

**September 28, 2011** – Calgary, Alberta: US Oil Sands Inc. (“US Oil Sands” or the “Company”) (TSXV: USO.V) is pleased to announce that it has successfully completed its 145 well planned drilling program on its 100% owned bitumen leases in the PR Spring area of North-eastern Utah. US Oil Sands has also completed its planned exploration drilling program on its recently acquired Cedar Camp leases located approximately 5 miles from the PR Spring development area. (The initiation of this program was previously announced in the Company’s July 5 press release).

### **Operational Update**

As of September 23, 2011 the Company had completed its program of 163 wells on its Utah lands. In each well cores were taken from surface to hole bottom and core was successfully recovered from every well. Detailed results are not yet available pending the final analysis of assays expected in the fourth quarter of this year. The Company has discovered and confirmed the presence of commercial quantities of high quality bitumen resources on its development acreage. As a result the Company confirms its intent to continue development plans targeting construction of the PR Spring Bitumen Development Project in mid-2012 and project start-up in 2013.

US Oil Sands has contracted Wirtgen, a global mining equipment supplier, to conduct a specification assessment run of its mining equipment at the Company’s PR Spring mine site in order to finalize equipment specification for use in the PR Spring project. The test will be conducted in late October.

As previously announced the Company has also contracted FLSmidth, a global mining extraction equipment supplier, to prepare final process equipment design, drawings and specifications for the project. This work will be completed in Q4.

### **Extension of US Core Drilling Program**

The 2011 core hole drilling program was completed ahead of schedule and below the \$5.1 million budget. As a result of the success of the program and the continued availability of drilling equipment, the Company has decided to further expand the 2011 drilling program. Up to 17 additional wells will be drilled bringing the total program to 180 wells. These additional wells will be drilled within the original \$5.1 million budget. The program has been extended primarily to assess further development potential on the PR Spring lease as well as to assess additional exploration lands located on its NW lease blocks, located approximately 8 miles from its PR Spring project area.



## Utah Energy Summit

US Oil Sands also wishes to announce its participation in a Utah Energy Summit. At the conference held September 28, 2011 at Vernal, Utah, US Oil Sands CEO Cameron Todd will present a paper entitled “Developing the USA’s largest Oil Sand Resource”. A number of leading Utah energy companies will also be presenting and the conference will be headlined by Utah Governor Gary Herbert. A copy of US Oil Sands presentation will be posted to the US Oil Sands website listed below.

## About US Oil Sands Inc.

US Oil Sands is engaged in the exploration and development of oil sands properties. The Company, through its wholly owned US subsidiary, has a 100% interest in bitumen leases covering 32,005 acres of land in Utah.

US Oil Sands plans to develop its oil sands properties using its patent-pending extraction process. This process is an efficient and environmentally responsible approach to oil sands development. Using a bio-solvent, US Oil Sands is able to separate bitumen from oil sand without the need for tailings ponds. The process requires low energy input, recycles 95% of the water used and uses best practice mining methods to rapidly reclaim mined areas. US Oil Sands has received a permit to construct the PR Spring Bitumen Mining commercial project on its Utah property and is currently in the final design stage targeting first production in 2013.

## **For further information, please contact:**

Cameron Todd – Chief Executive Officer

Phone:(403) 233-9366

E-mail:[cameron.todd@usoilsandsinc.com](mailto:cameron.todd@usoilsandsinc.com)

Glen Snarr – President, Chief Financial Officer and Corporate Secretary

Phone:(403) 233-9366

E-mail:[glen.snarr@usoilsandsinc.com](mailto:glen.snarr@usoilsandsinc.com)

US Oil Sands corporate presentation may be viewed at the Company's website [www.usoilsandsinc.com](http://www.usoilsandsinc.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 news release.*

*This news release contains certain forward-looking statements including but not limited to US Oil Sands planned core hole drilling and evaluation program, resource evaluation program, future development plans, and application of its proprietary extraction process. The forward-looking statements contained in this document are solely opinions and forecasts which are uncertain and subject to risks. Forward-looking statements include but are not limited to uncertainties and other factors which may cause the actual results, performance or achievements of US Oil Sands to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to a number of known and unknown risks and uncertainties. These risks include, but are not limited to the risks associated with the oil sands industry, exploration, development and production, delays or changes in plans, changes to capital costs, the uncertainty of geological and resource interpretations, the uncertainty of estimates relating to production, costs and expenses, and health, safety and environmental risks, the risk of commodity price fluctuation, the risk of changing general economic conditions, the risks of obtaining and maintaining regulatory approvals and the ability to obtain sufficient capital from external sources.*