IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMDENDED

AND IN THE MATTER OF OILSANDS QUEST INC., OILSANDS QUEST SASK INC., TOWNSHIP PETROLEUM CORPORATION, STRIPPER ENERGY SERVICES INC., 1291329 ALBERTA LTD., OILSANDS QUEST TECHNOLOGY INC., WESTERN PETROCHEMICALS CORP. and 1259882 ALBERTA LTD.

<u>INSTRUMENT OF PROXY</u>

MEETING OF CERTAIN CREDITORS OF OILSANDS QUEST INC. ("OQI") to be held pursuant to an Order of the Alberta Court of Queen's Bench (the "**Court**") in connection with a Plan of Arrangement proposed by OQI. under the *Companies' Creditors Arrangement Act* (Canada) (the "**Plan**") on February 21, 2013 at 2:00 p.m. in the offices of:

Borden Ladner Gervais LLP,
1900, 520 Third Avenue S.W.,
Calgary, Alberta T2P 0R3

and at any adjournment thereof.

Before completing this Instrument of Proxy, please read carefully the instructions accompanying this Instrument of Proxy for information respecting the proper completion and return of this Instrument of Proxy.

THIS INSTRUMENT PROXY MUST BE COMPLETED AND SIGNED BY THE CREDITOR AND PROVIDED TO THE MONITOR, ERNST & YOUNG, BY 5:00 P.M. (MST) ON THE COURT DATE PRIOR TO THE MEETING OR WITH THE CHAIR PRIOR TO THE COMMENCEMENT OF THE MEETING OR ANY ADJOURNMENT THEREOF IF ANY PERSON ON SUCH CREDITOR'S BEHALF IS TO ATTEND THE MEETING AND VOTE ON THE PLAN OR IF SUCH CREDITOR WISHES TO APPOINT AN OFFICER OF THE MONITOR TO ACT AS SUCH INSTRUMENT OF PROXY.

THE UNDERSIGNED CREDITOR hereby revokes all proxies previously given and nominates, constitutes and appoints ________________________ or, if no person is named, Neil Narfason of Ernst & Young Inc. in its capacity as Monitor, or such other representative of the Monitor as the Monitor may designate, as nominee of the undersigned Creditor, with full power of substitution, to attend on behalf of and act for the undersigned Creditor at the Meeting of Creditors of OQI to be held in connection with the Plan and at any and all adjournments thereof, and to vote the amount of the undersigned Creditor's Affected Claims for voting purposes as determined pursuant to the Creditors' Meeting Order, the Claims Process, the Plan, the CCAA and any further order of the Court as follows:

A. (mark one only):

- ☐ VOTE FOR approval of the Plan; or
- ☐ VOTE AGAINST approval of the Plan

-and-

B. vote at the nominee's discretion and otherwise act for and on behalf of the undersigned Creditor with respect to any amendments or variations to the Plan and to any other matters that may come before the Meeting of Creditors of OQI or any adjournment thereof.

DATED this __ day of ____________, 2013.

____
Print Name of Creditor

____
Signature of Creditor. If the Creditor is a corporation, signature of an authorized signing officer of the Corporation.

____
Title of the authorized signing officer of the corporation, if applicable.

____
Mailing address of the Creditor

____
Phone number of the Creditor

INSTRUCTIONS FOR COMPLETION OF PROXY

1. Each Creditor who has a right to vote at the Creditors' Meeting has the right to appoint a person (who need not be an Creditor) to attend, act and vote for and on behalf of such Creditor and such right may be exercised by inserting in the space provided the name of the person to be appointed. **If no name has been inserted in the space provided, the Creditor will be deemed to have appointed Neil Narfason of the Monitor (or such other representative of the Monitor as the Monitor may designate) as the Creditor's proxy holder**.

2. **If an officer of Ernst & Young Inc. is appointed or is deemed to be appointed as proxy holder and the Creditor fails to indicate on this ordinary creditors' proxy a vote for or against approval of the Plan, this instrument of proxy will be voted FOR approval of the Plan**.

3. If this instrument of proxy is not dated in the space provided, it will be deemed to be dated on the date it is received by the Monitor.

4. This instrument of proxy must be signed by the Creditor or by the Creditor's attorney duly authorized in writing or, if the Creditor is a corporation, by a duly authorized officer or attorney of the corporation with an indication of the title of such officer or attorney.

5. Valid proxies bearing or deemed to bear a later date will revoke this ordinary creditors' proxy. If more than one valid proxy for the same Creditor and bearing or deemed to bear the same date are received with conflicting instructions, such proxies will be treated as disputed proxies and will not be counted.

6. This instrument of proxy should be sent to the Monitor by delivery or facsimile at the address set out below so that it is received by the Monitor no later than 5:00 p.m. (MST) on February 20, 2013.

Ernst & Young Inc.
Court Appointed Monitor of OQI
#1000, 440-2 Avenue S.W.
Calgary, AB T2P 5E9
Attention: Jessica Caden
Fax: (403) 206-5075
Email: Jessica.caden@ca.ey.com