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Our File No.: 39379-18
Your File No.: 14827

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January 20, 2000

TRANSMITTED VIA SEDAR

Commission des valeurs mobilières du Québec
800, square Victoria, 22^e étage,
C.P. 246, Tour de la Bourse,
Montréal, Québec H4Z 1G3

Attention: Pierre Monière

Dear M. Monière:

Re: SYNSORB Biotech Inc. - File no. 14827
Preliminary Short Form Prospectus dated January 14, 2000
SEDAR Project no. 232094 - (MRRS)

Further to our letter of today's date in response to your comments with respect to the preliminary short form prospectus of SYNSORB Biotech Inc. (the "Corporation") dated January 14, 2000, we hereby make application for relief from the requirements set forth in Sections 3, 4B and 5 of Policy Statement No. Q-3 of the Commission des valeurs mobilières du Québec (the "Commission") in respect of the Over-Allotment Option and the After-Market Support Option to be issued to the underwriters (the "Underwriters") of the offering (the "Offering") by the Corporation of common shares.

The Over-Allotment Option affords the Underwriters the right to acquire up to 15% of the total number of common shares sold pursuant to the offering at the offering price of \$3.50 per share for a period of 60 days following the closing of the Offering to cover over-allotments.

The After-Market Support Options are non-transferable, and will grant the Underwriters the right to purchase additional common shares equal to 10% of the number of shares issued pursuant to the Offering (including any shares issued pursuant to the Over-Allotment Option) at the offering price of \$3.50 per share. The After-Market Support Options will expire on the second anniversary of the closing date of the Offering.

We submit that the relief requested should be granted for the following reasons:

1. The size of the Over-Allotment Option to be granted in connection with the Offering is typical for an offering of this kind. Moreover, in view of the amount of the underwriting fee to be paid to the Underwriters in connection with the Offering, which fee is equal to 6.5% of the gross proceeds of the Offering, we would submit that the Over-Allotment Option contemplated is neither excessive nor inappropriate.

2. The 60 day exercise period of the Over-Allotment Option is also typical in these circumstances. We anticipate, in any event, that the Over-Allotment Option, if exercised, is likely to be exercised either concurrently with or shortly after the closing of the Offering.
3. The After-Market Support Options are being granted to the Underwriters in consideration for the services rendered by them in connection with the Offering. Their terms are such that, notwithstanding their designation in the preliminary prospectus, they are more properly characterized as compensation options. The terms of the After-Market Support Options are consistent with those commonly seen in compensation options of this kind. In light of the general framework of the underwriters' compensation structure in relation to the Offering, which has already been outlined, we would submit that the terms of the After-Market Support Options are neither excessive nor inappropriate.
4. The market stabilization activities described in the "Plan of Distribution" section of the preliminary prospectus are frequently contemplated in the disclosure documents relating to offerings of this kind, to the extent that the omission of any such reference would be the exception rather than the rule. We submit that permitting these activities in the case of this Offering would therefore not offend the usual practice in this regard.
5. The over-allotment option and compensation option arrangements contemplated in this Offering are not without precedent. A similar structure was utilized by Eterna Laboratories Inc. in connection with the offering by that corporation of subordinate voting shares in November 1999. The plan of distribution in connection with that offering also contemplated market stabilization activities by the underwriters. The final prospectus in respect of that offering was filed via SEDAR Project No. 212990 on November 12, 1999.

For these reasons, we submit that relief from the requirements of Sections 3, 4B and 5 of Policy Statement No. Q-3 of the Commission should be granted in respect of the Over-Allotment Option and the After-Market Support Options.

We are transmitting funds in the amount of \$500 herewith, in payment of the fees associated with this application. As we hope to be in a position to file the final prospectus in connection with the Offering sometime tomorrow, we would be grateful for any steps you could take to expedite the Commission's consideration of this application.

We trust that the foregoing is satisfactory. Should you have any questions or concerns in relation to the foregoing, please direct them to the attention of the undersigned through SEDAR or by telephone at (403) 298-3372, or to our local agent in the province of Quebec for purposes of the Offering, Mr. Paul Dingle of Byers Casgrain in Montreal, who may be reached at (514) 878-8800.

Yours truly,

BENNETT JONES

"Timothy J. Robson"

Timothy J. Robson

TJR/tr