

Cdn Oil Sands extends Canada Southern bid to Aug. 18

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Mr. Marcel Coutu reports

CANADIAN OIL SANDS EXTENDS ITS OFFER TO PURCHASE CANADA SOUTHERN PETROLEUM LTD.

Canadian Oil Sands Trust's wholly owned subsidiaries, Canadian Oil Sands Ltd. and 1212707 Alberta Ltd., have extended the expiry date for their all-cash offer of \$13.10 (U.S.) per common share for all of the outstanding common shares of Canada Southern Petroleum Ltd. not already owned by Canadian Oil Sands from Tuesday, Aug. 1, 2006, to midnight (Mountain Daylight Time) on Friday, Aug. 18, 2006, unless further extended or withdrawn. Canadian Oil Sands will mail a formal notice of extension to all Canada Southern shareholders.

All other terms and conditions of Canadian Oil Sands' offer for Canada Southern described in its offer and circular and related materials dated June 26, 2006, and as amended by notices of variation dated July 5, 2006, and July 14, 2006, remain unchanged.

As of July 31, 2006, approximately 5.2 million common shares of Canada Southern have been validly deposited under Canadian Oil Sands' offer, representing approximately 35 per cent of the outstanding common shares of Canada Southern. Canadian Oil Sands' offer is subject to a minimum tender condition of 66-2/3 per cent.

Canada Southern shareholders with questions, requests for copies of the documents, or requiring assistance in tendering their shares, please call D.F. King & Co. Inc. at 1-800-901-0068. All documents related to Canadian Oil Sands' offer are also available on the trust's website.

Canada Southern has announced that its board of directors, after consultation with its legal and financial advisers, and upon receipt of an opinion from CIBC World Markets Inc., has unanimously determined that Canadian Oil Sands' offer is fair, from a financial point of view, to the Canada Southern shareholders and recommends that shareholders accept the Canadian Oil Sands' offer.