



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
OCTOBER 1 – DECEMBER 31, 2010

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1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending December 31, 2010, as required under the Conditions set out in Decision 2001.01 for the White Rose Development Project.

This report provides a summary of progress/activities related to Husky Energy's Atlantic Region and includes activities of its major sub-contractors as well.

2.0 Highlights for the Period

- Overall Canada / Newfoundland content for Husky's operations which includes the White Rose Project, North Amethyst Project, West Pilot Scheme and Exploration was 57.6% NL and 28.8% Other Canadian.
- Total employment for Atlantic Region operations was 1244 as of December 31, 2010, representing a content of 90% NL and 7% Other Canadian.
- Rig Share Agreement 2 officially started in November 2010.

3.0 White Rose Employment Summary

As of December 31, 2010, a total of 872 people were employed on Husky's White Rose Operations of which 369 were located offshore. This includes people employed with Husky and its contractors. Of this total 808 or 93% were residents of Newfoundland and Labrador when hired, while another 50 or 6% were residents of other regions of Canada at the time of hire. All of these positions were located in Newfoundland and Labrador as at December 31, 2010. The number of females employed on White Rose operations was 141 or approximately 16% of the total workforce.

Table 3.1 - Employment Summary by Location, as of December 31, 2010



Employment by Location for: **White Rose**
December(2010)

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Offshore	338	10	348	19	0	19	2	0	2	369
St. John's	331	129	460	29	2	31	12	0	12	503
TOTAL	668	139	808	48	2	50	14	0	14	872

4.0 North Amethyst Tieback Project

North Amethyst development drilling related to the project continued in the fourth quarter of 2010. Drilling continued on a water injection well that was completed in January 2011. A total of 196 people were employed on the project as of the end of December 2010. Person hours for the period totaled approximately 113,330 bringing the total to date to over 2.2 million.

Table 5.1 North Amethyst Employment Summary by Location



Employment by Location for: **North Amethyst
December(2010)**

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Offshore	125	3	128	16	0	16	5	0	5	148
St. John's	33	9	42	1	0	1	5	0	5	48
TOTAL	157	12	169	17	0	17	10	0	10	196

5.0 West White Rose Pilot Scheme

A total of 176 people were employed on the project as of the end of December 2010. Person hours for the period totaled approximately 54,880.

Table 6.1 West Pilot Scheme Employment Summary by Location Q4 2010



Employment by Location for: **West White Rose
November(2010)**

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Offshore	112	1	113	17	0	17	12	0	12	142
St. John's	17	13	30	0	0	0	4	0	4	34
TOTAL	129	14	143	17	0	17	16	0	16	176

Figures have been rounded to nearest thousand

6.0 Procurement Summary (Contracts > \$250,000)

There were no contracts greater than \$250,000 awarded during the fourth quarter of 2010.

7.0 Exploration

Expenditures related to exploration for the fourth quarter of 2010 were approximately \$764,600 with a content breakdown of 80.0% Newfoundland and Labrador. This is attributed to various subsurface studies and ongoing work in support of identifying future drilling targets.

8.0 Photographs



Bring your kids to work day - November 2010



West Pilot Scheme SIT – October 2010



Husky Energy Diversity Forum – November 2010



Husky Energy Diversity Forum – November 2010