

## Oil Sands Monthly Royalty Rates

September 2011

### Royalty Data

Pre-Payout Gross Royalty: 4.88431% (based on **Prod Month actual WTI Price**)  
 Post-Payout Gross Royalty: 5.32492% (based on the **average WTI price for Prod Year**)  
 Post-Payout Net Royalty % Factor: 33.10923% (based on the **average WTI price for Prod Year**)

### WTI Prices and Exchange Rates

Month		WTI Price USD\$	Exchange Rate	
Jan 2011	Act	\$89.23	1.00619312	
Feb 2011	Act	\$89.58	1.01260183	
Mar 2011	Act	\$89.74	1.02396980	
Apr 2011	Act	\$102.98	1.04360712	
May 2011	Act	\$110.04	1.03308326	
Jun 2011	Act	\$101.36	1.02380343	
Jul 2011	Act	\$96.29	1.04679158	
Aug 2011	Act	\$97.34	1.01746337	
<b>Sep 2011</b>	<b>Act</b>	<b>\$86.34</b>	<b>0.99740674</b>	<b>= \$86.56 (CAD\$)</b>
Oct 2011	Est	\$85.61	1.02530000	
Nov 2011	Est	\$79.20	1.02530000	
Dec 2011	Est	\$79.33	1.02530000	
<b>Average</b>		<b>\$92.25</b>	<b>1.02340169</b>	<b>= \$90.14 (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 % Factor Formula

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