

**For Immediate Release
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Canada's Securities Regulators Propose New Oil and Gas Disclosure Standards

Calgary, AB - Public oil and gas companies would provide periodic reserves estimates and related information for investors under new disclosure standards proposed by the Canadian Securities Administrators (CSA).

Under the proposed standards, public oil and gas companies would engage independent reserves evaluators to report on their oil and gas reserves and related future net revenue estimates. That report, and other information concerning oil and gas reserves, properties and activities would be publicly filed each year.

The new standards are set out in proposed National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* and accompanying documents. They incorporate terminology developed by the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), and apply reserves evaluation standards that are being developed by Canadian members of the Society of Petroleum Evaluation Engineers (SPEE).

"We see this proposal as a significant benefit for the industry and for investors," said Stephen Sibold, Chair of the Alberta Securities Commission (ASC). "Better, more consistent information should help investors make more informed investment decisions, and bolster confidence in Canadian capital markets. That in turn should enhance the prospects for raising capital for our oil and gas industry."

The new standards have been developed by the ASC and are based on recommendations issued in January 2001 by the ASC Oil and Gas Taskforce. Sibold commended the work of the taskforce, which drew on the expertise of members from a variety of industry and professional sectors.

The CSA is seeking public comment on the proposal by April 30, 2002. The proposal can be found on several securities commission websites, including:

- \$ Alberta Securities Commission - www.albertasecurities.com
- \$ British Columbia Securities Commission - www.bcsc.bc.ca
- \$ Ontario Securities Commission - www.osc.gov.on.ca
- \$ Commission des valeurs mobilières du Québec - www.cvmq.com
- \$ Saskatchewan Securities Commission - www.ssc.gov.sk.ca

The CSA is an umbrella organization representing the 13 provincial and territorial securities commissions.

- more -

Overview of Proposed CSA National Instrument 51-101

Annual disclosure:

- \$ independent reserves evaluations required
- \$ filing of summary of the evaluations and other oil and gas information
- \$ filing of independent evaluator's report and management report
- \$ more information when "prospects" are disclosed

Material change disclosure

- \$ must discuss effect of material changes on information contained in the annual filings

All disclosure

- \$ requirements and restrictions designed to ensure quality and consistency for all public disclosure (e.g., consistency with the annual filings and prescribed terminology)

Prospectuses

- \$ eliminate current oil and gas disclosure items, substitute the new annual filings and material change disclosure

Materiality standard

- \$ disclosure of information that is not material to a reasonable investor's investment decision would not be required

Directors

- \$ explicit responsibilities (e.g., approve reserves disclosure, review other disclosure)
- \$ encouragement of independent "reserves committees" (similar to audit committees)

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