

Oil Sands Monthly Royalty Rates

March 2012

Royalty Data

Pre-Payout Gross Royalty: 6.73908% (based on **Prod Month actual WTI Price**)
 Post-Payout Gross Royalty: 7.10954% (based on the **average WTI price for Prod Year**)
 Post-Payout Net Royalty % Factor (NRPF): 36.45538% (based on the **average WTI price for Prod Year**)

WTI Prices and Exchange Rates

| Month | | WTI Price USD\$ | Exchange Rate | |
|-----------------|------------|--------------------|-------------------|---------------------------|
| Jan 2012 | Act | \$98.58 | 0.98691167 | |
| Feb 2012 | Act | \$100.32 | 1.00348352 | |
| Mar 2012 | Act | \$102.26 | 1.00618345 | = \$101.63 (CAD\$) |
| Apr 2012 | Est | \$106.20 | 0.98600000 | |
| May 2012 | Est | \$103.02 | 0.98600000 | |
| Jun 2012 | Est | \$103.54 | 0.98600000 | |
| Jul 2012 | Est | \$104.03 | 0.98600000 | |
| Aug 2012 | Est | \$104.40 | 0.98600000 | |
| Sep 2012 | Est | \$104.66 | 0.98600000 | |
| Oct 2012 | Est | \$104.86 | 0.98600000 | |
| Nov 2012 | Est | \$105.05 | 0.98600000 | |
| Dec 2012 | Est | \$105.23 | 0.98600000 | |
| Average | | \$103.51 | 0.98921489 | = \$104.64 (CAD\$) |

Gross Royalty Formula

Minimum Royalty Rate: $R_G\% = 1\% \text{ for } W \leq L$
 Maximum Royalty Rate: $R_G\% = 9\% \text{ for } W \geq H$
 Price Sensitive Royalty Rate: $R_G\% = [1\% + (W - L) * F_G] \text{ for } L < W < H$

Net Royalty % Factor (NRPF)

Minimum Royalty % Factor: $NRPF = 25\% \text{ for } W \leq L$
 Maximum Royalty % Factor: $NRPF = 40\% \text{ for } W \geq H$
 Price Sensitive % Factor: $NRPF = [25\% + (W - L) * F_N] \text{ for } L < W < H$

$W = \text{WTI Price CAD\$}$

$L = \text{CAD\$55/bbl}$

$H = \text{CAD\$120/bbl}$

$F_G = 8\%/\$65 \text{ per barrel increase in } W \text{ (straight line relation)}$

$F_N = 15\%/\$65 \text{ per barrel increase in } W \text{ (straight line relation)}$

Note: Formulas are the working level representation of the legal version that is in OSRR2009