

**FOR IMMEDIATE RELEASE**

**October 31, 2011**

**Press Release**

**ALBERTA OILSANDS INC. ANNOUNCES  
THE RETIREMENT OF SHABIR PREMJI AS EXECUTIVE CHAIRMAN,  
APPOINTMENT OF JACK CRAWFORD AS CHAIRMAN OF THE BOARD AND  
MICHAEL LEE AS INTERIM CEO**

Calgary, Alberta: Alberta Oilsands Inc. (the "Company" or "AOS") (TSXV-AOS) announces the retirement of Mr. Shabir Premji as Executive Chairman of AOS effective October 31. Mr. Premji has discussed his desire to retire with the Board for some period of time and, accordingly, the Company has initiated an external search for a CEO. AOS thanks Mr. Premji for his contributions as a founder of the Company and is pleased to note that Mr. Premji has agreed to continue to serve as a member of the AOS board. AOS wishes him the best in his retirement.

Effective with Mr. Premji's retirement, Mr. Jack Crawford, has been appointed Chairman of the Board. Mr. Crawford previously held the position of Lead Director of the Company. He is also a director of Carnaby Energy Ltd., a private junior oil and gas exploration company with operations in Alberta and B.C., and Chairman of Alberta High-Speed Rail (2005) Inc., a private company seeking to establish high speed rail service between Calgary and Edmonton. Previously, Mr. Crawford served as President and CEO of Altex Energy Ltd., a private energy infrastructure company, from 2005 to 2009. Prior to that, Mr. Crawford was Executive Vice President and Chief Operating Officer of Alliance Pipeline Ltd., the general partner of Alliance Pipeline Limited Partnership, a natural gas pipeline utility, from 1996 to 2004. Mr. Crawford holds B.Sc. (Mechanical Engineering) and MBA degrees from the University of Calgary and holds the ICD.D designation from the Institute of Corporate Directors. Mr. Crawford has also served on the boards of various charitable and industry associations, including the Canadian Energy Pipeline Association, the Van Horne Institute and the Calgary Philharmonic Orchestra Society, where he was chair in 2006 and 2007.

Also effective with Mr. Premji's retirement Mr. Michael Lee, President will assume the additional role of interim CEO. Mr. Lee is a co-founder of AOS, along with Shabir Premji, and he is a Company director. Mr. Lee has 29 years of experience in the oil and natural gas sector, primarily in the exploitation and reservoir engineering disciplines, having worked for senior producers such as Encana, Burlington Resources Canada Ltd., Anderson Exploration, and Amoco Canada Petroleum Company Ltd. His expertise comprises exploration and development planning as well as large capital project execution and management. Mr. Lee holds Mechanical Engineering and General Science degrees from the University of Alberta.

**About Alberta Oilsands Inc.**

Alberta Oilsands is engaged in the exploration and development of bitumen in the Athabasca oil sands region of northeast Alberta. Its head office is located in Calgary, Alberta, Canada and Alberta Oilsands' common shares are traded on the TSX Venture Exchange under the trading symbol AOS.

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