



Husky Energy Inc.
Value Creation

Husky Overview September 2007



Advisory

Forward looking statements or information - Certain statements contained in this document constitute forward looking statements or information (collectively, "forward looking statements"). These forward looking statements relate to future events or Husky's future performance. The use of any of the words "could", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward looking statements and are based on Husky's current belief or assumptions as to the outcome and timing of such future events, and in this document includes our general strategic plans; our reserve estimates and estimates of discovered resources and contingent resources; capital expenditure forecasts; production volume guidance; oil sands production targets; Tucker production timeline and production; Sunrise production timeline and production life; Caribou development plans; White Rose drilling and development plans; East Coast drilling plans; South and East China Sea drilling and seismic plans; Madura production estimates; East Bawean II seismic exploration plans; Lloydminster Upgrader debottlenecking, expansion plans; and Minnedosa construction plans. Actual future results may differ materially. Husky's annual report to shareholders and other documents filed with securities regulatory authorities (accessible through the SEDAR website and the EDGAR website) describe the risks, uncertainties and other factors, such as drilling results, the timely receipt of regulatory approvals, changes in business plans and potential delays or changes in plans with respect to development projects or capital expenditures, that could influence actual results. Husky disclaims any intention or obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Disclosure of proved oil and gas reserves and other oil and gas information - Husky's disclosure of proved oil and gas reserves and other information about its oil and gas activities has been made based on reliance of an exemption granted by the Canadian Securities Administrators. The exemption permits Husky to make these disclosures in accordance with requirements in the United States. These requirements and, consequently, the information presented may differ from Canadian requirements under National Instrument 51-101, "Standards of Disclosure for Oil and Gas Activities". The proved oil and gas reserves disclosed in this document have been evaluated using the United States standards contained in Rule 4-10 of Regulation S-X of the Securities Exchange Act of 1934. Probable and possible oil and gas reserves and discovered resources and contingent resources have been evaluated in accordance with the Canadian Oil and Gas Evaluation Handbook and NI 51-101.

Volumes of oil and gas classified as resources in this document have not met all the requirements outlined by the United States Securities and Exchange Commission ("SEC") for proved and NI 51-101 for probable and possible to be classified as reserves. These requirements may include, but are not limited to: drilling requirements, testing requirements, regulatory requirements, infrastructure and marketing considerations, commitment to develop and economic requirements. Once all the requirements are met Husky will reclassify the volumes as reserves for future disclosures.

Cautionary note for U.S. investors - The SEC permits U.S. oil and gas companies, in their filings with the SEC, to disclose only proved reserves that the company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. In this presentation, Husky refers to "probable reserves", "possible reserves", "discovered resources" and "contingent resources" which are inherently more uncertain than proved reserves and which the U.S. oil and gas companies are prohibited from including in reports filed with the SEC.

Use of "boe" - Husky uses the term barrels of oil equivalent ("boe"), which is 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 term boe 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 well head.



Company Overview

Husky Energy Inc.

- One of the largest energy companies in Canada
- A integrated energy & energy related company with operations in Canada, the USA and Southeast Asia
- Market capitalization approximately \$34 billion
- Husky businesses cover – upstream, midstream and refined products



Six Months Overview

Record Performance

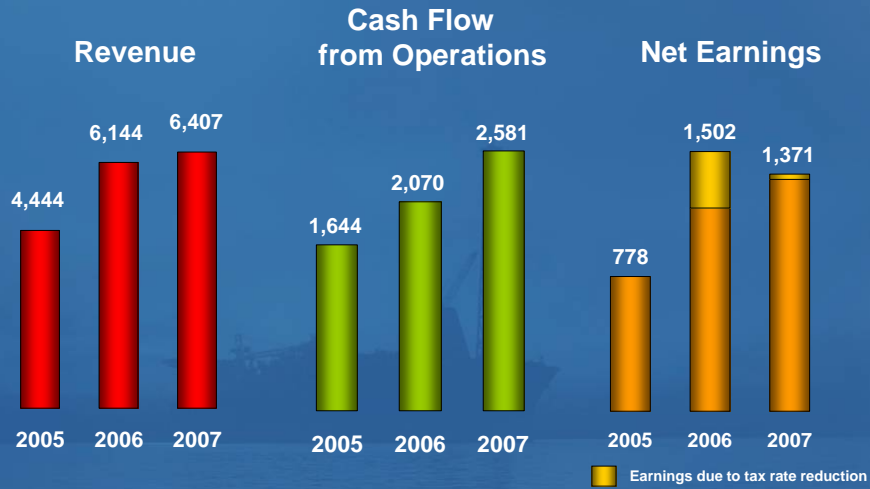
	2007 YTD	2006 YTD
Revenue	\$6.4 billion	\$6.1 billion
Cash Flow	\$2.6 billion	\$2.1 billion
Cash Flow per share*	\$3.04	\$2.44
Net Earnings	\$1.4 billion	\$1.5 billion
Earnings per share*	\$1.61	\$1.77
Debt to Cash Flow	0.3 times	0.4 times
Return on Equity	27.1%	34.8%
Production	385 mboe/day	349 mboe/day

Continued strong performance and growth in the first half of 2007

*Per share amounts reflect a two for one stock split effective July 11, 2007

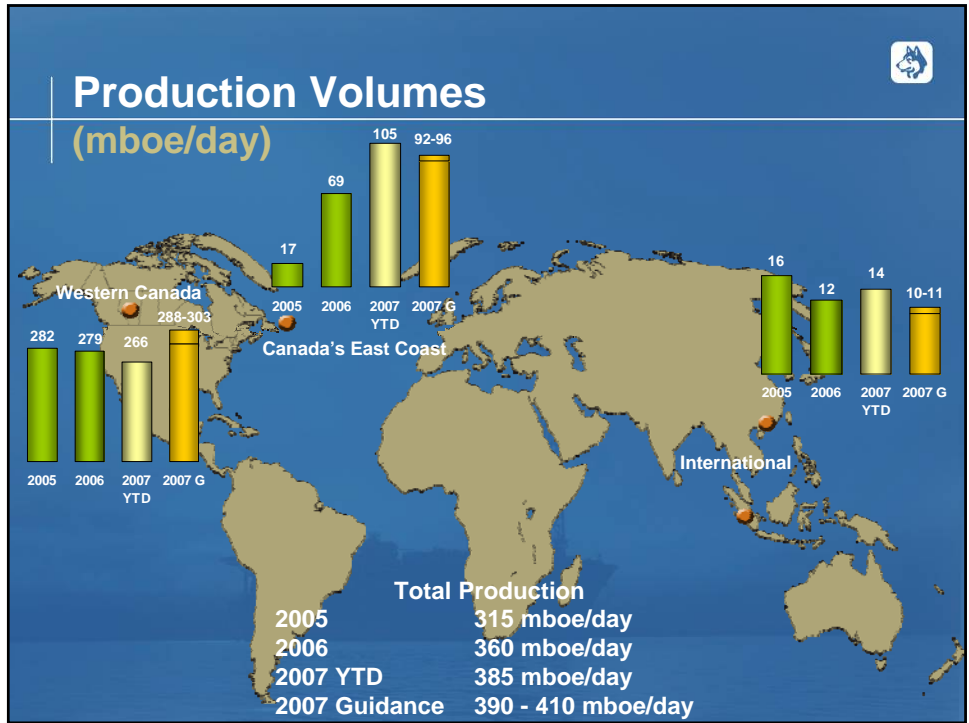
Six Months Financial Comparison

(\$ millions)



Total Shareholder Return vs. Indices





Upstream Segment Growth Strategy

Short Term

- Western Canada
 - Natural gas exploration
 - Tight gas and Coal Bed Methane
 - Enhanced recovery techniques
- Heavy Oil
 - Optimize and expand production
- Oil Sands
 - Optimize in-situ and bitumen resource with a downstream strategy
- East Coast
 - South & West White Rose extension

Mid to Long Term

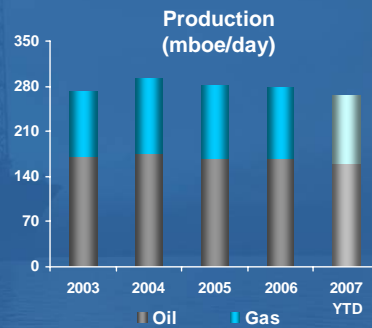
- Oil Sands
 - Caribou
 - Sunrise
 - Saleski
- International
 - South China Sea
 - Indonesia
- Exploration
- Acquisitions




Western Canada



- **Natural Gas**
 - Selective gas exploration
 - Resource gas plays
 - Coal Bed Methane
- **Conventional**
 - Alkaline Surfactant Polymer
 - Acquisition in core areas and property rationalizations
- **Heavy Oil**
 - Increase focus on enhanced recovery
 - Over 1 million undeveloped acres

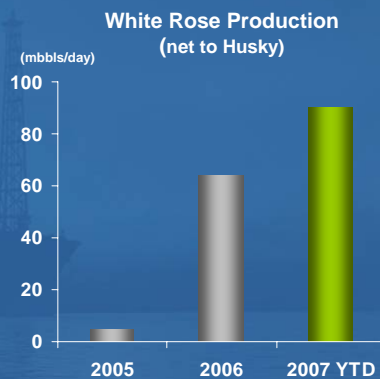


Canada's East Coast



White Rose (72.5% W.I.)

- **Production (net Husky)**
 - 2006 63.8 mbbbls/day
 - 2007 YTD 89.9 mbbbls/day
- **Operating costs**
 - 2006 \$4.22/bbl
 - 2007 YTD \$3.06/bbl
- **Reservoir production capacity: 140,000 bbls/day (gross)**
- **Reserves (Dec. 31/06)**
 - Proved 85.8 mmbbls
 - Probable 66.9 mmbbls
 - Possible 225.8 mmbbls
- **Satellite fields**
 - North Amethyst
 - West White Rose Extension
 - South White Rose Extension

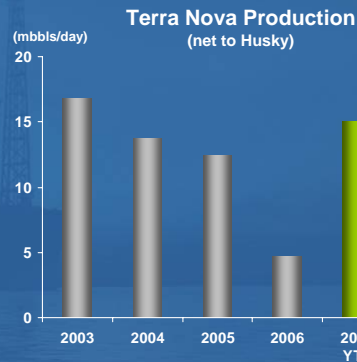


Canada's East Coast



Terra Nova (12.51% W.I.)

- Returned to field in October 2006 after turnaround
- Production (net Husky)
 - 2006 4.7 mbbbls/day
 - 2007 YTD 15.1 mbbbls/day
- Operating costs
 - 2006 \$22.65/bbl
 - 2007 YTD \$6.47/bbl
- Potential re-unitization of working interest

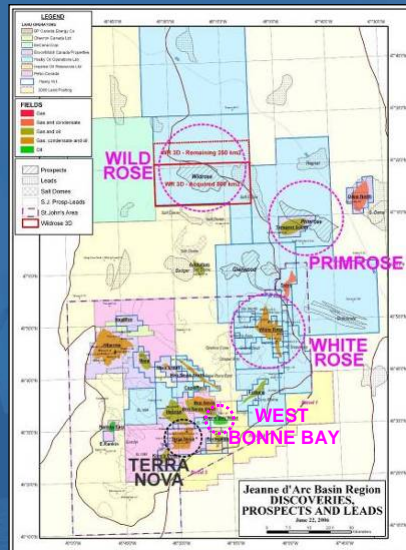


Canada's East Coast Growth



Exploration

- Holder of 1.2 million acres of exploration acreage
 - Three exploration blocks acquired in 2006
- 16 Significant Discovery Licences
- Natural gas resource potential
 - Possible reserves 1.7 tcf (net)
 - Investigating development opportunities





South and East China Sea



Wenchang (40% W.I.)

- Production (net Husky)
 - 2006 12.0 mmbbls/day
 - 2007 YTD 13.4 mmbbls/day
- Operating costs
 - 2006 \$3.61/bbl
 - 2007 YTD \$3.66/bbl

Seven exploration blocks*

- Total 7.6 million acres
- Rig secured for delivery in mid-2008
- Block 04/35, 39/05 & 23/15
 - Wells planned in 2007/08
- Block 35/18 & 50/14
 - Planned 1,000 km² of 3-D seismic

**CNOOC has the option to participate in up to 51%*



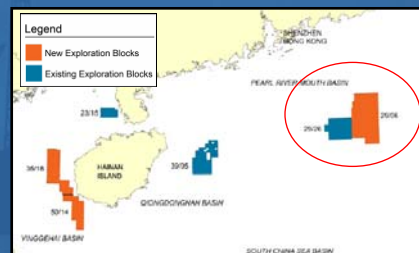
Liwan 3-1-1 Discovery

Block 29/26

- Liwan 3-1-1 contains a contingent resource of 4-6 tcf of natural gas
- China's largest offshore natural gas discovery
- Planned 4,000 km² of 3-D seismic
- Deep water rig secured for three-year term commencing mid-2008
- Drill & test 2-3 delineation wells
- First production forecast in 2012-2013

Block 29/06

- Adjacent to Block 29/26
- Acquiring 500 km² of seismic during 2007

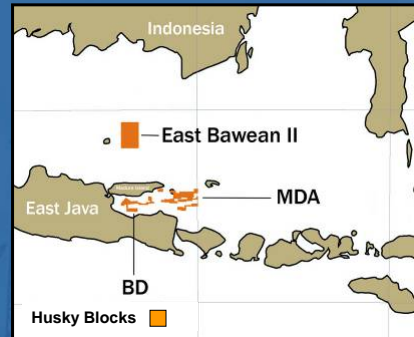


CNOOC has the option to participate in up to 51%

Indonesia (100% W.I.)



- **Madura Production Sharing Contract**
 - **Madura BD gas field**
 - Production estimate:
 - Natural Gas 100 mmcf/day
 - Condensate 6,500 bbls/day
 - Signed Heads of Agreement with three companies for Gas sales agreement
 - **Madura MDA gas discovery**
 - Under evaluation
- **East Bawean II Blocks**
 - 3-D seismic exploration planned in 2007

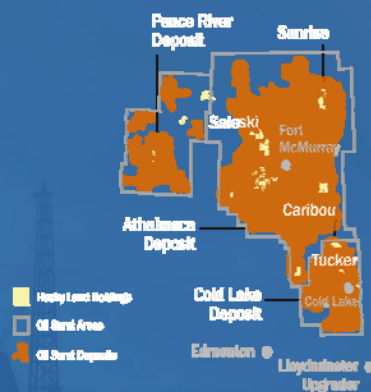


One of Husky's exploration & development growth areas

Oil Sands Portfolio



Lease	Discovered Resource (mmbbls)	Acres
Tucker	1,270	10,080
Sunrise	10,600	57,635
Caribou	2,500	35,840
Saleski	24,110	239,200
Others	2,380	168,135
Total	40,860	510,890



Husky targets 500,000 bbls/day of oil sands production by 2020



Tucker (100% W.I.)

- 9 - 10° API bitumen
- Construction capital: \$475 million
- Peak production: 30,000 bbls/day (expected by 2008)
- 35-40 years of production
- Discovered resources
 - 1,270 mmbbls
- Reserves
 - Proven: 60 mmbbls
 - Probable: 112 mmbbls
 - Possible: 180 mmbbls
- Integrated with Lloydminster infrastructure



Sunrise (100% W.I.)



- 7 - 9 ° API bitumen
- Peak production: 200,000+ bbls/day
- Staged development
- 40 years of production
- Discovered Resource
 - 10.6 billion barrels
- Reserves
 - Probable 1,015 mmbbls
 - Possible 2,185 mmbbls
- First oil 2010-2012
- Conceptual design completed during 2006
- Downstream alternatives being evaluated

Upstream FEED to be complete by Q4 2007

Lloydminster Upgrader



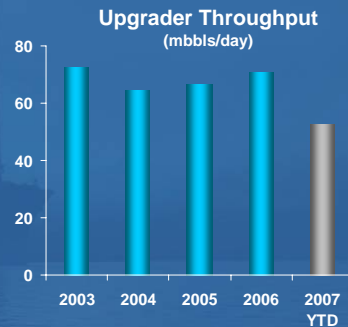
Debottleneck

- Expand capacity from 77,000 to 82,000 bbls/day
- Turnaround completed in Q2 2007



Potential Upgrader Expansion

- Expand to 150,000 bbls/day
- 30,000 bbls/day ultra low sulphur diesel
- Complete front end engineering design by Q4 2007



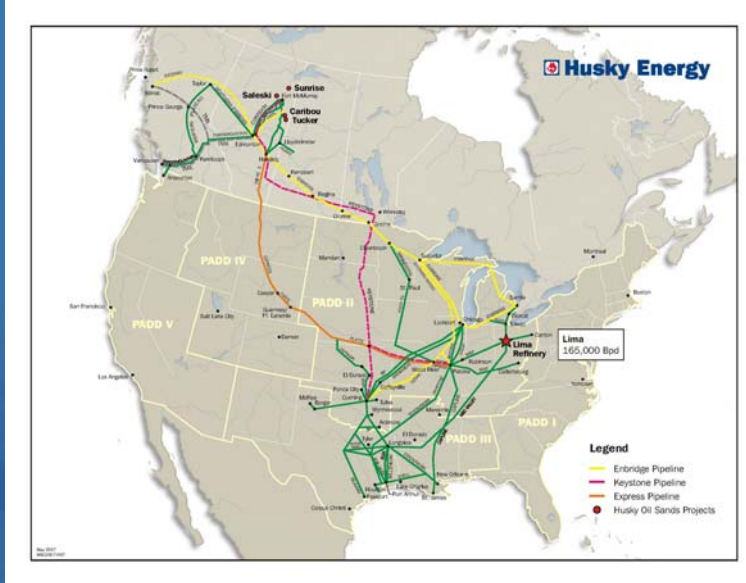
Lima Refinery Acquisition



- Acquired July 1 from Valero for US\$1.9 Billion, plus net working capital
- PADD II refinery with throughput capacity of approximately 165,000 barrels per day
- Reviewing options to reconfigure and expand the refinery to process heavy crude and bitumen
- Once re-configured, the Lima refinery would be an excellent complement to the Sunrise oil sands project
- Refining margins in the US Midwest were at record levels during the second quarter of 2007 and expected to remain strong for the remainder of the year.



Lima Refinery



Lima – Historical Financials



(US\$ millions)

\$ millions	2004	2005	2006
Throughput			
Crude (mmbbls/day)	129.3	143.4	135.7
Market environment			
Chicago 3-2-1 crack (\$/bbl)	\$7.83	\$12.14	\$13.38
Financial performance			
Sales	\$2,374	\$3,712	\$4,119
Cost of sales	2,068	3,181	3,628
Gross margin	306	531	491
Cash operating expenses	128	146	164
EBITDA	178	385	327
Depreciation	9	12	36
Amortization	23	10	3
Operating income (EBIT)	\$146	\$363	\$288

Source: Valero Lima CIM

Ethanol



- **Lloydminster Ethanol Plant**
 - First shipment October 2006
 - NRCan funding of \$7.8 million
 - Synergies with Husky's Lloydminster Upgrader
 - 130 million litres/year of ethanol
 - 130,000 tonnes/ year DDGS, a high protein feed supplement
- **Minnedosa Ethanol Plant**
 - Under construction
 - NRCan funding of \$10.4 million
 - Estimated to be operational in Q4 2007
 - 130 million litres/year of ethanol
 - 130,000 tonnes/ year DDGS, a high protein feed supplement



Key Investment Highlights



Husky Energy Inc.

- High quality and integrated asset portfolio
- Strong internal growth prospects, including a world class oil sands project & exploration successes
- Low cost conventional asset base
- Significant balance sheet strength and financial flexibility
- Track record of financial discipline, strong financial performance & reserve replacement
- Experienced management team that has consistently delivered results

Husky Energy Inc



2006 Overview Record Performance



	2006	2005
Revenue	\$12.7 billion	\$10.2 billion
Cash Flow	\$4.5 billion	\$3.8 billion
Cash Flow per share	\$10.61	\$8.93
Net Earnings	\$2.7 billion	\$2.0 billion
Earnings per share	\$6.43	\$4.72
Debt to Cash Flow	0.4 times	0.5 times
Return on Equity	31.8%	29.2%
Production	360 mboe/day	315 mboe/day
Proved + Probable reserves	2.4 billion bbls	2.3 billion bbls

Financial targets exceeded; dividend doubled, record earnings, revenue and cash flow, financial discipline in projects

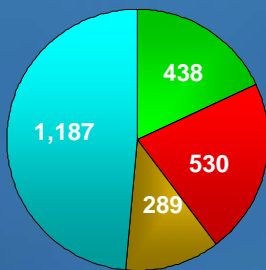
Annual Financial Comparison (\$ millions)



Corporate Reserves As of Dec 31/06 (mmboe)



Proved plus Probable
(1,004 + 1,440) = 2,444 mmboe



Bitumen

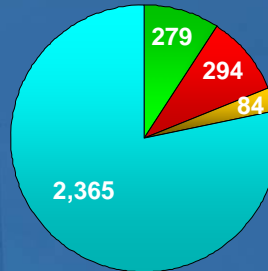
Heavy Oil

Light & Medium Oil & NGL's

Natural Gas (6:1)

- Proved plus Probable reserve life index (2006):
Light/Med Oil & NGL – 10.4 years
Heavy Oil – 7.4 years
Natural Gas – 10.7 years

Possible
3,022 mmboe



- Production replacement (2006) including dispositions & acquisitions: 114%*

*Note: Includes Oil Sands