

**FORM 51-101F1**  
**STATEMENT OF RESERVES DATA AND OTHER OIL**  
**AND GAS INFORMATION OF CANADIAN OIL SANDS TRUST**

**PART 1 RELEVANT DATES**

The date of the report by GLJ Petroleum Consultants Ltd. ("GLJ") is February 25, 2008 and the preparation date in that report is February 8, 2008. As of the preparation date, Canadian Oil Sands Trust (the "Trust") and its independent reserves evaluator, GLJ, are not aware of any new information (other than commodity pricing assumptions which may differ from those used in this analysis) which could materially impact this evaluation.

The effective date of the reserves estimates and revenue projection in this report is December 31, 2007.

Estimates of reserves and projections of production were generally prepared using data to February 8, 2008. Canadian Oil Sands Limited (the "Corporation") on behalf of the Trust and its subsidiaries (collectively, "Canadian Oil Sands") have provided GLJ with a representation letter confirming that complete and correct information has been provided to GLJ.

**PART 2 DISCLOSURE OF RESERVES DATA**

In 2003, Canadian Securities Administrators implemented new standards of disclosure for reporting issuers engaged in upstream oil and gas activities. Further amendments to these standards were implemented on December 31, 2007. National Instrument 51-101 ("NI 51-101") establishes a regime of continuous disclosure for oil and gas companies and includes specific reporting requirements. The Corporation on behalf of Canadian Oil Sands applied for and received an order from the various securities commissions in Canada allowing the Trust to report, on a consolidated basis, the reserves of the Trust's subsidiaries with such reporting being made only at the Trust level and to footnote the per cent of interest that the Corporation holds of such aggregate amount.

In conjunction with NI 51-101, the Standing Committee on Reserves Evaluation of the Calgary Chapter of the Society of Petroleum Evaluation Engineers and the Standing Committee on Reserves Definitions of the Canadian Institute of Mining, Metallurgy and Petroleum developed the Canadian Oil and Gas Evaluation Handbook ("COGEH") to serve as the guidelines for conducting reserves evaluations and reporting the results thereof. Canadian securities regulators require reporting issuers to comply with the COGEH, as amended from time to time.

To assist you in understanding the terminology required by NI 51-101, we are providing the following definitions:

**Proved Reserves** are those reserves that can be estimated with a high degree of certainty to be recoverable. NI 51-101 further identifies the certainty level for proved reserves as "at least a 90 per cent probability that the quantities actually recovered will equal or exceed the estimated proved reserves".

**Proved plus Probable Reserves** are those additional reserves that are less certain to be recovered than proved reserves. NI 51-101 defines the certainty

level as "at least a 50 per cent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves." Therefore, under NI 51-101, the proved plus probable reserves represent a "best estimate" or "expected reserves".

Based on an independent engineering evaluation conducted by GLJ effective December 31, 2007 and prepared in accordance with NI 51-101, Canadian Oil Sands had proved plus probable reserves of 1.8 billion barrels. All reserve information in this section is based on Canadian Oil Sands' working interest of 36.74 per cent in the Syncrude Joint Venture as at December 31, 2007. Proved developed producing reserves represent 55 per cent of proved plus probable reserves. Proved non-producing reserves have not been assigned. Canadian Oil Sands currently produces only one product type, namely synthetic crude oil ("SCO").

Our crude oil reserves quantities and future net revenues were determined by GLJ utilizing GLJ's price forecast as of December 31, 2007. In addition, future net revenues using constant prices and costs as prepared by GLJ are also disclosed. The reserves estimates were constrained to areas where Syncrude currently has approvals to mine. The future net revenues shown below are based on the current Alberta oil sands royalty regulations and are prior to provision for currency hedging, interest, debt service charges, general and administrative costs, insurance and mine reclamation costs. It should not be assumed that the discounted future net revenues estimated represent the fair market value of the reserves.

The reserves quantities and future net revenues set out herein are dependent upon a number of assumptions and estimates. They are also subject to risks and uncertainties regarding crude oil prices, including the realized selling price that Canadian Oil Sands receives relative to Edmonton par, the impact of proposed Crown royalty changes, any impact of announced or potential environmental legislation or sanctions that may be imposed and various other factors outlined herein and in the annual disclosure documents of the Trust as well as the impact that the timing and costs of developing Aurora South may have. We would refer you to the discussion under the heading Risk Factors for the full discussion of these risks and uncertainties which is contained in the Trust's relevant annual information form. In addition, the evaluation does not consider the potential impact of Syncrude's research efforts and new technology developments.

## Item 2.1: Reserves Data (Forecast Prices and Costs)

### Summary of Reserves as at December 31, 2007

#### Forecast Prices and Costs <sup>(1) (2) (3)</sup>

Reserves Category	Synthetic Crude Oil Reserves		Before Income Taxes				
	Gross	Net	Future Net Revenue Discounted (\$ millions) <sup>(4)</sup>				
	million bbls	million bbls	0%	5%	10%	15%	20%
Proved Developed Producing	986	857	35,685	19,837	12,973	9,516	7,539
Proved Developed Nonproducing	-	-	-	-	-	-	-
Total Proved	986	857	35,685	19,837	12,973	9,516	7,539
Probable	812	703	37,697	11,126	4,000	1,716	850
Total Proved Plus Probable	1,798	1,560	73,382	30,963	16,973	11,232	8,389

Reserves Category	Synthetic Crude Oil Reserves		After Income Taxes				
	Gross	Net	Future Net Revenue Discounted (\$ millions)				
	million bbls	million bbls	0%	5%	10%	15%	20%
Proved Developed Producing	986	857	28,317	16,171	10,873	8,179	6,622
Proved Developed Nonproducing	-	-	-	-	-	-	-
Total Proved	986	857	28,317	16,171	10,873	8,179	6,622
Probable	812	703	28,158	8,227	2,916	1,225	589
Total Proved Plus Probable	1,798	1,560	56,475	24,398	13,789	9,404	7,211

Notes:

- (1) Canadian Oil Sands Limited constitutes 100 per cent of the total reserves shown.
- (2) Figures may not add correctly due to rounding.
- (3) Based on a light sweet crude oil price at Edmonton, Alberta (see Forecast Prices used in Estimates).
- (4) The before income tax future net revenue discounted at 10 per cent on a \$/bbl (net) basis for each category is as follows:

	<u>\$/bbl</u>
Proved developed producing	\$15.13
Proved developed non producing	\$ -
Total proved	\$15.13
Probable	\$ 5.70
Total proved plus probable	\$10.88

## Total Future Net Revenue (Undiscounted Forecast Prices and Costs)<sup>(1) (2)</sup>

(\$ Millions)

Reserves Category	Revenue	Royalties	Operating Costs	Capital Development Costs	Abandonment Costs	Future Net Revenues	Income	Future Net Revenues
						Before Income Taxes	Tax	After Income Taxes
Proved Developed Producing	90,525	11,895	31,250	11,695	-	35,685	7,369	28,317
Proved Developed Nonproducing	-	-	-	-	-	-	-	-
Total Proved	90,525	11,895	31,250	11,695	-	35,685	7,369	28,317
Total Probable	92,672	12,566	33,091	9,318	-	37,697	9,538	28,158
Total Proved Plus Probable	183,197	24,461	64,341	21,013	-	73,382	16,907	56,475

Notes:

- (1) Figures may not add correctly due to rounding.
- (2) Mining reclamation costs were not included in these calculations. Future mining reclamation costs for proved reserves are estimated at \$743 million and for proved plus probable reserves at \$988 million.

## Item 2.2: Supplemental Disclosure of Reserves Data (Constant Prices and Costs)

### Constant Prices and Costs<sup>(1) (2) (3)</sup>

Reserves Category	Reserves		Before Income Taxes				
	Gross	Net	Future Net Revenue Discounted (\$ millions) <sup>(4)</sup>				
	million bbls	million bbls	0%	5%	10%	15%	20%
Proved Developed Producing	986	822	45,456	26,173	17,392	12,775	10,049
Proved Developed Nonproducing	-	-	-	-	-	-	-
Total Proved	986	822	45,456	26,173	17,392	12,775	10,049
Probable	812	671	38,978	12,287	4,761	2,209	1,185
Total Proved Plus Probable	1,798	1,493	84,434	38,460	22,153	14,984	11,234

Reserves Category	Synthetic Crude Oil Reserves		After Income Taxes				
	Gross	Net	Future Net Revenue Discounted (\$ millions)				
	million bbls	million bbls	0%	5%	10%	15%	20%
Proved Developed Producing	986	822	35,953	21,196	14,430	10,841	8,702
Proved Developed Nonproducing	-	-	-	-	-	-	-
Total Proved	986	822	35,953	21,196	14,430	10,841	8,702
Probable	812	671	29,203	9,156	3,523	1,621	860
Total Proved Plus Probable	1,798	1,493	65,156	30,352	17,953	12,462	9,562

Notes:

- (1) Canadian Oil Sands Limited constitutes 100 per cent of the total reserves shown.
- (2) Figures may not add correctly due to rounding.
- (3) Based on a light sweet crude oil price at Edmonton, Alberta as at December 31, 2007 of \$93.39 per barrel and a synthetic crude oil price at the Syncrude plant gate of \$92.39 per barrel.

- (4) The before income tax future net revenue discounted at 10 per cent on a \$/bbl (net) basis for each category is as follows:

<u>\$/bbl</u>	
Proved developed producing	\$21.17
Proved developed non producing	\$ -
Total proved	\$21.17
Probable	\$ 7.09
Total proved plus probable	\$14.84

**Total Future Net Revenue (Undiscounted Constant Prices and Costs)<sup>(1) (2) (3)</sup>**  
(\$ Millions)

Reserves Category	Revenue	Royalties	Operating Costs	Capital Development Costs	Abandonment Costs	Future Net Revenue		Future Net Revenue
						Before Income Taxes	Income Tax	After Income Taxes
Proved Developed Producing	91,072	15,152	22,008	8,457	-	45,456	9,503	35,953
Proved Developed Nonproducing	-	-	-	-	-	-	-	-
Total Proved	91,072	15,152	22,008	8,457	-	45,456	9,503	35,953
Total Probable	75,016	12,993	17,850	5,194	-	38,978	9,775	29,203
Total Proved Plus Probable	166,088	28,145	39,858	13,651	-	84,434	19,278	65,156

Notes:

- (1) Figures may not add correctly due to rounding.
- (2) Mining reclamation costs were not included in these calculations. Future mining reclamation costs for proved reserves are estimated at \$743 million, and for proved plus probable reserves at \$988 million.
- (3) Based on a light sweet crude oil price at Edmonton, Alberta as at December 31, 2007 of \$93.39 per barrel and a synthetic crude oil price at the Syncrude plant gate of \$92.39 per barrel.

### **PART 3: PRICING ASSUMPTIONS**

#### **Item 3.1: Constant Prices Used in Supplemental Estimates**

The constant prices used in this report are based on a light sweet crude oil price at Edmonton, Alberta as at December 31, 2007 of \$93.39 per barrel and a synthetic crude oil price at the Syncrude plant gate of \$92.39 per barrel and an AECO-C spot gas price of \$6.63 per MMBTU.

In 2007, Canadian Oil Sands received a weighted average price of \$79.02 per barrel (after crude oil purchases and transportation expense but before hedging) for its SCO.

**Item 3.2: Forecast Prices Used in Estimates**

The forecast reference prices as at December 31, 2007 used in preparing Canadian Oil Sands' reserves data are provided in the table below. The Syncrude plant gate price is expected to correspond to "Light Sweet Crude Oil at Edmonton" (e.g. \$91.10 per barrel in 2008).

<b>Year</b>	<b>Inflation (%)</b>	<b>Exchange Rate (\$US/\$Cdn)</b>	<b>WTI Crude Oil at Cushing Oklahoma (\$US/bbl)</b>	<b>Light, Sweet Crude Oil at Edmonton (40 API, 0.3% S) (\$Cdn/bbl)</b>	<b>AECO-C Spot Gas (\$/MMBTU)</b>
2008	2.0	1.00	92.00	91.10	6.75
2009	2.0	1.00	88.00	87.10	7.55
2010	2.0	1.00	84.00	83.10	7.60
2011	2.0	1.00	82.00	81.10	7.60
2012	2.0	1.00	82.00	81.10	7.60
2013	2.0	1.00	82.00	81.10	7.60
2014	2.0	1.00	82.00	81.10	7.80
2015	2.0	1.00	82.00	81.10	7.97
2016	2.0	1.00	82.02	81.12	8.14
2017	2.0	1.00	83.66	82.76	8.31
2018	2.0	1.00	+2.0%/yr	+2.0%/yr	+2.0%/yr

The above price forecast is GLJ's, the independent evaluator's, price forecast as of December 31, 2007. In consideration of oil sands mining cost pressures, rather than the projected inflation of 2.0 per cent above, GLJ used a 5.0 per cent inflation factor for our evaluation during the period 2008 through 2010, 4.0 per cent in 2011, and 3.0 per cent in 2012.

## PART 4: RECONCILIATION OF CHANGES IN RESERVES

### Items 4.1: Reserves Reconciliation

#### Reconciliation of Reserves by Principal Product Type Based on Forecast Prices and Costs

The following table sets forth a reconciliation of the changes in our working interest reserve volumes before deducting Alberta Crown royalties as at December 31, 2007 against such reserves as at December 31, 2006 based on the forecast prices and costs assumptions:

	Synthetic Crude Oil		
	Proved (million bbl)	Probable (million bbl)	Proved Plus Probable (million bbl)
At December 31, 2006	982	779	1,761
Technical Revisions	13	5	18
Acquisition (1)	32	28	60
Production	(41)	0	(41)
At December 31, 2007	986	812	1,798

Note:

(1) On January 2, 2007 an additional 1.25 per cent working interest was acquired resulting in a total working interest of 36.74 per cent.

## PART 5: ADDITIONAL INFORMATION RELATING TO RESERVES DATA

### Item 5.1: Undeveloped Reserves

Proved and probable reserves have been estimated in accordance with procedures and standards contained in the COGEH.

There are no proved undeveloped reserves. Although the center and west pits of Aurora North are not yet on production, reserves from these pits are classified as proved developed producing since their recovery does not require a material amount of additional capital. The proved undeveloped reserves case includes capital relating to the Syncrude Emissions Reduction Project or SER and certain recovery optimization projects.

The probable undeveloped gross synthetic crude oil reserves correspond to 677 million barrels. These volumes relate solely to the Aurora South mine, which was initially attributed reserves prior to the most recent three financial years. The mine has all major regulatory approvals in place and a relatively high drill density. The timing of development will be driven by upgrader demand and the productive capacity associated with currently developed mine areas. The Aurora South mine is classified as probable rather than proved in view of the significance of the associated development capital and the uncertainty that major capital spending will commence within the next three years.

The probable reserves primarily reflect development of Aurora South, as well as improvements to both extraction recovery and upgrading yield. GLJ's evaluation assumes that Aurora North capacity will not be increased further by installation of a third primary separation vessel. It is assumed that Aurora South will be developed to replace depletion of the North

Mine and source the production growth under a Stage 3 debottlenecking program, which takes advantage of unused capacity in the new coker without any change in product quality.

**Item 5.2: Significant Factors or Uncertainties**

There are several factors and uncertainties which may impact the estimate of the reserves and resources in this report, all of which are already disclosed in the annual information form and the annual management’s discussion and analysis that is filed from time to time by the Trust. The reserves estimates may also be impacted by changes to the Crown Royalty agreement and the potential that the Syncrude Joint Venture owners elect to exercise the bitumen royalty option, which matters are outlined below under the headings Crown Royalty Changes and Bitumen Royalty Option.

**Item 5.3: Future Development Costs**

The following table sets forth the future development costs associated with the development of our reserves as set forth in the GLJ report. Development costs are expected to be funded from cash from operating activities, thus the cost of funding is not expected to affect the reserve balances or estimated future net revenues.

	<b>Total Proved Estimated Using Forecast Prices and Costs (\$ millions)</b>	<b>Total Proved Plus Probable Estimated Using Forecast Prices and Costs (\$ millions)</b>
2008	328	357
2009	527	608
2010	659	946
2011	807	1,051
2012	866	1,105
Remainder	8,508	16,946
Total for all years undiscounted	<u>\$ 11,695</u>	<u>\$ 21,013</u>
Total for all years discounted at 10%/year	<u>\$ 5,143</u>	<u>\$ 6,688</u>

## **PART 6: Other Oil and Gas Information**

### **Item 6.1: Oil and Gas Properties and Wells**

The Trust only holds one material oil and gas asset, being its interest in the Syncrude Joint Venture. Accordingly, all of the reserves and resources disclosed in this report are in relation to the reserves and resources that the Syncrude Joint Venture owners' hold. As at December 31, 2007 and the date of this report, the Trust holds a 36.74 per cent interest in the Syncrude Joint Venture. The Syncrude Joint Venture holds various leases that are more fully disclosed in its annual information form in the Fort McMurray area of Alberta, Canada.

### **Item 6.4: Additional Information Concerning Abandonment and Reclamation Costs**

Canadian Oil Sands has abandonment and reclamation obligations relating to the mines, upgrader and related facilities. Canadian Oil Sands estimates the abandonment liability, net of salvage, for the mines with consideration given to the expected costs to abandon and reclaim the lands and extraction facilities on an undiscounted current cost basis to amount to \$743 million (\$143 million at a 10 per cent discount rate) for proved reserves and \$988 million (\$167 million at a 10 per cent discount rate) for proved plus probable reserves. These estimates are based on prevailing industry conditions, regulatory requirements and past experience.

Our share of the present value of abandonment and reclamation costs that require recognition in our financial statements at December 31, 2007 was approximately \$226 million. These liabilities relate to our 36.74 per cent working interest at December 31, 2007 in the Syncrude future dismantlement and site restoration costs for the Base, North and Aurora North mines, but exclude Aurora South as no disturbance has yet occurred on that lease. Syncrude's Upgrader and related facilities have indeterminate useful lives. Therefore, the fair values of the related asset retirement obligation cannot be reasonably determined. Also, the timing and amount of the reclamation expenditures, if any, related to Syncrude's sulphur blocks are not determinable at the present time. The asset retirement obligations pertaining to the Upgrader and the sulphur blocks will be recognized in the year in which the settlement amounts and dates can be reasonably estimated. In estimating the future net revenue, GLJ has not included any abandonment and reclamation costs in the GLJ reserve report.

### **Item 6.5: Tax Horizon**

During 2007, Bill C-52 (Canada) was enacted which introduces an income tax on trust distributions for certain Canadian public income and royalty trusts starting in 2011. As a result the future net revenue calculations now include a provision for income taxes anticipated to be incurred post 2010.

The 36.74 per cent working interest in the Syncrude leases is held by the Corporation. Historically, taxable income in the Corporation has been sheltered by a trust royalty payable to the Trust. Therefore, prior to 2011, both the Trust and the Corporation are assumed to be non-taxable as the royalty trust structure effectively transfers the income tax obligation to individual trust Unitholders.

For purposes of the future net revenue calculations, this royalty trust structure is assumed to be discontinued effective January 1, 2011. Therefore the future net revenue calculations assume that the Corporation will be taxable at Alberta Corporate Tax rates and will have approximately \$2 billion of tax pools as of January 1, 2011.

**Item 6.6: Costs Incurred**

The following table sets forth costs incurred by Canadian Oil Sands for the year ended December 31, 2007:

<u>Property Acquisition Costs (\$millions)</u>		<u>Exploration Costs</u>	<u>Development Costs</u>
<u>Proved Properties</u>	<u>Unproved Properties</u>	<u>(\$ millions)</u>	<u>(\$ millions)</u>
\$475	Nil	Nil	\$183

**Item 6.8: Production Estimates**

A forecast of Canadian Oil Sands' production from the Syncrude Joint Venture for 2008 using forecast prices is presented below:

<u>Reserves Category</u>	<u>Synthetic Crude Oil (million barrels)</u>	
	<u>Working Interest</u>	<u>After Royalty</u>
Proved developed producing	42.1	35.5
Total proved	42.1	35.5
Total proved plus probable	43.2	36.4

## Item 6.9: Production History

The following table sets forth certain information in respect of production, product prices received, royalties and netbacks received by the Corporation for each quarter of its most recently completed financial year.

	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Year</u>
Average Daily Sales of SCO (bbls/d) <sup>(1)</sup>	108,981	98,720	124,904	116,368	112,298
Realized Selling Price before Currency Hedging <sup>(2)</sup>	68.47	76.41	81.23	88.50	79.02
Currency Hedging Gains <sup>(2)</sup>	0.22	0.40	0.25	0.23	0.27
Net Realized Selling Price <sup>(2)</sup>	68.69	76.81	81.48	88.73	79.29
Operating Expenses <sup>(2)</sup>	(23.56)	(30.13)	(20.84)	(27.38)	(25.23)
Royalties <sup>(2)</sup>	(9.58)	(9.94)	(14.32)	(12.81)	(11.83)
Netback <sup>(2)</sup>	<u>35.55</u>	<u>36.74</u>	<u>46.32</u>	<u>48.54</u>	<u>42.23</u>

Notes:

- (1) The average daily volumes reported for 2007 represent Canadian Oil Sands' average daily sales, which differ from its average daily production volumes primarily due to in-transit pipeline volumes.
- (2) Canadian dollars per barrel.

## Miscellaneous Oil and Gas Information

### ***Crown Royalty Changes***

The Alberta Government has announced that it plans to introduce new crown royalty terms, effective January 1, 2009. Please refer to the Trust's quarterly management discussion and analysis for the fourth quarter ended December 31, 2007 and annual disclosure documents for a detailed discussion of the announced changes to the current Crown royalty regime. Assuming the new regime is implemented as proposed, becomes effective for the Syncrude Project post 2015 and the royalty continues to be based on synthetic crude oil, the total proved plus probable after income taxes future net revenue at forecast prices and costs would be reduced by approximately 13 per cent on an undiscounted basis and seven per cent at a 10 per cent discount rate.

### ***Bitumen Royalty Option***

An Alberta Crown Agreement provides the Syncrude Joint Venture owners with a one time option prior to 2010 to convert from a royalty based on synthetic crude oil to bitumen based royalty consistent with the rest of the Alberta oil sands industry.

The economic consideration of conversion to a bitumen based royalty and the resulting royalty payments is highly sensitive, among other factors, to the BVM methodology and the relationship between synthetic crude oil prices and bitumen prices. Over the past four years estimated monthly prices for Syncrude bitumen based on Lloyd Blend at Hardisty and using reasonable estimated adjustments for quality, location and diluent, are estimated to have ranged from 15 per cent to 64 per cent of light sweet crude oil postings at Edmonton, with the average being slightly less than 50 per cent.

Assuming that the bitumen royalty option is exercised effective January 1, 2009, that Syncrude bitumen is valued at 50 per cent of the light sweet crude oil price at Edmonton, and utilizing an upgrader growth recapture amount of approximately \$6 billion then the total proved plus probable after income tax future net revenues at forecast prices and costs would

increase by approximately 16 per cent on an undiscounted basis and 13 per cent on a 10 per cent discounted basis.

The preceding estimates for Alberta Crown Royalties and the bitumen royalty option have a significant level of uncertainty. In addition to the assumptions regarding the bitumen valuation methodology, the impact of announced changes to the Alberta Crown Royalty regime, the timing and amount of upgrader growth capital recapture, forecast prices and total costs, these reserve estimates make several additional assumptions, including, but not limited to the extraction recovery and bitumen yield achieved and the proportion of total capital and operating costs related to bitumen production. Further, any amendment to the Crown Royalty agreement with the Alberta Government as well as the decision to exercise the bitumen royalty option requires the agreement of all the Syncrude owners, not just a majority of those Syncrude owners. As a result, actual results may be different than the estimates provided, and these differences may be material.

### ***Reserve Life Index***

Canadian Oil Sands' estimated reserve life index using reserves prepared by GLJ based on Canadian Oil Sands' January 30, 2008 guidance of approximately 115 million barrels per year of Syncrude production is as follows:

	<u>Reserves (Millions of barrels)</u>	<u>Reserve Life Index (Years)</u>
Total Proved Reserves	986	23
Proved plus Probable Reserves	1,798	43

### ***Resources***

In addition to the reserve definitions provided above under Part 2, we are providing the following definitions to assist you in understanding the terminology used in the following discussion of "Resources":

**Contingent Resources** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies.

**Prospective Resources** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development.

**Best Estimate** is considered to be the best estimate of the quantity that will actually be recovered. It is equally likely that the actual remaining quantities recovered will be greater or less than the best estimate. The best estimate of Contingent and Prospective Resources is prepared independent of the risks associated with achieving commercial production.

**Remaining Recoverable Resources** are the sum of reserves, contingent resources and prospective resources.

See the annual information form for the Trust for an outline of the leases held by the Syncrude Joint Venture, which leases total about 252,000 acres. Based upon independent evaluations conducted by GLJ effective December 31, 2007, our best estimate of the reserves and resources remaining to be recovered from these leases are as follows:

(billions of barrels of SCO)	<u>Syncrude</u> <u>Project</u>	<u>COS</u> <sup>(1)</sup>
Proved plus probable reserves	4.9	1.8
Contingent resources – best estimate	5.6	2.1
Prospective resources – best estimate	<u>2.2</u>	<u>0.8</u>
Remaining recoverable resources	<u>12.7</u>	<u>4.7</u>

(1) Based on the Corporation's 36.74 per cent working interest in the leases.

The contingent resources are primarily associated with separate pits not currently planned to be developed in a timeframe that enable them to be classified as reserves, and for which an application for regulatory approval has not yet been prepared. A component of the contingent resources are associated with expansion (pushback) opportunities to pits assigned reserves at December 31, 2007, but that have not yet been incorporated into Syncrude's mine plans as of the effective date of the evaluation, and for which owner commitment is currently considered insufficient to enable all of the expansion to be recognized as reserves. The pit design assumptions utilized in preparing the estimates are within the ranges currently being considered by industry in applications for regulatory approval of commercial surface mining developments. To the extent the Syncrude Joint Venture owners have not committed to mine any of the contingent resources, any decision to mine may reflect a different planning basis than utilized in preparing the estimates. While we consider the contingent resources to be potentially recoverable under reasonable economic and operating conditions, there is no certainty that they will be commercially viable.

Prospective resources have significant additional risks relative to contingent resources. They are associated with specific areas within the Syncrude leases where existing well control is not sufficient, and it is believed that additional drilling could either result in the movement of these areas to contingent resources or their elimination from the assumed planning basis. Drilling within the areas of this continuous-type deposit that have been classified by GLJ as prospective is relatively exploratory at this point in time. GLJ's best estimate of prospective resources corresponds to 50 percent of their high estimate and hence makes some adjustment for risk. Nevertheless, there is no certainty that any portion of the prospective resources will be discovered. Furthermore, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources.

**CANADIAN OIL SANDS LIMITED**, on its  
behalf and as Manager of **CANADIAN OIL  
SANDS TRUST**

*Signed "Marcel R. Coutu"*

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Marcel R. Coutu  
President and Chief Executive Officer

*Signed "Wayne M. Newhouse"*

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Wayne M. Newhouse  
Director

*Signed "Allen R. Hagerman"*

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Allen R. Hagerman  
Executive Vice President

*Signed "Wesley R. Twiss"*

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Wesley R. Twiss  
Director

Dated: March 7, 2008