

## Oil Sands Monthly Royalty Rates

January 2010

### Royalty Rates

Pre-Payout Gross: 3.80615% (based on **Prod Month actual WTI Price**)  
 Post-Payout Gross: 4.39077% (based on the **estimated average WTI price for Prod Year**)  
 Post-Payout Net: 31.35769% (based on the **estimated average WTI price for Prod Year**)

### WTI Prices and Exchange Rates

Month		WTI Price USD\$	Exchange Rate	
<b>Jan 2010</b>	<b>Act</b>	<b>\$74.60</b>	<b>0.95883253</b>	<b>= \$77.80 (CAD\$)</b>
Feb 2010	Est	\$78.40	0.91000000	
Mar 2010	Est	\$72.89	0.91000000	
Apr 2010	Est	\$73.35	0.91000000	
May 2010	Est	\$73.95	0.91000000	
Jun 2010	Est	\$74.53	0.91000000	
Jul 2010	Est	\$75.08	0.91000000	
Aug 2010	Est	\$75.58	0.91000000	
Sep 2010	Est	\$76.05	0.91000000	
Oct 2010	Est	\$76.53	0.91000000	
Nov 2010	Est	\$77.03	0.91000000	
Dec 2010	Est	\$77.53	0.91000000	
<b>Average</b>		<b>\$75.46</b>	<b>0.91406938</b>	<b>= \$82.55 (CAD\$)</b>

### 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:  $R_G \% = [1\% + (W - L) * F_G]$  for  $L < W < H$

### Net Royalty Formula

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

W = WTI Price CAD\$

L = CAD\$55/bbl

H = CAD\$120/bbl

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

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

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