FORM 51-101F1

STATEMENT OF RESOURCES DATA AND OTHER OIL AND GAS INFORMATION
FOR
US OIL SANDS INC.

For the year ended December 31, 2015

Prepared on April 6, 2016

INTRODUCTION AND SUMMARY

US Oil Sands Inc. ("**US Oil Sands**" or the "**Company**") is engaged in the exploration and development of its oil sand properties located in the State of Utah, United States. The Company, through its wholly-owned subsidiary, US Oil Sands (Utah) Inc. (the "**Subsidiary**"), has a 100% interest in bitumen leases covering 32,005 acres of land in Utah. As of the date hereof, the Company holds only oil sands leases and does not have any production or reserves.

PRESENTATION OF OIL AND GAS INFORMATION

This Statement of Resources Data and Other Oil and Gas Information contains certain resource estimates. Certain terms used herein are defined in National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**") or the Canadian Oil and Gas Evaluation Handbook (the "**COGE Handbook**") and, unless the context otherwise requires, shall have the same meanings herein as in NI 51-101 or the COGE Handbook. Estimates of resources always involve uncertainty, and the degree of uncertainty can vary widely between accumulations/projects and over the life of a project if discovered. There is uncertainty that it will be commercially viable to produce any portion of the resources. "Contingent" and "Discovered" resources are included herein and these estimates have been provided as follows:

Best Estimate: This is considered to be the best estimate of the Contingent and Discovered Resources volumes. It is equally likely that the actual volumes of Contingent and Discovered Resources will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a fifty percent probability that actual volumes of Contingent and Discovered Resources will equal or exceed the best estimate.

Contingent Resources: Are those quantities of bitumen estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include such factors as economic, legal, environmental, political and regulatory matters or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent resources are further classified in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.

CONVERSION OF UNITS

To Convert From	To	Multiply By
Cubic metres	Cubic feet	35.494
Bbls	Cubic metres	0.159
Cubic metres	Bbls	6.293
Feet	Metres	0.305
Metres	Feet	3.281
Miles	Kilometres	1.609
Kilometres	Miles	0.621
Acres	Hectares	0.405
Hectares	Acres	2.50

ABBREVIATIONS

Bbl	barrel
Bbls	barrels
Mbbls	thousand barrels
MMbbls	million barrels

Unless otherwise indicated, references in this Statement of Resources Data and Other Oil and Gas Information to "$" or "dollars" are to Canadian dollars.

SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this Statement of Resources Data and Other Oil and Gas Information constitute forward looking statements and are based on the Company's beliefs and assumptions based on information available at the time such beliefs or assumptions were made. By its nature, such forward looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking statements. The Company believes the expectations reflected in those forward looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward looking statements should not be unduly relied upon. These statements are effective only as of the date hereof.

Certain statements contained in this Statement of Resources Data and Other Oil and Gas Information contain words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "projected", "sustain", "continues", "strategy", "potential, projects, grow", "take advantage", "estimate", "well positioned" and similar expressions and statements relating to matters that are not historical facts constitute "forward looking information" within the meaning of applicable Canadian securities legislation.

The following are examples of references to forward looking information contained in this Statement of Resources Data and Other Oil and Gas Information:

- the development of US Oil Sands' oil sand properties;
- US Oil Sands' resource estimates;
- the quantity of resources;
- future development and exploration activities and the timing thereof;
- future land and/or concession expiries;
- results of various projects of US Oil Sands;
- estimated future contractual obligations;
- timing of development of undeveloped resources; and
- US Oil Sands' treatment under governmental regulatory regimes and tax laws.

This disclosure contains certain forward looking estimates that involve substantial known and unknown risks and uncertainties, certain of which are beyond US Oil Sands' control. Therefore, US Oil Sands' actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking estimates and if such actual results, performance or achievements transpire or occur, or if any of them do so, there can be no certainty as to what benefits US Oil Sands will derive therefrom.

By their nature, such forward looking statements are subject to a number of risks, uncertainties and assumptions, which could cause actual results or other expectations to differ materially from those anticipated, including those material risks discussed in this Statement of Resources Data and Other Oil and Gas Information. US Oil Sands is exposed to several operational risks inherent in exploiting, developing, producing and marketing crude oil, bitumen blend and natural gas. These risks include but are not limited to:

- economic risk of finding and producing reserves at a reasonable cost;
- reliance on resource and/or reserve estimates for the year as well as on acquisitions;
- financial risk of marketing future crude oil, bitumen blend, and natural gas at an acceptable price given market conditions to customers;
- fluctuations in commodity prices, foreign exchange and interest rates;
- delays in business operations and refinery restrictions;
- the continued availability of adequate debt and equity financing and cash flow to fund planned expenditures;
- sufficient liquidity for future operations;

- cost of capital risk to carry out US Oil Sands' operations;
- success of exploration and development activities;
- performance characteristics of oil and natural gas properties;
- liabilities inherent in oil and natural gas properties;
- changes or fluctuations in production levels
- uncertainties associated with estimating oil, bitumen, and natural gas reserves and resources;
- incorrect assessments of the value of acquisitions and exploration and development programs;
- geological, technical, drilling, production and processing problems;
- unforeseen title defects;
- increased competition and the lack of availability of qualified personnel or management;
- loss of key personnel;
- uncertainty of government policy changes;
- governmental regulation in the areas of taxation, royalty rates, and environmental protection;
- environmental risks and hazards and the cost of compliance with environmental regulations, including greenhouse gas regulations and potential Canadian and U.S. climate change legislation;
- industry conditions including changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced;
- the risk of carrying out operations with minimal environmental impact;
- operational hazards and availability of insurance;
- general economic, market and business conditions;
- competitive action by other companies;
- the ability of suppliers to meet commitments;
- stock market volatility and market valuation of US Oil Sands' shares;
- obtaining required approvals of regulatory authorities;
- creditworthiness of counterparties;
- inability to obtain required consents, permits or approvals;
- uncertainties inherent in the bitumen recovery process;
- the failure of US Oil Sands or the holder of certain leases to meet specific requirements of such licenses or leases; and
- inability to obtain proprietary protection in respect of US Oil Sands' extraction and remediation technologies.

Statements relating to "resources" are deemed to be forward looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the resources described can be profitably recovered in the future.

With respect to forward looking statements contained in this Statement of Resources Data and Other Oil and Gas Information, US Oil Sands has also made assumptions regarding among other things: ability to obtain required capital to finance exploration, development and operations; no material variations in the current tax and regulatory environments and the ability to obtain equipment, services, supplies and personnel in a timely manner to carry out its activities. Forward looking statements and other information contained herein concerning the oil and gas industry and US Oil Sands' general expectations concerning this industry are based on estimates prepared by management of US Oil Sands using data from publicly available industry sources as well as from resource reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which US Oil Sands believes to be reasonable. Although this data is generally indicative of relative market positions, market shares and performance characteristics, it is inherently imprecise. While US Oil Sands is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

Management and the Board of Directors of US Oil Sands has included the above summary of assumptions and risks related to forward looking information provided in this Statement of Resources Data and Other Oil and Gas Information in order to provide shareholders with a more complete perspective of the Company's current and future operations and such information may not be appropriate for other purposes.

Additional information on these and other factors that could affect the Company's operations or financial results is included in the Company's reports on file with Canadian securities regulatory authorities. Readers are cautioned not to place undue reliance on this forward looking information, which is given as of the date hereof.

The factors outlined above should not be construed as exhaustive. Unless required by applicable law, the Company does not undertake any obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

STATEMENT OF RESOURCES DATA AND OTHER OIL AND GAS INFORMATION

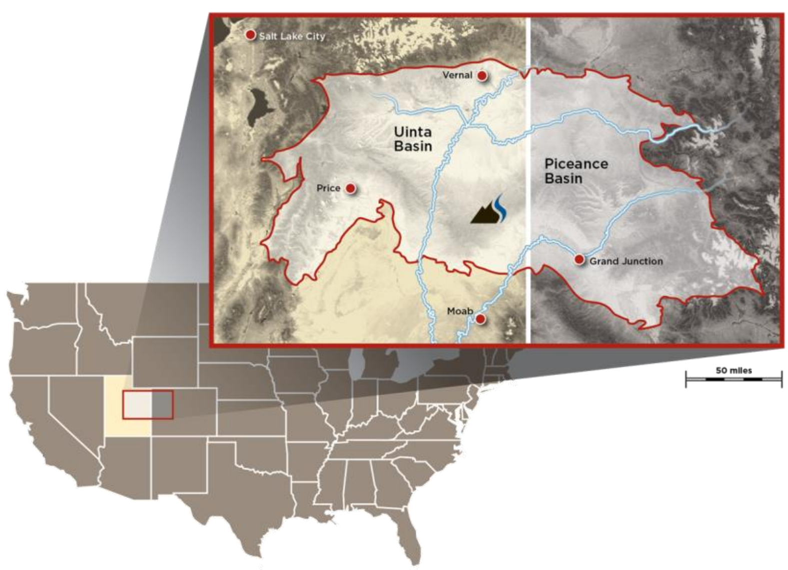
The Company does not have any reserves (as such term is defined in NI51-101). The Company's estimated Contingent and Discovered Resources (as defined in NI51-101) are tabled in Appendices 1 and 2.

OTHER OIL AND GAS INFORMATION

Oil and Gas Properties

The Company, through the Subsidiary, has a 100% interest in bitumen leases covering 32,005 acres of land in Utah. The leases are located approximately 70 miles south of the town of Vernal, Utah which is 170 miles east of Salt Lake City. Situated on the East Tavaputs Plateau, it is a remote, arid region of northeast Utah, where the ground elevation is over 8,000 feet above sea level. There is conventional oil and gas production in the area, evidenced by a number of active gas wells and pipelines in the project area.

Map of Project Area



PR Spring Property

The PR Spring Property consists of four bitumen leases owned by the Subsidiary in respect of 5,930 acres of land located in all or parts of: Sections 26, 27, 28, 33, 34, 35, 36 Twp. 15S, Rge. 23 E; Sections 31, 32, Twp. 15.5S, Rge. 24 E and Sections 4, 5, 6, 7, 8 Twp. 16S, Rge. 24 E, in the areas of Uintah and Grand Counties, Utah. These lands were acquired between 1995 and 2010 and are the focus of the Company's PR Spring mine and plant development.

NW Project Area

The NW Project Area consists of three bitumen leases owned by the Subsidiary in respect of 1,905 acres of land located in all or parts of: Section 32 Twp. 14S, Rge. 22 E; Section 36, Twp. 14S, Rge. 21 E and Section 2 Twp. 15S, Rge. 21 E, in the area of Uintah County, Utah. These lands were acquired in 2008 and are not currently under exploration assessment.

Cedar Camp Project Area

The Cedar Camp Project Area consists of twelve bitumen leases owned by the Subsidiary in respect of 24,170 acres of land located in all or parts of: Sections 13, 24, 25 Twp. 16S, Rge 21 E; Sections 2, 3, 4, 5, 6, 7, 8, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, 35 Twp. 16S, Rge 22 E; Sections 16, 17, 18, 19, 20, 21, 30 Twp. 16S, Rge 23 E, in the area of Grand County, Utah. These lands were acquired in 2011 and are not currently under exploration assessment.

Geology Description

The Uinta Basin is a major structural basin that formed in the Early Tertiary when tectonic events resulted in dramatic topographic elevation of surrounding highlands. The Basin was and is flanked by the Uinta Mountains on the north, Douglas Creek Arch along the eastern margin, southwest and southeast highlands in the form of the San Rafael Swell and Uncompahgre Plateau, respectively. It is bounded along the west by the Wasatch Plateau and mountains. (Covington, 1964). Contemporaneous with the Uinta Basin, the Piceance Creek Basin, rich in oil shale deposits, formed in northwestern Colorado. Sediments eroding from surrounding highlands flowed into the Lake Uinta basin forming a thick sequence of organic-rich shale, limestone, and sandstone, providing all the elements necessary for the oil shale and oil sand present today in the southern part of the Uinta Basin. Rocks range from Cretaceous age Mancos shale, Mesa Verde Group, and Tuscher Formation, to Tertiary age Wasatch Formation Paleocene-Eocene, and Green River Formation (Eocene).

The Green River Formation is composed of marlstone, oil shale, shale, mudstone, sandstone, siltstone, limestone, and tuff. It has been divided into four units (Gwynn, 1970) with the youngest to oldest as follows: Evacuation Creek Member, Parachute Creek Member, Garden Gulch Member, and Douglas Creek Member. Bitumen saturation is found in five distinct oil sand zones, lettered "A" (lowest) to "E" (highest). The "E" zone is in the Parachute Creek Member and "A" through "D" zones are in the Douglas Creek Member. The Mahogany Oil Shale, a major stratigraphic marker in the area, divides these two Members.

Resource Estimate

In late 2015, the Company engaged McDaniel & Associates Consultants Ltd. ("**McDaniel**") to prepare a report entitled "US OIL SANDS INC. PR SPRING ROJECT PHASE I Evaluation of Bitumen Contingent Resources Based on Forecast Prices and Costs As of December 31, 2015" (the "**McDaniel Report**"), which is an independent assessment and evaluation of the Company's PR Spring Property bitumen resources effective as of December 31, 2015 and dated April 6, 2016. Table 1.0 below reflects the Company's 100% working interests in the PR Spring Property. The assessed property consists of four leases totalling 5,930.0 acres. The information set forth below relating to the Company's resources constitutes forward-looking information, which is subject to certain risks and uncertainties. See "*Special Note Regarding Forward-Looking Statements*."

The Company submitted a mine application to the Utah Division of Oil, Gas and Mining on September 28, 2007 and received a permit in September 2009 for initial production of 2,000 barrels of bitumen per day, expandable by amendment to the initial approval. The currently permitted mine pits encompass 235 acres within the central portion of the property. The Company's original internally generated mine plan has been further detailed and optimized by Norwest Corporation, an engineering firm specializing in open pit mine design.

The discovered recoverable volumes within the current mine plan areas have been classified as contingent resources, based on Company core hole data, assays and test pit results, geological mapping undertaken by Petrel Robertson Consultants, detailed mine plans prepared by Norwest Corporation, pilot plant data provided by the Company as well as final extraction plant design drawings and data completed by Precision Systems Engineering. In 2011, the company identified three additional prospective mine pit areas (Pit #'s 4-6) that were further delineated with infill coring in 2012. Prospective mine pits in these areas have not yet undergone detailed mine planning and bitumen volumes contained therein are therefore included within the volume classified as Discovered Resource.

Discovered resources were estimated for the balance of the property in 2014 by Sproule Unconventional Limited and audited by McDaniel, using information gathered from exploration core holes drilled on a nominal 40-acre spacing, supplemented by historical core assays, outcrop data and geological mapping. Geological data garnered from 2012 (including 10 acre-spaced infill coring) in prospective pit areas, supports the expectation that the company's proposed additional mine pits (numbers 4 through 6) will be fully designed and permitted.

Properties with No Attributed Reserves

The undeveloped land holdings of the Company as at December 31, 2015 consists of a 100% interest in 32,005 acres located in Utah. The Company does not anticipate that any rights to explore, develop or exploit any unproved properties will expire within one year.

Oil sands leases in the State of Utah carry a primary term of 10 years, after which time the leases can be continued if certain activity and/or production levels are satisfied. Depending on the level of activity and/or production, a permit and a license can be converted into a lease at the end of the primary term. All of the Company's resources are within oil sands leases (10 year initial term). The 32,005 acres are held under separate leases and each having differing expiry terms, the aggregate minimum annual payments are as follows in US Dollars:

2015	304,029
2016	304,029
2017	304,029
2018	283,074
2019	283,074
Thereafter to 2021	265,914
Total	$1,744,149

Significant Factors or Uncertainties Relevant to Properties with No Attributed Reserves

Significant economic factors and uncertainties affect the anticipated development or production activities on the Company's properties with no attributed reserve. These include the ability for the Company to develop its oil sands properties using its patented and environmentally responsible bitumen extraction process and the ability to raise sufficient capital to support the substantial capital expenditures required to explore and develop the Company's oil sands properties.

Forward Contracts

The Company does not have any forward contracts.

Additional Information Concerning Abandonment and Reclamation Costs

The Company is liable for its share of reclamation of its properties upon abandonment. At December 31, 2015, the Company had recorded a $1,015,987 liability for existing asset retirement obligations. These costs were based on retirement obligations estimated by the State of Utah and all costs had been discounted using a risk-free rate of 2.15% and an inflation rate of 0.7%, which was based on the estimated time to abandon the asset. The Company has completed construction (initial opening) of its large mine and is nearing completion of the extraction plant which together largely encompass the area requiring reclamation.

Tax Horizon

At the end of 2015, the Company had estimated income tax deductions of approximately $21,366,287 in Canada and USD$31,167,373 in the United States available to reduce future taxable income. As a result of available deduction and US Oil Sands' planned capital expenditures for 2016, the Company does not expect to incur current income taxes in 2016. The Company could, if sufficient income tax deductions are not generated by future business operations, incur income taxes in 2017.

Costs Incurred

The net costs incurred by the Company for the unproved properties described above for the financial year ended December 31, 2015 was $46,937,809. All of the costs incurred during 2015 were related to the extraction plant engineering, procurement and construction, together with mine opening and haul road construction. There were no property acquisition costs incurred during 2014 or 2015.

Exploration and Construction Activities

The 5,930 acre PR Spring Property is the primary area on which the Company has focused its exploration and development activities. The Company completed a 147 hole coring program on the PR Spring Property in 2011. 55 wells were drilled to a 2.5 acre high-density spacing and 92 wells were drilled to a 40 acre spacing. Results from the 55 well high-density portion of the drilling program were used for final design of the Company's 325 acre PR Spring Mine Development.

In 2012, the Company drilled an additional 37 infill core holes in the most prospective future pit areas outside of the permitted mine plan area. Core lithology, electric log and assay results were correlated to existing geological information such that the Company was able to more clearly estimate the potential resource in these pit areas and configure preliminary mine pit designs.

US Oil Sands is currently actively engaged in the development of its first mining and extraction project at the PR Spring Property. As of December 31, 2015, the Company had completed approximately 60% of the construction on the extraction plant and fully completed haul road construction and overburden removal from the opening pit in preparation for mining operations. The Company has also initiated additional exploitation assessment for potential expansion of the PR Spring Project and other developments.

US Oil Sands' Utah leases and permits are large and generally contiguous, which management expects will allow for scale efficiency and simpler development planning. Management believes that the large scale of the Company's assets (for Utah operations) may also attract interest from other potential joint venture partners should the Company choose to pursue that strategy. As a large scale leaseholder, US Oil Sands intends to opportunistically pursue acquisitions to complement its existing portfolio.

APPENDIX 1

Disclosure of Contingent and Discovered Resources

Table 1.0 In-Place (Mineable) Barrels and Contingent Resources in Phase I Mine Pits

Pit No.	Ore Grade (Wt. %)	Mineable Volume (bbls)[1]	TV/BIP Ratio	Strip Ratio
1	8.9	740,629	8.2	0.66
2	8.8	6,212,732	11.4 - 16.6	1.16 - 2.24
3	9.3	5,579,288	9.0	0.76

Total = 12,532,649 bbls

Best Estimate Un-risked Contingent Resources (incl. recovery factors[2]) = **10,715,415 bbls**[4, 5]

Total Discovered Resource on property = **184.3 MM bbls**[3, 4]

Balance of Discovered Resource on property = 184.3-12.5 = **171.8 MM bbls**[3, 4]

NOTES:

1. Per Norwest Corporation report Phase 1 Mine Plan and Cost Estimate, October 9, 2014
2. In-pit bitumen recovery factor (F_m) from McDaniel/Norwest reports = 0.95
   Plant recovery factor (F_P) from McDaniel report/USO pilot plant data = 0.90
   Combined recovery factor = $F_m \times F_P = F_c = 0.855$
3. Per December 31, 2014 Sproule Unconventional Limited resource report as audited by McDaniel at December 31, 2015
4. Volume determinations in accordance with stipulations of NI51-101 and the COGE Handbook.
5. The Company anticipates conversion of Contingent Resources to Reserves when its PR Spring extraction plant has successfully operated for a minimum period of 3 months.

Resources Category and Technology Classification

As defined in the McDaniel Report, the evaluation scenario status is classed as “Development” and the project maturity subclass “Development Pending”.

The Company’s mining and extraction technology has been classified as “Technology under Development”. The economic status has been determined to be “Economic” with the “Chance of Development Factor” established at 90% (project has all required approvals, project is funded, property has undergone thorough geological assessment (184 core holes, 4400 assays), mine has been opened, haul roads constructed, extraction plant is presently at the 90% stage of completion and some elements of plant utility systems have been commissioned (as of report preparation date, April 6, 2016).

As of the effective date of this report (December 31, 2015) the estimated capital required to reach commercial production is $16 MM. The timing of first production is forecast to be September, 2016.

The principal contingency for the volumes to be reclassified as Reserves is the extraction technology. Other contingencies could however include economic, legal, environmental, regulatory and political matters or a lack of markets in the future.

APPENDIX 2

Summary of Contingent Resources and Net Present Value
Effective December 31, 2015
CONTINGENT RESOURCES – BITUMEN PRICING, NATURAL GAS AS FUEL

Summary of Risked and Un-risked Volumes

Classification and Product	Bitumen Production (Mbbl)			
	Risked (@ 90%)		Un-Risked	
	Gross[1]	Net[2]	Gross[1]	Net[2]
Low Estimate Contingent Resources - Bitumen	9,108	8,504	10,120	9,449
Best Estimate Contingent Resources - Bitumen	9,644	8,958	10,715	9,953
High Estimate Contingent Resources - Bitumen	10,180	9,412	11,311	10,458

NOTES:
1. Gross resources are the working interest resources and deductions of royalties payable to others.
2. Net resources include gross resources after royalty payable to others plus royalty interest based on McDaniel & Associates January 1, 2016 forecast bitumen netback prices. McDaniel's oil and gas price forecasts can be found at http://www.mcdan.com/priceforecast.

Summary of Risked (@ 90%)/Un-risked Net Present Values before Income Taxes[1, 2, 3]

Classification and Product	Risk	NPV ($MM)							
		0%	5%	8%	10%	12%	15%	20%	25%
Low Estimate Contingent Resources - Bitumen	Risked	86	46	30	22	15	7	(3)	(9)
	Unrisked	95	51	34	25	17	8	(3)	(10)
Best Estimate Contingent Resources - Bitumen	Risked	214	135	104	87	74	58	38	25
	Unrisked	237	150	115	97	82	64	43	28
High Estimate Contingent Resources - Bitumen	Risked	343	220	174	149	129	104	76	57
	Unrisked	381	245	193	166	143	116	85	63

NOTES:
1. Based on McDaniel & Associates January 1, 2016 forecast bitumen netback prices. McDaniel's oil and gas price forecasts can be found at http://www.mcdan.com/priceforecast.
2. Interest expenses and corporate overhead, etc. were not included.
3. The net present values may not necessarily represent the fair market value of the resources.

Summary of Risked (@ 90%)/Un-risked Net Present Values before Income Taxes – Per Unit Basis[1]

Classification and Product	Risk	NPV ($/bbl) of Produced Bitumen							
		0%	5%	8%	10%	12%	15%	20%	25%
Low Estimate Contingent Resources - Bitumen	Risked	8.49	4.56	3.02	2.20	1.52	0.71	(0.25)	(0.89)
	Unrisked	9.43	5.07	3.35	2.44	1.69	0.79	(0.28)	(0.99)
Best Estimate Contingent Resources - Bitumen	Risked	19.94	12.56	9.67	8.15	6.90	5.39	3.59	2.38
	Unrisked	22.16	13.96	10.74	9.06	7.67	5.99	3.99	2.64
High Estimate Contingent Resources - Bitumen	Risked	30.35	19.52	15.34	13.18	11.39	9.26	6.72	5.01
	Unrisked	33.72	21.69	17.04	14.64	12.66	10.29	7.47	5.57

NOTES:
1. Economic calculations in accordance with stipulations of NI51-101 and the COGE Handbook.

<u>Cautionary Statement</u>

An estimate of risked net present value of future net revenue of contingent resources is preliminary in nature and is provided to assist the reader in reaching an opinion on the merit and likelihood of the company proceeding with the required investment. It includes contingent resources that are considered too uncertain with respect to the chance of development

and chance of discovery to be classified as reserves. There is uncertainty that the risked net present value of future net revenue will be realized.