PUBLIC NOTICE

Shell Canada Limited

Proposed Terms of Reference for the Environmental Impact Assessment

Peace River In Situ – Carmon Creek Project

Shell Canada Limited is proposing to expand its existing Peace River in situ bitumen operations located approximately 40 kilometres northeast of the town of Peace River. The oil sands leases are located in portions of Townships 84 to 86, Ranges 16 to 19, west of the 5th meridian in the Northern Sunrise County. The current Shell Peace River Complex is licensed to produce 12,500 barrels per day (2 000 cubic metres) of bitumen using thermal recovery methods.

In December 2006, Shell submitted a regulatory application for the Carmon Creek Project, a 100,000-barrels-per-day (15 900 cubic metres) expansion project. After further engineering work resulted in changes to the application, Shell elected to withdraw the application in November 2008 with the intention of preparing and submitting a new Carmon Creek application. Changes to the application include a reduction in the project's production capacity to 80,000 barrels per day (12 600 cubic metres) of bitumen and changes to the sub-surface well design. The project will still involve the construction of central processing facilities, cogeneration facilities to produce electrical power and steam, multiple well pads, and a steam distribution and bitumen gathering system. Additional infrastructure may include roads, natural gas and condensate supply pipelines, a diluted bitumen sales pipeline, and electrical power lines.

The Director responsible for Environmental Assessment has directed that an Environmental Impact Assessment Report be prepared for the proposed project. Shell has prepared a proposed Terms of Reference for this Environmental Impact Assessment, and through this advertisement invites the public to review this document. Any comments filed concerning the proposed Terms of Reference will be accessible to the public.

The Proposed Terms of Reference and associated project information may be viewed at the following locations:

Peace River Town Office

9911 - 100th St. Peace River, AB Tel: (780) 624-2574

Grimshaw Town Office

5005 - 53rd Ave. Grimshaw, AB

Tel: (780) 332-4626

Peace River Municipal Library

9807 - 97th Ave. Peace River, AB Tel: (780) 624-4076

Grimshaw Public Library

5007 - 47th Ave. Grimshaw, AB

Tel: (780) 332-4553

Northern Sunrise County Office

Junction of Highways #2 and #688 Peace River, AB

Tel: (780) 624-0013

Village of Nampa Office

9810 - 100th Ave. Nampa, AB

Tel: (780) 322-3852

Alberta Environment

Register of Environmental Assessment Information 111, Twin Atria Building 4999 - 98th Ave. Edmonton, AB

Tel. 780-427-5828, Toll Free: 310-0000

Attn: Melanie Daneluk

Further information on the Shell Carmon Creek Project or copies of the Proposed Terms of Reference and associated project information may be obtained from:

Shell Canada Limited Website

www.shell.ca

Shell Canada Limited

Attn: Ken Zaitsoff Consultation Coordinator Peace River Complex P.O. Bag 1200 Peace River, AB T8S 1V1

Tel: (780) 624-6808 Fax: (780) 624-4873

Email: ken.zaitsoff@shell.com

Persons wishing to provide written comments on the Proposed Terms of Reference must submit them by June 1, 2009 to:

Director of Environmental Assessment, Northern Region

Alberta Environment 111, Twin Atria Building 4999 - 98th Ave. Edmonton, AB T6B 2X3

Fax: (780) 427-9102

E-mail: environmental.assessment@gov.ab.ca