



## What to Expect From Husky Energy in 2014

### Description

**Husky Energy** (TSX: HSE) sees 2014 as the year it really hits its stride. After consistently investing in its future, the company is set to begin to reap the rewards of those investments. Let's take a closer look at what investors can expect.

### The rise of Asia

Topping the list of projects coming online is Liwan, which is the cornerstone of Husky's Asia Pacific growth pillar. It's the first of several big projects the company expects will contribute to its big year in 2014. Liwan, which is a partnership between Husky and the China National Offshore Oil Corporation is the largest investment in the company's history. Husky sees first gas from Liwan coming online early in 2014.

Husky has several other projects in Asia Pacific that will fuel future growth. The company made a new natural gas discovery offshore Indonesia that followed for shallow water discoveries in 2012. Investors should expect to see Asia rise to be an important contributor to Husky's future growth.

### First oil from the oil sands

Husky, along with partner **BP** ([NYSE: BP](#)) expect to see the Sunrise Energy Project in the oil sands deliver its first oil by the end of 2014. It's estimated that Sunrise holds 3.7 billion barrels of bitumen reserves. The \$2.5 billion first phase of Sunrise is expected to produce about 60,000 barrels per day, which is split evenly between Husky and BP. Looking ahead the partners are already engaged in pre-engineering work for phase two of Sunrise.

### An ocean of opportunity

First oil from the Husky operated South White Rose extension is expected to be delivered in late 2014. The company sees this project unlocking about 20 million barrels of oil over its lifetime. However, it's just one of many projects that Husky has planned in the Atlantic.

The biggest news from 2013 was the discovery by Husky and its partner **Statoil** (NYSE: STO) of [massive amounts of oil](#) in the Flemish Pass Basin. The Statoil led discoveries, in which Husky owns a 35% working interest, are believed to hold several hundred million barrels of oil. In 2014, Husky and Statoil will continue drilling in the area in an effort to further assess the economic potential of an oil development. Investors should keep watch to see when these discoveries can be turned into oil production as well as any additional discoveries in the region.

### Investor takeaway

Husky Energy expects 2014 to be a big year. The company sees its oil production growing from 312,000 barrels of oil equivalent per day in 2013 up to a high of 355,000 barrels of oil equivalent per day in 2014. However, the company and its investors have a lot more to look forward to as the company has tremendous growth prospects beyond next year as well making Husky a solid oil company to hold for the long-term.

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