



Interim Supplemental Information *(unaudited)*
For the period ended June 30, 2017

Husky Energy Inc.

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1. Supplemental Financial Information

| | Three months ended | | | | | | | |
|---|--------------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|------------------|
| | Jun. 30 2017 | Mar. 31 2017 | Dec. 31 2016 | Sept. 30 2016 | Jun. 30 2016 | Mar. 31 2016 | Dec. 31 2015 | Sept. 30 2015 |
| <i>(\$ millions, except where indicated)</i> | | | | | | | | |
| Gross revenues and marketing and other | 4,616 | 4,615 | 3,865 | 3,520 | 3,261 | 2,578 | 3,903 | 4,286 |
| Net earnings (loss) by segment | | | | | | | | |
| Upstream ⁽¹⁾ | (34) | 113 | 216 | 1,369 | (193) | (301) | (124) | (4,071) |
| Downstream ⁽²⁾ | 29 | 42 | 59 | 66 | 155 | 62 | 101 | 76 |
| Corporate | (88) | (84) | (89) | (45) | (158) | (219) | (46) | (97) |
| Net earnings (loss) | (93) | 71 | 186 | 1,390 | (196) | (458) | (69) | (4,092) |
| Net earnings (loss) | | | | | | | | |
| Per share – Basic (\$/share) | (0.10) | 0.06 | 0.19 | 1.37 | (0.20) | (0.47) | (0.08) | (4.17) |
| Per share – Diluted (\$/share) | (0.10) | 0.06 | 0.19 | 1.37 | (0.20) | (0.47) | (0.09) | (4.19) |
| Funds from operations ⁽³⁾ | 715 | 661 | 662 | 619 | 505 | 412 | 635 | 682 |
| Per share – Basic (\$/share) | 0.71 | 0.66 | 0.66 | 0.62 | 0.50 | 0.41 | 0.65 | 0.69 |
| Per share – Diluted (\$/share) | 0.71 | 0.66 | 0.66 | 0.62 | 0.50 | 0.41 | 0.65 | 0.69 |
| Total assets | 32,372 | 32,894 | 32,260 | 31,563 | 30,978 | 31,986 | 33,056 | 33,545 |
| Cash and cash equivalents | 2,500 | 2,245 | 1,319 | 1,380 | 20 | — | 70 | — |
| Total debt ⁽⁴⁾ | 5,952 | 6,053 | 5,339 | 5,508 | 6,333 | 6,977 | 6,756 | 6,842 |
| Debt to capital employed (percent) ⁽⁵⁾ | 25.5 | 25.5 | 23.2 | 24.1 | 28.5 | 30.2 | 28.9 | 28.9 |

⁽¹⁾ Upstream includes Exploration and Production and Infrastructure and Marketing.

⁽²⁾ Downstream includes Upgrader, Canadian Refined Products and U.S. Refining and Marketing.

⁽³⁾ Funds from operations is a non-GAAP measure. Refer to section 6 for a reconciliation to the GAAP measure.

⁽⁴⁾ Total debt includes long-term debt, long-term debt due within one year and short-term debt.

⁽⁵⁾ Debt to capital employed is a non-GAAP measure. Refer to section 6.

The following table is a summary of Husky's capital expenditures:

Capital Expenditures Summary⁽¹⁾

| (\$ millions) | Three Months Ended | | | | | Six Months Ended | |
|---|--------------------|-----------------|-----------------|------------------|-----------------|------------------|-----------------|
| | Jun. 30 2017 | Mar. 31 2017 | Dec. 31 2016 | Sept. 30 2016 | Jun. 30 2016 | Jun. 30 2017 | Jun. 30 2016 |
| Upstream | | | | | | | |
| Exploration and Development | | | | | | | |
| Exploration | | | | | | | |
| Western Canada | 11 | 9 | 8 | 6 | 2 | 20 | 4 |
| Thermal Developments | 1 | — | 1 | 1 | 1 | 1 | 4 |
| Atlantic | 3 | 62 | 2 | (3) | 8 | 65 | 19 |
| Asia Pacific ⁽²⁾ | 1 | 2 | 3 | 1 | — | 3 | — |
| | 16 | 73 | 14 | 5 | 11 | 89 | 27 |
| Development | | | | | | | |
| Western Canada | 22 | 30 | 24 | 10 | 37 | 52 | 82 |
| Thermal Developments | 108 | 118 | 113 | 59 | 54 | 226 | 140 |
| Non - Thermal Developments | 21 | 11 | 37 | 6 | 8 | 32 | 8 |
| Atlantic | 87 | 43 | 70 | 52 | 87 | 130 | 104 |
| Asia Pacific ⁽²⁾ | (4) | 4 | 16 | 36 | 51 | — | 62 |
| | 234 | 206 | 260 | 163 | 237 | 440 | 396 |
| Acquisitions | | | | | | | |
| Western Canada | 15 | 10 | — | — | — | 25 | — |
| Thermal Developments | 42 | — | — | 5 | 2 | 42 | 2 |
| Total Exploration and Development | 307 | 289 | 274 | 173 | 250 | 596 | 425 |
| Infrastructure and Marketing ⁽³⁾ | — | — | 3 | (5) | 24 | — | 56 |
| Total Upstream | 307 | 289 | 277 | 168 | 274 | 596 | 481 |
| Downstream | | | | | | | |
| Upgrading | 168 | 21 | 19 | 13 | 13 | 189 | 19 |
| Canadian Refined Products | 37 | 11 | 12 | 3 | 29 | 48 | 37 |
| U.S. Refining and Marketing | 52 | 51 | 67 | 107 | 267 | 103 | 449 |
| Total Downstream | 257 | 83 | 98 | 123 | 309 | 340 | 505 |
| Corporate | 16 | 12 | 16 | 18 | 12 | 28 | 19 |
| Total Company | 580 | 384 | 391 | 309 | 595 | 964 | 1,005 |

⁽¹⁾ Excluding capitalized costs related to asset retirement obligations and capitalized interest incurred during the period.

⁽²⁾ Capital expenditures in Asia Pacific exclude amounts related to the Husky-CNOOC Madura Ltd. joint venture, which is accounted for under the equity method.

⁽³⁾ Subsequent to the second quarter of 2016, capital expenditures in Infrastructure and Marketing excludes amounts related to the Husky Midstream Limited Partnership ("HMLP") joint venture which is accounted for under the equity method.

2. Supplemental Upstream Operating Statistics⁽⁶⁾

The following table summarizes Husky's operating netback analysis by product and area:

| <i>Operating Netback Analysis</i> ⁽⁴⁾ | Three Months Ended | | | | | Six months ended | |
|---|--------------------|-----------------|-----------------|------------------|-----------------|------------------|-----------------|
| | Jun. 30 2017 | Mar. 31 2017 | Dec. 31 2016 | Sept. 30 2016 | Jun. 30 2016 | Jun. 30 2017 | Jun. 30 2016 |
| Upstream | | | | | | | |
| Crude oil equivalent (\$/boe) ⁽²⁾ | | | | | | | |
| Sales volume (mboe/day) | 319.5 | 334.0 | 327.0 | 301.0 | 315.8 | 326.7 | 328.6 |
| Gross revenue (\$/boe) ⁽⁷⁾ | 41.58 | 41.58 | 39.90 | 33.11 | 34.59 | 41.59 | 29.62 |
| Royalties (\$/boe) | 3.14 | 3.47 | 3.46 | 2.01 | 3.12 | 3.32 | 2.41 |
| Production and operating costs (\$/boe) ⁽⁷⁾ | 14.65 | 13.75 | 13.92 | 15.15 | 13.90 | 14.19 | 13.59 |
| Offshore transportation (\$/boe) ⁽³⁾ | 0.26 | 0.19 | 0.20 | 0.25 | 0.27 | 0.23 | 0.28 |
| Operating netback (\$/boe) | 23.53 | 24.17 | 22.32 | 15.70 | 17.30 | 23.85 | 13.34 |
| Depletion, depreciation, amortization and impairment (\$/boe) | 24.28 | 18.24 | 7.93 | 17.11 | 18.81 | 21.21 | 18.46 |
| Administrative expenses and other (\$/boe) | 2.97 | 2.67 | 2.59 | 2.99 | 2.82 | 2.82 | 2.47 |
| Earnings (loss) before taxes (\$/boe) | (3.72) | 3.26 | 11.80 | (4.40) | (4.33) | (0.18) | (7.59) |
| Operating netbacks by commodity | | | | | | | |
| Crude Oil & NGL's Total | | | | | | | |
| Sales volumes (mmbbls/day) | 233.7 | 243.5 | 234.5 | 214.1 | 227.7 | 238.5 | 232.9 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 44.53 | 45.10 | 42.27 | 36.83 | 39.94 | 44.81 | 32.00 |
| Royalties (\$/bbl) | 3.98 | 4.36 | 4.33 | 2.65 | 4.10 | 4.17 | 3.19 |
| Production and operating costs (\$/bbl) ⁽⁷⁾ | 16.18 | 15.05 | 15.80 | 16.79 | 14.66 | 15.61 | 14.59 |
| Offshore Transportation (\$/bbl) ⁽³⁾ | 0.36 | 0.27 | 0.28 | 0.35 | 0.37 | 0.31 | 0.40 |
| Operating netback (\$/bbl) | 24.01 | 25.42 | 21.86 | 17.04 | 20.81 | 24.72 | 13.82 |
| Natural Gas Total⁽²⁾ | | | | | | | |
| Sales volumes (mmcf/day) | 514.8 | 543.1 | 555.4 | 521.3 | 528.8 | 528.9 | 573.9 |
| Gross revenue (\$/mcf) ⁽⁷⁾ | 5.59 | 5.35 | 5.65 | 3.99 | 3.46 | 5.47 | 3.97 |
| Royalties (\$/mcf) | 0.14 | 0.17 | 0.22 | 0.08 | 0.10 | 0.16 | 0.08 |
| Production and operating costs (\$/mcf) ⁽⁷⁾ | 1.75 | 1.71 | 1.52 | 1.85 | 1.99 | 1.73 | 1.86 |
| Operating netback (\$/mcf) | 3.70 | 3.47 | 3.91 | 2.06 | 1.37 | 3.58 | 2.03 |
| Thermal Development | | | | | | | |
| Lloydminster Thermal | | | | | | | |
| Bitumen | | | | | | | |
| Sales volumes (mmbbls/day) | 76.5 | 80.4 | 77.6 | 68.4 | 59.1 | 78.4 | 57.7 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 39.30 | 38.02 | 35.54 | 30.98 | 34.54 | 38.65 | 26.14 |
| Royalties (\$/bbl) | 3.22 | 2.73 | 2.54 | 1.02 | 3.62 | 2.97 | 2.19 |
| Production and operating costs (\$/bbl) ⁽⁷⁾ | 11.94 | 10.41 | 10.98 | 10.24 | 6.31 | 11.16 | 6.46 |
| Operating netback (\$/bbl) | 24.14 | 24.88 | 22.02 | 19.72 | 24.61 | 24.52 | 17.49 |
| Tucker Thermal | | | | | | | |
| Bitumen | | | | | | | |
| Sales volumes (mmbbls/day) | 21.8 | 22.3 | 20.8 | 19.9 | 19.4 | 22.0 | 17.8 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 36.80 | 34.57 | 33.16 | 29.76 | 31.43 | 35.69 | 23.04 |
| Royalties (\$/bbl) | 1.09 | 0.88 | 1.36 | 0.52 | (0.21) | 0.98 | — |
| Production and operating costs (\$/bbl) ⁽⁷⁾ | 11.62 | 10.16 | 10.46 | 9.20 | 5.09 | 10.89 | 6.13 |
| Operating netback (\$/bbl) | 24.09 | 23.53 | 21.34 | 20.04 | 26.55 | 23.82 | 16.91 |
| Sunrise Energy Project | | | | | | | |
| Bitumen | | | | | | | |
| Sales volumes (mmbbls/day) | 19.1 | 17.9 | 16.9 | 15.3 | 9.5 | 18.5 | 9.4 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 30.87 | 23.32 | 26.58 | 22.77 | 7.63 | 27.24 | (3.38) |
| Royalties (\$/bbl) | 0.75 | 0.82 | 0.56 | 0.45 | 0.36 | 0.78 | 0.22 |
| Production and operating costs (\$/bbl) ⁽⁷⁾ | 18.45 | 20.26 | 20.60 | 21.42 | 33.79 | 19.32 | 36.21 |
| Operating netback (\$/bbl) | 11.67 | 2.24 | 5.42 | 0.90 | (26.52) | 7.14 | (39.81) |
| Thermal Development Bitumen Total | | | | | | | |
| Sales volumes (mmbbls/day) | 117.4 | 120.6 | 115.3 | 103.6 | 88.0 | 118.9 | 84.9 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 37.46 | 35.20 | 33.79 | 29.53 | 30.95 | 36.33 | 22.22 |
| Royalties (\$/bbl) | 2.43 | 2.10 | 2.04 | 0.84 | 2.42 | 2.27 | 1.51 |
| Production and operating costs (\$/bbl) ⁽⁷⁾ | 12.94 | 11.83 | 12.30 | 11.69 | 9.01 | 12.38 | 9.68 |
| Operating netback (\$/bbl) | 22.09 | 21.27 | 19.45 | 17.00 | 19.52 | 21.68 | 11.03 |

| | Three Months Ended | | | | | Six months ended | |
|--|--------------------|-----------------|-----------------|------------------|-----------------|------------------|-----------------|
| | Jun. 30 2017 | Mar. 31 2017 | Dec. 31 2016 | Sept. 30 2016 | Jun. 30 2016 | Jun. 30 2017 | Jun. 30 2016 |
| <i>Operating Netback Analysis, continued</i> | | | | | | | |
| Non - Thermal Development⁽⁶⁾ | | | | | | | |
| Medium Oil | | | | | | | |
| Sales volumes (mmbbls/day) | 2.0 | 2.2 | 2.2 | 2.2 | 2.2 | 2.1 | 2.1 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 47.88 | 46.69 | 43.83 | 39.62 | 39.50 | 47.27 | 32.01 |
| Royalties (\$/bbl) | 1.61 | 2.93 | 1.88 | 1.73 | 2.38 | 2.29 | 1.79 |
| Heavy Oil | | | | | | | |
| Sales volumes (mmbbls/day) ⁽⁸⁾ | 42.0 | 46.4 | 42.6 | 43.3 | 45.6 | 44.2 | 47.1 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 42.05 | 41.19 | 36.57 | 35.84 | 35.27 | 41.59 | 26.46 |
| Royalties (\$/bbl) | 4.48 | 3.66 | 3.24 | 3.11 | 2.62 | 4.06 | 1.84 |
| Natural Gas | | | | | | | |
| Sales volumes (mmcf/day) ⁽⁸⁾ | 25.5 | 24.1 | 17.4 | 18.2 | 18.2 | 24.8 | 17.8 |
| Gross revenue (\$/mcf) ⁽⁷⁾ | 2.60 | 2.38 | 2.70 | 1.88 | 0.98 | 2.49 | 1.24 |
| Royalties (\$/mcf) | 0.16 | 0.16 | 0.19 | 0.06 | (0.03) | 0.16 | 0.05 |
| Non - Thermal Development Medium Oil, Heavy Oil & Natural Gas Total ⁽²⁾ | | | | | | | |
| Sales volumes (mboe/day) | 48.3 | 52.6 | 47.7 | 48.5 | 50.8 | 50.4 | 52.2 |
| Gross revenue (\$/boe) ⁽⁷⁾ | 39.96 | 39.37 | 35.66 | 34.50 | 33.72 | 39.64 | 25.60 |
| Royalties (\$/boe) | 4.04 | 3.44 | 3.04 | 2.89 | 2.44 | 3.73 | 1.74 |
| Production and operating costs (\$/boe) ⁽⁷⁾ | 23.22 | 21.13 | 21.04 | 20.33 | 16.23 | 22.14 | 16.29 |
| Operating netback (\$/boe) | 12.70 | 14.80 | 11.58 | 11.28 | 15.05 | 13.77 | 7.57 |
| Western Canada⁽⁶⁾ | | | | | | | |
| Crude Oil | | | | | | | |
| Light Oil and Medium | | | | | | | |
| Sales volumes (mmbbls/day) | 9.8 | 12.3 | 12.9 | 14.3 | 27.4 | 11.1 | 29.2 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 51.84 | 55.96 | 52.08 | 46.98 | 49.61 | 53.91 | 37.56 |
| Royalties (\$/bbl) | 7.30 | 6.46 | 5.63 | 3.73 | 3.79 | 6.84 | 3.79 |
| Heavy Oil | | | | | | | |
| Sales volumes (mmbbls/day) ⁽⁸⁾ | 1.1 | 1.6 | 5.8 | 6.2 | 11.9 | 1.3 | 12.4 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 42.60 | 43.69 | 34.35 | 29.25 | 33.31 | 43.24 | 25.28 |
| Royalties (\$/bbl) | 0.84 | 4.71 | 5.91 | 2.71 | 3.95 | 3.11 | 3.28 |
| Western Canada Crude Oil Total | | | | | | | |
| Total sales volumes (mboe/day) | 10.9 | 13.9 | 18.7 | 20.5 | 39.3 | 12.4 | 41.6 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 50.89 | 54.53 | 46.54 | 41.62 | 44.67 | 52.73 | 33.90 |
| Royalties (\$/bbl) | 6.64 | 6.26 | 5.68 | 3.42 | 3.84 | 6.42 | 3.64 |
| Production and operating costs (\$/bbl) ⁽⁷⁾ | 32.22 | 29.09 | 35.80 | 26.83 | 21.88 | 30.48 | 22.33 |
| Operating netback (\$/bbl) | 12.03 | 19.18 | 5.06 | 11.37 | 18.95 | 15.83 | 7.93 |
| Natural Gas & NGLs | | | | | | | |
| Natural Gas Liquids | | | | | | | |
| Sales volumes (mmbbls/day) | 10.8 | 8.0 | 7.3 | 7.9 | 8.0 | 9.4 | 8.4 |
| Gross revenue (\$/bbl) ⁽⁷⁾ | 27.76 | 41.28 | 38.78 | 29.18 | 31.09 | 33.51 | 28.72 |
| Royalties (\$/bbl) | 8.76 | 12.35 | 10.01 | 7.22 | 7.77 | 10.30 | 6.69 |
| Natural Gas | | | | | | | |
| Sales volumes (mmcf/day) ⁽⁸⁾ | 356.7 | 385.7 | 388.6 | 396.0 | 423.3 | 371.1 | 457.4 |
| Gross revenue (\$/mcf) ⁽⁴⁾⁽⁷⁾ | 2.88 | 2.79 | 2.92 | 2.24 | 1.24 | 2.84 | 1.60 |
| Royalties (\$/mcf) ⁽⁴⁾⁽⁵⁾ | (0.08) | (0.01) | 0.04 | (0.06) | (0.02) | (0.04) | (0.08) |
| Western Canada Natural Gas & NGLs Total ⁽²⁾ | | | | | | | |
| Total sales volumes (mmcf/day) | 421.5 | 433.7 | 432.4 | 443.4 | 471.3 | 427.5 | 507.8 |
| Gross revenue (\$/mcf) ⁽⁷⁾ | 3.15 | 3.24 | 3.28 | 2.52 | 1.64 | 3.20 | 1.92 |
| Royalties (\$/mcf) | 0.16 | 0.22 | 0.21 | 0.08 | 0.11 | 0.19 | 0.04 |
| Production and operating costs (\$/mcf) ⁽⁷⁾ | 1.98 | 1.97 | 1.71 | 1.99 | 2.09 | 1.97 | 1.94 |
| Operating netback (\$/mcf) | 1.01 | 1.05 | 1.36 | 0.45 | (0.56) | 1.04 | (0.06) |

| | Three Months Ended | | | | | Six months ended | |
|---|--------------------|-----------------|-----------------|------------------|-----------------|------------------|-----------------|
| | Jun. 30 2017 | Mar. 31 2017 | Dec. 31 2016 | Sept. 30 2016 | Jun. 30 2016 | Jun. 30 2017 | Jun. 30 2016 |
| Operating Netback Analysis, continued | | | | | | | |
| Atlantic | | | | | | | |
| Light Oil | | | | | | | |
| Sales volumes (mmbbls/day) | 38.0 | 39.6 | 34.3 | 24.8 | 32.7 | 38.8 | 36.6 |
| Gross revenue (\$/bbl) | 66.36 | 70.53 | 69.19 | 61.05 | 61.83 | 68.48 | 55.30 |
| Royalties (\$/bbl) | 6.27 | 9.86 | 11.92 | 7.14 | 10.44 | 8.10 | 7.71 |
| Production and operating costs (\$/bbl) | 15.82 | 14.64 | 14.85 | 28.07 | 20.27 | 15.22 | 16.92 |
| Offshore Transportation (\$/bbl) ⁽³⁾ | 2.19 | 1.64 | 1.93 | 3.01 | 2.57 | 1.91 | 2.52 |
| Operating netback (\$/bbl) | 42.08 | 44.39 | 40.49 | 22.83 | 28.55 | 43.25 | 28.15 |
| Asia Pacific | | | | | | | |
| Light Oil | | | | | | | |
| Sales volumes (mmbbls/day) | 6.2 | 6.6 | 5.5 | 6.3 | 7.1 | 6.4 | 7.2 |
| Gross revenue (\$/bbl) | 67.44 | 70.45 | 68.65 | 54.35 | 60.34 | 68.99 | 50.50 |
| Royalties (\$/bbl) | 4.80 | 4.79 | 4.68 | 3.75 | 4.17 | 4.80 | 3.31 |
| NGLs | | | | | | | |
| Sales volumes (mboe/day) | 6.4 | 6.2 | 8.6 | 5.5 | 4.8 | 6.3 | 5.0 |
| Gross revenue (\$/boe) | 55.21 | 60.33 | 53.04 | 44.83 | 45.94 | 57.73 | 43.34 |
| Royalties (\$/boe) | 3.11 | 3.48 | 3.00 | 2.57 | 2.59 | 3.30 | 2.41 |
| Natural Gas | | | | | | | |
| Sales volumes (mmcf/day) | 132.6 | 133.3 | 149.4 | 107.1 | 87.3 | 133.0 | 98.7 |
| Gross revenue (\$/mcf) | 13.44 | 13.31 | 13.10 | 10.86 | 14.81 | 13.38 | 15.45 |
| Royalties (\$/mcf) | 0.71 | 0.71 | 0.68 | 0.57 | 0.78 | 0.71 | 0.80 |
| Asia Pacific Light Oil, NGLs & Natural Gas Total ⁽²⁾ | | | | | | | |
| Total sales volumes (mboe/day) | 34.7 | 35.0 | 39.0 | 29.7 | 26.5 | 34.9 | 28.7 |
| Gross revenue (\$/boe) | 73.61 | 74.59 | 71.60 | 58.99 | 73.28 | 74.10 | 73.35 |
| Royalties (\$/boe) | 4.15 | 4.20 | 3.97 | 3.33 | 4.16 | 4.18 | 4.00 |
| Production and operating costs (\$/boe) | 7.56 | 5.96 | 6.54 | 7.89 | 9.91 | 6.76 | 9.09 |
| Operating netback (\$/boe) | 61.90 | 64.43 | 61.09 | 47.77 | 59.21 | 63.16 | 60.26 |

⁽¹⁾ The operating netback includes results from Upstream Exploration and Production and excludes results from Upstream Infrastructure and Marketing. Operating netback is a non-GAAP measure. Refer to section 6.

⁽²⁾ Includes associated co-products converted to boe and mcf.

⁽³⁾ Includes offshore transportation costs shown separately from price received.

⁽⁴⁾ Includes sulphur sales revenues/royalties.

⁽⁵⁾ Alberta Gas Cost Allowance reported exclusively as gas royalties.

⁽⁶⁾ In the third quarter of 2016, Husky completed the sale of its ownership interest in select midstream assets. These assets are held by HMLP, of which Husky has a 35% investment in. Husky's investment is considered a joint venture and is prospectively being accounted for using the equity method.

⁽⁷⁾ Transportation expenses for Western Canada, Non - Thermal Development and Thermal Development has been deducted from both gross revenue and production and operating costs to reflect the actual price received at the oil and gas lease.

⁽⁸⁾ In the first quarter of 2017, approximately 6.0 mboe/day equivalent of heavy oil and natural gas production was transferred from Western Canada to Non - Thermal Development.

3. Supplemental Downstream Operating Statistics

| | Three Months Ended | | | | Six months ended | | |
|--|--------------------|-----------------|-----------------|------------------|------------------|-----------------|-------|
| | Jun. 30 2017 | Mar. 31 2017 | Dec. 31 2016 | Sept. 30 2016 | Jun. 30 2016 | Jun. 30 2016 | |
| Upgrader and Refinery Selected Operating Data | | | | | | | |
| Upgrader | | | | | | | |
| Upgrader throughput (mbbls/day) ⁽¹⁾ | 41.1 | 77.9 | 66.5 | 69.2 | 76.9 | 59.4 | 77.3 |
| Total sales (mbbls/day) | 40.3 | 76.2 | 66.9 | 69.7 | 76.5 | 58.2 | 77.4 |
| Synthetic crude oil sales (mbbls/day) | 30.3 | 54.1 | 50.0 | 53.3 | 59.8 | 42.1 | 58.8 |
| Upgrading differential (\$/bbl) | 18.70 | 20.88 | 20.36 | 19.45 | 20.85 | 19.79 | 21.55 |
| Unit margin (\$/bbl) | 22.63 | 19.83 | 18.85 | 17.00 | 21.12 | 20.79 | 20.66 |
| Unit operating cost (\$/bbl) ⁽²⁾ | 14.44 | 6.99 | 8.01 | 6.75 | 5.72 | 9.58 | 5.40 |
| Canadian Refined Products | | | | | | | |
| Prince George Refinery throughput (mbbls/day) | 9.7 | 11.8 | 11.8 | 9.7 | 5.1 | 10.7 | 8.1 |
| Lloydminster Refinery throughput (mbbls/day) | 19.5 | 28.0 | 28.4 | 26.7 | 28.2 | 23.5 | 28.1 |
| Ethanol production (thousands of litres/day) | 709.9 | 839.6 | 865.8 | 796.3 | 809.2 | 774.4 | 810.0 |
| Number of fuel outlets ⁽³⁾ | 476 | 480 | 480 | 481 | 482 | 478 | 482 |
| Fuel sales volume (millions of litres/day) | 6.5 | 6.4 | 6.6 | 6.8 | 6.8 | 6.5 | 6.5 |
| Fuel sales per retail outlet (thousands of litres/day) | 11.8 | 11.5 | 12.0 | 12.4 | 11.6 | 11.6 | 11.3 |
| U.S. Refining and Marketing | | | | | | | |
| Lima Refinery throughput (mbbls/day) | 174.1 | 172.0 | 165.1 | 155.6 | 103.9 | 173.1 | 115.7 |
| BP-Husky Toledo Refinery throughput (mbbls/day) | 71.1 | 77.0 | 78.8 | 58.4 | 41.2 | 74.0 | 55.1 |
| Refining margin (U.S. \$/bbl crude throughput) | 7.42 | 8.33 | 9.86 | 7.34 | 16.46 | 7.87 | 9.00 |
| Refinery inventory (mmbbls) ⁽⁴⁾ | 8.4 | 8.6 | 10.8 | 11.2 | 11.1 | 8.4 | 11.1 |

⁽¹⁾ Upgrader throughput includes diluent returned to the field.

⁽²⁾ Based on throughput.

⁽³⁾ Average number of fuel outlets for period indicated.

⁽⁴⁾ Included in refinery inventory is feedstock and refined products.

4. Common Share Information

| | Three months ended | | | | | | | |
|--|--------------------|-----------------|-----------------|------------------|-----------------|-----------------|-----------------|------------------|
| | Jun. 30 2017 | Mar. 31 2017 | Dec. 31 2016 | Sept. 30 2016 | Jun. 30 2016 | Mar. 31 2016 | Dec. 31 2015 | Sept. 30 2015 |
| Number of common shares outstanding, except where indicated (millions) | | | | | | | | |
| Period end | 1,005.5 | 1,005.5 | 1,005.5 | 1,005.5 | 1,005.5 | 1,005.5 | 984.3 | 984.1 |
| Weighted average – basic | 1,005.5 | 1,005.5 | 1,005.5 | 1,005.5 | 1,005.5 | 1,003.1 | 984.3 | 984.1 |
| Weighted average – diluted | 1,005.5 | 1,005.5 | 1,005.5 | 1,005.5 | 1,005.5 | 1,003.1 | 984.3 | 984.1 |
| Share price – HSE: TSX (\$/share) | | | | | | | | |
| High | 16.61 | 17.42 | 17.35 | 17.22 | 18.10 | 17.09 | 23.50 | 24.41 |
| Low | 14.71 | 14.94 | 13.92 | 15.01 | 14.35 | 11.34 | 14.03 | 20.43 |
| Close | 14.72 | 15.01 | 16.29 | 16.07 | 15.77 | 16.17 | 14.31 | 20.81 |
| Ordinary quarterly dividend per common share | — | — | — | — | — | — | — | 0.30 |

5. Cautionary Note Required by National Instrument 51-101

The Company uses the term barrels of oil equivalent ("boe"), which is consistent with other oil and gas producers' disclosures, and is calculated on an energy equivalence basis applicable at the burner tip whereby one barrel of crude oil is equivalent to six thousand cubic feet of natural gas. The term boe is used to express the sum of the total company products in one unit that can be used for comparisons. Readers are cautioned that the term boe may be misleading, particularly if used in isolation. This measure is used for consistency with other oil and gas companies and does not represent value equivalency at the wellhead.

6. Non-GAAP Measures

Husky uses measurements primarily based on IFRS and also on secondary non-GAAP measurements. The non-GAAP measurements included in this Interim Supplemental Information are: debt to capital employed, funds from operations and operating netback. None of these measurements are used to enhance the Company's reported financial performance or position. These are useful complementary measurements in assessing Husky's financial performance, efficiency and liquidity. With the exception of funds from operations, there are no comparable measures in accordance with IFRS. The non-GAAP measurements do not have a standardized meaning prescribed by IFRS and therefore are unlikely to be comparable to similar measures presented by other users. They are common in the reports of other companies but may differ by definition and application.

Debt to capital employed is calculated as long-term debt, long-term debt due within one year, and short-term debt divided by capital employed. Capital employed is equal to long-term debt, long-term debt due within one year, short-term debt and shareholders' equity. Management believes this measurement assists management and investors in evaluating the Company's financial strength.

Operating netback is a common non-GAAP metric used in the oil and gas industry. Management believes this measurement assists management and investors to evaluate the specific operating performance by product at the oil and gas lease level. The operating netback is determined as gross revenue less royalties, production and operating costs and transportation costs on a per unit basis.

This Interim Supplemental Information contains the term "funds from operations," which should not be considered an alternative to, or more meaningful than "cash flow – operating activities" as determined in accordance with IFRS, as an indicator of Husky's financial performance. Funds from operations is presented in Husky's financial reports to assist management and investors in analyzing operating performance by business in the stated period. Funds from operations equals cash flow – operating activities plus change in non-cash working capital.

Funds from operations has been restated in order to be more comparable to similar non-GAAP measures presented by other companies. Changes from prior period presentation include the removal of adjustments for settlement of asset retirement obligations and deferred revenue. Prior periods have been restated to conform to current presentation.

The following table shows the reconciliation of net losses to funds from operations and related per share amounts for the periods noted:

| (\$ millions) | Three months ended June 30, | | Six months ended June 30, | |
|--|-----------------------------|-------|---------------------------|-------|
| | 2017 | 2016 | 2017 | 2016 |
| Net loss | (93) | (196) | (22) | (654) |
| Items not affecting cash: | | | | |
| Accretion | 29 | 33 | 57 | 67 |
| Depletion, depreciation, amortization and impairment | 862 | 697 | 1,562 | 1,419 |
| Exploration and evaluation expenses | 4 | 30 | 5 | 30 |
| Deferred income taxes | (57) | (108) | (51) | (115) |
| Foreign exchange loss (gain) | 15 | 12 | (2) | 13 |
| Stock-based compensation | 8 | 8 | 9 | 25 |
| Loss (gain) on sale of assets | (33) | 96 | (31) | 98 |
| Unrealized mark to market loss (gain) | 18 | (83) | (32) | 40 |
| Share of equity investment loss | (23) | 1 | (48) | 2 |
| Other | 5 | (2) | (3) | (3) |
| Settlement of asset retirement obligations | (20) | (23) | (68) | (45) |
| Deferred revenue | — | 40 | — | 40 |
| Change in non-cash working capital | 98 | (43) | 58 | (333) |
| Cash flow - operating activities | 813 | 462 | 1,434 | 584 |
| Change in non-cash working capital | (98) | 43 | (58) | 333 |
| Funds from operations | 715 | 505 | 1,376 | 917 |
| Funds from operations – basic | 0.71 | 0.50 | 1.37 | 0.91 |
| Funds from operations – diluted | 0.71 | 0.50 | 1.37 | 0.91 |