

CALGARY, ALBERTA November 29, 2016 – US Oil Sands Inc. ("**US Oil Sands**" or the "**Company**") (TSXV: USO), an innovator of oil extraction technologies, today announced that it has filed its unaudited interim financial statements ("**Interim Report**") for the three and nine-month periods ended September 30, 2016 ("**Q3 2016**") along with the management discussion and analysis ("**MD&A**") of the financial results of US Oil Sands for such period.

Copies of the aforementioned documents are available on the System for Electronic Document Analysis and Retrieval website at www.sedar.com as well as US Oil Sands' website at www.usoilsandsinc.com.

The Interim Report and MD&A contain disclosure that the information has been prepared on a going concern basis, which asserts the Company has the ability to continue to realize its assets and discharge its liabilities and commitments in a planned manner.

As a result of prolonged construction activities, the Company is operating with a working capital deficit. Additional capital is required to fund construction and commissioning of the PR Spring plant, as well as to successfully operate the plant and mine. At September 30, 2016 the Company had negative working capital of \$2.1 million.

US Oil Sands is pursuing various strategies to improve its liquidity position, including asset-based and equity financing. The completion of any of these strategies is subject to material uncertainty which causes significant doubt about the Company's ability to continue operations under its current capital structure. There can be no assurance that the steps management will take will be successful. As such, there is significant doubt and there can be no assurance the Company will be able to continue as a going concern.

The Company will provide an update on operations and financing as soon as there is material information to report.

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 once it has completed

construction and start-up of the PR Spring Project (the “Project”).

The foregoing contains forward-looking information relating to the future performance of the Company including information relating to the Company’s ability to complete and commission the Project and begin operations using available funds, commencement of commercial production, construction activities and capital requirements. 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, 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 Canadian securities regulatory authorities (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.

Additional information relating to resource estimates is contained in the Company’s Statement of Resources Data and Other Oil and Gas Information for the year ended December 31, 2015 dated April 6, 2016 and available on SEDAR at www.sedar.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For additional information please contact:

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