

February 8, 2010

## Husky Energy Announces Third Discovery in South China Sea

**Calgary, Alberta (February 8, 2010)** –John C.S. Lau, President & Chief Executive Officer of Husky Energy Inc., is pleased to announce that Husky Oil China Ltd., a wholly owned subsidiary of Husky Energy, has made its third significant gas discovery on Block 29/26 in the South China Sea.

The Liuhua 29-1 exploration well was drilled 43 kilometres northeast of the Liwan 3-1 Gas Field and 20 kilometres northeast of the LH 34-2 Gas Field in a water depth of 723 metres. The well encountered a gross gas column of 145 metres, with a significant thickness of high quality gas charged reservoir, and an oil zone was encountered in a deeper reservoir. The well tested natural gas at an equipment restricted rate of 57 million cubic feet (mmcf) per day, with indications that the future deliverability of the well could exceed 90 mmcf per day.

“The exploration discovery at Liuhua 29-1 is the third significant gas discovery in Block 29/26,” said Mr. Lau. “The three natural gas fields; Liwan 3-1, Liuhua 34-2, and Liuhua 29-1 have confirmed the resource potential as a major gas development project in the South China Sea and supports an earlier estimation of petroleum initially in place of 4 to 6 tcf (trillion cubic feet) for the Block. ”

The front end engineering design (FEED) for the Liwan 3-1 Deepwater Project has been completed, Husky expects the Plan of Development for the project to be submitted to the regulatory authorities in early 2010. We anticipate the Liwan 3-1 field and the Liuhua 34-2 field are to be developed in parallel with first gas production from both fields targeted to be in the 2013 timeframe. The new Liuhua 29-1 field, which will be appraised later this year, will utilize the Liwan field infrastructure.

The West Hercules deepwater drilling rig is currently preparing to spud the first delineation well on the Liuhua 34-2 discovery.

Husky started exploring in offshore China in 2002. Husky signed a Petroleum Contract for Block 29/26 in 2004, which is currently 2,230 square kilometres in area. In addition, Husky holds a 40 percent net working interest in a production block at the Wenchang oil field and 100 percent working interest in two other exploration blocks offshore China. Under the Petroleum Contract, CNOOC Limited has the right to participate in any field development projects for up to 51 percent working interest.

Husky Energy is an integrated energy and energy-related company headquartered in Calgary, Alberta, Canada. Husky Energy is a publicly traded company listed on the Toronto Stock Exchange under the symbol HSE. More information is available at [www.huskyenergy.com](http://www.huskyenergy.com).

### FORWARD LOOKING STATEMENTS

*Certain statements in this document are forward-looking statements or information (collectively “forward-looking statements”), within the meaning of the applicable securities legislation. 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 result,” “are expected to,” “will continue,” “is anticipated,” “estimated,” “intend,” “plan,” “projection,” “could,” “vision,” “goals,” “objective” and “outlook”) are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In particular, the forward-looking statements in this news release include: development plans and gas production timeline for the Liwan Deepwater Project and drilling plans for the Liuhua 34-2 discovery. Although Husky believes that the expectations reflected by the forward-looking statements presented in this document are reasonable, Husky’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 Husky 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. Husky’s Annual Information Form 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 which are incorporated herein by reference. 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.

#### *Disclosure of Oil and Gas Information*

*The petroleum initially-in-place disclosed in this news release has been evaluated in accordance with the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101. Petroleum Initially-In-Place is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered. These resources were estimated following the drilling of the Liwan 3-1-1 discovery well in June 2006. Other contingencies may include factors such as adequate economic and market considerations and commitment to develop these resources as well as other factors such as legal, environmental, political and regulatory issues. There is no certainty that it will be commercially viable to produce any portion of the resources.*

#### *Cautionary Notes to U.S. Investors*

*The United States Securities and Exchange Commission (“SEC”) permits U.S. oil and gas companies, in their filings with the SEC, to separately disclose proved, probable and possible reserves that have been determined in accordance with SEC rules. We use certain terms in this news release, such as “petroleum initially-in-place” that the SEC’s guidelines strictly prohibit in filings with the SEC by U.S. oil and gas companies.*

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