



September 6, 2005

For immediate release

Low Sulphur Gasoline at Husky's Prince George Oil Refinery

Prince George, B.C. – Husky Energy announced that its Prince George Oil Refinery is now producing low sulphur gasoline following the successful completion of the first phase of the Company's Clean Fuels Project.

"Husky Energy is committed to manufacturing environmentally friendly fuels," said Mr. John C.S. Lau, President & Chief Executive Officer, Husky Energy Inc. "We are very pleased with the operational improvements that have been achieved at the Prince George Oil Refinery."

"The low sulphur gasoline produced at the refinery meets the Government of Canada's new fuel specifications and will also benefit the environment by reducing vehicle emissions in central and northern B.C.," added Mr. Lau. "This project complements our ethanol infrastructure at Lloydminster and further shows our commitment to producing more environmentally responsible fuels for consumers."

Construction on the low sulphur gasoline component of the Clean Fuels project began in July 2004 and was completed in August 2005. Completion of the second phase of the Clean Fuels Project is scheduled for the second quarter of 2006. This phase will allow the Prince George Oil Refinery to produce ultra-low sulphur diesel and will also increase overall capacity to 12,000 barrels per day from 10,000 barrels per day.

More than 250,000 person-hours have been expended on the Clean Fuels Project site, with a zero lost-time accident (LTA) rate. Contractors and vendors from Prince George and in British Columbia have provided a significant supply of labour, equipment and materials for this project.

Husky Energy is a Canadian based, integrated energy and energy-related company headquartered in Calgary, Alberta. Husky Energy is publicly traded on the Toronto Stock Exchange under the symbol HSE.

Certain information in this release may contain forward-looking statements. Actual future results may differ materially. Husky's annual report to shareholders and other documents filed with securities regulatory authorities describe the risks, uncertainties and other factors, such as changes in business plans, drilling results, the uncertainty of estimates and projections of future production, that could influence actual results. Husky assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

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