

News Release

November 3, 2003

Husky Energy Expands China Activities into the East China Sea

Calgary—Husky Energy Inc. announced today that it has signed a petroleum contract with the China National Offshore Oil Corporation (CNOOC) for the 04/35 exploration block in the East China Sea. The block is located 350 kilometres east of the city of Shanghai and covers an area of 4,835 square kilometres, with average water depths of about 100 metres. A single exploration well to 2,500 metres depth is required on the block in the first three years of the contract.

This is the first exploration contract signed by Husky with CNOOC, which demonstrates our interest in expanding our operations into the East China Sea. The 04/35 block is our sixth petroleum contract with CNOOC, and is an excellent opportunity for Husky to gain access into a region with high exploration potential.

Husky currently holds four exploration blocks comprising more than 15,000 square kilometres in the South China Sea and has a 40% working interest, in partnership with CNOOC, in the Wenchang 13-1/2 offshore oil fields. Husky expects its share of production for 2003 from the Wenchang oil fields to average 23,000 barrels per day.

Regarding Husky's exploration activity on the South China Sea blocks, a 1,000 square kilometre, 3-D seismic survey has been completed on Block 23/15. Drilling is expected to proceed in the first half of 2004. A deep water prospect on Block 40/30 has been identified and Husky intends to drill an exploratory well once a rig is secured, in early 2004. Water depth at the location of the 40/30 prospect is approximately 600 metres. Husky has 100 percent interest in all of its exploration blocks, and CNOOC has the right to participate in any development up to 51 percent interest.

Husky Energy Inc. is a Canadian-based integrated energy and energy related company, headquartered in Calgary, Alberta. Husky is a publicly traded company with shares trading on the Toronto Stock Exchange under the symbol HSE.

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For additional information and maps, please see <http://www.huskywenchang.com>

 **Husky Energy**



Map of Exploration Activities