



## Husky Energy Begins Steam Operations at Edam East

**Calgary, Alberta (March 1, 2016)** – Husky Energy has commenced steam operations at the Edam East heavy oil thermal project in Saskatchewan, the first of three new thermal projects coming online this year.

The 10,000 barrels per day (bbls/day) Edam East development is expected to produce first oil early in the second quarter.

“Edam East is the latest in our growing suite of heavy oil thermal projects, which are leading our transition into a low sustaining capital business,” said CEO Asim Ghosh. “With the addition of Edam East, Vawn and Edam West we expect to add about 24,500 barrels of new production by the end of 2016.

“With fast build times and quick ramp ups, these projects typically surpass their nameplate capacity in their early years and the operating costs are amongst the lowest to be found anywhere in the industry.”

The Lloyd thermal projects are a key component of the Company’s ongoing transition into a low sustaining capital business. By the end of 2016 more than 40 percent of overall production is expected to come from low sustaining capital projects compared to just eight percent in 2010.

The 10,000 bbls/day Vawn development and the 4,500 bbls/day Edam West project are set to begin production in the third quarter of 2016.

Husky’s integrated Downstream operations further support its thermal business. The Lloyd heavy oil value chain originates with the Company’s extensive resource in the Lloyd area and includes the Saskatchewan Gathering System, the Upgrader and asphalt refinery, and oil storage capacity at Hardisty.

*Husky Energy is one of Canada's largest integrated energy companies. It is headquartered in Calgary, Alberta, Canada and its common shares are publicly traded on the Toronto Stock Exchange under the symbol HSE. More information is available at [www.huskyenergy.com](http://www.huskyenergy.com)*

### For further information, please contact:

#### Investor Inquiries:

Dan Cuthbertson  
Manager, Investor Relations  
Husky Energy Inc.  
403-523-2395

#### Media Inquiries:

Mel Duvall  
Manager, Media & Issues  
Husky Energy Inc.  
403-513-7602

### Forward-Looking Statements

Certain statements in this news release are forward-looking statements and information (collectively “forward-looking statements”), within the meaning of the applicable Canadian securities legislation, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. The forward-looking statements contained in this document are forward-looking and not historical facts.

Some of the forward-looking statements may be identified by 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”, “is targeting”, “estimated”, “intend”, “plan”, “projection”, “could”, “aim”, “vision”, “goals”, “objective”, “target”, “schedules” and “outlook”). In particular, forward-looking statements in this document include, but are not limited to, references to:

- with respect to the business, operations and results of the Company generally: the Company's general strategic plans and growth strategies; and anticipated proportion of total production from low sustaining capital cost projects by the end of 2016;
- with respect to the Company's Heavy Oil properties: expected timing of first oil from the Company's Edam East, Edam West, and Vawn thermal projects; and anticipated volumes of additional production to the Company by the end of 2016 from the Edam East, Edam West, and Vawn thermal projects.

Although the Company believes that the expectations reflected by the forward-looking statements presented in this news release are reasonable, the Company'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 the Company 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.

Because actual results or outcomes could differ materially from those expressed in any forward-looking statements, investors should not place undue reliance on any such forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes will not occur. Some of these risks, uncertainties and other factors are similar to those faced by other oil and gas companies and some are unique to Husky.

The Company's Annual Information Form for the year ended December 31, 2015 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 risks, material assumptions and other factors that could influence actual results and are incorporated herein by reference.

Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable securities laws, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. The impact of any one factor on a particular forward-looking statement is not determinable with certainty as such factors are dependent upon other factors, and the Company's course of action would depend upon its assessment of the future considering all information then available.