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For immediate release

### **Husky Updates on White Rose Satellite Developments and SeaRose Turnaround**

**St. John's, Newfoundland and Labrador** – Husky Energy Inc. announced today that the company has secured the Transocean owned mobile semi-submersible drilling unit *GSF Grand Banks* for ongoing operations in the White Rose area and for continued exploration and delineation drilling offshore Newfoundland and Labrador, Canada. The three year agreement is valued at approximately \$380 million dollars and has provisions for two additional one year contract extensions.

“Offshore drilling rigs, capable of operating off the East Coast of Canada, continue to be in high demand worldwide,” said Mr. John C.S. Lau, President & Chief Executive Officer of Husky Energy Inc. “The *GSF Grand Banks* has drilled 18 development wells for the White Rose Project and has been drilling in offshore Newfoundland and Labrador since 2002. To move forward with the next phase of White Rose development, Husky is pleased to secure this semi-submersible drilling unit to progress a series of subsea tieback developments.”

#### **Satellite Tieback Developments**

The successful exploration and delineation program around the White Rose field has led to the identification of a number of potential satellite tieback developments. The first of these to be developed will be North Amethyst.

Husky completed front end engineering and a glory hole to accommodate the sub-sea facilities for North Amethyst in 2007. A development plan was submitted and is presently under review by the Canada-Newfoundland and Labrador Offshore Petroleum Board. Pending appropriate government and regulatory approvals, the Company plans to commence North Amethyst development drilling in mid-2008.

Regulatory approval was obtained for development of the South White Rose extension in September 2007. Husky is currently evaluating the results of delineation drilling conducted in 2007 for West White Rose prior to submitting a development application for the project.

#### **Exploration**

Husky is proceeding with a seismic acquisition program offshore Eastern Canada. It includes the acquisition of 2,500 square kilometres of 3D seismic over the White Rose field, the satellite development areas, and portions of five exploration licences in the Jeanne D'Arc basin. Two of the exploration licences are operated by StatoilHydro with Husky having a 50 percent interest.

#### **SeaRose FPSO Turnaround**

Husky has decided to advance the planned maintenance turnaround for the White Rose production vessel, the *SeaRose FPSO*, from the original plan in August 2008 to the first quarter. Weather permitting, the vessel will shut-in production on January 23 for approximately two weeks. The turnaround has also been brought forward to address sediment buildup in the low pressure separator, which is presently curtailing production to approximately 90,000 to 95,000 barrels per day. Combining the planned turnaround with the cleaning of the low

pressure separator, Husky expects that there will be minimal impact on the estimated annual production from White Rose.

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

*Certain statements contained in this news release constitute forward looking statements or information (collectively, "forward looking statements") within the meaning of applicable securities legislation. 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 news release include White Rose satellite tieback development plans, the offshore Eastern Canada seismic acquisition program, plans for the turnaround of the SeaRose FPSO and expectations regarding the impact of the SeaRose turnaround on White Rose annual production. 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 [www.sedar.com](http://www.sedar.com) and the EDGAR website [www.sec.gov](http://www.sec.gov)) describe the risks, uncertainties and other factors, such as drilling results, the 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. Except as required by applicable securities laws, 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.*

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