THIS LETTER OF TRANSMITTAL IS FOR USE ONLY IN CONJUNCTION WITH THE OFFER BY DEVLAN PRODUCTION COMPANY LTD., A WHOLLY-OWNED SUBSIDIARY OF DEVLAN EXPLORATION INC., DATED MAY 17, 2002 FOR ALL OF THE ISSUED AND OUTSTANDING COMMON SHARES OF SADDLE RESOURCES INC.

The Depositary or the Dealer Manager (see the back page of this document for addresses and telephone numbers) or your investment dealer, stockbroker, bank manager, lawyer or other professional advisor will assist you in completing this Letter of Transmittal

LETTER OF TRANSMITTAL

to accompany certificates for common shares of

SADDLE RESOURCES INC.

to be deposited pursuant to the Offer dated May 17, 2002 of DEVLAN PRODUCTION COMPANY LTD.

THE OFFER WILL BE OPEN FOR ACCEPTANCE UNTIL 5:00 P.M. (CALGARY TIME) ON JUNE 24, 2002 UNLESS THE OFFER IS WITHDRAWN OR EXTENDED (THE "EXPIRY TIME")

This Letter of Transmittal, properly completed and duly executed (in original or facsimile form), together with all other required documents, must accompany certificates representing common shares (the "**Saddle Shares**") of Saddle Resources Inc. ("**Saddle**") deposited pursuant to the offer (the "**Offer**") dated May 17, 2002 made by Devlan Production Company Ltd. to holders of Saddle Shares (the "**Shareholders**"). Shareholders whose certificates are not immediately available or who cannot deliver their certificates and all other required documents to the Depositary at or prior to the Expiry Time may deposit such Saddle Shares according to the *Procedure for Guaranteed Delivery* set forth in section 3 of the Offer, "Manner of Acceptance". The terms and conditions of the Offer are incorporated by reference in this Letter of Transmittal. Capitalized terms used but not defined in this Letter of Transmittal shall have the same meanings herein as given to them in the Offer and Circular dated May 17, 2002.

Please read the instructions set out below carefully before completing this Letter of Transmittal.

TO: DEVLAN PRODUCTION COMPANY LTD. (the "Offeror")
AND TO: VALIANT TRUST COMPANY (the "Depositary")

The undersigned delivers to you the enclosed certificate(s) for Saddle Shares, and, subject only to the provisions of the Offer regarding withdrawal, irrevocably accepts the Offer for such Saddle Shares upon the terms and conditions contained in the Offer. The following are the details of the enclosed certificate(s):

(see instructions 1, 6 and 9)

Certificate Number	Name in which Registered	Number of Saddle Shares Deposited
	TOTAL	

(Attach list in the above form if necessary.)

The undersigned Shareholder hereby:

1. acknowledges receipt of the Offer and Circular dated May 17, 2002;

2. delivers to you the enclosed certificate(s) representing Saddle Shares and, subject only to the provisions of the Offer regarding withdrawal, irrevocably accepts the Offer for and in respect of the Saddle Shares represented by such certificate(s) (the "**Purchased Securities**") and, on and subject to the terms and conditions of the Offer, deposits and sells, assigns and transfers to the Offeror all right, title and interest in and to the Purchased Securities and in and to any and all dividends, distributions, payments, securities, rights, assets or other interests declared, paid, issued, distributed, made or transferred on or in respect of the Purchased Securities on or after May 10, 2002 (collectively, the "**Other Securities**") effective on and after the date that the Offeror takes up and pays for the Purchased Securities (the "**Effective Date**");

3. represents and warrants that:

   (a) the undersigned has full power and authority to deposit, sell, assign and transfer the Purchased Securities (and any Other Securities) being deposited and has not sold, assigned or transferred or agreed to sell, assign or transfer any of such Purchased Securities (and any Other Securities) to any other person;

   (b) when the Purchased Securities (and any Other Securities) are taken up and paid for by the Offeror, the Offeror will acquire good title thereto, free and clear of all liens, restrictions, charges, encumbrances, claims and equities whatsoever;

   (c) the undersigned has good title to and owns the Purchased Securities (and any Other Securities) being deposited within the meaning of applicable securities laws; and

   (d) the deposit of the Purchased Securities (and any Other Securities) complies with applicable securities laws;

4. irrevocably constitutes and appoints the Depositary and any officer of the Offeror, and each of them, and any other person designated by the Offeror in writing, as the true and lawful agent, attorney and attorney-in-fact and proxy of the undersigned with respect to the Purchased Securities (and the Other Securities), effective on and after the Effective Date, with full power of substitution, in the name of and on behalf of the undersigned (such power of attorney being deemed to be an irrevocable power coupled with an interest):

   (a) to register or record, transfer and enter the transfer of Purchased Securities and/or any Other Securities on the appropriate register of holders maintained by Saddle; and

   (b) except as otherwise may be agreed, to exercise any and all rights of the holder of the Purchased Securities and/or Other Securities, including, without limitation, to vote, execute and deliver any and all instruments of proxy, authorizations or consents in respect of all or any of the Purchased Securities and Other Securities, revoke any such instrument, authorization or consent given prior to, on or after the Effective Date, designate in any such instruments of proxy any person or persons as the proxy or the proxy nominee or nominees of the undersigned in respect of such Purchased Securities and/or such Other Securities for all purposes including, without limitation, in connection with any meeting (whether annual, special or otherwise and any adjournments thereof) of holders of securities of Saddle, and execute, endorse and negotiate, for and in the name of and on behalf of the registered holder of the Purchased Securities and/or Other Securities, any and all cheques or other instruments respecting any distribution payable to or to the order of such holder in respect of such Purchased Securities and/or Other Securities;

5. as of the Effective Date, revokes any and all other authority, whether as agent, attorney-in-fact, attorney, proxy or otherwise, previously conferred or agreed to be conferred by the undersigned at any time with respect to the Purchased Securities or Other Securities and agrees that, except as provided herein, no subsequent authority, whether as agent, attorney-in-fact, attorney, proxy or otherwise, will be granted with respect to the Purchased Securities or Other Securities by or on behalf of the undersigned;

6. agrees, effective on and after the Effective Date, not to vote any of the Purchased Securities and/or Other Securities at any meeting (whether annual, special or otherwise and any adjournments thereof) of holders of

securities of Saddle and, except as otherwise may be agreed with the Offeror, not to exercise any or all of the other rights or privileges attached to the Purchased Securities and/or Other Securities, and agrees to execute and deliver to the Offeror, provided it is not contrary to any applicable law, at any time and from time to time, as and when requested by, and at the expense of, the Offeror, any and all instruments of proxy, authorizations or consents, in form and on terms satisfactory to the Offeror, in respect of the Purchased Securities and/or Other Securities and to designate in any such instruments of proxy the person or persons specified by the Offeror as the proxy or the proxy nominee or nominees of the holder of the Purchased Securities and/or Other Securities;

7. directs the Depositary:

   (a) to issue or cause to be issued a cheque or cheques in the full amount of the consideration per Saddle Share payable pursuant to the Offer to which the undersigned is entitled in respect of the Purchased Securities pursuant to the Offer, in the name indicated below, and to send such cheque or cheques, to the address, or hold the same for pickup, as indicated below (and if no name, address or delivery instructions are indicated, in the name of and to the registered owner of such Saddle Shares at the address of such registered owner as it appears on the applicable security register of Saddle); and

   (b) to return any certificates for Saddle Shares not purchased in the name and to the address indicated below (and if no name, address or delivery instructions are indicated, in the name of and to the registered owner of such Saddle Shares at the address of such registered owner as it appears on the applicable security register of Saddle);

8. by virtue of the execution of this Letter of Transmittal, shall be deemed to have agreed that all questions as to the validity, form, eligibility (including timely receipt) and acceptance of any Purchased Securities or Other Securities deposited pursuant to the Offer will be determined by the Offeror in its sole discretion and that such determination shall be final and binding and acknowledges that: (a) the Offeror reserves the absolute right to reject any and all deposits which it determines not to be in a proper form or which may be unlawful to accept under the laws of any jurisdiction, (b) the Offeror reserves the absolute right to waive any defect or irregularity in the deposit of any Purchased Securities or any Other Securities, and (c) there shall be no duty or obligation on the Offeror or the Depositary or any other person to give notice of any defect or irregularity in any deposit and no liability shall be incurred by any of them for failure to give any such notice;

9. covenants and agrees to execute, upon request, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of the Purchased Securities and/or Other Securities to the Offeror;

10. acknowledges that all authority conferred or agreed to be conferred by the undersigned herein may be exercised during any subsequent legal incapacity of the undersigned and shall survive the death or incapacity, bankruptcy or insolvency of the undersigned and all obligations of the undersigned herein shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned and that, except as stated in the Offer, the deposit of Saddle Shares pursuant to this Letter of Transmittal is irrevocable;

11. waives any right to receive notice of purchase of the Purchased Securities;

12. agrees that, if at any time on or after May 10, 2002, Saddle should declare or pay any cash dividend or stock dividend or make any other distribution on or issue any rights with respect to any of the Saddle Shares which is or are payable or distributable to the Shareholders of record on a record date which is prior to the date of transfer into the name of the Offeror or its nominees or transferees on the registers maintained by Saddle of such Saddle Shares, then:

    (a) in the case of any such cash dividend or cash distribution that does not exceed the cash purchase price per Saddle Share, the cash purchase price per Saddle Share payable by the Offeror pursuant to the Offer will be reduced by the amount of any such dividend or distribution received in respect of that Saddle Share; and

    (b) in the case of any such cash dividend or cash distribution in an amount that exceeds the cash purchase price per Saddle Share in respect of which the dividend or distribution is made, or in the case of any other dividend, distribution or right, the whole of any such dividend, distribution or right will be received and held by the undersigned for the account of the Offeror and shall be promptly remitted and transferred by the undersigned to the Depositary for the account of the Offeror, accompanied by appropriate documentation of transfer and, pending such remittance, the Offeror will be entitled to all rights and privileges as owner of any such dividend, distribution or right, and may withhold the entire purchase price payable by the Offeror pursuant to the Offer or deduct from the purchase price payable by the Offeror pursuant to the Offer the amount or value thereof, as determined by the Offeror in its sole discretion;

13. declares that the undersigned:

    (a) is not acting for the account or benefit of a person from any jurisdiction outside of Canada in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction; and

    (b) is not in, or delivering this Letter of Transmittal from, any such jurisdiction; and

14. by virtue of the execution of this Letter of Transmittal, shall be deemed to have agreed with Devlan Production Company Ltd. and the Depositary that any contract contemplated by the Offer and this Letter of Transmittal as well as all documents relating thereto be drawn up exclusively in the English language. En signant la présente Lettre de transmission, le soussigné est réputé avoir convenu avec Devlan Production Company Ltd. et le dépositaire que tous les contrats découlant de l'Offre et de la présente Lettre de transmission et tous les documents afférents soient rédigés exclusivement en anglais.

Are you a non-resident of Canada within the meaning of section 116 of the *Income Tax Act* (Canada)*?*

☐ Yes ☐ No

By checking "No" above, the undersigned represents and warrants that such person is not a "non-resident" within the meaning of the *Income Tax Act* (Canada) nor is such person acting as the agent or trustee for anyone with an interest in the Saddle Shares deposited hereunder who is a non-resident within the meaning of the *Income Tax Act* (Canada). (See instruction 12.)

Signature guaranteed by (if required under instruction 4)	Dated: ______________________, ______________
______________________________ Authorized Signature	______________________________ Signature of Shareholder or Authorized Representative (see instructions 3 and 4)
______________________________ Name of guarantor (please print or type)	______________________________ Telephone Number of Shareholder
______________________________ Address of guarantor (please print or type)	______________________________ Facsimile Number of Shareholder
	______________________________ Social Insurance Number or U.S. Resident Taxpayer Identification Number (must be provided)
	______________________________ Name of Shareholder (please print or type)
	______________________________ Name of Authorized Representative, if applicable (please print or type)

BLOCK A

ISSUE CHEQUE(S) IN NAME OF (please print or type):

☐ Registered owner of Purchased Securities or:

____
(Name)

____
(Street Address and Number)

____
(City and Province or State)

____
(Country and Postal or Zip Code)

____
(Social Insurance Number or U.S. Resident Taxpayer Identification Number)

BLOCK B

To be completed only if Block C is not checked.

SEND CHEQUES (AND, WHERE APPLICABLE, CERTIFICATES) TO (please print or type):

☐ same address as Block A or to:

____
(Name)

____
(Street Address and Number)

____
(City and Province or State)

____
(Country and Postal or Zip Code)

BLOCK C

☐ HOLD CHEQUES AND, WHERE APPLICABLE, CERTIFICATES FOR PICK UP AGAINST COUNTER RECEIPT AT THE OFFICE OF THE DEPOSITARY TO WHICH SADDLE SHARES WERE TENDERED.

BLOCK D

DEPOSITS PURSUANT TO NOTICE OF GUARANTEED DELIVERY
(see instruction 2)

☐ CHECK HERE IF SADDLE SHARES ARE BEING DEPOSITED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE CALGARY OFFICE OF THE DEPOSITARY AND COMPLETE THE FOLLOWING (please print or type):

Name of Registered Holder: ______________________________

Date of Execution of Notice of Guaranteed Delivery: ______________________________

Name of Institution which Guaranteed Delivery: ______________________________

BLOCK E

INVESTMENT DEALER OR BROKER SOLICITING ACCEPTANCE OF THE OFFER

(Firm)	(Telephone Number)	(Fax Number)
(FIN Number)		
Registered Representative	Address	

☐ CHECK HERE IF LIST OF BENEFICIAL HOLDERS IS ATTACHED

BLOCK F

SUBSTITUTE FORM W-9

To be completed by U.S. Shareholders only (see instruction 8).

Under penalties of perjury, I certify that:

1. the social security or other taxpayer identification number stated below is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and

2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the United States Internal Revenue Service (the "**IRS**") that I am subject to backup withholding as a result of a failure to report interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

________________________________ ________________________

(Signature of Shareholder) (Date)

____

(Social Security Number or Taxpayer Identification Number)

NOTE: FAILURE TO COMPLETE THIS BLOCK F OR TO PROVIDE THE OFFEROR WITH A SOCIAL SECURITY OR TAXPAYER IDENTIFICATION NUMBER MAY RESULT IN BACKUP WITHHOLDING OF 30% OF ANY PAYMENT TO YOU PURSUANT TO THE OFFER.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU WROTE "APPLIED FOR" IN THE SPACE FOR THE "TAXPAYER IDENTIFICATION NUMBER" ON SUBSTITUTE FORM W-9

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me and either: (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Centre or Social Security Administration Office; or (b) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number within 60 days, 30% of all reportable payments made to me thereafter will be withheld until I provide a number.

________________________________ ________________________

(Signature of Shareholder) (Date)

BLOCK G

DECLARATION

To be completed by Shareholders who are non-residents of Canada.
(See instruction 12 if you are unable to make the declaration.)

I hereby declare that I did not, either alone, or together with persons with whom I did not deal at arm's length, at any time during the five-year period immediately preceding the Effective Date, own 25% or more of the issued shares of any class or series in the capital of Saddle (or any predecessor corporation). For the purposes of determining ownership during such five-year period, I acknowledge that any rights or options to acquire shares of Saddle (or any predecessor corporation) constitutes ownership thereof. I further declare that I do not currently use or hold, nor have I ever used or held, the Purchased Securities in carrying on a business in Canada.

____

(Signature of Shareholder)

INSTRUCTIONS

1. **Use of Letter of Transmittal**.

   (a) This Letter of Transmittal, properly completed and signed as required by the instructions set forth below (in original or facsimile form), together with accompanying certificate(s) representing the Purchased Securities and all other documents required by the terms of the Offer and this Letter of Transmittal, must be received by the Depositary at any of its offices specified on the back page of this document at or prior to the Expiry Time, unless the Offer is extended or withdrawn or unless the procedures for guaranteed delivery set out in instruction 2 below are employed.

   (b) The method used to deliver this Letter of Transmittal, certificates representing Saddle Shares and all other required documents is at the option and risk of the person depositing the same, and delivery will be deemed effective only when such documents are actually received. The Offeror recommends that such documents be hand delivered to the Depositary at any of their offices specified on the back page of this document, and a receipt obtained. However, if such documents are mailed, the Offeror recommends that registered mail, with return receipt requested, be used and that proper insurance be obtained. **Shareholders whose Saddle Shares are registered in the name of a nominee should contact their stockbroker, investment dealer, bank, trust company or other nominee for assistance in depositing those Saddle Shares.**

2. **Procedures for Guaranteed Delivery**. If a Shareholder wishes to deposit Saddle Shares pursuant to the Offer and (i) the certificate(s) representing such Saddle Shares are not immediately available, or (ii) such Shareholder cannot deliver the certificate(s) representing such Saddle Shares and all other required documents to the Depositary at or prior to the Expiry Time, then such Saddle Shares may nevertheless be deposited pursuant to the Offer provided that all of the following conditions are met:

   (a) such a deposit is made by or through an Eligible Institution (as defined below);

   (b) a properly completed and duly executed Notice of Guaranteed Delivery in the form (printed on green paper) accompanying this Letter of Transmittal (in original or facsimile form) is received by the Depositary at its Calgary office as set forth in the Notice of Guaranteed Delivery (by hand, facsimile transmission or mail), together with a guarantee by an Eligible Institution in the form set forth in such Notice of Guaranteed Delivery, at or prior to the Expiry Time; and

   (c) the certificate(s) representing the Purchased Securities, in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (in original or facsimile form) covering the Purchased Securities, and all other documents required by this Letter of Transmittal, are received by the Depositary at its Calgary office as set forth in the Notice of Guaranteed Delivery at or before 4:30 p.m. (Calgary time) on the third trading day on the TSX Venture Exchange after the Expiry Date.

   An "**Eligible Institution**" means a Canadian chartered bank, a trust company in Canada, or a member firm of the Toronto Stock Exchange, The Montreal Exchange, the TSX Venture Exchange, a national securities exchange in the United States or the National Association of Securities Dealers, Inc. who is a member of the Securities Transfer Association Medallion Program ("**STAMP**"), a member of the Stock Exchange Medallion Program ("**SEMP**") or a member of the New York Stock Exchange, Inc. Medallion Signature Program ("**MSP**").

3. **Signatures**. This Letter of Transmittal must be completed and signed by the holder of Saddle Shares accepting the Offer or by such holder's duly authorized representative (in accordance with instruction 5 below).

   (a) If this Letter of Transmittal is signed by the registered owner(s) of the accompanying certificate(s), such signature(s) on this Letter of Transmittal must correspond with the name(s) as registered or as written on the face of such certificate(s) without any change whatsoever, and the certificate(s) need not be endorsed. If such transmitted certificate(s) are owned of record by two or more joint owners, all such owners must sign the Letter of Transmittal.

(b) If this Letter of Transmittal is signed by a person other than the registered owner(s) of the Purchased Securities or if cheque(s) or certificate(s) are to be issued to a person other than the registered holder(s):

(i) such deposited certificate(s) must be endorsed or be accompanied by an appropriate share transfer power of attorney duly and properly completed by the registered owner(s); and

(ii) the signature(s) on such endorsement or power of attorney must correspond exactly to the name(s) of the registered owner(s) as registered or as appearing on the certificate(s) and must be guaranteed as described in instruction 4 below.

4. **Guarantee of Signatures**. If:

(a) this Letter of Transmittal is executed by a person other than the registered owner(s) of the Purchased Securities; or

(b) the cheque(s) are to be issued to a person other than such registered owner(s) or sent to an address other than the address of the registered owner(s) as shown on the register of shareholders maintained by Saddle; or

(c) Purchased Securities not purchased are to be returned to a person other than such registered owner(s) or sent to an address other than the address of the registered owner(s) as shown on the registers of Shareholders maintained by Saddle,

then such signature in this Letter of Transmittal (and on any endorsement or power of attorney as described in instruction 3 above) must be guaranteed by an Eligible Institution, or in some other manner satisfactory to the Depositary (except that no guarantee is required if the signature is that of an Eligible Institution).

5. **Fiduciaries, Representatives and Authorizations**. Where this Letter of Transmittal or any certificate or share transfer or power of attorney is executed by a person as an executor, administrator, trustee, guardian, attorney-in-fact or agent or on behalf of a corporation, partnership or association or is executed by any other person acting in a fiduciary or representative capacity, such person should so indicate when signing and this Letter of Transmittal must be accompanied by satisfactory evidence of the authority to act. Either of the Offeror or the Depositary, at their discretion, may require additional evidence of authority or additional documentation.

6. **Partial Tenders**. If less than the total number of Saddle Shares evidenced by any certificate submitted is to be deposited under the Offer, fill in the number of Saddle Shares to be deposited in the appropriate space on this Letter of Transmittal. In such case, new certificate(s) for the number of Saddle Shares not deposited will be sent to the registered owner, unless a subsequent transaction is completed, in which case the shares to which the registered owner is entitled will be sent, in either case as soon as practicable following the Expiry Time. The total number of Saddle Shares evidenced by all certificates delivered will be deemed to have been deposited unless otherwise indicated.

7. **Solicitation**. Identify the investment dealer or broker, if any, who solicited acceptance of the Offer by completing Block E on this Letter of Transmittal and present a list of beneficial holders, if applicable.

8. **Substitute Form W-9**. Each shareholder that is subject to taxation in the United States ("**U.S. Shareholder**") is required to provide the Depositary with a correct Taxpayer Identification Number ("**TIN**") on the Substitute Form W-9, which is provided in Block F, and to certify whether such holder is subject to backup withholding of federal income tax. If a U.S. Shareholder has been notified by the Internal Revenue Service that such holder is subject to backup withholding, such Shareholder must cross out item 2 of the Substitute Form W-9, unless such holder has since been notified by the Internal Revenue Service that such holder is no longer subject to backup withholding. Failure to provide the information in the Substitute Form W-9 may subject a U.S. Shareholder to 30% federal income tax withholding on any payment to such holder made in connection with the purchase of such holder's Saddle Shares. If a U.S. Shareholder has not been issued a TIN and has applied for one or intends to apply for one in the near future, such holder should write "Applied For" in the space provided for the TIN in the Substitute Form W-9, and sign and date the Substitute Form W-9 and the Certificate of Awaiting Taxpayer Identification Number. If "Applied For" is written in the Substitute Form W-9 and the Depositary is not provided with a TIN within 60 days, the Depositary will withhold 30% on all payments to such holder made in connection with the purchase of such holder's Saddle Shares until a TIN is provided to the Depositary.

9. **Miscellaneous**.

(a) If the space on this Letter of Transmittal is insufficient to list all certificates for Purchased Securities, additional certificate numbers and number of Purchased Securities may be included on a separate signed list affixed to this Letter of Transmittal.

(b) If Purchased Securities are registered in different forms (e.g. "John Doe" and "J. Doe"), a separate Letter of Transmittal should be signed for each different registration.

(c) No alternative, conditional or contingent deposits will be accepted. All depositing Shareholders by execution of this Letter of Transmittal (or a copy thereof) waive any right to receive any notice of acceptance of Purchased Securities for payment.

(d) The Offer and any agreement resulting from the acceptance of the Offer will be construed in accordance with and governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein and the holder of the Purchased Securities and Other Securities covered by this Letter of Transmittal hereby unconditionally and irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta and the courts of appeal therefrom.

(e) Additional copies of the Offer and Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained on request and without charge from the Depositary at any of its offices at the addresses listed on the back page of this document.

10. **Commissions**. No brokerage fees or commissions will be payable by Shareholders if the Offer is accepted by depositing Saddle Shares directly with the Depositary or if the services of the Dealer Manager or Soliciting Dealer Group are used to accept the Offer.

11. **Lost Certificates**. If a share certificate has been lost or destroyed, this Letter of Transmittal should be completed as fully as possible and forwarded, together with a letter describing the loss, to the Calgary office of the Depositary. The Depositary will respond with the replacement requirements. If a share certificate has been lost or destroyed, please ensure that you provide your telephone number to the Depositary so that they may contact you.

12. **Non-Residents of Canada**. Unless the Shareholder completed the declaration in Block G or, alternatively, delivered a clearance certificate from the Canada Customs and Revenue Agency ("**Revenue Canada**") to the Depositary at or prior to the Expiry Time:

(a) the Offeror will withhold ¼ of the purchase price; and

(b) the Shareholder shall have 30 days from the end of the month in which the Offeror purchases Saddle Shares to obtain a clearance certificate from Revenue Canada and deliver such clearance certificate to the Depositary and:

(i) if a clearance certificate is delivered within the time specified, the withheld amount will be released to the Shareholder; or

(ii) if a clearance certificate is not so delivered, the withheld amount will be remitted to Revenue Canada.

Offices of the Depositary, Valiant Trust Company

By Mail

Stock Transfer Services
510, 550 - 6th Avenue S.W.
Calgary, Alberta T2P 0S2

By Hand, Courier or Facsimile

Toronto

c/o Equity Transfer Services Inc.
Suite 420, 120 Adelaide Street West
Toronto, Ontario M5H 4C3

Telephone: (416) 361-0152
Fax: (416) 361-0470

Calgary

Stock Transfer Services
510, 550 - 6th Avenue S.W.
Calgary, Alberta T2P 0S2

Telephone: (403) 233-2801
Fax: (403) 233-2857

Enquiries

Valiant Trust Company
Telephone: (403) 233-2801
Fax: (403) 233-2857
E-mail: valiant@telusplanet.net

The Dealer Manager for the Offer is:

National Bank Financial Inc.
Suite 2000, 855 – 2nd Street S.W.
Calgary, Alberta
T2P 4J8

Telephone: (403) 290-0811

Any questions and requests for assistance may be directed by Shareholders to the Depositary or the Dealer Manager at the telephone numbers and locations set out above.