

December 5, 2011 – Calgary, Alberta – US Oil Sands Inc. (“US Oil Sands” or the “Company”) (TSXV: USO.V), a company focused on the exploration and development of oil sands properties in Utah, is pleased to announce that it has filed its unaudited interim financial statements (“Interim Report”) for the nine month period ended September 30, 2011 (“Q3 2011”) along with the management discussion and analysis (“MD&A”) of the financial results of US Oil Sands for such period.

A copy of the aforementioned documents may be found for viewing 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.

Operational Update

Beginning in May 2011, US Oil Sands undertook an extensive Utah field program in support of its PR Spring Bitumen Mining Project which is planned for final construction and start-up in mid-2013. The program included the drilling of 180 core holes from which bitumen-bearing cores were sampled and assayed to confirm the quality and quantity of bitumen. The program also included drilling a water well to be used to supply water to the project and the construction of a test mining pit to finalize specifications for the mining equipment planned for the project. All elements of this field program have now been successfully completed, including reclamation of all 180 wells and access roads used in the coring program.

Cameron Todd, CEO of US Oil Sands announced today, “The successful on-time and on-budget completion of our 2011 field program is an important milestone in the development of the PR Spring commercial bitumen mining project. In addition to providing detailed information for final design of our initial mine site, the 2011 program has further delineated significant deposits of high grade commercial bitumen which we expect to develop in subsequent phases of the project. We are currently in the process of finalizing engineering specifications for mine and extraction processing equipment which we expect to complete early in 2012. During the program so far this year we have invested a total of approximately \$6 million in our Utah development, and in peak periods employed approximately 60 people.”

The Company has provided the results and analysis from the field program to its independent reserves evaluator which is expected to conclude its assessment in Q1 2012 for inclusion in the company’s annual National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities filing.

Grant of Warrants to Financial Advisors



Further to its press release dated August 29, 2011, the Company wishes to announce that the TSX Venture Exchange (“TSXV”) has approved the terms of its engagement agreement (“EAS Agreement”) with EAS Advisors LLC (“EAS”) of New York, N.Y. The terms of the EAS Agreement include the issuance of a total of 2,000,000 warrants for the purchase of common shares of the Company. The warrants shall be issued quarterly during the one-year term of the agreement. The exercise price of the first two issuances of 500,000 warrants will be the greater of \$0.40 and the Market Price (as defined in TSXV policy) while the second two issuances of 500,000 warrants will be issued at the greater of \$0.50 and the Market Price. In connection therewith, the Company has issued 500,000 warrants to EAS with respect to services provided for the period from July 1, 2011 through September 30, 2011. Each warrant entitles the holder thereof to acquire a common share of US Oil Sands at a price of \$0.40 per common share with an expiry date of June 30, 2013.

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 proprietary 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.

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US Oil Sands corporate presentation may be viewed at the Company's website 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.

Additional risks and uncertainties affecting US Oil Sands and its business plans and affairs are described in US Oil Sands filing statement dated April 7, 2011 available at www.sedar.com. Although US Oil Sands believes that the expectations in such forward looking information are reasonable, there can be no assurance that such expectations shall prove to be correct. The forward looking information included herein is made as of the date of this news release and US Oil Sands assumes no obligation to update or revise any forward looking information to reflect new events or circumstances, unless required by law.