

**Notice of Pendency of Derivative Action, Proposed Settlement of Derivative Action, and Settlement Hearing**

**TO: ALL CURRENT RECORD HOLDERS AND BENEFICIAL OWNERS OF COMMON STOCK OF OILSANDS QUEST, INC. (“OILSANDS” OR THE “COMPANY”) AS OF NOVEMBER 4, 2011 (THE “RECORD DATE”) (“CURRENT OILSANDS SHAREHOLDERS”)**

**PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. THIS NOTICE RELATES TO A PROPOSED SETTLEMENT AND DISMISSAL OF *MAKE A DIFFERENCE FOUNDATION, INC., v. HOPKINS*, No. 10-cv-00408-WYD-MJW (THE “ACTION”), A SHAREHOLDER DERIVATIVE ACTION, AND CONTAINS IMPORTANT INFORMATION REGARDING YOUR RIGHTS. IF THE COURT APPROVES THE SETTLEMENT, YOU WILL BE FOREVER BARRED FROM CONTESTING THE APPROVAL OF THE PROPOSED SETTLEMENT AND FROM PURSUING THE “RELEASED CLAIMS,” AS DEFINED HEREIN.**

**THE COURT HAS MADE NO FINDINGS OR DETERMINATIONS CONCERNING THE MERITS OF THE ACTION. THE RECITATION OF THE BACKGROUND AND CIRCUMSTANCES OF THE SETTLEMENT CONTAINED HEREIN DOES NOT CONSTITUTE THE FINDINGS OF THE COURT. IT IS BASED ON REPRESENTATIONS MADE TO THE COURT BY COUNSEL FOR THE PARTIES.**

Notice is hereby provided to you of the proposed settlement (the “Settlement”) of this shareholder derivative lawsuit. This Notice is provided by Order of the United States District Court for the District of Colorado (the “Court”). It is not an expression of any opinion by the Court. It is to notify you of the terms of the proposed Settlement, and your rights related thereto.

**I. WHY THE COMPANY HAS ISSUED THIS NOTICE**

Your rights may be affected by the Settlement of the Action. Make a Difference Foundation, Inc. (“Plaintiff”); Christopher H. Hopkins, T. Murray Wilson, Ronald Blakely, Paul Ching, Brian Macneill, Ronald Phillips, John Read, Gordan Tallman, Pamela Wallin, Thomas Milne, W. Scott Thompson (“Individual Defendants”) and nominal party Oilsands (Oilsands and the Individual Defendants collectively, (“Defendants”)), have agreed upon terms to settle the Action on the terms set forth in the Stipulation and Agreement of Settlement and Release dated October 28, 2011 (“Stipulation”) which can be viewed and/or downloaded at [www.oilsandsquest.com](http://www.oilsandsquest.com).

On February 24, 2012, at 2:00 p.m., the Court will hold a hearing (the “Final Hearing”) in the Action. The purpose of the Final Hearing is to determine: (i) whether the terms of the Settlement, are fair, reasonable, and adequate and should be approved; (ii) whether a final judgment should be entered; and (iii) such other matters as may be necessary or proper under the circumstances.

## II. SUMMARY OF THE ACTION

On February 24, 2010, Plaintiff initiated the Action in the United States District Court for the District of Colorado. Plaintiff brings derivative claims on behalf of Oilsands against the Individual Defendants, who, at the time of the alleged wrongdoing, were directors and/or officers of Oilsands. Plaintiff alleges that the Individual Defendants breached their fiduciary duty to Oilsands by agreeing to sell permits to explore the Pasquia Hills region of Saskatchewan, Canada for oil shale (“Permits”) to Canshale Corp. (“Canshale”) (“Agreement”). The Permits were granted by the government of Saskatchewan in 2006 and expire five years from the grant date. The Permits may be renewed for three successive one year terms in certain circumstances.

Defendant Christopher H. Hopkins, Oilsands’ then-CEO and director, founded Canshale for the purpose of acquiring the Permits. Defendants Milne and Thompson, who were directors of Oilsands, abstained from voting on the transaction, but immediately announced that they were leaving Oilsands to join Canshale after the Agreement had been reached.

Oilsands announced the Agreement on January 19, 2010. Under the terms of the Agreement, Oilsands agreed to transfer the Permits to Canshale on the condition that Canshale raise CDN\$12.5 million. Oilsands also agreed to loan Canshale CDN\$250,000 to fund Canshale start-up costs. Under the terms of the loan, Canshale was only obligated to repay Oilsands in the event that Canshale raised CDN\$12.5 million and the sale of the Permits closed.

In exchange, Canshale agreed to pay Oilsands CDN\$1,000,000 at the time the Permits were transferred. In addition, at the time that the Permits were transferred, Canshale agreed to issue 8,000,000 shares of Canshale to Oilsands, giving the Company control of 10-16% of Canshale.

Upon leaving Oilsands to run Canshale, Defendant Hopkins received a CDN\$1,106,552.51 termination payment from the Company.

On August 13, 2010, Oilsands announced that Canshale was not able to raise CDN\$12.5 million and that Oilsands had cancelled the sale. On September 20, 2010, Plaintiff filed the Second Amended Verified Derivative Complaint bringing claims of breach of fiduciary duties against the Individual Defendants. Plaintiff alleges that the Agreement delayed the sale of the expiring Permits and diminished their value. In addition, Plaintiff alleged that Oilsands’ \$250,000 loan to Canshale violated Colorado law, C.R.S. § 7-108-501(4)(a), because the loan was not disclosed to shareholders before it was entered into. Plaintiff also alleged that the financial advisor that Oilsands retained to assist in finding a buyer for the Permits (“Financial Advisor”) was not independent. Plaintiff alleged that Canshale and the Financial Advisor reached an agreement whereby the Financial Advisor would earn fees by acting as an underwriter for Canshale when Canshale sought to raise the CDN\$12.5 million to close the transaction.

Defendants’ motions to dismiss were fully briefed and the Court has not ruled in favor of Plaintiff or Defendants.

### **III. SETTLEMENT**

On October 28, 2011, Plaintiff and Defendants entered into the Stipulation to resolve the Action. Defendants agreed to amend Oilsands' Related Person Transaction Policy in the following manner:

- (1) The Related Person Transaction Policy now requires that the Company disclose loans made to officers and directors of the Company in a manner consistent with Federal Securities and Colorado State Law.
- (2) The Related Person Transaction Policy now requires approval of any related party transaction involving a "material asset" – defined as constituting over 5% of the Company's total assets – by a Special Committee.
  - (a) The Special Committee shall be constituted exclusively of independent directors;
  - (b) The Special Committee shall have the power to disclose the Related Party Transaction it is considering to shareholders in accordance with applicable legal and regulatory requirements as well as the Company's standard policies and practices;
  - (c) The Special Committee shall have the power to engage, at the expense of the Company, such legal, financial, technical and professional advisors as the Special Committee considers appropriate, it being understood, that no such advisor may be engaged if he has an interest in the Related Person Transaction; and
  - (d) The Special Committee shall have the power to direct management of the Company and the advisors to cooperate with the Special Committee.

A complete copy of Oilsands' amended Related Party Transaction Policy is appended hereto.

The Stipulation also provides for the entry of judgment dismissing the Action against the Defendants with prejudice and, as explained in more detail in the Stipulation, barring and releasing certain known or unknown claims that have been or could have been brought in any court by the Plaintiff in the Action or by Oilsands, or any of its shareholders, derivatively against the Defendants relating to any of the claims or matters that were or could have been alleged concerning Oilsands' sale of the Permits to Canshale ("Released Claims").

### **IV. PLAINTIFF'S ATTORNEYS' FEES AND EXPENSES**

After negotiating corporate governance reforms, counsel for the Plaintiff, the Company and Defendants, negotiated the attorneys' fees that Oilsands would pay to Plaintiff's Counsel. As a result of these negotiations, and in light of the substantial benefit conferred, Oilsands has agreed

to pay Plaintiff's Counsel for their attorneys' fees and expenses of \$250,000 ("Fee Award"). To date, Plaintiff's Counsel have not received any payments for their efforts. The Fee Award will compensate Plaintiff's Counsel for their efforts in prosecuting this Action and the substantial benefits achieved for Oilsands and its shareholders.

## **V. REASONS FOR THE SETTLEMENT**

The Court did not decide in favor of the Plaintiff or the Defendants. The proposed Settlement was negotiated at arm's-length by attorneys for the Parties. The attorneys for all of the Parties have extensive experience in shareholder derivative cases, and they all believe the Settlement is in the best interest of their clients. Oilsands and Plaintiff believe that the Settlement provides substantial benefits upon Oilsands and its shareholders.

### **A. Why Did Plaintiff Agree to Settle?**

Plaintiff's Counsel investigated claims and the underlying events and transactions alleged in the Action. Plaintiff's Counsel have analyzed the evidence adduced during their investigation, and have researched the applicable law with respect to the claims of Plaintiff, Oilsands and its shareholders against the Defendants and the potential defenses thereto.

Based upon their investigation, Plaintiff and its counsel have concluded that the terms and conditions of the Stipulation are fair, reasonable, and adequate to Plaintiff, Current Oilsands Shareholders, and Oilsands, and in their best interests, and have agreed to settle the claims raised in the Action pursuant to the terms and provisions of the Stipulation after considering, among other things: (a) the substantial benefits that Oilsands and its shareholders have received or will receive from the Settlement, (b) the attendant risks of continued litigation of the Action, and (c) the desirability of permitting the Settlement to be consummated.

In particular, Plaintiff and their counsel considered the significant litigation risk inherent in this Action. The law imposes significant burdens on Plaintiff for pleading and proving a shareholder derivative claim. While Plaintiff believes its claims are meritorious, Plaintiff acknowledges that there is a substantial risk that the Action may not succeed in producing a recovery in light of the applicable legal standards and possible defenses. Plaintiff and its counsel believe that, under the circumstances, they have obtained the best possible relief for Oilsands and its shareholders.

### **B. Why Did the Defendants Agree to Settle?**

Litigation presents inherent risks. Although Defendants deny that they acted improperly, the defense of the Action requires an expenditure of corporate resources, in particular, of management time and attention. After investigation of the underlying facts and analyzing the applicable law, Defendants believe that the arm's length settlement negotiated with Plaintiff is appropriate under the circumstances. The settlement provides a certain and specific resolution of the disputes and provides a corporate governance change that is beneficial to Oilsands'

shareholders. As well, the settlement permits Oilsands' management to focus their attention on Oilsands' business affairs, which is where the focus of management should be.

## **VI. FINAL HEARING**

On February 24, 2012, at 2:00 p.m., the Court will hold the Final Hearing before the Honorable William J. Martinez at the Alfred A. Arraj United States Courthouse, 901 19th Street Denver, Colorado 80294-3589, in Courtroom A801. At the Final Hearing, the Court will consider whether the terms of the Settlement are fair, reasonable, and adequate and thus should be finally approved and whether the Action should be dismissed with prejudice pursuant to the Stipulation.

## **VII. RIGHT TO ATTEND FINAL HEARING**

Any Current Oilsands Shareholder may, but is not required to, appear in person at the Final Hearing. If you want to be heard at the Final Hearing, then you must first comply with the procedures for objecting, which are set forth below. The Court has the right to change the hearing dates or times without further notice. Thus, if you are planning to attend the Final Hearing, you should confirm the date and time before going to the Court. **CURRENT OILSANDS SHAREHOLDERS WHO HAVE NO OBJECTION TO THE SETTLEMENT DO NOT NEED TO APPEAR AT THE FINAL HEARING OR TAKE ANY OTHER ACTION.**

## **VIII. RIGHT TO OBJECT TO THE SETTLEMENT AND PROCEDURES FOR DOING SO**

You have the right to object to any aspect of the Settlement. You must object in writing, and you may request to be heard at the Final Hearing. If you choose to object, then you must follow these procedures.

### **A. You Must Make Detailed Objections in Writing**

Any objection must be presented in writing and must contain the following information:

1. Your name, legal address, and telephone number;
2. Proof of being a Current Oilsands Shareholder as of the Record Date;
3. The date(s) you purchased your Oilsands shares;
4. A statement of your position with respect to the matters to be heard at the Final Hearing, including a statement of each objection being made;
5. The grounds for each objection or the reasons for your desiring to appear and to be heard;

6. Notice of whether you intend to appear at the Final Hearing (this is not required if you have lodged your objection with the Court); and
7. Copies of any papers you intend to submit to the Court, along with the names of any witness(es) you intend to call to testify at the Final Hearing and the subject(s) of their testimony.
8. The Court may not consider any objection that does not substantially comply with these requirements.

**B. You Must Timely Deliver Written Objections to the Court, Plaintiff's Counsel, and Defendants' Counsel**

YOUR WRITTEN OBJECTIONS MUST BE ON FILE WITH THE CLERK OF THE COURT NO LATER THAN 20 CALENDAR DAYS BEFORE THE FINAL HEARING. The Court Clerk's address is:

Clerk of the Court  
United States District Court  
District of Colorado  
Alfred A. Arraj United States Courthouse  
901 19th Street  
Denver, Colorado 80294-3589

YOU ALSO MUST DELIVER COPIES OF THE MATERIALS TO PLAINTIFF'S COUNSEL AND COUNSEL FOR DEFENDANTS SO THEY ARE RECEIVED NO LATER THAN 20 CALENDAR DAYS BEFORE THE FINAL HEARING. Counsel's addresses are:

The Fleischman Law Firm  
Keith M. Fleischman  
565 Fifth Avenue, Seventh Floor  
New York, NY 10017

Counsel for certain of the Individual Defendants:

Jonathon D. Bergman  
1550 Seventeenth St., Suite 500  
Denver, CO 80202  
Telephone: (303) 892-9400  
Facsimile: (303) 893-1379

*Attorneys for Defendants Ronald Blakely, Paul Ching, Brian MacNeill, Ronald Phillips, John Read, Gordan Tallman, Pamela Wallin, and T. Murray Wilson*

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1285 Avenue of the Americas  
New York, New York 10019  
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*Attorneys for Nominal Defendant Oilsands Quest Inc.*

Unless the Court orders otherwise, your objection will not be considered unless it is timely filed with the Court and delivered to Plaintiff's Counsel and counsel for the Individual Defendants.

Any Person or entity who fails to object or otherwise request to be heard in the manner prescribed above will be deemed to have waived the right to object to any aspect of the Settlement or otherwise request to be heard (including the right to appeal) and will be forever barred from raising such objection or request to be heard in this or any other action or proceeding, unless otherwise ordered by the Court.

#### **IX. HOW TO OBTAIN ADDITIONAL INFORMATION**

This Notice summarizes the Stipulation. It is not a complete statement of the events of the Action or the Stipulation.

You may inspect the Stipulation and other papers in the Action at the United States District for the District of Colorado's Clerk's office at any time during regular business hours of each business day. The Clerk's office is located at the United States District Court for the District of Colorado, United States District Court District of Colorado, Alfred A. Arraj United States Courthouse, 901 19th Street, Denver, Colorado 80294-3589.

**PLEASE DO NOT CALL, WRITE, OR OTHERWISE DIRECT QUESTIONS TO EITHER THE COURT OR THE CLERK'S OFFICE.** Any questions you have about matters in this Notice

should be directed by telephone to the Fleischman Law Firm at (212) 880-9567 or in writing to Keith M. Fleischman, 565 Fifth Avenue, Seventh Floor New York, NY 10017.

DATED: November 3, 2011  
BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO



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## **Related Person Transaction Policy**

**Adopted by the Audit Committee and the Board of Directors of  
Oilsands Quest Inc. on March 12, 2008, as supplemented on June 29, 2011**

### **Statement of Purpose and Philosophy**

Our Company recognizes that Related Person Transactions (as defined below) may raise questions as to whether those transactions are consistent with the best interests of the Company and its stakeholders. The objective of this policy is to require independent review of Related Person Transactions.

This Policy is not intended to supersede the Company's existing policies and procedures, including those outlined in the Code of Ethics and Audit Committee Charter, related to Related Person Transactions.

### **Definitions**

For the purposes of this policy, a "Related Person Transaction" is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) that occurred since the beginning of the Company's most recent fiscal year in which the Company (including any of its subsidiaries) was, is or will be a participant, where the amount involved exceeds \$120,000 US or is otherwise deemed to be material by the Company, and in which any Related Person had, has or will have a direct or indirect material interest.<sup>1</sup>

For purposes of this policy, a "Related Person" means:

1. any person who is, or at any time since the beginning of the Company's last fiscal year was, a director or executive officer of the Company or a nominee to become a director of the Company;
2. any person who is known to be the beneficial owner of more than 5% of any class of the Company's voting securities;
3. any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, common-law spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law



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- of the director, executive officer, nominee or more than 5% beneficial owner, and any person (other than domestic employees or tenant) sharing the household of such director, executive officer, nominee or more than 5% beneficial owner; and
4. any firm, corporation or other entity in which any of the foregoing persons is employed or is a partner or principal or in a similar position or in which such person has a 5% or greater beneficial ownership interest.

### **Standards/Requirements**

It is the Company's policy that the Audit Committee (the "Committee") of the Board of Directors review and approve all Related Person Transactions in advance<sup>2</sup>, and that such Related Person Transactions be disclosed in accordance with applicable legal and regulatory requirements. The Company recognizes that there are situations where Related Person Transactions may be in, or may not be inconsistent with, the best interests of the Company and its stakeholders, including but not limited to situations where the Company may obtain products or services of a nature, quantity or quality, or on other terms, that are not readily available from alternative sources or when the Company provides products or services to Related Persons (as defined above) on an arm's length basis on terms comparable to those provided to unrelated third parties or on terms comparable to those provided to employees generally.

The Committee shall consider all of the relevant facts and circumstances available to the Committee, including (if applicable), but not limited to:

1. the benefits to the Company;
2. the impact on a director's independence in the event the Related Person is a director, an immediate family member of a director or an entity in which a director is a principal, member, partner, shareholder or executive officer;
3. the availability of other sources for comparable products or services;
4. the terms of the transaction; and
5. the terms available to unrelated third parties and employees generally.

No member of the Committee shall participate in any review, consideration or approval of any Related Person Transaction with respect to which such member or any of his or her immediate family members is the Related Person. The Committee shall approve only those Related Person Transactions that are in, or are not inconsistent with, the best interests of the Company and its stakeholders, as the Committee determines in good faith.



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In addition, no immediate family member of a director or executive officer (as such term is defined pursuant to Rule 405 of the Securities Act of 1933, as amended (the “Securities Act”)) shall be hired as an employee of the Company unless the employment arrangement, any amendments or changes thereto and all supervision requirements are approved in advance by the Committee. In the event a person becomes a director or executive officer of the Company and an immediate family member of such person is already an employee of the Company, no material change in the terms of employment, including compensation, may be made without the prior approval of the Committee (except, if the immediate family member is himself or herself an executive officer of the Company, any proposed change in the terms of employment shall be reviewed and approved in the same manner as other executive officer compensatory arrangements).

Each director and executive officer of the Company is personally responsible for compliance with this policy including to the extent his or her immediate family members are involved in a Related Person Transaction. However, it shall not be considered a violation of this policy in the event a Related Person Transaction involving a director or executive officer is entered into without his or her knowledge if such director or executive officer notifies the Chief Financial Officer as soon as practical after such director or executive officer becomes aware of the transaction so the Related Person Transaction can be presented to the Committee for the required review.

Directors, executive officers and nominees shall complete an annual Questionnaire prepared by the Company’s legal counsel for Directors, Director Nominees and Executive Officers and disclose all potential Related Person Transactions that are known to them involving themselves and their immediate family members. Throughout the year, directors and executive officers shall notify the Chief Financial Officer of any potential Related Person Transactions as soon as the director or executive officer becomes aware of any such transaction. The Chief Financial Officer shall inform the Committee of any Related Person Transaction of which they become aware. The Chief Financial Officer shall be responsible for conducting a preliminary analysis and review of potential Related Person Transactions and presentation to the Committee for review including provision of additional information to enable proper consideration by the Committee.

At the time the Company becomes aware of a person’s status as a beneficial owner of more than 5% of any class of the Company’s voting securities, and annually thereafter for so long as such ownership status is maintained, the Chief Financial Officer shall request (a) if the person is an individual, the same information as is requested of directors and



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executive officers under this policy and (b) if the person is a firm, corporation or other entity, a list of the principals or executive officers of the firm, corporation or entity.

As necessary, the Committee shall review approved Related Person Transactions on a periodic basis throughout the duration of the transaction to ensure that the transactions remain in the best interests of the Company. The Committee may, in its discretion, engage outside counsel to review certain Related Person Transactions. In addition, the Committee may request that the full Board of Directors consider the approval or ratification of Related Person Transactions if it deems advisable.

This policy has been approved by the Committee. The Committee will review this policy periodically and update it as appropriate.

All Related Person Transactions shall be disclosed in the Company's applicable filings as required by the Securities Act of 1933 and Securities Exchange Act of 1934 and related rules and regulations. If the Related Person Transaction involves a loan to an officer or director, the Committee (or the Special Committee if the loan is for more than 5% of the Company's Total Assets) must disclose the existence of the loan in a manner consistent Federal Securities Law and Colorado State Law.



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## **Supplement A to the Related Person Transaction Policy**

**Adopted by the Audit Committee and the Board of Directors of  
Oilsands Quest Inc. on June 29, 2011**

### **Statement of Purpose and Philosophy**

On March 12, 2008, the Company adopted a Related Person Transaction Policy, in recognition of the fact that Related Person Transactions may raise questions among stockholders as to whether those transactions are consistent with the best interests of the Company and its stockholders.

The Company now wishes to supplement that Policy to include additional procedures, as set forth below, which will be taken in connection with the sale of any Material Asset to a Related Person. For the avoidance of doubt, the clauses in this Supplement supplement the original Policy and nothing herein shall be construed as replacing anything that already exists.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Related Person Transaction Policy.

### **Amendments**

The following shall be added to Definitions:

For the purposes of this policy, a "Material Asset" shall mean any asset or assets constituting 5% of the Company's Total Assets on its most recent balance sheet.

The following shall be added to Standards/Requirements:

#### **Sale of Assets**

A proposed sale of assets to a Related Person where the amount involved exceeds \$120,000 will be reviewed and approved by the Company's Audit Committee pursuant to the provisions of the Related Person Transaction Policy, unless the asset in question is deemed to be a Material Asset. A proposed sale of any Material Asset, shall trigger the formation of, and review of the sale by, a Special Committee.



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### Special Committees

Special Committees shall be convened by the Board and shall be comprised exclusively of directors independent of the interests of management and major stockholders. The Board may only convene a Special Committee by Board Resolution, which resolution shall clearly establish (i) the members of the committee, (ii) the committee's mandate, and (iii) the scope of the committee's authority. A Special Committee shall have no authority other than that which is set forth in the resolution creating it.

Once formed, a Special Committee shall meet to review and evaluate the proposed sale of Material Assets to a Related Person and determine whether the sale is in the best interest of the Company and its stockholders.

As part of its review process, a Special Committee may consult and enter into discussions with the Board, management, and professional advisors, and may conduct such investigations and diligence as the Special Committee may deem necessary or advisable to carry out its mandate.

The Special Committee will, in accordance with applicable legal and regulatory requirements as well as the Company's standard policies and practices, consider whether and when disclosure can be made of the fact that a Special Committee is considering/has considered a particular Related Person Transaction.

### Powers of the Special Committee

All Special Committees shall have the power to:

- (a) engage, at the expense of the Company, such legal, financial, technical and professional advisors as the Special Committee considers appropriate, it being understood, that no such advisor may be engaged if he has an interest in the Related Person Transaction;
- (b) direct management of the Company and the advisors to cooperate with the Special Committee; and
- (c) do such other acts and carry out such other duties as the Special Committee considers necessary or advisable in respect of its review process or to otherwise fulfill its mandate.

### Governance of the Special Committee

In carrying out its responsibilities, a Special Committee shall have control over the time and manner of its consultation with the Board and the management of the Company. A Special Committee may, at its sole discretion, invite other members of the Board, members of management, or counsel and other advisors of the Company to report and be present at Special Committee meetings, provided that the Special Committee shall hold in camera sessions at such meetings without such persons present.



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A Special Committee shall be entitled to establish its own procedures including the appointment of a recording secretary, the establishment of a quorum for its meetings (which unless otherwise established is a majority of the members of the Special Committee attending the meeting in person or by telephone), the timing and place of meetings (unless otherwise established, notice of every meeting shall be given to each member not less than 24 hours before the time when the meeting is to be held, except that no notice shall be necessary if all members are present or have waived notice or otherwise consent) and such other procedures as it considers necessary and advisable including without limitation, a determination as to whether its responsibilities have been performed and are complete.

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1. A transaction where the rates or charges involved in the transaction are determined by competitive bids, or the transaction involves the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority shall not be considered a Related Person Transaction for purposes of this policy.

Where the Related Person Transaction relates to the sale of any Material Asset to a Related Person, the provisions of Supplement A to this Policy will govern.

2. Any existing related person transaction in effect as of the effective date of this policy shall be reviewed by the Committee at its next regularly scheduled meeting.