



Canadian Oil Sands

March 19, 2008

Dear Unitholder:

Re: NAFTA Claim by Foreign Investors against Canada regarding Canadian Energy Trusts

On October 30, 2007, a Notice of Intent to submit an international arbitration claim with respect to the Canadian Government's plan to impose a tax on publicly traded trusts was filed by two income trust unitholders from the United States. The Notice challenges the actions of the Canadian Government and seeks monetary compensation for losses related to those actions. It is our understanding that all U.S. and Mexican citizens who held units in a Canadian energy publicly traded trust on October 31, 2006 may also be eligible to file a similar claim, regardless of whether these units were held directly by those citizens or indirectly through a business enterprise, such as a mutual fund.

Canadian Oil Sands Trust is not involved in these NAFTA claims, but wants to provide information to make our U.S. and Mexican unitholders aware of this potential course of action by them. Those unitholders wishing further information about this claim and the NAFTA process please visit the following website, www.naftatrustclaims.com. Alternatively, you may call 1-773-775-0873.

This notice to you is being provided solely for informational purposes and should not be in any way considered a recommendation or any form of legal or investment advice.

If you require additional information, Canadian Oil Sands Trust's, Director of Investor Relations, Siren Fisekci, can be contacted at 403-218-6228 or by email at siren_fisekci@cos-trust.com.

Thank you for your investment in Canadian Oil Sands Trust

Sincerely,

**Canadian Oil Sands Limited,
Manager of Canadian Oil Sands Trust**

signed "Marcel R. Coutu"
Marcel R. Coutu
President and Chief Executive Officer