

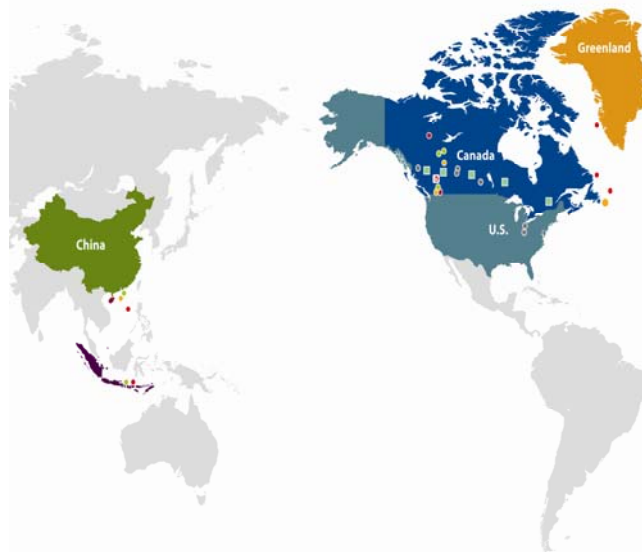


UBS Global Oil and Gas Conference – Austin  
 Rob Peabody, COO  
 May 23, 2012



 Husky Snapshot

- Amongst largest Canadian integrated energy companies
- Listed on the Toronto Stock Exchange (*TSX – HSE, HSE.PR.A*)
  - ~\$25 billion market cap <sup>(1)</sup>
  - ~\$26 billion enterprise value <sup>(1)</sup>
- Growth + Dividend value proposition
- Strong Balance Sheet
- Production ~70% oil bias
- Focused integration to support Heavy Oil and Oil Sands



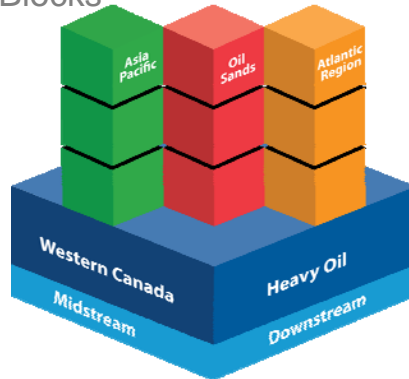
Corporate Head Office  
 Calgary, Alberta, Canada

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

(1) As of March 31, 2012



## Strategic Building Blocks

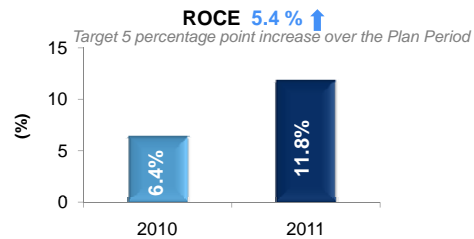
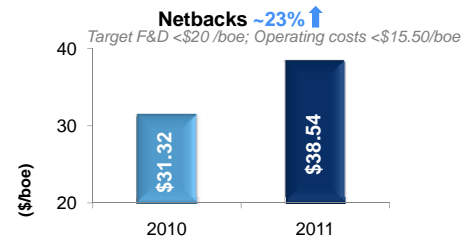
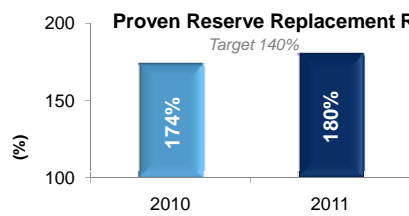
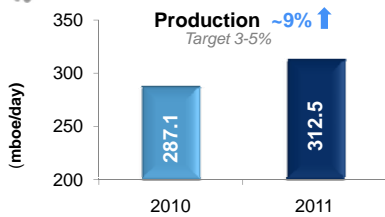


	Near-term 0 – 2 years	Mid-term 3 – 5 years	Long-term 5+ years
<b>Upstream</b>	Acquisitions	Asia Pacific • Oil Sands	Oil Sands • Atlantic Region
	Regenerate the Western Canada and Heavy Oil foundation		
	Value acceleration		
<b>Midstream / Downstream</b>	Support heavy oil and oil sands production • Prudent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

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## Delivering Against Targets



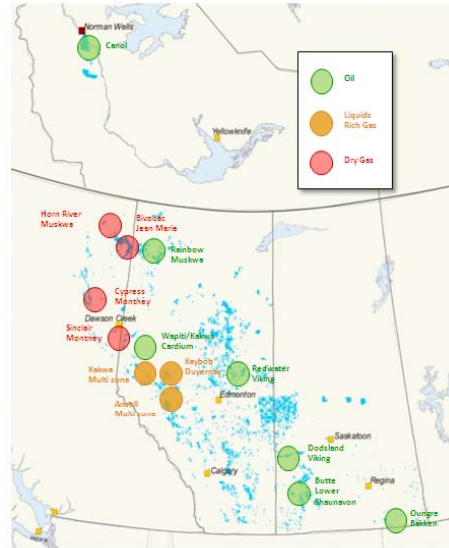
### 2012 Guidance

- 290 – 315 mboe/day production
  - Includes 16,000 bbls/day impact from Atlantic Region offstations
- \$4.7 billion – 2012 CAPEX
  - \$4.1 billion cash outlay
  - ~85% of the total budget is directed towards upstream

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## Foundation – Western Canada

- Maintain production at existing levels through plan
- Transitioning to oil and liquids-rich gas resource plays
- 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



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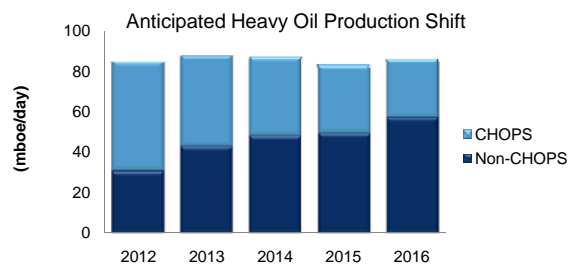
## Resource Play Portfolio Highlights

Resource Play	Primary Formation	Product	Net Acreage (Acres)	Current Production	Planned 2012 Activity
Ansell	Multi-zone	Liquids-rich gas	~160,000	~10,000 boe/day	Drill up to 50 wells Advance infrastructure expansion
Other	Bakken, Viking, Duvernay, Others	Oil, liquids-rich gas, dry gas	~800,000	~4,000 boe/day	Drill and produce ~90 additional wells
Alberta/BC	Muskwa	Oil	~ 400,000	Evaluating	Complete 2011 wells Drill and produce 4 additional wells
NWT	Canol	Oil	~300,000	Evaluating	2 vertical test wells Seismic program
<b>Total</b>			<b>~1,600,000</b>	<b>~14,000 boe/day</b>	<b>Drill and produce ~150 wells</b>

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## Foundation – Heavy Oil

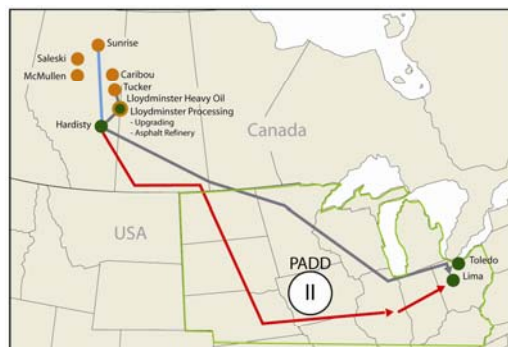
- Pikes Peak South and Paradise Hill expected start-up in 2012
- Initiate Rush Lake and planning for three additional projects underway
- Targeted to increase sustainable thermal production to 35,000 bbls/d by 2016
- Horizontal wells expected to exploit new reservoir horizons 15,000 bbls/d by 2016



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## Foundation – Focused Integration Strategy

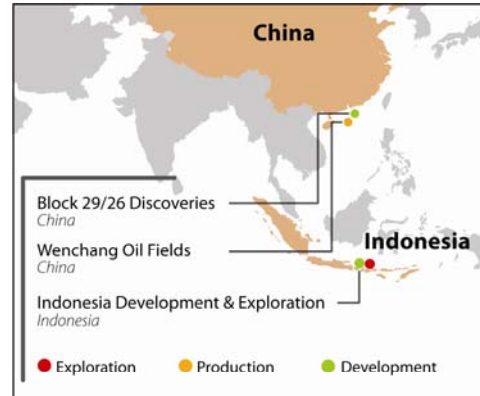
- Improve overall flexibility of:
  - Feedstock
  - Market access
  - Product slate
- Optimize Sunrise / refinery configuration
- Downstream involvement / expertise improves operating flexibility
- Options to access additional markets



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## Growth - Asia Pacific

- Build a sustainable, growth-oriented, material oil and gas business
- Execute Liwan 3-1 and Lihua 34-2 developments as per plan
- Delineate and develop Lihua 29-1 field and Madura Strait gas field discoveries
- Evaluate regional expansion opportunities



Milestone	Planned Timing
Liwan 3-1 1 <sup>st</sup> Gas	2013/2014
Madura 1 <sup>st</sup> Gas	2014
Lihua 29-1 Gas	2014/2015

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## Liwan 3-1 Field Development Progress

### Engineering

- Fully complete

### Drilling

- Drilled all Liwan 3-1 field development wells
- Rig has worked over 1,000 days without an LTI

### Procurement and fabrication

- All major contracts signed (subsea equipment, jacket fabrication, deep water installation, MEG fabrication, onshore gas plant PIC)
- Construction started on subsea equipment, jacket, topsides and gas plant
- All fabrication targeted to be completed by early 2013

### Installation

- Shallow water pipeline installation started
- Deep water pipeline installation expected to begin in 2012
- All installation activities targeted to be completed in 2013
- Gas Plant completion expected by late 2013

Topsides fabrication is proceeding on schedule



Current status of jacket fabrication



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## Indonesia

### Madura Strait PSC

Execute the BD field development

- Estimated initial field gross production
  - 100 mmcf/d (40 mmcf/d net)
  - 6,000 bbls/d NGLs (2,400 bbls/d net)
  - Gas price average approximately US\$5.50/mmbtu

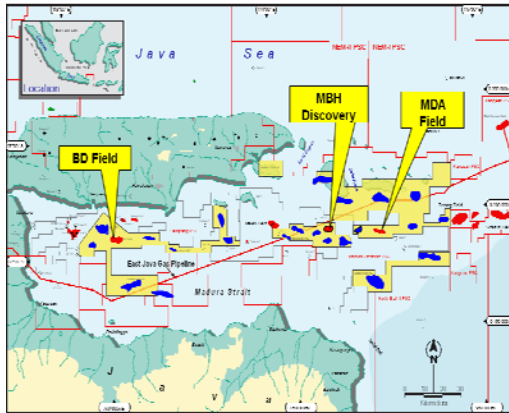
MDA field delineated successfully

- In 2011, appraisal well drilled confirming commercial quantities of hydrocarbons
- First gas expected in mid-2014

MBH successful exploration well

- Considering development options, including cluster development with the MDA field

MDA & MBH Fields are adjacent to the East Java Pipeline into a growth market



• Discoveries • Prospects & Leads • Madura Strait Block

Exploration program for 2012 approved

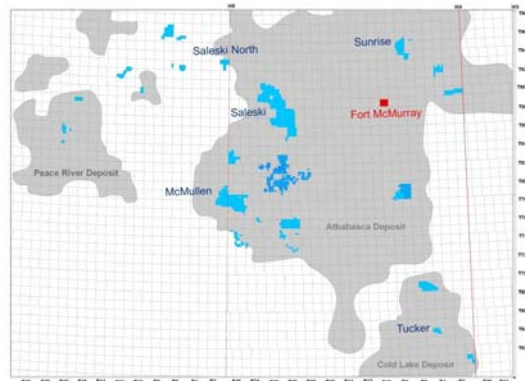
- Excellent remaining potential
- Six - nine new wells and 3D seismic

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## Growth - Oil Sands

- Execute Sunrise Phase 1 on time and on budget
  - Top-tier project utilizing established technologies
- Advance early engineering for Sunrise Phase 2
- 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

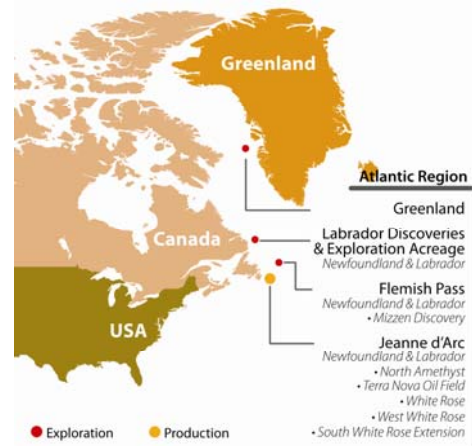
Milestone	Planned Timing
Sunrise 1 <sup>st</sup> Steam	2013
Sunrise 1 <sup>st</sup> Production	2014
Saleski Pilot	2015

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## Growth - Atlantic Region

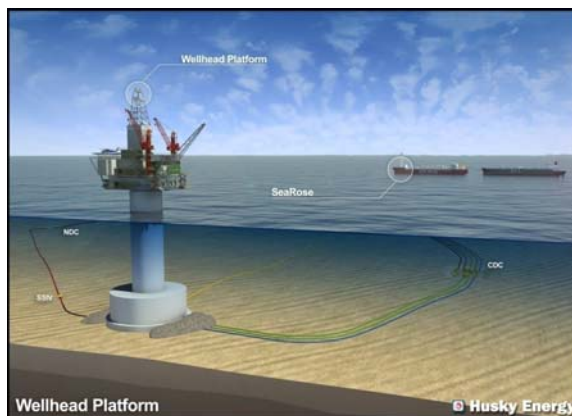
- Execute successful offstation program
- Realize value from existing discoveries
- Continue evaluating under explored basins



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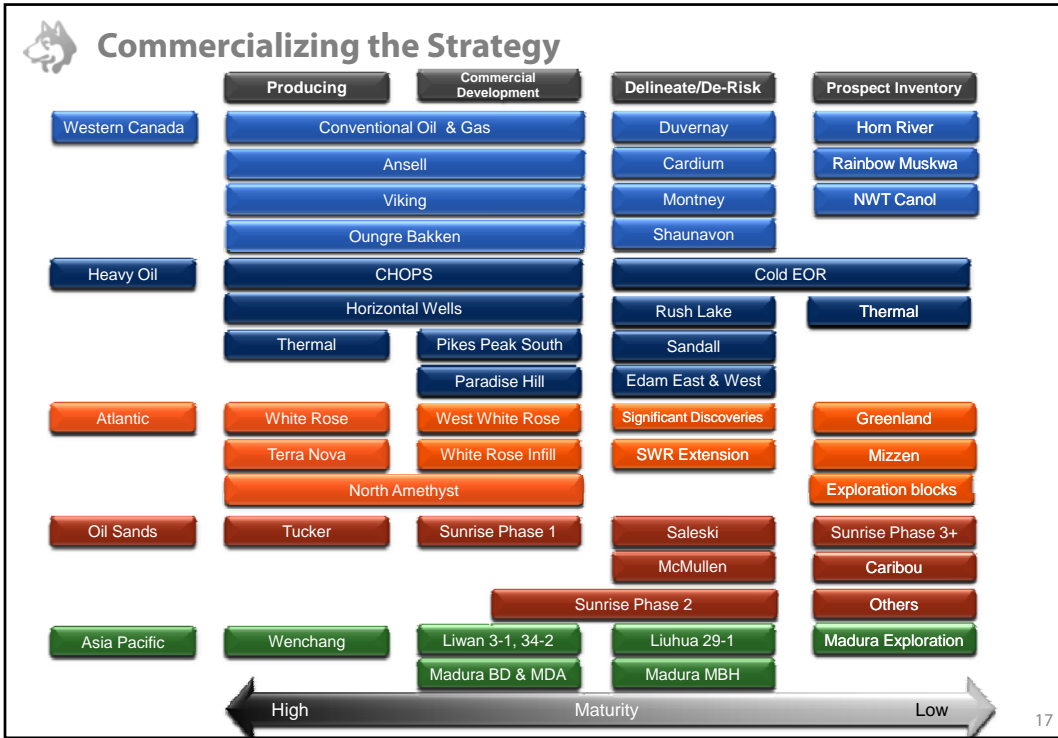
## White Rose Expansion Project

- Test and evaluate West White Rose Pilot as foundation for the White Rose Expansion Project
- Pilot production began in Q3 2011
  - Initial results are good
- Well head / drilling platform preliminary engineering underway
- Improved drilling efficiency
  - Expected to reduce F & D by one-third from current levels
  - Greatly reduced weather downtime
  - Facilitates well interventions for data acquisition, remedial work, and redrills



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### On Course

- Strategy is clear
- Executing against the strategy
- Targets are being achieved
- Balanced growth with strong dividend yield (4% - 5% yield)
- Building on established momentum

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## Advisories

### Forward Looking Statements

Certain statements in this document are forward looking statements within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended, and forward-looking information within the meaning of applicable Canadian securities legislation (collectively "forward-looking statements"). The Company hereby provides cautionary statements identifying important factors that could cause actual results to differ materially from those projected in these 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," "are expected to," "will continue," "is anticipated," "is targeting," "estimated," "intend," "plan," "projection," "could," "aim," "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 document include, but are not limited to, references to:

- with respect to the business, operations and results of the Company generally: the Company's short, medium, and long-term growth strategies and opportunities; implementation and expected benefits of the Company's focused integration strategy; 2012 capital program and production guidance; and 5 -year targets for production growth, netbacks, reserve replacement, and return on capital employed;
- with respect to the Company's Asia Pacific Region: implementation and expected effect of strategic priorities in the region; planned timing of first production at the Company's Asia Pacific properties; facility design and projected timeframe for project development milestones at the Company's Liwan property; anticipated timing of first production and development on the Madura block in Indonesia; exploration and development program for the Madura block for 2012; and estimated initial field gross production rates for the Madura block;
- with respect to the Company's Atlantic Region: implementation and expected effect of strategic priorities in the region; expected effect of the White Rose expansion project on finding and development costs
- with respect to the Company's Oil Sands properties: implementation and expected effect of strategic priorities in the region; anticipated daily production from the Company's Sunrise energy project; cost estimates for Phase 1 of the Company's Sunrise energy project; conceptual development approach at the Company's Saleski property; timing of target pilot bitumen production at Saleski; and expected timing of completion of infrastructure at the Company's Sunrise energy project;
- with respect to the Company's Heavy Oil properties: anticipated timing of production at the Company's Pikes Peak South and Paradise Hill heavy oil properties; expected production from horizontal wells by 2016; and anticipated production shift from non-thermal to thermal through 2016 and daily production range by 2016; and
- with respect to the Company's Western Canadian oil and gas resource plays: 2012 drilling, development and exploration plans.

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## Advisories

In addition, statements relating to "reserves" and "resources" are deemed to be forward-looking statements as they involve the implied assessment based on certain estimates and assumptions that the reserves or resources described can be profitably produced in the future.

Although the Company believes that the expectations reflected by the forward-looking statements presented in this document 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. Information used in developing forward-looking statements has been acquired from various sources including third party consultants, suppliers, regulators and other sources.

Because actual results or outcomes could differ materially from those expressed in any forward-looking statements, investors should not place undue reliance on any such forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes will not occur. Some of these risks, uncertainties and other factors are similar to those faced by other oil and gas companies and some are unique to Husky.

The Company's Annual Information Form for the year ended December 31, 2011 and other documents filed with securities regulatory authorities (accessible through the SEDAR website [www.sedar.com](http://www.sedar.com) and the EDGAR website [www.sec.gov](http://www.sec.gov)) describe 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 securities laws, 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. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are dependent upon other factors, and the Company's course of action would depend upon its assessment of the future considering all information then available.

### **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, less any cash and cash equivalents. Previously, enterprise value did not subtract cash and cash equivalents. 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.

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## Advisories

### 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, 2011. Unless otherwise noted, historical production numbers given represent Husky's share.

The Company uses the term barrels of oil equivalent ("boe"), 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 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 wellhead.

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

Best estimate is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate.

Estimates of contingent resources have not been adjusted for risk based on the chance of development. There is no certainty as to the timing of such development. For movement of resources to reserves categories, all projects must have an economic depletion plan and may require, among other things: (i) additional delineation drilling and/or new technology for unrisksed contingent resources; (ii) regulatory approvals; and (iii) company approvals to proceed with development.

Specific contingencies preventing the classification of contingent resources at the Company's oil sands properties as reserves include further reservoir studies, delineation drilling, facility design, preparation of firm development plans, regulatory applications and company approvals. Development is also contingent upon successful application of SAGD and/or Cyclic Steam Stimulation (CSS) technology in carbonate reservoirs at Saleski, which is currently under active development. Positive and negative factors relevant to the estimate of oil sands resources include a higher level of uncertainty in the estimates as a result of lower core-hole drilling density.

### 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.