



Husky Energy Inc.

News

April 2, 2007

For immediate release

White Rose Production Rate Increase Approved

St. John's, Newfoundland and Labrador - Mr. John C.S. Lau, President & Chief Executive Officer of Husky Energy Inc., today announced that the company has received regulatory and government approval to increase production to 140,000 barrels per day at the White Rose oil field, 350 kilometres southeast of St. John's, Newfoundland and Labrador.

Husky filed documents with the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB), in September 2006 seeking approval to increase annual average production capacity from 100,000 to 140,000 barrels per day. The application followed successful performance testing of the processing facilities on board the *SeaRose FPSO* and the White Rose reservoir.

The Federal and Provincial Governments and the C-NLOPB have approved a production increase to 50 million barrels annually, with a maximum daily rate of 140,000 barrels per day, subject to several technical conditions that relate to safety, conservation and production control.

"Husky continues to see strong performance from the *SeaRose FPSO* and the White Rose reservoir," said Mr. Lau. "Approval to increase production will provide additional value and benefit to all stakeholders and will result in greater operational flexibility for the White Rose oil field."

Current reservoir capacity of 125,000 barrels per day is expected to increase to 140,000 barrels per day with the completion of a seventh production well in mid-2007. Allowing for downtime associated with maintenance, regulatory inspections, drilling rig movements and well tie-in activities, the White Rose oil field is expected to produce on an annual average basis between 120,000 and 125,000 barrels per day.

An application to tie-in production from the South White Rose Extension field is currently undergoing regulatory review. Husky continues to evaluate opportunities to develop newly discovered resources from the West White Rose and North Amethyst fields. Applications to develop these recent discoveries are scheduled to be filed with the C-NLOPB in 2008. These developments will result in significant extension of the production plateau and life of the White Rose oil field. An additional delineation well is planned to further define the West White Rose resource.

Husky Energy is the operator of the White Rose oil field, and holds a 72.5 percent working interest in the project. Petro-Canada holds the remaining 27.5 percent.

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 drilling activities, reservoir capacity and production guidance. 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 and the EDGAR website 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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