



U.S. OIL SANDS®



**UINTA BASIN ENERGY
SUMMIT**

September 10, 2015

TSX-V: USO

www.usoilsandsinc.com



FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements and forward looking information within the meaning of applicable Canadian securities laws (collectively “forward-looking statements”). Forward-looking statements in this presentation include, but are not limited to, statements with respect to: business strategy and strengths, exploration and development activities, the anticipated time and costs required to develop the PR Spring Project and to construct the modular plant required to commence operations, the environmental impact of the extraction process, access to markets and the availability of refining capacity and estimates relating to resource quantities, production rates, capital and operating costs, commodity prices, government royalty rates, netbacks, cash flows and payout periods. Statements relating to “resources” involve the implied assessment, based on certain estimates and assumptions, that the resources described exist in the quantities predicted or estimated and can profitably be produced in the future.

With respect to forward-looking information contained in this presentation, US Oil Sands Inc. (“USO” or the “Company”) has made assumptions regarding, among other things: the expected costs to explore, delineate and develop its assets and the expected costs to construct the PR Spring Project; future crude oil, bitumen, natural gas and synthetic crude oil prices; the ability to obtain qualified staff and equipment in a timely and cost-efficient manner; the regulatory framework with respect to royalties, taxes, environmental matters and resource recovery in the State of Utah; the ability to market production of bitumen successfully to customers; the timing and progress of work relating to development activities; geological and engineering estimates; the geography of the areas in which the Company will be exploring; the impact of increasing competition; the ability to obtain financing on acceptable terms; and the sufficiency of budgeted capital expenditures in carrying out planned activities.

We caution readers not to place undue reliance on these forward-looking statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and estimates expressed in such forward-looking statements. These factors include, but are not limited to: changes in general economic, market and business conditions; the volatility of oil and gas prices; production and development costs and capital expenditures; the imprecision of estimates of recoverable quantities of bitumen; the loss of key personnel; the marketability of production, defaults by third parties; unforeseen complications with patent applications or patent protection on extraction process; fluctuations in foreign currency and exchange rates; inadequate insurance coverage; compliance with environmental laws and regulations; actions by government or regulatory agencies, including changes in tax laws; changes in laws or regulations; access to external sources of debt and equity capital; and the occurrence of unexpected events involved in the operation and development of oil sands properties. The risks outlined above should not be construed as exhaustive. Investors are cautioned not to place undue reliance on any forward-looking statements.

When relying on our forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Furthermore, the forward-looking statements contained in this presentation are made as of the date of this presentation and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.

This presentation contains financial outlook information relating to the Company’s prospective results of operations, cash flows, and components thereof, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. The purpose of the financial outlook is to provide information regarding the Company’s reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

Disclosure of Oil and Gas Resource Information

The Company has disclosed discovered resources in this document. Discovered resources is that quantity of bitumen that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered resources includes production, reserves, and contingent resources; the remainder is unrecoverable. Further review of the Company’s resource evaluation procedures is required to assign the estimate of discovered resources to a more specific resource category. The resource estimate is a best estimate of the discovered resources volumes. It is equally likely that the actual volumes of discovered resources will be greater or less than the best estimate. If probabilistic methods are used, there should be at least a 50 percent probability (P50) that the actual volumes of discovered resources will equal or exceed the best estimate. The resource estimate has not been risked for chance of development (technical, economic, regulatory, market and facility, corporate commitment or political risks). There is no certainty that any portion of the resources will be developed or, if developed, there is no certainty as to the timing of such development or whether it will be commercially viable to produce any portion of the resources. A significant factor relevant to the resource estimate is the regulatory permitting process.

Additional information relating to resource estimates is contained in the Company’s Statement of Resources Data and Other Oil and Gas Information for the year ended December 31, 2014 dated March 11, 2015 and available on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Currency Used in Presentation Material:

All amounts herein expressed in USD unless otherwise stated.

OUR VISION AND VALUES

US Oil Sands is the world's most capital efficient and environmentally-responsible oil sands development company



The communities in which we live and operate



Safe operations and environmental performance

We Value



Our shareholders



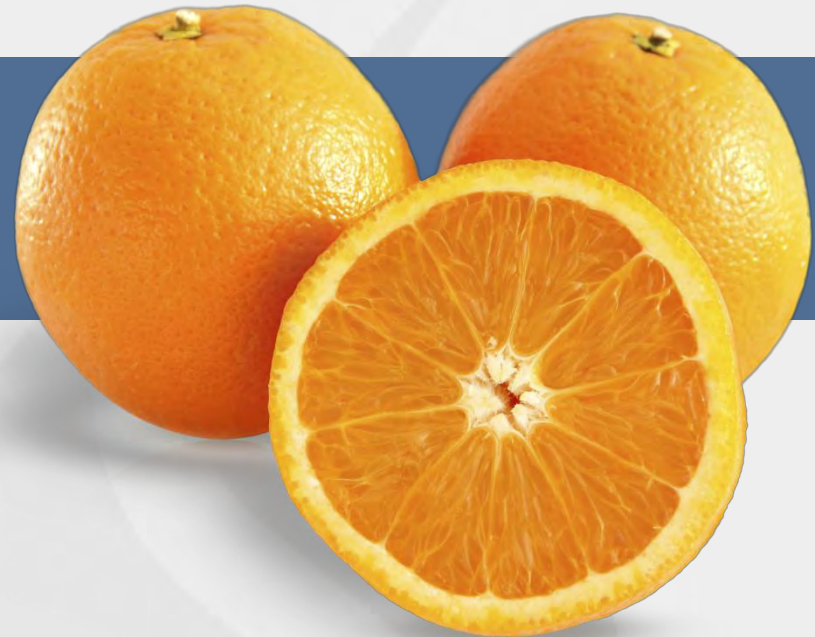
Our people

OUR BREAKTHROUGH PROCESS

Our process uses a biodegradable solvent extracted from citrus fruits

US Oil Sands' patented extraction process is one of the most important breakthroughs in mineable oil sands extraction techniques in more than 45 years.

- 90-96%** Bitumen recovery
- 0** Eliminates tailings ponds
- >75%** Reduction in capital intensity



Process Facts

- Uses low mechanical energy, no sludge
- Eliminates expensive water handling, bitumen froth treatment, middling sludge management and tailings storage recovery
- **Best-in-class energy efficiency**

PR SPRING PROJECT

Fully approved surface mine and development project

- Uinta Basin in NE Utah
- Initial 2,000 bpd phase
- Off-the-shelf process equipment
- Conventional mining approach

Phase II targeting up to 10,000 bpd



Utah - Attractive Oil Sands Development

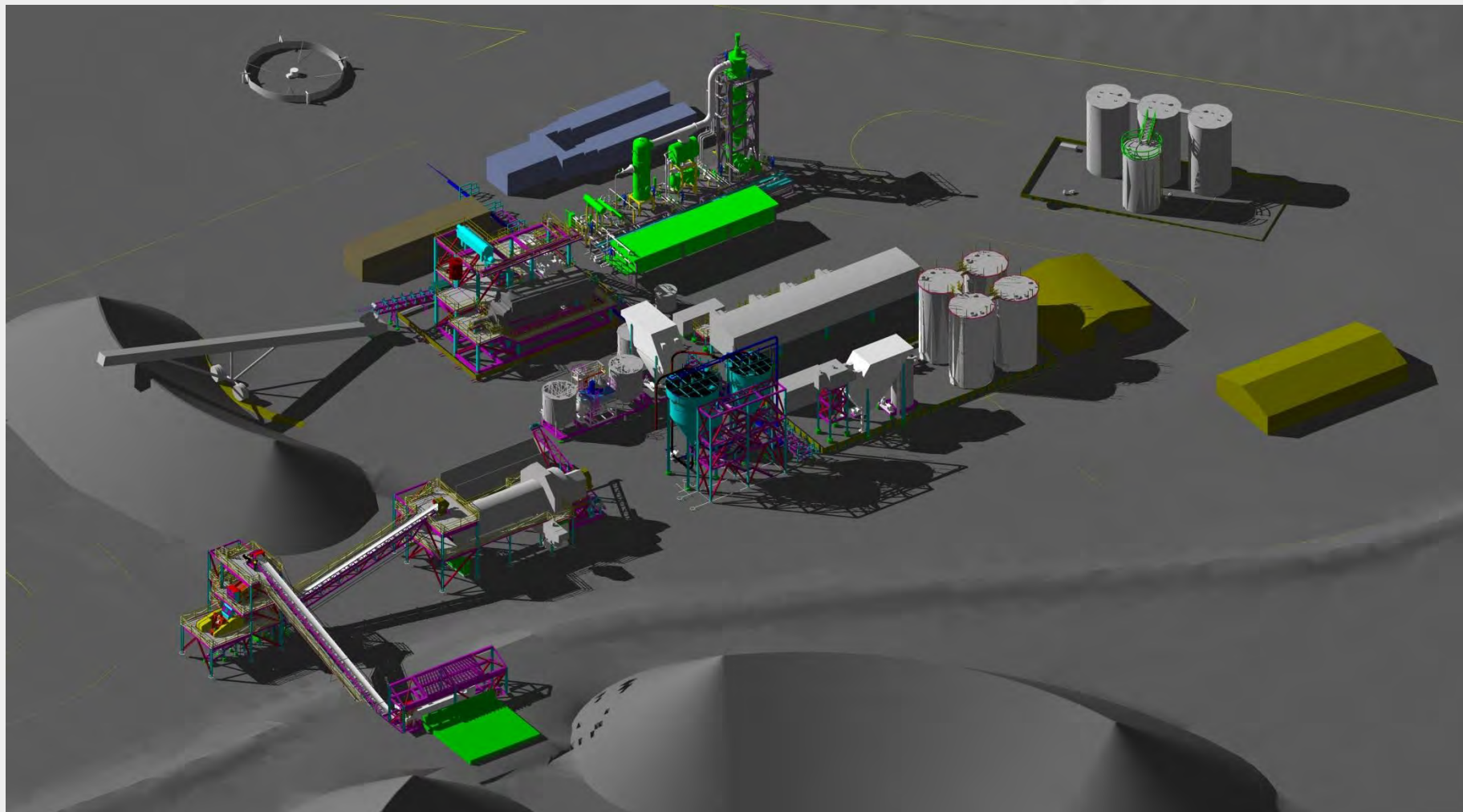
- Large known resource
 - Estimated up to 30 billion barrels in place
- Development-oriented state
- Proximity to ideal markets
 - Low transportation costs, better product pricing
- Low cost operation
 - Access to infrastructure and services
- First-mover advantage
- High quality bitumen
 - Low sulphur, lighter than Athabasca crude



CONSTRUCTION PROGRESS

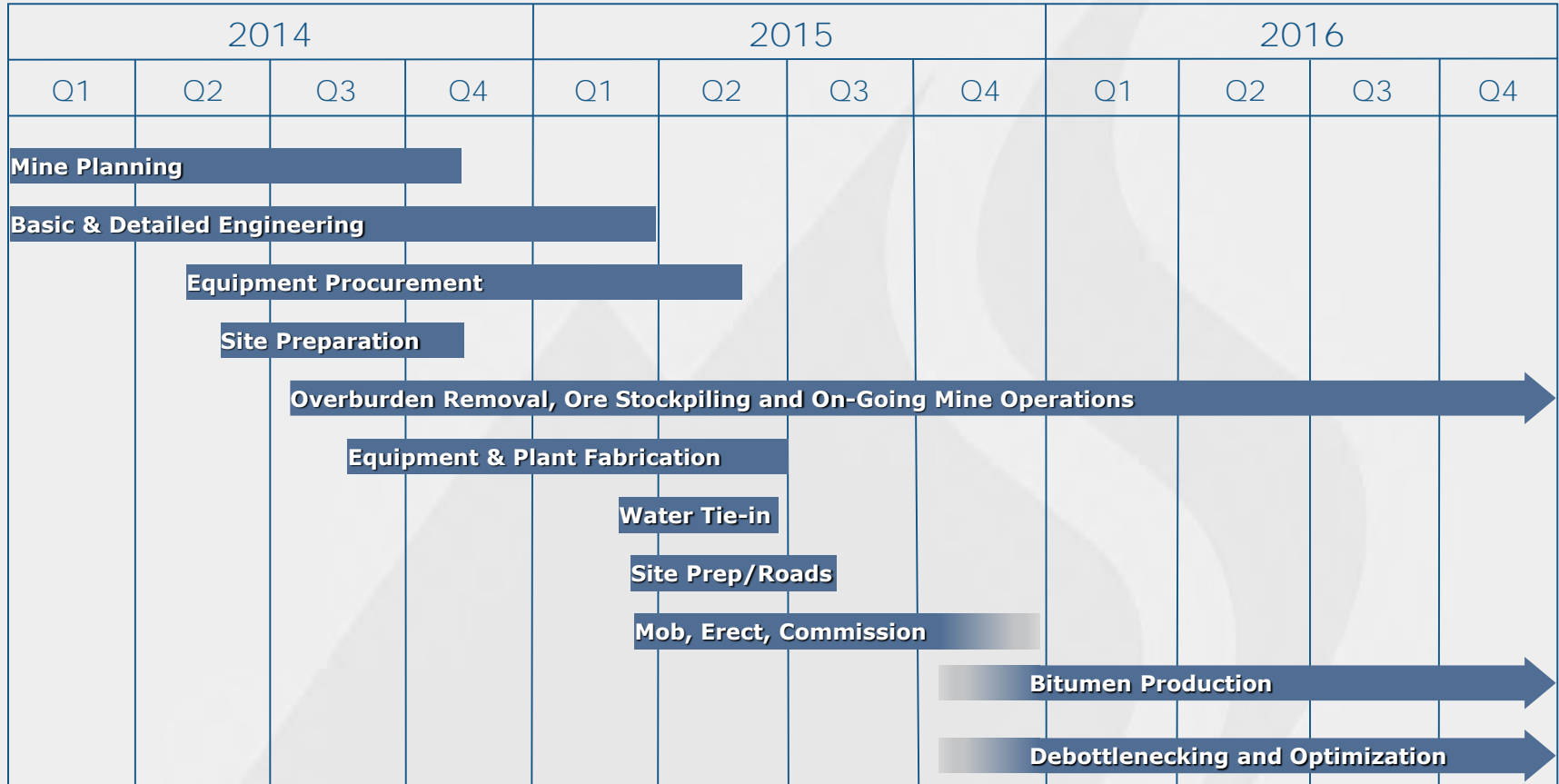


PR SPRING PROJECT



PROJECT SCHEDULE

PR Spring Project - Phase I



ECONOMIC CONTRIBUTION

- **PR Spring development is expected to be an excellent economic contributor to the State of Utah**
 - Source of steady, long-term employment
 - Significant royalties, taxes and operating disbursements into the local economy

Our Potential Contribution to the Utah Economy* (over 10 years)	2,000 bpd	10,000 bpd
Permanent full-time, high-paying, steady jobs	75-100	200-300
Capital development	\$60 million	\$175 million
Royalties to SITLA	\$32 million	\$160 million
Income taxes	\$130 million	\$650 million
Operating disbursements into the local economy	\$240 million	\$1.2 billion

* Forward-looking information based on management estimates, assumes US\$90/bbl WTI over the life of the project

GAME-CHANGING BENEFITS

Economic Benefits	
Low Up Front Capital	<ul style="list-style-type: none"> Low threshold Elimination of tailings ponds, bitumen froth treatment, middlings sludge and tailings recovery lowers capital costs
Capital Efficiency	<ul style="list-style-type: none"> \$20,000-\$30,000/bpd in Utah vs. up to \$100,000/bpd for current Athabasca oil sands mining projects
Low Full Cycle Opex	<ul style="list-style-type: none"> Ability to recycle and re-use solvent lowers operating costs
Scalable	<ul style="list-style-type: none"> 2,000 bpd minimum size can be scaled-up to match resource, increasing operating efficiency
Time Value of Money	<ul style="list-style-type: none"> Modular processing facilities enable phased capital deployment and rapid construction

Environmental Benefits	
Smallest Footprint	<ul style="list-style-type: none"> Smallest footprint of any oil sands mining process Eliminates need for tailings ponds, enabling rapid reclamation
Best-in-Class Water Use & Recycle	<ul style="list-style-type: none"> Clean tailings, no ponds to seep 95% water recycle 98% solvent recycle (renewable and biodegradable)
Reduced Energy Use	<ul style="list-style-type: none"> Thermal efficiencies, single handling of tails, increased oil recovery
Best-in-Class GHG Emissions	<ul style="list-style-type: none"> Lower energy use results in best-in-class GHG emissions, lower than many conventional projects
Best-in-Class Air Quality	<ul style="list-style-type: none"> Low sulphur in Utah results in reduced emissions from subsequent upgrading processes

SUMMARY

- **USO's next generation solvent technology represents a paradigm shift in surface mineable oil sands economics and environmental impact**
 - Best-in-class capital efficiency, environmental footprint, oil recovery
- **USO is poised to unlock Utah's significant oil sands resource through sustainable development**
 - Balancing economic development with environmental stewardship
- **Demonstration of commerciality is the gateway to further expansion and new projects**

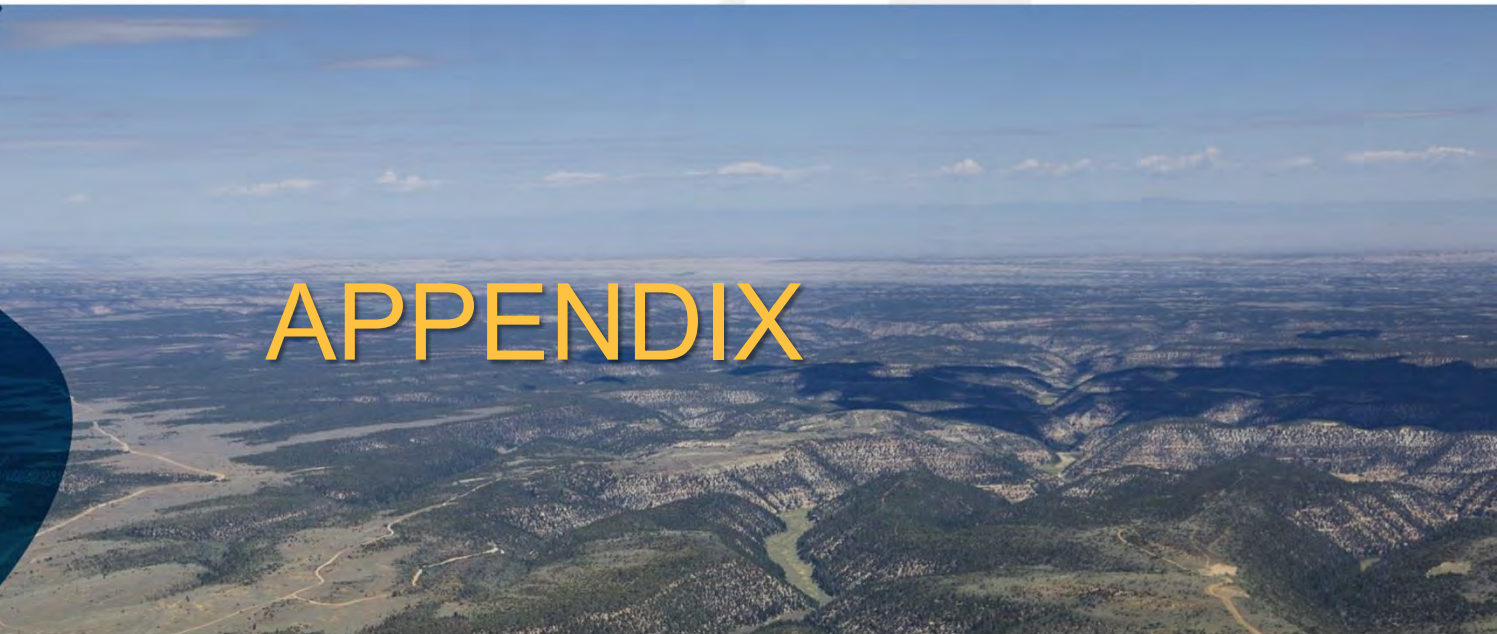
**Changing the Way
Oil Sands Bitumen
Is Extracted**



U.S. OIL SANDS[®]

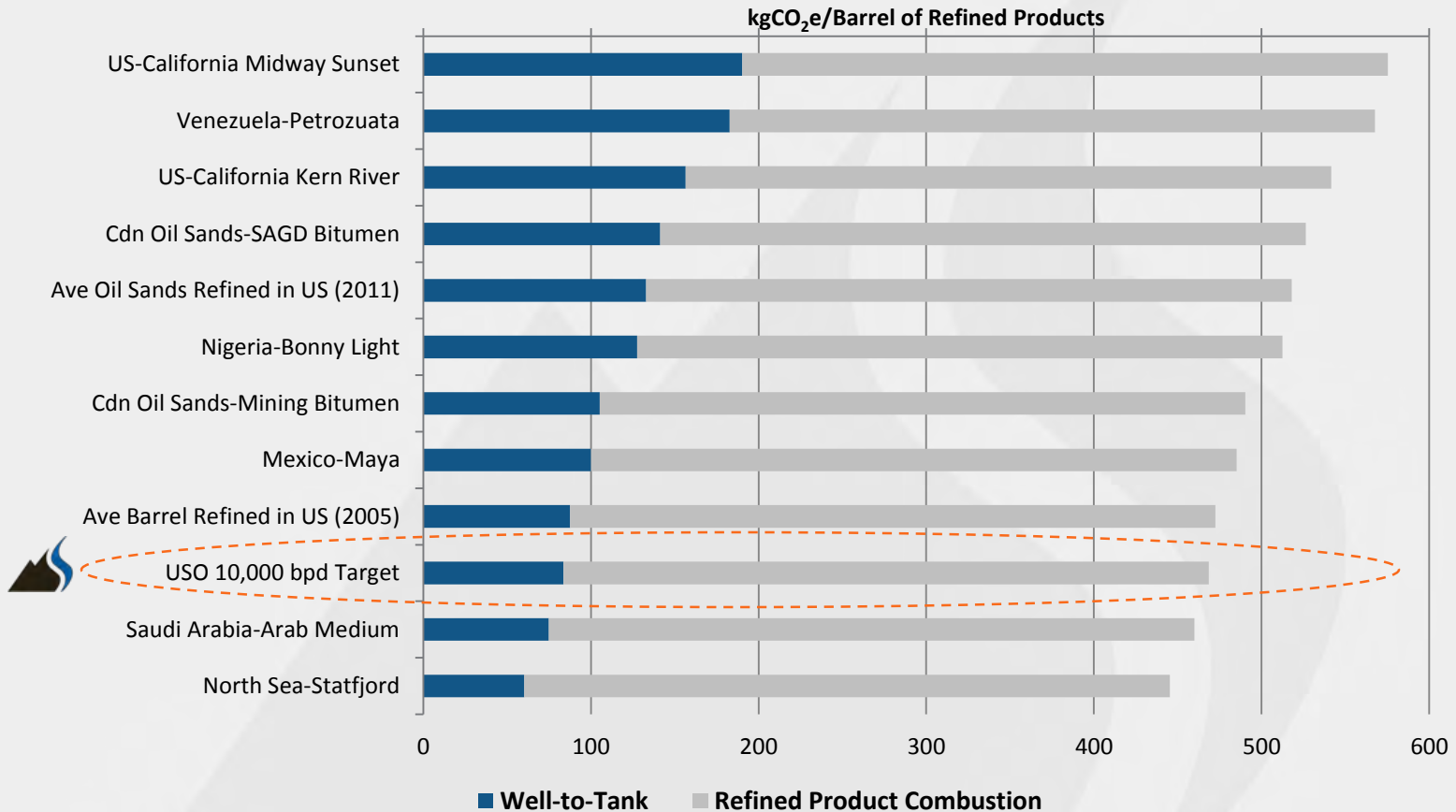


APPENDIX



LOW GHG EMISSIONS

USO expects to be lower than any existing oil sands project and lower than many conventional projects

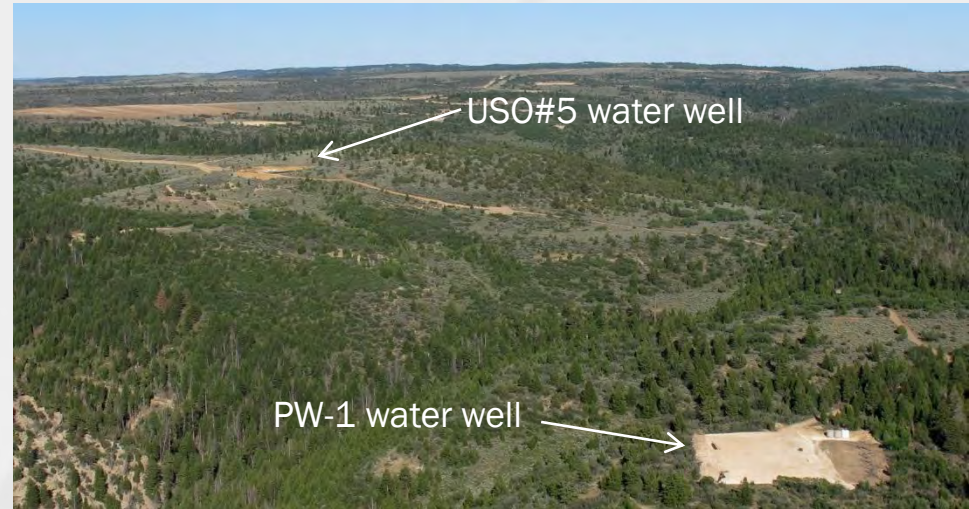


Source: IHS CERA: Oil Sands, Greenhouse Gases, and US Oil Supply – Getting the Numbers Right – 2012 Update, US Oil Sands Inc.

Notes: Well-to-Tank includes crude production (incl. venting & flaring, dilbit production, mine face, and tailings), upgrading, crude transportation, crude refining, and refined product transportation

ENVIRONMENTAL WATER USE

- **Water source from deep aquifer**
 - Mesaverde formation at ~2,500 feet deep
 - No impact to other surface water users
- **95% water recycle**
- **Low water consumption**
 - ½ barrel of water per barrel of bitumen
 - Amount that is consumed principally left in the clean, damp-dry sand tails



CONCURRENT RECLAMATION

Simultaneous mining and reclamation means land can be returned to its natural state in 4 – 6 years

Year 1 – Mine Opening

Year 2 – Backfill Commences

Year 3 – Initial Revegetation

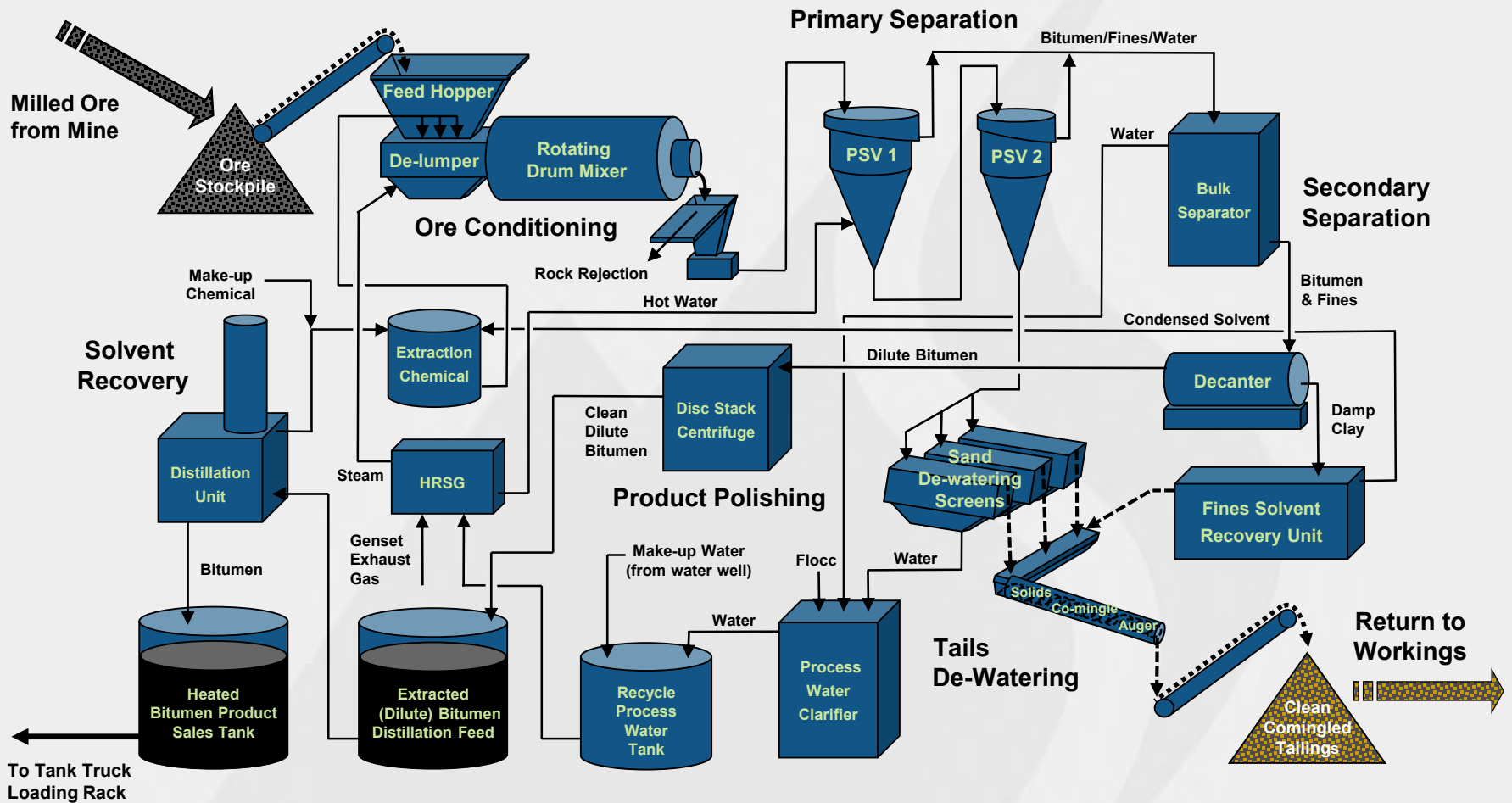
Year 4 – Continued Reclamation

Year 5 – Reclamation Complete

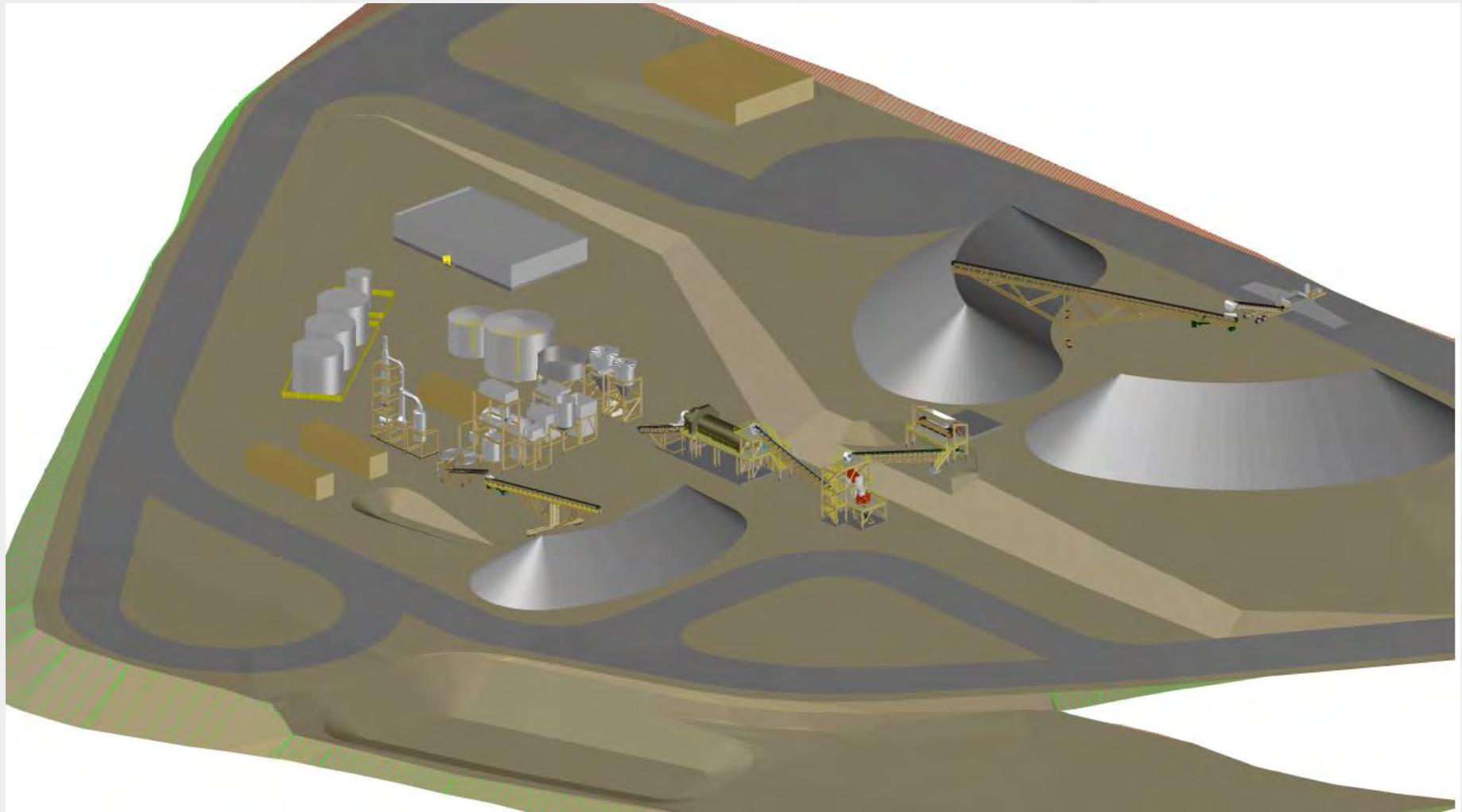
Concurrent reclamation is a first in oil sands mining

- USO's surface footprint is estimated to be 90%-95% smaller than traditional projects (on a per-barrel basis)

USO'S EXTRACTION PROCESS



PLANT SITE LAYOUT





U.S. OIL SANDS®



Barclay Cuthbert
VP Operations
barclay.cuthbert@usoilsandsinc.com



Suite 1600, 521 – 3rd Avenue SW
Calgary, Alberta T2P 3T3
(403) 233-9366



www.usoilsandsinc.com