

Corporate Overview

March 2011



 **Husky Energy**

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 “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimated,” “intend,” “plan,” “projection,” “could,” “vision,” “goals,” “objective,” “target,” “schedules” 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 general strategic plans and anticipated outcomes of the Company’s strategic plans; its short, medium, and long-term growth strategies and opportunities; 2011 capital expenditure plans; estimated costs of development at Sunrise; estimated volumes of production and full field development potential at Sunrise, White Rose; Sunrise downstream solutions; expected timing of development and production at Sunrise and in SE Asia; production growth and reserve replacement targets and expectations; reserve life spans assuming current production levels; technology opportunities and their anticipated effect on the Company’s reserves; expected financial strategy and financial capacity to execute growth strategy; potential sources of funding; 2011 capital and production guidance; the Company’s ability to maintain credit ratings and manage debt maturities; development plans at the Company’s key projects and in other areas; project milestones for key projects; five-year production outlook; oil and gas reserves and resources of the Company; infill and EOR/IOR opportunities at White Rose and anticipated timing; exploration opportunities on the North American East Coast and in Southeast Asia; and anticipated product mix.

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.

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

Unless otherwise stated, reserve and resource estimates in this Annual Report have an effective date of December 31, 2010. Unless otherwise noted, historical production numbers given represent Husky’s share. The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Advisories



The Company has disclosed possible reserves in this presentation. Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the quantities actually recovered will exceed the sum of the proved plus probable plus possible reserves. There is at least a 10% probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.

The Company has disclosed discovered petroleum initially-in-place in this presentation. 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. A recovery project cannot be defined for these volumes of discovered petroleum initially-in-place at this time. There is no certainty that it will be commercially viable to produce any portion of the resources.

The Company has disclosed contingent resources in this presentation. 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 prospective resources in this presentation. Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

3P reserves are disclosed in this presentation on slide 8. This represents the following split for 3P reserves: Western Canada (excluding Tucker and Sunrise) – Proved reserves = 761 MMboe, Probable reserves = 238 MMboe, Possible reserves = 168 MMboe; Bitumen – Proved reserves = 183 MMbbl, Probable reserves = 995 MMbbl, Possible reserves = 964 MMbbl; International – Proved reserves = 51.1 MMboe, Probable reserves = 13.6 MMboe, Possible reserves = 10.3 MMboe; Atlantic Region Oil – Proved reserves = 87.5 MMboe, Probable reserves = 71.4 MMboe, Possible = 161 MMboe; Atlantic Region Gas – Proved reserves = 0 MMboe, Probable = 0 MMboe, Possible = 439 MMboe.

3P reserves and contingent resources for oil sands are disclosed in this presentation (slide 16). This represents the following split for 3P reserves: Sunrise - Proved reserves = 120.0 MMbbl, Probable reserves = 891.4 MMbbl, Possible reserves = 842.5; Tucker – Proved reserves = 61.9 MMbbl, Probable reserves = 103.2 MMbbl, Possible reserves = 121.9 MMbbl.

In this presentation on slide 9, 16 and 22, additional drilling will be required to delineate the resources and advance development plans to allow booking of contingent resources and/or reserves in the future.

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. The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

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 SEC permits U.S. oil and gas companies, in their filings with the SEC, to separately disclose proved, probable and possible reserves that have been determined in accordance with SEC rules. Husky uses certain terms in this document, such as “discovered petroleum initially-in-place”, “contingent resources” and “resources” that the SEC's guidelines strictly prohibit in filings with the SEC by U.S. oil and gas companies.

All currency is expressed in Canadian dollars unless otherwise noted.

Husky Snapshot



- One of the largest Canadian integrated E&P companies
- Operating for over 70 years
- Listed on the Toronto Stock Exchange
 - ~\$26 billion market cap (~\$30 billion enterprise value) ¹
 - Canadian and US debt securities (SEC filer)
- Principal shareholders:
 - L.F. Investments (36.2%)
 - Hutchison Whampoa (34.5%)
- Over 4,300 employees

¹ As of March 11, 2011

South East Asia

Liwan development anchors the creation of a material upstream business in SE Asia

Oil Sands and Integrated Bitumen

Large, long life development opportunities

East Coast of Canada and Greenland

Sizable legacy position with significant growth opportunity

Western Canada

Resource plays and enhanced oil recovery through regenerating the foundation

Integrated Heavy Oil

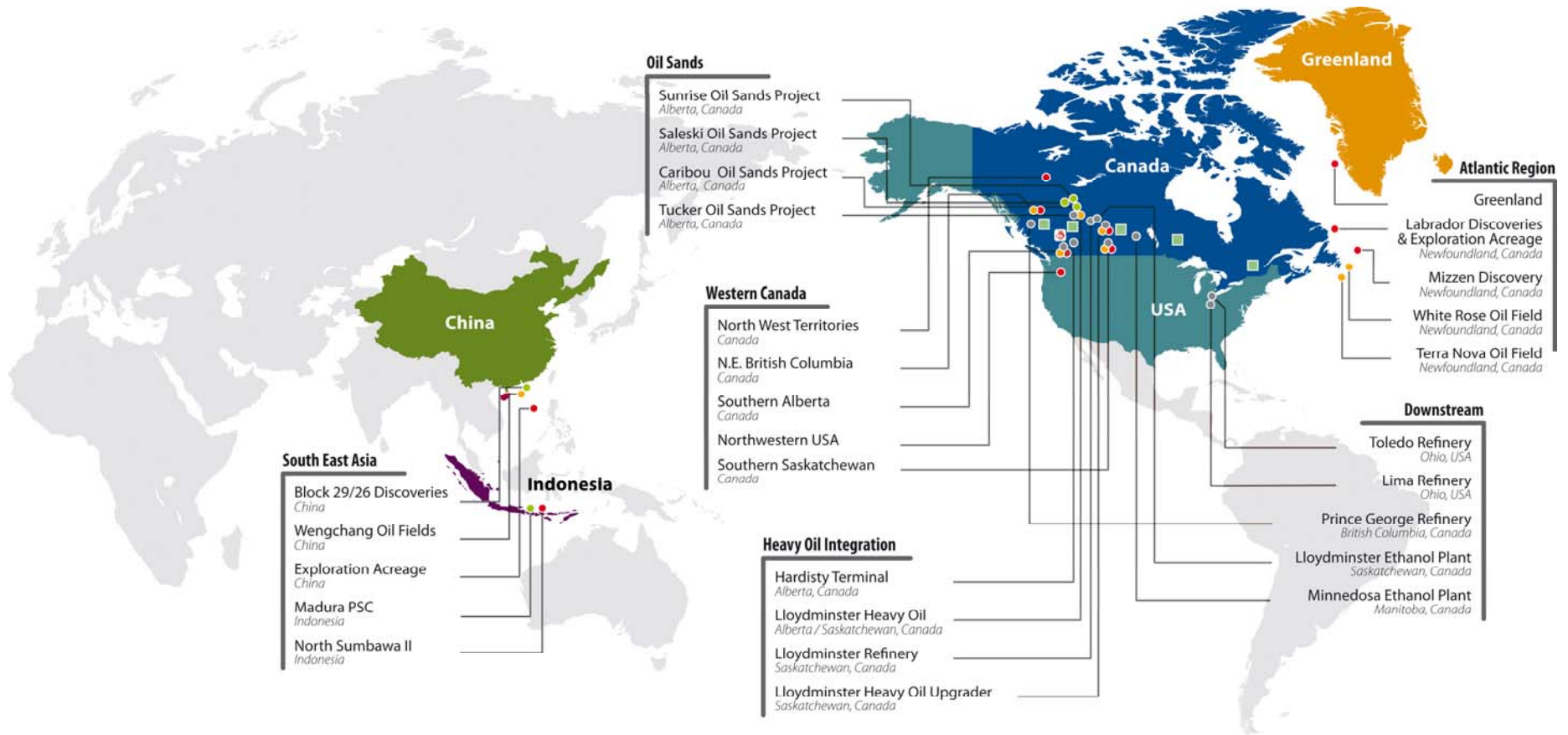
Large resource base, growing by technological innovation

Midstream, Downstream and Marketing

Integrated to strategically support our heavy oil and oil sands businesses

Diversified, balanced growth

Areas of Operation



Corporate Head Office
Calgary, Alberta, Canada



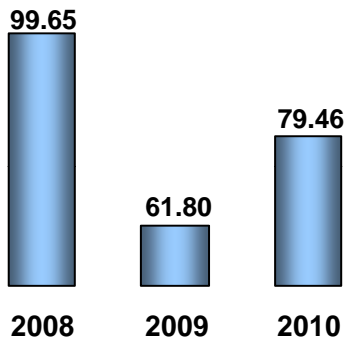
● Exploration ● Production ● Development ● Infrastructure ■ Husky Retail Outlets (500+), Canada

Product and geographic diversification

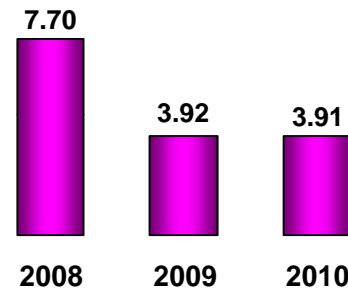
Price and Currency Drivers



WTI Oil Price
(US\$/bbl)

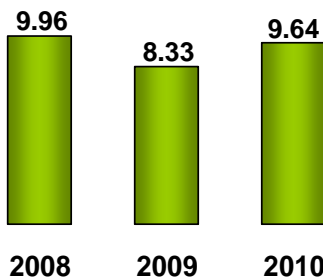


NIT Natural Gas Price
(\$/GJ)

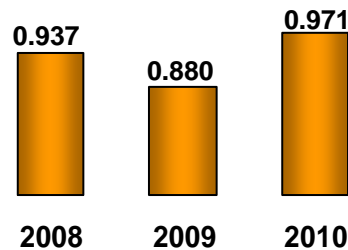


- Husky is 70% crude oil weighted
 - Mitigates impact of significant oversupply of natural gas in North America resulting in low gas prices
- Majority of our oil production is priced using the WTI benchmark
- Downstream crack spreads are recovering from three year cyclical lows
- Production is sold in US dollars
- The C\$ / US\$ exchange rate is correlated to crude oil prices

NY Harbour Crack Spreads
(US\$/bbl)



C\$/US\$ Exchange Rate
(C\$:US\$)

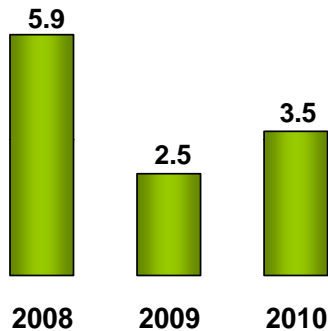


Oil-weighted portfolio is leveraged to oil demand growth and prices

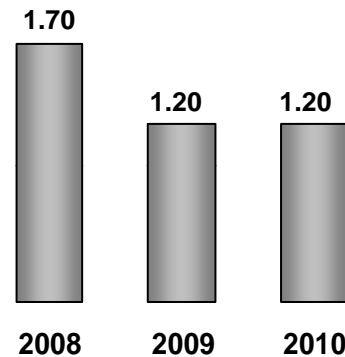
Financial Overview



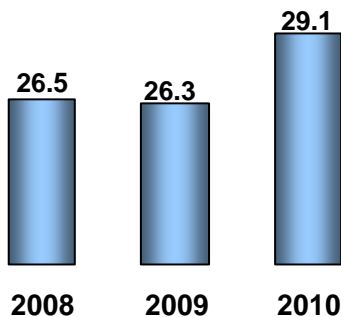
Cash Flow from Operations
(\$ billions)



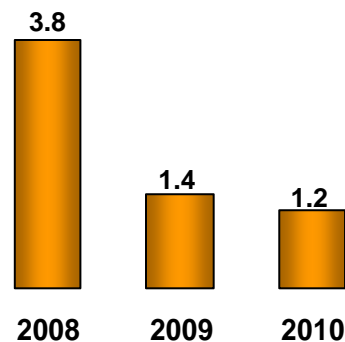
Dividends
(\$/share)



Total Assets
(\$ billions)



Net Earnings
(\$ billions)



- 2009 reflects economic recession from global financial / economic crisis
- 2010 results :
 - Recovery in crude oil pricing
 - Contributions from natural gas and Downstream reflected weak economy / commodity pricing
 - Significantly stronger C\$
- Significant investment for future growth
- Top quartile dividend payment maintained

Positioned for commodity price recovery

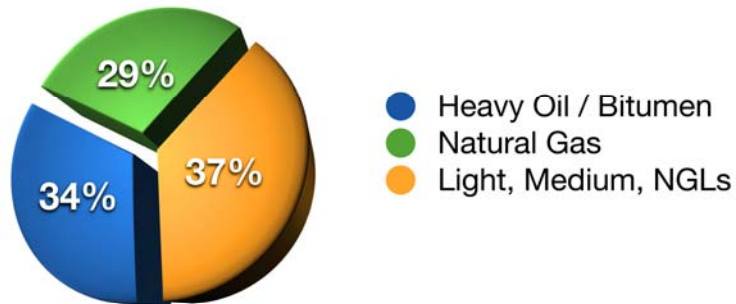
Production and Reserves



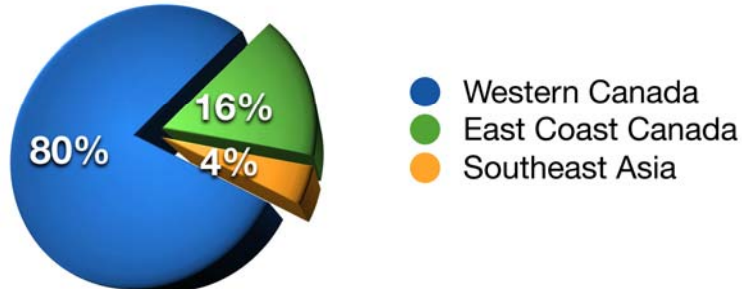
2010 12 Months Production

(105 mmboe, 287 mboe/d)

Daily Production by Product



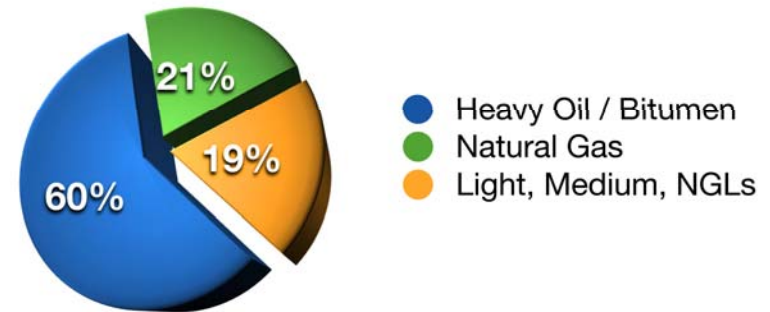
Daily Production by Region



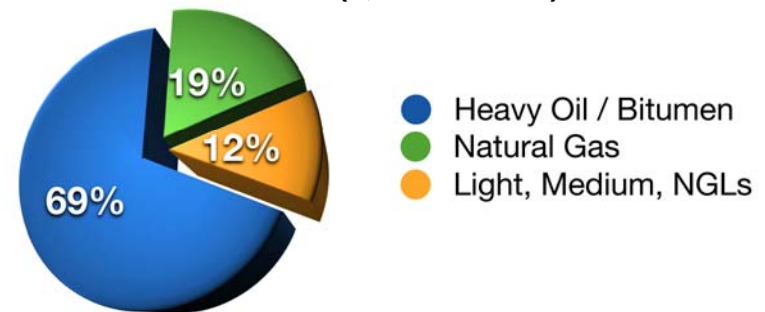
2010 Year End Reserves

(3,981 mmboe proved, probable and possible)

Proved 1,082 + Probable 1,317 = 2P 2,399 mmboe



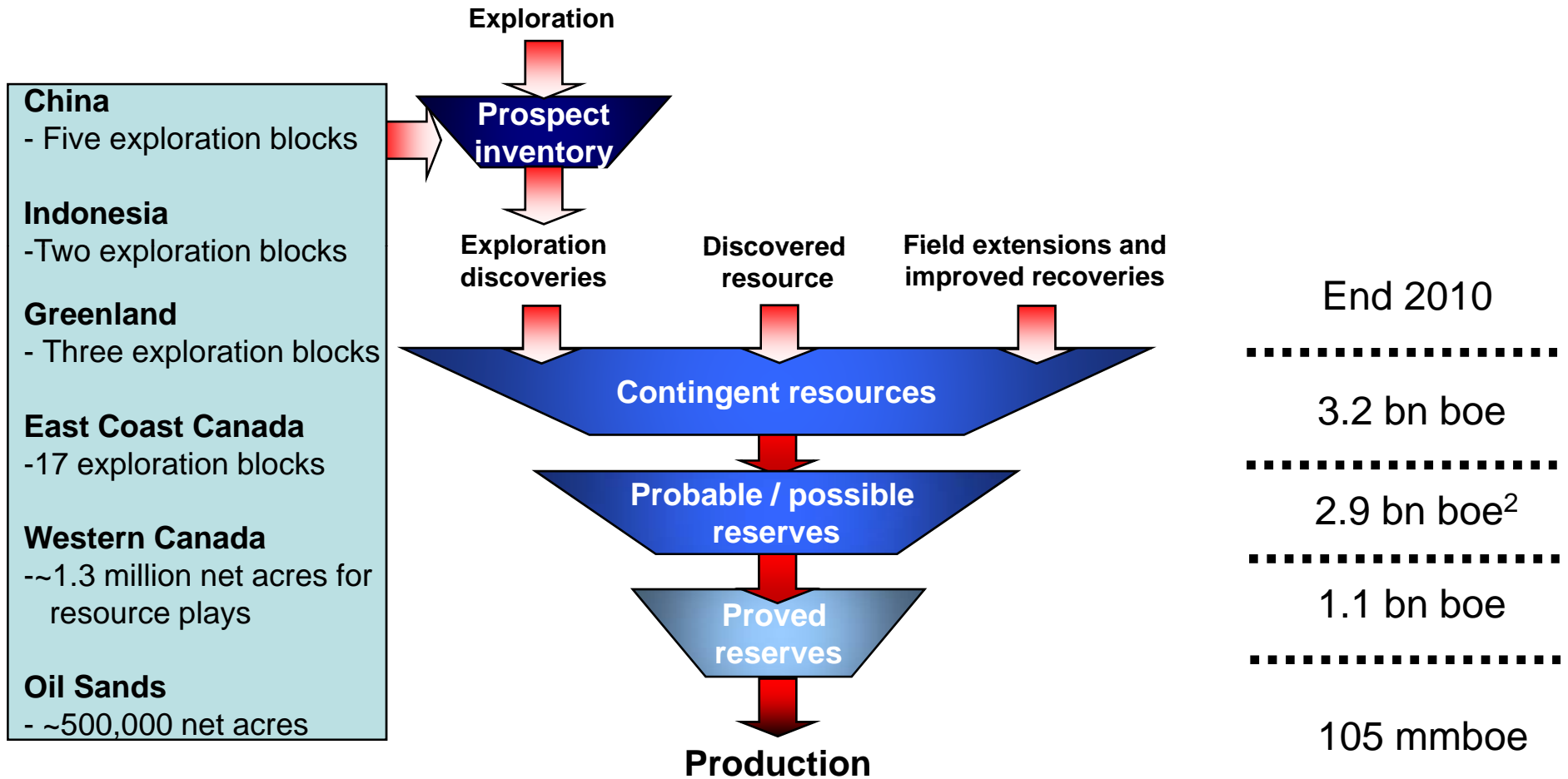
Possible Reserves (1,582 mmboe)



Natural Gas converted to BOE at 6:1

70 percent oil weighting – 10.3 year proved reserve life index

Significant Resource Base

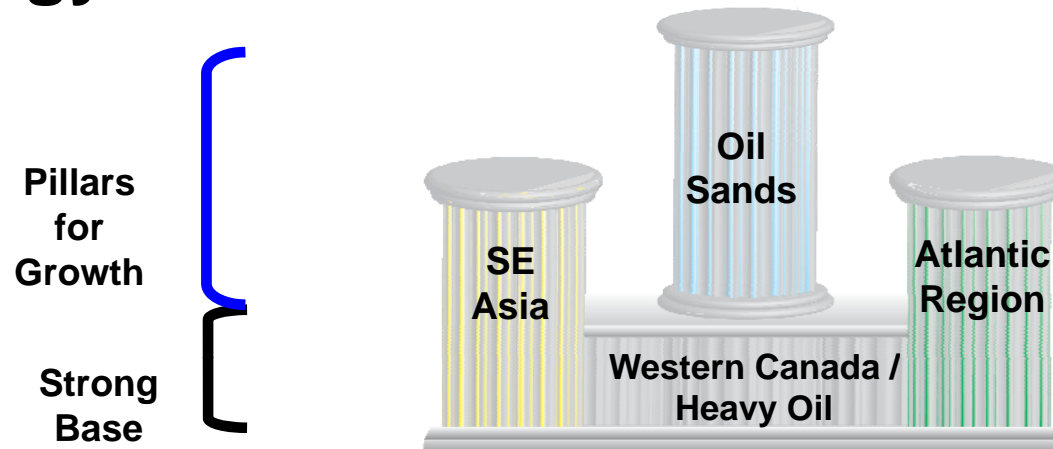
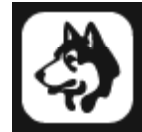


- China**
- Five exploration blocks
- Indonesia**
- Two exploration blocks
- Greenland**
- Three exploration blocks
- East Coast Canada**
- 17 exploration blocks
- Western Canada**
- ~1.3 million net acres for resource plays
- Oil Sands**
- ~500,000 net acres

(1) Disclosed based Securities and Exchange Commission ("SEC") requirements
 (2) Disclosed based on the Canadian requirements under National Instrument 51-101 "Standards of Disclosure for Oil and Gas Activities"

Over 65 years of production at 2010 rates

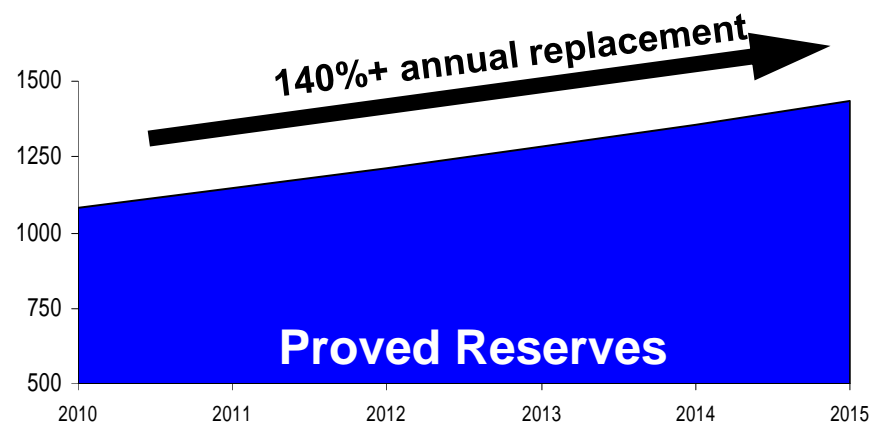
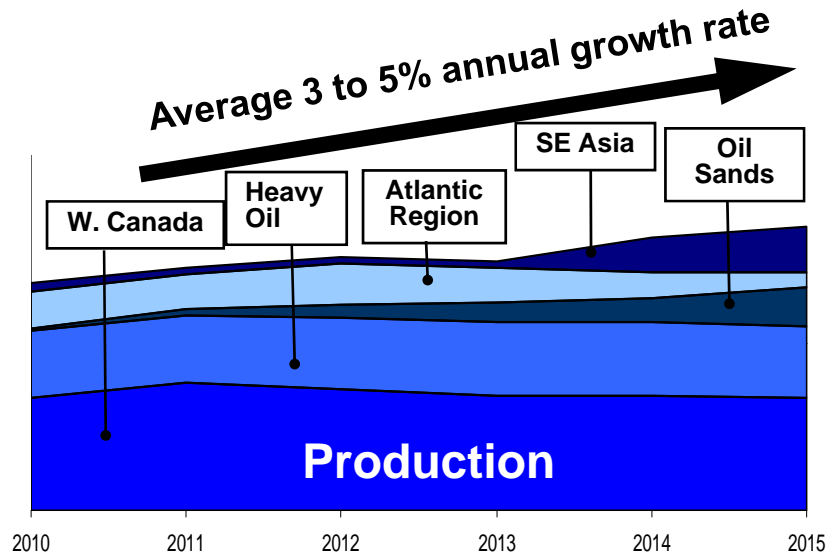
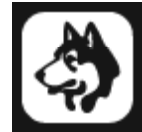
Our Strategy



	Near-Term 0 – 2 Years	Mid-Term 3 – 5 Years	Long-Term 5+ Years
Upstream	Acquisition	Oil Sands SE Asia	Oil Sands Atlantic Region
	Maintain production from Canada base		
	Value acceleration		
Midstream / Downstream	Support heavy oil and oil sands production Prudent reinvestment		

A clear strategy to continue delivering balanced growth

Production and Reserves Five-Year Outlook



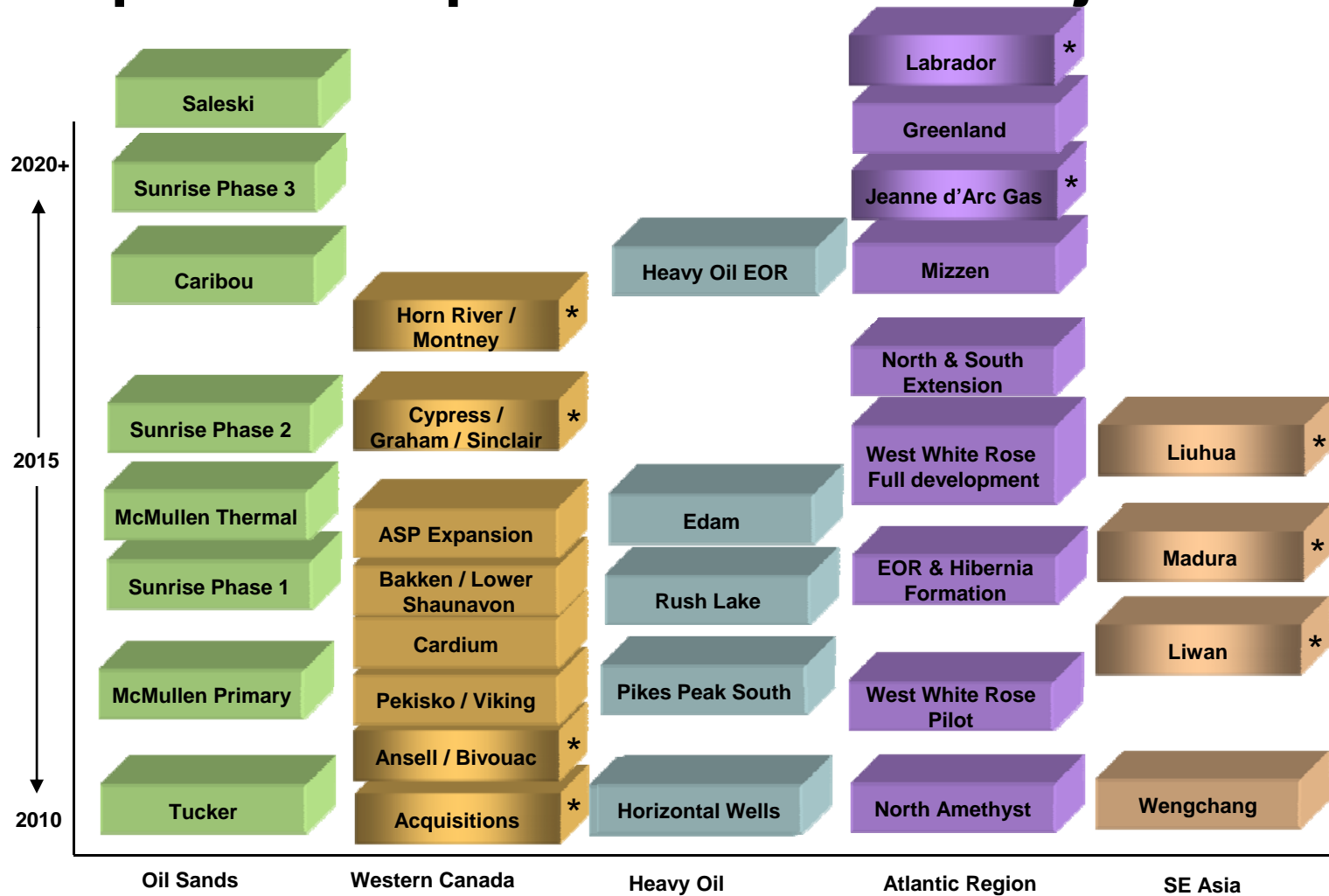
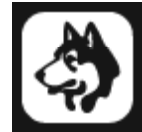
- Defined organic projects driving production and reserves growth
- Maintain ~70% oil weighted production
- SE Asia gas production is oil price linked, so higher value growth
- Sunrise and Liwan contribute in 2014/2015

Plan outcomes

- Production - CAGR target of 3 - 5%
- Reserve replacement – CAGR > 140%
- Improving ROCE
- Maintain top quartile dividend performance
- Maintain investment grade ratings profile

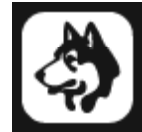
Identified organic projects to drive growth through 2015+

Pipeline of Upstream Growth Projects



* Natural gas projects

Strong portfolio of organic growth projects



SE Asia Portfolio

China

- Block 29/26 Gas Fields (2.6 – 3 tcf of PIIP)
 - Liwan 3-1 well advanced
 - Liuhua 34-2, appraisal is complete and preparing regulatory approval
 - Liuhua 29-1, under appraisal
- Block 63/05
 - Seismic evaluation and exploration well in 2011
- Wenchang Oil Fields
 - 10,700 bbls/d of oil production in 2010

Indonesia

- Madura Strait PSC
 - Madura BD Gas Field - 44 mmboe of proved reserves booked in 2010
 - extended for 20 years
 - engineering being completed
- North Sumbawa - exploration drilling in 2011

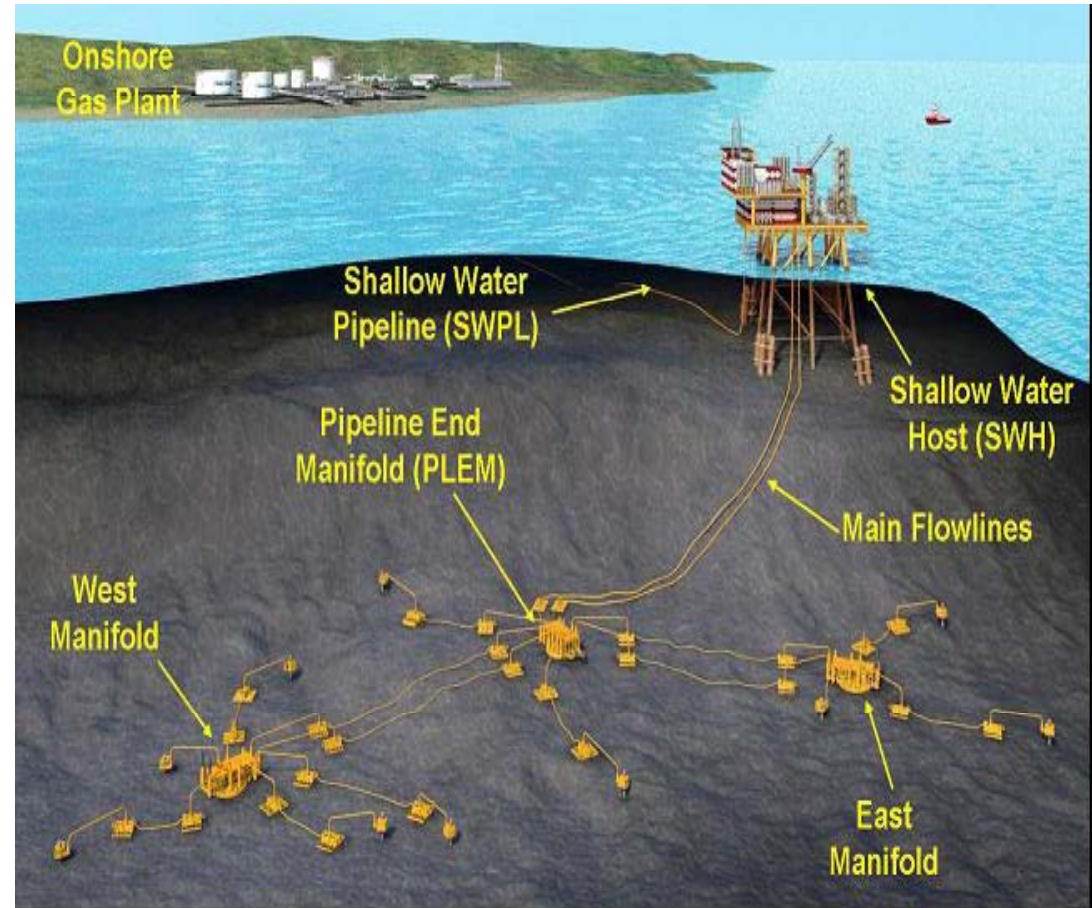


Capital investment of \$1.2 billion for project development in 2011

Liwan 3-1 Field Development Overview



- Deepwater gas field discovered in 2006
- Front end engineering design is complete
- Contract tendering underway
- Plan of development being prepared for submission
- Development well drilling completed
- Gas marketing negotiations are being finalized with potential buyers in Hong Kong and Guangdong
 - Oil linked pricing for contracts
- First gas production targeted for late 2013
- Partnered with CNOOC

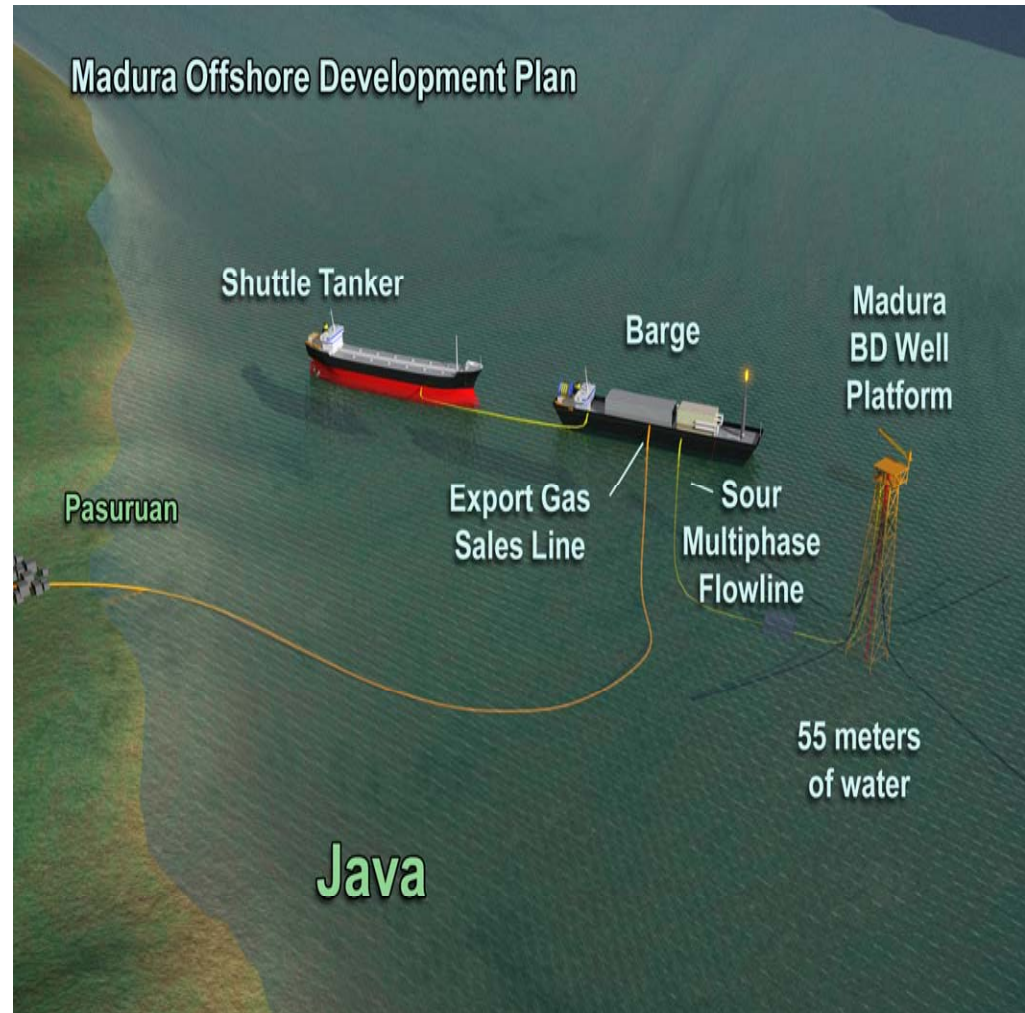


World-class discovery and development

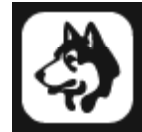
Madura BD Gas Development



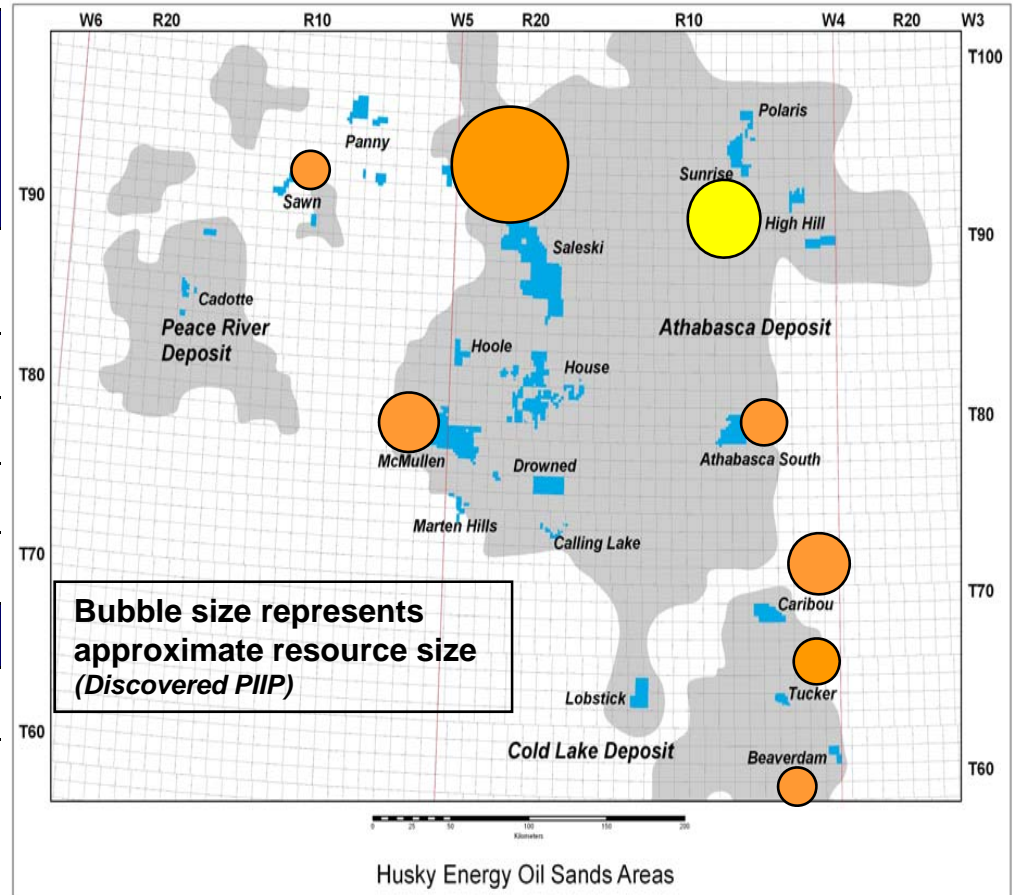
- Received 20-year PSC extension
- Gas sales contracts in place for 100 mmcf/day
- Development plan has been approved by Indonesian government
- Front-end engineering was completed in 2010
- First production targeted for 2014
- Partnered with CNOOC



Oil Sands Portfolio



Property	Discovered Petroleum Initially-in-Place ¹ (billion bbls)	3P Reserves ^{1,2} (billion bbls)	Contingent Resources ^{1,2} (billion bbls)
Sunrise (Net 50%)	4.6	1.8	0.5
Tucker	1.3	0.3	0
McMullen	4.4	0	1.0
Caribou	3.2	0	0.4
Others	2.1	0	0.1
Total	15.6	2.1	2.0
Saleski	32.2	Carbonate	



(1) As of December 31, 2010

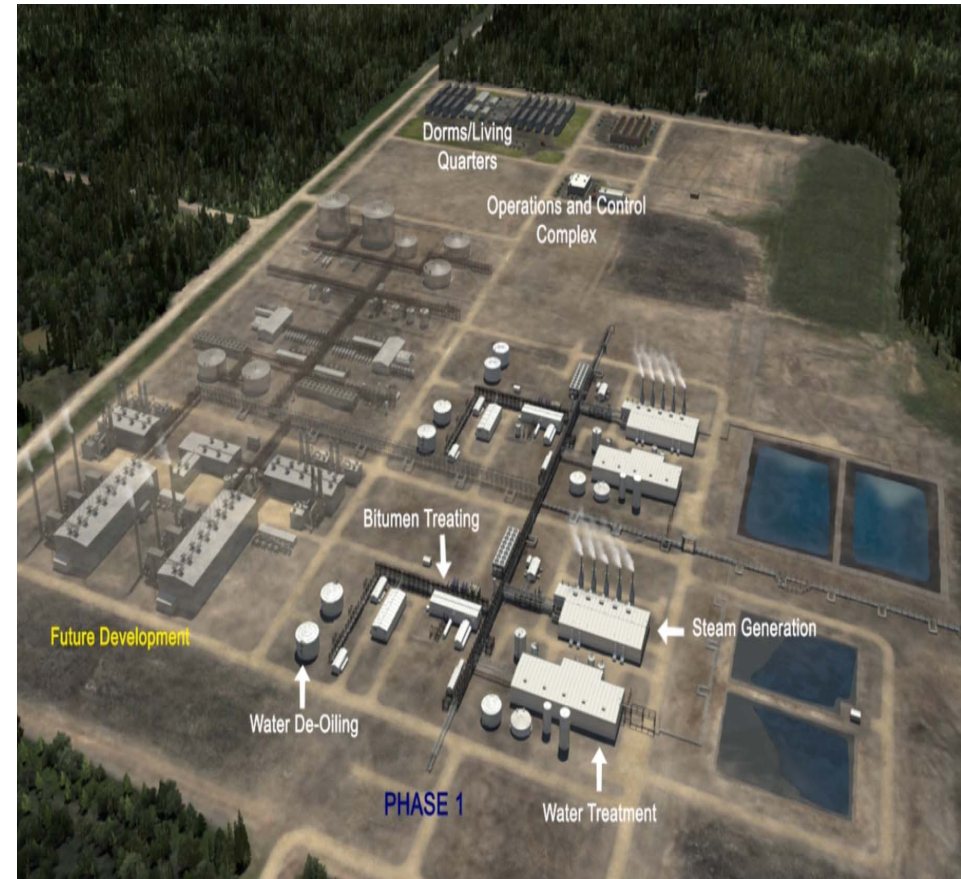
(2) See advisory for breakdown of reserves and contingent resources

2.1 billion barrels of 3P reserves and 2.0 billion barrels contingent resources

Sunrise Energy Project



- World-class oil sands project utilizing established technologies
- In-situ SAGD development, not mining
- 50/50 joint venture with BP
- Regulatory approvals in place for initial phases
- Phase I (60,000 bbls/d gross) sanctioned and key contracts in place
- Drilling and construction commenced in 2011
- Estimated cost of \$2.5 billion for Phase I
 - BP committed to pay initial \$2.5 billion development cost



Full field development potential up to 400,000 bbls/d

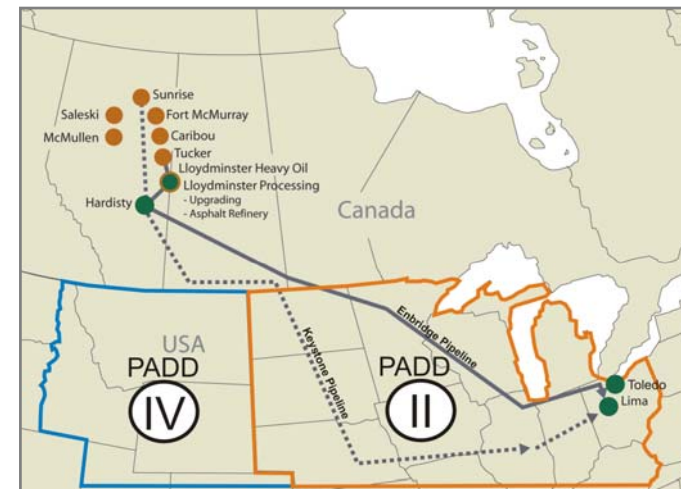
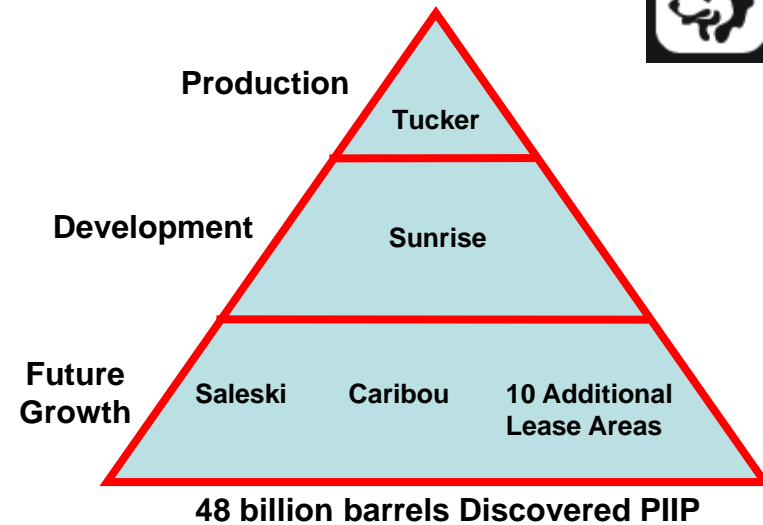
Integrated Bitumen



- Minimize price differential volatility and transportation risk
 - Committed pipeline access to USA
 - Integration with refineries in Lima and Toledo, Ohio, U.S.A.

Sunrise Downstream Solution

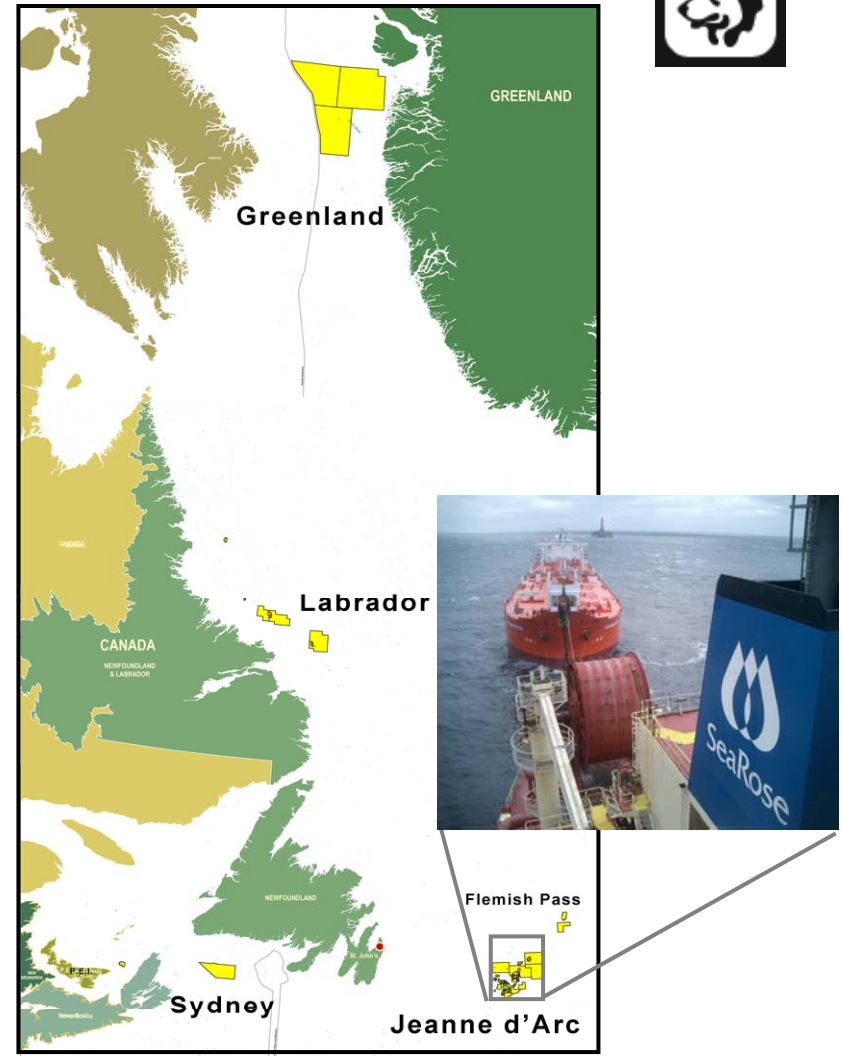
- Toledo, Ohio refinery (160,000 bbls/d capacity)
- Phase I underpinned by a combination of Toledo capacity and market opportunities, and optionality for Phase II



Risk mitigation by integration

Atlantic Region Portfolio

- Significant and underdeveloped region
- 598 mmboe of 3P reserves for the region
- Established operator of more than 25 years
- Six production licences
 - 41,300 bbls/d of net production in 2010
- 23 significant discovery areas
- 19 exploration licences
- Long-term
 - Greenland, Labrador, Sydney
 - World class hydrocarbon potential
 - Billion barrel & TCF size prospects



Attractive portfolio, strong growth potential

White Rose Core Area and Satellites



White Rose

- Over 150 million barrels produced
- Infill and EOR/IOR opportunities
- Delivered on time and on budget

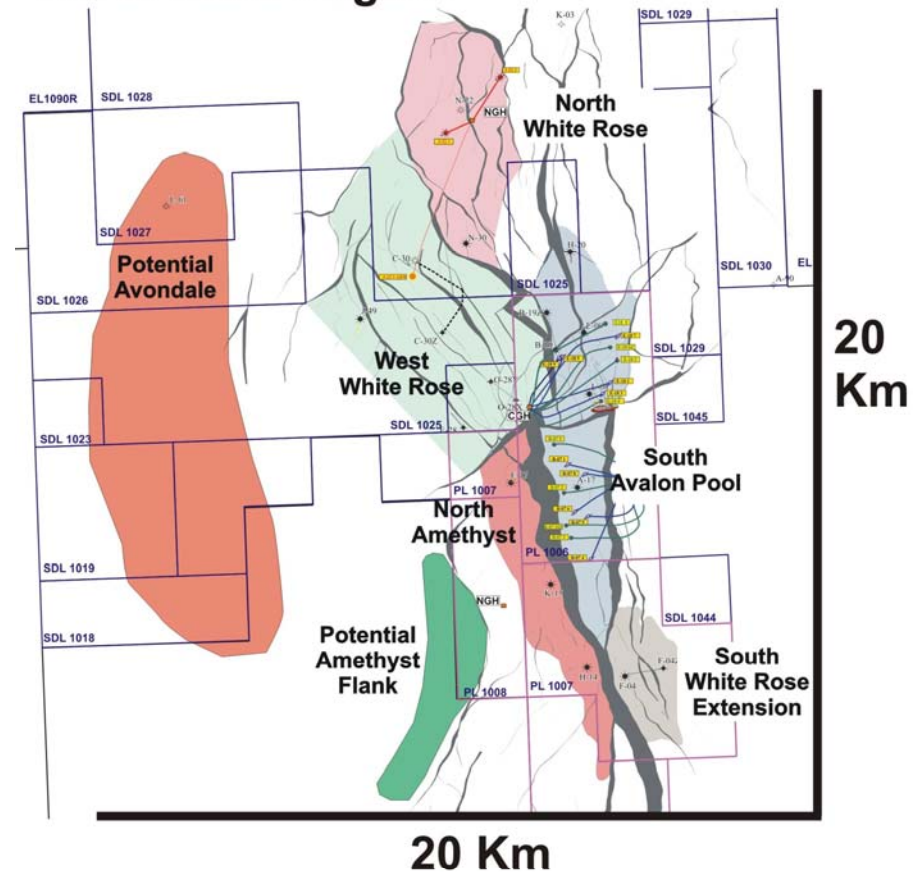
North Amethyst

- Total of 11 development wells (currently 2 producers; 2 water injectors drilled)
- Peak production ~ 37,000 bbls/day
- 3.5 years from discovery to production

West White Rose

- Staged development; pilot pair
- Production well drilled; injector next year
- First oil target mid 2011

White Rose Region



Evaluating fixed drilling platform to access full potential

Western Canada Portfolio



- 8.8 million net acres spread across British Columbia, Alberta, Saskatchewan and NW USA
- 15,000 Wells
- 761 mboe of proved reserves

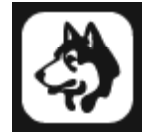
Production

- Conventional: ~120,000 boe/d
 - ~43,000 bbl/d of oil
 - ~454 mmcf/d of gas
- Unconventional Oil: ~5,000 bbl/d
- Unconventional Gas: ~53 mmcf/d

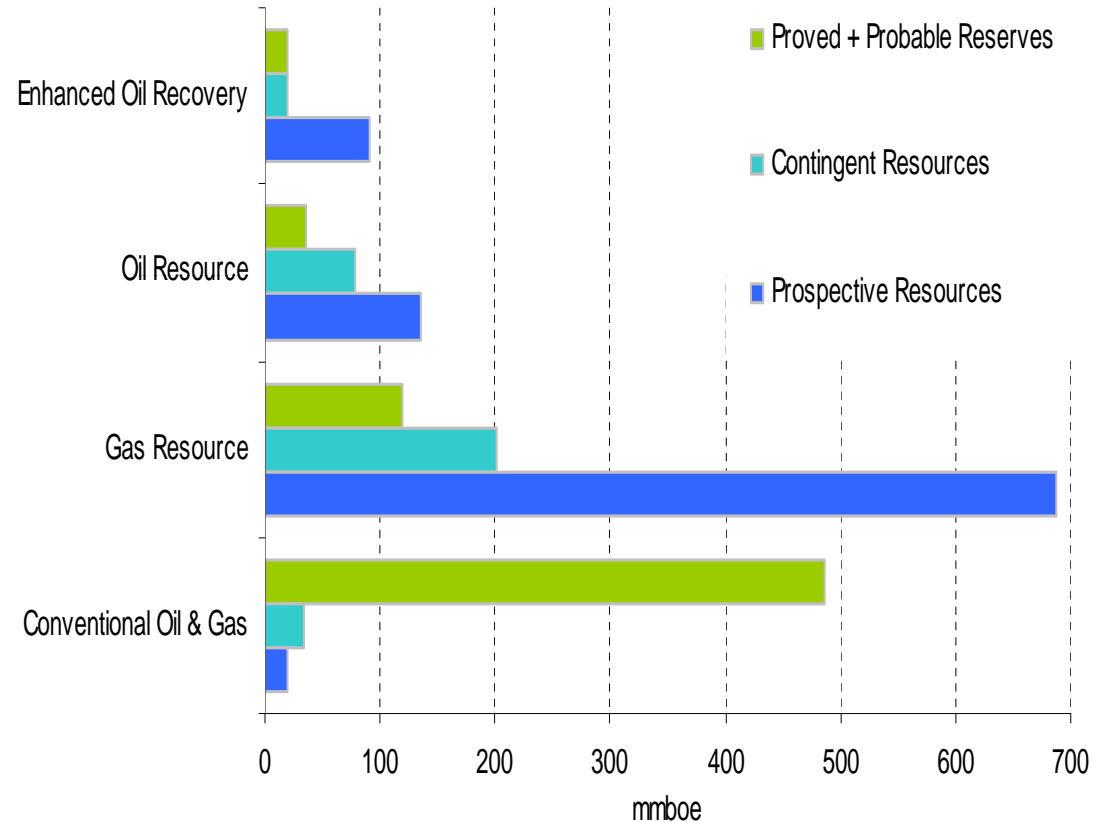


Stable cash flow to fund our growth pillars

Transition to Resource Plays

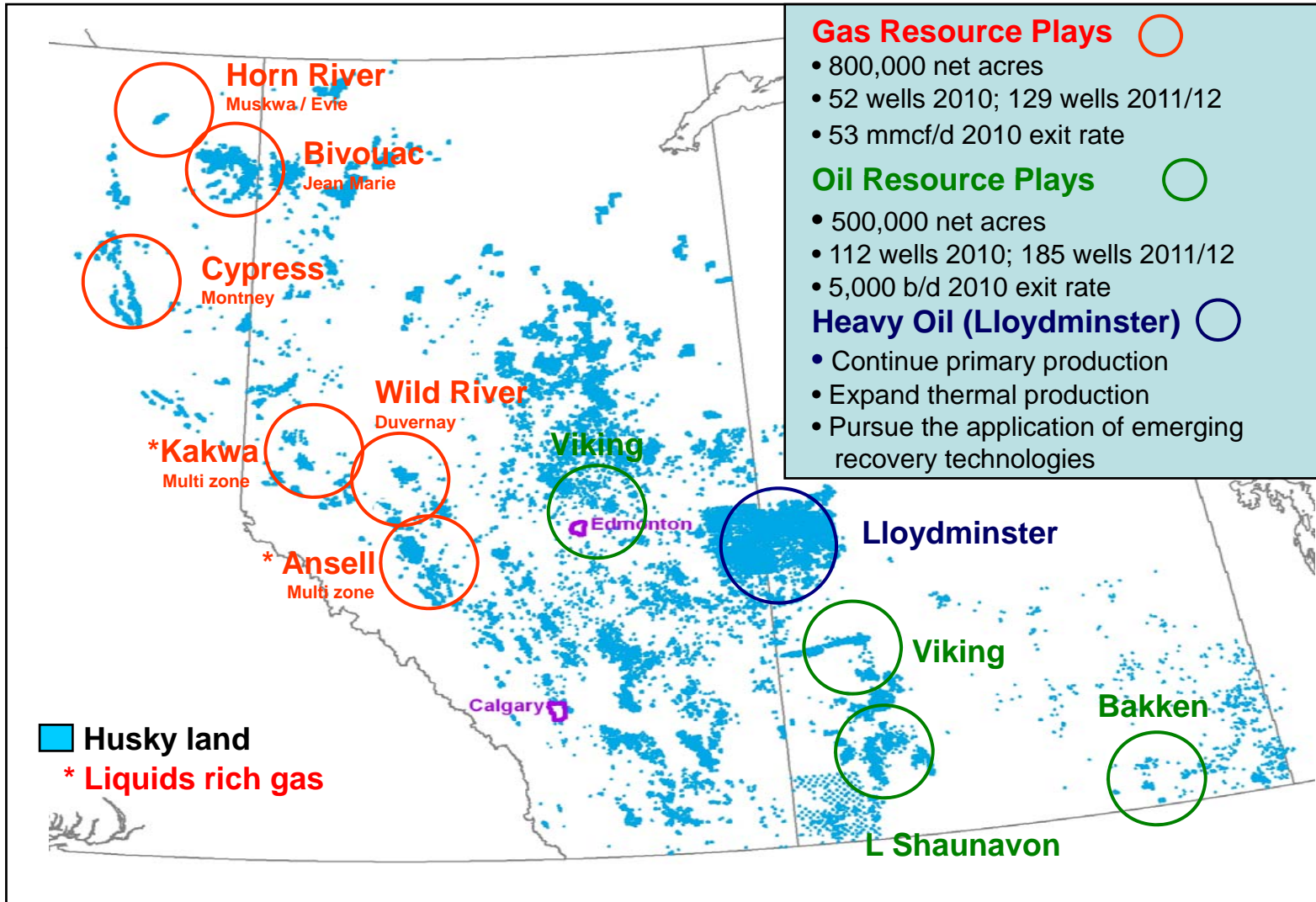
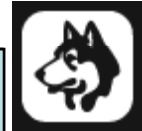


- Significant land base in production to develop (8.8 million net acres)
- Shifting to resource plays to improve F&D, lower operating costs
- Maximize recovery from mature pools through new technologies



Regenerating the foundation through technology

Significant Position in Resource Plays



Leading land position provides scale, flexibility and diversification



Heavy Oil Portfolio

- We have 70 years of heavy oil operating experience
- 2.1 million net acres
- Discovered PIP resource base of 10 billion barrels
- Integrated infrastructure is key to strong competitive position
 - Lloydminster Upgrader enhances heavy oil netbacks

Upstream

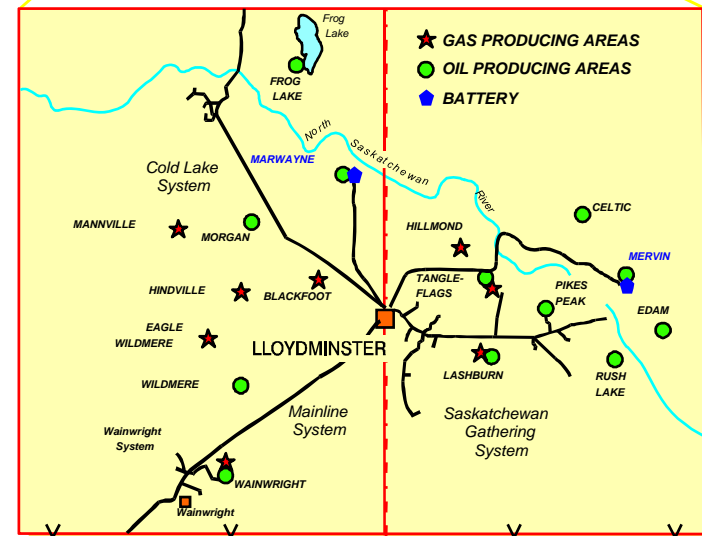
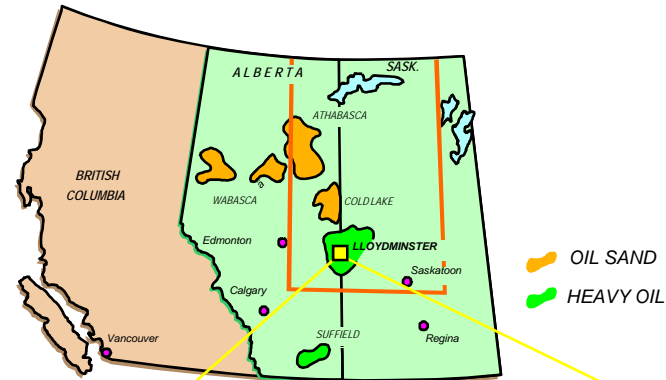
- 6,000 Wells (~90,000 bbls/d)
- Logistics

Midstream

- Upgrader (82,000 bbls/d)
- Hardisty Terminal (3.25 mmbbls)
- Pipeline Infrastructure (2,000 km)

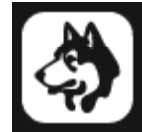
Downstream

- Asphalt Refinery (28,000 bbls/d)



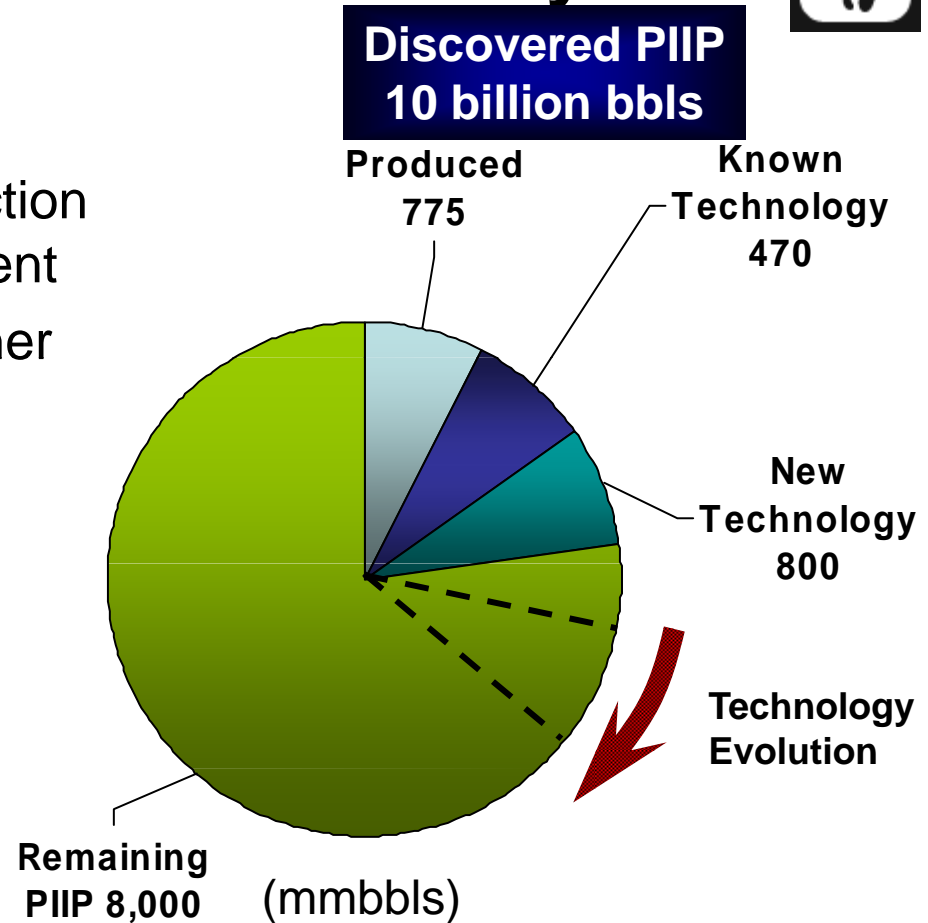
A large and unique asset position – integration adds value

Heavy Oil - The Original Resource Play



Technology opportunities

- Continue cold heavy oil production with sand (CHOPS) development
- Horizontal wells to exploit thinner reservoirs
- High volume lift
- Thermal technologies
- Solvents / cold EOR
- New technologies



Source: National Energy Board of Canada, Husky estimates / represents discovered PIIP

Application of new technology to develop discovered resource

Downstream Portfolio



Integration assets

- Lima, Ohio Refinery (100%)
 - Throughput capacity: 160,000 bbls/d
- Toledo, Ohio Refinery (50%)
 - Throughput capacity: 160,000 bbls/d
 - Supports Sunrise bitumen production
- Lloydminster Upgrader (100%)
 - Throughput capacity: 82,000 bbls/d
- Lloydminster Asphalt Refinery (100%)
 - Throughput capacity: 28,000 bbls/d

Other value creation assets

- Prince George Refinery (100%)
 - Throughput capacity: 12,000 bbls/d
- Ethanol production (100%)
 - 260 million litres/year
- More than 500 retail outlets



Integration mitigates risk and volatility

Financial Strategy



- Ensure adequate liquidity and financial flexibility to fund growth
 - Availability of term committed credit facilities (*\$3.1 billion*)
 - Continuous and cost-effective access to capital markets
 - US \$3 billion debt shelf
 - \$3 billion universal shelf
- Maintain investment grade ratings profile
 - S&P BBB+ (*Stable*) / Moody's Baa2 (*Negative*) / DBRS A (low) (*Stable*)
 - Target Debt-to-Capital of 25 - 35% (*currently 21%*)
 - Target Debt-to-Cash Flow of 1.5 - 2.5x (*currently 1.2x*)
- Strong principal shareholder support

Key Metrics include:

- Return on capital employed
- Production
- Reserves replacement
- Netbacks / F&D / Operating Costs
- Cash flow
- Balance sheet
(*debt-to-cash flow and debt-to-capital*)

Financial capacity to execute growth strategy

2011 Capital and Production Guidance



Capital Expenditures (\$millions)

	2010 <u>Actual</u> ⁵	2011 <u>Guidance</u> ⁵
Upstream		
Western Canada ¹	2,169 ¹	2,450 ³
Oil Sands	66	415 ⁴
East Coast of Canada	<u>492</u>	<u>350</u>
Canada	2,727	3,215
South East Asia	<u>444</u>	<u>1,180</u>
	3,171	4,395
Midstream	216	80
Downstream	502 ²	335
Corporate	67	55
Total	<u>3,956</u>	<u>4,865</u>

Production

	2010 <u>Actual</u>	2011 <u>Guidance</u>
Light / Medium Oil and NGL (mbbls/day)	106	100 - 110
Heavy Oil and Bitumen (mbbls/day)	<u>97</u>	<u>95 – 105</u>
Total Oil	203	195 – 215
Natural Gas (mmcf/day)	<u>507</u>	<u>560 – 610</u>
TOTAL PRODUCTION (mboe/day)	287	290 – 315

(1) Includes acquisition of natural gas properties in west central Alberta

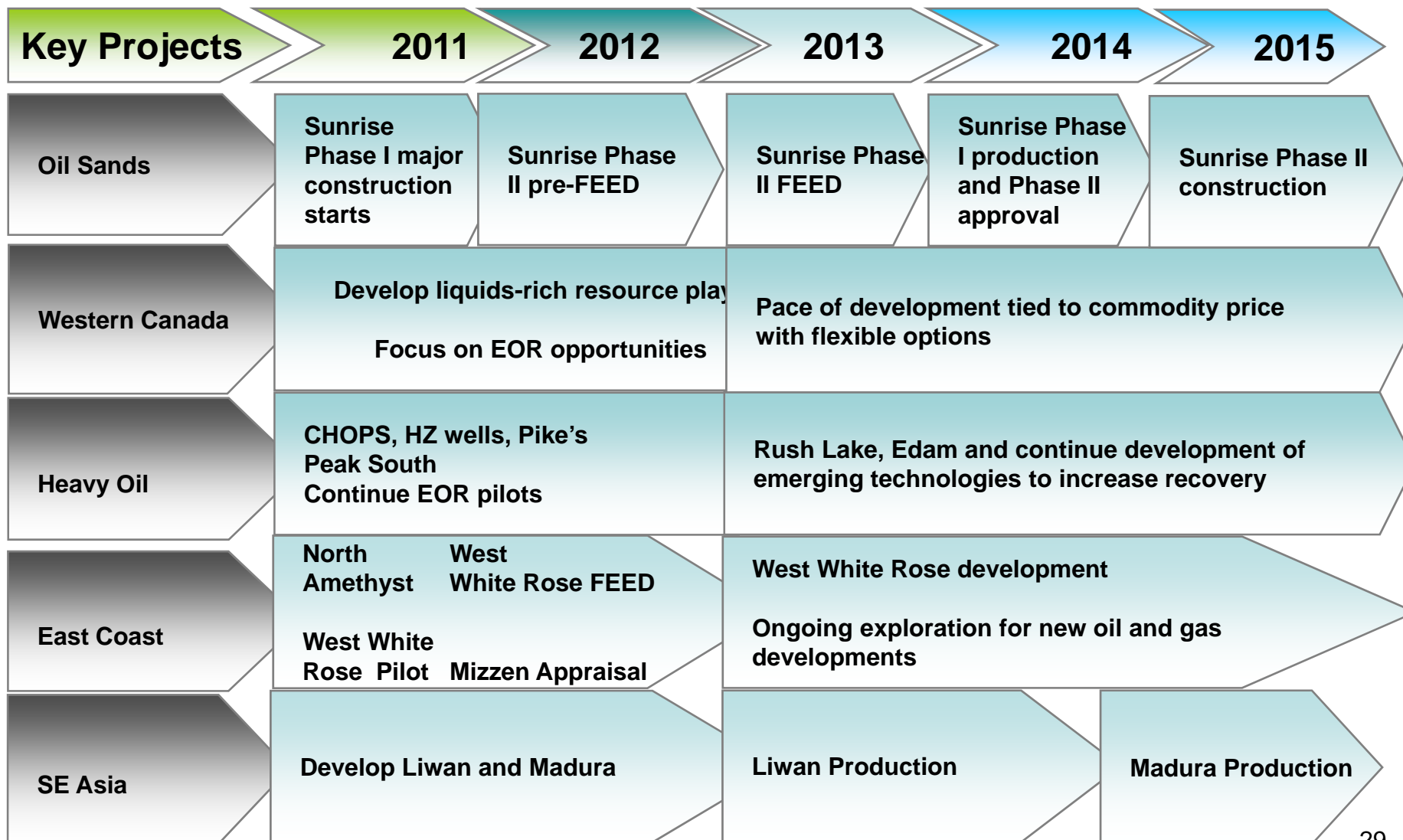
(2) Includes purchase of 98 retail stations in Ontario

(3) Includes announced \$860 million acquisition of assets from ExxonMobil Canada Ltd.

(4) Husky's partner committed to funding first US \$2.5 billion of the Sunrise Energy Project (Husky US\$2.5 billion commitment to Toledo refinery repositioning)

(5) Excludes capitalized interest and administration

Project Milestones - Upstream



Value Proposition – “Balanced Growth”



- Clear strategy with experienced team to deliver
- Oil-weighted portfolio leveraged to demand growth
- Production and reserves growth through large, organic and diversified project portfolio
- Significant Asian portfolio - particularly the world-scale Liwan gas development - offers significant growth
- Top quartile dividend
- Solid balance sheet and financial flexibility
- Strong support from blue-chip principal shareholders

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Appendix

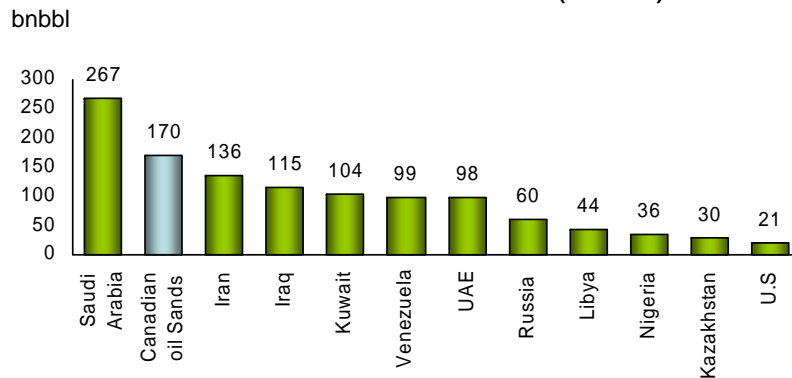
Overview of Canada's oil sands



- Second largest oil reserves in the world
 - Approximately 170 billion bbls of remaining reserves
 - 80% recovered through drilling (in situ), 20% through mining
- Canada has the infrastructure to export crude oil from western Canada to eastern Canada, the U.S. and some offshore markets
 - Canada is the largest supplier of crude oil to the U.S.
 - Canada's oil sands industry continues to explore access to new markets in the U.S. and Asia

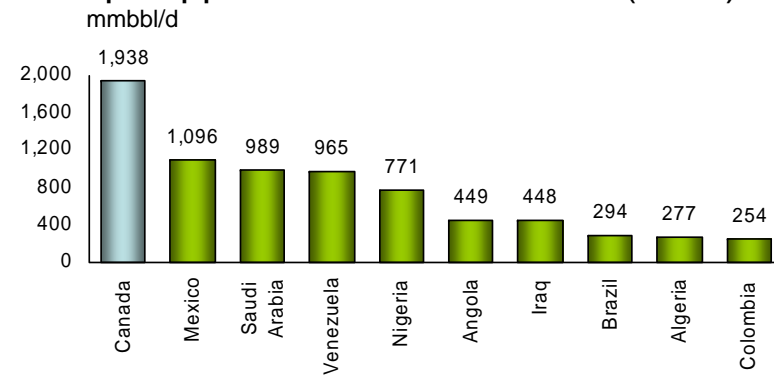


Estimated oil reserves (2009)



Source: Canadian Association of Petroleum Producers ("CAPP")

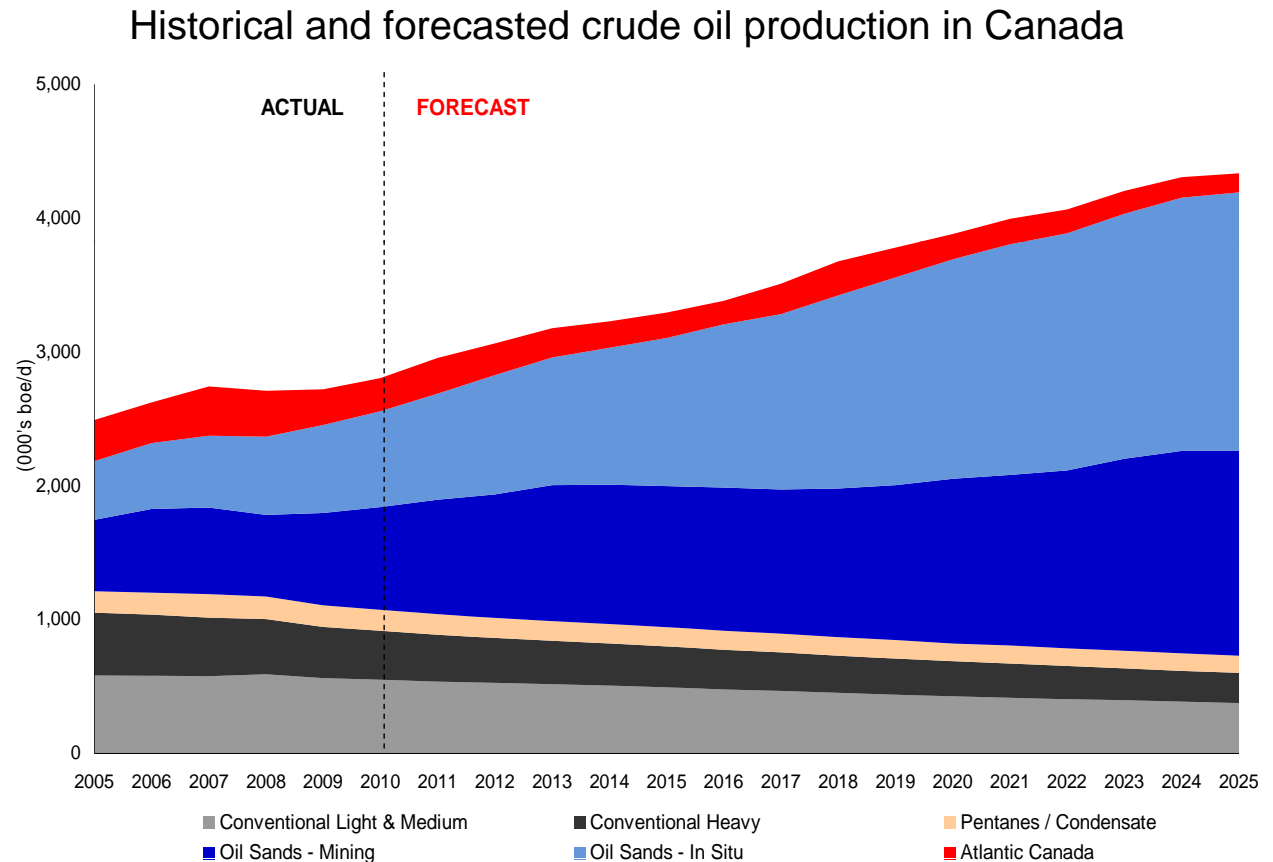
Top suppliers of U.S. Crude Oil (2009)



Canada crude oil production profile

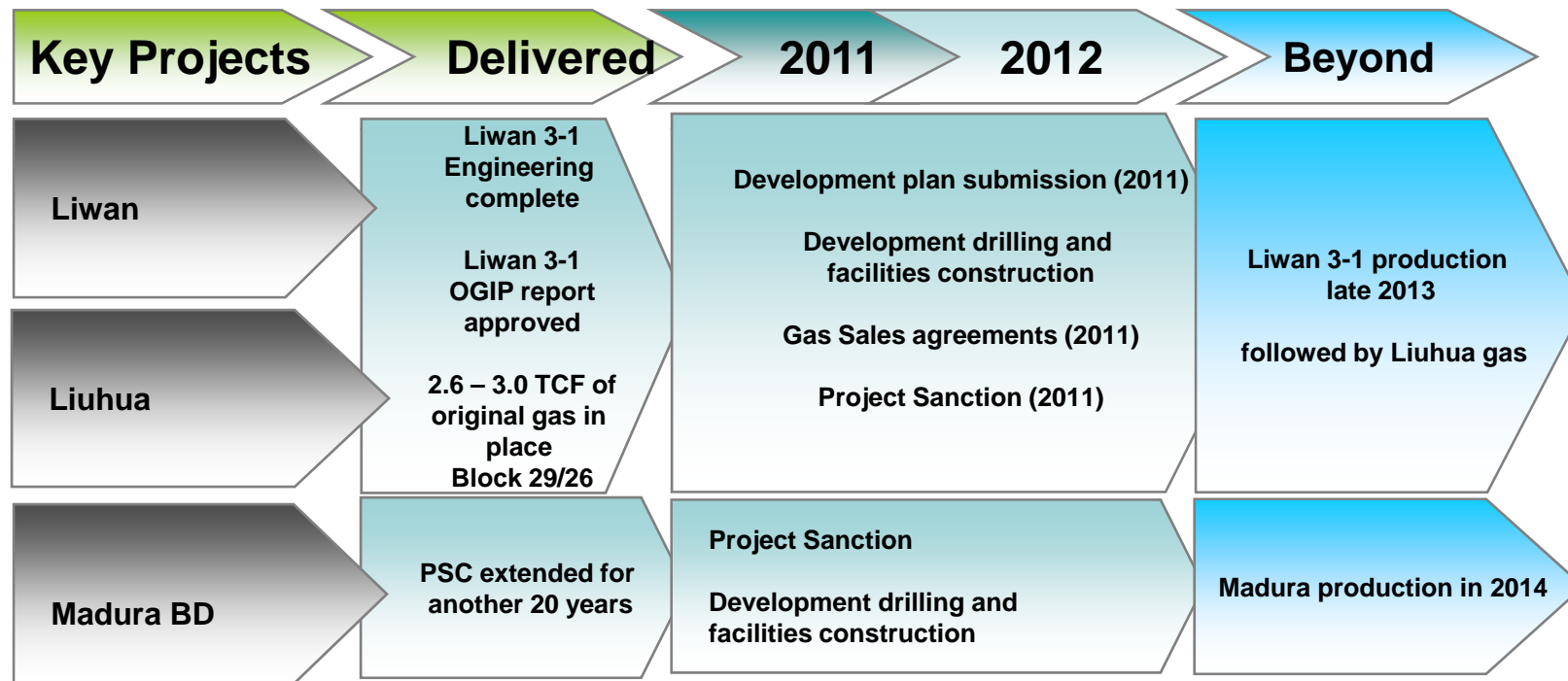
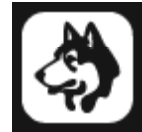


- Oil sands production forecast to grow to 3.5 million barrels/day
- In-situ projects will dominate production over the long-term



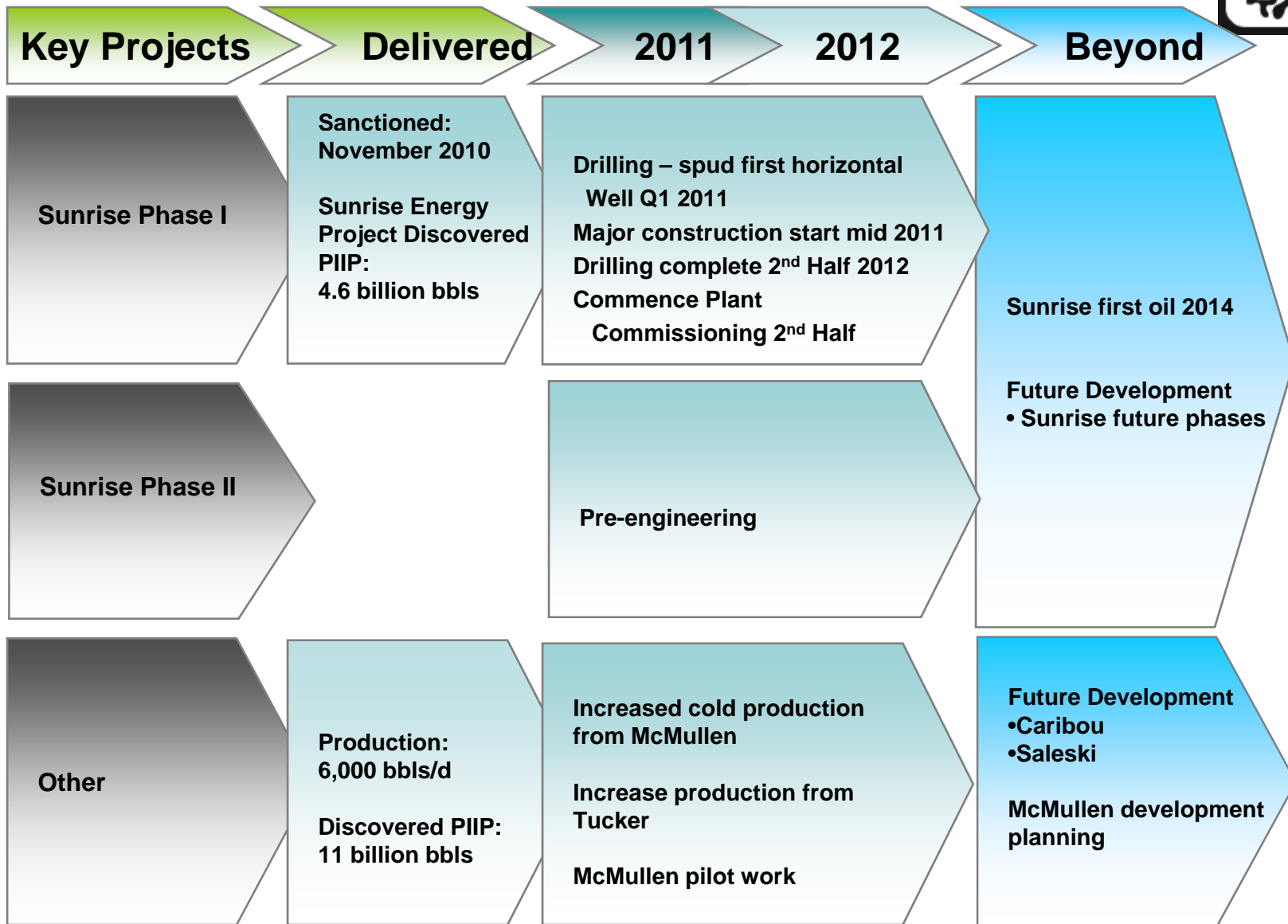
Source: CAPP

Project Milestones – SE Asia

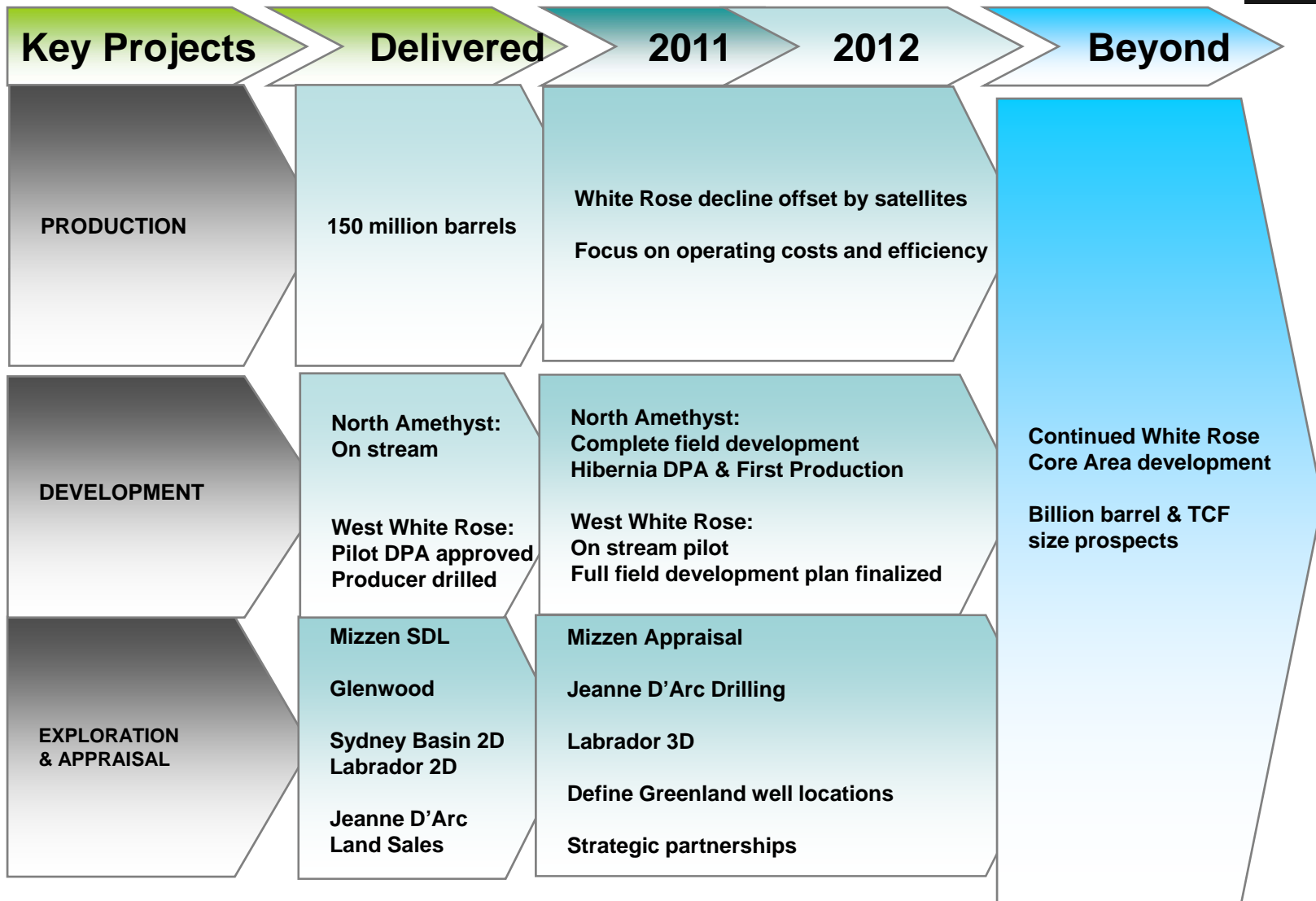
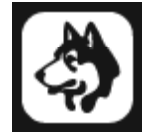


Liwan track for production by 2013

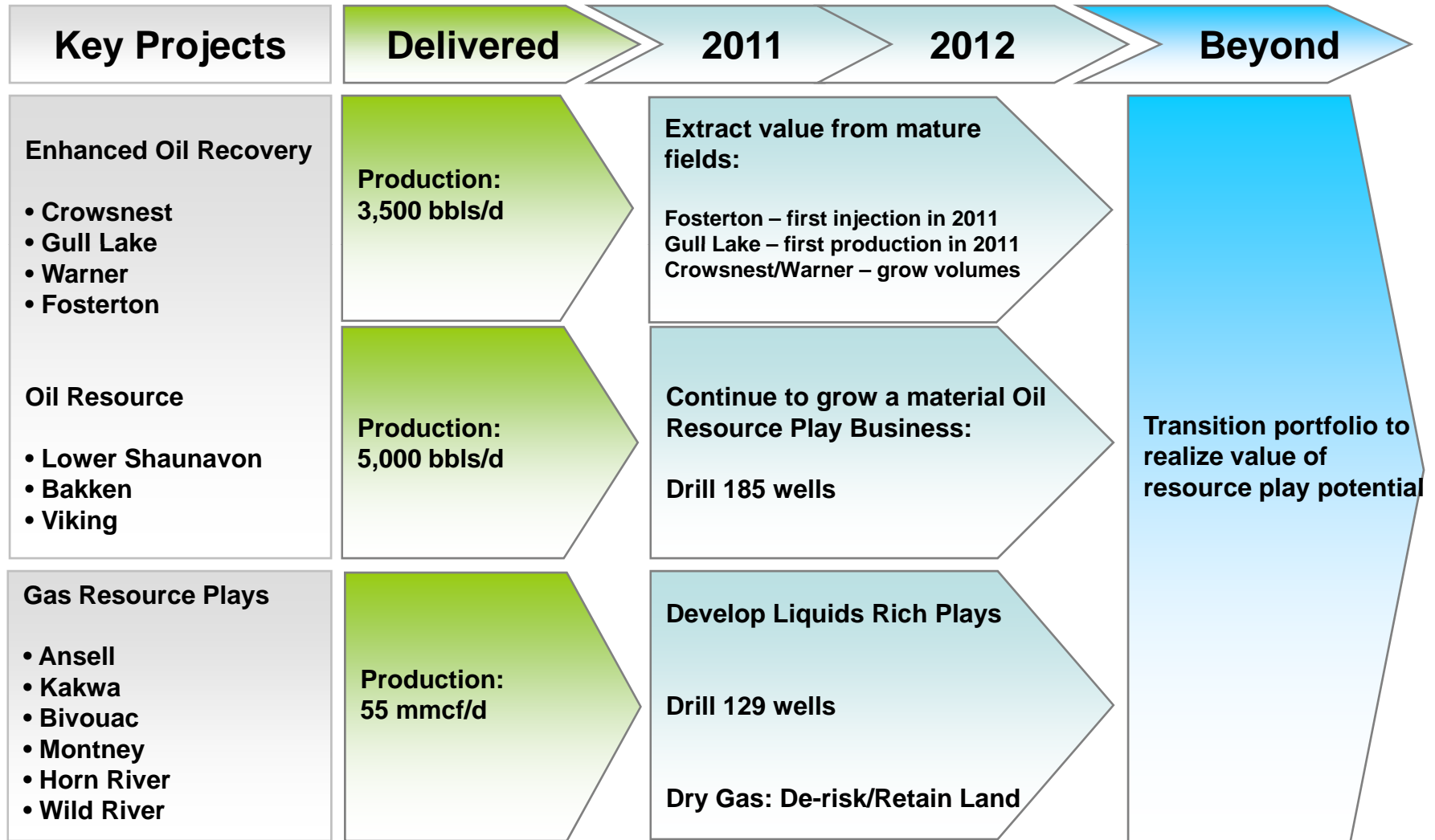
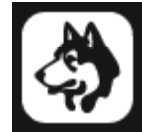
Project Milestones – Oil Sands



Project Milestones – Atlantic Canada



Project Milestones – Western Canada



Project Milestones – Heavy Oil

