

Calgary, Alberta (FSCwire) - [Alberta Oilsands Inc.](#) (“AOS” or the “Company”) (TSXV:AOS) reported that Alberta Energy had completed its review of the Company’s application under the *Mineral Rights Compensation Regulation* (MRCR) for compensation relating to the proposed cancellation of the Company’s oil sands leases located within the Fort McMurray Urban Development Sub-Region (UDSR) and that Alberta Energy determined the total compensation payable to AOS to be an aggregate of approximately \$34 million, inclusive of applicable interest.

Subsequent to being advised of Alberta Energy’s determination of the Company’s compensation claim, AOS reviewed Alberta Energy’s determination of the compensation amount with its legal advisors to determine the appropriate next steps to bring this matter to a conclusion. The review consisted of an analysis of remedies available under the MRCR; appeal options outside of the MRCR framework; and the amount of resources and timing required to pursue each option. Based on subsequent discussions with Alberta Energy, AOS has determined that receiving the current compensation amount is in the best interest of the Company at this time.

As a result, the Company announces that as of the date hereof, it is in receipt of \$35,087,246, inclusive of applicable interest, as compensation for the cancellation of the said oil sands leases. The increase in total compensation amount from the initial amount announced on March 20, 2015 is a result of additional accrued interest since that date. A right of first refusal has also been granted to the Company for a period of 20 years on the cancelled areas.

As a result of the full or partial cancellation of the oil sands agreements under the UDSR, the Company now retains oil sands leases in the Clearwater area covering an aggregate of approximately 6,546 acres. The Company does not currently have any exploration or development plans for the remaining leased areas at Clearwater. AOS will continue to review its options to increase the compensation amount, however, there is no assurance that the continuing review of the Company’s remedy options in this matter will result in the Company pursuing any additional action or that any action, if taken, will be successful.

Strategic Review Process

As previously announced, in anticipation of receiving the compensation funds from Alberta Energy, the Board initiated a process to identify, examine and consider a range of strategic alternatives available to the Company and engaged AltaCorp Capital Inc. (“AltaCorp Capital”) to assist the Company with this process. As the Company is now able to confirm receipt of the \$35 million compensation amount, AltaCorp Capital will make available to qualified parties, upon execution of a standard non-disclosure agreement, access to proprietary technical, financial, legal and other information. The strategic review process is ongoing at this time. Parties interested in investigating possible opportunities with AOS may contact AltaCorp Capital directly by telephone at (403) 539-8600 or by emailing AOSstrategic@altacorpcapital.com.

There can be no assurance that any agreement or transaction will occur, or if a transaction is undertaken, as to its terms or timing. The Company has not set a definitive schedule to complete its evaluation and no decision on any particular alternative has been reached at this time. Management and Board are committed to acting in the best interests of the Company and its shareholders, and believe that now that the Company is in receipt of the compensation funds, it is in a better position to identify the best option for the Company going forward and enhance value for shareholders.

The Company does not intend to make further announcements or disclose developments with respect to this process unless the evaluation has been completed and the Board has approved a definitive transaction and the Company has entered into a definitive agreement, or unless otherwise required by law or regulation or disclosure of which is deemed appropriate.

About Alberta Oilsands Inc.

[Alberta Oilsands Inc.](#) is engaged in the exploration and development of drill-defined domestic assets, and owns a portfolio of international assets. AOS holds bitumen leases in the Athabasca oil sands region of northeast Alberta. In addition, the Company's Africa portfolio is focused on active and known onshore and offshore basins on the East Africa Rift System and offshore Africa. The Company's head office is located in Calgary, Alberta, Canada and its common shares are traded on the TSX Venture Exchange under the trading symbol AOS.

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Certain statements included in this press release constitute forward-looking statements or information ("forward-looking statements") under applicable securities legislation. Forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "potential", "propose", or similar words suggesting future outcomes or statements regarding an outlook. Specific forward-looking statements in this press release include statements with respect to the business of AOS and the review of various strategic alternatives.

Forward looking statements involves significant known and unknown risks and uncertainties, some of which are beyond the control of AOS, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to, the impact of general economic conditions, industry conditions, volatility of commodity prices, environmental risks, competition from other industry participants and the lack of availability of qualified personnel or management. Additional risks and uncertainties affecting AOS and its business and affairs are described in further detail in the Company's management's discussion and analysis of financial condition and results of operations for the period ended March 31, 2015. There can be no assurance that the review of various strategic alternatives will result in the Company pursuing any transaction or that a transaction, if pursued, will be completed.

Although AOS believes that the expectations in such forward-looking statements are reasonable, they are based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking statements. As such, readers are cautioned not to place undue reliance on the forward-looking statements, as no assurance can be provided as to future results, levels of activity or achievements. The forward looking information included herein is made as of the date of this press release and AOS assumes no obligation to update or revise any forward looking information to reflect new events or circumstances, except as required by law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

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