

News

Expanding the Horizon

Husky Energy Inc.

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For immediate release

Husky Energy Announces White Rose Production Test Results

Calgary, Alberta – Husky Energy Inc. is pleased to advise that the development drilling program for the White Rose project offshore Newfoundland and Labrador is progressing on schedule. Four wells, including an oil producer that underwent testing and three water injectors, have been drilled to date. The production test of the first oil producer began July 20 and was completed on July 25, 2004.

White Rose B 07 2 is a horizontal well, with a horizontal section of approximately 1,200 metres. Based on pressure measurements and flow rate information during the test, the estimated productive capability of the well through permanent production facilities is between 25,000 and 35,000 barrels per day. During the test, oil flowed to the surface at a rate of more than 9,000 barrels per day, the maximum allowed by test facilities on the rig.

“Our first production well successfully confirms the quality and production estimates of the White Rose oilfield,” said Mr. John C.S. Lau, President and Chief Executive Officer, Husky Energy Inc. “We are making good progress in achieving our development target of producing first oil by late 2005 or early 2006.”

Husky Energy also announces it has achieved two other major milestones in the White Rose project:

- The heavy lift campaign, involving the movement of topsides modules onto the *SeaRose FPSO* (Floating Production, Storage and Offloading vessel), was completed in Marystown on July 31. The heavy lift campaign began on June 12 and consisted of 17 lifts over the seven-week program. Lifts of up to 1,250 tonnes were carried out by the Lampson 2600 Trans-lift crane at the Cow Head Fabrication Facility in Marystown. The hook-up and commissioning of the topsides has commenced and will continue until the vessel leaves Marystown for the White Rose field in the third quarter of 2005.
- The towing of the riser buoy from Bay Bulls to the White Rose field began on July 14, 2004. Nine mooring chains have been installed, connecting the buoy to mooring piles previously installed in the seabed. Upon arrival of the *SeaRose FPSO* next year, the riser buoy will be pulled into the turret on the vessel, providing the anchor point for the vessel.

Husky Energy owns 72.5 percent of the White Rose project and is the operator. Peak production for the White Rose oilfield is projected to be 100,000 barrels per day. The project has a total capital cost of \$2.35 billion and probable reserves for the field are estimated to be 200 million to 250 million barrels.

Husky Energy is a Canadian based, integrated energy and energy-related company headquartered in Calgary, Alberta. Husky Energy is a publicly traded company with shares trading on the Toronto Stock Exchange under the symbol HSE.

Certain information in this release may contain forward-looking statements. Actual future results may differ materially. Husky's annual report to shareholders and other documents filed with securities regulatory authorities describe the risks, uncertainties and other factors, such as changes in business plans, drilling results, the uncertainty of estimates and projections of future production, that could influence actual results. Husky assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

For further information, please contact:

Donald Campbell
Manager, Investor Relations & Corporate
Communication
Husky Energy Inc.
(403) 298-6153

Margaret Allan
Manager, Administration & Regulatory Affairs
Husky Energy Inc.
St. John's, NL
(709) 724-3981

Colin Luciuk
Manager, Investor Relations
Husky Energy Inc.
(403) 750-4938