

Oil Sands Monthly Royalty Rates

April 2010

Royalty Rates

Pre-Payout Gross: 4.28615% (based on **Prod Month actual WTI Price**)
 Post-Payout Gross: 5.20923% (based on the **estimated average WTI price for Prod Year**)
 Post-Payout Net: 32.89231% (based on the **estimated average WTI price for Prod Year**)

WTI Prices and Exchange Rates

Month		WTI Price USD\$	Exchange Rate	
Jan 2010	Act	\$74.60	0.95883253	
Feb 2010	Act	\$78.40	0.94623493	
Mar 2010	Act	\$76.45	0.97751295	
Apr 2010	Act	\$81.29	0.99496359	= \$81.70 (CAD\$)
May 2010	Est	\$84.58	0.95000000	
Jun 2010	Est	\$86.15	0.95000000	
Jul 2010	Est	\$88.36	0.95000000	
Aug 2010	Est	\$89.68	0.95000000	
Sep 2010	Est	\$90.41	0.95000000	
Oct 2010	Est	\$90.93	0.95000000	
Nov 2010	Est	\$91.33	0.95000000	
Dec 2010	Est	\$91.67	0.95000000	
Average		\$85.32	0.95646200	= \$89.20 (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