



ATHABASCA
OIL SANDS CORP.

For release: Mon., Aug. 31, 11 am MDT

PetroChina & Athabasca Oil Sands Corp. enter into Principles of Joint Venture Agreement

Calgary, Alberta (August 31, 2009) – Athabasca Oil Sands Corp. (AOSC) is pleased to announce that, subject to certain customary approvals, it has entered into a series of agreements with PetroChina International Investment Company Limited (PetroChina International), a wholly-owned subsidiary of PetroChina Company Limited (PetroChina), pursuant to which PetroChina will acquire a 60 per cent working interest in AOSC's MacKay River and Dover oil sands projects for a consideration of Cdn \$1.9 billion. The agreements also provide for certain financing arrangements for AOSC. The projects are located in the centre of the Athabasca area in northeastern Alberta and have been independently assessed to contain approximately five billion barrels of best case contingent bitumen resource.

"Oil sands projects are very capital-intensive long-term investments and difficult to fully finance in the traditional equity market," said Bill Gallacher, Chairman, AOSC. "AOSC therefore decided to look for joint venture partners, and these strategic joint venture arrangements with PetroChina, one of the world's largest energy companies, can ensure that the MacKay River and Dover projects will be developed in timely manner, which is excellent news for Alberta and the rest of Canada."

He added that AOSC recently visited several of PetroChina's oil facilities in northeastern China where PetroChina operates a number of heavy-oil projects using sophisticated technologies, including various SAGD processes and firefloods. "Their field developments, operational methods, heavy-oil experience and research facilities are world class, and as a partner they will bring these very valuable attributes to the MacKay River and Dover projects in Alberta."

As joint venture partners, AOSC and PetroChina International intend to use common in-situ methods to develop their oil sands projects. AOSC has filed regulatory applications for approval of two pilot projects within the project areas with Alberta's Energy Resources Conservation Board and intends to file a regulatory application for the first 35,000 bbl/d phase of the MacKay River commercial project at the end of 2009.

AOSC management will hold a conference call:

- Monday, August 31, 2009
- 1 – 2 pm MDT
- North America Toll-free: 1-866-223-7781
- Global Toll-free: 800-6578-9898
- Call Reference: Athabasca Oil Sands Corp., Joint Venture Agreement



ATHABASCA

OIL SANDS CORP.

About Athabasca Oil Sands Corp.

Athabasca Oil Sands Corp. (AOSC) was incorporated under the laws governing the Province of Alberta and is focused on the sustainable development of oil sands resources in the Athabasca region of northeastern Alberta, Canada. Please visit www.aosc.com for more information about AOSC.

-30-

For more information, please contact:

Mandy Dinning
Hill and Knowlton
(cell) 403 831-3542

Reader Advisory

Certain information set forth in this press release contains forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, most of which are beyond the control of AOSC, including but not limited to, the impact of general economic conditions, industry conditions, fluctuation of commodity prices, fluctuation of exchange rates, environmental risks, industry competition, availability of qualified personnel and management, timely and cost effective access to sufficient capital from internal and external sources, regulatory changes and estimates of resources, the impact of the transaction with PetroChina on AOSC and the risk that the transaction is not completed. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this release should not be unduly relied upon. Actual result, performance or achievement could differ materially from those expressed in or implied by these forward-looking statements. These statements speak only as of the date of this release or as of the date specified in the documents accompanying this release, as the case may be. AOSC undertakes no obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities law.