



Oil Sands Sector Fund Announces Adoption of Distribution Reinvestment Plan

TORONTO, June 20, 2006 (TSX: OSF.UN) - Markland Street Asset Management Inc. is pleased to announce that Oil Sands Sector Fund (the "Fund") has adopted (subject to regulatory approval) a distribution reinvestment plan (the "Plan") to permit eligible unitholders to reinvest distributions, along with optional cash payments, in additional units (the "Plan Units") of the Fund commencing with the distribution payable to unitholders of record on June 30, 2006. Computershare Trust Company of Canada (the "Plan Agent") has been appointed as the plan agent. Participation in the Plan is restricted to unitholders who are residents of Canada for purposes of the Income Tax Act (Canada).

Enrolment in the Plan

A unitholder who wishes to enroll in the Plan as of a particular distribution record date should notify the participant (a "CDS Participant") in The Canadian Depository for Securities Limited ("CDS") through which such unitholder holds units of the Fund sufficiently in advance of that distribution record date to allow such CDS Participant to notify CDS by 4:00 p.m. (Toronto time) on the business day immediately prior to that distribution record date.

Optional Cash Payments

Plan participants may also make optional cash payments under the Plan by notifying their CDS Participants sufficiently in advance of the distribution payment date to allow such CDS Participant to notify the Plan Agent by 4:00 p.m. (Toronto time) on the business day immediately prior to that distribution payment date. Each optional cash payment must be for a minimum of \$100 and the aggregate number of Plan Units that may be purchased with optional cash payments cannot exceed 2% of the units outstanding at the commencement of each calendar year. Optional cash payments received late will result in the Plan Agent returning any remaining Optional Cash Payments to the appropriate CDS participant.

Purchase of Plan Units

Distributions due to Plan participants, along with any optional cash payments, will be applied, on behalf of Plan participants, to purchase Plan Units directly from the Fund or in the market as follows:

- If the weighted average trading price of units on The Toronto Stock Exchange for the 10 business days immediately preceding the relevant distribution payment date, plus applicable commissions and brokerage charges on a per unit basis (the “Market Price”) is less than the net asset value per unit as of the distribution payment date, units will be purchased in the market during the five business day period following such distribution payment date on any business day when the Trading Price on the TSX plus commissions and brokerage charges is less than the net asset value per unit as at the relevant distribution payment date.
- No later than the sixth business day after the relevant distribution payment date, the unused part, if any, of the distributions attributable to the Plan participants and the optional cash payments will be used to purchase Plan Units from the Fund at a purchase price equal to the higher of: (i) the net asset value per unit on the relevant distribution payment date; and (ii) 95% of the Market Price.
- If the Market Price on the relevant distribution payment date is equal to or greater than the net asset value per unit on such distribution payment date, distributions attributable to the Plan participants and optional cash payments will be used to purchase Plan Units from the Fund through the issue of new units at the higher of: (i) the net asset value per unit on the relevant distribution payment date; and (ii) 95% of the Trading Price on the TSX plus commissions and brokerage charges on the relevant distribution payment date.
- Plan Units purchased from the Fund’s treasury or in the market will be allocated on a *pro rata* basis to Plan participants. Plan Units will be credited for the benefit of Plan participants to the account of the CDS Participant through whom a Plan participant holds units.
- No fractional Plan Units will be issued under the Plan. In lieu of issuing fractional Plan Units, any remaining uninvested funds will be credited to Plan participants via their CDS Participant.

Plan Termination

A Plan participant may voluntarily terminate participation in the Plan by notifying their CDS Participant sufficiently in advance of the distribution payment date as of which the Plan participant wishes to terminate participation in the Plan. The form of termination notice and the appropriate procedures to be followed will be available from a CDS participant. Any expense associated with the preparation of a termination notice will be for the account of the Plan Participant.

The Manager will be able to terminate the Plan, in its sole discretion, upon not less than 60 days’ notice to the Plan participants, the Plan Agent and the TSX. The Manager will

also be able to amend, modify or suspend the Plan at any time in its sole discretion, provided that it gives notice of that amendment, modification or suspension to Unitholders.

For further information please contact your financial advisor or visit our website at <http://www.marklandstreet.com>

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