US Oil Sands Inc.

Management's Discussion and Analysis
For the three months ended March 31, 2016
(Expressed in Canadian Dollars)

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED MARCH 31, 2016

This Management's Discussion and Analysis ("MD&A") for US Oil Sands Inc. ("US Oil Sands" or the "Company") is dated May 18, 2016 and should be read in conjunction with the Company's Unaudited Condensed Consolidated Financial Statements for the three months ended March 31, 2016.

Unless otherwise noted, the amounts are expressed in Canadian dollars.

Additional information concerning US Oil Sands is available on SEDAR at www.sedar.com.

The March 31, 2016 condensed consolidated financial statements, including comparative figures, were prepared using the accounting policies under International Financial Reporting Standards ("IFRS"). The accounting policies applied in the consolidated financial statements are based on IFRS issued as of March 31, 2016.

OVERVIEW

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. The Company is in the pre-production stage, anticipating the commencement of bitumen production and sales in 2016.

The Company's main focus is on its PR Spring project, which is currently in the construction phase and is expecting to be completed in 2016 with commercial start-up planned for Q4 2016. Significant progress was made during 2015 in all aspects of the project, specifically the receipt of all major pieces of equipment, fabrication and electrical work, and mine opening activities, among others. Construction activities continued at the PR Spring plant site at full capacity through January and February. A planned reduction in field assembly commenced in March 2016 in order to conserve capital until additional sources of financing can be secured. Upon securing additional financing, the Company will restart full field assembly, targeting commercial start-up in Q4 2016.

As announced on April 18, 2016, the Company is conducting an equity financing by way of a Rights Offering whereby the Company is offering 853,142,395 Common Shares at $0.015 per share for gross proceeds of $12,797,136. The Rights Offering includes a standby commitment of US$7,500,000. If fully exercised, the warrants received as compensation for providing the standby commitment would provide the Company approximately an additional $2,400,000 in proceeds.

Conditional approval from the TSX Venture Exchange (the "TSXV") for the Rights Offering was received on April 15, 2016 with final approval to be issued concurrent with closing. The Company expects to close the Rights Offering on or about May 31, 2016.

As at March 31, 2016, the Company has invested approximately US$56 million in engineering, plant equipment and construction, mine opening, and regulatory processing on the PR Spring project since the October 2013 financing was received.

The Company relies on its ability to obtain various forms of financing to fund administration expenses and future exploration and development cost of its projects. The ability of the Company to continue as a going concern and to realize the carrying value of its assets and to discharge its liabilities when due is dependent on the successful completion of the PR Spring project and completion of additional financing.

NATURE OF THE BUSINESS

US Oil Sands is a pre-production oil sands company with a large land position totalling 32,005 acres of bitumen extraction rights on leases in the State of Utah. It is expected that a significant amount of the resource on the Company's property will be accessible using surface mining methods and the Company's proprietary oil sands extraction process.

The Company has two major oil sands project areas. The Company's primary development area is the PR Spring Project Area which consists of 5,930 contiguous acres and which has been in testing and development since 2005. Within a portion of this lease the Company has an approved surface mine development project which is expected to complete construction and begin commissioning and start-up in Q4 2016. The Company also holds 26,075 acres of exploration land which is referred to as the Cedar Camp and NW Project Area.

The Company's proprietary extraction process is a unique highly efficient and low cost process which allows the recovery of bitumen without the need for tailings ponds. The process employs a very effective bio-solvent that is both renewable and biodegradable and through extensive pilot testing, the Company has established extraction efficiency in excess of 90%. Management believes that the commercial PR Spring Project will also demonstrate high extraction efficiency, achieve immediate recycle of 95% process water and further expects the extraction process to exhibit best-in-class environmental performance on the basis of greenhouse gas emissions, energy efficiency, surface footprint and reclamation.

OIL SANDS LEASE HOLDINGS

As of the date of this report, US Oil Sands owns a 100% working interest in its entire 32,005 acres of land holdings. All the Company's leases are within the PR Spring Special Tar Sands Area and are administered by the State of Utah School and Institutional Trust Lands Administration. Royalties paid on production from these lands are used to support the public school system in Utah.

The Company's leases are located within the Uinta Basin in Northeast Utah, which aside from extensive oil sands deposits, is also well known for its conventional oil and natural gas production. Consequently, oil field services are abundant and available to support the pre-production field work program and subsequent bitumen development and production operations. The following table summarizes the lease holdings of the Company:

Oil Sands Acreage Under Lease	**Acreage**
PR Spring Project Area	5,930
Cedar Camp and NW Project Area	26,075
Total	**32,005**

OPERATIONAL ACTIVITIES

During the quarter the Company continued field assembly of plant equipment, fabrication of piping, installation of electrical and controls and other PR Spring project activities. A planned reduction of site activity occurred in March 2016 with the aim of conserving capital in light of low cash reserves and a weakened oil price outlook. Construction activities did not stop during the quarter, and are planned to carry on at a modest pace until the previously mentioned Rights Offering is completed.

Supporting the Company's PR Spring Project, several noteworthy accomplishments occurred during the quarter:

- Pre-commissioned certain major pieces of equipment, including the hot oil heater, paddle dryer, and fuel gas system;
- Completed an independent review by a Director of the Corporation of the project costs remaining to spend; and
- Took ownership of the Company's Wirtgen surface miner, which will be used mill the raw oil sand to be processed.

Other accomplishments during the quarter include:

- Received a recommendation by a Utah Administrative Law Judge to dismiss the challenge on our groundwater discharge permit by rule;
- Engaged McDaniel & Associates Consultants Ltd. to complete an independent resource evaluation report as of December 31, 2015. Subsequent to quarter-end the company received the report with a portion of the resources upgraded to a Contingent Resource classification of $87.4 million on recovery of 9.6 MMbbls on the Company's permitted 316 acre PR Spring development area;
- Made significant capability and operational improvements to the R&D demonstration unit in Grande Prairie; and
- Advanced our capabilities for grading ore and bitumen with cutting edge spectrographic analytical testing

FINANCING ACTIVITIES

The Company has not completed any financing activities since the October 18, 2013 private placement, where the Company issued 540,036,331 common shares at a price of $0.15 per share for gross proceeds of $81,005,452.

The Company continues to work towards securing additional financing and subsequent to March 31, 2016 entered into an equity financing by way of a Rights Offering whereby the Company is offering 853,142,395 Common Shares at $0.015 per share for gross proceeds of $12,797,136.

The Rights Offering includes a standby commitment from ACMO S.à.r.l., the Company's largest shareholder for US$7,500,000 which provides assurance of over 77% of the targeted financing. As compensation for providing the standby commitment, they will receive warrants entitling them to acquire additional common shares equal to 25% of the maximum number of shares that have been agreed to acquire under the Standby Purchase Agreement. These warrants will be also priced at $0.015 per share and have a 6-month expiry term from the date of closing.

Conditional approval from the TSX Venture Exchange (the "TSXV") for the Rights Offering was received on April 15, 2016 with final approval to be issued concurrent with closing. The Company expects to close the Rights Offering on or about May 31, 2016.

2015 FINANCIAL RESULTS AND ANALYSIS

Summary of selected financial results

Three months ended March 31	2016	2015
Total assets	103,752,250	110,548,184
Cash used in operations	(430,199)	(1,501,949)
Net income (loss)	(3,060,953)	3,307,583
Total comprehensive income (loss)	(8,025,684)	6,066,812
Earnings (loss) per share – basic and diluted	0.00	0.00

Analysis of Results

a) Exploration and evaluation assets ("E&E")

Expenditures associated with exploration and evaluation assets are initially capitalized. During Q1 2016, the Company capitalized $5,428,251 (2015 - $6,562,892) in E&E, including all costs directly associated to the PR Spring Project. The following table summarizes the major components of the E&E:

Three months ended March 31	2016	2015
Leasehold land interest	8,763,240	8,897,080
Mine pit	10,615,651	9,416,899
Production facilities	67,546,460	62,867,349
Water facilities	4,980,470	5,296,241
Total exploration and evaluation assets	**91,905,821**	**86,477,570**

b) General and administrative expenses

General and administrative costs, which include salaries, wages and benefits, rent, and other general administrative costs decreased by $221,341. The decrease was mainly driven by reduced salaries and benefits as some positions held in 2015 were vacated and not replaced in 2016 as a cost saving measure. The only notable increase was insurance premiums, included in other costs, which were higher in 2016 as a result of the construction activities at the PR Spring project site. The following table summarizes the major components of the general and administrative expenses:

Three months ended March 31	2016	2015
Salaries and benefits	515,872	773,591
Rent and utilities	136,537	159,755
Other	424,524	364,928
Total general and administrative expenses	**1,076,933**	**1,298,274**

c) Other expenses and income

Income

The Company is in its pre-operation stage and has not earned revenues from oil sands production. The Company experienced a gain on investment income and interest of $3,687 (2015 – $62,139). In Q1 2015, the cash was significantly higher and primarily held in Canadian short-term investments, which earned a greater rate of return than the US short-term investments currently held. There was no operational revenue in Q1 2016 or Q1 2015.

Share-based Payments

The Company recorded share-based payment expense of $299,114 during Q1 2016, compared to $255,126 for 2015. The fair value of the options and RSUs was calculated using the Black-Scholes option-pricing model.

During the quarter the company placed all directors, officers, and employees under securities blackout at least until completion of the Rights Offering. As a result of the blackout and in accordance with the Restricted Share Unit Plan, 4,139,000 Restricted Share Units ("RSUs") planned to vest on March 11, 2016 were delayed. The RSUs will vest at such time as the blackout is lifted.

Foreign exchange

An unrealized foreign exchange loss of $1,330,920 (2015 – $5,060,202 gain) was recorded during the quarter driven by US denominated cash held on deposit. The USD exchange rate decreased from 1.3840 USD/CAD as at December 31, 2015 to 1.2971 USD/CAD at the end of Q1 2016.

Other Expenses

Other expenses, consisting of operation costs, technology development, amortization, accretion, and property evaluation was $460,673 (2015 - $155,824), representing an increase of $304,849. The increase can be attributed to the Company increasing operations in Utah in preparation for the PR Spring Project completion, mainly from the hiring of plant and mine personnel.

Other Comprehensive Income

Included in total comprehensive income was a loss of $4,964,731 (2015 – $2,759,229) from currency translation adjustment. The amount represents exchange differences on the net investments in the US subsidiary and the resulting differences upon translation of the US subsidiary, in accordance with IFRS.

SUMMARY OF QUARTERLY RESULTS

Quarter ended	Mar 31 2016	Dec 31 2015	Sep 30 2015	Jun 30 2015	Mar 31 2015	Dec 31 2014	Sep 30 2014	Jun 30 2014
Revenue (net of royalties)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest income	**3,687**	**51,939**	**(80,329)**	**83,921**	**62,139**	**111,117**	**75,612**	**153,996**
Net income/(loss)	**(3,060,953)**	**(1,153,096)**	**1,014,556**	**(3,000,872)**	**3,307,583**	**(236,456)**	**1,226,921**	**(4,049,273)**
Earnings (loss) per share – basic and diluted	**0.00**	**(0.00)**	**0.00**	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**

The Company reported $3,687 in interest income in Q1 2016 which decreased by $48,252 from the previous quarter. The decrease in interest income resulted mainly from lower cash balances on hand.

Net income decreased by $1,907,857 from the previous quarter primarily due to the weakening of the US dollar in relation to the Canadian dollar, which resulted in an unrealized foreign exchange loss on US denominated working capital of $1,330,920.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2016, the Company had cash and cash equivalents of $7,579,572, net working capital of $1,665,457 and commitments for capital expenditures of US$184,269.

The Company intends to use its capital resources to fulfill its liabilities and commitments and to fund the remaining development of the PR Spring Project for which there are an estimated US$3.6 million in expenditures required to complete the project that have not yet been accrued or committed. As well, commissioning and start-up costs remaining to be incurred are estimated at US$1.3 million, to bring the total additional costs to complete to US$4.9 million.

Anticipating having insufficient working capital for completion of the PR Spring Project and in light of the continued low oil price environment together with the potential for unexpected completion, start-up and operating costs, the Company initiated a pursuit to secure additional financing. Subsequent to quarter-end, the Company initiated an equity financing by way of a Rights Offering whereby the Company is offering 853,142,395 Common Shares at $0.015 per share for gross proceeds of $12,797,136.

The Rights Offering includes a standby commitment from ACMO S.à.r.l., the Company's largest shareholder for US$7,500,000 which provides assurance of over 77% of the targeted financing. As compensation for providing the standby commitment, they will receive warrants entitling them to acquire additional common shares equal to 25% of the maximum number of shares that have been agreed to acquire under the Standby Purchase Agreement. These warrants will be also priced at $0.015 per share and have a 6-month expiry term from the date of closing. If fully exercised, the warrants received as compensation for providing the standby commitment would provide the Company approximately an additional $2,400,000 in proceeds.

Conditional approval from the TSX Venture Exchange (the "TSXV") for the Rights Offering was received on April 15, 2016 with final approval to be issued concurrent with closing. The Company expects to close the Rights Offering on or about May 31, 2016.

US Oil Sands will continue to explore and pursue additional financing opportunities, such as government programs as they arise.

COMMITMENTS

The Company has three forms of future commitments; office leases and equipment, resources properties, and capital equipment dedicated to the PR Spring Project.

The Company leases office and office/development premises in Calgary, Grande Prairie, and Vernal, respectively. The Calgary office has a head lease expiring March 31, 2018 with average gross quarterly rental fees of $110,492. The office and technology development facility lease in Grande Prairie has a 2-year term expiring March 31, 2018 with gross quarterly rental fees of $25,740. The Vernal, Utah office has a lease expiring August 31, 2016 with average gross quarterly rental fees of US$6,600.

The Company's resource properties are leased from the State of Utah. With 32,005 acres held under separate leases and each having differing expiry terms, the average quarterly payments are US$87,887.

The capital expenditure commitments incurred as at March 31, 2016 are US$184,269 and expected to be paid during Q2 and Q3 2016. The committed costs pertain to detailed engineering, construction management and capital equipment.

RELATED PARTY TRANSACTIONS

The key management personnel of the Company are comprised of members of the US Oil Sands Board of Directors and executives of the Company. Directors only receive share-based payment compensation and no cash compensation. The remuneration of key management personnel during the three months ended March 31 are as follows:

		2016		2015
Short-term employee benefits	**$**	**252,518**	$	248,615
Share-based payments		**116,940**		193,069
	$	**369,458**	$	441,684

OUTSTANDING SHARE DATA

As of the date of this report there are 853,142,395 common shares outstanding, 51,858,000 options outstanding, and 13,262,383 RSUs outstanding.

FINANCIAL INSTRUMENTS

The Company's financial assets and liabilities are comprised of cash and cash equivalents, accounts receivable, reclamation funds on deposit, accounts payable, accrued liabilities, and bank debt. All financial instruments must be classified into one of the following five categories: loans and receivables, held-to-maturity, fair value through profit or loss, available-for-sale financial assets or financial liabilities measured at amortized cost. The Company classified all of the financial instruments as loans and receivables with accounts payable, accrued liabilities and bank debt as other financial liabilities measured at amortized cost.

Fair value of financial instruments

The carrying amount of cash and cash equivalents, accounts receivable, reclamation funds, accounts payable, accrued liabilities and bank debt is approximated by their fair value due to their short-term nature. The Company classifies fair value measurements using a fair value hierarchy with the following levels:

- Level 1 – Unadjusted quoted price in active markets for identical assets and liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

All of the financial instruments held by the Company are recorded at amortized cost; therefore, the fair value hierarchy is not applicable and the Company does not have financial instruments of which fair values were based on Level 1, 2 or Level 3 measurement.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has not entered into any mitigating interest rate hedges or swaps, however the Company has $6.4 million of cashable short-term investments. Had the interest rate on the investments been 100 basis points higher (or lower) throughout the three months ended March 31, 2015, earnings would have been affected by $25,045 (2014 – $157,093) based on the average investment balance outstanding during the three month period.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company enters into transactions denominated in United States currency for which the related expenses and accounts payable balances are subject to exchange rate fluctuations. The following items are denominated in United States currency:

		March 31 2016		December 31 2015
Cash and cash equivalents	**$**	**5,571,513**	$	12,090,699
Accounts payable		**4,312,982**		3,302,292
Accrued liabilities		**94,125**		592,339

As at March 31, 2016, the exchange rate between Canadian dollars and US dollars was US$1 to CAD$1.2971. A change of the value of the Canadian dollar relative to the US dollar of 1% will result in an $11,644 increase in the gain or loss of foreign exchange, respectively.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The maximum risk to credit exposure is equal to the Accounts Receivable and Cash and Cash Equivalents balances. The majority of Accounts Receivable consists of receivables due from the Government of Canada. The Company holds cash and cash equivalents with large and reputable North American banks.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company enters into transactions for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the Company's future net cash flows for the possibility of a negative net cash flow. All financial instruments are short-term in nature and are settled within 90 days. For the quarter ended March 31, 2016, the Company had a positive working capital of $1,665,457 (2015 - $60,316,105) and an accumulated deficit of $37,392,457 (2015 - $31,192,092). The Company does not carry any long-term debt for operations.

OUTLOOK FOR 2016

The Company will continue to execute on Phase 1 of the PR Spring Project with on-site installation of the process extraction plant modules in accordance with the Company's Construction Execution Plan. A planned reduction in field assembly commenced in Q1 2016 and will continue until additional sources of financing are secured. Final field assembly, followed by commissioning and commercial start-up will resume upon the aforementioned additional financing.

The Company is conducting an equity financing by way of a Rights Offering whereby the Company is offering 853,142,395 Common Shares at $0.015 per share for gross proceeds of $12,797,136. The Rights Offering includes a standby commitment of US$7,500,000. If fully exercised, the warrants received as compensation for providing the standby commitment would provide the Company approximately an additional $2,400,000 in proceeds.

Conditional approval from the TSX Venture Exchange (the "TSXV") for the Rights Offering was received on April 15, 2016 with final approval to be issued concurrent with closing. The Company expects to close the Rights Offering on or about May 31, 2016.

The Company is focused on its primary success measures and ensuring these are met as the Company looks forward to first bitumen production. Proving the commercial viability of the Company's patented and unique technology is expected to open the opportunities for future developments in other oil sands areas outside of Utah, in addition to capacity expansion on the Company's Utah production. Key attributes that the Company defines as primary success measures include high oil recovery, elimination of tailings ponds, high solvent recovery and recycle rates, low capital intensity and continuous and safe operations. As the Company moves into commissioning, start-up and continuous production, additional diligence on meeting these objectives remains of more importance than experiencing minor time delays to first bitumen.

The Company is also evaluating and assessing specific markets for sales of crude oil and other petroleum products, along with optimal logistics for said products.

Management will continue to investigate and pursue business development opportunities for the Company's technology, including opportunities to work with Athabasca oil sands developers to demonstrate the technology's favourable extraction outcomes. The Company will broaden its working relationships with leaseholders and government agencies supporting development of Canadian oil sands.

FORWARD-LOOKING INFORMATION ADVISORY

This MD&A contains forward-looking information and forward-looking statements within the meaning of applicable Canadian securities laws (collectively, "forward-looking information"). This forward-looking information is subject to certain risks and uncertainties that could cause actual results to differ materially from those included in such forward-looking information. The words "believe", "expect", "indicate", "intend", "estimate", "anticipate", "project", "scheduled" and similar expressions, as well as future or conditional verbs such as "will", "should", "would" "may" and "could" often identify forward-looking information. This information is only a prediction. Actual events or results may differ materially from the events and results expressed in the forward-looking statements and forward-looking information. In addition, this MD&A may contain forward-looking information attributed to third-party industry sources.

Undue reliance should not be placed on forward-looking information, as there can be no assurance that the plans, intentions or expectations upon which it is based will occur. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward looking information will not occur.

Specific forward-looking information contained in this MD&A includes, among others, statements regarding: activities, events or developments that US Oil Sands expects or anticipates will or may occur in the future, including assessments of future plans and operations; financial information; business plans and plans for the exploration, delineation and development of the Company's assets; the completion of the construction of the surface mine development project in the PR Spring Project Area; the work programs for the PR Spring lands; the expected costs and expenditures associated with exploration, delineation and development of the Company's assets; industry information regarding bitumen estimates for Utah and the PR Spring Special Tar Sands Area; timing and sources of financing; further capital requirements; estimated taxes; the timing of commencement of operations and the level of production anticipated; the *operation of facilities, the ability to achieve field performance results similar to those achieved in process development piloting; production methods; estimated general financial performance in future periods; resource estimate relating to the PR Spring Project; expectations regarding the development and production potential of the Company's properties including through the use of evolving extraction technologies; the environmental performance of the Company's extraction technologies; the timing of receipt of required approvals and permits from regulatory authorities; assets, liabilities, financial resources, financial position and growth prospects; cash projections and the components thereof.*

Statements relating to 'resources' are forward-looking statements, as they involve the implied assessment, based on estimates and assumptions, that the resources described exist in the quantities predicted or estimated, and can be profitably produced in the future.

With respect to forward-looking information contained in this MD&A, the Company has made assumptions regarding, among other things: the expected costs to explore, delineate and develop US Oil Sands' assets and the expected costs to construct the PR Spring Projects; future crude oil, bitumen, natural gas and synthetic crude oil prices; US Oil Sands' ability to obtain qualified staff and equipment in a timely and cost-efficient manner to meet its demands; the regulatory framework with respect to royalties, taxes, environmental matters, resource recovery and securities matters in the jurisdiction in which US Oil Sands will conduct its business; US Oil Sands' ability to market production of bitumen successfully to customers; the timing and progress of work relating to assets; continuity of resource between core holes; future production levels; future capital expenditures; future sources of funding for the Company's capital program; future debt levels; future business plans; geological and engineering estimates; the geography of the areas in which US Oil Sands will be exploring; the impact of increasing competition; US Oil Sands' ability to obtain financing on acceptable terms; the risk around change to scope; and the sufficiency of budgeted capital expenditures in carrying out planned activities.

Forward-looking information is subject to known and unknown risks and uncertainties and other factors which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied in such forward-looking information. Such risks, uncertainties and factors include, among others: the early stage of development of US Oil Sands' assets and the nature of the exploration and development activities on such assets; risks associated with contingent and discovered bitumen resources and mine pit estimates; difficulties attracting qualified personnel; the risk of termination or expiration of leases; difficulties encountered during the exploration for, delineation, development and production of bitumen; costs associated with exploration for, delineation, development and production and upgrading bitumen; the impact of competition; the need to obtain required approvals and permits from regulatory authorities; liabilities as a result of accidental damage to the environment; compliance with and liabilities under environmental laws and regulations; the volatility of crude oil and natural gas prices and of the differential between heavy and light crude oil prices; the risks associated with exploring for, developing and producing bitumen; changes in the foreign exchange rate amount between the Canadian dollar, the U.S. dollar and the euro; liquidity and capital market constraints on US Oil Sands; difficulties encountered in delivering bitumen to commercial markets; the risk that US Oil Sands is unable to sufficiently protect its proprietary technology or may be subject to technology infringement claims from third parties; general economic conditions in Canada, the United States, and global markets; failure to obtain industry partners and other third-party consents and approvals when required; royalties payable in respect of US Oil Sands' production; the impact of amendments to the Income Tax Act (Canada) on US Oil Sands; risks of third parties claiming or exercising pre-emptive rights; changes in or the introduction of new government regulations, and in particular related to carbon dioxide relating to US Oil Sands' business; uncertainty surrounding the ability to attract capital for both debt and equity when necessary; and circumstances may arise, including changes in IFRS, regulations or economic conditions, which could change the assumptions, estimates or expectations of the information provided in respect of US Oil Sands' transition to IFRS.

Management has included the above summary in order to provide readers with a more complete perspective. Actual results, performance or achievements could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, the benefits that US Oil Sands will derive there from. All of the forward-looking information contained in this MD&A is qualified by these cautionary statements. US Oil Sands undertakes no obligation to publicly update or revise any forward-looking information to reflect new information, subsequent events or otherwise, unless so required by applicable securities laws.