



April 30, 2010

Japan Canada Oil Sands Limited (JACOS), yesterday, submitted a joint application to the Alberta Energy Resources Conservation Board (ERCB) and Alberta Environment (AENV) for approval to expand its oil sands production operations. The application requests an expansion of JACOS' operations in the Hangingstone area leases of up to a maximum incremental production of 35,000 barrels per day of bitumen. JACOS is the Operator with a 75% working interest, with Nexen Inc. holding the remaining 25% working interest in the expansion. Based on the planned development scenarios, ongoing production from the expansion facilities could average 25,000 to 30,000 bbl per day. JACOS is also commencing the preliminary engineering phase, during which the plant capacity and configuration will be optimized.

JACOS' Hangingstone Project is located approximately 52 kilometers south southwest of Ft. McMurray. The project will utilize steam assisted gravity drainage (SAGD) as the extraction method, building on its success utilizing SAGD at the Demonstration Project, which has operated successfully for over 11 years.

JACOS has allowed 18 months for the regulatory approval and FEED processes. In late 2011, the company anticipates project sanction, subject to obtaining regulatory approval, as well as the completion of the preliminary engineering along with updated project costs and economics. Upon approval, construction of the Central Production Facility is expected to begin in the winter of 2011/2012 with initial site clearing and rough grading. Production startup is anticipated by the end of 2014.

JACOS is a 100% owned Canadian subsidiary of Canada Oil Sands Co., Ltd. (CANOS), a Japanese subsidiary of Japan Petroleum Exploration Co., Ltd. (JAPEX). JAPEX is a petroleum exploration and production company traded on the Tokyo stock exchange (Securities Code Number 1662).