

HUSKY ENERGY INC.

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON**

May 2, 2002

MANAGEMENT INFORMATION CIRCULAR

March 26, 2002

HUSKY ENERGY INC.

**707 - 8th Avenue S.W.
Calgary, Alberta
T2P 1H5**

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the annual meeting (the "Meeting") of holders of common shares ("Common Shares") of Husky Energy Inc. (the "Corporation") will be held in the Imperial Ballroom at the Hyatt Regency, 700 Centre Street S.E. Calgary, Alberta on the 2nd day of May, 2002 at 10:30 a.m. (Calgary time), for the following purposes:

1. To receive the annual report of the board of directors to the shareholders and the consolidated audited financial statements of the Corporation for the fiscal year ended December 31, 2001;
2. To elect the board of directors for the ensuing year;
3. To appoint KPMG LLP, Chartered Accountants, of Calgary, Alberta, as auditors of the Corporation; and
4. To transact such other business as may be properly brought before the Meeting or any adjournment or adjournments thereof.

The details of all matters proposed to be put before shareholders at the Meeting are set forth in the Management Information Circular accompanying this Notice of Meeting. At the Meeting, shareholders will be asked to approve each of the foregoing items.

Only shareholders of record at the close of business on March 25, 2002 are entitled to notice of and to attend the annual meeting or any adjournment or adjournments thereof and to vote thereat.

DATED at the City of Calgary, in the Province of Alberta this 26th day of March, 2002.

BY ORDER OF THE BOARD OF DIRECTORS

"James D. Girgulis"
James D. Girgulis
Vice President, Legal and Corporate Secretary

IMPORTANT

It is desirable that as many Common Shares as possible be represented at the Meeting. If you do not expect to attend and would like your Common Shares represented, please complete the enclosed form of proxy and return it as soon as possible in the envelope provided for that purpose. In accordance with the by-laws of the Corporation, all proxies, to be valid, must be deposited at the office of the Registrar and Transfer Agent of the Corporation, Computershare Trust Company of Canada, 600, 530 - 8th Avenue S.W., Calgary, Alberta T2P 3S8, no later than 10:30 a.m. (Calgary time) on April 30, 2002.

HUSKY ENERGY INC.

ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 2, 2002

MANAGEMENT INFORMATION CIRCULAR

This Information Circular is furnished in connection with the solicitation of proxies by the management of Husky Energy Inc. ("Husky" or the "Corporation") for use at the annual meeting of the holders of common shares (the "Common Shares") of the Corporation to be held on the 2nd day of May, 2002 at 10:30 a.m. (Calgary time), or at any adjournment thereof (the "Meeting"), for the purposes set forth in the Notice of Meeting. The information contained herein is given as of the 15th day of March, 2002, except where otherwise indicated. There is enclosed herewith a form of proxy for use at the Meeting, together with a copy of the Corporation's Annual Report containing the financial statements of the Corporation to be presented at the Meeting. Each shareholder who is entitled to attend at meetings of shareholders is encouraged to participate in the Meeting and shareholders are urged to vote in person or by proxy on matters to be considered.

APPOINTMENT AND REVOCATION OF PROXIES

Those shareholders desiring to be represented by proxy must deposit their respective forms of proxy with Computershare Trust Company of Canada ("Computershare") at 600, 530 - 8th Avenue S.W. Calgary, Alberta T2P 3S8 by no later than 10:30 a.m. (Calgary time) on April 30, 2002 or on the second last business day preceding any adjournment of the Meeting. A proxy must be executed by the shareholder or by his or her attorney authorized in writing, or if the shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized. A proxy is valid only at the Meeting in respect of which it is given or any adjournment of the Meeting.

Each shareholder submitting a proxy has the right to appoint a person to represent him, her or it at the Meeting other than the persons designated in the form of proxy furnished by the Corporation. The shareholder may exercise this right by striking out the names of the persons so designated and inserting the name of the desired representative in the blank space provided, or by completing another form of proxy and in either case depositing the proxy with Computershare at the place and within the time specified above for the deposit of proxies.

A proxy may be revoked by the person giving it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the shareholder or his or her attorney authorized in writing, or if the shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized, and deposited with Computershare at the place and within the time specified above for the deposit of proxies. The close of business on March 25, 2002 is the record date for the determination of shareholders who are entitled to notice of, and to attend and vote at, the Meeting (the "Record Date").

Shareholders who do not hold their Common Shares in their own name (referred to herein as "beneficial shareholders") are advised that only proxies from shareholders of record can be recognized and voted upon at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Corporation. Such Common Shares will more likely be

registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the beneficial shareholder. Without specific instructions, brokers/nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Corporation do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held, and directors and officers of the Corporation do not necessarily know for whose benefit the Common Shares registered in the name of any broker or agent are held. Beneficial shareholders who complete and return a form of proxy must indicate thereon the person (usually a brokerage house) who holds their Common Shares as a registered shareholder. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from beneficial shareholders in advance of shareholders' meetings. Every intermediary (broker) has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The form of proxy supplied to beneficial shareholders is identical to that provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the beneficial shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Independent Investor Communications Corporation ("IICC"). IICC typically applies a special sticker to the proxy forms, mails those forms to the beneficial shareholders and asks beneficial shareholders to return the proxy forms to IICC. IICC then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A beneficial shareholder receiving a proxy with an IICC sticker on it cannot use that proxy to vote Common Shares directly at the Meeting. The proxy must be returned to IICC well in advance of the Meeting in order to have the Common Shares voted.**

All references to shareholders in this Information Circular and the accompanying form of proxy and Notice of Meeting are to shareholders of record, unless specifically stated otherwise.

EXERCISE OF DISCRETION

The Common Shares represented by the enclosed form of proxy will be voted or withheld from voting in accordance with the instructions of the shareholder where voting is by way of a show of hands or by ballot. **The persons appointed under the enclosed form of proxy are conferred with discretionary authority with respect to amendments or variations of those matters specified in the proxy and Notice of Meeting and with respect to any other matters which may properly be brought before the Meeting or any adjournment thereof. If any such matters should come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote such proxy in accordance with their best judgment unless the shareholder has specified to the contrary or that Common Shares are to be withheld from voting. At the time of printing this Information Circular, the management of the Corporation is not aware of any such amendment, variation, or other matter.**

Unless otherwise specified, proxies in the accompanying form will be voted in favour of the election of the nominees, hereinafter set forth, as directors of the Corporation (provided that in the event that a vacancy among such nominees occurs because of death or for any other reason prior to the Meeting, proxies shall not be voted with respect to such vacancy) and in favour of the appointment of KPMG LLP, Chartered Accountants as auditors of the Corporation.

PERSONS MAKING THE SOLICITATION

This solicitation is made on behalf of the management of the Corporation. The cost incurred in the preparation and mailing of both the proxy and this Information Circular will be borne by the

Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefor.

In accordance with National Policy Statement No. 41, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As at March 15, 2002, the Corporation had 417,305,401 Common Shares outstanding. Each Common Share confers upon the holder thereof the right to one vote. Only those shareholders of record on the Record Date are entitled to notice of, and to attend and vote at the Meeting. Any transferee or person acquiring Common Shares after the Record Date may, on proof of ownership of Common Shares, demand of Computershare not later than 10 days before the Meeting that his name be included in the list of persons entitled to attend and vote at the Meeting.

To the knowledge of the directors and senior officers of the Corporation, as at March 15, 2002 no person or company beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the voting rights attached to all of the outstanding Common Shares of the Corporation other than as set forth below:

<u>Name</u>	<u>Type of Ownership</u>	<u>No. of Common Shares</u>	<u>Percentage of Common Shares</u>
U.F. Investments (Barbados) Ltd.	Beneficial and of Record	146,381,446 ⁽¹⁾	35.1%
L.F. Investments (Barbados) Ltd.	Beneficial and of Record	137,419,318 ⁽²⁾	32.9%
H.F. Investments (Barbados) Ltd.	Beneficial and of Record	14,936,883 ⁽³⁾	3.6%

NOTES:

- (1) U.F. Investments (Barbados) Ltd. also owns 252,237 transferable common share purchase warrants of the Corporation. Each common share purchase warrant is exercisable at a price of \$0.01 for 1.857 Common Shares in accordance with the terms of such warrants as summarized in note (4) below for an aggregate of up to 468,405 Common Shares. U.F. Investments (Barbados) Ltd. is 100% indirectly owned by Hutchison Whampoa Limited of which Mr. Li Ka-shing is the Chairman. Trusts of which Mr. Li and members of his family are discretionary beneficiaries hold an indirect 33.3% interest in Cheung Kong (Holdings) Limited, which holds an indirect 49.9% interest in Hutchison Whampoa Limited. Mr. Li holds an indirect 2.855% interest in Cheung Kong (Holdings) Limited.
- (2) L.F. Investments (Barbados) Ltd. also owns 236,794 transferable common share purchase warrants of the Corporation. Each common share purchase warrant is exercisable at a price of \$0.01 for 1.857 Common Shares in accordance with the terms of such warrants as summarized in note (4) below for an aggregate of up to 439,727 Common Shares. L.F. Investments (Barbados) Ltd. is 100% indirectly owned by Mr. Li Ka-shing and trusts of which Mr. Li and members of his family are discretionary beneficiaries, and is indirectly controlled by Mr. Li through the ownership of voting preferred shares.

- (3) H.F. Investments (Barbados) Ltd. also owns 25,739 transferable common share purchase warrants of the Corporation. Each common share purchase warrant is exercisable at a price of \$0.01 for 1.857 Common Shares in accordance with the terms of such warrants as summarized in note (4) below for an aggregate of up to 47,796 Common Shares. H.F. Investments (Barbados) Ltd. is indirectly owned by Mr. Li Ka-shing.
- (4) The common share purchase warrants were issued pursuant to the Plan of Arrangement with Renaissance Energy Ltd. ("Renaissance") completed on August 25, 2000 and are only exercisable if and when the stock options of Renaissance, which were exchanged for stock options of the Corporation pursuant to the Plan of Arrangement (the "Exchanged Options"), are exercised. The common share purchase warrants expire on a pro rata basis as the Exchanged Options are cancelled or expire.

EXECUTIVE COMPENSATION

The Corporation's executive compensation program (the "Compensation Program") is governed by the Compensation Committee of the board of directors of the Corporation. Among its responsibilities, the Compensation Committee will make recommendations to the board with respect to compensation of the executive officers of the Corporation and also review and monitor the design and competitiveness of major new compensation programs. During 2001, no new compensation programs were introduced.

C.K.N. Fok, Chairman of the Board, is also Chairman of the Compensation Committee. R.G. Greene, H. Kluge, E.L. Kwok and F.J. Sixt serve as committee members.

Report on Executive Compensation

The Compensation Program is designed to attract, motivate, reward and retain the management talent needed to achieve the Corporation's business objectives. It is intended to align the interests of the executive officers with those of the Corporation's shareholders. Based on a pay-for-performance philosophy, it rewards executive officers on the basis of individual performance and corporate performance.

The Corporation participates in an annual compensation survey, conducted by independent consultants, of the salary, benefit and other incentive programs in effect with comparative oil and gas companies in Canada ("Survey"). The Survey is employed as a reference by the Compensation Committee in its deliberations. The executive compensation of the Corporation is comprised of four major components: base salaries, a short-term incentive program, a long-term incentive plan and benefit plans. In 2001 the Corporation continued to conduct surveys to stay abreast of current trends.

Base Salary

The base salary of the President & Chief Executive Officer, and of each of the other executive officers, is determined by the Compensation Committee based on the level of responsibility and the experience of the individual, the relative importance of the position to the Corporation and the performance of the individual during the relevant period. Business and other economic factors are considered as well. Although greater emphasis is placed on incentive compensation, the Compensation Committee considers that a competitive base salary for all employees of the Corporation is a key factor in achieving and maintaining the Corporation's desired competitive positioning in the oil and gas industry. The Corporation uses a variety of salary surveys to establish a guideline for its salary ranges.

Short-term Incentive Program

The purpose of the corporate bonus plan is to relate a component of compensation directly to annual corporate results for its employees, including the executive officers. The intent is that each key

employee at a certain level may earn a bonus equal in amount to a percentage of the key employee's annual base salary.

Long-term Incentive Compensation (Incentive Stock Option Plan)

The purpose of the Incentive Stock Option Plan (the "Plan") is to enable the Corporation in appropriate circumstances to offer ownership interests in the Corporation through stock options in order to assist the Corporation and its subsidiaries to attract and retain directors, officers and employees of outstanding ability, competence and potential. It is important that this compensation element be used to align the perspective of key employees to those of a shareholder.

Pursuant to the Plan, the board of directors may, on the recommendation of the Compensation Committee, grant to directors, officers and employees of the Corporation (each an "Eligible Person") options to purchase Common Shares of the Corporation. The exercise price at which Common Shares may be purchased pursuant to an option is established at the time such option is granted and will not be less than the weighted average trading price per Common Share on The Toronto Stock Exchange (the "TSE") for the five days preceding the grant date, or if the Common Shares are not listed on the TSE or any other stock exchange, at a price determined by the board of directors. The term of each option may be fixed by the board of directors when the option is granted to a maximum of 5 years. Options will vest as to one-third on each anniversary date of the date of grant of the options, subject to the right of the board of directors to determine at the time of grant that particular options will be exercisable in whole or in part on earlier dates. The maximum number of Common Shares that may be reserved for issuance pursuant to options granted under the Plan is presently fixed at 30,000,000 and the maximum number of Common Shares that may be optioned to any one Eligible Person under the Plan together with all other previously established or proposed options, shall not exceed 1% of the total number of Common Shares issued and outstanding on a non-diluted basis. The options are not assignable and terminate immediately upon the Eligible Person being dismissed from his or her office or employment for cause or resigning at the request of the Corporation, or terminate after 90 days upon the Eligible Person resigning his or her office or employment (other than at the request of the Corporation) or is dismissed without cause.

Benefit Plans

The executives participate with all employees in the benefit plans provided by the Corporation. There are no special pension plans in place for the executives.

The foregoing report is respectfully submitted to the shareholders of the Corporation by the Compensation Committee:

MEMBERS:

Canning K.N. Fok, Chairman
Ronald G. Greene
Holger Kluge
Eva L. Kwok
Frank J. Sixt

Senior Executive Compensation

The following table details compensation information for the two financial years of the Corporation ended December 31, 2001 for the Corporation's President & Chief Executive Officer, John C.S. Lau, and the Corporation's four most highly compensated executive officers as at December 31,

2001, Neil D. McGee, Vice President & Chief Financial Officer, Donald R. Ingram, Senior Vice President, Midstream and Refined Products, Robert S. Coward, Vice President, Western Canada Production and David R. Taylor, Vice President, Exploration (collectively, the “Named Executive Officers”). In addition, compensation information is provided for James S. Blair, the Corporation’s former Senior Vice President & Chief Operating Officer, who resigned from the Corporation effective January 1, 2002.

Summary Compensation Table

Name and Position	Year	Annual Compensation			Long-Term Compensation			All Other Compensation \$
		Salary \$	Bonus ⁽¹⁾ \$	Other Annual Compensation ⁽²⁾ \$	Awards		Payouts	
					Securities Under Options/ Stock Options Outstanding #	Restricted Shares or Restricted Share Units %	LTIP Payouts \$	
John C.S. Lau President & Chief Executive Officer	2001 2000 ⁽³⁾	780,000 692,500	653,600 200,000	134,722 102,668	- 420,000	- -	- -	- -
Neil D. McGee Vice President & Chief Financial Officer	2001 2000 ⁽⁴⁾	336,000 312,375	108,075 30,000	50,593 35,898	- 100,000	- -	- -	- -
Donald R. Ingram Senior Vice President, Midstream & Refined Products	2001 2000 ⁽⁵⁾	285,000 203,499	191,800 70,000	51,833 36,550	- 100,000	- -	- -	- -
Robert S. Coward Vice President, Western Canada Production	2001 2000 ⁽⁶⁾	226,250 195,000	102,067 40,000	47,875 40,936	- 90,000	- -	- -	- -
David R. Taylor Vice President, Exploration	2001 2000 ⁽⁷⁾	233,750 80,995	88,567 -	35,692 16,515	- 92,500	- -	- -	- -
James S. Blair ⁽⁸⁾ Senior Vice President & Chief Operating Officer	2001 2000 ⁽⁹⁾	300,000 203,499	192,400 70,000	68,224 41,908	- 100,000	- -	- -	- -

NOTES:

- (1) Bonuses paid in 2000 are based on 1999 performance and bonuses paid in 2001 are based on 2000 performance.
- (2) Includes savings plan, parking, vehicle and pension contributions.
- (3) Prior to August 25, 2000 John C.S. Lau was Chief Executive Officer of Husky Oil Limited, a predecessor company of the Corporation. The compensation disclosed for 2000 is the aggregate received as Chief Executive Officer of Husky Oil Limited and then as President & Chief Executive Officer of the Corporation.
- (4) Prior to August 25, 2000 Neil D. McGee was Vice President & Chief Financial Officer of Husky Oil Limited, a predecessor company of the Corporation. The compensation disclosed for 2000 is the aggregate received as Vice President & Chief Financial Officer of Husky Oil Limited and then as Vice President & Chief Financial Officer of the Corporation.
- (5) Prior to August 25, 2000 Donald R. Ingram was Vice President, Midstream Operations of Husky Oil Limited, a predecessor company of the Corporation. The compensation disclosed for 2000 is the aggregate received as Vice President, Midstream Operations of Husky Oil Limited and then as Senior Vice President, Midstream and Refined Products of the Corporation.
- (6) Prior to August 25, 2000 Robert S. Coward was Vice President, Western Canadian Operations and Exploration of Husky Oil Limited, a predecessor company of the Corporation. The compensation disclosed for 2000 is the aggregate received as Vice President, Western Canadian Operations and Exploration of Husky Oil Limited and then as Vice President, Western Canada Production.
- (7) Prior to August 25, 2000 David R. Taylor was Vice President, Exploration of Renaissance Energy Ltd. The compensation disclosed for 2000 is the aggregate received as Vice President, Exploration of the Corporation from August 25, 2000 to December 31, 2000.
- (8) James S. Blair resigned from the Corporation effective January 1, 2002.
- (9) Prior to August 25, 2000 James S. Blair was Vice President, Canadian Frontier and International Operations of Husky Oil Limited, a predecessor company of the Corporation. On November 2, 2000 James S. Blair was appointed as Senior Vice President & Chief Operating Officer of the Corporation. The compensation disclosed for 2000 is the aggregate received as Vice President, Canadian Frontier and International Operations of Husky Oil Limited, Senior Vice President, Frontiers and International of the Corporation and then as Senior Vice President & Chief Operating Officer of the Corporation.

Option Grants During the Most Recently Completed Financial Year

No options of the Corporation were granted to the Named Executive Officers during the financial year ended December 31, 2001.

Aggregated Option Exercises During the Most Recently Completed Financial Year End and Financial Year End Option Values

The following table sets forth information in respect of aggregated option exercises by the Named Executive Officers during the year ended December 31, 2001 together with the number and value of unexercised options held as at December 31, 2001.

Aggregated Option Exercises During the Most Recently Completed Financial Year End and Financial Year End Option Values				
Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options At Financial Year End Exercisable/ Unexercisable (#)	Value of Unexercised In-The-Money Options at Financial Year End Exercisable/ Unexercisable⁽¹⁾ (\$)
John C.S. Lau	-	-	140,000/280,000	400,400/800,800
Neil D. McGee	-	-	33,333/66,667	95,332/285,996
Donald R. Ingram	-	-	33,333/66,667	95,332/285,996
Robert S. Coward	-	-	30,000/60,000	85,800/171,600
David R. Taylor	-	-	52,500/40,000	128,250/119,400
James S. Blair	-	-	33,333/66,667	95,332/285,996

NOTE:

(1) Based on the closing price of the Common Shares on December 31, 2001 of \$16.47.

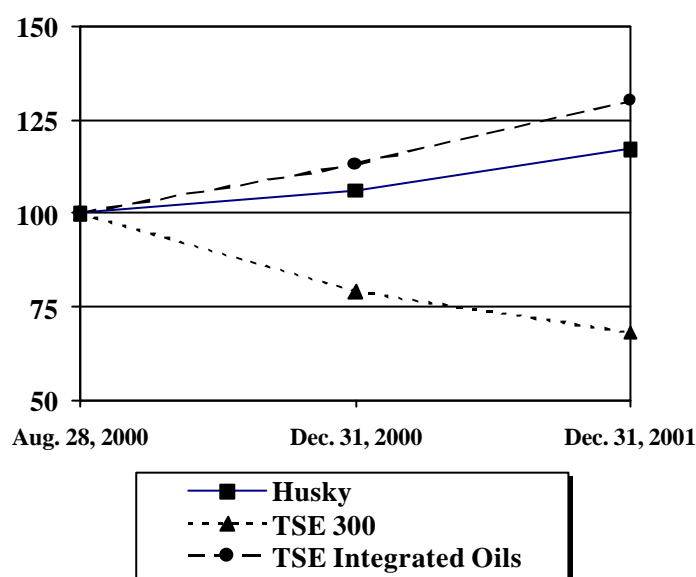
Compensation of Directors

Directors of the Corporation are paid a fee of \$1,200 per meeting of the board or of a committee of the board attended paid quarterly and an annual retainer of \$20,000. The directors of the Corporation are also entitled to reimbursement for out-of-pocket expenses for attendance at meetings of the board of directors and any committees of the board of directors, and are entitled to participate in the Corporation's Incentive Stock Option Plan. To date non-executive directors have not been granted options.

Performance Graph

The following performance graph compares the Corporation's cumulative total shareholder return on Common Shares over the period August 28, 2000 (the first day of trading of the Corporation's Common Shares on The Toronto Stock Exchange following the completion of the Plan of Arrangement with Renaissance on August 25, 2000) to December 31, 2001, assuming a \$100 initial investment with the cumulative total shareholder return on the TSE 300 Index and the TSE Integrated Oils Sub-Index.

Cumulative Value of a \$100 Investment



	Aug. 28, 2000	Dec. 31, 2000	Dec. 31, 2001
Husky	100	106	117
TSE 300	100	79	68
TSE Integrated Oils	100	113	130

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Commencing in 1995, the TSE mandated every listed company to disclose on an annual basis its approach to corporate governance with reference to guidelines contained in the TSE's by-laws (the "Guidelines"). These Guidelines were subsequently updated in 1999.

The following statement of Husky's corporate governance practices has been approved by the board of directors. The Corporation's board of directors has taken account of the revised Guidelines and where a divergence exists between the Corporation's practices and the Guidelines, the rationale is explained.

Mandate of the Board of Directors

The board of directors specific duties and responsibilities include:

1. approve, supervise and provide guidance on the strategic planning process. The President & Chief Executive Officer and senior management team have direct responsibility for the ongoing strategic planning process and the establishment of long term goals for the Corporation, which are reviewed and approved not less than annually by the board of directors;
2. identify the principal risks of the Corporation's business and use reasonable steps to ensure the implementation of appropriate systems to manage these risks;
3. approve the Corporation's annual corporate budget; and
4. oversee the integrity of the Corporation's internal control and management information systems.

A principal responsibility of the Co-Chairmen of the Board is to manage, and act as the chief administrative officers of, the board of directors with such duties and responsibilities as the board of directors may establish from time to time. The Co-Chairmen of the Board are independent of management.

The board of directors appoints the President & Chief Executive Officer of the Corporation who shall be a member of the board of directors, and establishes the duties and responsibilities of the President & Chief Executive Officer. On the recommendation of the President & Chief Executive Officer, the board of directors appoints the senior officers of the Corporation.

New directors are provided with substantial reference material pertaining to the Corporation, its strategic focus, financial and operating history and corporate vision.

The board is supportive of an individual director engaging an independent advisor at the expense of the Corporation in appropriate circumstances. The engagement of an independent advisor is subject to the approval of one of the Co-Chairmen of the Board.

The Co-Chairmen of the Board assess the effectiveness of the board as a whole, the committees of the board and the contributions of individual directors.

Directors receive the annual retainer and attendance fees as set forth under "Compensation of Directors" as compensation for their activities as directors of the Corporation and are entitled to reimbursement for out-of-pocket expenses for attendance at meetings of the board of directors and any committees of the board of directors. The board of directors feels that this compensation adequately reflects the responsibilities and risks involved in being a director of a senior integrated energy and energy related company.

Composition of the Board of Directors

Of the members of the board of directors of the Corporation, eight are "unrelated" directors (being M.J.G. Glynn, R.D. Greene, T.C.Y. Hui, B.D. Kinney, H. Kluge, E.L. Kwok, W.L. Matthews and W.E. Shaw). An "unrelated" director is one who is independent of management and is free from any interest and any business or other relationship that could, or could reasonably be perceived to, materially interfere with the director's ability to act with a view to the best interests of the Corporation, other than interests and relationships arising from shareholding. A "related" director is one who is not an "unrelated director".

The related directors are considered to be so because of the offices they hold with the Corporation or their business relationship with the Corporation or its significant shareholders. The Corporation's significant beneficial shareholders, U.F. Investments (Barbados) Ltd., L.F. Investments (Barbados) Ltd. and H.F. Investments (Barbados) Ltd., together own approximately 72% of the Common Shares. See "Voting Securities and Principal Holders Thereof". The eight directors who are "unrelated" are so, because among other things, none of them has ever been employed by the Corporation, has any material contract with the Corporation, receives any remuneration from the Corporation (other than pursuant to their activities as directors of the Corporation) or has a relationship with the significant shareholders that, in the board of directors' opinion could reasonably be perceived to materially interfere with their ability to act in the best interests of the Corporation.

The board of directors is of the opinion that its size and composition is effective for a senior integrated energy and energy related company with two major shareholders. The board has no current intention to reduce, enlarge or otherwise alter the composition of the board of directors. The board of directors is of the view that the number of its members that are unrelated directors adequately reflects the perspectives and interests of the minority shareholders.

Committees of the Board of Directors

The board of directors has established an Audit Committee, a Compensation Committee, a Health, Safety and Environment Committee and a Corporate Governance Committee. The board of directors has established the mandate, duties and responsibilities of each committee, which it reviews from time to time. All of the members of each committee are non-management directors.

The Audit Committee is comprised of four directors, three unrelated and one related. The Audit Committee's duties and responsibilities include, assisting the board of directors in fulfilling its fiduciary responsibilities relating to the Corporation's accounting and reporting practices and the integrity of the Corporation's internal accounting controls and information systems; reviewing with the auditors of the Corporation the annual or interim financial statements; reviewing the annual report and any interim or other reports of the auditors; and, through periodic meetings with the auditors, reviewing the adequacy of internal accounting and audit procedures.

The Compensation Committee is comprised of two related directors and three unrelated directors. The duties and responsibilities of the Compensation Committee include determining the salary and benefits of the President & Chief Executive Officer and on the recommendation of the President & Chief Executive Officer, determining the general compensation structure and policies and programs for the Corporation and the salary and benefit levels for the senior officers.

The Health, Safety and Environment Committee is comprised of three directors, one related and two unrelated. The duties and responsibilities of the Health, Safety and Environment Committee include reviewing a health, safety and environmental policy prepared by management for approval by the board of directors, and considering and recommending updates to the policy, as necessary, on an annual basis.

The Corporate Governance Committee is comprised of three unrelated directors. The duties and responsibilities of the Corporate Governance Committee include, but are not limited to, reviewing periodically the criteria regarding the composition of the board of directors and committees of the board of directors; periodically assessing and providing recommendations to the Co-Chairmen of the Board on the effectiveness of the board of directors as a whole, the committees of the board of directors and the contribution of individual directors; and developing in conjunction with the Co-Chairmen of the Board the annual performance objectives for the Chief Executive Officer and to assist the Co-Chairman of the Board in assessing and evaluating the performance of the Chief Executive Officer.

Nominations for the board of directors are proposed by the Co-Chairmen for consideration by the board.

Relationship between the Board of Directors and Management

The board of directors has structures and procedures in place to ensure that the board functions independently of management at such times as is desirable or necessary. Directors who are independent of management may discuss issues in the absence of management.

The board of directors' expectations of management are established through the annual planning process at which time approvals are authorized for achievable goals which are consistent with the Corporation's overall strategic plans. Budgets are prepared by senior management on at least an annual basis and are submitted to the board of directors. The board measures the performance of senior management in part by the degree to which it is successful in achieving the objectives set out in the budgets. Arrangements have been made for the board to receive and review operational and financial status reports.

The Co-Chairmen of the board of directors are not members of management.

Communications with Shareholders

The board of directors oversees the Corporation's communications policy. The board of directors monitors the policies and procedures that are in place to provide for effective communication by the Corporation with its shareholders and with the public generally, including effective means to enable shareholders to communicate with senior management and the board of directors.

ELECTION OF DIRECTORS

At the Meeting, it is proposed that 15 directors be elected until the next annual meeting of shareholders or until their successors are elected or appointed. There are currently 15 directors of the Corporation. Pursuant to the *Business Corporations Act* (Alberta), the current directors of the Corporation cease to hold office at the close of the Meeting.

The following table sets forth, in respect of each nominee, all positions currently held with the Corporation, principal occupation and the approximate number of Common Shares of the Corporation beneficially owned, directly or indirectly, or over which voting control is exercised as of March 1, 2002. The information contained herein is based upon information furnished by the respective nominee.

Name and Municipality of Residence	Date Since Served as a Director	Office or Position	Principal Occupation	Number of Common Shares Owned or Subject to Control or Direction
Li, Victor T. K. Hong Kong	August 25, 2000	Co-Chairman and Director	Managing Director and Deputy Chairman of Cheung Kong (Holdings) Limited (an investment holding company). Mr. Li is also Deputy Chairman and Executive Director of Hutchison Whampoa Limited (an investment holding company), Chairman of Cheung Kong Infrastructure Holdings Limited (an infrastructure development company), an Executive Director of Hongkong Electric Holdings Limited (holding company) and a director of Hopewell (Holdings) Limited (a holding company).	—
Fok, Canning K.N. Hong Kong	August 25, 2000	Co-Chairman and Director	Group Managing Director and Executive Director of Hutchison Whampoa Limited. Mr. Fok is also the Chairman of Hutchison Telecommunications (Australia) Limited (an investment holding company) and Partner Communications Company Ltd. (a telecommunications company) and the Deputy Chairman of Cheung Kong Infrastructure Holdings Limited and Hongkong Electric Holdings Limited. Mr. Fok is also a director of Cheung Kong (Holdings) Limited, VoiceStream Wireless Corporation (a telecommunications company) and Hutchison Whampoa Finance (CI) Limited (a finance company).	300,000
Glynn, Martin J.G. Vancouver, British Columbia	August 25, 2000	Director	President, Chief Executive Officer and a director of HSBC Bank Canada. Mr. Glynn is also a Director of HSBC Bank USA, Chairman and a director of HSBC Canadian Direct Insurance Incorporated, a director of Wells Fargo HSBC Trade Bank N.A. in the United States, and a member of the Board of Governors for the	—

Name and Municipality of Residence	Date Since Served as a Director	Office or Position	Principal Occupation	Number of Common Shares Owned or Subject to Control or Direction
Greene, Ronald G. Calgary, Alberta	August 25, 2000	Director	University of British Columbia. President and Chief Executive Officer of Tortuga Investment Corp. (an investment holding company), Chairman of Denbury Resources Inc. and a director of WestJet Airlines Ltd.	830,799
Hui, Terence C.Y. Vancouver, British Columbia	August 25, 2000	Director	President & Chief Executive Officer, Concord Pacific Group Inc. (a real estate development company) and Chairman of Multiactive Software Inc. (a computer software company).	—
Kinney, Brent D. Dubai, United Arab Emirates	August 25, 2000	Director	Independent businessman and a director of Dragon Oil plc in the United Arab Emirates.	7,369
Kluge, Holger Toronto, Ontario	August 25, 2000	Director	Retired businessman. Mr. Kluge is a director of Hongkong Electric Holdings Limited, Hutchison Telecommunications (Australia) Limited, TOM.COM LIMITED and 724 Solutions Inc.	10,000
Koh, Poh Chan Hong Kong	August 25, 2000	Director	Finance Director, Harbour Plaza Hotel Management (International) Ltd.	—
Kwok, Eva L. Vancouver, British Columbia	August 25, 2000	Director	Chairman and Chief Executive Officer, Amara International Investment Corp. (an investment holding company). Mrs. Kwok is also a director of Air Canada, Bank of Montreal Group of Companies and Telesystem International Wireless Inc.	5,000
Kwok, Stanley T.L. Vancouver, British Columbia	August 25, 2000	Director	President, Stanley Kwok Consultants (an architecture and development company). Mr. Kwok is a director of Amara International Investment Corp., Cheung Kong (Holdings) Limited and CTC Bank of Canada.	10,000

Name and Municipality of Residence	Date Since Served as a Director	Office or Position	Principal Occupation	Number of Common Shares Owned or Subject to Control or Direction
Lau, John C.S. Calgary, Alberta	August 25, 2000	President & Chief Executive Officer and Director	President & Chief Executive Officer of Husky Energy Inc.	21,356
Matthews, Wilmot L. Toronto, Ontario	August 25, 2000	Director	Retired businessman. Mr. Matthews is a director of WestJet Airlines Ltd., and Student On-Site Solutions Inc. (a private computer help desk and training company).	884,236
Shaw, Wayne E. Toronto, Ontario	August 25, 2000	Director	Barrister and Solicitor, Stikeman, Elliott.	5,000
Shurniak, William Australia	August 25, 2000	Deputy Chairman and Director	Chairman of both ETSA Utilities (a utility company) and Powercor Australia Limited (a utility company) and a director of Australia based Envestra Limited. Mr. Shurniak is also a director of and a consultant to Hutchison Whampoa Limited.	—
Sixt, Frank J. Hong Kong	August 25, 2000	Director	Group Finance Director and Executive Director of Hutchison Whampoa Limited. Mr. Sixt is also the Chairman of TOM.COM LIMITED, an Executive Director of Cheung Kong Infrastructure Holdings Limited and Hongkong Electric Holdings Limited and a director of Cheung Kong (Holdings) Limited, Concord Pacific Group Inc., Hutchison Whampoa Finance (CI) Limited, Hutchison Telecommunications (Australia) Limited, Partner Communications Company Ltd. and VoiceStream Wireless Corporation.	—

The board of directors has an Audit Committee (as required by the *Business Corporations Act* (Alberta)) consisting of M.J.G. Glynn, W.L. Matthews, W.E. Shaw and W. Shurniak, a Compensation Committee consisting of C.K.N. Fok, R.D. Greene, H. Kluge, E.L. Kwok and F.J. Sixt, a Health, Safety and Environment Committee consisting of B.D. Kinney, H Kluge and E.L. Kwok, and a Corporate Governance Committee consisting of H. Kluge, E.L. Kwok and W.L. Matthews. Husky does not have an Executive Committee.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No directors, executive officers or senior officers have loans, other than routine indebtedness, outstanding with the Corporation.

APPOINTMENT OF AUDITORS

The persons named in the enclosed form of proxy intend to have nominated and to vote for the appointment of KPMG LLP, as auditors of the Corporation, KPMG LLP, Chartered Accountants, of Calgary, Alberta (the "Auditors") to hold such office until the next annual meeting of the Corporation. The Auditors were first appointed as auditors of Husky Oil Limited, a predecessor company of the Corporation, in 1953 and became the auditors of the Corporation after completion of the Plan of Arrangement with Renaissance on August 25, 2000.

OTHER MATTERS TO BE ACTED UPON

Management knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, the accompanying proxy will be voted on such matters in the best judgment of the person or persons voting the proxy.

INTERESTS OF INSIDERS IN MATERIAL TRANSACTIONS

None of the Corporation's insiders, proposed nominees for election as directors of the Corporation or their associates and affiliates, has any material interest in any transaction with the Corporation since the commencement of the Corporation's last financial year or in any proposed transaction which has materially affected or would materially affect the Corporation which has not been previously disclosed.

INTEREST OF DIRECTORS AND OFFICERS IN MATTERS TO BE ACTED UPON

No director or officer of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

ADDITIONAL INFORMATION

The Corporation will provide to any person upon request a copy of the Corporation's current Annual Information Form, the Corporation's audited financial statements contained in the Annual Report for the year ended December 31, 2001, together with the report of the auditors thereon, and one copy of any of the Corporation's interim financial statements subsequent to such audited financial statements and a copy of this Information Circular.

Any request for any of these documents should be made to the Corporate Secretary, Husky Energy Inc., 707 - 8th Avenue S.W., Calgary, Alberta, T2P 1H5 and/or fax (403) 298-7323 and in certain cases, the Corporation may require the payment of a reasonable charge for these documents. Information can also be obtained through the Corporation's website at www.huskyenergy.ca.

BOARD APPROVAL

The contents and the sending of this Information Circular have been approved by the board of directors of the Corporation.

CERTIFICATE

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

“John C.S. Lau”

John C.S. Lau

President & Chief Executive Officer

“Neil D. McGee”

Neil D. McGee

Vice President & Chief Financial Officer

Calgary, Alberta

March 26, 2002