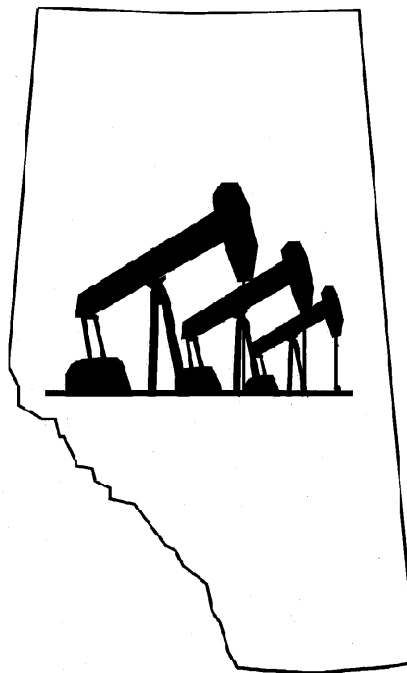


2005 MAY 18
12 noon, CALGARY
PUBLIC OFFERING OF CROWN
OIL SANDS
RIGHTS



PUBLIC OFFERING CONTROL COUNTS FOR 2005.05.18

From	To	Total	Area
LEASES: L0365	L0379	15	34,251.8400 ha.
PERMITS: P0000	P0000	0	0.0000 ha.
		-----	-----
		15	34,251.8400 ha.

PUBLIC OFFERING OF CROWN OIL SANDS RIGHTS

(AVAILABLE ON INTERNET AT [HTTP://WWW.ENERGY.GOV.AB.CA:](http://www.energy.gov.ab.ca))

DEADLINE

After 12:00 noon on 2005 May 18, offers to purchase oil sands leases and/or permits contained in this public offering will not be accepted.

AMOUNT OF PAYMENT (Canadian Funds Only)

1. The total dollar offer should be stated in your bid letter. A breakdown of the Bonus, Fee and Rent is not required.
2. The annual rental is \$3.50 per hectare or \$50.00 whichever is the greater. The issuance fee is \$625.00 per parcel.
3. The minimum acceptance offer is \$2.50 per hectare (leases) and \$1.25 per hectare (permits).
4. The department reserves the right to reject any bid.

FORM OF PAYMENT

1. ELECTRONIC FUNDS TRANSFER (EFT).
2. Payment by cheque will be accepted if it meets the criteria for exception mentioned in Information Letter 99-3.
3. Companies and individuals that do not have a GST registration number are liable for payment of the Goods and Services Tax on various charges. All registrants must ensure that their GST number is provided in writing to Financial Services Branch @ Fax No. (780) 422-4281.

HOW TO SUBMIT BIDS

1. Bids for leases should be enclosed in one sealed envelope with "**Lease Bids - 2005 May 18**" indicated on the outside of the envelope.
2. Bids for permits should be enclosed in one sealed envelope with "**Permit Bids - 2005 May 18**" indicated on the outside of the envelope.
3. Bids should be deposited in the box marked "OIL SANDS BIDS", or handed or mailed to any person acting for the manager at either the Calgary address - 300, AMEC Place, 801 - 6 Avenue SW, T2P 3W2 or the Edmonton address - 7th Floor, Petroleum Plaza North Tower, 9945 - 108 Street, T5K 2G6.

BIDS ARE ACCEPTED UNTIL 12:00 NOON ON THE PUBLIC OFFERING DATE. NO EXCEPTIONS.

POINTS TO REMEMBER

1. It can take up to midnight on the day following the sale to see your funds debited from your bank account for an accepted offer.
2. Requestors of parcel(s) posted in a public offering are expected to bid on the parcel(s). If the parcel(s) is not sold, the requestor will be charged a penalty of \$625.00 plus GST for each unsold parcel.
3. Effective January 01, 2000, all Oil Sands Agreements acquired include Solution Gas. Please refer to information letter 99-38 for the definition of Solution Gas and any other relevant information.

ATTACHMENTS TO THIS PUBLIC OFFERING WHEN APPLICABLE

APPENDIX 1 - Contains applicable Zone Designations (ZD's).
APPENDIX 2 - Contains applicable Deeper Rights Reversion Zone Designations (DRRZD's).
APPENDIX 3 - Contains applicable addenda and contracts also terms and conditions for acquisition of parcel(s) within Metis Settlements (See IL 92-19).

RESULTS OF THIS PUBLIC OFFERING

1. Accepted offers will be published on 2005 May 19 at 9:00 a.m. at the two addresses shown under the section above entitled "HOW TO SUBMIT BIDS", and on the Internet.
2. All agreements are issued in accordance with the Mines & Minerals Act and its regulations.

2005 March 23
EDMONTON, Alberta

Steve Tkalcic - Director Operations
Oil Sands Development

OIL SANDS LEASES

LEASE SCHEDULE

PAGE 1

2005, MAY 18

LEASE	HECTARES	LAND DESCRIPTION	
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--- ATHABASCA OS AREA ---			
L0365	768	4-10-090: 23;26;35 OIL SANDS BELOW THE TOP OF THE VIKING FM TO THE BASE OF THE WOODBEND GRP	(DRRZD 6) (DRRZD 258)

L0366	16	4-11-095: 22L13 OIL SANDS BELOW THE TOP OF THE VIKING FM TO THE BASE OF THE WOODBEND GRP	(IRS000704) (DRRZD 6) (DRRZD 258)

--- PEACE RIVER OS AREA ---			
L0367	2304	5-11-078: 1-3;10-15 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE PEKISKO FM	(DRRZD 40) (DRRZD 174)

L0368	2304	5-11-078: 4-9;16-18 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE PEKISKO FM	(DRRZD 40) (DRRZD 174)

L0369	1536	5-21-078: 13;14;23-26 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE BLUESKY-BULLHEAD	(DRRZD 40) (DRRZD 21)

L0370	2048	5-21-078: 15;16;21;22;27;28;33;34 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE BLUESKY-BULLHEAD	(DRRZD 40) (DRRZD 21)

L0371	2048	5-21-078: 17-20;29-32 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE BLUESKY-BULLHEAD	(DRRZD 40) (DRRZD 21)

L0372	2816	5-17-081: 2;3;10;11;14;15;22;23;26;27;34 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE PEKISKO FM	(DRRZD 40) (DRRZD 174)

L0373	4608	5-17-081: 4-9;16-21;28-33 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE PEKISKO FM	(DRRZD 40) (DRRZD 174)

2005, MAY 18

LEASE	HECTARES	LAND DESCRIPTION	
L0374	2048	5-18-081: 13;14;23-26;35;36 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE PEKISKO FM	(DRRZD 40) (DRRZD 174)
L0375	3968	5-18-081: 15;16;17S;18-22;27-34 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE PEKISKO FM	(DRRZD 40) (DRRZD 174)
L0376	2619.84	5-19-081: 3NP,SE;4-6;8;9;10NP,SWP;15;16;21;22 PORTION(S) LYING OUTSIDE WILLIAM MCKENZIE INDIAN RESERVE NO. 151K. OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE BLUESKY-BULLHEAD	(DRRZD 40) (DRRZD 21)
L0377	2560	5-19-081: 23-28;33-36 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE BLUESKY-BULLHEAD	(DRRZD 40) (DRRZD 21)
L0378	1024	5-19-081: 29-32 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE BLUESKY-BULLHEAD	(DRRZD 40) (DRRZD 21)
L0379	3584	5-18-082: 1-12;18;19 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE PEKISKO FM	(DRRZD 40) (DRRZD 174)
15	34,251.84	HA TOTALS	

END

DEEPER RIGHTS REVERSION ZONE DESIGNATIONS

APPLICABLE TO THE 2005, MAY 18 PUBLIC OFFERING NOTICE

DRRZD: 6 ZONE: 2140 VIKING FM
INTERVAL: 2,600.00 - 2,680.00 FEET
KEY WELL: 00/10-10-042-14W4/0
LOG TYPE: INDUCTION ELECTRICAL

DRRZD: 21 ZONE: 3052 BLUESKY-BULLHEAD
INTERVAL: 2,754.00 - 3,043.00 FEET
KEY WELL: 00/10-32-081-01W6/0
LOG TYPE: DUAL INDUCTION SPHERICALLY FOCUSED

DRRZD: 40 ZONE: 2280 PEACE RIVER FM
INTERVAL: 3,760.00 - 4,008.00 FEET
KEY WELL: 00/07-09-076-08W6/0
LOG TYPE: BOREHOLE COMPENSATED SONIC

DRRZD: 174 ZONE: 6420 PEKISKO FM
INTERVAL: 6,468.00 - 6,654.00 FEET
KEY WELL: 00/10-27-067-22W5/0
LOG TYPE: ELECTRICAL

DRRZD: 258 ZONE: 7040 WOODBEND GRP
INTERVAL: 1,284.00 - 2,251.00 FEET
KEY WELL: 00/10-29-077-18W4/0
LOG TYPE: SONIC

END

ADDENDA AND CONTACTS APPLICABLE TO THE 2005, MAY 18 PUBLIC OFFERING NOTICE

IRS000704	LAND DESCRIPTION
LEASE L0366	4-11-095: 22L13P

IS/ARE WITHIN THE FORT MCMURRAY-ATHABASCA OIL SANDS INTEGRATED RESOURCE PLAN.

SURFACE ACCESS IS SUBJECT TO SPECIFIC RESTRICTIONS

FOR FURTHER INFORMATION, PLEASE CONTACT:

LEE BAKER
FORESTER
DEPT. OF SUSTAINABLE RESOURCE DEV
FORT MCMURRAY OFFICE-LAND USE AREA- PUBLIC LANDS AND FORESTS
PROVINCIAL BUILDING
9915 FRANKLIN AVE FLOOR 3
BOX 35
FORT MCMURRAY AB T9H 2K4 (780) 743-7120

END

