



Africa Oil, Alberta Oilsands receive approval for sale

AFRICA OIL AND ALBERTA OILSANDS SECURE GOVERNMENT CONSENT FOR ASSIGNMENT OF BLOCKS 12A AND 13T IN KENYA

CALGARY - The Minister of Energy for the Republic of Kenya has formally approved the assignment, from Platform Resources Inc., a wholly owned subsidiary of Alberta Oilsands Inc. (AOS), to Africa Oil Kenya BV, a wholly owned subsidiary of Africa Oil Corp., of Platform's 100-per-cent interest in blocks 12A and 13T in Kenya. The transaction, which was initially announced on February 16, 2010 was subject to, amongst other things, Kenyan Government approval.

Consideration for the assignment is comprised of 2.5 million Africa Oil common shares and 1.5 million Africa Oil share purchase warrants, each of which is exercisable into one common share at a price of \$1.50 per share for a period of two years. The terms of the warrants contain an accelerated exercise clause which is triggered if Africa Oil's common shares trade at over \$2 per share for 20 consecutive trading days. If the acceleration clause is exercised by Africa Oil, the warrants will expire on a date that is not less than 180 days from the date of written notice to Platform.

The new contract areas are adjacent to the Africa Oil's Block 10BB which hosts the Loperot-1 oil discovery (see Africa Oil's news release dated January 7, 2010 for resource estimates). Existing gravity data on Blocks 12A and 13T suggests that the proven Lokichar basin and other prospective sub-basins and known strong leads in Block 10BB may extend onto these new blocks.

The Production Sharing Contracts covering Blocks 12A and 13T are dated September, 2008 and have an initial exploration period of 3 years. The initial minimum exploration expenditures are \$3.65 million (Block 13T) and \$3.6 million (Block 12A). The initial exploration work program includes 500km of 2D seismic or 100 km² of 3D seismic (or a combination thereof) on each block. Concurrent with the Kenyan Government consenting to the assignment, Africa Oil agreed to provide the National Oil Corporation of Kenya ("NOCK") a 7.5% working interest which will be carried through the exploration phase. NOCK will then be responsible for its pro-rata share of all costs incurred following the declaration of a commercial discovery. The Kenyan Government continues to maintain its optional back-in rights to a 15% paying interest on all development areas on both Blocks, as per the Production Sharing Contracts.

Keith Hill, President and CEO of Africa Oil, commented, "The acquisition of these two new blocks continues the consolidation of our land holdings around Block 10BB, which is located within the highly prospective East Africa Rift Trend. Some of our key leads and prospects within Block 10BB extend onto Blocks 12A and 13T, greatly enhancing the exploration play. These blocks, which comprise an area of over 23,800 km², brings the total gross acreage that Africa Oil has signed contracts on to almost 250,000 km². Africa Oil currently has two seismic crews operating in East Africa and expects to test all major play types within the next 12 to 18 months."

Shabir Premji, Executive Chairman of AOS commented, "We are glad to become shareholders of Africa Oil. We expect that their commitment, presence and experience in Kenya will assist in the acceleration of the exploration of Blocks 12A and 13T."

Completion of the assignment is subject to final TSX Venture Exchange approval. Platform and Africa Oil are preparing and exchanging closing documentation in respect of the assignment, which they expect will be completed in the next five to seven days.

About Alberta Oilsands Inc.

Alberta Oilsands Inc. is a technically driven high growth energy company focused on the development and conversion of the Company's oil sands resources to reserves and the creation of long term sustainable value by increasing production and cash flow on relevant conventional oil and natural gas assets.

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