

NEWS RELEASE

DATE: December 9, 2008

Oilsands Quest Files 10-Q Quarterly Report

Calgary, Alberta -- (December 9, 2008) – Oilsands Quest Inc. (AMEX:BQI) announces that its Form 10-Q Quarterly Report for the period ended October 31, 2008, was filed December 9, 2008, and is available online at www.sec.gov and www.sedar.com.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion addresses material changes in our results of operations and capital resources and uses for the three and six months ended October 31, 2008, compared to the three and six months ended October 31, 2007, and our financial condition and liquidity since April 30, 2008. Our 2008 Annual Report on Form 10-K, includes disclosure regarding critical accounting policies and estimates as part of Management's Discussion and Analysis of Financial Condition and Results of Operation. Unless otherwise stated, all dollar amounts are expressed in U.S. dollars. All future payments in Canadian dollars have been converted to U.S. dollars using an exchange rate of \$1.00 U.S. = \$1.2165 CDN, which was the October 31, 2008 exchange rate.

Overview

Three Months Ended October 31, 2008

- We completed two private placements by issuing 10.8 million shares of common stock on a flow-through basis at a price of \$3.675 CDN per share for total gross proceeds of \$39.7 million CDN (\$36.7 million).
- We drilled 33 exploration and delineation oil sands test holes in the Axe Lake area along with 11 exploration test holes on the Pasquia Hills oil shale prospect. Evaluation of the drilling results is underway.
- As further described below, installation and construction of the reservoir test program facilities at Test Site 1 neared completion and the drilling of several test holes for the reservoir test program, which included successfully drilling three 750-metre horizontal holes (300 metres length within the reservoir) was completed. A short term heating test program at Test Site 3 also commenced during the period.
- We continued our in-house computer simulation studies, which are supported by advanced laboratory measurements by selected industry experts specializing in reservoir structural analysis, petro-physical characteristics and laboratory scale reservoir production testing. The simulation studies are being conducted to provide guiding protocols to our technical team in carrying out the planned reservoir test programs and to generate predicted reservoir responses for comparison with the results collected during the reservoir test programs. This will also support sensitivity studies for the commercial development plan.
- As a consequence of current capital and commodity market conditions, we have undertaken an aggressive program of expenditure prioritization. Our activities are focused on the primary goals of determining the quality of our resources, adding to the Company's resource values, and maintaining our asset base and core team. We have undertaken decisions to curtail and or defer some of our expenditure plans for the remainder of the fiscal year. The impact of these decisions is further detailed in the Outlook section below.

Six Months Ended October 31, 2008

- We announced independent third party resource estimates for our Axe Lake Discovery and Raven Ridge Discovery which have been disclosed in our Form 10-K.
- We signed an exploration agreement establishing a formal economic relationship with the Northern Village of La Loche in Saskatchewan through which the environmental, social and economic impacts of our exploration activities on the Northern Village of La Loche and certain other local communities will be managed.
- We announced the appointment of our President & Chief Operating Officer and other executives as part of our growing management team along with increasing the size of our operations, reservoir and facilities engineering groups and relocating our corporate office in Calgary.
- In aggregate, we have completed three private placements by issuing 23.78 million shares of common stock for total gross proceeds of \$91.2 million.

Outlook

Over the next eighteen months we plan to continue the activities necessary to determine the characteristics and properties of the Axe Lake Discovery resource, as well as conducting exploration programs to further define the location, extent and quality of the potential bitumen resource at the Axe Lake Discovery, Raven Ridge Discovery, and the Wallace Creek and Eagles Nest Prospects. These activities will be undertaken with a view to maintaining maximum liquidity and matching the pace of our activities with available funding under current market conditions. Results from our planned activities will enable us to establish a commercial development plan for the Axe Lake Discovery, including identifying and evaluating an optimum in-situ oil sands recovery process. We also intend to maintain our asset base and core technical team in order to advance the commercial development plan for our resource.

For the remainder of the current fiscal year, we have determined that, in light of current capital markets and commodity market conditions, it is prudent to delay the start-up of the vertical well test program at Test Site 1 until later in 2009 and delay our exploration programs in the Eagles Nest and Wallace Creek areas. In addition, we will not begin any field activities related to Test Site 2, where tests on the use of recovery processes based on mobilization agents other than steam such as hot propane were planned and we have deferred the Design Basis Memorandum (DBM) engineering for a 30,000 BOPD facility, initiated in the prior quarter. We will also only conduct those baseline environmental studies necessary to support current activities. These delays represent a change to the timing of Company's previously disclosed planned programs. Our decision to delay these programs is based on the need to preserve liquidity in light of recent volatility and uncertainty in the capital markets and commodity markets.

We are continuing our field test programs using an electrical heater at Test Site 3, including completing the construction of surface facilities at Test Site 1 and pursuing our exploration programs in the Axe Lake Discovery and Raven Ridge Discovery areas. While the scale of our field activities are curtailed in the short term, we will aggressively continue to conduct laboratory measurements and simulation studies required to optimize implementation on a field scale at the test sites. We will continue to examine the geo-mechanical properties of the reservoir and

overburden in areas of the planned test sites as part of our reservoir and overburden characterization program.

We have engaged McDaniel & Associates to conduct an independent evaluation, in accordance with National Instrument 51-101 (Canada), which we expect will provide an interim classification of a portion of our discovered and undiscovered resources on certain portions of the Axe Lake and Raven Ridge Discoveries as contingent resources and prospective resources. We currently expect this first interim classification evaluation to be completed by the end of December 2008. See the description of the classification of our resources in Part I, Item 2, of our Form 10-K under the heading "Statement of Oil and Gas Information" and the risk factor in our Form 10-K titled "Reserves and Resources".

Development of a commercial project will remain subject to regulatory and other contingencies such as successful reservoir tests, board of directors' approvals, financing and other risks inherent in the oil sands industry. These risks are described in detail in our Form 10-K. In light of current economic conditions, we will continue to maintain financial discipline, while focusing on liquidity and prioritization of expenditures, in order to match the pace of our activities with the availability of funding.

Operations Summary

Exploration Programs – Oil Sands

During the six months ended October 31, 2008, we drilled 33 exploration and delineation oil sand test holes in the Axe Lake area and have underway a 36 kilometre (22 mile) 2D seismic program. Evaluation of the drilling data is underway. We are also continuing with the interpretation of the 1,847 kilometres (1,149 miles) of 2D and 3D seismic data collected and processed in the 2007-2008 winter program. This interpretation is proving valuable in continued detailed characterization of the reservoir and adjacent formations specific to our three test sites and in assessing the geological structures over our lands. In addition we were focused on developing our 2008-2009 oil sands exploration plans for the Raven Ridge, Wallace Creek and Eagles Nest areas. These planning activities included scouting seismic and exploration drilling targets, preparing regulatory applications and initiating consultation processes required for the approval of the planned activities.

Significant progress was made on the expanded baseline environmental programs initiated in the Axe Lake, Raven Ridge, Wallace Creek and Eagles Nest areas in anticipation of the upcoming exploration programs and a comprehensive Environmental Impact Assessment report which will be required as part of an application for regulatory approval for development of the Axe Lake Discovery. In addition to our passive (periodic) air monitoring activities which have been ongoing since 2005, our active (continuous) air quality monitoring station at Axe Lake, the first of its kind in northwest Saskatchewan, began operating in July 2008.

In light of current capital and commodity market conditions, our exploration drilling plans and decisions will be based on their potential impact on our financial resources and the benefits received from such activities. Our focus has and will be on cost control as we believe maintaining liquidity is especially important. The prioritization of our exploration activities and

plans is further described in the Outlook section below.

Axe Lake Discovery – Reservoir Testing Activities

Three phases of testing in the reservoir test program on the three existing test sites are planned.

Phase One considers the use of up to six vertical observation test holes at three separate test sites (the vertical well program). The purpose of Phase One of the Axe Lake test program is to measure resource-specific heat and fluid movement under specific operating conditions on a field scale to complement our ongoing simulation and laboratory analysis studies.

Phase Two of the test program will incorporate information gathered from Phase One and will expand the reservoir test programs by measuring commercial scale responses using horizontal test holes.

Phase Three of the test program remains in the scoping phase; options being considered range from a continued reservoir test program to a technology feasibility pilot to a full commercial scale demonstration project. Development of a commercial project remains subject to regulatory and other contingencies such as successful reservoir tests, board of directors approvals, financing and other risks inherent in the energy industry. These risks are described in detail in our Form 10-K. See also “Outlook”.

Test Site 1 will focus on determining the extent and quality of our resources using recovery processes based on steam and hot water. Test Site 2 is planned to use recovery processes based on mobilization agents other than steam such as hot propane and other gases and Test Site 3 is based on the use of electrical heating based methods.

At Test Site 1, we have drilled six vertical test holes and three 750-metre horizontal holes (300 metres length within the reservoir). The three 750-metre horizontal holes will be utilized as observation holes in Phase One and will form the basis for our testing during Phase Two of our reservoir test program. In addition, we have drilled two water source wells which showed excellent fluid mobility and sufficient water withdrawal capacity to meet the needs of the Phase One reservoir test program at Test Site 1. Procurement and construction of water treatment, steam generation and extraction collection facilities, which includes three steam generators totaling 38 million BTU/hour steam generation capacity, two diesel power generators each with 750 kilowatt power output capacity, water/oil treatment and oil handling equipment, control systems and eight 1,000-barrel heated liquid storage tanks to support related Test Site 1 activities is nearly complete.

First steam injection at Test Site 1 for the vertical well program is expected to begin in 2009, subject to completion and commissioning of the facilities. Water and steam will be injected into the reservoir in order to mobilize the bitumen at the bottom of the McMurray formation using the vertical test holes. We expect the results of Phase One to better define the details of Phase Two (horizontal hole tests) and the continued planning and design of Phase Three. Water and steam injection for the Phase Two tests may begin following the completion of the surface facilities associated with the horizontal test holes and will incorporate results from the vertical well program. Phase Two activities are subject to obtaining additional funding. Please see the section

titled “Outlook” below for a description of current plans and timing with respect to the test programs.

At Test Site 2, the front-end engineering and design work on a facility for tests using hot propane vapor, initiated earlier in the year, is nearing completion. Construction will be deferred until funding is in place for these tests. We continue to investigate the possibility of using mobilization agents other than steam, such as hot propane or other gases, as an alternate or complementary process for determining the extent and quality of our resources. Information we obtain on the extent and quality of our resources will enable us to optimize recoverability of our bitumen resource.

At Test Site 3, we are conducting initial low energy tests using an electrical heater. This represents the first step towards determining critical reservoir properties at a field scale level. This information will be used for preliminary calibration of our reservoir simulator. Information from the simulator will help maximize the efficiency of the steaming tests on the vertical well program at Test Site 1. To date, two vertical holes have been drilled and the supporting infrastructure has been constructed at Test Site 3. One vertical test hole is equipped with an electric heater to provide heat to the reservoir and both test holes are equipped with sensors to allow for measurement of the effective reservoir heat transfer and mobilization of the bitumen at lower temperatures. The program at Test Site 3 is designed as a short-term heating program intended to determine critical reservoir properties (such as thermal conductivity and relative permeability of the bitumen tested). Heating of the reservoir was initiated in late October and early results to date are in line with expectations. The data gathered from these tests will provide Oilsands Quest with preliminary in-situ reservoir performance data to be used for simulation modeling in preparation for initial water and steam injection at Test Site 1 and in the continued planning for Test Site 2.

To date, as part of the ongoing reservoir and overburden characterization program at the Axe Lake Discovery area, initial laboratory testing on the porosity and permeability characteristics of the reservoir and overburden at various temperatures was completed. These results are being included in ongoing reservoir simulation activities to further refine the details of our reservoir test program as described above.

We continue to conduct economic feasibility, financial planning and market studies for full commercial development. We are undertaking a wide range of studies to examine infrastructure issues (roads and natural gas and product pipelines), market alternatives, and the economic evaluation of a wide range of development scenarios. However, we have deferred the advancement of the engineering work associated with a commercial development as part of our prioritization of capital expenditures.

During the period, we contributed CDN \$1 million to the Saskatchewan Research Council towards the construction costs of a new oil sands research laboratory. The new laboratory and its 3D scaled physical model will facilitate the development of new thermal and solvent extraction processes for recovery of bitumen from oil sands. Laboratory testing of bitumen recovery processes under reservoir conditions will provide data to evaluate solvent assisted thermal recovery and production methods for our bitumen resources.

Exploration Programs - Pasquia Hills Oil Shale Prospect

In September 2008, we drilled 11 exploration test holes on our oil shale prospect in eastern Saskatchewan with all the holes drilled experiencing meaningful intercepts of oil shale of up to 21.5 metres in thickness. Detailed evaluation and interpretation of the drilling results is underway. We are continuing to research potential methods for kerogen recovery from oil shales.

Liquidity and Capital Resources

At October 31, 2008, the Company held cash and short term investments totaling \$80.5 million (April 30, 2008 - \$46.3 million), consisting of CDN \$73.6 million plus US \$20.1 million. At December 1, 2008, the Company held cash and short term investments totaling \$66.1 million consisting of CDN \$57.2 million plus US \$19.9 million.

On May 23, 2008, the Company issued 12,976,761 shares of common stock at a price of \$4.20 per share for gross proceeds of \$54,502,397 pursuant to a private placement. The Company paid an aggregate of \$1,225,120 in fees to a syndicate of agents under the terms of the agency agreement.

On October 3, 2008, the Company issued 6,008,156 shares of common stock on a flow-through basis at a price of \$3.675 CDN per share for gross proceeds of \$22,079,973 CDN (\$20,421,727) pursuant to a non-brokered private placement. In addition, on October 3, 2008, the Company issued a further 4,800,000 shares of common stock on a flow-through basis at a price of \$3.675 CDN per share for gross proceeds of \$17,640,000 CDN (\$16,315,204) pursuant to a private placement. The proceeds of these private placements must be used for exploration activities in Canada and the tax benefits from such expenditures will flow through to the subscribers.

During the six months ended October 31, 2008, the Company expended \$47.7 million on exploration activities, \$11.7 million on corporate and general administrative matters and \$10.6 million on capital expenditures, which included the acquisition of the interests of the remaining external joint venture partners in the Eagles Nest Prospect. The joint venture partners' interests were acquired for aggregate consideration of \$1,600,626 (\$1,632,000 CDN) and 640,000 shares of the Company's common stock valued at \$3,718,400. The Company received \$1.7 million from the exercise of stock options including proceeds from the exercise of subsidiary options to purchase OQI Sask Exchangeable shares.

In light of the extraordinary conditions in the global financial and capital markets and as discussed in our "Outlook" above, our planned activities as outlined in our Form 10-K will not be carried out as originally planned. We are currently focused on our prioritized activities, which include effectively conducting field tests using electric heat at Test Site 3, construction of surface facilities at Test Site 1 and pursuing our exploration programs in the Axe Lake Discovery and Raven Ridge Discovery areas as described above.

At the present time, the Company expects its near term liquidity needs will be met by working capital on hand at October 31, 2008. As at October 31, 2008, the Company has working capital of \$58 million. The Company believes that it has sufficient funds to maintain its interest in the

existing properties, to complete the announced testing activities at its Axe Lake Property, and to maintain other core activities, which include internal operations and general corporate expenditures, through April 2010. The Company monitors its expenditure budgets and adjusts its expenditure plans to conform to available funding. However, additional funding will be required to complete the exploration or development activities, or for changes in the nature or costs of the activities currently planned.

The Company plans to fund future exploration and development activities by way of financings such as a public offering or private placement of debt or equity securities. Current conditions in the global and financial markets have currently limited the availability of these resources. The Company cannot provide any assurance that debt or equity financing or joint venture partner arrangements will be available on acceptable terms, if at all, to meet future requirements.

If the Company is unable to fully fund all of its planned activities this may result in delays of its business objectives, and in some cases, the objectives may not be met.

Results of Operations

Net Loss

Three Months ended October 31, 2008 as compared to three months ended October 31, 2007. The Company experienced a net loss of \$43,233,221 or \$0.17 per share for the three months ended October 31, 2008 (2007 - net loss of \$20,438,671 or \$0.09 per share).

Six Months ended October 31, 2008 as compared to six months ended October 31, 2007. The Company experienced a net loss of \$55,605,715 or \$0.22 per share for the six months ended October 31, 2008 (2007 - net loss of \$26,629,155 or \$0.12 per share).

The Company expects to continue to incur operating losses and will continue to be dependent on additional equity or debt issuances and/or property joint ventures to fund its activities in the future.

Exploration costs

Three and six months ended October 31, 2008 as compared to three and six months ended October 31, 2007. Exploration costs for the three months ended October 31, 2008 were \$37,274,533 (2007 - \$17,509,171). Exploration costs for the six months ended October 31, 2008 were \$47,747,275 (2007 - \$22,550,689). The Operations Summary above provides a summary of the exploration activities conducted in the three and six months ended October 31, 2008. Exploration expenditures in the three and six months ended October 31, 2007 related mainly to the 2008 winter Axe Lake Drilling program which commenced in September 2007 and to extensive seismic and magnetic survey activities and baseline environmental studies.

General and administrative

Cash consideration

Three and six months ended October 31, 2008 as compared to three and six months ended October 31, 2007. General and administrative expenses settled with cash for the three months ended October 31, 2008 were \$8,091,693 (2007 - \$1,354,112), for the six months ended October 31, 2008, these were \$11,774,526 (2007 - \$3,070,549). Expenditures in the three month period ended October 31, 2008 consist of foreign exchange loss (\$4.6 million), salaries (\$1.5 million), legal and other professional fees (\$0.8 million), general office costs (\$0.6 million) and communications and investor relations (\$0.5 million). Expenditures in the six month period ended October 31, 2008 consisted of foreign exchange loss (\$5.4 million), salaries (\$2.4 million), legal and other professional fees (\$1.7 million), general office costs (\$1.3 million) and communications and investor relations (\$1.0 million). General and administrative expenses in the three months ended October 31, 2007 consisted of salaries (\$0.5 million), legal and other professional fees (\$0.4 million), general office costs (\$0.2 million) and communications and investor relations (\$0.2 million). General and administrative expenses in the six months ended October 31, 2007 consisted of salaries (\$1.3 million), legal and other professional fees (\$0.9 million), communications and investor relations (\$0.7 million), general office costs (\$0.4 million) and foreign exchange gain (\$0.2 million).

At October 31, 2007 we had 22 employees including 3 seasonal field employees. At October 31, 2008 we had 117 employees including 69 seasonal field employees. The increase this period as compared to the same period in the prior year is consistent with increased activities as discussed above. The foreign exchange loss in the three and six months ended October 31, 2008 results mainly from holding Canadian funds in the parent company while the value of the Canadian dollar declined compared to the U.S. dollar.

Stock-based consideration

Three and six months ended October 31, 2008 as compared to three and six months ended October 31, 2007. Stock-based consideration expense for the three months ended October 31, 2008 was \$9,305,369 (2007 – \$7,665,451), and for the six months ended October 31, 2008 it was \$11,425,123 (2007 – \$8,849,658). Stock-based consideration expense for the three and six months ended October 31, 2008 consists of stock-based compensation related to the issuance of options to directors, officers, employees and consultants. Stock-based consideration expense for the three and six months ended October 31, 2007 consisted of stock-based compensation related to the issuance of options to directors, officers, employees and consultants and to bonus shares issued to employees. The fair value of the stock options was estimated using the Black-Scholes valuation model consistent with the provisions of SFAS No. 123R. The Black-Scholes valuation model requires the input of highly subjective assumptions, including the option's expected life and the expected stock price volatility determined using the historical volatility of the price of shares of the Company's common stock. The increase this period as compared to the same period in the prior year is consistent with the increased number of employees as noted above. Stock-based compensation is a non-cash expense. The average value of the stock options using the Black-Scholes valuation model issued during the quarter ended October 31, 2008 was \$2.71 (October 31, 2007 - \$3.79) and during the six months ended October 31, 2008 was \$2.88 (October 31, 2007 - \$3.76).

Depreciation and accretion

Three and six months ended October 31, 2008 as compared to three and six months ended October 31, 2007. Depreciation and accretion expense for the three months ended October 31, 2008 was \$453,436 (2007 - \$265,843) and for the six months ended October 31, 2008 was \$771,162 (2007 - \$502,073). Depreciation expense relates to camp facilities, equipment and corporate assets which are being depreciated over their useful lives of three to five years. Accretion expense relates to the asset retirement obligation recognized on the airstrip, camp site, access road, and the reservoir test sites which is being brought into income over a period of 10 to 30 years. The change from the period ended October 31, 2007 to the period ended October 31, 2008 is not significant and relates to the increase in assets held during the period and the recognition of accretion expense.

Interest income

Three and six months ended October 31, 2008 as compared to three and six months ended October 31, 2007. Interest income for the three months ended October 31, 2008 was \$365,802 (2007 - \$541,906). Interest income for the six months ended October 31, 2008 was \$795,080 (2007 - \$1,109,870). Interest income is earned because the Company pre-funds its activities resulting in cash on hand, which is invested in short-term deposits. The decrease in interest income this period as compared to the same period in the prior year reflects the decrease in market interest rates over the intervening year.

Income tax recovery

Three and six months ended October 31, 2008 as compared to three and six months ended October 31, 2007. The income tax recovery for the three months ended October 31, 2008 was \$11,526,008 (2007 - \$5,814,000). The income tax recovery for the six months ended October 31, 2008 was \$15,317,291 (2007 - \$7,233,944). The income tax recovery for the three and six months ended October 31, 2008 and October 31, 2007 relates mainly to the loss reported for the period. The tax recovery otherwise reported is reduced by the impact of flow through expenditures: the tax benefit of which flows through to subscribers. Drawdown of the flow through share premium liability increases the recovery. The net impact for the period was a reduction of tax recovery in the amount of \$1,015,718 (2007 - \$4,040) over three months and \$1,015,718 (2007 - \$172,956) over six months. The deferred tax liability reported on the balance sheet is mainly related to the book value of property which will not be deductible for tax purposes and is related to the Company's 2006 acquisition of the non controlling (minority) interest in OQI Sask. This liability is drawn down by the tax effect of expenses of the period which are expected to be deductible for tax purposes in future years.

Other Information

Karim Hirji, Chief Financial Officer, has indicated to the Board of Directors on December 4, 2008 that for personal and family health reasons he will reduce his role and responsibilities in 2009.

Christopher Hopkins, Chief Executive Officer, will be appointed as interim Chief Financial Officer in the event that Mr. Hirji's successor has not been selected at the time. Mr. Hirji currently intends to remain with the Company, although in a reduced capacity.

Errin Kimball, Vice President Exploration, has resigned his position effective as of December 4, 2008. Mr. Kimball informed the Company that he resigned to pursue other options.

The global financial and capital markets have been experiencing extreme volatility and disruption, including the failures of financial services companies and the related liquidity crisis. Although we expect to meet our near term liquidity needs with our working capital on hand, we will continue to need further funding to achieve our business objectives. In the past, the issuance of equity securities has been the major source of capital and liquidity for us. The extraordinary conditions in the global financial and capital markets have currently limited the availability of this funding. If the disruptions in the global financial and capital markets continue, debt or equity financing may not be available to us on acceptable terms, if at all. If we are unable to fund future operations by way of financing, including public or private offerings of equity or debt securities, our business, financial condition and results of operations will be adversely impacted.

Forward-looking information

All statements, other than statements of historical facts that address activities, events or developments that our management expects, believes or anticipates will or may occur in the future are forward-looking statements. Such forward-looking statements include discussion of such matters as:

- the amount and nature of future capital, development and exploration expenditures;
- the timing of exploration activities;
- business strategies and development of our business plan and exploration programs;
- potential estimates as to the volume and nature of petroleum deposits that are expected to be found present when lands are developed in a project; and
- potential reservoir recovery optimization processes.

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 the discovered resource estimate, and undiscovered resource estimate, references to Oilsands Quest's drilling program, geophysical programs, reservoir field testing and analysis program, preliminary engineering and economic assessment program for a first commercial project, and the timing of such programs and potential projects are based on the opinions and estimates of management and the Company'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, which include but are not limited to risks inherent in the oil sands industry, regulatory and economic risks, and risks associated with the Company'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. In addition, there are numerous uncertainties inherent in estimating discovered and undiscovered resources, including many factors beyond the Company's control. In general, estimates of discovered and undiscovered resources are based upon a number of factors and assumptions made as of the date on which the estimates were determined, such as geological, technological and engineering

estimates which have inherent uncertainties. 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.

About Oilsands Quest

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

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