



Canada-Newfoundland and Labrador Benefits

QUARTERLY REPORT
JULY 1 – SEPTEMBER 30, 2012

Table of Contents

1.0 Introduction..... 3

2.0 Highlights for the Period..... 3

3.0 White Rose Employment Summary 3

4.0 Procurement Summary (Contracts > \$250,000)..... 5

5.0 Exploration..... 6

6.0 Photographs 7

1.0 Introduction

The following represents Husky Energy's (Husky's) Canada-Newfoundland and Labrador Benefits Report for the quarter ending September 30, 2012, 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 has content breakdown of 52.66% Newfoundland & Labrador, 23.62% Other Canadian, and 23.72% Foreign.

3.0 White Rose Employment Summary

As of September 30, 2012, a total of 1492 people were reported employed on Husky's White Rose Operations of which 785 were located offshore. This includes people employed with Husky and its contractors. Of this total 1332 or 89% were residents of Newfoundland and Labrador when hired, while another 107 or 7% were residents of other regions of Canada at the time of hire. All but one of these positions were located in Newfoundland and Labrador as of September 30, 2012. The number of females employed on White Rose operations was 241 or approximately 16% of the total workforce (Table 3.1).

Note that beginning with this quarterly report, employment statistics for North Amethyst and the West White Rose Pilot Scheme are incorporated into the White Rose project employment statistics. This change in reporting reflects the fact that the development phase of these projects is essentially completed and under the operations phase, these projects simply represent drill centres incorporated into the overall White Rose project. In the case of North Amethyst, an additional drill centre, and in the case of the West White Rose Pilot Scheme, a well pair in the existing Central Drill Centre.

Husky will begin reporting separate employment information for the White Rose Extension Project beginning with the quarterly report for the period October 1, 2012 through December 31, 2012.

Canada-Newfoundland and Labrador Benefits Report
For the Quarter Ending September 30, 2012

Table 3.1 - Employment Summary by Location, as of September 30, 2012




Employment by Location for: **White Rose**
September(2012)

Location	Newfoundland & Labrador			Other Canadian			Non-Canadian			Total Employment
	Male	Female	Sub-Total	Male	Female	Sub-Tota	Male	Female	Sub-Total	
Dartmouth, NS	1	0	1	0	0	0	0	0	0	1
Offshore	701	14	715	55	11	65	5	0	5	785
St. John's	414	202	616	32	10	42	42	5	48	706
TOTAL	1,117	216	1,332	87	20	107	47	5	53	1,492

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

There were no new contracts greater than \$250,000 awarded during the third quarter of 2012. There were 5 contract extensions issued (Table 4.1).

Table 4.1 Summary of Contracts – New and Extended for Q3 2012

Husky East Coast Operations Procurement Summary		2012 Q3					
Description	Vendor Name	Vendor Location	Range	NF	CDN	FOR	Total
Contract Extensions							
Telecommunications Support	Atlantic XL	Newfoundland	F	100%			100%
Valve Maintenance and Storage Services	Score (Eastern Canada) Ltd.	Newfoundland	F	100%			100%
Technical Engineering Services	Maderra Engineering Inc.	Newfoundland	B	100%			100%
Condition Monitoring	SNC-Lavalin Inc.	Newfoundland	B	100%			100%
Heli Flight Suits	Hansen Protection Canada	Newfoundland	B	47%	53%		100%
Cost Range Code Legend							
A = 250,001 - 500,000 \$	E = 2,000,001 - 3,000,000 \$	I = 10,000,001 - 15,000,000 \$	M = 50,000,001 - 75,000,000 \$				
B = 500,001 - 1,000,000 \$	F = 3,000,001 - 5,000,000 \$	J = 15,000,001 - 20,000,000 \$	N = 75,000,001 - 100,000,000 \$				
C = 1,000,001 - 1,500,000 \$	G = 5,000,001 - 7,500,000 \$	K = 20,000,001 - 30,000,000 \$	O = Over 100,000,001 \$				
D = 1,500,001 - 2,000,000 \$	H = 7,500,001 - 10,000,000 \$	L = 30,000,001 - 50,000,000 \$					

5.0 Exploration

The Exploration spend for the third quarter of 2012 was approximately \$10.75 million, with a content breakdown of 17.81% Newfoundland & Labrador, 82.08% Other Canadian, and 0.11% Foreign. This activity is attributed to exploration drilling activities and ongoing work related to identifying future drilling targets.

6.0 Photographs



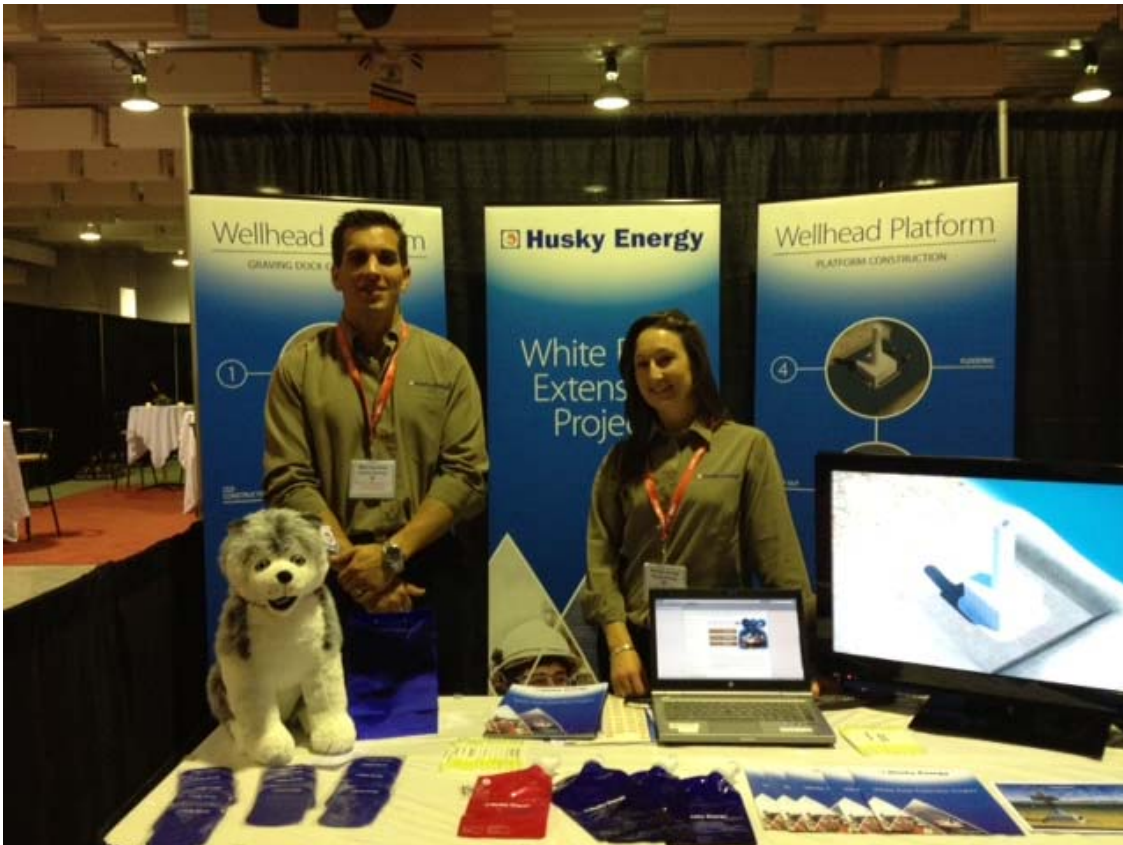
Donation to Daffodil Place – July 2012



Husky Volunteers at Daffodil Place – July 2012



Husky Volunteers for Ready When the Time Comes Training – Canadian Red Cross – July 2012



Placentia Bay Industrial Showcase – September 2012