

THE SECURITIES ACT) Order No. 3389
)
Section 20(1)) June 20, 2001

CANADIAN OIL SANDS TRUST and ATHABASCA OIL SANDS TRUST

WHEREAS:

(A) Canadian Oil Sands Trust ("COST") and Athabasca Oil Sands trust ("AOST") have applied to The Manitoba Securities Commission (the "Commission") for an order pursuant to subsection 20(1) of *The Securities Act*, R.S.M. 1988, c. S50, as amended (the "Act") that the distribution of trust units of AOST by COST to its unitholders (the "COST Unitholders") pursuant to or in connection with the proposed merger of COST and AOST (the "Merger") in exchange for units of COST are exempt from Sections 6 and 37 of the Act;

(B) COST and AOST have each represented to the Commission that:

1. COST is an open-ended investment trust formed under the laws of Alberta pursuant to a trust indenture dated April 19, 1996, as amended from time to time. COST is authorized to issue up to 500,000,000 trust units, of which 27,000,010 (the "Cost Units") were issued and outstanding as of March 31, 2001. The COST Units are listed and posted for trading on the Toronto Stock Exchange (the "TSE").

2. COST is a vehicle providing indirect ownership of a working interest in the Syncrude project and any after-acquired interests therein, as well as other oil sands investments.

3. AOST is an open-ended investment trust formed under the laws of Alberta pursuant to a trust indenture dated October 5, 1996. AOST is authorized to issue up to 500,000,000 trust units, of which 29,750,000 (the "AOST Units") were issued and outstanding as of March 31, 2001. The AOST Units are listed and posted for trading on the TSE.

4. AOST is a vehicle providing indirect ownership of a working interest in the Syncrude project and any after-acquired interests therein, as well as other oil sands investments.

5. The board of directors of Athabasca Oil Sands Investments Inc. ("AOSII"), the manager of AOST, has determined on behalf of AOST, along with the board of directors of Canadian Oil Sands Investments Inc. ("COSII"), the manager of COST, on behalf of COST, that it is in the best interests of the unitholders of AOST and COST, respectively, to combine the undertakings of AOST and COST (the "Merger").

6. The Merger is to be effected pursuant to and in accordance with the terms and conditions of the combination agreement entered into between AOST, AOSII, COST and COSII on May 11, 2001 (the "Combination Agreement").

7. A joint information circular of AOST and COST (the "Joint Circular") has been prepared and mailed out to the unitholders of AOST and COST which sets forth certain resolutions which must be approved by such unitholders to effect the merger. The information circular contains prospectus level disclosure regarding AOST and COST as well as pro forma information of AOST subsequent to the Merger being effective.

8. Approval was obtained at meetings scheduled on June 21, 2001 for the unitholders of each of AOST and COST as applicable. At the AOST meeting, more than 66^{2/3}% of the AOST unitholders represented at the meeting voted in favour of the resolutions to give effect to the Merger. At the COST meeting more than 66^{2/3}% of the COST unitholders represented at the meeting voted in favour of the resolutions to give effect to the Merger.

9. The TSE has conditionally approved the listing of the AOST units to be issued in connection with the Merger.

10. The following events, among others, will occur in order to give effect to the Merger:

(a) AOST will acquire all of the assets of COST (including the COST Royalty and the COSII Shares (as defined in the Joint Circular)) and will assume all of the liabilities of COST in exchange for the issuance by AOST of that number of AOST Units equal to the number of COST Units issued and outstanding at the Effective Time (as defined in the Joint Circular);

(b) COST will acquire all of the issued and outstanding COST Units in exchange for AOST Units on a one-for-one basis;

(c) COST will be wound up in accordance with the COST Trust Indenture;

(d) the name of AOST will be changed to "Canadian Oil Sands Trust";

11. The COST units will be delisted from the TSE.

(C) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the order requested.

IT IS ORDERED:

1. THAT, pursuant to subsection 20(1) of the Act, the distribution of AOST Units by COST to COST Unitholders pursuant to the Merger in exchange for COST Units is exempt from Sections 6 and 37 of the Act.

2. THAT the fee for this order shall be \$1,000.00.

BY ORDER OF THE COMMISSION

Director - Legal