

## Headnote

Multilateral Instrument 11-102 *Passport System* and National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* – Revocation of order exempting issuer from requirements in NI 51-101 that qualified reserves evaluator or auditor be independent from the issuer, that an independent qualified reserves evaluator or auditor execute the required annual filing – issuer intends to engage independent qualified oil and gas reserves evaluators or auditors and to require such independent qualified reserves evaluator or auditor to complete and execute Form 51-101F2 in accordance with NI 51-101.

## Applicable Legislative Provisions

National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*; section 214 of the *Securities Act* (Alberta); section 144 of the *Securities Act* (Ontario)

**Citation: Re Husky Energy Inc., 2019 ABASC 17**

**Date: 20190128**

In the Matter of  
the Securities Legislation of  
Alberta and Ontario (the **Jurisdictions**)  
and

In the Matter of  
the Process for Exemptive Relief Applications in Multiple Jurisdictions  
and

In the Matter of  
Husky Energy Inc. (the **Filer**)

## Revocation

## Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) revoking the decision of the Decision Makers dated December 17, 2010 (cited as *Re Husky Energy Inc.*, 2010 ABASC 586) which exempted the Filer from the requirements contained in the Legislation:

- (a) that the qualified reserves evaluators or auditors appointed under section 3.2 of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* (**NI 51-101**) be independent of the Filer and that each of the qualified reserves evaluators or auditors who execute the report required under item 2 of section 2.1 of NI 51-101 (the **Evaluator Report**) be independent of the Filer (collectively, the **Independent Evaluator Requirement**); and
- (b) that the Evaluator Report be in accordance with Form 51-101F2 *Report on [Reserves Data][,][Contingent Resources Data][and][Prospective Resources Data]* by Independent Qualified Reserves Evaluator or Auditor (**Form 51-101F2**)

and that the report required under item 3 of section 2.1 of NI 51-101 (the **Management Report**) be in accordance with Form 51-101F3 *Report of Management and Directors on Oil and Gas Disclosure* (**Form 51-101F3** and, together with Form 51-101F2, the **Related Form Requirements**), to the extent necessary for such reports to reflect changes which are consequential to the exemption from the Independent Evaluator Requirement

(the **NI 51-101 Decision**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual passport application):

- (a) the Alberta Securities Commission is the principal regulator for this application;
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Nunavut, Yukon and Northwest Territories; and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

### **Interpretation**

Terms defined in National Instrument 14-101 *Definitions* or MI 11-102 have the same meanings if used in this decision, unless otherwise defined.

### **Representations**

This decision is based on the following facts represented by the Filer:

1. The Filer is a corporation existing under the *Business Corporations Act* (Alberta).
2. The Filer's head office is located in Calgary, Alberta.
3. The Filer is a reporting issuer in each of the provinces of Canada.
4. The Filer is not in default of securities legislation in any jurisdiction of Canada.
5. The authorized capital of the Filer consists of an unlimited number of common shares (the **Husky Shares**) and an unlimited number of preferred shares, issuable in series. As at November 30, 2018 there were 1,005,121,738 Husky Shares issued and outstanding.
6. The Husky Shares are listed for trading on the Toronto Stock Exchange (the **TSX**) under the symbol "HSE".
7. In connection with amendments to NI 51-101 that became effective on December 30, 2010, Husky applied for and received the NI 51-101 Decision.

8. Husky intends, commencing for the year ending December 31, 2018, to engage an independent qualified oil and gas reserves evaluator or auditor in respect of Husky's reserves reporting under NI 51-101 and to require such independent qualified reserves evaluator or auditor to complete and execute Form 51-101F2 in accordance with NI 51-101, and to complete and execute Form 51-101F3 in accordance with NI 51-101.

**Decision**

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the NI 51-101 Decision is revoked.

**For the Commission:**

*“original signed by”*

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Tom Cotter  
Vice-Chair

*“original signed by”*

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Kari Horn  
Vice-Chair