

NEWS RELEASE

DATE: October 8, 2010

Oilsands Quest Provides Results and Webcast of Annual General Meeting

Calgary, Alberta – Oilsands Quest Inc. (NYSE Amex: BQI) (“Oilsands Quest” or the “Company”) held its annual general meeting Thursday October 7, 2010 in Calgary.

The following directors were re-elected to the Board of Directors for a three year term until the Company’s 2013 annual meeting: Brian MacNeill, Paul Ching and Ronald Phillips. The Board of Directors also includes Ronald Blakely, Christopher Hopkins, John Read, Gordon Tallman, Senator Pamela Wallin, and T. Murray Wilson. The shareholders also approved KPMG as auditors of the Company.

Mr. Brian MacNeill, Acting Chief Executive Officer and Mr. Ronald Blakely, Chairman of the Board, provided an update on operations and the status of the review of strategic alternatives now underway at Oilsands Quest, including the Company’s current liquidity situation and efforts to secure near-term liquidity.

An audio recording of the proceedings of the meeting with the slide presentation and question and answer session is available on the Company’s website at www.oilsandsquest.com.

About Oilsands Quest

Oilsands Quest Inc. (www.oilsandsquest.com) is exploring and developing 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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