

NEWS RELEASE

DATE: February 11, 2008

**Oilsands Quest updates operations activities in Alberta and Saskatchewan,
announces appointment of VP of Reservoir Engineering**

Calgary, Alberta-- Oilsands Quest Inc. (Amex: BQI) announces updates of activities in its drilling and seismic programs on the company's contiguous land holdings in Alberta and Saskatchewan to February 9, 2008. The company also announces the appointment of Claes T.S. Palmgren to the new position of Vice President, Reservoir Engineering.

Alberta operations update

Oilsands Quest initiated exploratory drilling on January 10, 2008 on its exploration permits in Alberta and, by February 9, 2008 had drilled five holes. The holes are located within an area of approximately two sections or five square kilometres (about two square miles) and encountered McMurray formation at depths ranging from 157 to 164 metres (515 to 538 feet). The estimated thickness of the McMurray formation, which includes meaningful bitumen intercepts, ranges from 20 to 46 metres (65 to 150 feet). Bitumen saturation, net pay thicknesses and other reservoir characteristics will be determined following third-party core and laboratory analysis, which will take several months to conduct.

Oilsands Quest currently has four drilling rigs working on the Alberta side of its contiguous land holdings. The company hopes to drill up to 30 exploratory holes in its current Alberta drilling program by the end of the winter drilling season, which traditionally ends during the last half of March with the arrival of spring break-up conditions.

Field work in Oilsands Quest's winter 2007/08 seismic program in Alberta, which includes 2D and 3D surveys, is underway. It is expected that planned seismic field work will also be completed by the end of the winter season.

Saskatchewan operations update

In its winter 2007/2008 Saskatchewan drilling program to date, Oilsands Quest has drilled a total of 96 delineation holes, along with 16 piezometer holes (for ground water monitoring) since September 2007. All of these holes are located in the Axe Lake Discovery area. Core samples and drilling data are being evaluated.

Four drilling rigs are currently at work on the company's land holdings in Saskatchewan. This week, Oilsands Quest plans to shift the focus of current Saskatchewan drilling and step out from the Axe Lake Discovery area. Field work in the Saskatchewan 2D and 3D seismic programs for winter 2007/08 has been completed, and processing is now underway in Calgary. During January, Oilsands Quest's two camps, both located in Saskatchewan, have averaged a total of 305 personnel.

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Appointment of Vice President, Reservoir Engineering

On February 1, 2008, Claes T.S. Palmgren, P.Eng., was appointed Vice President, Reservoir Engineering, of Oilsands Quest Inc. Prior to joining Oilsands Quest, Dr. Palmgren was Manager, Reservoir Process Technology at StatoilHydro Canada Ltd. (formerly North American Oil Sands Corporation). He has extensive experience in thermal and thermal-solvent in-situ recovery processes, technology pilot program development and field applications of in-situ heavy oil and bitumen recovery technologies. Dr. Palmgren's biography is posted on the company's website (www.oilsandsquest.com).

Oilsands Quest Inc. is aggressively exploring Canada's largest holding of oil sands permits and licences, located in Saskatchewan and Alberta, and developing Saskatchewan's first global-scale discovery. It is leading the establishment of the province of Saskatchewan's emerging oil sands industry.

Forward-looking information

Except for statements of historical fact relating to Oilsands Quest, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "potential", "prospective" and other similar words, or statements that certain events or conditions "may", "will", or "could" occur. Forward-looking statements such as references to discovered and undiscovered resources estimates, references to Oilsands Quest's exploration, technical and development programs and future discoveries are based on the opinions and estimates of management and Oilsands Quest's independent evaluators at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, exploration and technical risks inherent in the oil sands industry, regulatory and economic risks, lack of infrastructure in the region in which the company's resources are located and risks associated with Oilsands Quest's ability to implement its business plan. There are uncertainties inherent in forward-looking information, including factors beyond Oilsands Quest's control, and no assurance can be given that the programs will be completed on time, on budget or at all. Oilsands Quest undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements. The risks and uncertainties set forth above are not exhaustive. Readers should refer to Oilsands Quest's current annual report on Form 10-KSB and other document filings, which are available at www.sedar.com and at www.sec.gov for a detailed discussion of these risks and uncertainties and details regarding the location and extent of Oilsands Quest's land holdings.

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For more information:

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