



CALGARY, ALBERTA May 15, 2013– US Oil Sands Inc. ("US Oil Sands" or the "Company") (TSXV: USO), a company focused on oil sands exploration and production in Utah, today announced that it has filed its unaudited interim financial statements ("Interim Report") for the three month period ended March 31, 2013 ("Q1 2013") 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](http://www.sedar.com) as well as US Oil Sands' website at [www.usoilsandsinc.com](http://www.usoilsandsinc.com).

#### SELECTED FIRST QUARTER OPERATIONAL & FINANCIAL HIGHLIGHTS

- Received favourable ruling from the Board of Directors of the Utah Division of Oil, Gas and Mining ("DOG M") upholding previously issued permits for the Company's PR Spring Project Area;
- Continued progression of the 5,930 acre PR Spring Project Area, including final engineering design planning and pilot plant operations optimization; and
- Completed and filed independent resource evaluation report that assessed the bitumen resource of the Company's PR Spring property at 184 million barrels of best estimate discovered resource.

"Our first quarter was focused on steadily progressing our PR Spring Project Area, on which we are currently working through optimization of engineering and mine design" said Cameron Todd, CEO of US Oil Sands. "From a regulatory standpoint, our previously approved mining permit has received favorable legal rulings, with Utah's Department of Oil, Gas and Mining continuing to recognize our mining permit and best-in-class environmental practices. Operationally, we remain on track for commercial start-up in 2014 and continue to highly prioritize the process of marketing and closing a Joint Venture financing."

#### OPERATIONAL HIGHLIGHTS

During the first quarter of 2013 the Company continued to work with its engineering consultants and equipment suppliers to optimize engineering design on the PR Spring Project. Additionally, the Company continued to work on future mine planning

activities with the assistance of its third party mine engineering consultants.

Subsequent to the end of quarter, and in compliance with National Instrument 51-101 - Standards of Disclosure for Oil and Gas Activities, the Company released the independent resource evaluation report issued by Calgary-based Sproule Unconventional Limited ("Sproule") dated April 29, 2013. The evaluation results detail the bitumen resource assessment of the Company's PR Spring property in Utah as of February 28, 2013, and incorporate the results of the 184 wells drilled and cored on the Company's PR Spring Project Area in 2011 and 2012. Sproule's independent best estimate of discovered resource is 184 million barrels.

## REGULATORY HIGHLIGHTS

On January 14, 2013, the Board of Directors of the Utah Division of Oil, Gas and Mining ("DOG M") voted to support DOGM's previous approval of the Company's Notice of Intention to Commence Large Mining Operations at its PR Spring Project Area. The hearing was initiated through a Request for Agency Action filed by a Utah-based environmental organization in September 2010 against DOGM, claiming that DOGM improperly issued the Company's Notice of Intention to Commence Large Mining Operations. The decision was published February 27, 2013 by the chairman of the board of DOGM. The timeframe within which an appeal by the Utah-based environmental organization can be made has expired, and accordingly, DOGM's issuance of the Company's Notice of Intention to Commence Large Mining Operations at its PR Spring Project Area stands as final and fully in-force.

As of the date hereof, the November 1, 2012 decision by the Utah Department of Environmental Quality's Water Quality Board to support the Company's permit-by-rule as previously issued by the Division of Water Quality on March 4, 2008 is in appeal to the Utah Supreme Court by the Utah-based environmental organization. Appeals cannot introduce new evidence and are heard only on the basis of technicalities of law.

There are no other challenges or appeals against the Company or the regulatory agencies on any regulatory permits held by the Company in respect of its planned operations for the PR Spring Project Area.

## OUTLOOK

For the remainder of 2013, the Company will continue to focus on the final engineering design and procurement of equipment, as it continues to progress site preparation and construction of the PR Spring Project Area. The Company anticipates that the majority of the fabrication of the process extraction plant will be

completed in 2013, with final field assembly to occur in 2014. Following this, the PR Spring Project will be ready for commercial start-up. The timing of these plans is dependent on when the Company raises the capital necessary to undertake the major expenditures. In keeping with this, Management has enlisted the assistance of external corporate finance support in order to continue the process of marketing and closing a joint venture financing.

Management has also initiated the process of preliminary mine planning and permitting activities intended for future production areas within the broader PR Spring Project Area. In addition to this, US Oil Sands intends to continue its long term strategic goal of acquiring the rights to additional resource lands by assessing relevant growth opportunities that exist outside its immediate area of operation. This is to ensure that the Company has a ready inventory of future mineable assets and prospects through which it can continue to grow its business over the long-term.

#### 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 2014.

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, mine planning, commencement of commercial production, and resource estimates. 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.

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.

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