

Oil Sands Monthly Royalty Rates

November 2009

Royalty Rates

Pre-Payout Gross: 4.11877% (based on **Prod Month actual WTI Price**)
 Post-Payout Gross: 2.52615% (based on the **estimated average WTI price for Prod Year**)
 Post-Payout Net: 27.86154% (based on the **estimated average WTI price for Prod Year**)

WTI Prices and Exchange Rates

Month		WTI Price USD\$	Exchange Rate	
Jan 2009	Act	\$42.04	0.81546114	
Feb 2009	Act	\$41.92	0.80312254	
Mar 2009	Act	\$39.26	0.79081789	
Apr 2009	Act	\$48.06	0.81696486	
May 2009	Act	\$49.95	0.86887012	
Jun 2009	Act	\$59.21	0.88768021	
Jul 2009	Act	\$69.70	0.89112480	
Aug 2009	Act	\$64.29	0.91894028	
Sep 2009	Act	\$71.14	0.92441784	
Oct 2009	Act	\$69.47	0.94799995	
Nov 2009	Act	\$75.82	0.94377463	= \$80.34 (CAD\$)
Dec 2009	Est	\$78.15	0.91000000	
Average		\$59.08	0.87659786	= \$67.40 (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: $R_G \% = [1\% + (W - L) * F_G]$ 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