

NEWS RELEASE

DATE: September 10, 2009

Oilsands Quest announces filing of disclosure documents

Calgary, Alberta --- (September 10, 2009) – Oilsands Quest Inc. (NYSE Amex: BQI) (the “Company”) announces that as disclosed in the Company’s recently filed Form 10-Q for the three months ended July 31, 2009, effective May 1, 2009, the Company adopted SFAS No. 160, Consolidated Financial Statements. SFAS No. 160 clarifies that a noncontrolling interest in a subsidiary is an ownership interest in a consolidated entity that should be reported as equity in the consolidated financial statements. This statement also changes the way the consolidated statement of income (loss) and comprehensive income (loss) are presented by requiring consolidated net income (loss) and comprehensive income (loss) to be reported at amounts that include the amounts attributable to both the parent and the non-controlling interest.

SFAS No. 160 required retrospective adoption of the presentation and disclosure requirements for noncontrolling interests for the period from inception on April 3, 1998 through July 31, 2009. The Company is filing a Form 8-K to include the effects of the adoption of SFAS No. 160 consolidated financial statements as of April 30, 2009 and 2008 and for each of the years in the three-year period ended April 30, 2009 and for the period from inception on April 3, 1998 through to April 30, 2009.

Copies of the filings are available online at the SEC’s website (www.sec.gov) and on SEDAR (www.sedar.com).

About Oilsands Quest

Oilsands Quest Inc. (www.oilsandsquest.com) is 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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