



Husky Energy Provides Dividend Rate Notice for Series 1 and 2 Preferred Shares

Calgary, Alberta (March 1, 2016) – Husky Energy is notifying shareholders of the applicable dividend rates of its Cumulative Redeemable Preferred Shares, Series 1 (Series 1 Shares) and Cumulative Redeemable Preferred Shares, Series 2 (Series 2 Shares). The rates were calculated according to the terms of the prospectus supplement dated March 11, 2011.

As previously announced in its Feb. 16, 2016 news release, Husky does not intend to exercise its right to redeem its Series 1 Shares. Subject to certain conditions, the holders of Series 1 Shares have the right to choose one of the following options with regard to their shares:

1. Retain any or all of their Series 1 Shares and continue to receive an annual fixed rate dividend paid quarterly; or
2. Convert, on a one-for-one basis, any or all of their Series 1 Shares into Series 2 Shares and receive a floating rate quarterly dividend.

Holders of Series 1 Shares who choose to retain any or all of their shares will receive the new fixed rate quarterly dividend applicable to the Series 1 Shares of 2.404 percent for the five year period commencing March 31, 2016 to, but excluding, March 31, 2021.

Holders of Series 1 Shares who choose to convert their shares to Series 2 Shares will receive the new floating rate quarterly dividend applicable to the Series 2 Shares of 2.192 percent for the three month period commencing March 31, 2016 to, but excluding, June 30, 2016. The floating rate quarterly dividend will be reset every quarter.

Beneficial owners of Series 1 Shares who wish to exercise the right of conversion should communicate with their broker or other nominee in order to meet the deadline to exercise such right, which is 5 p.m. ET on March 16, 2016. Holders of Series 1 Shares who do not exercise the right of conversion by this deadline will continue to hold Series 1 Shares with the new fixed rate quarterly dividend.

For more information on the terms of, and risks associated with, an investment in the Series 1 Shares and the Series 2 Shares, please see the Company's prospectus supplement dated March 11, 2011 on www.sedar.com.

Husky Energy is one of Canada's largest integrated energy companies. It is headquartered in Calgary, Alberta, Canada and is publicly traded on the Toronto Stock Exchange under the symbols HSE, HSE.PR.A, HSE.PR.C, HSE.PR.E and HSE.PR.G. More information is available at www.huskyenergy.com

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