



June 10, 2013

Canadian Environmental Assessment Agency
160 Elgin Street, 22nd Floor
Place Bell Canada
Ottawa, Ontario K1A 0H3

Energy Resource Conservation Board
1000, 250 – 5th Street SW
Calgary, Alberta T2P 0R4

Shell Canada Energy
400 - 4th Avenue S.W.
P.O. Box 100, Station M
Calgary, Alberta T2P 2H5
Tel (403) 691-3111
Internet www.shell.ca

Attention: Joint Review Panel Secretariat

Attention: Associate General Counsel

**RE: Information Regarding Shell Canada Energy's Pierre River Mine Project:
Lease Exchange with Teck Resources Limited**

On June 7, 2013, Teck Resources Limited ("Teck") announced that it has exchanged the bituminous mineral rights to certain oil sand leases with Shell Canada Energy ("Shell").

Specifically, former Shell leases 309, 310, 351, 475, 476, 607, 608, 609 and the northeastern portion of 352 have been exchanged for Teck's lease 14 which is located between Shell's lease 9 and 17 immediately adjacent to the Pierre River Mine Project ("PRM") area. None of the bituminous resource involved in this exchange was planned to be mined as part of the Pierre River Mine Project application.

Shell has also entered into a Projects Agreement with Teck that allows for the Pierre River Mine Project to proceed as filed with no modifications. While Teck may now own the mineral rights to certain areas that Shell proposed be used for mine infrastructure such as external tailings facilities and fish compensation areas, the construction, operation and abandonment of these assets is facilitated under this Agreement. Longer term, this Agreement will facilitate efficient development of the regional resource base by minimizing ore sterilization along common lease boundaries and improve the utilization of infrastructure.

The impact of the newly acquired lease 14 on any future Pierre River Mine project is not known at this time and would therefore be the subject of future regulatory reviews. At this time, Shell would like to reassure the Joint Review Panel that this lease exchange will have no impact on the Pierre River Mine Application currently before the Panel, and that Shell has no plans at this time to modify the Pierre River Mine Application as a result of this announcement.

If you have any questions regarding the above, please do not hesitate to contact Margwyn Zacaruk at (403) 384-5194 or myself at (403) 691-2384.

Sincerely,

Shell Canada Energy

<original signed by>

Kim Code
Vice President, Heavy Oil Development