

CALGARY, AB--(Marketwired - September 02, 2015) - (TSX: COS) (OTCQX: COSWF) -- Canadian Oil Sands ("COS") today provides information on the recovery plan and a preliminary assessment of the production impact related to the process fire that occurred at Syncrude's Mildred Lake upgrader on August 29.

Syncrude continues to work with Occupational Health and Safety to investigate the incident and develop a work plan to restore full operations. No injuries have resulted from the incident and the priority is to ensure a safe return of all units to operation.

The initial survey has determined that damage occurred to pipes, power, and communication lines on a pipe rack between a hydrotreating unit and its associated amine unit. Mining and extraction operations and other major upgrading units were not damaged and their operating rates have been safely reduced in a controlled and stable manner. Syncrude plans to implement a phased recovery strategy with minimal synthetic crude oil shipments and operating rates for the next two weeks. Affected units are planned to be subsequently restored to operation, with a return to more normal production rates anticipated towards the end of September.

As a result, COS now estimates Syncrude production in 2015 to be near the low end of the 96 to 107 million barrel range provided on July 30, 2015.

COS will continue to provide updates as they become available.

Located near Fort McMurray, Alberta, Syncrude Canada operates oil-sands mines and an upgrading facility that produces a light, sweet crude oil on behalf of its joint venture owners, which include [Canadian Oil Sands Ltd.](#) (36.74 percent), Imperial Oil Resources (25 percent), Suncor Energy Ventures Partnership (12 percent), Sinopec Oil Sands Partnership (9.03 percent), Nexen Oil Sands Partnership (7.23 percent), Mocal Energy Limited (5 percent), Murphy Oil Company Ltd. (5 percent).

[Canadian Oil Sands Ltd.](#)

COS holds a 36.74 percent interest in the Syncrude project, the largest producer of light, sweet synthetic oil from Canada's oil sands. As a pure play in Syncrude, COS provides investors with long-life, light crude oil exposure and since 2001 has paid dividends totaling \$7.8 billion.

FORWARD-LOOKING INFORMATION ADVISORY: In the interest of providing the Corporation's shareholders and potential investors with information regarding the Corporation, including management's assessment of the Corporation's annual production estimates and recovery plans, this press release contains forward-looking information and forward-looking statements (collectively referred to as "forward-looking statements") under applicable securities law. Forward-looking statements are typically identified by words such as "anticipate", "expect", "believe", "plan", "intend" or similar words suggesting future outcomes. Forward-looking statements in this press release include statements with respect to: the timing for the phased recovery strategy; the timing for the return to more normal production rates; and the expectation that the annual forecasted production for Syncrude will be near the low end of the range of 96 to 107 million barrels in 2015. You are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur. Although the Corporation believes that the expectations represented by such forward-looking statements are reasonable and reflect the current views of the Corporation with respect to future events, there can be no assurance that such assumptions and expectations will prove to be correct.

The factors or assumptions on which the forward-looking statements are based include, but are not limited to: Syncrude's maintenance plans; the ability to obtain the necessary regulatory approvals; and the expectations regarding the 2015 annual Syncrude forecasted production range. Some of the risks and other factors which could cause actual results to differ materially from current expectations expressed in this press release include, but are not limited to, the occurrence of unexpected events such as fires, blowouts, equipment failures and other similar events; skilled labour shortages or material shortages; the unsuccessful or untimely implementation of maintenance plans and the failure to obtain the necessary regulatory approvals. You are cautioned that the foregoing list of important factors is not exhaustive. The forward-looking statements contained in this press release are expressly qualified by this cautionary statement. The information contained in this press release was approved by management on September 2, 2015 and circumstances after this date may change the outcomes or results achieved.

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