



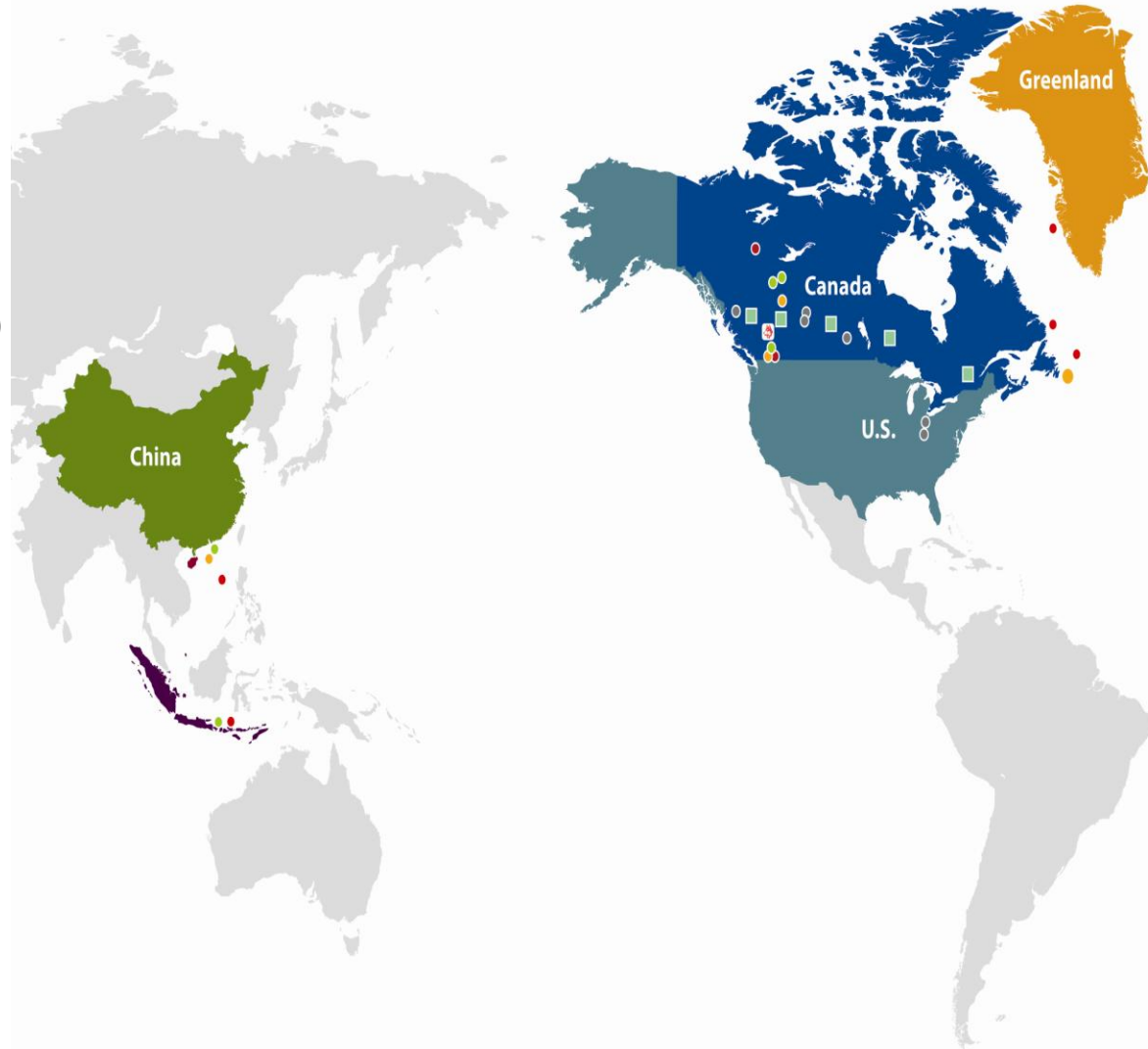
TD Securities London Energy Conference 2012
Rob Peabody, COO
January 16, 2012





Husky Snapshot

- Amongst largest Canadian integrated energy companies
- Listed on the Toronto Stock Exchange (*TSX – HSE, HSE.PR.A*)
 - ~\$21 billion market cap ⁽¹⁾
 - ~\$25 billion enterprise value ⁽¹⁾
- Growth + Dividend value proposition
- Strong Balance Sheet
- Production ~70% oil bias
- Focused integration to support Heavy Oil and Oil Sands



Corporate Head Office
Calgary, Alberta, Canada

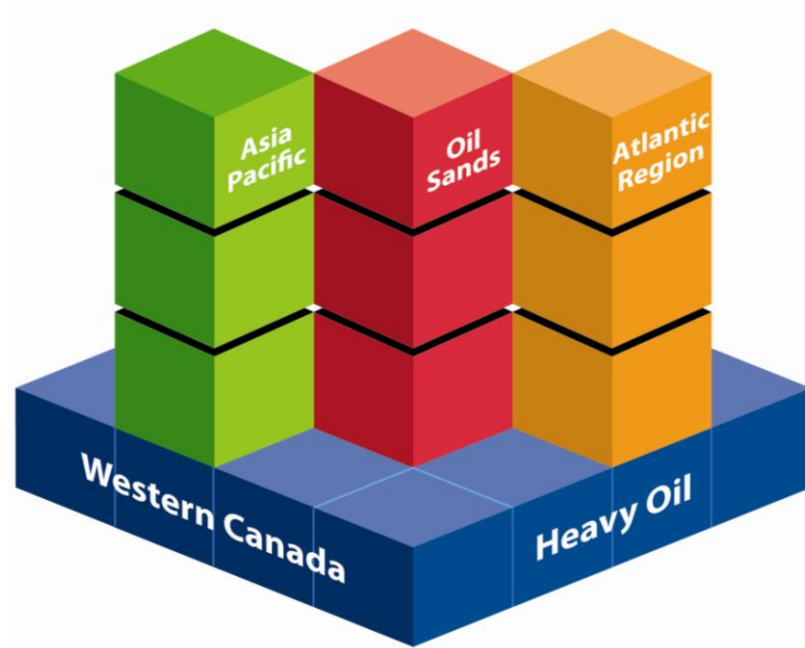


● Exploration ● Production ● Development ● Infrastructure ■ Husky Retail Outlets (500+), Canada

(1) As of September 30, 2011



Strategic Building Blocks

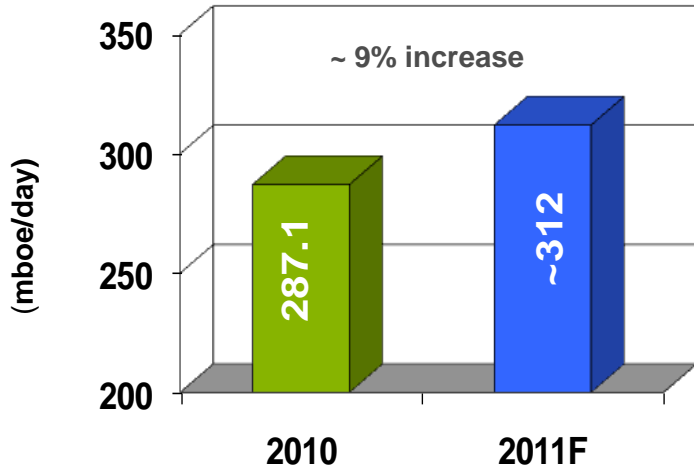


	Near-term <i>0 – 2 years</i>	Mid-term <i>3 – 5 years</i>	Long-term <i>5+ years</i>
Upstream	Acquisitions	Asia Pacific • Oil Sands	Oil Sands • Atlantic Region
	Regenerate the Western Canada and Heavy Oil foundation		
	Value acceleration		
Midstream / Downstream	Support heavy oil and oil sands production • Prudent reinvestment		



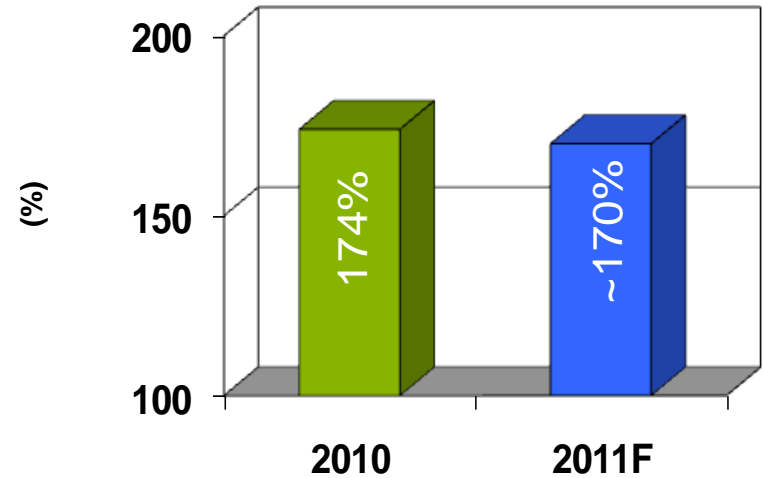
Achieving Targets

Production



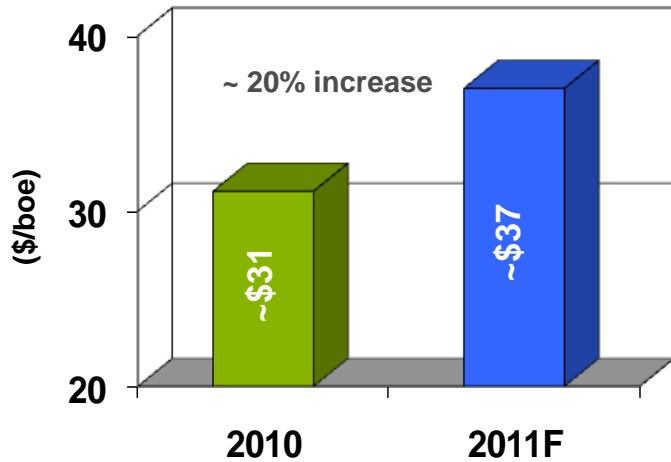
- Target: 3-5% CAGR over plan period

Proven Reserve Replacement Ratio

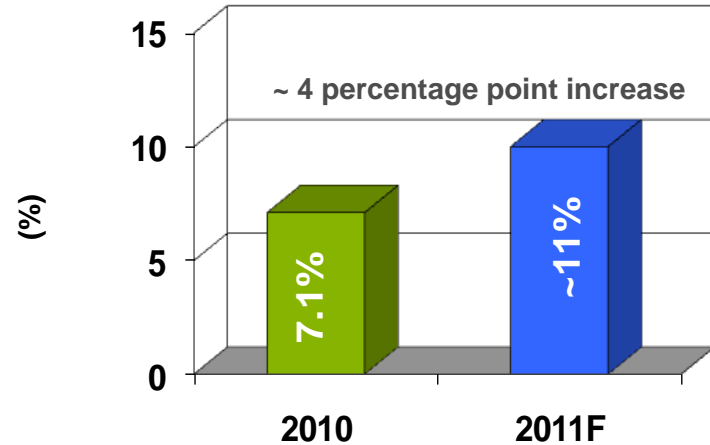


- Target: Reserve replacement ratio >140% per annum

Netbacks



Return on Capital Employed

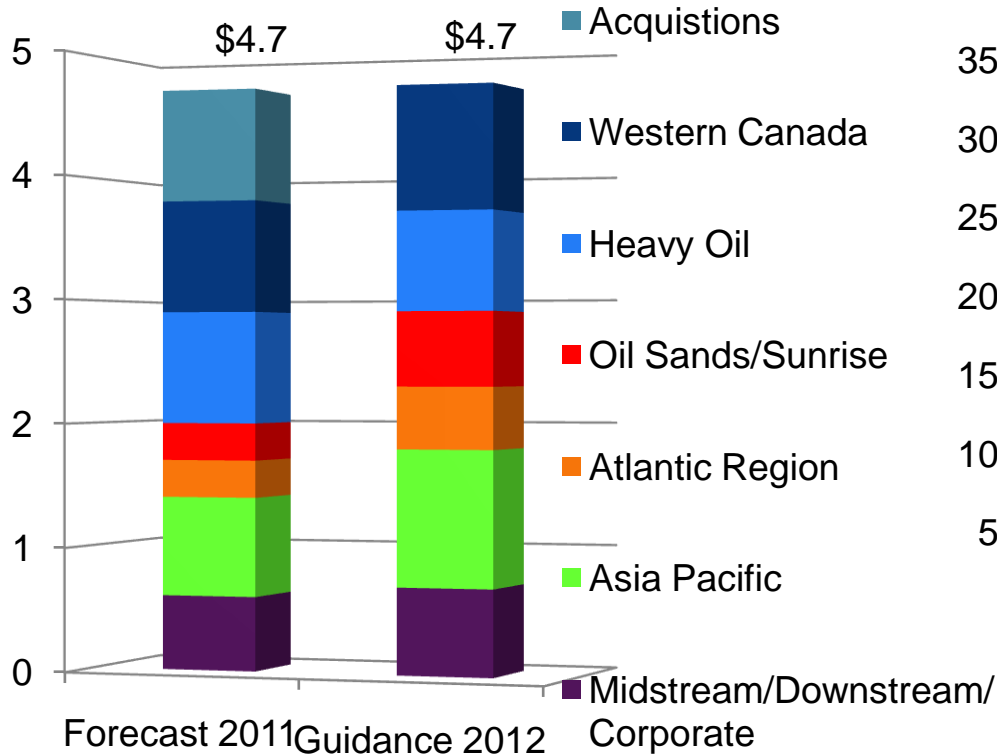


- Target: Increase by 5 percentage points over plan period



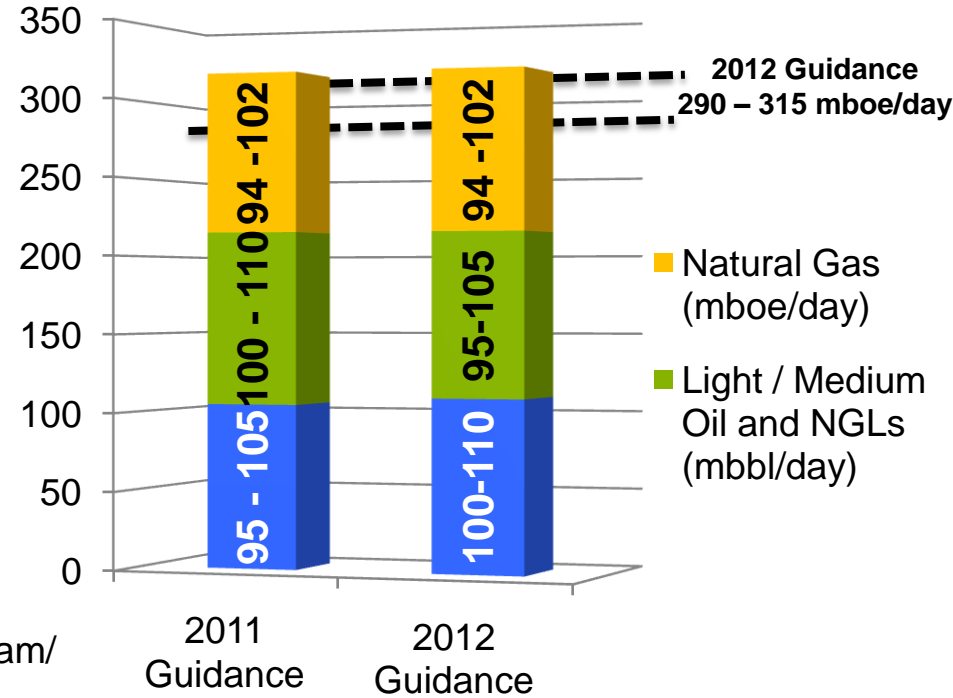
2012 - Building on Established Momentum

Capital Expenditures (\$billions)



2012 Guidance cash outlay: \$4.1

Production (mboe/day)

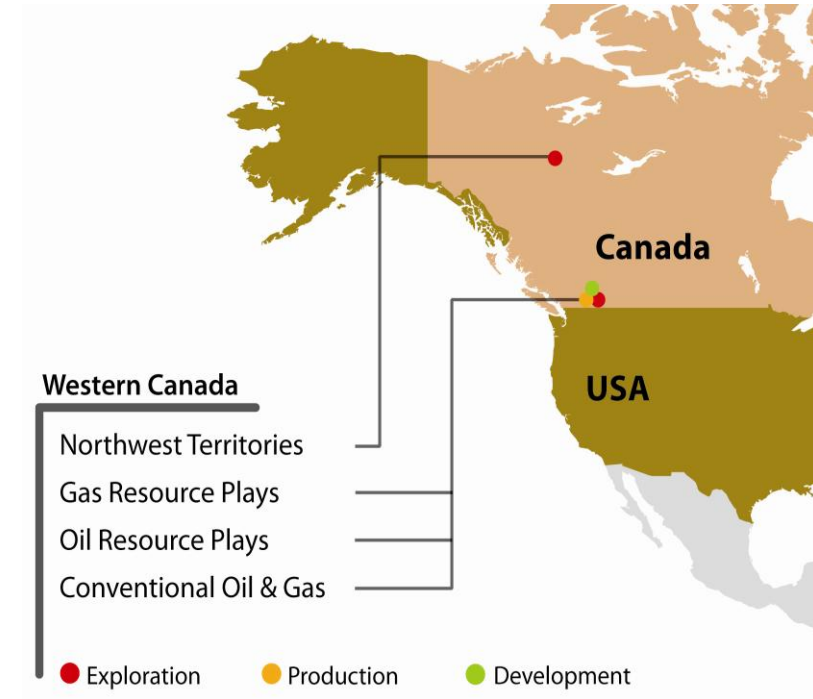


2012 Guidance includes Atlantic Region Offstations; 15,000 bbls/d impact

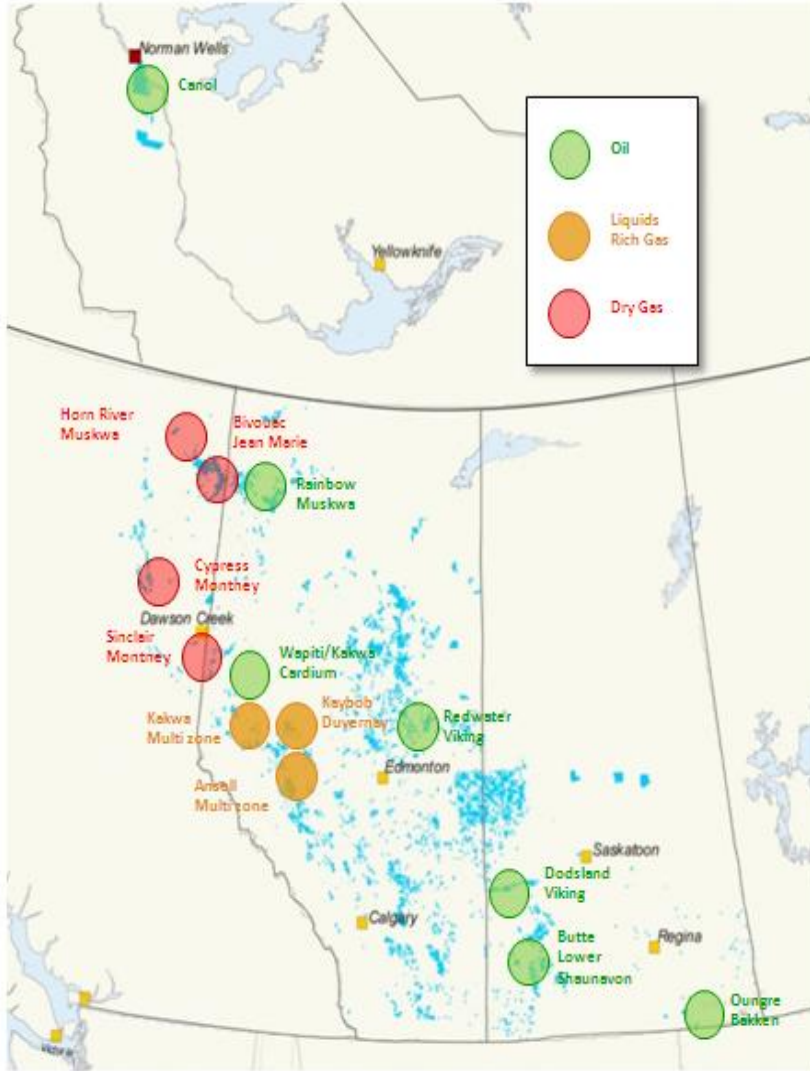


Western Canada

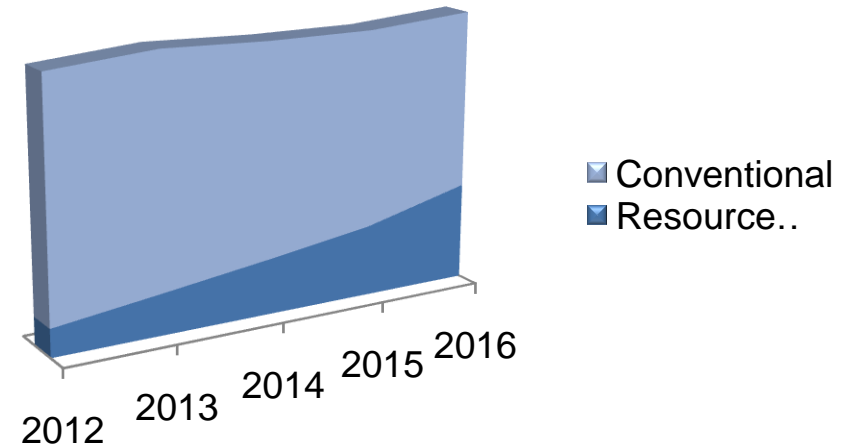
- Maintain production at existing levels (~160,000 boe/day)
- Resource Plays
 - Reinforce key technical and execution skills
 - Exploit plays on existing land base
 - Build material position in emerging oil and gas resource plays
- Conventional
 - Generate cash flow to fund transformation and growth pillars
 - Ensure assets are not over capitalized
 - Drive operating efficiency



Transitioning to Oil & Liquids Rich Resource Plays



Anticipated Western Canada Production Shift



Blue denotes Husky land



Oil Resource Portfolio Highlights

Producing

Commercial Development

Delineate/De-Risk

Prospect Inventory

Oil Resource Play	Primary Formation	Net Acreage (Acres)	2011 Highlights	Planned 2012 Activity
Oungre	Bakken	~ 18,000	11 wells drilled and on production	Drill and produce 12 additional wells
Alberta / Saskatchewan	Viking	~ 30,000	35 wells drilled and on production	Drill and produce 54 additional wells
Kakwa / Wapiti	Cardium	~ 30,000	9 wells drilled	Bring 2011 wells on production Drill and produce 16 additional wells
Saskatchewan	Shaunavon	~22,000	5 wells drilled and 4 wells on production	Drill and produce 5 additional wells
NWT	Canol	~300,000	Secured land position	2 vertical test wells Seismic program
Alberta	Muskwa	~ 400,000	3 vertical wells drilled 2 horizontal wells drilled	Complete 2011 wells Drill and produce 4 additional wells
Total		~800,000		



Gas Resource Portfolio Highlights

Gas Resource Play	Primary Formation	Net Acreage (Acres)	2011 Highlights	Planned 2012 Activity
Bivouac	Jean Marie	~375,000	5 wells drilled and on production	No additional drilling
Ansell	Multi-zone	~160,000	Drilled 44 wells Expanded facilities to 10,000 boe/d	Drill up to 50 wells Advance infrastructure expansion
Kakwa	Multi-zone	~20,000	3 wells drilled and on production	Drill and produce 3 additional wells
Kaybob	Duvernay	~15,000	4 wells drilled	Complete 2011 wells Drill and produce 2 additional wells
Wild River	Duvernay	~40,000	No activity	No activity
Cypress / Graham / Sinclair	Montney/Doig	~80,000	1 well drilled	Drill 2 additional wells Tie in 1 HZ well
Horn River	Muskwa/Evie	~30,000	1 well drilled and tested	No additional drilling
Others	Various	~130,000		
Total		~850,000		

Producing

Commercial Development

Delineate/De-Risk

Prospect Inventory

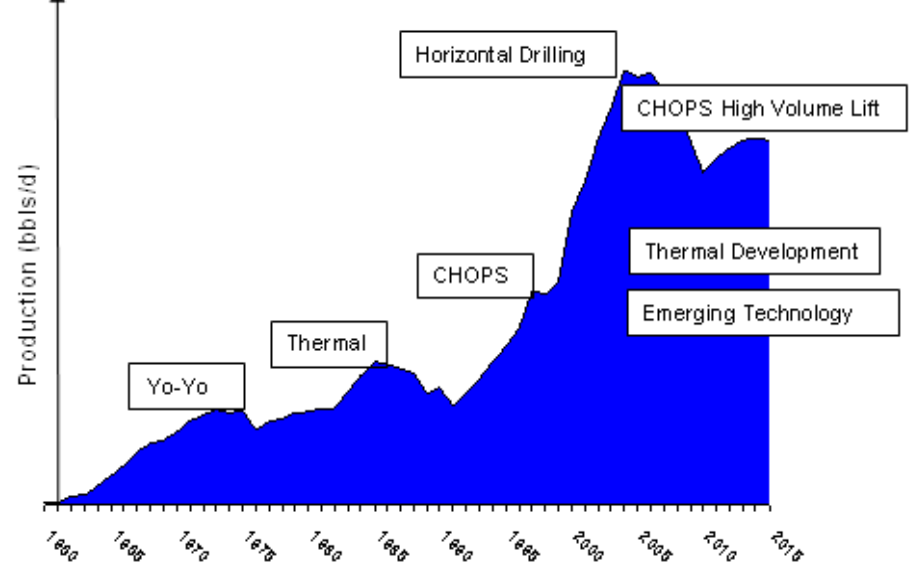
Liquids rich gas plays



Heavy Oil

- Continue primary production
- Expand thermal production
 - Pikes Peak South and Paradise Hill expected start-up in 2012
 - Targeted to increase sustainable thermal production to 35,000 bbls/d by 2016
- Recently developed production technology being deployed (horizontal wells)
- Horizontal wells to exploit thinner reservoirs
- Application of Cold EOR technology to develop resource

Technology Drives Heavy Oil Production



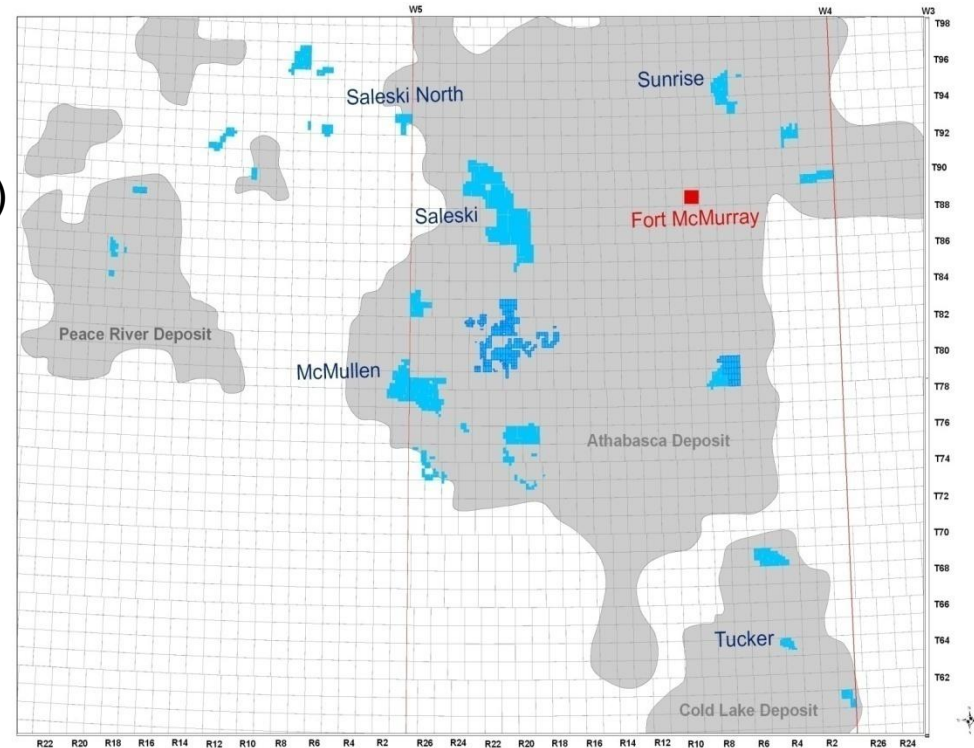
Thermal Property	Size ¹	Anticipated Timeline
Bolney / Celtic	~11,000 bbls/day	Producing
Pikes Peak	~ 7,500 bbls/day	Producing
Rush Lake Pilot	400-500 bbls/day	Producing
Pikes Peak South	8,000 bbls/day	Mid 2012
Paradise Hill	3,000 bbls/day	Late 2012
Additional properties	~20,000 bbls/day	2014 - 2020

(1) As at September 30, 2011



Oil Sands

- Safely execute Sunrise Phase 1 on time and on budget
- Advance early engineering for Sunrise Phase 2
 - Design Basis Memorandum (DBM) and Front-End Engineering and Design (FEED)
- Commercialize strong resource position
 - Downstream strategy optimization
- Prudent approach to investment and project risk management
 - Contracting strategies to drive cost certainty

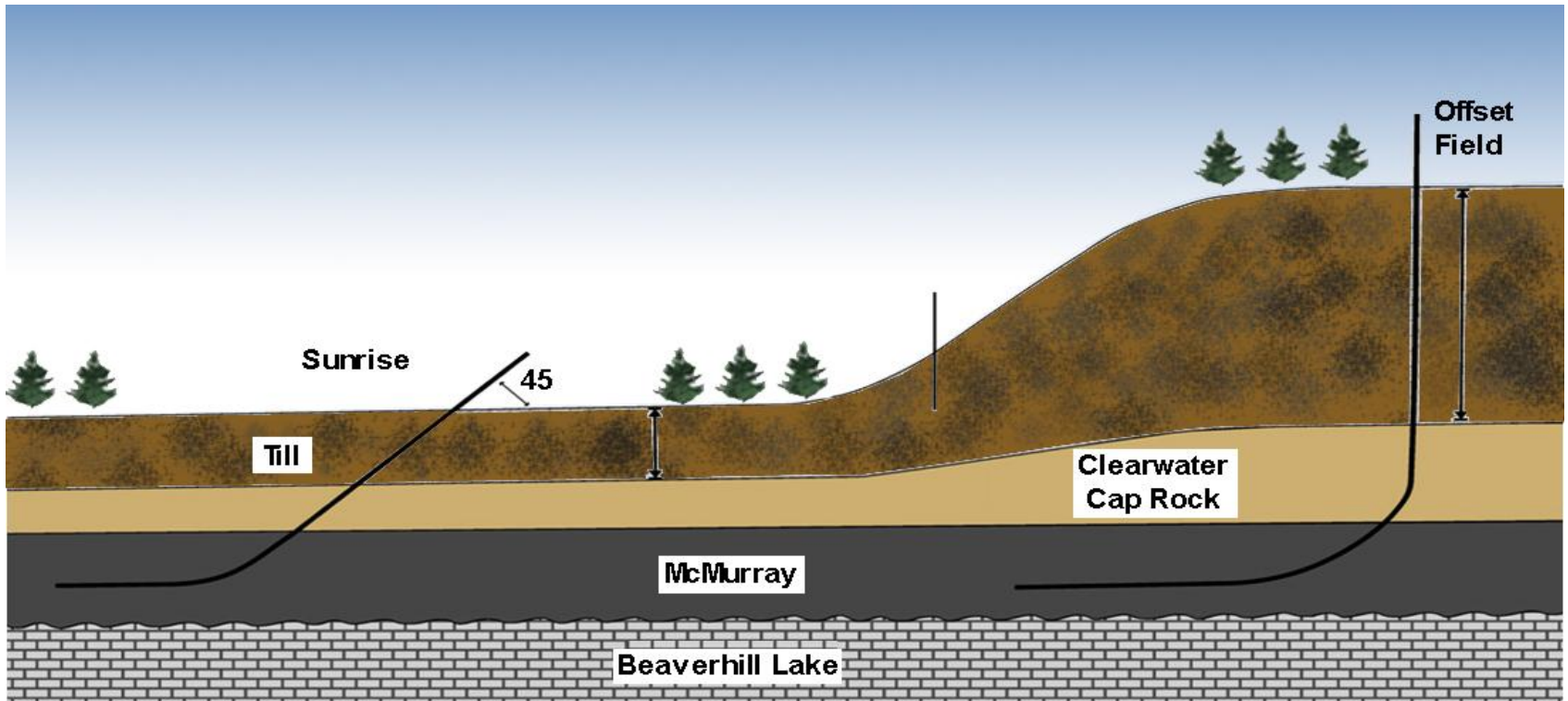


Husky Energy Oil Sands Areas



The Sunrise Energy Project

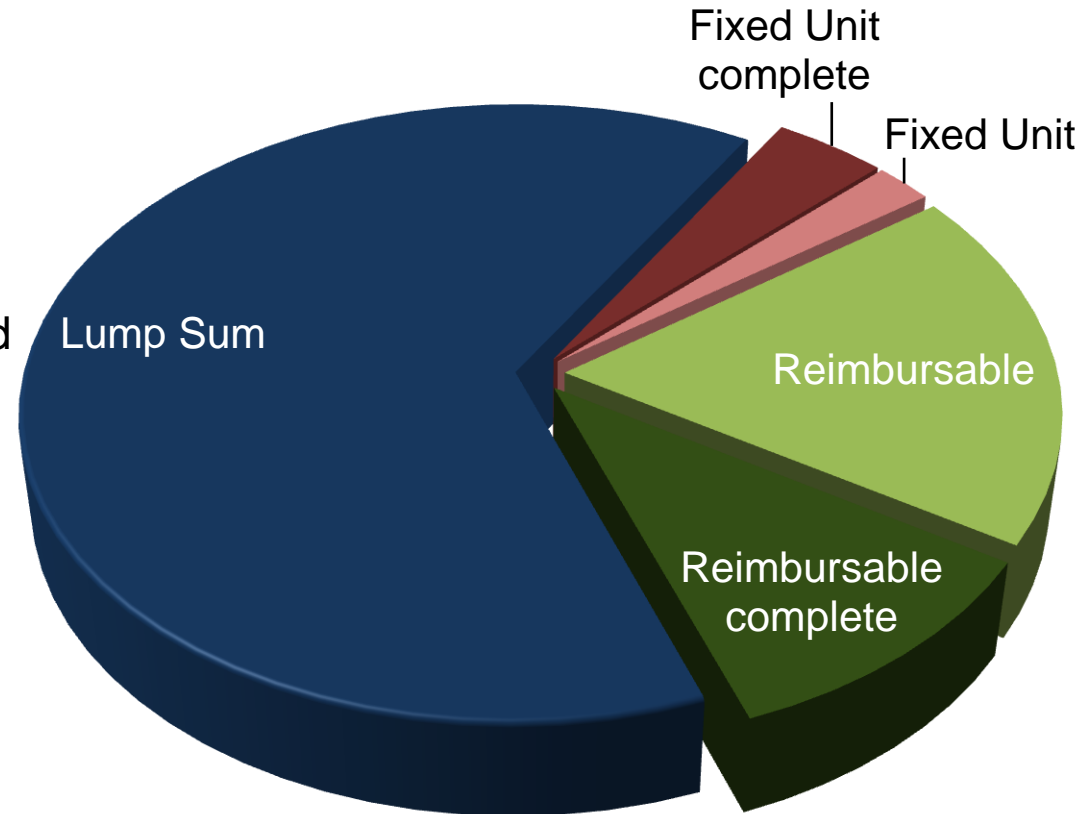
- Top tier oil sands project utilizing established technologies
- In-situ SAGD development
- Regulatory approvals in place for initial phases up to 200,000 bbls/d (Phase 1 60,000 bbls/d gross)
- Phase 1 drilling and construction underway
- Estimated cost of \$2.5 billion for Phase 1





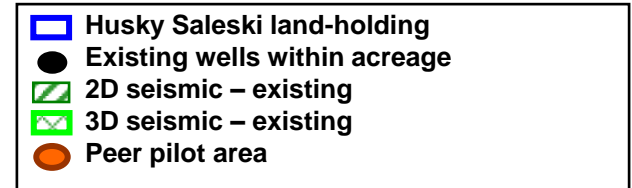
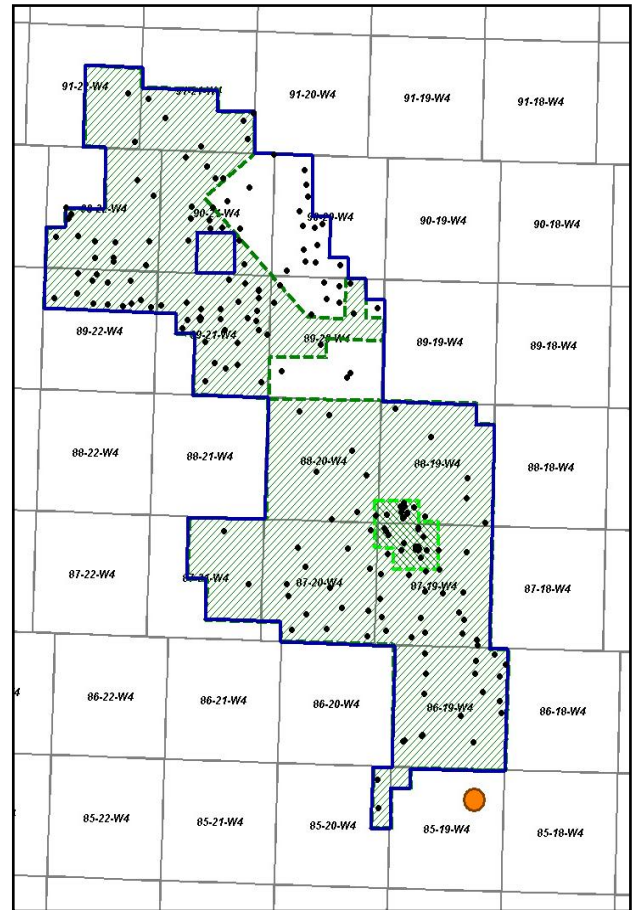
Sunrise Phase 1 - Estimated Cost Structure

- Lump sum convertible and fixed unit price contracts make-up about 2/3 of total costs
 - Risk of cost inflation contained
 - Work advanced on higher risk areas
- Maximize offsite work
- Leverage strong relationships with key suppliers





- 975 sq. km carbonate land position; West of Fort McMurray
- Contingent resource: 9,960 m³boe¹
- Target pilot bitumen production in 2016



(1) Husky W.I. 100%; evaluated by GLJ; effective Dec. 31, 2010

Conceptual Development Approach





Commercializing the Strategy





Advisories

Forward Looking Statements

Certain statements in this presentation are forward looking statements or information within the meaning of applicable securities legislation (collectively “forward-looking statements”). Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as “likely,” “expected,” “will,” “anticipated,” “on our way,” “estimated,” “intend,” “plan,” “projection,” “could,” “vision,” “goals,” “objective,” “target,” “scheduled” and “outlook”) are not historical facts, are forward-looking and may involve estimates and assumptions and are subject to risks, uncertainties and other factors some of which are beyond the Company’s control and difficult to predict. Accordingly, these factors could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

In particular, forward-looking statements in this presentation include, but are not limited to: the Company’s short, medium, and long-term growth strategies and opportunities in its upstream, midstream and downstream business segments; anticipated ability of the Company’s projects to add production and improve earnings quality; anticipated transformative effects of unconventional recovery technology on the Company’s foundation business; 2012 capital program and production guidance; distribution breakdown of planned 2012 capital expenditures in Western Canada; anticipated impact of planned Atlantic Region offstations and new thermal production on 2012 production guidance; 2011 forecasts for the Company’s production, proven reserve replacement ratio, return on capital employed and netbacks; expected production volumes through 2016; implementation and expected effect of strategic priorities in the Company’s Western Canada, gas resource play, heavy oil, and oil sands properties; anticipated shift of production from conventional to resource plays in the Company’s Western Canada properties through 2016; 2012 drilling plans in Western Canada and on the Company’s oil resource play and gas resource play properties; planned 2012 activities at the Company’s oil resource play and gas resource play properties; anticipated timing of production at the Company’s heavy oil properties; anticipated production shift from non-thermal to thermal through 2016 and daily production range through 2016; expected effect of the planned production shift from non-thermal to thermal on the Company’s netbacks; Company’s oil sands production targets by 2020; anticipated 2011 exit rate for production capacity at Ansell; planned 2012 activities at Ansell; anticipated daily production from the Company’s Sunrise energy project; cost estimates and estimated cost structure for Phase 1 of the Company’s Sunrise energy project; target timing of submission of regulatory applications for the Company’s Saleski property; conceptual development approach at the Company’s Saleski property; anticipated timing of first production at the Company’s Saleski property; expected steam to oil ratio at the Company’s Sunrise energy project; and anticipated timing of production for the Sunrise Energy Project.

Although the Company believes that the expectations reflected by the forward-looking statements in this presentation are reasonable, the Company's forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to the Company about itself and the businesses in which it operates. In addition, information used in developing forward-looking statements has been acquired from various sources including third party consultants, suppliers, regulators and other sources.

The Company's Annual Information Form and other documents filed with securities regulatory authorities (accessible through the SEDAR website www.sedar.com and the EDGAR website www.sec.gov) describes the risks, material assumptions and other factors that could influence actual results and are incorporated herein by reference.

Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

Non-GAAP Measures

This document contains the term return on capital employed ("ROCE") which measures the return earned on long-term capital sources such as long term liabilities and shareholder equity. ROCE is presented in Husky's financial reports to assist management in analyzing shareholder value. ROCE equals net earnings plus after-tax finance expense divided by the two-year average of long term debt including long term debt due within one year plus total shareholders' equity. Husky's determination of ROCE does not have any standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other issuers.

This document contains the term market capitalization and enterprise value which measures the company's total value. Market capitalization equals the total number of shares outstanding multiplied by the share price. Enterprise value equals the market capitalization plus the current portion of long-term debt due within one year and long-term debt. These terms have no comparable measure in accordance with IFRS. Husky's determination of market capitalization and enterprise value do not have any standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other issuers.

Disclosure of Oil and Gas Reserves and Other Oil and Gas Information

Unless otherwise stated, reserve and resource estimates in this presentation have an effective date of December 31, 2010. Unless otherwise noted, historical production numbers and reserve and resource estimates given represent Husky's share.



Advisories

The Company uses the terms barrels of oil equivalent (“boe”) and thousand cubic feet of gas equivalent (“mcfge”), which are calculated on an energy equivalence basis whereby one barrel of crude oil is equivalent to six thousand cubic feet of natural gas. Readers are cautioned that the terms boe and mcfge may be misleading, particularly if used in isolation. This measure is primarily applicable at the burner tip and does not represent value equivalence at the wellhead.

The 2011 expected reserve replacement ratio was determined by taking the Company’s expected 2011 incremental proved reserve additions divided by expected 2011 upstream gross production. The 2011 expected netback was determined by taking expected 2011 upstream netback (sales less operating costs less royalties) divided by expected 2011 upstream gross production.

The Company has disclosed contingent resources in this document. Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. There is no certainty that it will be commercially viable to produce any portion of the contingent resources.

The Company has disclosed discovered petroleum initially-in-place. Discovered petroleum initially-in-place is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered petroleum initially-in-place includes production, reserves and contingent resources; the remainder is unrecoverable. At this time the projects do not have a commercial development plan that includes a firm intent to develop within a reasonable timeframe. There is no certainty that it will be commercially viable to produce any portion of the resources.

The estimates of reserves for individual properties in this presentation may not reflect the same confidence level as estimates of reserves for all properties, due to the effects of aggregation. The Company has disclosed its total reserves in Canada in its 2010 Annual Information Form dated February 28, 2011 which reserves disclosure is incorporated by reference herein.



Advisories

Note to U.S. Readers

The Company reports its reserves and resources information in accordance with Canadian practices and specifically in accordance with National Instrument 51-101, “Standards of Disclosure for Oil and Gas Disclosure,” adopted by the Canadian securities regulators. Because the Company is permitted to prepare its reserves and resources information in accordance with Canadian disclosure requirements, it uses certain terms in this presentation, such as “contingent resources” that U.S. oil and gas companies generally do not include or may be prohibited from including in their filings with the SEC.

All currency is expressed in Canadian dollars unless otherwise noted.