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For immediate release

Husky Energy Updates Northwest Territories Discovery

Calgary, Alberta – Husky Energy, operator of block EL 397 containing the Summit Creek B-44 discovery, announced that the ownership consortium has completed a 2-D seismic program and plans to drill two wells in 2006. Husky Energy assumed operatorship on May 1, 2005 of Block EL 397, in the Central Mackenzie Valley area of the Northwest Territories, Canada, which was announced as a hydrocarbon discovery on March 30, 2005.

The Summit Creek B-44 well, was drilled on EL 397, which lies in the foothills of the Mackenzie Mountains, 110 kilometres south of the town of Norman Wells. The B-44 well spud on January 16, 2004 and was drilled to a depth of 3,063 metres, cased to total depth and suspended. A completion and testing program conducted from January through March 2005 confirmed several productive intervals in a 180-metre hydrocarbon-bearing column. Two intervals were perforated and tested at combined rates of approximately 20 million cubic feet per day of natural gas and in excess of 6,000 barrels per day of light oil and condensate, with 1,000 barrels per day of water from one of the intervals.

Summit Creek B-44 represents the first hydrocarbon discovery in the Central Mackenzie Valley since Norman Wells was discovered in 1920. Husky and its partners hold EL 397 and adjacent lands totalling 2,400 square kilometres in the Central Mackenzie Valley area. Husky completed a 200-kilometre 2-D seismic program on EL 397 this summer and plans to drill two wells in the Summit Creek area commencing in January 2006. In 2005, Husky held public consultation sessions on the Sahtu region to share information on its proposed exploration plans. One of the wells will assess the size of the pool discovered by Summit Creek B-44. The other exploration well will test a separate undrilled prospect.

Husky Energy is the operator and holds a 29.4775 percent working interest in EL 397. Partners in EL 397 are Northrock Resources, 32.5 percent; EOG Resources Canada Inc. (NYSE: EOG), 26.3975 percent; Pacific Rodera Energy Inc. (TSX-V: PRD), 6.625 percent and International Frontier Resources Corp. (TSX-V: IFR), 5.0 percent.

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 statements contained in this presentation, including statements which may contain words such as “could”, “expect”, “believe”, “will”, “projected”, “estimated” and similar expressions and statements relating to matters that are not historical facts are forward-looking statements and are based on Husky’s current belief as to the outcome and timing of such future events. 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 and estimated amounts and timing of capital expenditures, drilling results and changes in estimates of future production that could influence actual results.

The Company's disclosure of proved oil and gas reserves and other information about its oil and gas activities has been made based on reliance of an exemption granted by the Canadian Securities Administrators. The exemption permits the Company to make these disclosures in accordance with requirements in the United States. These requirements and, consequently, the information presented may differ from Canadian requirements under National Instrument 51-101, "Standards of Disclosure for Oil and Gas Activities." The proved oil and gas reserves disclosed in this presentation have been evaluated using the U.S. standards contained in Rule 4-10 of Regulation S-X of the Securities Exchange Act of 1934. The probable (and other classes) oil and gas reserves disclosed in this presentation have been evaluated in accordance with the Society of Petroleum Engineers.

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For further information, please contact:

Colin Luciuk
Manager, Investor Relations
Husky Energy Inc.
(403) 750-4938