

NEWS RELEASE

DATE: January 18, 2011

**Oilsands Quest Announces Executive Appointment
and Participation in Saskatchewan Trade Mission to China**

Calgary, Alberta ---Oilsands Quest Inc. (NYSE Amex: BQI) (“Oilsands Quest” or “the Company”) has appointed Simon Raven to the position of Vice President, Exploration and Development.

Simon Raven has served as Chief Geologist at Oilsands Quest Inc. since August 2006 and has been an integral part of the team that delineated the Company’s discoveries at Axe Lake, Raven Ridge and Wallace Creek. In his new role, Mr. Raven will be responsible for the exploration and development of the Company’s assets.

Mr. Raven started his career at Synenco, where he worked on the Northern Lights oil sands project as a member of the team that drilled over 500 exploration holes and delineated over two billion barrels of bitumen.

Mr. Raven then spent five years with Norwest Corporation working as a project geologist and project manager. During his time with Norwest, he managed coal bed methane and oil sands exploration projects throughout Western Canada and in Western China.

Mr. Raven is a member of the Canadian Society of Petroleum Geologists (CSPG), American Association of Petroleum Geologists (AAPG) and the Canadian Institute of Mining and Metallurgy (CIM), a professional geologist (P.geol) and an active member of the Association of Professional Engineers, Geologist and Geophysicists of Alberta (APEGGA).

Oilsands Quest to Accompany Saskatchewan Energy Minister to China

Oilsands Quest will be part of a trade delegation to China led by Saskatchewan Minister of Energy and Resources, Bill Boyd, from January 17th to 21st, 2011. The Company, together with three representatives of the Minister’s office, will meet with Asian companies that have investments in the province to promote Saskatchewan resources, including oilsands, to potential investors.

“We are very pleased to be a part of Minister Boyd’s delegation,” said Paul Ching, a Director of the Company who will be a member of the delegation. “We are excited to be developing Saskatchewan’s first oil sands project, and we look forward to presenting this opportunity to potential investors.”

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 commercial oil sands discovery. It is leading the establishment of the province of Saskatchewan's emerging oil sands industry.

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