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HUSKY ENERGY CLOSES \$1.0 BILLION COMMON SHARE OFFERING

Calgary, Alberta (December 7, 2010) – Husky Energy Inc. (TSX:HSE) (the “Company”) is pleased to announce it has closed its previously announced \$293 million overnight-marketed public offering (the “Public Offering”) and \$707 million concurrent private placement (the “Private Placement”). The Company has received total net proceeds of \$988 million from the combined Public Offering and Private Placement.

Pursuant to the Public Offering, the Company has issued, through a syndicate of underwriters led by RBC Capital Markets and CIBC, a total of 11.9 million common shares at a price of \$24.50 per share for total gross proceeds of approximately \$293 million. The Public Offering was conducted under the Company’s previously filed shelf prospectus (the “Prospectus”) and supplement to the Prospectus.

Pursuant to the Private Placement, the Company has issued a total of 28.9 million common shares to L.F. Investments (Barbados) Limited and Hutchison Whampoa Luxembourg Holdings S.à.r.l. (the “Principal Shareholders”) at a price of \$24.50 per share for a total gross proceeds of approximately \$707 million. RBC Capital Markets and CIBC acted as joint agents on the private placement.

This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction. This news release is not an offer for sale within the United States of any Common Shares or other securities of Husky. Securities of Husky, including Common Shares, may not be offered or sold in the United States absent registration under the U.S. securities laws or exemption from registration under such laws.

Husky Energy Inc. is an integrated energy company headquartered in Calgary, Alberta, Canada. The Company is a publicly traded company listed on the Toronto Stock Exchange under the symbol HSE. For more information about Husky Energy Inc. please visit our web site at www.huskyenergy.com.

All currency is expressed in Canadian dollars unless otherwise noted.

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