

US Oil Sands Inc. Announces Approval of Patent Application by Canadian Intellectual Property Office

CALGARY, ALBERTA September 6, 2012 – US Oil Sands Inc. ("US Oil Sands" or the "Company") (TSXV: USO), a company focused on oil sands exploration and production in Utah, today announced that the Canadian Intellectual Property Office has approved the Company's patent application relating to its bitumen extraction process.

"The approval of this patent by the Canadian Intellectual Property Office is an important final step in a process designed to solidify our Company's competitive advantage within the oil sands mining space," said Cameron Todd, CEO of US Oil Sands. "We believe our unique extraction methodology to be a true game changer for oil sands mining, as it not only expedites on-stream times using significantly lower amounts of capital, but also achieves best-in-class environmental results by eliminating the need for tailings ponds and dramatically reducing greenhouse gas emissions and energy consumption."

The Company completed the international filing of its patent application through World Intellectual Property Organization (WIPO) in October 2007 and continues to prosecute its US application, which remains pending with the United States Patent and Trademark Office.

US Oil Sands' 32,005 acres of bitumen leases in Utah's Uinta Basin make it the largest bitumen lease-holder of public lands in the US, and the Company's permitted PR Spring Project is expected to be the first commercial bitumen extraction project in the US. The extraction process is effective on both oil wet deposits such as found in the US and internationally, and water-wet deposits such as found in Canada's Athabasca region. Traditional extraction processes developed decades ago are effective on the water-wet oil sands found in Canada but are not at extracting bitumen from oil-wet deposits. Following completion of Phase 1 of the PR Spring Project the Company hopes to expand its proprietary process to include potential projects in Canada and elsewhere once lands have been secured.

The approval of the Canadian patent application is a key strategic advantage in Canada where no commercial process has yet been implemented that can operate without a tailings pond or with the small environmental footprint that US Oil Sands' process provides. In addition US Oil Sands' low capital cost allows the Company's extraction process to be deployed on a broad range of smaller deposits, previously deemed to be uneconomic.

ABOUT US OIL SANDS INC.



US Oil Sands is engaged in the exploration and development of oil sands properties and, through its wholly owned United States subsidiary US Oil Sands (Utah) Inc., has a 100% interest in bitumen leases covering 32,005 acres of land in Utah's Uinta basin. The Company plans to develop its oil sands properties using its proprietary extraction process which uses a bio-solvent to extract bitumen from oil sands without the need for tailings ponds. The Company is in the pre-production stage, anticipating the commencement of bitumen production and sales from its PR Spring Project in 2013.

The foregoing information contains forward-looking information relating to the future performance of the Company including information relating to the issuance of a patent in respect of the Company's extraction process, the effectiveness of the extraction process, the development and environmental impact of the PR Spring Project, the commencement of commercial production from the PR Spring Project, and the implementation of potential expansion projects. Forward looking information is subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in our forward looking statements. Such risks and other factors include, among others, the actual results of exploration activities, changes in world commodity markets or equity markets, the risks of the petroleum industry including, without limitation, those associated with the environment, difficulty in acquiring additional lands, delays in obtaining governmental approvals, permits or financing or in the completion of development or construction activities, title disputes, change in government and changes to regulations affecting the oil and gas industry, and other risks and uncertainties detailed from time to time in the Company's filings with the Canadian securities administrators (available at www.SEDAR.com). Forward-looking statements are made based on various assumptions and on management's beliefs, estimates and opinions on the date the statements are made. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking information contained herein. The Company undertakes no obligation to update forward-looking statements if these assumptions, beliefs, estimates and opinions or other circumstances should change, except as required by applicable law.

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