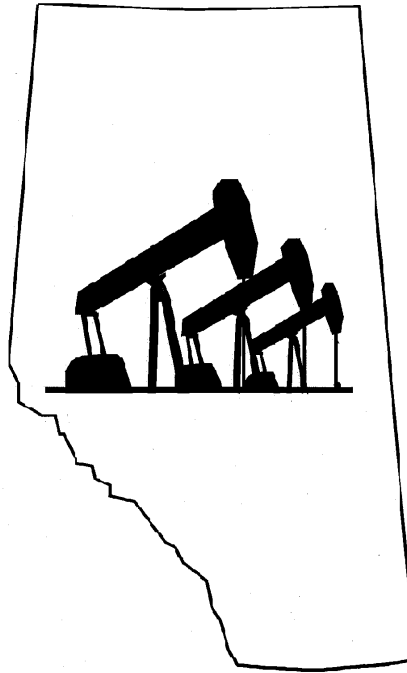


2003 MAY 28
12 noon, CALGARY

PUBLIC OFFERING OF CROWN OIL SANDS RIGHTS



PUBLIC OFFERING CONTROL COUNTS FOR 2003.05.28

From	To	Total	Area
LEASES: L0741	L0752	12	5,926.2292 ha.
PERMITS: P0000	P0000	0	0.0000 ha.

		12	5,926.2292 ha.

PUBLIC OFFERING OF CROWN OIL SANDS RIGHTS

(AVAILABLE ON INTERNET AT HTTP://WWW.ENERGY.GOV.AB.CA:)

DEADLINE

After 12:00 noon on 2003 May 28, 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 \$500.00 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. The types of acceptable bids are BID TYPE I AND BID TYPE II. The type of bid and its format are identified in attachments to Information Letter 99-12. Bids may be rejected if they do not comply with these standards.
2. One envelope may contain more than one bid as long as they are for the same agreement type.
3. Bid(s) should be enclosed in a sealed envelope and clearly marked as follows:
"2003 May 28, --- OIL SANDS LEASE BIDS" for Leases.
4. 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: - 3rd Floor, Monenco 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 posting(s). If the parcel(s) is not sold, the requestor will be charged a fee of \$500.00 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 2003 May 29 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.

2003 April 02
EDMONTON, Alberta

Steve Tkalcic - Director Operations
Oil Sands Development

OIL SANDS LEASES

LEASE SCHEDULE

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2003, MAY 28

LEASE	HECTARES	LAND DESCRIPTION
--- COLD LAKE OS AREA ---		
L0741	230.2292	(MTS000101-33-M002) 4-02-056: 33E,WP PORTION(S) LYING OUTSIDE UNIPOUHEOUS INDIAN RESERVE NO. 121. OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)
L0742	640	(MTS000101-33-M002) 4-02-057: 29N;31;32 OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)
L0743	512	(MTS000101-33-M002) (PNA010001) 4-03-057: 35;36 OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)
L0744	448	4-10-061: 34;35S,NE OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)
L0745	256	4-09-063: 31 OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)
L0746	256	4-10-063: 21 OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)
L0747	256	4-10-063: 22 OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)
L0748	768	(IRS000305) 4-10-063: 30;31 4-11-063: 25 OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)
L0749	512	(IRS000305) 4-11-063: 26;35 OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)
L0750	1024	(IRS000305) 4-11-063: 36 4-11-064: 1;2;11 OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)
L0751	768	(IRS000305) 4-10-064: 6;7 4-11-064: 12 OIL SANDS IN THE MANNVILLE GRP (DRRZD 4)

2003, MAY 28

LEASE	HECTARES	LAND DESCRIPTION	
L0752	256	4-09-065: 10 OIL SANDS IN THE MANNVILLE GRP	(DRRZD 4)
12	5,926.23	HA TOTALS	END

DEEPER RIGHTS REVERSION ZONE DESIGNATIONS
APPLICABLE TO THE 2003, MAY 28 PUBLIC OFFERING NOTICE

DRRZD: 4

ZONE: 2480 MANNVILLE GRP

INTERVAL: 2,557.00 - 2,985.00 FEET

KEY WELL: 00/06-16-041-08W4/0

LOG TYPE: INDUCTION ELECTRICAL

END

ADDENDA AND CONTACTS APPLICABLE TO THE 2003, MAY 28 PUBLIC OFFERING NOTICE

IRS000305	LAND DESCRIPTION
LEASE L0748	4-10-063: 31NWP
LEASE L0749	4-11-063: 26WP
LEASE L0750	4-11-063: 36NEP
	4-11-064: 1NEP;11NP,SEP
LEASE L0751	4-11-064: 12WP

IS/ARE WITHIN THE LAKELAND INTEGRATED RESOURCE PLAN.

SURFACE ACCESS IS SUBJECT TO SPECIFIC RESTRICTIONS

FOR FURTHER INFORMATION, PLEASE CONTACT:

WAYNE HOLLAND
LCRC MEMBER
DEPT. OF SUSTAINABLE RESOURCE DEV
SHERWOOD PARK OFFICE - PUBLIC LANDS
182 CHIPPEWA RD
SHERWOOD PARK AB T8A 4H5 (780) 464-7955

APPENDIX 3

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ADDENDA AND CONTACTS APPLICABLE TO THE 2003, MAY 28 PUBLIC OFFERING NOTICE

MTS000101-33-M002 LAND DESCRIPTION

LEASE L0741 4-02-056: 33E,WP
LEASE L0742
LEASE L0743 4-03-057: 35NP;36SP,NWP,NE

IS ARE WITHIN A METIS SETTLEMENT. THE SUCCESSFUL BIDDER MUST ENTER INTO A DEVELOPMENT AGREEMENT WITH THE METIS SETTLEMENTS GENERAL COUNCIL AND THE AFFECTED SETTLEMENT THAT INCLUDES NEGOTIATED COMMITMENTS TO:

- 1) ENSURE THE PROTECTION OF THE ENVIRONMENT IN THE SETTLEMENT AREA IN ACCORDANCE WITH PROVINCIAL STANDARDS AND SETTLEMENT BYLAWS;
- 2) CONDUCT OPERATION IN A WAY THAT MAINTAINS THE SOCIAL AND CULTURAL ORDER OF THE SETTLEMENT AREA AND CONFORMS WITH THE DEVELOPMENT PLANS AND LAND USE RESTRICTIONS ESTABLISHED BY THE SETTLEMENT COUNCIL;
- 3) EMPLOY, TRAIN, AND PROVIDE BUSINESS OPPORTUNITIES TO SETTLEMENT MEMBERS TO AN EXTENT THAT IS PRACTICAL, DURING THE CONSTRUCTION, OPERATION, RECLAMATION AND ABANDONMENT PHASES OF ITS OPERATIONS IN THE SETTLEMENT AREA;
- 4) PAY APPLICABLE SETTLEMENT LICENCE FEES AND TAXES;
- 5) PROVIDE FAIR AND REASONABLE COMPENSATION FOR SURFACE ACCESS AND DAMAGES INCLUDING INFRASTRUCTURE DAMAGE, TIMBER LOSS, AND OTHER SPECIAL DAMAGES;
- 6) RECOGNIZE THE GENERAL COUNCIL'S RIGHT TO AN OVERRIDING ROYALTY AND 25% PARTICIPATION OPTION AS PROVIDED FOR THE CO-MANAGEMENT AGREEMENT (SCHEDULE 3 OF THE METIS SETTLEMENTS ACT);
- 7) ADHERE TO THE PROCEDURES CONTAINED IN THE CO-MANAGEMENT AGREEMENT AND INFORMATION LETTER 92-19.
- 8) THE SUCCESSFUL BIDDER WILL BE REQUIRED TO SIGN AN AGREEMENT IN THE FORM OF THE MASTER DEVELOPMENT AGREEMENT, THE TEMPLATE OF WHICH IS AVAILABLE FROM THE GENERAL COUNCIL UPON REQUEST.
- 9) RECOGNIZE THE FISHING LAKE METIS SETTLEMENT LAND MANAGEMENT BYLAW #FLMS 970097.

PLEASE NOTE: UNDER THE MASTER DEVELOPMENT AGREEMENT, THE SUCCESSFUL BIDDER WILL BECOME A JOINT VENTURE PARTNER WITH THE METIS SETTLEMENTS GENERAL COUNCIL AND THE AFFECTED METIS SETTLEMENT. FURTHER INFORMATION CAN BE OBTAINED BY CONTACTING SUSAN LADOUCEUR, POSTING COORDINATOR FOR THE METIS SETTLEMENTS GENERAL COUNCIL AT (780) 822-4059.

POTENTIAL BIDDERS SHOULD NOTE THAT FURTHER INFORMATION AND DETAILS REGARDING THE ABOVE TERMS AND CONDITIONS WILL BE AVAILABLE ON APR 16, 2003.

SURFACE ACCESS IS SUBJECT TO SPECIFIC RESTRICTIONS

FOR FURTHER INFORMATION, PLEASE CONTACT:

SUSAN LADOUCEUR
METIS SETTLEMENTS GENERAL COUNCIL
MAYFIELD BUSINESS CENTRE
10525 170 ST NW FLOOR 3
EDMONTON AB T5P 4W2 (780) 822-4059

ADDENDA AND CONTACTS APPLICABLE TO THE 2003, MAY 28 PUBLIC OFFERING NOTICE

PNA010001	LAND DESCRIPTION
LEASE L0743	4-03-057: 35SWP

IS/ARE RESERVED FOR A PROPOSED NATURAL AREA, UNDER THE PUBLIC LANDS ACT.

SURFACE ACCESS IS NOT PERMITTED

FOR FURTHER INFORMATION, PLEASE CONTACT:

BILL RICHARDS
RESOURCE TECHNOLOGIST
COMMUNITY DEVELOPMENT
PARKS AND PROTECTED AREAS
SYSTEMS PLANNING BRANCH
9820 106 ST NW FLOOR 5
EDMONTON AB T5K 2J6 (780) 427-9445

END