

October 15, 2008

Brad Braun
Manager, Environmental & Stakeholder Relations
OSUM Oil Sands Corp.
Suite 300, 1204 Kensington Road N.W.
Calgary, Alberta T2N 3P5

Dear Mr. Braun:

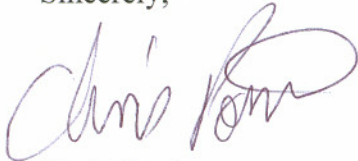
Further to your meeting with Alberta Environment on October 15, 2008, I wish to advise you that the proposed Taiga Project is a mandatory activity pursuant to Schedule 1(i) of the *Environmental Assessment (Mandatory and Exempted Activities) Regulation*. OSUM Oil Sands Corp. is required, pursuant to Section 44(1)(a) of the *Environmental Protection and Enhancement Act (EPEA)*, to prepare and submit an Environmental Impact Assessment (EIA) report for this project. The EIA report is to be prepared in accordance with the provisions of Division 1 of Part 2 of the *EPEA*.

In addition, please note that Alberta Environment's section (Part III) of *Alberta's First Nation Consultation Guidelines on Land Management and Resource Development* will apply to this project and, accordingly, you will be required to submit a First Nations Consultation Plan to the department. The full Guidelines can be found on the Alberta Aboriginal Relations website at <http://www.aboriginal.alberta.ca/571.cfm>.

If you have any questions about the First Nations consultation process, please contact Donna Hovsepian at 780-422-7028.

If you have any questions or require further directions about the Environmental Assessment process please contact Camille Almeida at 780-422-2207.

Sincerely,



Chris Powter
Environmental Assessment Team Leader
Northern Region
(Designated Director Under the Act)

cc: S. Smith (ERCB)
S. Sigurdson (CEAA)
K. Singh (AENV)
D. Hovsepian (AENV)