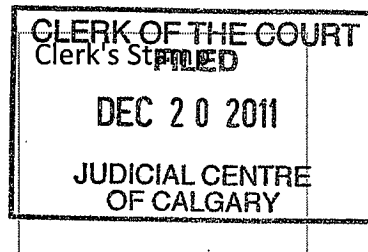


COURT FILE NUMBER 1101-16110
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

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.

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Macleod Dixon LLP
3700 **Devon** Tower
400 Third Avenue SW
Calgary, Alberta T2P 4H2
Phone: 403-267-8222
Fax: 403-264-5973
Attention: HOWARD A. GORMAN
File No. 196023

I hereby certify this to be a true copy of
the original Order
Dated this 20 day of Dec 2011
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: December 20, 2011

NAME OF MASTER/JUDGE WHO MADE THIS ORDER: MADAM JUSTICE B.E.C. ROMAINE

ORDER

(Stay Extension, Additional Applicants, Key Employee Retention
Plan, Colorado Litigation Settlement)

UPON the application 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. (collectively the "Applicants"); **AND** **UPON** hearing read the Affidavit of Garth Wong dated December 14, 2011 (the "December 2011 Wong Affidavit") and the Confidential Affidavit of Garth Wong also dated December 14, 2011, the filed First Report of the Monitor dated December 15, 2011 and the pleadings and proceedings filed

herein; **AND UPON** hearing counsel for the Applicants and counsel for the Monitor; **IT IS HEREBY ORDERED AND DECLARED THAT:**

Service

1. The time for service of this notice of this Application for this Order is hereby abridged and deemed good and sufficient and this Application is properly returnable today.

Additional Applicants

2. Each of Western Petrochemicals Corp. and 1259882 Alberta Ltd. are added as Applicants in the within proceedings and the style of cause in the within CCAA action shall be amended to include these parties as additional Applicants.

Confidential Affidavit

3. The Confidential Affidavit of Garth Wong sworn December 14, 2011 (the "Confidential Affidavit") is hereby ordered to be sealed pending further Order of this Court.

Key Employee Retention Plan ("KERP")

4. The KERP as described in the December 2011 Wong Affidavit and the Confidential Affidavit is hereby authorized and improved including directing the Applicants to deposit the sum of \$301,625 in escrow with respect to the proposed July 2012 payments with the remainder of the KERP payments being included in the Administration Charge created in the Initial Order dated November 29, 2011 filed herein.

Proposed Colorado Settlement

5. To the extent necessary, this Court lifts any stay in the within proceedings with respect to the derivative lawsuit filed in the United States District Court for the District of Colorado captioned *Make a Difference Foundation, Inc. v. Hopkins, et al.*, Colorado Case No. 1:10-CV-00408-WJM-MJW (D. Colo.) ("Colorado Lawsuit") to allow the Colorado Court's approval

and implementation of the proposed Settlement Agreement as set forth in the Second Amended Stipulation and Agreement of Settlement and Release filed in the Colorado Lawsuit on October 28, 2011, and as described in the December 2011 Wong Affidavit, and this Court respectfully requests the cooperation and assistance of the District Courts of Colorado in this regard.

Extension of Stay of Proceedings

6. Paragraph 13 of the November 29, 2011 Initial Order of this Court is hereby amended to extend the stay period until and including February 17, 2012.

"B.E.C. Romaine"
J.C.Q.B.A.