

News Release

Calgary April 30, 2001 For Immediate Release

HUSKY ENERGY ANNOUNCES INTENTION TO ACQUIRE REMAINING SHARES OF AVID OIL & GAS

Husky Energy Inc. ("Husky Energy") and Avid Oil & Gas Ltd. ("Avid"), both of Calgary, announced today that Husky Oil Operations Limited ("Husky"), Husky's subsidiary, and Avid have signed a letter agreement under which Husky will offer to acquire all remaining shares not currently held by Husky. Husky currently owns approximately 38% of Avid, as a result of the acquisition of Renaissance Energy in August 2000. This agreement is subject to due diligence and the execution of a pre-acquisition agreement.

Waterous & Co. has acted as the financial advisor to Husky Energy in this transaction. Griffiths McBurney & Partners has acted as the financial advisor to Avid. Avid has established an independent committee of its directors, which will retain an independent valuator to prepare a valuation of Avid.

Under the terms of the agreement, Husky has agreed to offer to acquire all remaining Class A shares (approximately 14.6 million shares fully diluted) of Avid, at a price of Cdn \$5.85 per share and all of the Class B shares (approximately 843,000 shares) of Avid, at a price of \$10.00 per share, for a total consideration of approximately \$93.8 million (Canadian).

The offer represents a premium of approximately 23% over Avid's 30-day average closing price of the Class A shares prior to announcement.

The offer will be subject to normal closing conditions, including the receipt of regulatory approvals and holders of not less than 51% of the Class A shares (other than Husky and its affiliates) and 66.7% of the Class B shares tendering into the offer. The agreement also provides for a break fee of \$0.05 per share on a fully diluted basis if terminated under certain circumstances.

Avid's operations are in the Provost region, West Central and the Peace River Arch of Alberta. Key properties include Thompson Lake, Pine Creek, Edson, Bigoray, Gordondale, Fourth and Hines Creek. Avid currently produces approximately 5,800 barrels of oil equivalent (BOE) per day and has 11.6 million BOE of proved reserves, as well as approximately 100,000 net acres of undeveloped acreage.

(more)

Husky Energy Inc. (TSE: HSE) is a Canadian-based integrated energy and energy-related company headquartered in Calgary, Alberta. Husky Energy's operations include exploring for and developing crude oil and natural gas reserves; producing, purchasing, transporting and marketing crude oil, natural gas, natural gas liquids, and sulphur and petroleum coke; cogenerating electrical and thermal energy, upgrading and refining crude oil; and marketing refined petroleum products. Husky Energy is publicly traded on The Toronto Stock Exchange under the symbol HSE.

Avid Oil & Gas Ltd. (TSE: AVO.A and AVO.B) is a junior oil and gas exploration and production company operating in Western Canada with headquarters in Calgary, Alberta. Avid completed its initial public offering in July 1997 and began trading on the Alberta Stock Exchange (now the Canadian Venture Exchange) on August 15, 1997 and on The Toronto Stock Exchange on April 15, 2000.

-30-

For information contact:

Danielle Infuso
Manager, Investor Relations
(403) 298-6376

Michael Lawrence
Manager, Corporate Communications
(403) 298-6587

Avid Oil & Gas Ltd.
Allen Bey
President and CEO
(403) 303-8200