News Release

FOR IMMEDIATE RELEASE

August 8, 2000
2:30 p.m. MST

Husky Oil - Second Quarter 2000 Results

CALGARY, Alberta – Husky Oil Limited (Husky Oil) today reported second quarter and first half financial and operating results. “Strong commodity prices, combined with financial discipline and an expanding asset base, resulted in Husky Oil’s successful performance during the second quarter,” said Chief Executive Officer John C.S. Lau.

Highlights of the Company’s financial performance in the second quarter of 2000 compared to the second quarter of 1999 are:

81% increase in earnings before ownership charges(1) to $85 million
61% increase in cash flow to $219 million
36% increase in light/medium crude oil and NGL production to 34,700 Bbls/d
28% increase in heavy oil production to 52,000 Bbls/d
35% increase in pipeline throughput volume to 498,000 Bbls/d

1 Ownership charges represent organization of current shareholders’ holdings in Husky Oil and will be eliminated on approval of the Plan of Arrangement to merge Husky Oil with Renaissance Energy.

Merger Announced

On June 19, Husky Oil and Renaissance Energy Ltd. jointly announced their agreement to merge to become Husky Energy Inc. through a Plan of Arrangement. Following a special meeting of Renaissance shareholders on August 21, 2000 and obtaining the requisite approval of shareholders, court and regulatory agencies, Husky Energy will be one of Canada’s largest integrated energy companies effective August 25, 2000.

“Husky Energy’s pro forma financial statements illustrate the exceptional performance offered by the proposed merger,” said Lau. “With pro forma combined net earnings of approximately $290 million and pro forma combined cash flow of more than $800 million for the first half of 2000, Husky Energy would be poised to capitalize on the opportunities inherent in its excellent mix of assets and expertise.”

Husky Energy Inc. Selected Pro Forma Information

The selected pro forma combined information presented here is based on the assumptions described in the notes to the Husky Energy Inc. pro forma combined financial statements in Appendix A.

	For the Six Months Ended June 30, 2000 (millions of dollars)		
	Husky Oil	Renaissance	Pro Forma Combined
Net Income	$ 156[1]	$ 139	$ 293
Sales and operating revenues	1,969	645	2,613
Funds flow from operations	410	449	840
Capital expenditures	285	538	823
Production (before royalties)			
Natural gas (Mmcf/d)	240	392	632
Crude oil and NGLs (Mbbls/d)	86	94	180

(1) Earnings before ownership charges

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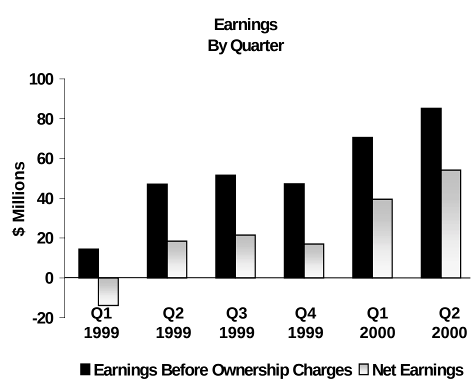
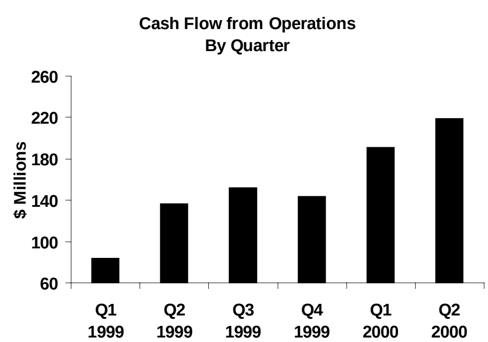
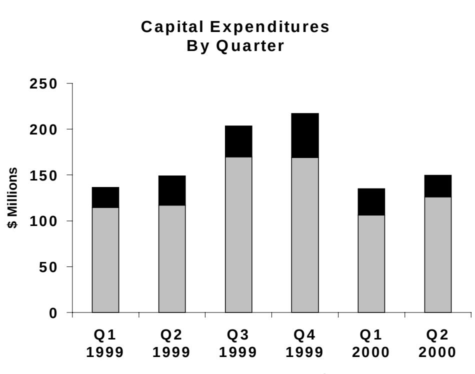
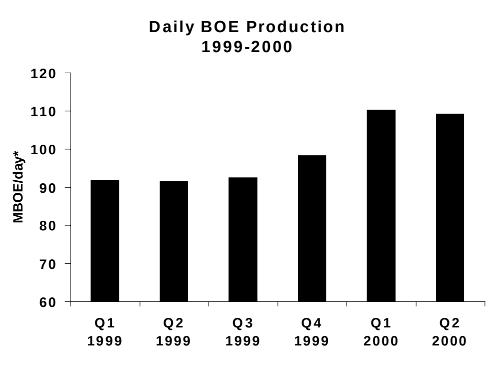
Earnings before ownership charges for Husky Oil were $85 million for the second quarter of 2000 compared with $47 million during the same period in 1999. Cash flow was $219 million compared with $136 million during the second quarter of 1999. Capital expenditures amounted to $150 million for the second quarter of 2000 compared to $149 million in the second quarter of 1999.









Operational Highlights

- Husky Oil more than doubled upstream capital expenditures in the Western Canada Sedimentary Basin during the second quarter of 2000 compared to the second quarter of 1999 as the price environment strengthened. An expanded drilling program led to average heavy oil production volumes of 52,000 Bbls/d in the second quarter - a 28% increase over the same period in 1999.

- Light/medium crude oil and natural gas liquids (NGLs) volumes grew to 34,700 Bbls/d in the second quarter of 2000 compared to 25,500 Bbls/d for the same period in 1999, due in part to a property swap. Natural gas production was down from 256 Mmcf/d during the second quarter of 1999 to 224 Mmcf/d for the same period in 2000 due to plant restrictions, a scheduled plant maintenance turnaround, and declines in certain North East British Columbia properties.

- Offshore Newfoundland, Terra Nova oilfield construction was 86% complete as of June 30, and the Terra Nova Floating Production Storage and Offloading facility (FPSO) arrived at the Bull Arm site on May 17. The lifting of the topsides onto the FPSO was completed in June and hookup and commissioning has now commenced.

- As operator of the White Rose oilfield, Husky Oil drilled the delineation well H-20 in the second quarter and data evaluation continues. Work is also proceeding on the Development Plan Application for White Rose.

- Husky Oil, as operator, drilled the Cape Race exploration well N-68 offshore Newfoundland. The well was plugged and abandoned and the rig was released without testing. No further drilling is anticipated at this time.

- Higher industry crude oil production in the Lloydminster area of Alberta and Saskatchewan led to a 35% increase in pipeline throughput to an average of 498,000 Bbls/d in the second quarter of 2000. The financial impact of lower synthetic crude sales volumes caused by a scheduled maintenance turnaround at the Lloydminster Upgrader was offset by a higher upgrading differential. The turnaround was completed in May, ahead of schedule and under original cost projections.

- Building on the strength of its established infrastructure positions, the Company successfully commissioned the Meridian Cogeneration Plant (50% owned) located on the site of the Lloydminster Upgrader in Saskatchewan (late December 1999) and the Hussar gas storage facility in southern Alberta (April 2000). The Hussar facility handled 125 Mmcf/d of Husky Oil and third-party gas volumes in May, with June storage volumes exceeding 12 Bcf.

- In the downstream business, lower margins for light oil and asphalt refined products resulted from higher feedstock costs which could not be immediately recovered in the market place.

First Half Results 2000

Consolidated six-month earnings before ownership charges for Husky Oil were $156 million in the first half of 2000, up from $62 million for the same period in 1999. Cash flow for the first half of 2000 was $410 million compared with $221 million in 1999. Capital expenditures for the first six months of 2000 and the first half of 1999 remained constant at $285 million. The six-month results were influenced primarily by the same factors that affected second quarter performance.

Financial Summary (unaudited)	Three months ended June 30,		Six months ended June 30,	
	2000	1999	2000	1999
	(millions of dollars)			
Earnings before ownership charges	$ 85.3	$ 47.1	$ 155.9	$ 61.5
Ownership charges[1]	31.2	28.5	62.3	56.8
Net earnings	54.1	18.6	93.6	4.7
Sales and operating revenues	1,018.2	620.7	1,969.2	1,100.4
Cash flow from operations	219.0	136.4	410.3	220.5
Capital expenditures	149.9	148.9	285.0	285.4

(1) Ownership charges represent interest on the subordinated shareholders' loans and dividends on Class C shares. Capitalizing interest to principal or issuing Class C shares has historically paid those charges. Earnings before ownership charges, therefore, represent earnings available for interest, dividends or other distributions to the shareholders. Earnings before ownership charges is not intended to be a substitute for net earnings.

Forward-looking Statements

The contents of this news release may contain forward-looking statements including expectations of future production and capital expenditures. Information concerning reserves may also be deemed to be forward-looking statements as such estimates involve the implied assessment that the resources described can be economically produced in the future. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated. These risks include, but are not limited to, the inherent risks of the oil and gas industry. Such risks may include operational risks in exploration, development and production; potential delays or changes in plans regarding projects; the uncertainty of reserves estimates; the uncertainties regarding estimates of production, costs, and health, safety and environmental risks, commodity price, exchange and interest rate fluctuation.