans	(1)	(2)	4	(5)
Other Comprehensive Income (Loss)	43	61	67	9
Comprehensive Income (Loss)	\$ 550	\$ 345	\$ 1,118	\$ 1,220

See accompanying Notes to the unaudited Condensed Consolidated Financial Statements

Condensed Consolidated Balance Sheet *(unaudited)*

(US\$ millions)		As at September 30, 2024	As at December 31, 2023
Assets			
Current Assets			
Cash and cash equivalents		\$ 9	\$ 3
Accounts receivable and accrued revenues (net of allowances of \$ 5 million (2023: \$ 5 million))	(Notes 4, 21)	1,290	1,442
Risk management	(Notes 18, 19)	144	214
Income tax receivable		64	17
		1,507	1,676
Property, Plant and Equipment, at cost:	(Note 10)		
Oil and natural gas properties, based on full cost accounting			
Proved properties		66,246	64,084
Unproved properties		921	1,486
Other		913	907
Property, plant and equipment		68,080	66,477
Less: Accumulated depreciation, depletion and amortization		(53,263)	(51,837)
Property, plant and equipment, net	(Note 3)	14,817	14,640
Other Assets		943	1,015
Risk Management	(Notes 18, 19)	6	4
Deferred Income Taxes		-	53
Goodwill	(Note 3)	2,586	2,599

	(Note 3)	\$	19,859	\$	19,987
Liabilities and Shareholders' Equity					
Current Liabilities					
Accounts payable and accrued liabilities		\$	1,777	\$	2,209
Current portion of operating lease liabilities			86		87
Income tax payable			4		232
Risk management	(Notes 18, 19)		1		-
Current portion of long-term debt	(Note 12)		1,024		284
			2,892		2,812
Long-Term Debt	(Note 12)		4,853		5,453
Operating Lease Liabilities			798		832
Other Liabilities and Provisions	(Note 13)		156		132
Risk Management	(Notes 18, 19)		3		2
Asset Retirement Obligation			263		276
Deferred Income Taxes			239		110
			9,204		9,617
Commitments and Contingencies	(Note 21)				
Shareholders' Equity					
Share capital - authorized					
775					
million shares of stock					
2024 issued and outstanding:					
260.4					
million shares (2023:	(Note 14)		3		3
271.7					
million shares)					
Paid in surplus	(Note 14)		8,025		8,620

Retained earnings		1,644	697
Accumulated other comprehensive income	(Note 15)	983	1,050
Total Shareholders' Equity		10,655	10,370
		\$ 19,859	\$ 19,987

See accompanying Notes to the unaudited Condensed Consolidated Financial Statements

Condensed Consolidated Statement of Changes in Shareholders' Equity *(unaudited)*

Three Months Ended September 30, 2024 (US\$ millions)		Share Capital	Paid in Surplus	Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance, June 30, 2024		\$ 3	\$ 8,170	\$ 1,215	\$ 940	\$ 10,328
Net Earnings (Loss)		-	-	507	-	507
Dividends on Shares of Common Stock (\$ 0.30 per share)	(Note 14)	-	-	(78)	-	(78)
Shares of Common Stock Purchased	(Note 14)	-	(163)	-	-	(163)
Equity-Settled Compensation Costs		-	18	-	-	18
Other Comprehensive Income (Loss)	(Note 15)	-	-	-	43	43
Balance, September 30, 2024		\$ 3	\$ 8,025	\$ 1,644	\$ 983	\$ 10,655

Three Months Ended September 30, 2023 (US\$ millions)		Share Capital	Paid in Surplus	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance, June 30, 2023		\$ 3	\$ 8,671	\$ 401	\$ 1,043	\$ 9,316
Net Earnings (Loss)		-	-	406	-	406
Dividends on Shares of Common Stock (\$ 0.30 per share)	(Note 14)	-	-	(82)	-	(82)
Shares of Common Stock Purchased	(Note 14)	-	(45)	-	-	(45)
Equity-Settled Compensation Costs		-	18	-	-	18
Other Comprehensive Income (Loss)	(Note 15)	-	-	-	(61)	(61)
Balance, September 30, 2023		\$ 3	\$ 8,644	\$ 77	\$ 982	\$ 9,552

See accompanying Notes to the unaudited Condensed Consolidated Financial Statements

Condensed Consolidated Statement of Changes in Shareholders' Equity *(unaudited)*

Nine Months Ended September 30, 2024 (US\$ millions)		Share Capital	Paid in Surplus	Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance, December 31, 2023		\$ 3	\$ 8,620	\$ 697	\$ 1,050	\$ 10,370
Net Earnings (Loss)		-	-	1,185	-	1,185
Dividends on Shares of Common Stock (\$ 0.90 per share)	(Note 14)	-	-	(238)	-	(238)
Shares of Common Stock Purchased	(Note 14)	-	(597)	-	-	(597)
Equity-Settled Compensation Costs		-	2	-	-	2
Other Comprehensive Income (Loss)	(Note 15)	-	-	-	(67)	(67)
Balance, September 30, 2024		\$ 3	\$ 8,025	\$ 1,644	\$ 983	\$ 10,655

Nine Months Ended September 30, 2023 (US\$ millions)		Share Capital	Paid in Surplus	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance, December 31, 2022		\$ 3	\$ 7,776	(1,081)	\$ 991	\$ 7,689
Net Earnings (Loss)		-	-	1,229	-	1,229
Dividends on Shares of Common Stock (\$ 0.85 per share)	(Note 14)	-	-	(225)	-	(225)
Shares of Common Stock Purchased	(Note 14)	-	(373)	-	-	(373)
Shares of Common Stock Issued	(Notes 9,14,20)	-	1,169	-	-	1,169
Equity-Settled Compensation Costs		-	72	-	-	72
Other Comprehensive Income (Loss)	(Note 15)	-	-	-	(9)	(9)
Balance, September 30, 2023		\$ 3	\$ 8,644	(77)	\$ 982	\$ 9,552

See accompanying Notes to the unaudited Condensed Consolidated Financial Statements

Condensed Consolidated Statement of Cash Flows *(unaudited)*

(US\$ millions)		Three Months Ended September 30, 2024		Nine Months Ended September 30, 2024	
		2023		2023	
Operating Activities					
Net earnings (loss)		\$ 507	\$ 406	\$ 1,185	\$ 1,229
Depreciation, depletion and amortization		599	486	1,745	1,269
Accretion of asset retirement obligation		5	5	14	14
Deferred income taxes	(Note 7)	21	(78)	182	33
Unrealized (gain) loss on risk management	(Note 19)	(31)	292	61	132
Unrealized foreign exchange (gain) loss	(Note 6)	16	(19)	12	(14)
Foreign exchange (gain) loss on settlements	(Note 6)	(2)	2	(9)	5
Other	(Note 21)	(137)	18	(128)	(6)
Net change in other assets and liabilities		19	(14)	(35)	(31)
Net change in non-cash working capital	(Note 20)	25	(192)	(302)	174
Cash From (Used in) Operating Activities		1,022	906	2,701	2,805
Investing Activities					
Capital expenditures	(Note 3)	(538)	(834)	(1,751)	(2,084)
Acquisitions	(Note 8)	(7)	(59)	(202)	(273)
Corporate acquisition, net of cash acquired	(Note 9)	-	-	12	(3,225)
Proceeds from divestitures	(Note 8)	3	12	7	741
Net change in investments and other	(Note 21)	26	27	16	116
Cash From (Used in) Investing Activities		(516)	(854)	(1,918)	(4,725)

Financing Activities				
Net issuance (repayment) of revolving debt	(Note 12)	(210	29	140 316
Issuance of long-term debt	(Note 12)	-	-	- 2,278
Purchase of shares of common stock	(Note 14)	(163	(45	(597 373
Dividends on shares of common stock	(Note 14)	(78	(82	(238 225
Finance lease payments and other		(2	(3	(32 75
Cash From (Used in) Financing Activities		(453	(101	(727 1,921
Foreign Exchange Gain (Loss) on Cash, Cash Equivalents and Restricted Cash Held in Foreign Currency		(2	-	- 3
Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash		51	(49	(56 2
Cash, Cash Equivalents and Restricted Cash, Beginning of Period		8	52	3 5
Cash, Cash Equivalents and Restricted Cash, End of Period		\$ 59	\$ 3	\$ 59 \$ 3
<hr/>				
Cash, End of Period		\$ 9	\$ 3	\$ 9 \$ 3
Cash Equivalents, End of Period		-	-	- -
Restricted Cash, End of Period	(Note 21)	50	-	50 -
Cash, Cash Equivalents and Restricted Cash, End of Period		\$ 59	\$ 3	\$ 59 \$ 3

Supplementary Cash Flow Information

(Note 20)

See accompanying Notes to the unaudited Condensed Consolidated Financial Statements

1. Basis of Presentation and Principles of Consolidation

Ovintiv is in the business of the exploration for, the development of, and the production and marketing of oil, NGLs and natural gas.

The interim Condensed Consolidated Financial Statements include the accounts of Ovintiv and entities in which it holds a controlling interest. All intercompany balances and transactions are eliminated on consolidation. Undivided interests in oil and natural gas exploration and production joint ventures and partnerships are consolidated on a proportionate basis. Investments in non-controlled entities over which the Company has the ability to exercise significant influence are accounted for using the equity method.

The interim Condensed Consolidated Financial Statements are prepared in conformity with U.S. GAAP and the rules and regulations of the SEC. Pursuant to these rules and regulations, certain information and disclosures normally required under U.S. GAAP have been condensed or have been disclosed on an annual basis only. Accordingly, the interim Condensed Consolidated Financial Statements should be read in conjunction with the annual audited Consolidated Financial Statements and the notes thereto for the year ended December 31, 2023, which are included in Item 8 of Ovintiv's 2023 Annual Report on Form 10-K.

The interim Condensed Consolidated Financial Statements have been prepared following the same accounting policies and methods of computation as the annual audited Consolidated Financial Statements for the year ended December 31, 2023.

These unaudited interim Condensed Consolidated Financial Statements reflect, in the opinion of Management, all normal and recurring adjustments necessary to present fairly the financial position and results of the Company as at and for the periods presented. Interim condensed consolidated financial results are not necessarily indicative of consolidated financial results expected for the fiscal year.

2. Recent Accounting Pronouncements

Changes in Accounting Policies and Practices

On January 1, 2024, Ovintiv adopted ASU 2023-07 "Improvements to Reportable Segment Disclosures", issued by FASB. The amendments enhance annual disclosure requirements about significant segment expenses that are regularly provided to the chief operating decision maker and included within reported measures of segment profit or loss. The amendments do not change how an entity identifies its operating segments. In addition, all annual disclosures are to be presented in all future interim periods beginning in the first quarter of 2025. The amendments will be applied retrospectively to all prior periods presented in the annual and interim disclosures and are not expected to have a material impact on the Company's Consolidated Financial Statements.

New Standards Issued Not Yet Adopted

As of January 1, 2025, Ovintiv will be required to adopt ASU 2023-09 "Improvements to Income Tax Disclosures". The standard requires disaggregated information about the Company's effective tax rate reconciliation as well as information on income taxes paid. The amendment requires the tabular rate reconciliation to be presented using both percentages and amounts, with additional separate disclosure for any reconciling items within certain categories equal to or greater than five percent of net earnings or loss before income tax and the applicable statutory federal income tax rate. The amendment also requires the disaggregation of income taxes paid by federal, state, and foreign jurisdictions, as well as additional disaggregated information on income taxes paid to an individual jurisdiction equal to or greater than five percent of total income taxes paid. Amendments will be applied prospectively at the date of adoption and are not expected to have a material impact on the Company's Consolidated Financial Statements.

3. Segmented Information

Ovintiv's reportable segments are determined based on the following operations and geographic locations:

- **USA Operations** includes the exploration for, development of, and production of oil, NGLs and natural gas and other related activities within the U.S. cost center.
- **Canadian Operations** includes the exploration for, development of, and production of oil, NGLs and natural gas and other related activities within the Canadian cost center.
- **Market Optimization** is primarily responsible for the sale of the Company's proprietary production. These results are reported in the USA and Canadian Operations. Market optimization activities include third-party purchases and sales of product to provide operational flexibility and cost mitigation for transportation commitments, product type, delivery points and customer diversification. These activities are reflected in the Market Optimization segment. Market Optimization sells substantially all of the Company's upstream production to third-party customers. Transactions between segments are based on market values and are eliminated on consolidation.

Corporate and Other mainly includes unrealized gains or losses recorded on derivative financial instruments. Once the instruments are settled, the realized gains and losses are recorded in the reporting segment to which the derivative instruments relate. Corporate and Other also includes amounts related to sublease rentals.

Results of Operations (For the three months ended September 30)

Segment and Geographic Information

	USA Operations		Canadian Operations		Market Optimization	
	2024	2023	2024	2023	2024	2023
Revenues						
Product and service revenues	\$ 1,377	\$ 1,545	\$ 393	\$ 505	\$ 408	\$ 863
Gains (losses) on risk management, net	44	(3)	53	13	-	-
Sublease revenues	-	-	-	-	-	-
Total Revenues	1,421	1,542	446	518	408	863
Operating Expenses						
Production, mineral and other taxes	82	84	4	5	-	-
Transportation and processing	129	124	270	265	9	44
Operating	193	208	36	28	6	7
Purchased product	-	-	-	-	392	846
Depreciation, depletion and amortization	516	409	77	72	-	-
Total Operating Expenses	920	825	387	370	407	897
Operating Income (Loss)	\$ 501	\$ 717	\$ 59	\$ 148	\$ 1	\$ (34)

	Corporate & Other		Consolidated	
	2024	2023	2024	2023
Revenues				
Product and service revenues	\$ -	\$ -	\$ 2,178	\$ 2,913
Gains (losses) on risk management, net	31	(292)	128	(282)
Sublease revenues	18	18	18	18

Total Revenues	49	(274)	2,324	2,649
Operating Expenses				
Production, mineral and other taxes	-	-	86	89
Transportation and processing	-	-	408	433
Operating	-	-	235	243
Purchased product	-	-	392	846
Depreciation, depletion and amortization	6	5	599	486
Accretion of asset retirement obligation	5	5	5	5
Administrative	72	80	72	80
Total Operating Expenses	83	90	1,797	2,182
Operating Income (Loss)	\$ (34)	\$ (364)	527	467
Other (Income) Expenses				
Interest			103	98
Foreign exchange (gain) loss, net			17	(22)
Other (gains) losses, net			(151)	(2)
Total Other (Income) Expenses			(31)	74
Net Earnings (Loss) Before Income Tax			558	393
Income tax expense (recovery)			51	(13)
Net Earnings (Loss)			\$ 507	\$ 406

Results of Operations (For the nine months ended September 30)

Segment and Geographic Information

	USA Operations		Canadian Operations		Market Optimization	
	2024	2023	2024	2023	2024	2023
Revenues						
Product and service revenues	\$ 4,260	\$ 3,912	\$ 1,284	\$ 1,663	\$ 1,214	\$ 2,282
Gains (losses) on risk management, net	99	4	113	(65)	-	-
Sublease revenues	-	-	-	-	-	-
Total Revenues	4,359	3,916	1,397	1,598	1,214	2,282
Operating Expenses						
Production, mineral and other taxes	247	237	11	12	-	-
Transportation and processing	382	419	781	800	77	121
Operating	609	545	87	59	19	20
Purchased product	-	-	-	-	1,165	2,239
Depreciation, depletion and amortization	1,503	1,039	225	215	-	-
Total Operating Expenses	2,741	2,240	1,104	1,086	1,261	2,380
Operating Income (Loss)	\$ 1,618	\$ 1,676	\$ 293	\$ 512	\$ (47)	\$ (98)

	Corporate & Other		Consolidated	
	2024	2023	2024	2023
Revenues				
Product and service revenues	\$ -	\$ -	\$ 6,758	\$ 7,857
Gains (losses) on risk management, net	(61)	(132)	151	193
Sublease revenues	55	53	55	53

Total Revenues	(6)	(79)	6,964	7,717
Operating Expenses				
Production, mineral and other taxes	-	-	258	249
Transportation and processing	-	-	1,240	1,340
Operating	-	-	715	624
Purchased product	-	-	1,165	2,239
Depreciation, depletion and amortization	17	15	1,745	1,269
Accretion of asset retirement obligation	14	14	14	14
Administrative	250	306	250	306
Total Operating Expenses	281	335	5,387	6,041
Operating Income (Loss)	\$ (287)	\$ (414)	1,577	1,676
Other (Income) Expenses				
Interest			306	249
Foreign exchange (gain) loss, net			(21)	-
Other (gains) losses, net			(160)	(16)
Total Other (Income) Expenses			125	233
Net Earnings (Loss) Before Income Tax				
Income tax expense (recovery)			267	214
Net Earnings (Loss)			\$ 1,185	\$ 1,229

Intersegment Information

For the three months ended September 30,	Marketing Sales		Market Optimization Upstream Eliminations		Total	
	2024	2023	2024	2023	2024	2023
Revenues	\$ 2,272	\$ 2,811	\$ 1,864	\$ 1,948	\$ 408	\$ 863
Operating Expenses						
Transportation and processing	138	183	129	139	9	44
Operating	6	7	-	-	6	7
Purchased product	2,127	2,655	1,735	1,809	392	846
Operating Income (Loss)	\$ 1	\$ (34)	\$ -	\$ -	\$ 1	\$ (34)

For the nine months ended September 30,	Marketing Sales		Market Optimization Upstream Eliminations		Total	
	2024	2023	2024	2023	2024	2023
Revenues	\$ 7,163	\$ 8,821	\$ 5,949	\$ 6,539	\$ 1,214	\$ 2,282
Operating Expenses						
Transportation and processing	464	528	387	407	77	121
Operating	19	20	-	-	19	20
Purchased product	6,727	8,371	5,562	6,132	1,165	2,239
Operating Income (Loss)	\$ (47)	\$ (98)	\$ -	\$ -	\$ (47)	\$ (98)

Capital Expenditures by Segment

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
USA Operations	\$ 457	\$ 695	\$ 1,418	\$ 1,664
Canadian Operations	80	136	330	415
Corporate & Other	1	3	3	5

	\$	538	\$	834	\$	1,751	\$	2,084
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Goodwill, Property, Plant and Equipment and Total Assets by Segment

	Goodwill As at		Property, Plant and Equipment As at		Total Assets As at	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
USA Operations	\$ 1,938	\$ 1,938	\$ 13,232	\$ 13,129	\$ 15,992	\$ 16,033
Canadian Operations	648	661	1,446	1,357	2,332	2,404
Market Optimization	-	-	-	-	197	232
Corporate & Other	-	-	139	154	1,338	1,318
	\$ 2,586	\$ 2,599	\$ 14,817	\$ 14,640	\$ 19,859	\$ 19,987

4. Revenues from Contracts with Customers

The following table summarizes Ovintiv's revenues from contracts with customers.

Revenues (For the three months ended September 30)

	USA Operations		Canadian Operations		Market Optimization	
	2024	2023	2024	2023	2024	2023
Revenues from Customers						
Product revenues ⁽¹⁾						
Oil	\$ 1,135	\$ 1,270	\$ 3	\$ 2	\$ 385	\$ 800
NGLs	180	175	249	260	5	-
Natural gas	63	103	142	246	13	56
Service revenues						
Gathering and processing	1	1	2	-	-	-
Product and Service Revenues	\$ 1,379	\$ 1,549	\$ 396	\$ 508	\$ 403	\$ 856

	Corporate & Other		Consolidated	
	2024	2023	2024	2023
Revenues from Customers				
Product revenues ⁽¹⁾				
Oil	\$ -	\$ -	\$ 1,523	\$ 2,072
NGLs	-	-	434	435
Natural gas	-	-	218	405
Service revenues				
Gathering and processing	-	-	3	1
Product and Service Revenues	\$ -	\$ -	\$ 2,178	\$ 2,913

(1) Includes revenues from production and revenues of product purchased from third parties, but excludes intercompany marketing fees transacted between the Company's operating segments.

Revenues (For the nine months ended September 30)

	USA Operations		Canadian Operations		Market Optimization	
	2024	2023	2024	2023	2024	2023
Revenues from Customers						
Product revenues ⁽¹⁾						

Oil	\$ 3,508	\$ 3,068	\$ 8	\$ 2	\$ 1,095	\$ 2,053
NGLs	544	508	754	743	16	25
Natural gas	215	344	527	924	85	185
Service revenues						
Gathering and processing	3	3	3	2	-	-
Product and Service Revenues	\$ 4,270	\$ 3,923	\$ 1,292	\$ 1,671	\$ 1,196	\$ 2,263

	Corporate & Other		Consolidated	
	2024	2023	2024	2023
Revenues from Customers				
Product revenues ⁽¹⁾				
Oil	\$ -	\$ -	\$ 4,611	\$ 5,123
NGLs	-	-	1,314	1,276
Natural gas	-	-	827	1,453
Service revenues				
Gathering and processing	-	-	6	5
Product and Service Revenues	\$ -	\$ -	\$ 6,758	\$ 7,857

(1) Includes revenues from production and revenues of product purchased from third parties, but excludes intercompany marketing fees transacted between the Company's operating segments.

The Company's revenues from contracts with customers consists of product sales including oil, NGLs and natural gas, as well as the provision of gathering and processing services to third parties. Oviniv had

no

contract asset or liability balances during the periods presented. As at September 30, 2024, receivables and accrued revenues from contracts with customers were \$

817
million (\$

1,070
million as at December 31, 2023).

Oviniv's product sales are sold under short-term contracts with terms that are less than one year at either fixed or market index prices or under long-term contracts exceeding one year at market index prices.

The Company's gathering and processing services are provided on an interruptible basis with transaction prices that are for fixed prices and/or variable consideration. Variable consideration received is related to recovery of plant operating costs or escalation of the fixed price based on a consumer price index. As the service contracts are interruptible, with service provided on an "as available" basis, there are

no
unsatisfied performance obligations remaining at September 30, 2024.

As at September 30, 2024, all remaining performance obligations are priced at market index prices or are variable volume delivery contracts. As such, the variable consideration is allocated entirely to the wholly unsatisfied performance obligation or promise to deliver units of production, and revenue is recognized at the amount for which the Company has the right to invoice the product delivered. As the period between when the product sales are transferred and Oviniv receives payments is generally 30 to 60 days, there is no financing element associated with customer contracts. In addition, Oviniv does not disclose unsatisfied performance obligations for customer contracts with terms less than 12 months or for variable consideration related to unsatisfied performance obligations.

5. Interest

	Three Months Ended September 30, 2024		2023	Nine Months Ended September 30, 2024		2023
Interest Expense on:						
Debt	\$	100	\$	105	\$	242
Finance leases		-		-		1
Other		3	(	7		6
	\$	103	\$	98	\$	249

6. Foreign Exchange (Gain) Loss, Net

	Three Months Ended September 30, 2024		2023	Nine Months Ended September 30, 2024		2023
Unrealized Foreign Exchange (Gain) Loss on:						
Translation of U.S. dollar risk management contracts issued from Canada	\$	-	\$	6	\$	9
Translation of intercompany notes		16	(	25	(	5

		(((
	16	19)	12)	14)
Foreign Exchange (Gain) Loss on Settlements of:				
	(((
U.S. dollar financing debt issued from Canada	2)	-	1)	2)
U.S. dollar risk management contracts issued from Canada	-	-	1	7
			(
Intercompany notes	-	2	8)	7
		((
Other Monetary Revaluations	3	5)	1)	2
		((
	\$ 17	\$ 22)	\$ 21)	\$ -

7. Income Taxes

	Three Months Ended September 30, 2024			2023	Nine Months Ended September 30, 2024			2023	
Current Tax									
United States	\$	16	\$	3	\$	40	\$	11	
Canada		14		62		45		170	
Total Current Tax Expense (Recovery)		30		65		85		181	
Deferred Tax		((
United States		11	)	56	)	124		81
Canada		32		22	)	58		48
Total Deferred Tax Expense (Recovery)		21		78	)	182		33
Income Tax Expense (Recovery)	\$	51	\$	13)	\$	267	\$	214
Effective Tax Rate		9.1	%	3.3	%)	18.4	%	14.8	%

Ovintiv's interim income tax expense is determined using the estimated annual effective income tax rate applied to year-to-date net earnings before income tax plus the effect of legislative changes and amounts in respect of prior periods. The estimated annual effective income tax rate is impacted by expected annual earnings, changes in valuation allowances, income tax related to foreign operations, state taxes, the effect of legislative changes, non-taxable items and tax differences on transactions, which can produce interim effective tax rate fluctuations.

The effective tax rate of

9.1
percent and

18.4
percent for the three and nine months ended September 30, 2024, respectively, is lower than the U.S. federal statutory rate of

21
percent primarily due to changes related to prior year's tax filings. The effective tax rate of (

3.3
) percent and

14.8
percent for the three and nine months ended September 30, 2023, respectively, was lower than the U.S. federal statutory rate of

21
percent primarily due to the recognition of U.S. federal and state research and development credits.

8. Acquisitions and Divestitures

	Three Months Ended September 30, 2024		2023	Nine Months Ended September 30, 2024		2023
Acquisitions						
USA Operations	\$	2	\$	59	\$	197
Canadian Operations		5		-		5
Total Acquisitions		7		59		202
Divestitures						
USA Operations	(	3	(	11	(	7
Canadian Operations		-		1		-
Total Divestitures	(	3	(	12	(	7
Net Acquisitions & (Divestitures)	\$	4	\$	47	\$	195

Acquisitions

For the nine months ended September 30, 2024, acquisitions in the USA Operations were \$

197 million which primarily included property purchases in Permian with oil and liquids-rich potential.

For the three and nine months ended September 30, 2023, acquisitions in the USA Operations were \$

59 million and \$

267 million, respectively, which primarily included property purchases in Permian and Uinta with oil and liquids-rich potential.

Divestitures

For the nine months ended September 30, 2024, divestitures in the USA Operations were \$

7 million which primarily included the sale of certain properties that did not complement Ovintiv's existing portfolio of assets.

For the nine months ended September 30, 2023, divestitures in the USA Operations were \$

741 million which primarily included the sale of Bakken located in North Dakota for proceeds of approximately \$

717 million, after closing and other adjustments.

Amounts received from the Company's divestiture transactions have been deducted from the respective U.S. and Canadian full cost pools.

9. Business Combination

Acquisition of Midland Basin Assets ("Permian Acquisition")

On June 12, 2023, Ovintiv completed a business combination to purchase all of the outstanding equity interests in seven Delaware limited liability companies ("Permian LLCs") pursuant to the purchase agreement with Black Swan Oil & Gas, LLC, PetroLegacy II Holdings, LLC, Piedra Energy III Holdings, LLC and Piedra Energy IV Holdings, LLC, which were portfolio companies of funds managed by EnCap Investments L.P. ("EnCap"). The Company paid aggregate cash consideration of approximately \$

3.2
billion and issued approximately

31.8
million shares of Ovintiv common stock, representing a value of approximately \$

1.2
billion. The cash portion of the consideration was funded through a combination of net proceeds from the Company's May 2023 senior notes offering, net proceeds from the sale of Bakken during the second quarter of 2023, cash on hand and proceeds from short-term borrowings. During the period from June 12, 2023 to December 31, 2023, transaction costs of approximately \$

76
million were included in administrative expense.

The acquisition was strategically located in close proximity to Ovintiv's current Permian operations and added approximately

1,050
net well locations to Ovintiv's Permian inventory and approximately

65,000
net acres. The results of operations from the acquired Permian assets have been included in Ovintiv's consolidated financial statements since June 12, 2023.

Purchase Price Allocation

The Permian LLCs were accounted for under the acquisition method and as a single transaction because the purchase agreement was entered into at the same time with EnCap and in contemplation of one another to achieve an overall economic effect. The purchase price allocations represent the consideration paid and the fair values of the assets acquired, and liabilities assumed as of the acquisition date. The purchase price allocation was finalized during the first quarter of 2024.

Purchase Price Allocation

Consideration:

Fair value of shares of Ovintiv common stock issued ⁽¹⁾	\$	1,169
Consideration paid in cash ⁽²⁾		3,229
Total Consideration	\$	4,398
Assets Acquired:		
Cash and cash equivalents	\$	16
Accounts receivable and accrued revenues ⁽³⁾		202
Proved properties ⁽³⁾		3,727
Unproved properties ⁽³⁾		914
Other property, plant and equipment ⁽³⁾		17
Liabilities Assumed:		
Accounts payable and accrued liabilities ⁽³⁾		(446)
Asset retirement obligation		(28)
Other liabilities and provisions ⁽³⁾		(4)
Total Purchase Price	\$	4,398

(1) The fair value was based on the issuance of 31.8 million shares of common stock using the NYSE price of \$ 36.78 on June 12, 2023.

(2) Cash consideration paid includes final cash settlements of \$ 12 million which were completed during the first quarter of 2024.

(3) Since the completion of the business combination on June 12, 2023, additional information related to pre-acquisition assets and liabilities was obtained resulting in measurement period adjustments. Changes in the fair value estimates comprised an increase in accounts receivable and accrued revenues of \$ 22 million, an increase in proved properties of \$ 134

million, a decrease in unproved properties of \$

227

million, a decrease in other property, plant and equipment of \$

16

million, a decrease in accounts payable and accrued liabilities of \$

73

million and a decrease in other liabilities and provisions of \$

2

million.

The Company used the income approach valuation technique for the fair value of assets acquired and liabilities assumed. The carrying amounts of cash, accounts receivable and accounts payable approximate their fair values due to their nature and/or short-term maturity of the instruments. The fair value of tubular inventory in other property, plant and equipment was based on the fair value approach, which utilized subsequent sales of inventory, asset listings and cost records with consideration for the relative age, condition, utilization and economic support of the inventory. The fair values of the proved properties, unproved properties and asset retirement obligation were categorized within Level 3 and were determined using relevant market assumptions, including discount rates, future commodity prices and costs, timing of development activities, projections of oil and gas reserves, and estimates to abandon and reclaim producing wells. Level 3 inputs require significant judgment and estimates to be made.

For income tax purposes, the Permian Acquisition was treated as an asset purchase, and as a result, the tax basis in the assets and liabilities reflect their allocated fair value.

10. Property, Plant and Equipment, Net

	As at September 30, 2024			As at December 31, 2023		
	Cost	Accumulated DD&A	Net	Cost	Accumulated DD&A	Net
USA Operations		((
Proved properties	\$ 49,585	\$ 37,302	\$ 12,283	\$ 47,440	\$ 35,799	\$ 11,641
Unproved properties	892	-	892	1,449	-	1,449
Other	57	-	57	39	-	39
		((
	50,534	37,302	13,232	48,928	35,799	13,129
Canadian Operations		((
Proved properties	16,661	15,249	1,412	16,644	15,332	1,312
Unproved properties	29	-	29	37	-	37
Other	5	-	5	8	-	8
		((
	16,695	15,249	1,446	16,689	15,332	1,357
Market Optimization	7	7	-	7	7	-
Corporate & Other	844	705	139	853	699	154
		((
	\$ 68,080	\$ 53,263	\$ 14,817	\$ 66,477	\$ 51,837	\$ 14,640

USA and Canadian Operations' property, plant and equipment include internal costs directly related to exploration, development and construction activities of \$

141 million, which have been capitalized during the nine months ended September 30, 2024 (2023 - \$

118 million).

11. Leases

The following table outlines Ovintiv's estimated future sublease income as at September 30, 2024. All subleases are classified as operating leases.

(undiscounted)	2024	2025	2026	2027	2028	Thereafter	Total

Sublease Income	\$	13	\$	51	\$	51	\$	47	\$	41	\$	370	\$	573
-----------------	----	----	----	----	----	----	----	----	----	----	----	-----	----	-----

For the three and nine months ended September 30, 2024, operating lease income was \$

13
million and \$

39
million, respectively (2023 - \$

13
million and \$

37
million, respectively), and variable lease income was \$

5
million and \$

16
million, respectively (2023 - \$

5
million and \$

16
million, respectively).

12. Long-Term Debt

	As at September 30, 2024	As at December 31, 2023
U.S. Dollar Denominated Debt		
Revolving credit and term loan borrowings	\$ 424	\$ 284
U.S. Unsecured Notes:		
5.65		
% due	600	600
May 15, 2025		
5.375		
% due	459	459
January 1, 2026		
5.65		
% due	700	700
May 15, 2028		
8.125		
% due	300	300
September 15, 2030		
7.20		
% due	350	350
November 1, 2031		
7.375		
% due	500	500
November 1, 2031		

6.25		
% due	600	600
July 15, 2033		
6.50		
% due	599	599
August 15, 2034		
6.625		
% due	390	390
August 15, 2037		
6.50		
% due	430	430
February 1, 2038		
5.15		
% due	148	148
November 15, 2041		
7.10		
% due	400	400
July 15, 2053		
Total Principal	5,900	5,760
Increase in Value of Debt Acquired	18	22
Unamortized Debt Discounts and Issuance Costs	(41)	(45)
Total Long-Term Debt	\$ 5,877	\$ 5,737

Current Portion	\$	1,024	\$	284
Long-Term Portion		4,853		5,453
	\$	5,877	\$	5,737

On May 31, 2023, Ovintiv completed a public offering of senior unsecured notes of \$

600
million with a coupon rate of

5.65
percent due May 15, 2025, \$

700
million with a coupon rate of

5.65
percent due May 15, 2028, \$

600
million with a coupon rate of

6.25
percent due July 15, 2033, and \$

400
million with a coupon rate of

7.10
percent due July 15, 2053. The net proceeds of the offering, totaling \$

2,278
million, were used to fund a portion of the Company's Permian Acquisition. See Note 9 for further information on the business combination.

As at September 30, 2024, the Company had outstanding commercial paper of \$

324
million maturing at various dates with a weighted average interest rate of approximately

5.67
percent. As at September 30, 2024, the Company also had \$

100
million drawn on its revolving credit facilities. The credit facilities are unsecured and bear interest at the lenders' U.S. base rate, Canadian prime, Bankers' Acceptances, SOFR or CORRA, plus applicable margins.

As at September 30, 2024, total long-term debt had a carrying value of \$

5,877
million and a fair value of \$

6,259
million (as at December 31, 2023 - carrying value of \$

5,737
million and a fair value of \$

5,989
million). The estimated fair value of long-term borrowings is categorized within Level 2 of the fair value hierarchy and has been determined based on market information of long-term debt with similar terms and maturity, or by discounting future payments of interest and principal at interest rates expected to be available to the Company at period end.

13. Other Liabilities and Provisions

	As at September 30, 2024	As at December 31, 2023
Finance Lease Obligations	\$ 14	\$ 20
Unrecognized Tax Benefits	51	16

Pensions and Other Post-Employment Benefits		79		74
Other		12		22
	\$	156	\$	132

14. Share Capital

Authorized

Ovintiv is authorized to issue

750
million shares of common stock, par value \$

0.01
per share, and

25
million shares of preferred stock, par value \$

0.01
per share.

No
shares of preferred stock are outstanding.

Issued and Outstanding

	As at September 30, 2024		As at December 31, 2023	
	Number (millions)	Amount	Number (millions)	Amount
Shares of Common Stock Outstanding, Beginning of Year	271.7	\$ 3	245.7	\$ 3
Shares of Common Stock Purchased	(12.7)	-	(9.9)	-
Shares of Common Stock Issued	1.4	-	35.9	-
Shares of Common Stock Outstanding, End of Period	260.4	\$ 3	271.7	\$ 3

On June 12, 2023, in accordance with the terms of the Permian Acquisition agreement, Ovintiv issued approximately

31.8
million shares of common stock as a component of the consideration paid to EnCap as discussed in Note 9. In conjunction with the share issuance, the Company recognized share capital of \$

318
thousand and paid in surplus of \$

1,169
million.

Ovintiv's Performance Share Units ("PSU") and Restricted Share Units ("RSU") stock-based compensation plans allow the Company to settle the awards either in cash or in the Company's common stock. Accordingly, Ovintiv issued

1.4
million shares of common stock during the nine months ended September 30, 2024 (

4.1
million shares of common stock during the twelve months ended December 31, 2023), as certain PSU and RSU grants vested during the period.

Normal Course Issuer Bid and Other Share Buybacks

On September 26, 2024, the Company announced it had received regulatory approval for the renewal of its NCIB program, which enables the Company to purchase, for cancellation or return to treasury, up to approximately

25.9
million shares of common stock over a 12-month period from October 3, 2024 to October 2, 2025.

During the three and nine months ended September 30, 2024, the Company purchased approximately

3.7
million shares and

12.7

million shares, respectively, for total consideration of approximately \$

163
million and \$

597
million, respectively. Of the amounts paid during the same three and nine month periods, \$

37
thousand and \$

127
thousand, respectively, were charged to share capital and \$

163
million and \$

597
million, respectively, were charged to paid in surplus.

During the three and nine months ended September 30, 2023, the Company purchased one million shares and approximately

8.7

million shares, respectively, for total consideration of approximately \$

45
million and \$

373
million, respectively. Of the amounts paid during the same three and nine month periods, \$

10
thousand and \$

87
thousand, respectively, were charged to share capital and \$

45
million and \$

373
million, respectively, were charged to paid in surplus.

For the twelve months ended December 31, 2023, the Company purchased approximately

9.9
million shares for total consideration of approximately \$

426
million, of which \$

99
thousand was charged to share capital and \$

426
million was charged to paid in surplus.

All NCIB purchases were made in accordance with their respective programs at prevailing market prices plus brokerage fees, with consideration allocated to share capital up to the par value of the shares, with any excess allocated to paid in surplus.

Dividends

During the three months ended September 30, 2024, the Company declared and paid dividends of \$

0.30
per share of common stock totaling \$

78
million (2023 - \$

0.30
per share of common stock totaling \$

82
million).

During the nine months ended September 30, 2024, the Company declared and paid dividends of \$

0.90
per share of common stock totaling \$

238
million (2023 - \$

0.85
per share of common stock totaling \$

225
million).

On November 7, 2024, the Board of Directors declared a dividend of \$

0.30
per share of common stock payable on December 31, 2024, to shareholders of record as of December 13, 2024.

Earnings Per Share of Common Stock

The following table presents the calculation of net earnings (loss) per share of common stock:

(US\$ millions, except per share amounts)	Three Months Ended September 30, 2024		Nine Months Ended September 30, 2024	
	2024	2023	2024	2023
Net Earnings (Loss)	\$ 507	\$ 406	\$ 1,185	\$ 1,229
Number of Shares of Common Stock:				
Weighted average shares of common stock outstanding - Basic	262.1	273.7	266.0	255.8
Effect of dilutive securities	1.9	2.6	2.7	3.9
Weighted Average Shares of Common Stock Outstanding - Diluted	264.0	276.3	268.7	259.7
Net Earnings (Loss) per Share of Common Stock				
Basic	\$ 1.93	\$ 1.48	\$ 4.45	\$ 4.80
Diluted	1.92	1.47	4.41	4.73

Stock-Based Compensation Plans

Shares issued as a result of awards granted from stock-based compensation plans are funded out of the common stock authorized for issuance as approved by the Company's shareholders. As at September 30, 2024, there were no changes to Ovintiv's compensation plans and the Company has sufficient common stock held in reserve for issuance in accordance with its equity-settled stock-based compensation plans.

15. Accumulated Other Comprehensive Income

	Three Months Ended September 30, 2024		2023	Nine Months Ended September 30, 2024		2023		
Foreign Currency Translation Adjustment								
Balance, Beginning of Period	\$	893	\$	992	\$	1,000	\$	937
Change in Foreign Currency Translation Adjustment		44	(	59	(	63	(	4
Balance, End of Period	\$	937	\$	933	\$	937	\$	933
Pension and Other Post-Employment Benefit Plans								
Balance, Beginning of Period	\$	47	\$	51	\$	50	\$	54
Amounts Reclassified from Other Comprehensive Income:		(((((((
Reclassification of net actuarial (gains) and losses to net earnings		2	)	2	)	5	)	6
Income taxes		1	-		1		1	
Balance, End of Period	\$	46	\$	49	\$	46	\$	49
Total Accumulated Other Comprehensive Income	\$	983	\$	982	\$	983	\$	982

16. Variable Interest Entities

Veresen Midstream Limited Partnership

Veresen Midstream Limited Partnership ("VMLP") provides gathering, compression and processing services under various agreements related to the Company's development of liquids and natural gas production in the Montney play. As at September 30, 2024, VMLP provides approximately

1,153

MMcf/d of natural gas gathering and compression and

913

MMcf/d of natural gas processing under long-term service agreements with remaining terms ranging from seven to 21 years and have various renewal terms providing up to a potential maximum of 10 years.

Ovintiv has determined that VMLP is a variable interest entity and that Ovintiv holds variable interests in VMLP. Ovintiv is not the primary beneficiary as the Company does not have the power to direct the activities that most significantly impact VMLP's economic performance. These key activities relate to the construction, operation, maintenance and marketing of the assets owned by VMLP. The variable interests arise from certain terms under the various long-term service agreements and include: i) a take or pay for volumes in certain agreements; ii) an operating fee of which a portion can be converted into a fixed fee once VMLP assumes operatorship of certain assets; and iii) a potential payout of minimum costs in certain agreements. The potential payout of minimum costs will be assessed in the eighth year of the assets' service period and is based on whether there is an overall shortfall of total system cash flows from natural gas gathered and compressed under certain agreements. The potential payout amount can be reduced in the event VMLP markets unutilized capacity to third-party users. Ovintiv is not required to provide any financial support or guarantees to VMLP.

As a result of Ovintiv's involvement with VMLP, the maximum total exposure to loss related to the commitments under the agreements is estimated to be \$

1,063

million as at September 30, 2024. The estimate comprises the take or pay volume commitments and the potential payout of minimum costs. The take or pay volume commitments associated with certain gathering and processing assets are included in Note 21 under Transportation and Processing. The potential payout requirement is highly uncertain as the amount is contingent on future production estimates, pace of development and downstream transportation constraints. As at September 30, 2024, accounts payable and accrued liabilities included \$

0.3

million related to the take or pay commitment.

17. Compensation Plans

As at September 30, 2024, there were no changes to Ovintiv's compensation plans and the Company has sufficient common stock held in reserve for issuance in accordance with its equity-settled stock-based compensation plans.

The Company has recognized the following share-based compensation costs:

	Three Months Ended September 30, 2024		2023	Nine Months Ended September 30, 2024		2023
Total Compensation Costs of Transactions Classified as Cash-Settled	\$	(4)	\$	3	\$	(2) 21)
Total Compensation Costs of Transactions Classified as Equity-Settled		23		22		71 67
Less: Total Share-Based Compensation Costs Capitalized		(7)		(7)		(21) 20)
Total Share-Based Compensation Expense (Recovery)	\$	12	\$	18	\$	48 26
Recognized in the Condensed Consolidated Statement of Earnings in:						
Operating	\$	7	\$	6	\$	20 17
Administrative		5		12		28 9
	\$	12	\$	18	\$	48 26

As at September 30, 2024, the liability for cash-settled share-based payment transactions totaled \$

10
million (\$

14
million as at December 31, 2023), which is recognized in accounts payable and accrued liabilities.

The following weighted average assumptions were used to determine the fair value of SAR and TSAR units outstanding:

	As at September 30, 2024		As at September 30, 2023	
	US\$ SAR	C\$ TSAR	US\$ SAR	C\$ TSAR
	Share Units	Share Units	Share Units	Share Units
Risk Free Interest Rate	3.01 %	3.01 %	4.87 %	4.87 %
Dividend Yield	3.13 %	3.15 %	2.52 %	2.50 %
Expected Volatility Rate ⁽¹⁾	47.74 %	44.43 %	54.82 %	51.21 %
Expected Term	1.1 yrs US\$	1.1 yrs C\$	1.2 yrs US\$	1.1 yrs C\$
Market Share Price	38.31	51.84	47.57	64.59

	US\$	C\$	US\$	C\$
Weighted Average Grant Date Fair Value	40.91	54.84	44.89	62.45

(1) Volatility was estimated using historical rates.

The following units were granted primarily in conjunction with the Company's annual grant of long-term incentive awards. The PSUs and RSUs were granted at the volume-weighted average trading price of shares of Ovintiv common stock for the five days prior to the grant date.

Nine Months Ended September 30, 2024 (thousands of units)

RSUs	1,521
PSUs	593
DSUs	9

18. Fair Value Measurements

The fair values of cash and cash equivalents, accounts receivable and accrued revenues, and accounts payable and accrued liabilities approximate their carrying amounts due to the short-term maturity of those instruments. The fair values of restricted cash and marketable securities included in other assets approximate their carrying amounts due to the nature of the instruments held.

Recurring fair value measurements are performed for risk management assets and liabilities and other derivative contracts, as discussed further in Note 19. These items are carried at fair value in the Condensed Consolidated Balance Sheet and are classified within the three levels of the fair value hierarchy in the following tables.

Fair value changes and settlements for amounts related to risk management assets and liabilities are recognized in revenues and foreign exchange gains and losses according to their purpose.

	Level 1 Quoted Prices in Active Markets	Level 2 Other Observable Inputs	Level 3 Significant Unobservable Inputs	Total Fair Value	Netting ⁽¹⁾	Carrying Amount
As at September 30, 2024						
Risk Management Assets						
Commodity Derivatives:						
Current assets	\$ -	\$ 142	\$ -	\$ 142	\$ -	\$ 142
Long-term assets	-	9	-	9	(3)	6
Foreign Currency Derivatives:						
Current assets	-	2	-	2	-	2
Risk Management Liabilities						
Commodity Derivatives:						
Current liabilities	\$ 1	\$ -	\$ -	\$ 1	\$ -	\$ 1
Long-term liabilities	-	6	-	6	(3)	3

	Level 1 Quoted Prices in Active Markets	Level 2 Other Observable Inputs	Level 3 Significant Unobservable Inputs	Total Fair Value	Netting ⁽¹⁾	Carrying Amount
As at December 31, 2023						
Risk Management Assets						
Commodity Derivatives:						
Current assets	\$ -	\$ 188	\$ 16	\$ 204	\$ 1	\$ 203
Long-term assets	-	5	-	5	(1)	4
Foreign Currency Derivatives:						
Current assets	-	11	-	11	-	11
Risk Management Liabilities						
Commodity Derivatives:						
Current liabilities	\$ -	\$ 1	\$ -	\$ 1	\$ 1	\$ -
Long-term liabilities	-	3	-	3	(1)	2
Other Derivative Contracts ⁽²⁾						

Current in accounts payable and accrued liabilities	\$	-	\$	4	\$	-	\$	4	\$	-	\$	4
-----------------------------------------------------	----	---	----	---	----	---	----	---	----	---	----	---

(1) Netting to offset derivative assets and liabilities where the legal right and intention to offset exists, or where counterparty master netting arrangements contain provisions for net settlement.

(2) Includes credit derivatives associated with certain prior years' divestitures.

The Company's Level 1 and Level 2 risk management assets and liabilities consist of commodity fixed price contracts, NYMEX three-way options, NYMEX costless collars, WTI three-way options, foreign currency swaps and basis swaps with terms to 2025. The Company uses discounted cash flow and option-pricing models for fair valuing commodity derivatives. The fair value models use inputs such as contracted notional volumes, market future prices, maturities, credit adjusted risk free rates, and market-based implied volatility factors. The fair values of these contracts are estimated using inputs which are either directly or indirectly observable from active markets, such as exchange and other published prices, broker quotes and observable trading activity throughout the term of the instruments.

During the three months ended September 30, 2024, the Company transferred all remaining WTI three-way options from Level 3 into Level 2 as a result of the availability of more observable inputs, such as volatility and comparable contract terms, from independent active markets.

The three-way options are a combination of a sold call, a bought put and a sold put. These contracts allow the Company to participate in the upside of commodity prices to the ceiling of the call option and provide the Company with partial (three-way) downside price protection through the put options.

Level 3 Fair Value Measurements

A summary of changes in Level 3 fair value measurements for risk management positions is presented below:

	Nine Months Ended September 30, 2024		2023
Balance, Beginning of Year	\$	16	\$ 12
Total Gains (Losses)		14	(122)
Purchases, Sales, Issuances and Settlements:			
Purchases, sales and issuances		-	-
Settlements		9	2
Transfers Out of Level 3 ⁽¹⁾		(39)	-
Balance, End of Period	\$	-	\$ (108)
Change in Unrealized Gains (Losses) During the			(
Period Included in Net Earnings (Loss)	\$	23	\$ 120)

(1) During the nine months ended September 30, 2024, the Company transferred all remaining WTI three-way options from Level 3 into Level 2 as a result of the availability of more observable inputs, such as volatility and comparable contract terms, from independent active markets.

19. Financial Instruments and Risk Management

A) Financial Instruments

Ovintiv's financial assets and liabilities are recognized in cash and cash equivalents, accounts receivable and accrued revenues, other assets, accounts payable and accrued liabilities, risk management assets and liabilities, long-term debt, and other liabilities and provisions.

B) Risk Management Activities

Ovintiv uses derivative financial instruments to manage its exposure to fluctuating commodity prices and foreign currency exchange rates. The Company does not apply hedge accounting to any of its derivative financial instruments. As a result, gains and losses from changes in the fair value are recognized in net earnings (loss).

Commodity Price Risk

Commodity price risk arises from the effect that fluctuations in future commodity prices may have on revenues from production. To partially mitigate exposure to commodity price risk, the Company has entered into various derivative financial instruments. The use of these derivative instruments is governed under formal policies and is subject to limits established by the Board of Directors.

Oil and NGLs - To partially mitigate oil and NGL commodity price risk, the Company uses WTI- and NGL-based contracts such as fixed price contracts and options. Ovintiv has also entered into basis swaps to manage against widening price differentials between various production areas, products and price points.

Natural Gas - To partially mitigate natural gas commodity price risk, the Company uses NYMEX-based contracts such as fixed price contracts, options and costless collars. Ovintiv has also entered into basis swaps to manage against widening price differentials between various production areas and benchmark price points.

Foreign Exchange Risk

Foreign exchange risk arises from changes in foreign currency exchange rates that may affect the fair value or future cash flows from the Company's financial assets or liabilities. To partially mitigate the effect of foreign exchange fluctuations on future commodity revenues and expenses, the Company may enter into foreign currency derivative contracts. As at September 30, 2024, the Company has entered into \$

118
million notional U.S. dollar denominated currency swaps at an average exchange rate of C\$

1.3697
to US\$1, which mature monthly through the remainder of 2024, and \$

25
million notional U.S. dollar denominated currency swaps at an average exchange rate of C\$

1.3800
to US\$1, which mature monthly throughout the first half of 2025.

Risk Management Positions as at September 30, 2024

	Notional Volumes	Term	Average Price	Fair Value
Oil and NGL Contracts			US\$/bbl	
Fixed Price Contracts				
Ethane Fixed Price	5.0 Mbbbls/d	2024	10.28	\$ -
WTI Three-Way Options				
			84.35 /	
Sold call / bought put / sold put	50.0 Mbbbls/d	2024	65.00 /	5
			50.00	
			83.96 /	
Sold call / bought put / sold put	37.4 Mbbbls/d	2025	65.00 /	34
			50.00	
Basis Contracts ⁽¹⁾		2024		(1
Oil and NGLs Fair Value Position				38
Natural Gas Contracts			US\$/Mcf	
Fixed Price Contracts				
NYMEX Fixed Price	200 MMcf/d	2024	3.62	12
NYMEX Three-Way Options				
			4.58 /	
Sold call / bought put / sold put	200 MMcf/d	2024	3.00 /	4
			2.25	
			4.54 /	
Sold call / bought put / sold put	500 MMcf/d	2025	3.00 /	4
			2.25	
NYMEX Costless Collars				

Sold call / bought put	400 MMcf/d	2024	5.57 / 3.00	9
Basis Contracts ⁽²⁾		2024		22
		2025		55
Natural Gas Fair Value Position				106
Foreign Currency Contracts				
Fair Value Position ⁽³⁾		2024 - 2025		2
Total Fair Value Position			\$	146

(1) Ovintiv has entered into oil differential swaps associated with Canadian condensate and WTI.

(2) Ovintiv has entered into natural gas basis swaps associated with AECO, Waha and NYMEX.

(3) Ovintiv has entered into U.S. dollar denominated fixed-for-floating average currency swaps to protect against fluctuations between the Canadian and U.S. dollars.

Earnings Impact of Realized and Unrealized Gains (Losses) on Risk Management Positions

	Three Months Ended September 30, 2024		2023	Nine Months Ended September 30, 2024		2023		
Realized Gains (Losses) on Risk Management								
Commodity and Other Derivatives:								
Revenues ⁽¹⁾	\$	97	\$	10	\$	212	\$	61
Foreign Currency Derivatives:								
Foreign exchange		-		-		(1)		(7)
Interest Rate Derivatives:								
Interest Rate ⁽²⁾		-		-		-		1
	\$	97	\$	10	\$	211	\$	67
Unrealized Gains (Losses) on Risk Management								
Commodity and Other Derivatives:								
Revenues ⁽³⁾	\$	31	\$	(292)	\$	(61)	\$	(132)
Foreign Currency Derivatives:								
Foreign exchange		1		(6)		(9)		9
	\$	32	\$	(298)	\$	(70)	\$	(123)
Total Realized and Unrealized Gains (Losses) on Risk Management, net								
Commodity and Other Derivatives:								
Revenues ^{(1) (3)}	\$	128	\$	282	\$	151	\$	193
Foreign Currency Derivatives:								
Foreign exchange		1		(6)		(10)		2
Interest Rate Derivatives:								
Interest Rate ⁽²⁾		-		-		-		1
	\$	129	\$	288	\$	141	\$	190

(1) Includes a realized gain of

nil
and \$

4
million for the three and nine months ended September 30, 2024, respectively (2023 - gain of \$

1

million, respectively), related to other derivative contracts.

(2) The interest rate swap was executed and settled during the nine months ended September 30, 2023, in relation to the senior notes issuance described in Note 12. The gain was recognized in interest expense.

(3) There were

no

unrealized gains or losses related to other derivative contracts for the three or nine months ended September 30, 2024 or 2023.

Reconciliation of Unrealized Risk Management Positions from January 1 to September 30

	2024		2023
	Fair Value	Total Unrealized Gain (Loss)	Total Unrealized Gain (Loss)
Fair Value of Contracts, Beginning of Year	\$ 212		
Change in Fair Value of Contracts in Place at Beginning of Year			(
and Contracts Entered into During the Period	141	\$ 141	\$ 190)
Settlement of Other Derivative Contracts	4		
	((
Fair Value of Contracts Realized During the Period	211)	211)	67
		((
Fair Value of Contracts, End of Period	\$ 146	\$ 70)	\$ 123)

Risk management assets and liabilities arise from the use of derivative financial instruments and are measured at fair value. See Note 18 for a discussion of fair value measurements.

Unrealized Risk Management Positions

	As at September 30, 2024	As at December 31, 2023
Risk Management Assets		
Current	\$ 144	\$ 214
Long-term	6	4
	150	218
Risk Management Liabilities		
Current	1	-
Long-term	3	2
	4	2
Other Derivative Contract Liabilities		
Current in accounts payable and accrued liabilities	-	4
	-	4
Net Risk Management Assets (Liabilities) and Other Derivative Contracts	\$ 146	\$ 212

C) Credit Risk

Credit risk arises from the potential that the Company may incur a loss if a counterparty to a financial instrument fails to meet its obligation in accordance with agreed terms. While exchange-traded contracts are subject to nominal credit risk due to the financial safeguards established by the exchanges and clearing agencies, over-the-counter traded contracts expose Oviniv to counterparty credit risk. Counterparties to the Company's derivative financial instruments consist primarily of major financial institutions and companies within the energy industry. This credit risk exposure is mitigated through the use of credit policies approved by the Board of Directors governing the Company's credit portfolio including credit practices that limit transactions according to counterparties' credit quality. Mitigation strategies may include master netting arrangements, requesting collateral, purchasing credit insurance and/or transacting credit derivatives. The Company executes commodity derivative financial instruments under master agreements that have netting provisions that provide for offsetting payables against receivables. Oviniv actively evaluates the creditworthiness of its counterparties, assigns appropriate credit limits and monitors credit exposures against those assigned limits. As at September 30, 2024, Oviniv's maximum exposure of loss due to credit risk from derivative financial instrument assets on a gross and net fair value basis was \$

153
million and \$

150
million, respectively, as disclosed in Note 18. The Company had

no
significant credit derivatives in place and held

no
collateral at September 30, 2024.

Any cash equivalents include high-grade, short-term securities, placed primarily with financial institutions with investment grade ratings. Any foreign currency agreements entered into are with major financial institutions that have investment grade credit ratings.

A substantial portion of the Company's accounts receivable are with customers and working interest owners in the oil and gas industry and are subject to normal industry credit risks. As at September 30, 2024, approximately

percent (

91

percent as at December 31, 2023) of Ovintiv's accounts receivable and financial derivative credit exposures were with investment grade counterparties.

During 2015 and 2017, the Company entered into agreements resulting from divestitures, which required Ovintiv to fulfill certain payment obligations on the take or pay volume commitments assumed by the purchasers. The circumstances that would require Ovintiv to perform under the agreements included events where a purchaser failed to make payment to the guaranteed party and/or a purchaser was subject to an insolvency event. The agreements had a fair value of \$

4

million as at December 31, 2023 and expired in June 2024 .

20. Supplementary Information

Supplemental disclosures to the Condensed Consolidated Statement of Cash Flows are presented below:

A) Net Change in Non-Cash Working Capital

	Three Months Ended September 30,			Nine Months Ended September 30,	
	2024	2023		2024	2023
Operating Activities					
Accounts receivable and accrued revenues	\$ 68	\$ 251		\$ 303	\$ 268
Accounts payable and accrued liabilities	(64)	2		(365)	(288)
Current portion of operating lease liabilities	2	5		1	4
Income tax receivable and payable	19	62		239	190
	\$ 25	\$ 192		\$ 302	\$ 174

B) Non-Cash Activities

	Three Months Ended September 30,			Nine Months Ended September 30,	
	2024	2023		2024	2023
Non-Cash Operating Activities					
ROU operating lease assets and liabilities	\$ 7	\$ 4		\$ 40	\$ 73
Non-Cash Investing Activities					
Property, plant and equipment accruals	\$ 23	\$ 93		\$ 25	\$ 185
Capitalized long-term incentives	-	-		7	2
Property additions/dispositions, including swaps	5	3		36	25
Non-Cash Financing Activities					
Common shares issued in conjunction with the Permian Acquisition (See Note 9)	\$ -	\$ -		\$ -	\$ -
	-	-		-	1,169

21. Commitments and Contingencies

Commitments

The following table outlines the Company's commitments as at September 30, 2024:

	Expected Future Payments						
(undiscounted)	2024	2025	2026	2027	2028	Thereafter	Total

Transportation and Processing	\$	170	\$	679	\$	606	\$	506	\$	451	\$	2,176	\$	4,588
Drilling and Field Services		87		201		9		-		-		-		297
Building Leases & Other Commitments		4		13		7		6		6		15		51
Total	\$	261	\$	893	\$	622	\$	512	\$	457	\$	2,191	\$	4,936

Operating leases with terms greater than one year are not included in the commitments table above. The table above includes short-term leases with contract terms less than 12 months, such as drilling rigs and field office leases, as well as non-lease operating cost components associated with building leases.

Included within transportation and processing in the table above are certain commitments associated with midstream service agreements with VMLP as described in Note 16. Divestiture transactions can reduce certain commitments disclosed above.

Contingencies

Ovintiv is involved in various legal claims and actions arising in the normal course of the Company's operations. Although the outcome of these claims cannot be predicted with certainty, the Company does not expect these matters to have a material adverse effect on Ovintiv's financial position, cash flows or results of operations. Management's assessment of these matters may change in the future as these matters are subject to a number of uncertainties. For any material matters that the Company believes an unfavorable outcome is reasonably possible, the Company discloses the nature and a range of potential exposures, if reasonably estimable. If an unfavorable outcome were to occur, there exists the possibility of a material impact on the Company's consolidated net earnings or loss for the period in which the effect becomes reasonably estimable. The Company accrues for such items when a liability is both probable and the amount can be reasonably estimated. Such accruals are based on the Company's information known about the matters, estimates of the outcomes of such matters and experience in handling similar matters.

During the second quarter of 2024, Ovintiv resolved a dispute related to the previous disposition of certain legacy assets for approximately \$

150 million. On September 30, 2024, the Company received \$

50 million of the settlement proceeds in escrow as restricted cash and Ovintiv expects to receive the remaining \$

100 million of the proceeds by the end of the year. Accordingly, the total net proceeds of \$

150

million has been recognized as a gain within Other (gains) losses, net in the Company's Consolidated Statement of Earnings for the three and nine months ended September 30, 2024, and both settlement proceeds are recorded within Accounts receivable and accrued revenues in the Company's Consolidated Balance Sheet as at the quarter end. Ovintiv recognizes contingent gains in its Consolidated Financial Statements when the gain is realized or considered realizable.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The MD&A is intended to provide a narrative description of the Company's business from management's perspective, which includes an overview of Ovintiv's condensed consolidated results for the three and nine months ended September 30, 2024, and period-over-period comparison. This MD&A should be read in conjunction with the unaudited interim Condensed Consolidated Financial Statements and accompanying notes for the period ended September 30, 2024 ("Consolidated Financial Statements"), which are included in Part I, Item 1 of this Quarterly Report on Form 10-Q and the audited Consolidated Financial Statements and accompanying notes and MD&A for the year ended December 31, 2023, which are included in Items 8 and 7, respectively, of the 2023 Annual Report on Form 10-K.

Common industry terms and abbreviations are used throughout this MD&A and are defined in the Definitions, Conversions and Conventions sections of this Quarterly Report on Form 10-Q. This MD&A includes the following sections:

- [Executive Overview](#)
- [Results of Operations](#)
- [Liquidity and Capital Resources](#)
- [Non-GAAP Measures](#)

Executive Overview

Strategy

Ovintiv aims to be a leading North American energy producer and is focused on developing its high-quality multi-basin portfolio of oil and natural gas producing plays. Ovintiv is committed to delivering quality returns from its capital investment, generating significant cash flows and providing durable cash returns to its shareholders through the commodity price cycle. The Company aims to achieve its strategic priorities through execution excellence, disciplined capital allocation, and commercial acumen and risk management. In addition, the Company is dedicated to driving progress in areas of environmental, social, and governance, aligning with its commitment to corporate responsibility.

In support of the Company's commitment to enhancing shareholder value, Ovintiv utilizes its capital allocation framework to provide competitive returns to shareholders while strengthening its balance sheet.

Ovintiv continually monitors and evaluates changing market conditions to maximize cash flows, mitigate risks and renew its premium well inventory. The Company's assets, located in some of the most prolific plays in North America, form a multi-basin, multi-product portfolio which enables flexible and efficient investment of capital that supports the Company's strategy.

Ovintiv seeks to deliver results in a socially and environmentally responsible manner. Best practices are deployed across its assets, allowing the Company to capitalize on operational efficiencies and decrease emissions intensity. The Company's sustainability reporting, which outlines its key metrics, targets and relative progress achieved, can be found in the Company Outlook section of this MD&A and on the Company's sustainability website.

Underpinning Ovintiv's strategy are core values of one, agile, innovative and driven, which guide the organization to be collaborative, responsive, flexible and determined. The Company is committed to excellence with a passion to drive corporate financial performance and shareholder value.

For additional information on Ovintiv's strategy, its reporting segments and the plays in which the Company operates, refer to Items 1 and 2 of the 2023 Annual Report on Form 10-K.

In evaluating its operations and assessing its leverage, Ovintiv reviews performance-based measures such as Non-GAAP Cash Flow and debt-based metrics such as Debt to Adjusted Capitalization, Debt to EBITDA and Debt to Adjusted EBITDA, which are non-GAAP measures and do not have any standardized meaning under U.S. GAAP. These measures may not be similar to measures presented by other issuers and should not be viewed as a substitute for measures reported under U.S. GAAP. Additional information regarding these measures, including reconciliations to the closest GAAP measure, can be found in the Non-GAAP Measures section of this MD&A.

Highlights

During the first nine months of 2024, the Company focused on executing its 2024 capital investment plan aimed at maximizing profitability through operational and capital efficiencies, and delivering cash from operating activities. Lower upstream product revenues in the first nine months of 2024 compared to 2023, primarily resulted from lower average realized natural gas prices, excluding the impact of risk management activities, partially offset by higher total production volumes. Decreases in average realized natural gas prices of 44 percent were primarily due to lower benchmark prices. Total production volumes increased six percent compared to the first nine months of 2023 primarily due to the addition of the Permian assets acquired in the second quarter of 2023. Oviniv continues to focus on optimizing realized prices from the diversification of the Company's downstream markets.

Significant Development

- On September 26, 2024, the Company announced it had received regulatory approval for the renewal of its NCIB program, which enables the Company to purchase, for cancellation or return to treasury, up to approximately 25.9 million shares of common stock over a 12-month period from October 3, 2024 to October 2, 2025. The number of shares authorized for purchase represents 10 percent of Oviniv's public float as at September 20, 2024. The Company expects to continue to execute the renewed NCIB program in conjunction with its capital allocation framework.

Financial Results

Three months ended September 30, 2024

- Reported net earnings of \$507 million, or \$1.92 per share diluted, including a net gain of \$150 million, or \$0.57 per share diluted, from a settlement related to certain previously divested legacy assets.
- Recognized net gains on risk management in revenues of \$128 million, before tax.
- Generated cash from operating activities of \$1,022 million and Non-GAAP Cash Flow of \$978 million.
- Purchased for cancellation, approximately 3.7 million shares of common stock for total consideration of approximately \$163 million.
- Paid dividends of \$0.30 per share of common stock totaling \$78 million.

Nine months ended September 30, 2024

- Reported net earnings of \$1,185 million, or \$4.41 per share diluted, including a net gain of \$150 million, or \$0.56 per share diluted, from a settlement related to certain previously divested legacy assets.
- Recognized net gains on risk management in revenues of \$151 million, before tax.
- Generated cash from operating activities of \$2,701 million and Non-GAAP Cash Flow of \$3,038 million.
- Purchased for cancellation, approximately 12.7 million shares of common stock for total consideration of approximately \$597 million.
- Paid dividends of \$0.90 per share of common stock totaling \$238 million.
- Had approximately \$3.3 billion in total liquidity as at September 30, 2024, which included available credit facilities of \$3.4 billion, available uncommitted demand lines of \$232 million, and cash and cash equivalents of \$9 million, net of outstanding commercial paper of \$324 million.
- Reported Debt to EBITDA of 1.1 times and Non-GAAP Debt to Adjusted EBITDA of 1.2 times.

Capital Investment

During the nine months ended September 30, 2024

- Executed the Company's 2024 capital plan with expenditures totaling \$1,751 million.
- Focused on highly efficient capital activity to benefit from short-cycle high margin and/or low-cost projects which provide flexibility to respond to fluctuations in commodity prices.

Production

During the nine months ended September 30, 2024

- Produced average liquids volumes of 302.7 Mbbls/d, which accounted for 52 percent of total production volumes. Average oil and plant condensate volumes of 211.7 Mbbls/d, represented 70 percent of total liquids production volumes.
- Produced average natural gas volumes of 1,704 MMcf/d, which accounted for 48 percent of total production volumes.
- Produced average total volumes of 586.7 MBOE/d.

Operating Expenses

During the nine months ended September 30, 2024

- Incurred upstream transportation and processing expenses of \$1,163 million or \$7.24 per BOE. Total transportation and processing expenses were \$1,240 million, a decrease of \$100 million compared to 2023, primarily due to an expired pipeline transportation contract, the impact of new downstream contracts in Uinta, and the sale of the Bakken assets in the second quarter of 2023, partially offset by higher production volumes in Permian and Uinta.
- Incurred upstream operating expenses of \$696 million or \$4.33 per BOE, an increase of \$92 million compared to 2023, primarily due to the Permian assets acquired in the second quarter of 2023, partially offset by the sale of the Bakken assets in the second quarter of 2023.
- Incurred production, mineral and other taxes of \$258 million, which represents approximately 4.7 percent of upstream product revenues. Total production, mineral and other taxes increased \$9 million compared to 2023, primarily due to higher production volumes in Permian and Uinta, partially offset by the sale of the Bakken assets in the second quarter of 2023.

The Company's upstream operations refers to the summation of the USA and Canadian operating segments. Additional information on the items above and other expenses can be found in the Results of Operations section of this MD&A.

2024 Outlook

Industry Outlook

Oil Markets

The oil and gas industry is cyclical and commodity prices are inherently volatile. Oil prices reflect global supply and demand dynamics as well as the geopolitical and macroeconomic environment.

Oil prices for the remainder of 2024 are expected to be impacted by the interplay between the pace of global economic growth and demand for oil, OPEC+ production levels and continued supply uncertainties resulting from geopolitical events. Recessionary concerns continue to have an impact on global demand outlooks as central banks evaluate and recalibrate their strategies in response to the prevailing economic environment. Supply and the accumulation of global oil inventories are expected to be impacted by changes in OPEC+ production levels, consumer demand behavior and geopolitical volatility.

Natural Gas Markets

Natural gas prices are primarily impacted by structural changes in supply and demand, deviations from seasonally normal weather, as well as volatility in regional markets.

Natural gas benchmark prices for the remainder of 2024 are expected to be impacted by the interplay between natural gas production and associated natural gas from oil production, changes in demand from the power generation sector, changes in export levels of U.S. liquefied natural gas, impacts from seasonal weather, as well as supply chain constraints or other disruptions resulting from geopolitical events.

Company Outlook

The Company will continue to exercise discretion and discipline, and intends to optimize capital allocation through the remainder of 2024 as the commodity price environment evolves. Oviniv pursues innovative ways to maximize cash flows and to reduce upstream operating and administrative expenses.

Markets for oil and natural gas are exposed to different price risks and are inherently volatile. To mitigate price volatility and provide more certainty around cash flows, the Company enters into derivative financial instruments. As at September 30, 2024, the Company has hedged approximately 50.0 Mbbls/d of expected oil production and 800 MMcf/d of expected natural gas production for the remainder of the year. In addition, Oviniv proactively utilizes transportation contracts to diversify the Company's sales markets, thereby reducing significant exposure to any given market and regional pricing.

Additional information on Oviniv's hedging program can be found in Note 19 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Capital Investment

The Company continues to execute its 2024 capital investment program, focusing on maximizing returns from high-margin oil and condensate, and generating cash flows in excess of capital expenditures.

During the third quarter of 2024, the Company invested \$538 million, near the lower end of its third quarter guidance of \$530 million to \$570 million. In November, the Company narrowed its full year 2024 capital investment guidance range to \$2,275 million to \$2,325 million.

Oviniv continually strives to improve well performance and lower costs through innovative techniques. Oviniv's large-scale cube development model utilizes multi-well pads and advanced completion designs to maximize returns and resource recovery from its reservoirs. The Company continues to enhance its multi-frac technology by shifting, where possible, from simultaneously fracing two wells ("Simulfrac") to fracing three wells ("Trimulfrac") at the same time. Oviniv's disciplined capital program and continuous innovation create flexibility to allocate capital in changing commodity markets to maximize cash flows while preserving the long-term value of the Company's multi-basin portfolio.

Production

During the third quarter of 2024, total average production volumes were 592.6 MBOE/d, which exceeded the third quarter guidance range of 565.0 MBOE/d to 580.0 MBOE/d, primarily due to the impact of lower than expected royalty rates in the Canadian Operations resulting from lower natural gas benchmark prices. Average oil and plant condensate production volumes were 212.4 Mbbls/d, average other NGL production volumes were 92.6 Mbbls/d and average natural gas production volumes were 1,725 MMcf/d, which exceeded third quarter guidance ranges of 204.0 Mbbls/d to 208.0 Mbbls/d, 88.0 Mbbls/d to 92.0 Mbbls/d and 1,640 MMcf/d to 1,690 MMcf/d, respectively.

In November, the Company further updated its full year 2024 total production guidance range to 583.0 MBOE/d to 587.0 MBOE/d, including oil and plant condensate production volumes of approximately 209.0 Mbbls/d to 211.0 Mbbls/d, other NGLs production volumes of approximately 91.0 Mbbls/d to 92.0 Mbbls/d and natural gas production volumes of approximately 1,700 MMcf/d to 1,715 MMcf/d.

Operating Expenses

Oviniv promotes a collaborative culture that values knowledge exchange, open communication, continuous improvement and learning. This culture stimulates innovation and fosters the creation of best practices resulting in efficiency improvements and enhanced operational performance for the Company.

The Company is on track to achieve its full year upstream transportation and processing cost guidance range of approximately \$7.50 per BOE to \$8.00 per BOE, based on commodity price assumptions of \$75.00 per barrel for WTI oil and \$2.50 per MMBtu for NYMEX natural gas. Upstream transportation and processing costs of \$7.31 per BOE during the three months ended September 30, 2024, was lower than guidance, primarily due to lower than expected natural gas commodity prices.

The Company is also on track to meet the full year guidance range for operating expenses of approximately \$4.25 per BOE to \$4.75 per BOE, and total production, mineral and other taxes of approximately four to five percent of upstream product revenues. The Company's upstream operations refers to the summation of the USA and Canadian operating segments.

Additional information on Ovintiv's fourth quarter and updated full year 2024 Corporate Guidance can be accessed on the Company's website at www.ovintiv.com.

Environmental, Social and Governance

Ovintiv recognizes climate change as a global concern and the importance of reducing its environmental footprint as part of the solution. The Company voluntarily participates in emission reduction programs and has adopted a range of strategies to help reduce emissions from its operations. These strategies include incorporating new and proven technologies, optimizing processes in its operations and working closely with third-party providers to develop best practices. The Company continues to look for innovative techniques and efficiencies in support of its commitment to emission reductions.

In May 2024, Ovintiv published its 2023 Sustainability Report. The report highlights the Company's 2023 environmental, social and governance results, and its progress in emissions intensity reductions with the goal to meet its Scope 1&2 GHG emissions target by 2030. As at the end of 2023, the Company had achieved a greater than 40 percent reduction in the Scope 1&2 GHG emissions intensity from 2019 levels and is on track to meet its emissions intensity reduction target of 50 percent by 2030 measured against the 2019 baseline. The GHG emissions reduction target is tied to the annual compensation program for all employees.

During the second quarter of 2023, the Company acquired assets in Permian which increased both oil production volumes and net premium well inventory. Ovintiv is undergoing an integration period to align the emissions profile of the acquired inventory with the World Bank Zero Routine Flaring initiative. Ovintiv remains committed to its emissions reduction targets.

Ovintiv is committed to diversity, equity and inclusion. The Company's social commitment framework, which is rooted in the Company's foundational values of integrity, safety, sustainability, trust and respect, reflects Ovintiv's positive contributions to the communities where it operates and highlights the Company's approach to enabling an inclusive culture that embraces diversity of thought, background and experience.

Ovintiv remains committed to protecting the health and safety of its workforce. Safety is a foundational value at Ovintiv and plays a critical role in the Company's belief that a safe workplace is a strong indicator of a well-managed business. This safety-oriented mindset enables the Company to quickly respond to emergencies and minimize any impacts to employees and business continuity. Safety performance goals are incorporated into the Company's annual compensation program. Additional information on talent management and employee safety can be found in the Human Capital section of Items 1 and 2 of the 2023 Annual Report on Form 10-K.

Additional information on Ovintiv's sustainable business practices are included in its most recent Sustainability Report on the Company's sustainability website at <https://sustainability.ovintiv.com>.

Results of Operations

Selected Financial Information

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Product and Service Revenues				
Upstream product revenues	\$ 1,767	\$ 2,049	\$ 5,538	\$ 5,570
Market optimization	408	863	1,214	2,282
Service revenues ⁽¹⁾	3	1	6	5
Total Product and Service Revenues	2,178	2,913	6,758	7,857
Gains (Losses) on Risk Management, Net	128	(282)	151	(193)
Sublease Revenues	18	18	55	53
Total Revenues	2,324	2,649	6,964	7,717
Total Operating Expenses ⁽²⁾	1,797	2,182	5,387	6,041
Operating Income (Loss)	527	467	1,577	1,676
Total Other (Income) Expenses	(31)	74	125	233
Net Earnings (Loss) Before Income Tax	558	393	1,452	1,443
Income Tax Expense (Recovery)	51	(13)	267	214
Net Earnings (Loss)	\$ 507	\$ 406	\$ 1,185	\$ 1,229

(1) Service revenues include amounts related to the USA and Canadian Operations.

(2) Total Operating Expenses include non-cash items such as DD&A, accretion of asset retirement obligations and long-term incentive costs.

Revenues

Ovintiv's revenues are substantially derived from sales of oil, NGLs and natural gas production. Increases or decreases in Ovintiv's revenue, profitability and future production are highly dependent on the commodity prices the Company receives. Prices are market driven and fluctuate due to factors beyond the Company's control, such as supply and demand, seasonality and geopolitical and economic factors. The Company's realized prices generally reflect WTI, NYMEX, Edmonton Condensate and AECO benchmark prices, as well as other downstream benchmarks, including Houston and Dawn. The Company proactively mitigates price risk and optimizes margins by entering into firm transportation contracts to diversify market access to different sales points. Realized prices, excluding the impact of risk management activities, may differ from the benchmarks for many reasons, including quality, location, or production being sold at different market hubs.

Benchmark prices relevant to the Company are shown in the table below.

Benchmark Prices

(average for the period)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Oil & NGLs				
WTI (\$/bbl)	\$ 75.09	\$ 82.26	\$ 77.54	\$ 77.39
Houston (\$/bbl)	76.29	83.81	79.11	78.78
Edmonton Condensate (C\$/bbl)	97.41	104.74	100.68	103.45
Natural Gas				
NYMEX (\$/MMBtu)	\$ 2.16	\$ 2.55	\$ 2.10	\$ 2.69
AECO (C\$/Mcf)	0.81	2.39	1.43	3.03
Dawn (C\$/MMBtu)	2.32	3.04	2.67	3.16

Production Volumes and Realized Prices

	Three months ended September 30,				Nine months ended September 30,			
	Production Volumes ⁽¹⁾		Realized Prices ⁽²⁾		Production Volumes ⁽¹⁾		Realized Prices ⁽²⁾	
	2024	2023	2024	2023	2024	2023	2024	2023
Oil (Mbbbls/d, \$/bbl)								
USA Operations	168.0	170.8	\$ 73.23	\$ 80.69	168.3	147.0	\$ 75.86	\$ 76.26
Canadian Operations	0.4	0.1	71.07	100.64	0.4	0.1	72.90	85.74
Total	168.4	170.9	73.23	80.70	168.7	147.1	75.85	76.26
NGLs - Plant Condensate (Mbbbls/d, \$/bbl)								
USA Operations	11.7	11.2	56.73	59.96	11.1	10.8	58.01	58.98
Canadian Operations	32.3	32.1	71.13	75.67	31.9	31.1	72.88	74.48
Total	44.0	43.3	67.30	71.61	43.0	41.9	69.05	70.49
NGLs - Other (Mbbbls/d, \$/bbl)								
USA Operations	77.7	71.8	16.44	16.91	76.0	74.5	17.52	16.29
Canadian Operations	14.9	14.9	26.97	25.50	15.0	15.4	27.35	25.30
Total	92.6	86.7	18.13	18.39	91.0	89.9	19.14	17.83
Total Oil & NGLs (Mbbbls/d, \$/bbl)								
USA Operations	257.4	253.8	55.35	61.73	255.4	232.3	57.72	56.21
Canadian Operations	47.6	47.1	57.34	59.84	47.3	46.6	58.46	58.25
Total	305.0	300.9	55.66	61.43	302.7	278.9	57.84	56.55
Natural Gas (MMcf/d, \$/Mcf)								
USA Operations	543	508	1.29	2.22	533	515	1.49	2.46
Canadian Operations	1,182	1,117	1.29	2.38	1,171	1,126	1.63	2.99
Total	1,725	1,625	1.29	2.33	1,704	1,641	1.59	2.82
Total Production (MBOE/d, \$/BOE)								
USA Operations	348.0	338.5	42.97	49.62	344.3	318.1	45.12	45.02
Canadian Operations	244.6	233.3	17.39	23.46	242.4	234.2	19.29	25.95
Total	592.6	571.8	32.41	38.95	586.7	552.3	34.45	36.94
Production Mix (%)								
Oil & Plant Condensate	36	38			36	34		
NGLs - Other	15	15			16	16		
Total Oil & NGLs	51	53			52	50		
Natural Gas	49	47			48	50		
Production Change								
Period Over Period (%) ⁽³⁾								
Total Oil & NGLs	1	13			9	7		
Natural Gas	6	8			4	12		
Total Production	4	11			6	9		

(1) Average daily.

(2) Average per-unit prices, excluding the impact of risk management activities.

(3) Includes production impacts of acquisitions and divestitures.

Upstream Product Revenues, Excluding Realized Gains (Losses) on Risk Management

Three months ended September 30,

(\$ millions)	Oil	NGLs - Plant Condensate	NGLs - Other	Natural Gas	Total
2023 Upstream Product Revenues ⁽¹⁾	\$ 1,269	\$ 287	\$ 145	\$ 347	\$ 2,048
Increase (decrease) due to:					
Sales prices	(120)	(19)	1	(164)	(302)
Production volumes	(13)	4	9	21	21
2024 Upstream Product Revenues	\$ 1,136	\$ 272	\$ 155	\$ 204	\$ 1,767

Nine months ended September 30,

(\$ millions)	Oil	NGLs - Plant Condensate	NGLs - Other	Natural Gas	Total
2023 Upstream Product Revenues ⁽¹⁾	\$ 3,061	\$ 807	\$ 438	\$ 1,263	\$ 5,569
Increase (decrease) due to:					
Sales prices	(20)	(19)	34	(577)	(582)
Production volumes	466	26	6	53	551
2024 Upstream Product Revenues	\$ 3,507	\$ 814	\$ 478	\$ 739	\$ 5,538

(1) Revenues for the third quarter and first nine months of 2023 exclude certain other revenue and royalty adjustments with no associated production volumes of \$1 million and \$1 million, respectively.

Oil Revenues

Three months ended September 30, 2024 versus September 30, 2023

Oil revenues were lower by \$133 million compared to the third quarter of 2023 primarily due to:

- A decrease of \$7.47 per bbl, or nine percent, in the average realized oil prices which decreased revenues by \$120 million. The decrease reflected lower Houston and WTI benchmark prices which were both down nine percent, and lower regional pricing relative to the benchmark prices.

Nine months ended September 30, 2024 versus September 30, 2023

Oil revenues were higher by \$446 million compared to the first nine months of 2023 primarily due to:

- Higher average oil production volumes of 21.6 Mbbls/d increased revenues by \$466 million. Higher volumes were primarily due to the Permian assets acquired in the second quarter of 2023 (28.2 Mbbls/d) and successful drilling in Uinta and Permian (15.9 Mbbls/d), partially offset by the sale of the Bakken assets in the second quarter of 2023 (12.5 Mbbls/d) and natural declines in Anadarko (9.7 Mbbls/d).

NGL Revenues

Three months ended September 30, 2024 versus September 30, 2023

NGL revenues were lower by \$5 million compared to the third quarter of 2023 primarily due to:

- A decrease of \$4.31 per bbl, or six percent, in the average realized plant condensate prices which decreased revenues by \$19 million. The decrease reflected the lower Edmonton Condensate benchmark price which was down seven percent; and
- Higher average other NGL volumes of 5.9 Mbbls/d increased revenues by \$9 million. Higher volumes were primarily due to successful drilling in Permian, Uinta and Montney (8.8 Mbbls/d) and third-party plant outages and pipeline restrictions in Montney in 2023 (1.3 Mbbls/d), partially offset by natural declines in Anadarko and Montney (4.5 Mbbls/d).

Nine months ended September 30, 2024 versus September 30, 2023

NGL revenues were higher by \$47 million compared to the first nine months of 2023 primarily due to:

- An increase of \$1.31 per bbl, or seven percent, in the average realized other NGL prices which increased revenues by \$34 million. The increase reflected higher regional pricing and Other NGL benchmark prices;
- Higher average plant condensate production volumes of 1.1 Mbbls/d increased revenues by \$26 million. Higher volumes were primarily due to successful drilling in Montney and Permian (2.5 Mbbls/d), partially offset by natural declines in Montney and Anadarko (1.6 Mbbls/d); and
- A decrease of \$1.44 per bbl, or two percent, in the average realized plant condensate prices decreased revenues by \$19 million. The decrease reflected the lower Edmonton Condensate benchmark price which was down three percent.

Natural Gas Revenues

Three months ended September 30, 2024 versus September 30, 2023

Natural gas revenues were lower by \$143 million compared to the third quarter of 2023 primarily due to:

- A decrease of \$1.04 per Mcf, or 45 percent, in the average realized natural gas prices which decreased revenues by \$164 million. The decrease reflected lower AECO, Dawn and NYMEX benchmark prices which were down 66 percent, 24 percent and 15 percent, respectively, and lower regional pricing relative to benchmark prices; and
- Higher average natural gas production volumes of 100 MMcf/d increased revenues by \$21 million. Higher volumes were primarily due to successful drilling in Permian, Montney and Uinta (78 MMcf/d), third-party plant outages and pipeline restrictions in Montney in 2023 (57 MMcf/d), and lower effective royalty rates in Montney resulting from lower commodity prices (18 MMcf/d). The higher production volumes were partially offset by natural declines in Anadarko and Montney (29 MMcf/d), and the shut-in of production in Other Canadian Operations in the third quarter of 2024 due to low commodity prices (22 MMcf/d).

Nine months ended September 30, 2024 versus September 30, 2023

Natural gas revenues were lower by \$524 million compared to the first nine months of 2023 primarily due to:

- A decrease of \$1.23 per Mcf, or 44 percent, in the average realized natural gas prices which decreased revenues by \$577 million. The decrease reflected lower AECO, NYMEX and Dawn benchmark prices which were down 53 percent, 22 percent and 16 percent, respectively, and lower regional pricing relative to benchmark prices in the USA Operations; and
- Higher average natural gas production volumes of 63 MMcf/d increased revenues by \$53 million. Higher volumes were primarily due to successful drilling in Permian and Montney (63 MMcf/d), lower effective royalty rates resulting from lower commodity prices in Montney (61 MMcf/d), and the Permian assets acquired in the second quarter of 2023 (16 MMcf/d). The higher production volumes were partially offset by the sale of the Bakken assets in the second quarter of 2023 (33 MMcf/d), natural declines in Anadarko (17 MMcf/d), and the shut-in of production in Other Canadian Operations beginning in the second quarter of 2024 due to low commodity prices (18 MMcf/d).

Gains (Losses) on Risk Management, Net

As a means of managing commodity price volatility, Ovintiv enters into commodity derivative financial instruments on a portion of its expected oil, NGLs and natural gas production volumes. Additional information on the Company's commodity price positions as at September 30, 2024, can be found in Note 19 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

The following tables provide the effects of the Company's risk management activities on revenues.

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Realized Gains (Losses) on Risk Management				
Commodity Price ⁽¹⁾				
Oil	\$ -	\$ (19)	\$ (33)	\$ (19)
NGLs - Other	2	-	4	-
Natural Gas	95	28	237	(43)
Other ⁽²⁾	-	1	4	1
Total	97	10	212	(61)
Unrealized Gains (Losses) on Risk Management	31	(292)	(61)	(132)
Total Gains (Losses) on Risk Management, Net	\$ 128	\$ (282)	\$ 151	\$ (193)

(Per-unit)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Realized Gains (Losses) on Risk Management				
Commodity Price ⁽¹⁾				
Oil (\$/bbl)	\$ -	\$ (1.18)	\$ (0.70)	\$ (0.46)
NGLs - Other (\$/bbl)	\$ 0.20	\$ -	\$ 0.15	\$ -
Natural Gas (\$/Mcf)	\$ 0.59	\$ 0.18	\$ 0.50	\$ (0.09)
Total (\$/BOE)	\$ 1.76	\$ 0.17	\$ 1.29	\$ (0.41)

(1) Primarily includes realized gains and losses related to the USA and Canadian Operations.

(2) Other primarily includes realized gains from other derivative contracts with no associated production volumes.

Ovintiv recognizes fair value changes from its risk management activities each reporting period. The changes in fair value result from new positions and settlements that occur during each period, as well as the relationship between contract prices and the associated forward curves. Realized gains or losses on risk management activities related to commodity price mitigation are included in the USA Operations, Canadian Operations and Market Optimization revenues as the contracts are cash settled. Unrealized gains or losses on fair value changes of unsettled contracts are included in the Corporate and Other segment. Additional information on fair value changes can be found in Note 18 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Market Optimization Revenues

Market Optimization product revenues relate to activities that provide operational flexibility and cost mitigation for transportation commitments, product type, delivery points and customer diversification. Ovintiv also purchases and sells third-party volumes under marketing arrangements associated with the Company's previous divestitures.

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Market Optimization	\$ 408	\$ 863	\$ 1,214	\$ 2,282

Three months ended September 30, 2024 versus September 30, 2023

Market Optimization product revenues decreased \$455 million compared to the third quarter of 2023 primarily due to:

- Lower sales of third-party purchased volumes primarily relating to price optimization activities in the USA Operations (\$421 million) and lower natural gas benchmark prices (\$36 million).

Nine months ended September 30, 2024 versus September 30, 2023

Market Optimization product revenues decreased \$1,068 million compared to the first nine months of 2023 primarily due to:

- Lower sales of third-party purchased volumes primarily relating to price optimization activities in the USA Operations (\$1,016 million) and lower natural gas benchmark prices (\$89 million);

partially offset by:

- Higher oil benchmark prices (\$37 million).

Sublease Revenues

Sublease revenues primarily include amounts related to the sublease of office space in The Bow office building recorded in the Corporate and Other segment. Additional information on office sublease income can be found in Note 11 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Operating Expenses

Production, Mineral and Other Taxes

Production, mineral and other taxes include production and property taxes. Production taxes are generally assessed as a percentage of oil, NGLs and natural gas production revenues. Property taxes are generally assessed based on the value of the underlying assets.

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
USA Operations	\$ 82	\$ 84	\$ 247	\$ 237
Canadian Operations	4	5	11	12
Total	\$ 86	\$ 89	\$ 258	\$ 249

(\$/BOE)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
USA Operations	\$ 2.55	\$ 2.71	\$ 2.62	\$ 2.73
Canadian Operations	\$ 0.15	\$ 0.24	\$ 0.17	\$ 0.19
Production, Mineral and Other Taxes	\$ 1.56	\$ 1.70	\$ 1.60	\$ 1.65

Three months ended September 30, 2024 versus September 30, 2023

Production, mineral and other taxes decreased \$3 million compared to the third quarter of 2023 primarily due to:

- Lower oil and natural gas commodity prices (\$7 million) and lower oil production volumes in Anadarko and Permian (\$5 million);

partially offset by:

- Higher property taxes in Permian primarily due to increased property values (\$5 million) and increased oil production volumes in Uinta (\$4 million).

Nine months ended September 30, 2024 versus September 30, 2023

Production, mineral and other taxes increased \$9 million compared to the first nine months of 2023 primarily due to:

- Higher production volumes in Permian and Uinta (\$51 million) and higher property taxes in Permian primarily due to the assets acquired in the second quarter of 2023 (\$14 million);

partially offset by:

- The sale of the Bakken assets in the second quarter of 2023 (\$26 million), lower production volumes in Anadarko (\$14 million), lower production tax rates (\$11 million), and lower natural gas commodity prices (\$5 million).

Transportation and Processing

Transportation and processing expense includes transportation costs incurred to move product from production points to sales points including gathering, compression, pipeline tariffs, trucking and storage costs. Orintiv also incurs costs related to processing provided by third parties or through ownership interests in processing facilities.

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
USA Operations	\$ 129	\$ 124	\$ 382	\$ 419
Canadian Operations	270	265	781	800
Upstream Transportation and Processing	399	389	1,163	1,219
Market Optimization	9	44	77	121
Total	\$ 408	\$ 433	\$ 1,240	\$ 1,340

(\$/BOE)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
USA Operations	\$ 4.02	\$ 3.98	\$ 4.04	\$ 4.82
Canadian Operations	\$ 12.00	\$ 12.36	\$ 11.77	\$ 12.51
Upstream Transportation and Processing	\$ 7.31	\$ 7.40	\$ 7.24	\$ 8.09

Three months ended September 30, 2024 versus September 30, 2023

Transportation and processing expense decreased \$25 million compared to the third quarter of 2023 primarily due to:

- An expired pipeline transportation contract (\$35 million), the impact of new downstream contracts in Uinta (\$19 million) and a higher U.S./Canadian dollar exchange rate (\$5 million);

partially offset by:

- Higher production volumes in Permian and Uinta (\$18 million), and higher transportation costs in Montney (\$12 million).

Nine months ended September 30, 2024 versus September 30, 2023

Transportation and processing expense decreased \$100 million compared to the first nine months of 2023 primarily due to:

- The impact of new downstream contracts in Uinta (\$55 million), an expired pipeline transportation contract (\$51 million), the sale of the Bakken assets in the second quarter of 2023 (\$45 million), lower variable contract rates in Permian (\$14 million), lower production volumes in Anadarko (\$14 million), and a higher U.S./Canadian dollar exchange rate (\$9 million);

partially offset by:

- Higher production volumes in Permian and Uinta (\$86 million).

Operating

Operating expense includes costs paid by the Company, net of amounts capitalized, on oil and natural gas properties in which Orintiv has a working interest. These costs primarily include labor, service contract fees, chemicals, fuel, water hauling, electricity and workovers.

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
USA Operations	\$ 193	\$ 208	\$ 609	\$ 545
Canadian Operations	36	28	87	59
Upstream Operating Expense	229	236	696	604
Market Optimization	6	7	19	20
Total	\$ 235	\$ 243	\$ 715	\$ 624

(\$/BOE)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
USA Operations	\$ 6.02	\$ 6.66	\$ 6.45	\$ 6.27
Canadian Operations	\$ 1.55	\$ 1.30	\$ 1.31	\$ 0.92
Upstream Operating Expense	\$ 4.17	\$ 4.48	\$ 4.33	\$ 4.00

Three months ended September 30, 2024 versus September 30, 2023

Operating expense decreased \$8 million compared to the third quarter of 2023 primarily due to:

- Lower electricity costs in Permian (\$9 million) and decreased activity in Anadarko (\$7 million);

partially offset by:

- Lower capitalization of directly attributable internal costs in Montney (\$8 million).

Nine months ended September 30, 2024 versus September 30, 2023

Operating expense increased \$91 million compared to the first nine months of 2023 primarily due to:

- Higher activity in Permian primarily related to the assets acquired in the second quarter of 2023 (\$105 million), updates to operating contracts terms, including a recovery of prior years' costs in 2023 (\$29 million), lower capitalization of directly attributable internal costs in Montney (\$8 million) and increased activity in Uinta primarily due to workovers (\$7 million);

partially offset by:

- The sale of the Bakken assets in the second quarter of 2023 (\$41 million) and decreased activity in Anadarko (\$22 million).

Purchased Product

Purchased product expense includes purchases of oil, NGLs and natural gas from third parties that are used to provide operational flexibility and cost mitigation for transportation commitments, product type, delivery points and customer diversification. Orintiv also purchases and sells third-party volumes under marketing arrangements associated with the Company's previous divestitures.

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Market Optimization	\$ 392	\$ 846	\$ 1,165	\$ 2,239

Three months ended September 30, 2024 versus September 30, 2023

Purchased product expense decreased \$454 million compared to the third quarter of 2023 primarily due to:

- Lower third-party purchased volumes primarily relating to price optimization activities in the USA Operations (\$420 million) and lower natural gas benchmark prices (\$36 million).

Nine months ended September 30, 2024 versus September 30, 2023

Purchased product expense decreased \$1,074 million compared to the first nine months of 2023 primarily due to:

- Lower third-party purchased volumes primarily relating to price optimization activities in the USA Operations (\$1,016 million) and lower natural gas benchmark prices (\$95 million);

partially offset by:

- Higher oil benchmark prices (\$37 million).

Depreciation, Depletion & Amortization

Proved properties within each country cost center are depleted using the unit-of-production method based on proved reserves as discussed in Note 1 to the Consolidated Financial Statements included in Item 8 of the 2023 Annual Report on Form 10-K. Depletion rates are impacted by impairments, acquisitions, divestitures and foreign exchange rates, as well as fluctuations in 12-month average trailing prices which affect proved reserves volumes. Corporate assets are carried at cost and depreciated on a straight-line basis over the estimated service lives of the assets.

Additional information can be found under Upstream Assets and Reserve Estimates in the Critical Accounting Estimates section of the MD&A included in Item 7 of the 2023 Annual Report on Form 10-K.

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
USA Operations	\$ 516	\$ 409	\$ 1,503	\$ 1,039
Canadian Operations	77	72	225	215
Upstream DD&A	593	481	1,728	1,254
Corporate & Other	6	5	17	15
Total	\$ 599	\$ 486	\$ 1,745	\$ 1,269

(\$/BOE)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
USA Operations	\$ 16.12	\$ 13.15	\$ 15.93	\$ 11.97
Canadian Operations	\$ 3.40	\$ 3.34	\$ 3.39	\$ 3.36
Upstream DD&A	\$ 10.87	\$ 9.15	\$ 10.75	\$ 8.32

Three months ended September 30, 2024 versus September 30, 2023

DD&A increased \$113 million compared to the third quarter of 2023 primarily due to:

- Higher depletion rates and production volumes in the USA Operations (\$92 million and \$15 million, respectively).

The depletion rate in the USA Operations increased \$2.97 per BOE compared to the third quarter of 2023 primarily due to a higher depletable base.

Nine months ended September 30, 2024 versus September 30, 2023

DD&A increased \$476 million compared to the first nine months of 2023 primarily due to:

- Higher depletion rates and production volumes in the USA Operations (\$374 million and \$90 million, respectively).

The depletion rate in the USA Operations increased \$3.96 per BOE compared to the first nine months of 2023 primarily due to a higher depletable base.

Full Cost Accounting and Ceiling Test Impairments

Under full cost accounting, the carrying amount of Ovintiv's oil and natural gas properties within each country cost center is subject to a ceiling test performed quarterly. Ceiling test impairments are recognized when the capitalized costs, net of accumulated depletion and the related deferred income taxes, exceed the sum of the estimated after-tax future net cash flows from proved reserves as calculated under SEC requirements using the 12-month average trailing prices and discounted at 10 percent. The 12-month average trailing price is calculated as the average of the price on the first day of each month within the trailing 12-month period.

The Company did not recognize ceiling test impairments during the first nine months of 2024, however during this period, the 12-month average trailing prices have generally declined. Further declines in the 12-month average trailing commodity prices could reduce proved reserves values and result in the recognition of future ceiling test impairments. Future ceiling test impairments can also result from changes to reserves estimates, future development costs, capitalized costs and unproved property costs. Proceeds received from oil and natural gas divestitures are typically deducted from the Company's capitalized costs and can reduce the risk of ceiling test impairments.

Administrative

Administrative expense represents costs associated with corporate functions provided by Ovintiv staff. These expenses primarily include salaries and benefits, operating lease, office, information technology, legal and long-term incentive costs.

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Administrative, excluding Long-Term Incentive, and Transaction and Legal Costs ⁽¹⁾	\$ 67	\$ 66	\$ 211	\$ 203
Long-term incentive costs	5	12	28	9
Transaction and legal costs	-	2	11	94
Total Administrative	\$ 72	\$ 80	\$ 250	\$ 306

(\$/BOE)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Administrative, excluding Long-Term Incentive, and Transaction and Legal Costs ⁽¹⁾	\$ 1.24	\$ 1.27	\$ 1.31	\$ 1.34
Long-term incentive costs	0.09	0.23	0.17	0.06
Transaction and legal costs	-	0.03	0.07	0.63
Total Administrative	\$ 1.33	\$ 1.53	\$ 1.55	\$ 2.03

(1) The third quarter and first nine months of 2024 includes costs related to The Bow office lease of \$29 million and \$87 million, respectively (2023 - \$29 million and \$86 million, respectively), half of which is recovered from sublease revenues.

Three months ended September 30, 2024 versus September 30, 2023

Administrative expense decreased \$8 million compared to the third quarter of 2023 primarily due to:

- Lower long-term incentive costs resulting from changes in the Company's share price in the third quarter of 2024 (\$7 million).

Nine months ended September 30, 2024 versus September 30, 2023

Administrative expense decreased \$56 million compared to the first nine months of 2023 primarily due to:

- Transaction costs incurred mainly related to the Permian assets acquired in the second quarter of 2023 (\$84 million);

partially offset by:

- Higher long-term incentive costs resulting from changes in the Company's share price in 2023 (\$19 million).

Additional information on the Company's long-term incentive costs can be found in Note 17 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Other (Income) Expenses

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Interest	\$ 103	\$ 98	\$ 306	\$ 249
Foreign Exchange (Gain) Loss, Net	17	(22)	(21)	-
Other (Gains) Losses, Net	(151)	(2)	(160)	(16)
Total Other (Income) Expenses	\$ (31)	\$ 74	\$ 125	\$ 233

Interest

Interest expense primarily includes interest on Ovintiv's short-term and long-term debt. Additional information on changes in interest can be found in Note 5 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Nine months ended September 30, 2024 versus September 30, 2023

Interest expense increased \$57 million compared to the first nine months of 2023 primarily due to:

- Interest expense related to the senior unsecured notes issued in May 2023 (\$56 million).

Foreign Exchange (Gain) Loss, Net

Foreign exchange gains and losses primarily result from the impact of fluctuations in the Canadian to U.S. dollar exchange rate. Additional information on changes in foreign exchange gains or losses can be found in Note 6 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q. Additional information on foreign exchange rates and the effects of foreign exchange rate changes can be found in Part I, Item 3 of this Quarterly Report on Form 10-Q.

Three months ended September 30, 2024 versus September 30, 2023

Net foreign exchange loss of \$17 million compared to a gain of \$22 million during the third quarter of 2023 primarily due to:

- Unrealized foreign exchange losses on the translation intercompany notes compared to gains in 2023 (\$41 million).

Nine months ended September 30, 2024 versus September 30, 2023

Net foreign exchange gain of \$21 million compared to nil during the first nine months of 2023 primarily due to:

- Realized foreign exchange gains on the settlement of intercompany notes compared to losses in 2023 (\$15 million), higher unrealized foreign exchange gains on the translation of intercompany notes (\$14 million), and lower realized foreign exchange losses on the settlement of U.S. dollar risk management contracts issued from Canada (\$6 million);

partially offset by:

- Unrealized foreign exchange losses on the translation of U.S. dollar risk management contracts issued from Canada compared to gains in 2023 (\$16 million).

Other (Gains) Losses, Net

Other (gains) losses, net, primarily includes other non-recurring revenues or expenses and may also include items such as interest income, interest received from tax authorities, reclamation charges relating to decommissioned assets, and adjustments related to other assets.

In the second quarter of 2024, the Company resolved a dispute related to the previous disposition of certain legacy assets for approximately \$150 million. On September 30, 2024, the Company received \$50 million of the settlement proceeds in escrow as restricted cash and Ovintiv expects to receive the remaining \$100 million of the proceeds by the end of the year. Accordingly, during the third quarter of 2024, the Company recognized a gain of \$150 million in Other (gains) losses, net related to this dispute resolution.

Income Tax

During the three and nine months ended September 30, 2024, current income tax expense in the U.S. of \$16 million and \$40 million, respectively, is higher than the comparative periods in 2023 primarily due to the impact of the corporate alternative minimum tax. In Canada, the current income tax expense for the three and nine months ended September 30, 2024, of \$14 million and \$45 million, respectively, is lower than the comparative periods in 2023 due to lower expected full year taxable earnings.

The determination of income and other tax liabilities of the Company and its subsidiaries requires interpretation of complex domestic and foreign tax laws and regulations, that are subject to change. The Company's interpretation of tax laws may differ from the interpretation of the tax authorities. As a result, there are tax matters under review for which the timing of resolution is uncertain. The Company believes that the provision for income taxes is adequate.

On June 20, 2024, Canada enacted its Global Minimum Tax Act ("GMTA"), which implements the Organization for Economic Cooperation and Development Pillar II framework, providing a global minimum tax rate of 15 percent. The Company continues to evaluate the GMTA but does not anticipate any material impact in 2024.

Additional information on income taxes can be found in Note 7 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Liquidity and Capital Resources

Sources of Liquidity

The Company has the flexibility to access cash equivalents and a range of funding alternatives at competitive rates through committed revolving credit facilities as well as debt and equity capital markets. Ovintiv closely monitors the accessibility of cost-effective credit and ensures that sufficient liquidity is in place to fund capital expenditures and dividend payments. In addition, the Company may use cash and cash equivalents, cash from operating activities, or proceeds from asset divestitures to fund its operations and capital allocation framework or to manage its capital structure as discussed below.

The Company's capital structure consists of total shareholders' equity plus long-term debt, including any current portion. The Company's objectives when managing its capital structure are to maintain financial flexibility to preserve Ovintiv's access to capital markets and its ability to meet financial obligations and finance internally generated growth, as well as potential acquisitions. Ovintiv has a practice of maintaining capital discipline and strategically managing its capital structure by adjusting capital spending, adjusting dividends paid to shareholders, issuing new shares of common stock, purchasing shares of common stock for cancellation or return to treasury, issuing new debt and repaying or repurchasing existing debt.

(\$ millions, except as indicated)	As at September 30,		2023
	2024		
Cash and Cash Equivalents	\$	9	\$ 3
Available Credit Facilities		3,400	3,150
Available Uncommitted Demand Lines ⁽¹⁾		232	273
Issuance of U.S. Commercial Paper		(324)	(359)
Total Liquidity	\$	3,317	\$ 3,067
Long-Term Debt, including current portion	\$	5,877	\$ 6,163
Total Shareholders' Equity	\$	10,655	\$ 9,552
Debt to Capitalization (%) ⁽²⁾		36	39
Debt to Adjusted Capitalization (%) ⁽²⁾		24	26

(1) Includes three uncommitted demand lines totaling \$304 million, net of \$72 million in related undrawn letters of credit (2023 - \$322 million and \$49 million, respectively).

(2) These measures are defined in the Non-GAAP Measures section of this MD&A.

The Company has full access to two committed revolving U.S. dollar denominated credit facilities totaling \$3.5 billion, which include a \$2.2 billion revolving credit facility for Ovintiv Inc. and a \$1.3 billion revolving credit facility for a Canadian subsidiary (collectively, the "Credit Facilities"). The Credit Facilities, which mature in July 2026, provide financial flexibility and allow the Company to fund its operations or capital investment program. At September 30, 2024, \$100 million was outstanding under the revolving Credit Facilities.

Depending on the Company's credit rating and market demand, the Company may issue from its two U.S. CP programs, which include a \$1.5 billion program for Ovintiv Inc. and a \$1.0 billion program for a Canadian subsidiary. As at September 30, 2024, the Company had \$324 million of commercial paper outstanding under its U.S. CP program maturing at various dates with a weighted average interest rate of approximately 5.67 percent, which is supported by the Company's Credit Facilities. All of Ovintiv's credit ratings are investment grade as at September 30, 2024.

The available Credit Facilities, uncommitted demand lines, and cash and cash equivalents, net of outstanding commercial paper, provide Ovintiv with total liquidity of approximately \$3.3 billion as at September 30, 2024. At September 30, 2024, Ovintiv also had approximately \$72 million in undrawn letters of credit issued in the normal course of business primarily as collateral security related to sales arrangements.

Ovintiv has a U.S. shelf registration statement under which the Company may issue from time to time, debt securities, common stock, preferred stock, warrants, units, share purchase contracts and share purchase units in the U.S. The U.S. shelf registration statement expires in March 2026.

The obligations under the Company's existing debt securities are fully and unconditionally guaranteed on a senior unsecured basis by Ovintiv Canada ULC, an indirect wholly-owned subsidiary of the Company. Additional information on the Company's Canadian Operations segment and the Bow office lease can be found in the Results of Operations section in this MD&A and

the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q, and the MD&A and audited Consolidated Financial Statements and accompanying notes for the year ended December 31, 2023, which are included in Items 7 and 8, respectively, of the 2023 Annual Report on Form 10-K.

Ovintiv is currently in compliance with all financial covenants under the Credit Facilities. Management monitors Debt to Adjusted Capitalization, which is a non-GAAP measure defined in the Non-GAAP Measures section of this MD&A, as a proxy for Ovintiv's financial covenant under the Credit Facilities, which requires Debt to Adjusted Capitalization to be less than 60 percent. As at September 30, 2024, the Company's Debt to Adjusted Capitalization was 24 percent. The definitions used in the covenant under the Credit Facilities adjust capitalization for cumulative historical ceiling test impairments recorded in conjunction with the Company's January 1, 2012 adoption of U.S. GAAP. Additional information on financial covenants can be found in Note 15 to the Consolidated Financial Statements included in Item 8 of the 2023 Annual Report on Form 10-K.

Sources and Uses of Cash

The following table summarizes the sources and uses of the Company's cash and cash equivalents.

(\$ millions)	Activity Type	Three months ended September 30,		Nine months ended September 30,	
		2024	2023	2024	2023
Sources of Cash, Cash Equivalents and Restricted Cash					
Cash from operating activities	Operating	\$ 1,022	\$ 906	\$ 2,701	\$ 2,805
Proceeds from divestitures	Investing	3	12	7	741
Corporate acquisition	Investing	-	-	12	-
Net issuance of revolving debt	Financing	-	29	140	316
Issuance of long-term debt	Financing	-	-	-	2,278
Other	Investing	26	27	16	116
		1,051	974	2,876	6,256
Uses of Cash and Cash Equivalents					
Capital expenditures	Investing	538	834	1,751	2,084
Acquisitions	Investing	7	59	202	273
Net repayment of revolving debt	Financing	210	-	-	-
Corporate acquisition, net of cash acquired	Investing	-	-	-	3,225
Purchase of shares of common stock			45		
	Financing	163		597	373
Dividends on shares of common stock	Financing	78	82	238	225
Other	Financing	2	3	32	75
		998	1,023	2,820	6,255
Foreign Exchange Gain (Loss) on Cash, Cash Equivalents and Restricted Cash Held in Foreign Currency					
		(2)	-	-	(3)
Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash		\$ 51	\$ (49)	\$ 56	\$ (2)

Operating Activities

Net cash from operating activities in the third quarter and first nine months of 2024 was \$1,022 million and \$2,701 million, respectively, and was primarily a reflection of the impacts from production volumes, average realized commodity prices, realized gains/losses on risk management and changes in non-cash working capital.

Additional detail on changes in non-cash working capital can be found in Note 20 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q. Ovintiv expects it will continue to meet the payment terms of its suppliers.

Non-GAAP Cash Flow in the third quarter and first nine months of 2024 was \$978 million and \$3,038 million, respectively, and was primarily impacted by the items affecting cash from operating activities which are discussed below and in the Results of Operations section of this MD&A.

Three months ended September 30, 2024 versus September 30, 2023

Net cash from operating activities increased \$116 million compared to the third quarter of 2023 primarily due to:

- Changes in non-cash working capital (\$217 million), higher realized gains on risk management in revenues compared to 2023 (\$87 million), a decrease in current income tax expense (\$35 million), lower transportation and processing expense (\$25 million), higher production volumes (\$21 million), and lower operating expense, excluding non-cash long-term incentive costs (\$9 million);

partially offset by:

- Lower realized commodity prices (\$302 million).

Nine months ended September 30, 2024 versus September 30, 2023

Net cash from operating activities decreased \$104 million compared to the first nine months of 2023 primarily due to:

- Lower realized commodity prices (\$582 million), changes in non-cash working capital (\$476 million), higher operating expense, excluding non-cash long-term incentive costs (\$97 million) and higher interest expense (\$57 million);

partially offset by:

- Higher production volumes (\$551 million), realized gains on risk management in revenues compared to losses in 2023 (\$273 million), lower transportation and processing expense (\$100 million), a decrease in current income tax expense (\$96 million), and lower administrative expense, excluding non-cash long-term incentive costs (\$84 million).

Investing Activities

Cash used in investing activities in the first nine months of 2024 was \$1,918 million primarily due to capital expenditures and acquisitions in the USA Operations. Capital expenditures, and acquisition and divestiture activities are summarized in Notes 3 and 8, respectively, to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Capital expenditures decreased \$333 million compared to the first nine months of 2023, primarily due to decreased completions activity in Montney, Anadarko and Permian, the sale of the Bakken assets in the second quarter of 2023, and drilling efficiencies in Uinta, partially offset by increased completions activity in Uinta.

Acquisitions in the first nine months of 2024 were \$202 million, which primarily included property purchases with oil and liquids-rich potential in the USA Operations (2023 - \$273 million).

Corporate acquisitions in the first nine months of 2024 includes the final cash settlements of \$12 million completed in the first quarter of 2024 related to the Permian assets acquired in the second quarter of 2023. Additional information regarding the Permian Acquisition can be found in Note 9 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Financing Activities

Net cash from and/or used in financing activities has been impacted by Oviniv's strategic objective to return value to shareholders by repaying or repurchasing existing debt, purchasing shares of common stock and paying dividends.

Net cash used in financing activities in the first nine months of 2024 was \$727 million compared to net cash from financing activities in 2023 of \$1,921 million. The change was primarily due to the net issuance of long-term debt in 2023 of \$2,278 million, increased purchases of shares of common stock in 2024 compared to 2023 (\$224 million), and a decrease in the net issuance of revolving debt (\$176 million).

From time to time, Oviniv may seek to retire or purchase the Company's outstanding debt through cash purchases and/or exchanges for other debt or equity securities, in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, the Company's liquidity requirements, contractual restrictions and other factors.

The Company's long-term debt, including the current portion of \$1,024 million, totaled \$5,877 million at September 30, 2024. The Company's long-term debt at December 31, 2023, including the current portion of \$284 million, totaled \$5,737 million. As at September 30, 2024, the Company has \$600 million of fixed rate long-term debt due within the next year.

In support of the Company's commitment to enhancing shareholder value, Ovintiv utilizes its capital allocation framework to provide competitive returns to shareholders while strengthening its balance sheet. Ovintiv expects to continue to deliver shareholder returns through share buybacks.

For additional information on long-term debt, refer to Note 12 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q. Further details on the Company's debt-based metrics can be found in the Non-GAAP measures section of this MD&A.

Dividends

The Company pays quarterly dividends to common shareholders at the discretion of the Board of Directors.

(\$ millions, except as indicated)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Dividend Payments	\$ 78	\$ 82	\$ 238	\$ 225
Dividend Payments (\$/share)	\$ 0.30	\$ 0.30	\$ 0.90	\$ 0.85

On November 7, 2024, the Board of Directors declared a dividend of \$0.30 per share of common stock payable on December 31, 2024, to common shareholders of record as of December 13, 2024.

Dividends increased \$13 million compared to the first nine months of 2023 as a result of Ovintiv increasing its annualized dividend to \$1.20 per share of common stock in the second quarter of 2023. The dividend increase reflects the Company's commitment to returning capital to shareholders.

Normal Course Issuer Bid

On September 26, 2024, the Company announced it had received regulatory approval for the renewal of its NCIB program, which enables the Company to purchase, for cancellation or return to treasury, up to approximately 25.9 million shares of common stock over a 12-month period from October 3, 2024 to October 2, 2025. The number of shares authorized for purchase represents 10 percent of Ovintiv's public float as at September 20, 2024. The Company expects to continue to execute the renewed NCIB program in conjunction with its capital allocation framework.

In the third quarter and first nine months of 2024, under the previous NCIB program, which extended from October 3, 2023 to October 2, 2024, the Company purchased, for cancellation, approximately 3.7 million and 12.7 million shares of common stock, respectively, for total consideration of approximately \$163 million and \$597 million, respectively. For additional information on the NCIB, refer to Note 14 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Material Cash Requirements

For information on material cash requirements, refer to the Material Cash Requirements section of the MD&A included in Item 7 of the 2023 Annual Report on Form 10-K.

Commitments and Contingencies

For information on commitments and contingencies, refer to Note 21 to the Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Critical Accounting Estimates

There have been no significant changes to the Company's critical accounting policies and use of estimates from the disclosures reported in the "Critical Accounting Estimates" section of the MD&A included in Item 7 of the 2023 Annual Report on Form 10-K.

Non-GAAP Measures

Certain measures in this document 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 issuers and should not be viewed as a substitute for measures reported under U.S. GAAP. These measures are commonly used in the oil and gas industry and by Ovintiv to provide shareholders and potential investors with additional information regarding the Company's liquidity and its ability to generate funds to finance its operations. Non-GAAP measures include: Non-GAAP Cash Flow, Debt to Adjusted Capitalization, Debt to EBITDA and Debt to Adjusted EBITDA. Management's use of these measures is discussed further below.

Cash from Operating Activities and Non-GAAP Cash Flow

Non-GAAP Cash Flow is a non-GAAP measure defined as cash from (used in) operating activities excluding net change in other assets and liabilities, and net change in non-cash working capital.

Management believes this measure is 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 is an indication of the Company's ability to generate cash to finance capital investment programs, to service debt and to meet other financial obligations. This measure is used, along with other measures, in the calculation of certain performance targets for the Company's management and employees.

(\$ millions)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Cash From (Used in) Operating Activities	\$ 1,022	\$ 906	\$ 2,701	\$ 2,805
(Add back) deduct:				
Net change in other assets and liabilities	19	(14)	(35)	(31)
Net change in non-cash working capital	25	(192)	(302)	174
Non-GAAP Cash Flow	\$ 978	\$ 1,112	\$ 3,038	\$ 2,662

Debt to Capitalization and Debt to Adjusted Capitalization

Debt to Adjusted Capitalization is a non-GAAP measure which 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 the Company's financial covenant under the Credit Facilities 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.

(\$ millions, except as indicated)	September 30, 2024		December 31, 2023	
Debt (Long-Term Debt, including Current Portion)	\$ 5,877	\$	5,737	
Total Shareholders' Equity	10,655		10,370	
Capitalization	\$ 16,532	\$	16,107	
Debt to Capitalization	36%		36%	
Debt (Long-Term Debt, including Current Portion)	\$ 5,877	\$	5,737	
Total Shareholders' Equity	10,655		10,370	
Equity Adjustment for Impairments at December 31, 2011	7,746		7,746	
Adjusted Capitalization	\$ 24,278	\$	23,853	
Debt to Adjusted Capitalization	24%		24%	

Debt to EBITDA and Debt to Adjusted EBITDA

Debt to EBITDA and Debt to Adjusted EBITDA are non-GAAP measures. EBITDA is defined as trailing 12-month net earnings (loss) before income taxes, depreciation, depletion and amortization, and interest. Adjusted EBITDA is EBITDA adjusted for impairments, accretion of asset retirement obligation, unrealized gains/losses on risk management, foreign exchange gains/losses, gains/losses on divestitures and other gains/losses.

Management believes these measures are useful to the Company and its investors as a measure of financial leverage and the Company's ability to service its debt and other financial obligations. These measures are used, along with other measures, in the calculation of certain financial performance targets for the Company's management and employees.

(\$ millions, except as indicated)

	September 30, 2024	December 31, 2023
Debt (Long-Term Debt, including Current Portion)	\$ 5,877	\$ 5,737
Net Earnings (Loss)	2,041	2,085
Add back (deduct):		
Depreciation, depletion and amortization	2,301	1,825
Interest	412	355
Income tax expense (recovery)	478	425
EBITDA	\$ 5,232	\$ 4,690
Debt to EBITDA (times)	1.1	1.2
Debt (Long-Term Debt, including Current Portion)	\$ 5,877	\$ 5,737
Net Earnings (Loss)	2,041	2,085
Add back (deduct):		
Depreciation, depletion and amortization	2,301	1,825
Accretion of asset retirement obligation	19	19
Interest	412	355
Unrealized (gains) losses on risk management	(265)	(194)
Foreign exchange (gain) loss, net	(2)	19
Other (gains) losses, net	(164)	(20)
Income tax expense (recovery)	478	425
Adjusted EBITDA	\$ 4,820	\$ 4,514
Debt to Adjusted EBITDA (times)	1.2	1.3

Item 3: Quantitative and Qualitative Disclosures About Market Risk

The primary objective of the following information is to provide forward-looking quantitative and qualitative information about Ovintiv's potential exposure to market risks. The term "market risk" refers to the Company's risk of loss arising from adverse changes in oil, NGL and natural gas prices, foreign currency exchange rates and interest rates. The following disclosures are not meant to be precise indicators of expected future losses but rather indicators of reasonably possible losses. The forward-looking information provides indicators of how the Company views and manages ongoing market risk exposures.

COMMODITY PRICE RISK

Commodity price risk arises from the effect fluctuations in future commodity prices, including oil, NGLs and natural gas, may have on future revenues, expenses and cash flows. Realized pricing is primarily driven by the prevailing worldwide price for oil and spot market prices applicable to the Company's natural gas production. Pricing for oil, NGLs and natural gas production is volatile and unpredictable as discussed in Part 1, Item 2 of this Quarterly Report on Form 10-Q in the Executive Overview section in Management's Discussion and Analysis of Financial Condition and Results of Operations and in Item 1A, "Risk Factors" of the 2023 Annual Report on Form 10-K. To partially mitigate exposure to commodity price risk, the Company may enter into various derivative financial instruments including futures, forwards, swaps, options and costless collars. The use of these derivative instruments is governed under formal policies and is subject to limits established by the Board of Directors and may vary from time to time. Both exchange traded and over-the-counter traded derivative instruments may be subject to margin-deposit requirements, and the Company may be required from time to time to deposit cash or provide letters of credit with exchange brokers or counterparties to satisfy these margin requirements. For additional information relating to the Company's derivative and financial instruments, see Note 19 to the Condensed Consolidated Financial Statements under Part I, Item 1 of this Quarterly Report on Form 10-Q.

The table below summarizes the sensitivity of the fair value of the Company's risk management positions to fluctuations in commodity prices, with all other variables held constant. The Company has used a 10 percent variability to assess the potential impact of commodity price changes. Fluctuations in commodity prices could have resulted in unrealized gains (losses) impacting pre-tax net earnings as follows:

(US\$ millions)	September 30, 2024			
	10% Price Increase		10% Price Decrease	
Oil price	\$	(47)	\$	53
NGL price		-		-
Natural gas price		(28)		28

FOREIGN EXCHANGE RISK

Foreign exchange risk arises from changes in foreign exchange rates that may affect the fair value or future cash flows from the Company's financial assets or liabilities. As Ovintiv operates primarily in the United States and Canada, fluctuations in the exchange rate between the U.S. and Canadian dollars can have a significant effect on the Company's reported results.

The table below summarizes selected foreign exchange impacts on Ovintiv's financial results when compared to the same periods in 2023.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	\$ millions	\$/BOE	\$ millions	\$/BOE
Increase (Decrease) in:				
Capital Investment	\$ (3)		\$ (5)	
Transportation and Processing Expense ⁽¹⁾	(5)	\$ (0.08)	(9)	\$ (0.06)
Operating Expense ⁽¹⁾	(1)	(0.01)	(1)	-
Administrative Expense	(1)	(0.01)	(1)	-
Depreciation, Depletion and Amortization ⁽¹⁾	(2)	(0.02)	(3)	(0.02)

(1) Reflects upstream operations.

Foreign exchange gains and losses also arise when monetary assets and monetary liabilities denominated in foreign currencies are translated and settled, and primarily include:

- U.S. dollar denominated financing debt issued from Canada
- U.S. dollar denominated risk management assets and liabilities held in Canada
- U.S. dollar denominated cash and short-term investments held in Canada
- Foreign denominated intercompany loans

To partially mitigate the effect of foreign exchange fluctuations on future commodity revenues and expenses, the Company may enter into foreign currency derivative contracts. As at September 30, 2024, Ovintiv has entered into \$118 million notional U.S. dollar denominated currency swaps at an average exchange rate of C\$1.3697 to US\$1, which mature monthly through the remainder of 2024, and \$25 million notional U.S. dollar denominated currency swaps at an average exchange rate of C\$1.3800 to US\$1, which mature monthly throughout the first half of 2025.

As at September 30, 2024, Ovintiv did not have any U.S. dollar denominated financing debt issued from Canada that was subject to foreign exchange exposure.

The table below summarizes the sensitivity to foreign exchange rate fluctuations, with all other variables held constant. The Company has used a 10 percent variability to assess the potential impact from Canadian to U.S. foreign currency exchange rate changes. Fluctuations in foreign currency exchange rates could have resulted in unrealized gains (losses) impacting pre-tax net earnings as follows:

(US\$ millions)	September 30, 2024	
	10% Rate Increase	10% Rate Decrease
Foreign currency exchange	\$ 126	\$ (153)

INTEREST RATE RISK

Interest rate risk arises from changes in market interest rates that may affect the fair value or future cash flows from the Company's financial assets or liabilities. The Company may partially mitigate its exposure to interest rate changes by holding a mix of both fixed and floating rate debt and may also enter into interest rate derivatives to partially mitigate effects of fluctuations in market interest rates.

As at September 30, 2024, Ovintiv had floating rate revolving credit and term loan borrowings of \$424 million. Accordingly, on a before-tax basis, the sensitivity for each one percent change in interest rates on floating rate revolving credit and term loan borrowings was \$4 million.

Item 4: Controls and Procedures**DISCLOSURE CONTROLS AND PROCEDURES**

Ovintiv's Chief Executive Officer and Chief Financial Officer performed an evaluation of the effectiveness of the Company's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. The Company's disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in reports it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC, and to ensure that the information required to be disclosed by the Company in reports that it files or submits under the Exchange Act, is accumulated and communicated to the Company's management, including the principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective as of September 30, 2024.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in the Company's internal controls over financial reporting during the third quarter of 2024 that have materially affected, or are reasonably likely to affect, the Company's internal controls over financial reporting.

PART II

Item 1. Legal Proceedings

Please refer to Item 3 of the 2023 Annual Report on Form 10-K and Note 21 to the Condensed Consolidated Financial Statements under Part I, Item 1 of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

There have been no material changes to the risk factors previously disclosed in Item 1A., "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchase of Equity Securities

On September 26, 2023, the Company announced it had received regulatory approval to purchase, for cancellation or return to treasury, up to approximately 26.7 million shares of common stock pursuant to a NCIB over a 12-month period from October 3, 2023 to October 2, 2024. The number of shares of common stock authorized for purchase represented approximately 10 percent of Ovintiv's issued and outstanding shares of common stock as of such time.

On September 26, 2024, the TSX accepted the Company's notice of intention to renew its NCIB to purchase up to approximately 25.9 million shares of common stock, during the 12-month period commencing October 3, 2024 and ending October 2, 2025. The number of shares authorized for purchase represents 10 percent of Ovintiv's public float (as defined in the TSX Company Manual) as of September 20, 2024, which equals approximately 10 percent of Ovintiv's issued and outstanding shares of common stock as at such time.

During the three months ended September 30, 2024, the Company purchased approximately 3.7 million shares of common stock for approximately \$162 million, excluding excise tax, at a weighted average price of \$43.43. The following table presents the common shares purchased during the three months ended September 30, 2024.

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet be Purchased Under the Plans or Programs
July 1 to July 31, 2024	1,010,083	\$ 47.05	1,010,083	15,502,428
August 1 to August 31, 2024	2,018,875	42.68	2,018,875	13,483,553
September 1 to September 30, 2024	700,764	40.40	700,764	12,782,789
Total	3,729,722	\$ 43.43	3,729,722	12,782,789

(1) For the three months ended September 30, 2024, 1,065,404 shares of common stock were repurchased through our broker in accordance with a Rule 10b5-1 compliant plan initially adopted by the Company on September 30, 2021.

(2) Includes commissions but excludes excise taxes.

In the first quarter of 2022, Ovintiv obtained an exemption order (the "NCIB Exemption") from the Alberta Securities Commission and the Ontario Securities Commission, which permits Ovintiv to make repurchases (the "Proposed Bids"), under its current and any future normal course issuer bids, through the facilities of the NYSE and other U.S.-based trading systems (collectively, "U.S. Markets"), in excess of the maximum allowable purchases under applicable Canadian securities laws. The NCIB Exemption applies to any Proposed Bid commenced within 36 months of the date of the exemption order and is subject to several other conditions, including that Ovintiv remain a U.S. and SEC foreign issuer under applicable Canadian securities laws. The purchases of common stock under a Proposed Bid must also be made in compliance with other applicable Canadian securities laws and applicable U.S. rules. Additionally, the NCIB Exemption imposes restrictions on the number of shares of common stock that may be acquired under the exemption, including that: (a) Ovintiv may not acquire common stock in reliance upon the exemption under subsection 4.8(3) of Canadian National Instrument 62-104 – Take-Over Bids and Issuer Bids ("NI 62-104") from the requirements applicable to issuer bids (the "Other Published Markets Exemption") if the aggregate number of shares of common stock purchased by Ovintiv, and any person or company acting jointly or in concert with Ovintiv, in reliance on the NCIB Exemption and the Other Published Markets Exemption within any period of 12 months exceeds 5 percent of the outstanding common stock on the first day of such 12-month period; and (b) the aggregate number of shares of common stock purchased pursuant to (i) a Proposed Bid in reliance on the NCIB Exemption; (ii) exempt issuer bid purchases made in

the normal course through the facilities of the TSX; and (iii) the Other Published Markets Exemption does not exceed, over the 12-month period of its current NCIB, 10 percent of Ovintiv's public float. As a result, the NCIB Exemption effectively allows Ovintiv to purchase up to 10 percent of its public float on U.S. Markets under its NCIB. Without the NCIB Exemption this amount would be limited to 5 percent of Ovintiv's outstanding common stock within a 12-month period under applicable Canadian securities law.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None .

Item 6. Exhibits

Exhibit No	Description
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934.
32.1*	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350.
32.2*	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbases Document.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024, has been formatted in Inline XBRL.

* The certifications on Exhibits 32.1 and 32.2 hereto are deemed not "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section. Such certifications will not be deemed incorporated by reference to any filings under the Securities Act or the Exchange Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Ovintiv Inc.

By: /s/ Corey D. Code

Name: Corey D. Code
Title: Executive Vice-President &
Chief Financial Officer

Dated: November 7, 2024

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Brendan M. McCracken, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ovintiv Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 7, 2024

/s/ Brendan M. McCracken

Brendan M. McCracken
President & Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Corey D. Code, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Ovintiv Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: November 7, 2024

/s/ Corey D. Code

Corey D. Code
Executive Vice-President & Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Ovintiv Inc. (the "Company") on Form 10-Q for the period ended September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brendan M. McCracken, President & Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Brendan M. McCracken

Brendan M. McCracken
President & Chief Executive Officer

Dated: November 7, 2024

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Ovintiv Inc. (the "Company") on Form 10-Q for the period ended September 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Corey D. Code, Executive Vice-President & Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Corey D. Code

Corey D. Code
Executive Vice-President & Chief Financial Officer

Dated: November 7, 2024
