

## Oil Sands Monthly Royalty Rates

October 2009

### Royalty Rates

Pre-Payout Gross: 3.24985% (based on **Prod Month actual WTI Price**)  
 Post-Payout Gross: 2.56554% (based on the **estimated average WTI price for Prod Year**)  
 Post-Payout Net: 27.93538% (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	
<b>Oct 2009</b>	<b>Act</b>	<b>\$69.47</b>	<b>0.94799995</b>	<b>= \$73.28 (CAD\$)</b>
Nov 2009	Est	\$75.82	0.89400000	
Dec 2009	Est	\$77.00	0.89400000	
<b>Average</b>		<b>\$58.99</b>	<b>0.87111664</b>	<b>= \$67.72 (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**