



**CALGARY, ALBERTA January 20, 2014**– US Oil Sands Inc. ("**US Oil Sands**" or the "**Company**") (TSXV: USO), a company focused on oil sands exploration and production in Utah, is pleased to announce that it has selected Kellogg Brown & Root LLC ("**KBR**") to provide project and construction management services for the Company's PR Spring Project. Working jointly with US Oil Sands, KBR will work to bring both the extraction facilities and mine development into commercial production.

"Having KBR's Salt Lake City team supporting our project adds tremendous reach to our current pool of expertise," said Cameron Todd, CEO of US Oil Sands. "We will be able to draw on KBR's significant oil sands, mining, equipment module and plant construction experience to ensure that budgets and timelines are tightly controlled and that the project is delivered in accordance with our shareholder's expectations. We remain 100% committed to making this flagship oil sands project one that the State of Utah will be proud of, especially as it relates to environmental leadership, sustainable energy development, and beneficial economic contribution for the citizens of Utah."

Having closed an \$81 million financing in October 2013, the Company's PR Spring Project is fully funded thereby allowing the Company to focus its immediate attention on project execution. In addition to aligning itself with one of the world's most respected engineering firms to steward the project through to commercial commissioning and start-up, the Company has also been active in building out its internal capabilities. The Company will also seek to leverage the technical expertise of its directors, including Ronald Pantin of Pacific Rubiales Energy Corp. (TSX: PRE; BVC: PREC; BOVESPA: PREB) and Rod Lewis of Lewis Energy who sit on the Company's Technical Committee.

US Oil Sands has recently opened an office in Salt Lake City from which process engineering, mine engineering, health safety and environment, and regulatory/government affairs will be conducted.

KBR is currently working closely with FLSmidth, one of the Company's key process design and equipment suppliers. With the detailed engineering stage underway and the placement of long lead equipment orders imminent, both KBR and FLSmidth will work to ensure attainment of the Company's mandate of best-in-class business and operating performance, and environmental outcomes. While significantly reducing capital cost, US Oil Sands' innovative approach to oil sands development uses a non-toxic bio-solvent that eliminates the need for tailings ponds and facilitates concurrent and rapid mine reclamation. During this process, the Company believes its full scale production plant will achieve an industry leading 95% water-recycle ratio and a 96% oil extraction rate.

## **ABOUT US OIL SANDS LTD.**

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 in 2015.

The foregoing information contains forward-looking information relating to the future performance of the Company including information relating to the development and construction of the PR Spring Project, commencement of commercial production and corporate development activities. 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 the Canadian securities administrators (available at [www.SEDAR.com](http://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.

Discovered bitumen resources or discovered bitumen initially-in-place is that quantity of bitumen that is estimated, as of a given date, to be contained in known accumulations on Company lands prior to production. There is no certainty that it will be commercially viable to produce any portion of the resources. 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, 2012 dated April 29, 2013 and available on SEDAR at [www.sedar.com](http://www.sedar.com).

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