UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MARSHALL W. COLLINS, GARY DANNENBERG, THEODORE M. KOLER, AND ELMER WALKER, Individually and on Behalf of All Others Similarly Situated Plaintiffs, -v- OILSANDS QUEST INC. (f/k/a CANWEST PETROLEUM CORPORATION), CHRISTOPHER H. HOPKINS, T. MURRAY WILSON, KARIM HIRJI, GARTH WONG, RONALD PHILLIPS, THOMAS MILNE, GORDON TALLMAN, WILLIAM SCOTT THOMPSON, PAMELA WALLIN, JOHN READ, AND MCDANIEL & ASSOCIATES CONSULTINGS LTD., Defendants.	11 Civ. 1288 (JSR)
In re: OILSANDS QUEST INC., *et al.*, Applicants in Foreign Proceedings.	Chapter 15 12-10476 (Jointly Administered)

ORDER ENFORCING ORDER OF THE ALBERTA COURT
REGARDING PAYMENTS TO OQI SHAREHOLDERS

Pending before the Court is the *Motion for Order Enforcing Order of the Alberta Court Regarding Payments to OQI Shareholders* filed by Ernst & Young Inc., the court-appointed monitor (the "**Monitor**") and authorized foreign representative of Oilsands Quest Inc. and certain of its subsidiaries in proceedings under Canada's *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, pending before the Court of Queen's Bench Alberta (the "**Alberta Court**"). By the

Motion, the Monitor seeks, among other things, an order giving full force and effect in the United States to the Alberta Court's *ORDER (Re: Distribution to OQI Shareholders)* dated July 22, 2014, annexed hereto as Exhibit 1 (the "**Payment Order**"), providing certain relief in connection with payments to OQI shareholders under the Plan of Compromise and Arrangement of OQI dated January 22, 2013 (the "**Plan**").

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

ORDERED, that the Payment Order is given full force and effect in the United States.

Dated: New York, New York
~~August~~ 7/23 2014

JED S. RAKOFF, U.S.D.J

EXHIBIT 1

Payment Order

CLERK OF THE COURT
FILED
JUL 22 2014
JUDICIAL CENTRE
OF CALGARY

COURT FILE NUMBER	**1101-16110**
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	Calgary
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMDENDED
	AND IN THE MATTER OF OILSANDS QUEST INC., OILSANDS QUEST SASK INC., TOWNSHIP PETROLEUM CORPORATION, STRIPPER ENERGY SERVICES INC., 1291329 ALBERTA LTD., OILSANDS QUEST TECHNOLOGY INC., WESTERN PETROCHEMICALS CORP. and 1259882 ALBERTA LTD.
DOCUMENT	**ORDER (Re: Distribution to OQI Shareholders)**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Josef G. A. Krüger, Q.C. / Matti Lemmens Borden Ladner Gervais LLP 1900, 520 3rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9563 / 9511 Facsimile: (403) 266-1395 Email: jkruger / mlemmens@blg.com File No. 413255-000037

DATE ON WHICH ORDER WAS PRONOUNCED: July 22, 2014

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice B.E.C. Romaine

UPON THE APPLICATION of Ernst & Young Inc., in its capacity as the Monitor ("Monitor") of Oilsands Quest Inc., Oilsands Quest Sask Inc., Township Petroleum Corporation, Stripper Energy

Services Inc., 1291329 Alberta Ltd. and Oilsands Quest Technology Inc. (collectively, "OQI"); **AND UPON** having read (i) the Application, (ii) the Nineteenth Report of the Monitor dated June 24, 2014 (the "Nineteenth Report"), (iii) the Affidavit of Service of Rhonda Lastockin sworn June 9, 2014 (the "Affidavit of Service"); **AND UPON** having read the Plan of Compromise and Arrangement of Oilsands Quest Inc. dated January 22, 2013 (the "Plan"); **AND UPON** having read the Notice of Application and Motion in Connection with Payments to OQI Shareholders dated June 25, 2014 (the "Notice to Shareholders"); **AND UPON** being informed by counsel for the Monitor that the Notice to Shareholders was published by the Depository Trust Company ("DTC") to its Legal Notice System; **AND UPON** hearing counsel for the Monitor, the Applicants, Mr. John Malone and counsel for other interested parties:

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of this Application and all supporting materials are deemed good and sufficient, the time for service for the date that this Application is heard is abridged, and further service on any other party is dispensed with. Without detracting from the generality of the foregoing it is declared that service on the OQI Shareholders affected by this Order has been properly effected and that no further notice on them is required;

2. The Monitor is hereby authorized to:

    a) Pursuant to Section 7.5 of the Plan, fix a date for payment of distributions (the "Payment Date ") to Cede & Co, as the registered owner of certain OQI Shares beneficially held by certain OQI Shareholders through DTC in the United States;

    b) Give notice of the Payment Date to such OQI Shareholders (the "Payment Date Notice"), substantially in accordance with Schedule 1 attached hereto;

    c) Give notice of a cease trading date of OQI Shares in the United States of America (the "Cease Trade Notice"), substantially in accordance with Schedule 1 attached hereto; and

    d) Deliver the Payment Date Notice and the Cease Trade Notice to DTC for onward delivery by DTC to the financial institution participants in DTC (the "Participants");

3. Payment to such OQI Shareholders in accordance with Section 7.5 of the Plan and this Order will constitute full compliance by the Monitor with any and all obligations the Monitor has to make distributions to the OQI Shareholders;

4. The Monitor, its affiliates and its respective officers, directors, employees and agents, attorneys and solicitors for the Monitor (collectively, the "Monitor Parties" and each a "Monitor Party") are hereby released and forever discharged from any and all claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission of a Monitor Party in any way relating to the distribution of the balance of the OQI Fund by the Monitor, save and except for any claim against a Monitor Party arising out of any gross negligence or wilful misconduct on the part of that Monitor Party;

5. No action or other proceeding in any way arising from or related to the distribution by the Monitor of the balance of the OQI Fund shall be commenced against a Monitor Party except with prior leave of this Court and on prior written notice to the Monitor Party and upon further order securing, as security for costs, the solicitor and his own client costs of the Monitor Party in connection with any proposed action or proceeding;

6. Payments already made to all OQI Shareholders (including to registered holders of a class of exchangeable preferred shares issued by an Alberta subsidiary of OQI and exchangeable by the holders on a one-for-one basis for shares of OQI common stock), other than beneficial holders whose interests are ultimately held by Cede & Co. have been properly made pursuant to section 7.5 of the Plan.

7. This Order shall have full force and effect from and after the date of this Order in all Provinces and Territories in Canada and abroad and as against all Persons and Parties against whom it may otherwise be enforced.

8. This Court hereby requests the aid and recognition (including assistance pursuant to Section 16 of the CCAA, as applicable) of any court or any judicial, regulatory, or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or territory or any court of any judicial, regulatory or administrative body of any nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order and the Plan;

9. This Order shall be served, by courier, facsimile transmission, electronic transmission or ordinary post on all parties present at this application and on all parties who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with. This Order need not be served on any OQI Shareholders which did not appear in person or represented by counsel at the hearing of this application.

Justice of the Court of Queen's Bench of Alberta

Schedule "1"

EY
Building a better working world

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June [●], 2014

Final Distribution to Shareholders of Oilsands Quest Inc. and Cease Trade and Settlement of Shares CUSIP: 678046103

As you are likely aware, Ernst and Young Inc. was appointed monitor ("Monitor") of Oilsands Quest Inc. ("OQI") under the Companies Creditors' Arrangement Act ("CCAA") pursuant to an Order of the Court of Queen's Bench of Alberta (the "Alberta Court") dated November 29, 2011. On June 28, 2012 the Alberta Court granted a further Order which expanded the powers of the Monitor to include, *inter alia*, to operate and carry on the business of OQI. Copies of these court orders can be found on the Monitor's website at www.ey.com/ca/oilsandsquest.

On January 29, 2013, the Alberta Court granted an order authorizing OQI to convene a creditors' meeting on February 21, 2013 (the "Creditors' Meeting") to consider and vote on the plan of compromise and arrangement (the "Plan"). The Creditors' Meeting was held on February 21, 2013 and at that meeting the creditors voted overwhelmingly in favor of the Plan. The Final Sanction Order had been recognized in the United States and Plan Implementation occurred on May 3, 2013.

The Monitor has now resolved all Disputed Claims and substantially completed all administrative matters related to OQI and is in a position to make a final distribution to OQI shareholders. The final distribution order was granted by the Alberta Court on March 11, 2014 and all appeal periods have now expired.

On [●], 2014, the Alberta Court granted an order (the "Payment Order") authorizing the payment of the final distribution to shareholders in accordance with Section 7.5 of the Plan. On [●], 2014, the U.S. District Court for the Southern District of New York granted an order (the "U.S. Payment Order") giving full force and effect to the Payment Order in the United States.

In accordance with the U.S. Payment Order, the Payment Order and Section 7.5 of the Plan, the final payment to holders of Oilsands Quest Inc. securities, CUSIP 678046103, held through The Depository Trust Company, will occur on [□]. Such payment shall be made to the holders of record as of the close of business on [□] (the "Record Date") which, in accordance with the Plan, is 10 business days prior to the date of the final distribution. Additionally, the final distribution will be based upon presentation of the securities.

IN ADDITION, IMMEDIATELY UPON THE CLOSE OF BUSINESS ON THE RECORD DATE, THE SHARES OF OILSANDS QUEST INC. WILL NO LONGER BE ABLE SETTLE THROUGH THE DEPOSITORY TRUST COMPANY. THE ISSUER IS INSTRUCTING THE DEPOSITORY TRUST COMPANY TO ESTABLISH THE NECESSARY "CHILLS" TO PREVENT ANY TRADING OR TRANSFERS OF THE SECURITY UPON CLOSE OF BUSINESS ON THE ESTABLISHED RECORD DATE.

Capitalized terms not defined in this notice are as defined in the Initial Order, the Plan and the Creditors' Meeting Order.

If you have any questions, please contact the Monitor as follows:

Nick J.B. Purich, CA
Tel: (403) 206-5170
Email: Nick.JB.Purich@ca.ey.com

Yours Truly,

ERNST & YOUNG INC.
in its capacity as Monitor of Oilsands Quest Inc.
and not in its personal or corporate capacity

Neil Narfason, CA, CIRP, CBV
Senior Vice-President