

P.E. 10/31/01



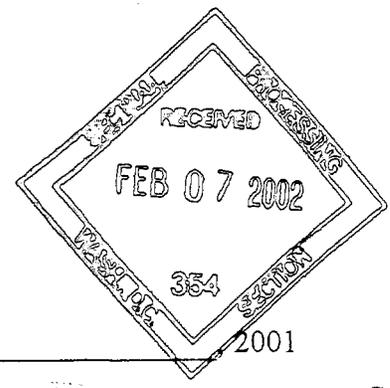
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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 6-K

Report of Foreign Issuer

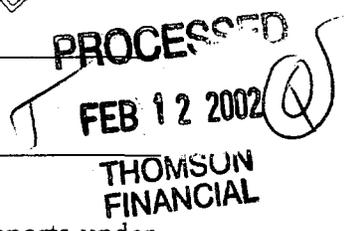
Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934



For the month of \_\_\_\_\_ October \_\_\_\_\_ 2001

SHELL CANADA LIMITED  
(Translation of registrant's name into English)

400 - 4 Avenue S.W., Calgary, Alberta. T2P 0J4  
(Address of principal executive offices)



(indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F)

Form 20-F..... Form 40-F..X..

(indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes..X. No.....

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SHELL CANADA LIMITED  
(Registrant)

Date: October 30, 2001

By: [Signature]  
(Signature)

H.W. Lemieux, Vice President  
(Name and Title)

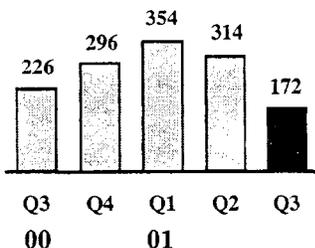
By: [Signature]  
(Signature)

J.M. Coull, Assistant Secretary  
(Name and Title)



### NINE-MONTH RESULTS

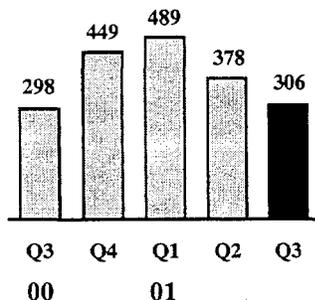
#### Earnings (\$ millions)



Calgary, Alberta - Shell Canada Limited announces third-quarter earnings of \$172 million or 63 cents per Common Share compared with earnings of \$226 million or 82 cents per share for the third quarter of 2000.

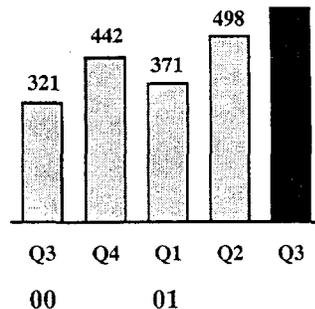
Earnings for the first nine months of 2001 were \$840 million or \$3.05 per share compared with \$562 million or \$1.98 per share for the same period in 2000. This year-to-date improvement is mainly the result of higher natural gas prices in Resources and increased refining margins in Oil Products during the first half of the year.

#### Cash Flow (\$ millions)



Cash flow from operations for the first nine months of 2001 was \$1,173 million, up from \$806 million for the same period in 2000. Capital and exploration expenditures to September 30 were \$1,441 million compared with \$711 million for the same period last year. Spending in the first nine months of 2001 included \$1,098 million on the Athabasca Oil Sands project compared with \$479 million in the same period last year.

#### Capital Expenditures (\$ millions)



“Continued strong operating performance allowed us to achieve good results during the third quarter despite weakness in natural gas prices and volatility in refining margins. Weakening economic conditions, seen earlier this year and compounded by recent world events, could impact future earnings. This underlines the importance of our focus on excellence in all aspects of our operations,” said Tim Faithfull, President and Chief Executive Officer, Shell Canada Limited. “Although we continued to meet major milestones at the Athabasca Oil Sands Project, we face significant challenges. We are making every effort to manage these challenges and deliver a successful project.”

### Resources

Resources earnings in the third quarter of 2001 were \$95 million compared with \$143 million for the same period in 2000. Reduced demand for natural gas and lower world crude oil prices resulted in lower prices for all commodities compared with the same period

last year. Natural gas volumes were also lower than last year. Project delays and field declines resulted in lower gas volumes in the Foothills that were partially offset by production from the Sable Offshore Energy Project (SOEP). Bitumen volumes increased during the quarter as new wells at Peace River entered the production phase. Exploration and seismic activity increased over the third quarter 2000, resulting in higher expenses for the three months. Hedging activities related to natural gas production resulted in gains in the quarter, however earnings year-to-date have been reduced by approximately \$16 million.

Shell's share of natural gas production from SOEP averaged 160 million cubic feet per day during the third quarter. Shell Canada plans to spend approximately \$65 million to drill a natural gas exploration well at Onondaga, close to the existing SOEP infrastructure. Drilling of this wholly-owned well will start in the fourth quarter of 2001 and is expected to reach total depth during the first quarter of 2002.

### **Oil Products**

Lower refining margins reduced Oil Products earnings in the third quarter to \$79 million compared with \$88 million for the same period of 2000. Early in the third quarter of 2001, refining margins were weak due to high North American gasoline inventories. In the latter part of the quarter, refining margins began to strengthen as North American inventories declined and regional supply tightened.

### **Oil Sands**

The Athabasca Oil Sands Project entered the peak construction phase during the third quarter. While major project milestones have been achieved, shortages of skilled labour and management of related productivity issues present significant challenges, especially at the upgrader site. At the end of the third quarter, engineering was almost complete at the mine site and 95 per cent complete at the Scotford site. Construction was 55 per cent complete at the mine site and 40 per cent complete at the Scotford site, based on current schedules. Shell Canada's share of capital expenditures during the first nine months was \$1,098 million, including \$129 million for Scotford refinery modifications. Shell's share of capital expenditures for the full year 2001 is expected to be approximately \$1,540 million, including \$190 million for Scotford refinery modifications. Over the past year, detailed reviews of the Muskeg River Mine and Scotford components of the project identified the potential for costs to increase by 20 per cent and 10 per cent, respectively, or about 15 per cent overall. Cost increases are partly due to detailed engineering definition, scope changes to improve operational reliability and higher material and energy costs. However, the primary reason for

upward pressure on project costs is the high level of construction activity in the oil and gas industry. Labour availability and construction productivity have been below expectations, although there are recent signs of more labour becoming available with the completion of other industry projects. Effective management of these factors will be key in determining the ultimate cost of the project. Work on a definitive cost estimate for the project is underway and preliminary indications are that cost increases for the Muskeg River mine and extraction plant and the Scotford upgrader (original total cost estimate \$3.5 billion) could be substantially higher than the 15 per cent identified earlier. Costs for the Scotford refinery modifications are also likely to increase but within a 15 per cent range of the original estimate of \$0.4 billion. Additional work is required to evaluate changing labour availability and related implications on productivity, work planning and project costs. Therefore, the definitive cost estimate, which will include a review of the project schedule, will require more time to complete than originally planned.

## **Corporate**

Corporate earnings in the first nine months of 2001 were \$3 million compared with expenses of \$11 million during the same period of last year, as income from financing activities more than offset corporate expenses.

*This information includes "forward looking statements" based upon current expectations, estimates and projections of future production, project start-up and future capital spending that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated by the Corporation. These risks and uncertainties include, but are not limited to, changes in: market conditions, law or government policy, operating conditions and costs, project schedules, operating performance, demand for oil, gas and related products, price and exchange rate fluctuations, commercial negotiations or other technical and economic factors.*

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**SHELL CANADA LIMITED****Financial Highlights**

(\$ millions, except as noted)

*(unaudited)*

	Third Quarter		Nine Months	
	2001	2000	2001	2000
Earnings	172	226	840	562
Revenues	1 851	2 156	6 157	5 754
Cash flow from operations	306	298	1 173	806
Return on average common shareholders' equity (%)	-	-	27.4	25.8
Return on average capital employed (%) <sup>1</sup>	-	-	25.9	23.3
Interest coverage <sup>2</sup>	-	-	71.8	38.0
Per Common Share (dollars)				
Earnings - basic	0.63	0.82	3.05	1.98
Earnings - diluted	0.62	0.81	3.03	1.97
Cash flow	1.11	1.08	4.26	2.83
Dividends paid	0.20	0.20	0.60	0.56

**Results by Segment**

Earnings				
Resources	95	143	521	331
Oil Products	79	88	316	242
Corporate	(2)	(5)	3	(11)
<b>Total</b>	<b>172</b>	<b>226</b>	<b>840</b>	<b>562</b>
Revenues				
Resources	337	422	1 361	1 046
Oil Products	1 564	1 773	4 930	4 821
Corporate	5	17	32	49
Inter-segment sales	(55)	(56)	(166)	(162)
<b>Total</b>	<b>1 851</b>	<b>2 156</b>	<b>6 157</b>	<b>5 754</b>
Cash flow from operations				
Resources	176	195	704	503
Oil Products	121	88	444	266
Corporate and other	9	15	25	37
<b>Total</b>	<b>306</b>	<b>298</b>	<b>1 173</b>	<b>806</b>
Capital and exploration expenditures				
Resources	118	60	264	163
Oil Sands	358	191	969	393
Oil Products	93	69	204	142
Corporate	3	1	4	13
<b>Total</b>	<b>572</b>	<b>321</b>	<b>1 441</b>	<b>711</b>

<sup>1</sup>Return on Average Capital Employed (ROACE) is earnings plus after-tax interest expense on debt divided by the average of opening and closing capital employed for the twelve months to September 30. Capital employed is the total of equity and long-term debt including the current portion of long-term debt.

<sup>2</sup>Interest coverage is the pre-tax earnings plus interest on debt divided by interest on debt for the twelve months to September 30.

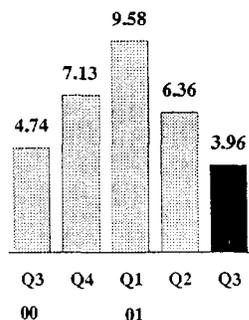
# SHELL CANADA LIMITED

## Operating Highlights

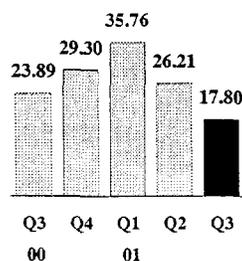
(unaudited)

	Third Quarter		Nine Months	
	2001	2000	2001	2000
<b>Production</b>				
Natural gas - gross (mmcf/d)	618	641	606	588
Ethane, propane and butane - gross (bbls/d)	29 200	30 100	28 700	30 100
Condensate - gross (bbls/d)	23 300	23 100	22 200	23 200
Bitumen - gross (bbls/d)	5 200	4 100	3 500	4 300
Sulphur - gross (tons/d)	6 200	6 600	6 000	6 500
Crude oil processed by Shell refineries (m <sup>3</sup> /d)	44 200	43 900	43 600	43 000
<b>Oil Products Sales</b>				
Gasolines (m <sup>3</sup> /d)	21 400	21 800	20 800	20 500
Middle distillates (m <sup>3</sup> /d)	16 200	17 900	16 800	17 200
Other products (m <sup>3</sup> /d)	7 400	6 500	7 400	6 900
	<b>45 000</b>	<b>46 200</b>	<b>45 000</b>	<b>44 600</b>
<b>Prices</b>				
Natural gas average plant gate netback price (\$/mcf)	3.96	4.74	6.61	3.89
Ethane, propane and butane average field gate price (\$/bbl)	17.80	23.89	27.17	20.43
Condensate average field gate price (\$/bbl)	39.26	44.16	41.19	41.07

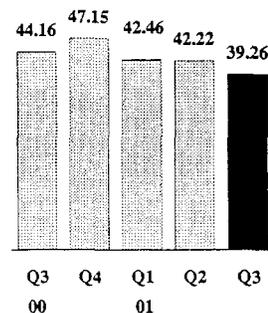
**Natural Gas Avg. Price**  
(Plant Gate Netback)  
(\$/mcf)



**Ethane, Propane and Butane Avg. Price**  
(Field Gate)  
(\$/bbl)



**Condensate Avg. Price**  
(Field Gate)  
(\$/bbl)



**SHELL CANADA LIMITED**  
**Consolidated Statement of Earnings**

(\$ millions, except as noted)

(unaudited)

	Third Quarter		Nine Months	
	2001	2000	2001	2000
<b>Revenues</b>				
Sales and other operating revenues	1 837	2 134	6 109	5 686
Dividends, interest and other income	14	22	48	68
	<b>1 851</b>	<b>2 156</b>	<b>6 157</b>	<b>5 754</b>
<b>Expenses</b>				
Purchased crude oil, petroleum products and other merchandise	1 182	1 383	3 682	3 684
Operating, selling and general	282	273	826	802
Exploration	21	7	67	18
Depreciation, depletion, amortization and retirements	89	88	221	249
Interest on long-term debt	3	12	12	33
Foreign exchange on long-term debt	-	5	-	13
	<b>1 577</b>	<b>1 768</b>	<b>4 808</b>	<b>4 799</b>
<b>Earnings</b>				
Earnings before income tax	274	388	1 349	955
Current income tax	73	185	453	418
Future income tax (Note 2)	29	( 23)	56	( 25)
Total income tax	102	162	509	393
	<b>172</b>	<b>226</b>	<b>840</b>	<b>562</b>
Earnings per Common Share (dollars) - basic (Note 3)	<b>0.63</b>	0.82	<b>3.05</b>	1.98
Earnings per Common Share (dollars) - diluted (Note 3)	<b>0.62</b>	0.81	<b>3.03</b>	1.97
Common Shares outstanding (millions - monthly weighted average)	<b>275</b>	<b>277</b>	<b>275</b>	<b>284</b>
<b>Retained Earnings</b>				
Balance at beginning of period	-	-	3 478	3 362
Reduction from implementation of accounting standards (Note 4)	-	-	-	(61)
Reduction from share buy-back (Note 5)	-	-	-	( 466)
Earnings	-	-	840	562
	-	-	<b>4 318</b>	<b>3 397</b>
Dividends	-	-	165	160
Balance at end of period	-	-	<b>4 153</b>	<b>3 237</b>

**SHELL CANADA LIMITED**  
**Consolidated Statement of Cash Flows**

(\$ millions)  
(unaudited)

	Third Quarter		Nine Months	
	2001	2000	2001	2000
<b>Cash from Operating Activities</b>				
Earnings from operations	172	226	840	562
Exploration	21	7	67	18
Non-cash items				
Depreciation, depletion, amortization and retirements	89	88	221	249
Future income tax	29	(23)	56	(25)
Other items	(5)	-	(11)	2
Cash flow from operations	306	298	1 173	806
Movement in working capital and other related to operating activities	(57)	46	(51)	(77)
	249	344	1 122	729
<b>Cash Invested</b>				
Capital and exploration expenditures	(572)	(321)	(1 441)	(711)
Movement in working capital related to investing activities	(26)	92	(26)	156
Capital expenditures and movement in working capital	(598)	(229)	(1 467)	(555)
Proceeds on disposal of properties, plant and equipment	15	3	55	3
Investments, long-term receivables and other	(15)	(14)	(23)	(14)
	(598)	(240)	(1 435)	(566)
<b>Cash from Financing Activities</b>				
Common Shares buy-back (Note 5)	-	(286)	-	(490)
Proceeds from exercise of Common Share stock options	-	1	4	3
Dividends paid	(55)	(56)	(165)	(160)
Long-term debt repayments and other	-	10	(448)	31
Other financing activities	18	-	50	-
	(37)	(331)	(559)	(616)
Decrease in cash	(386)	(227)	(872)	(453)
Cash at beginning of period	266	823	752	1 049
Cash at September 30 <sup>1</sup>	(120)	596	(120)	596
Supplemental disclosure of cash flow information:				
Dividends received	3	-	9	4
Interest received	2	11	19	41
Interest paid	2	19	28	40
Income taxes paid	102	102	594	474

1. Cash comprises cash and highly liquid short-term investments less short-term borrowings.

**SHELL CANADA LIMITED**  
**Consolidated Balance Sheet**

(\$ millions)  
(unaudited)

	Sept. 30, 2001	Dec. 31, 2000
<b>Assets</b>		
Current assets		
Cash and short-term investments	28	752
Accounts receivable	877	1 119
Inventories		
Crude oil, products and merchandise	492	440
Materials and supplies	56	47
Prepaid expenses	154	157
	<b>1 607</b>	<b>2 515</b>
Investments, long-term receivables and other	283	255
Properties, plant and equipment	5 601	4 496
	<b>7 491</b>	<b>7 266</b>
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	148	-
Accounts payable and accrued liabilities	1 146	1 346
Income and other taxes payable	348	404
Current portion of site restoration and other long-term obligations	21	20
Current portion of long-term debt	2	450
	<b>1 665</b>	<b>2 220</b>
Site restoration and other long-term obligations	200	205
Long-term debt	100	51
Future income taxes	914	857
	<b>2 879</b>	<b>3 333</b>
<b>Shareholders' Investment</b>		
Capital stock		
100 4% Preference Shares	1	1
275 481 800 Common Shares (2000 - 275 274 286)	458	454
Retained earnings	4 153	3 478
	<b>4 612</b>	<b>3 933</b>
	<b>7 491</b>	<b>7 266</b>

**SHELL CANADA LIMITED****Segmented Information**

(\$ millions, except as noted)

*(unaudited)*

Third Quarter (Jul. - Sept.)	Third Quarter							
	Total		Resources		Oil Products		Corp. & Other	
	2001	2000	2001	2000	2001	2000	2001	2000
<b>Revenues</b>								
Sales and other operating revenues	1 837	2 134	311	406	1 528	1 725	( 2)	3
Intersegment transactions	-	-	25	15	30	41	-	-
Dividends, interest and other income	14	22	1	1	6	7	7	14
	<b>1 851</b>	<b>2 156</b>	<b>337</b>	<b>422</b>	<b>1 564</b>	<b>1 773</b>	<b>5</b>	<b>17</b>
<b>Expenses</b>								
Purchased crude oil, petroleum products and other merchandise	1 182	1 383	-	-	1 182	1 383	-	-
Intersegment transactions	-	-	30	41	25	15	-	-
Operating, selling and general	282	273	72	70	205	195	5	8
Exploration	21	7	21	7	-	-	-	-
Depreciation, depletion, amortization and retirements	89	88	51	50	37	38	1	-
Interest on debt and other related financing charges	3	12	-	-	-	-	3	12
Foreign exchange on long-term debt	-	5	-	-	-	-	-	5
	<b>1 577</b>	<b>1 768</b>	<b>174</b>	<b>168</b>	<b>1 449</b>	<b>1 631</b>	<b>9</b>	<b>25</b>
<b>Earnings</b>								
Earnings before income tax	274	388	163	254	115	142	( 4)	( 8)
Current income tax	73	185	58	115	28	88	( 13)	( 18)
Future income tax (Note 2)	29	( 23)	10	( 4)	8	( 34)	11	15
Total income tax	102	162	68	111	36	54	( 2)	( 3)
	<b>172</b>	<b>226</b>	<b>95</b>	<b>143</b>	<b>79</b>	<b>88</b>	<b>( 2)</b>	<b>( 5)</b>

# SHELL CANADA LIMITED

## Segmented Information

(\$ millions, except as noted)

(unaudited)

Nine Months (Jan. - Sept.)	Nine Months							
	Total		Resources		Oil Products		Corp. & Other	
	2001	2000	2001	2000	2001	2000	2001	2000
<b>Revenues</b>								
Sales and other operating revenues	6 109	5 686	1 309	989	4 796	4 692	4	5
Intersegment transactions	-	-	48	54	118	108	-	-
Dividends, interest and other income	48	68	4	3	16	21	28	44
	<b>6 157</b>	<b>5 754</b>	<b>1 361</b>	<b>1 046</b>	<b>4 930</b>	<b>4 821</b>	<b>32</b>	<b>49</b>
<b>Expenses</b>								
Purchased crude oil, petroleum products and other merchandise	3 682	3 684	-	-	3 682	3 684	-	-
Intersegment transactions	-	-	118	108	48	54	-	-
Operating, selling and general	826	802	200	200	608	583	18	19
Exploration	67	18	67	18	-	-	-	-
Depreciation, depletion, amortization and retirements	221	249	117	139	106	110	(2)	-
Interest on debt and other related financing charges	12	33	-	-	-	-	12	33
Foreign exchange on long-term debt	-	13	-	-	-	-	-	13
	<b>4 808</b>	<b>4 799</b>	<b>502</b>	<b>465</b>	<b>4 444</b>	<b>4 431</b>	<b>28</b>	<b>65</b>
<b>Earnings</b>								
Earnings before income tax	1 349	955	859	581	486	390	4	(16)
Current income tax	453	418	336	232	141	226	(24)	(40)
Future income tax (Note 2)	56	(25)	2	18	29	(78)	25	35
Total income tax	509	393	338	250	170	148	1	(5)
	<b>840</b>	<b>562</b>	<b>521</b>	<b>331</b>	<b>316</b>	<b>242</b>	<b>3</b>	<b>(11)</b>

<b>Total Assets</b>	<b>7 491</b>	<b>6 883</b>	<b>2 499</b>	<b>2 566</b>	<b>3 222</b>	<b>3 002</b>	<b>1 770</b>	<b>1 315</b>
<b>Capital Employed</b>	<b>4 714</b>	<b>4 167</b>	<b>1 513</b>	<b>1 481</b>	<b>1 848</b>	<b>1 648</b>	<b>1 353</b>	<b>1 038</b>
<b>ROACE (%)</b>	<b>25.9</b>	<b>23.3</b>	<b>48.5</b>	<b>36.2</b>	<b>23.7</b>	<b>17.7</b>	<b>N/A</b>	<b>N/A</b>

Corporate & Other includes the Oil Sands business segment. Total assets for Oil Sands as at September 30 are \$1,823 million for 2001 and \$615 million for 2000. Capital employed for Oil Sands as at September 30 is \$1,541 million for 2001 and \$354 million for 2000.

Return on Average Capital Employed (ROACE) is earnings plus after-tax interest expense on debt divided by the average of opening and closing capital employed for the twelve months to September 30. Capital employed is the total of equity and long-term debt including the current portion of long-term debt. Interest expense and debt are only included in total ROACE and are not allocated to the Resources or Oil Products business segments.

**SHELL CANADA LIMITED**  
**Notes to Consolidated Financial Statements**  
*(unaudited)*

**1. Accounting Policies**

These financial statements follow the same accounting policies and methods of computation as, and should be read in conjunction with, the most recent annual financial statements dated December 31, 2000, except as described in note 3.

**2. Income Tax Rate Change**

In the second quarter, the Alberta and Ontario governments reduced their corporate income tax rates. These rate reductions resulted in a one-time benefit, which decreased the second quarter's future income tax expense for the Resources and Oil Products segments by \$20 million and \$5 million respectively.

**3. Earnings Per Share**

Effective January 1, 2001, a new accounting standard related to calculation and disclosure of earnings per share was established. All earnings per share information and disclosures presented in these interim financial statements conform to this new standard.

	Third Quarter		Year to Date	
	2001	2000	2001	2000
Earnings (\$ millions)	172	226	840	562
Weighted average number of Common Shares (millions)	275	277	275	284
Dilutive securities (millions)				
Options on long-term incentive plan <sup>1</sup>	2	1	2	1
Basic earnings per share (\$ per share) <sup>2</sup>	0.63	0.82	3.05	1.98
Diluted earnings per share (\$ per share) <sup>3</sup>	0.62	0.81	3.03	1.97

<sup>1</sup> The amount shown is the net number of Common Shares outstanding after the notional exercise of the share options and the cancellation of the notionally repurchased Common Shares as per the treasury stock method.

<sup>2</sup> Basic earnings per share is the earnings divided by the weighted average number of Common Shares.

<sup>3</sup> Diluted earnings per share is the earnings divided by the aggregate of the weighted average number of Common Shares plus the dilutive securities.

#### **4. New Accounting Standards**

During 1997, a new Canadian accounting standard was established for Income Taxes applicable to fiscal years beginning in 2000. The Corporation adopted this new standard retroactively in the year 2000, without restatement of financial statements for prior periods. The change has been reflected as a \$61 million adjustment to the opening balance of retained earnings in the consolidated financial statements.

#### **5. Share Buy-Back**

A Normal Course Issuer Bid, which commenced August 17, 1999, was terminated May 4, 2000. Under this bid, Shell purchased 110,100 shares at an average price of \$29.78, for a total cost of \$3.3 million, which includes \$1 million of shares purchased in 2000.

A second bid commenced May 10, 2000 and terminated September 18, 2000. Under this bid, Shell purchased 14,358,509 shares at an average price of \$34.02, for a total cost of \$488.5 million.