

NOTICE OF CORPORATE REORGANIZATION

TAKE NOTICE that, under the *Business Corporations Act* (Alberta) (the “**ABCA**”), Petrobank Energy and Resources Ltd. (“**Petrobank**”) has implemented an internal restructuring (the “**Reorganization**”). In connection with the Reorganization, the following steps were taken:

- Effective December 31, 2007, Petrobank incorporated a new wholly-owned subsidiary company named Whitesands Insitu Inc. (“**WII**”) under the ABCA.
- Effective December 31, 2007, Petrobank and WII formed an Alberta general partnership named Whitesands Insitu Partnership (“**WIP**”). On formation of WIP, WII subscribed for a 0.01% interest in WIP and Petrobank subscribed for a 99.99% interest in WIP.
- Pursuant to the terms of the partnership agreement between Petrobank and WII, Petrobank is the manager of WIP.
- Effective January 1, 2008, Orion Oil Canada Ltd. amalgamated with Petrobank. The resulting amalgamated corporation was Petrobank.
- Effective January 1, 2008, Whitesands Insitu Ltd. amalgamated with Petrobank. The resulting amalgamated corporation was Petrobank.
- Effective January 1, 2008, Petrobank transferred the all of the assets (“**Assets**”) previously held by Whitesands Insitu Ltd., immediately prior to its amalgamation with Petrobank, to WIP.

As a result of the foregoing, effective January 1, 2008, Petrobank and WII are jointly and severally liable for WIP’s liabilities and obligations related to the Assets transferred to WIP. Any necessary assignments, novations and notices relating to Assets transferred to WIP are under preparation will be circulated to the appropriate parties in due course. Please update your records to reflect the changes set forth in this notice. The certificates of amalgamation and dissolution related to the Reorganization can be viewed on Petrobank’s website at www.petrobank.com, in the section “*About Us*”, “*Industry Notices*”. The business number of WIP is 816486153.

All communications, notices, invoices and payments, charges and documents pertaining to all of the above-noted companies and partnership should be addressed as set forth below. In addition, please be advised that the signature block of WIP is “Petrobank Energy and Resources Ltd., as manager and on behalf of, Whitesands Insitu Partnership”.

Whitesands Insitu Partnership
2600, 240-4th Avenue SW
Calgary, Alberta, T2P 4H4
Phone: 403 750 4400, Fax: 403 266 5794

Petrobank Energy and Resources Ltd.,
as manager and on behalf of,
Whitesands Insitu Partnership



Chris J. Bloomer, Vice President Heavy Oil