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阳光油砂
SUNSHINE OILSANDS LTD.

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陽光油砂有限公司*

*(a corporation incorporated under the Business Corporations Act of the Province of Alberta, Canada
with limited liability)
(HKEX: 2012)*

**DESPATCH OF CIRCULAR IN RELATION TO
(1) PROPOSED CONVERSION OF CONVERTIBLE BONDS
BY CONNECTED PERSON;
(2) APPLICATION FOR WHITEWASH WAIVER;
AND
(3) NOTICE OF SPECIAL GENERAL MEETING**

By Order of the Board of Sunshine Oilsands Ltd.
Kwok Ping Sun
Executive Chairman

Hong Kong, February 4, 2021
Calgary, February 4, 2021

As at the date of this announcement, the Board consists of Mr. Kwok Ping Sun and Ms. Gloria Pui Yun Ho as executive directors; Mr. Michael John Hibberd, Ms. Linna Liu and Ms. Xijuan Jiang as non-executive directors; and Mr. Yi He, Mr. Alfa Li and Mr. Guangzhong Xing as independent non-executive directors.

** For identification purposes only*

CALGARY (February 4, 2021) and **HONG KONG** (February 4, 2021) – Reference is made to (i) the announcement and the circular issued by Sunshine Oilsands Ltd (“**Sunshine**” or the “**Corporation**”) dated April 1, 2020 (Hong Kong time) and April 24, 2020 (Hong Kong time) respectively in relation to, among others, the Subscription of CB by the Subscriber; (ii) the poll results announcement dated May 25, 2020 (Hong Kong time) in relation to the poll results of the special general meeting held by the Corporation on May 25, 2020 (Hong Kong time); (iii) the announcement and the circular (the “**Circular**”) dated October 16, 2020 (Hong Kong time) and February 3, 2021 (Hong Kong time) respectively relating to the Proposed Conversion of CB in full by the Subscriber and the application for Whitewash Waiver; (iv) the announcements dated November 6, 2020 (Hong Kong time), November 24, 2020 (Hong Kong time), December 14, 2020 (Hong Kong time), December 30, 2020 (Hong Kong time) and January 20, 2021 (Hong Kong time) in respect of the delay in dispatch of the Circular; and (v) the announcements dated October 16, 2020 (Hong Kong time), December 1, 2020 (Hong Kong time) and January 15, 2021 (Hong Kong time) in respect of the record date and revised record date respectively for the special general meeting to be held for the purposes of considering and approving, among other matters, the Proposed Conversion and the Whitewash Waiver. Unless defined otherwise, terms used herein shall have the same meanings as those defined in the Circular.

The Circular, containing, among other things, (i) full details of the Subscription, the Conversion and the Whitewash Waiver; (ii) a letter of recommendations from the Independent Board Committee to the Independent Shareholders in respect of the Conversion and the Whitewash Waiver; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Whitewash Waiver and the Conversion; (iv) other information as required under the Listing Rules and the Takeovers Code; and (v) a notice of the SGM and a form of proxy, has been dispatched to the Shareholders on February 3, 2021 (Hong Kong time).

The SGM will be held at 21st Floor, CMA Building, 64 Connaught Road Central, Hong Kong on February 26, 2021 at 10:00 a.m. (Hong Kong time) / February 25, 2021 at 7:00 p.m. (Calgary time), details of which are set out in the notice of SGM and the Circular.

Shareholders are advised to review the Circular carefully and in particular the letter of advice from the Independent Board Committee and the letter of advice from Independent Financial Adviser as contained in the Circular before making any decision on whether or not to vote in favor of or against the resolutions in relation to the Conversion and the Whitewash Waiver.

Shareholders and potential investors of the Corporation should note that the Whitewash Waiver is a possibility only and may not be granted by the Executive.

The Conversion is subject to the passing of resolutions mentioned above and the granting of Whitewash Waiver by the Executive of SFC. As the Conversion may or may not proceed, Shareholders and potential investors of the Corporation are advised to exercise caution when dealing in the Shares and other securities of the Corporation.

Persons who are in doubt as to the action to be taken should consult their stockbroker, bank manager or other professional advisers.

ABOUT SUNSHINE OILSANDS LTD.

The Corporation is a Calgary based public corporation, listed on the Hong Kong Stock Exchange since March 1, 2012. The Corporation is focused on the development of its significant holdings of oil sands and heavy oil leases in the Athabasca oil sands region. The Corporation owns interests in oil sands and petroleum and natural gas leases in the Athabasca region of Alberta. The Corporation focus on the West Ells project area. West Ells Phase 1 has a designed production capacity of 5,000 barrels per day.

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FORWARD LOOKING INFORMATION

This announcement contains forward-looking information relating to, among other things, the plans and expectations of the Corporation. Such forward-looking information is subject to various risks, uncertainties and other factors. All statements other than statements and information of historical fact are forward-looking statements. The use of words such as “estimate”, “forecast”, “expect”, “project”, “plan”, “target”, “vision”, “goal”, “outlook”, “DECEMBER”, “will”, “should”, “believe”, “intend”, “anticipate”, “potential”, and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on the Corporation’s experience, current beliefs, assumptions, information and perception of historical trends available to the Corporation, and are subject to a variety of risks and uncertainties including, but not limited to those associated with resource definition and expected reserves and contingent and prospective resources estimates, unanticipated costs and expenses, regulatory approval, fluctuating oil and gas prices, expected future production, the ability to access sufficient capital to finance future development and credit risks, changes in Alberta’s regulatory framework, including changes to regulatory approval process and land-use designations, royalty, tax, environmental, greenhouse gas, carbon and other laws or regulations and the impact thereof and the costs associated with compliance. Although the Corporation believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned that the assumptions and factors discussed in this announcement are not exhaustive and readers are not to place undue reliance on forward-looking statements as the Corporation’s actual results may differ materially from those expressed or implied. The

Corporation disclaims any intention or obligation to update or revise any forward-looking statements as a result of new information, future events or otherwise, subsequent to the date of this announcement, except as required under applicable securities legislation. The forward-looking statements speak only as of the date of this announcement and are expressly qualified by these cautionary statements. Readers are cautioned that the foregoing lists are not exhaustive and are made as at the date hereof. For a full discussion of the Corporation's material risk factors, see the Corporation's annual information form for the year ended December 31, 2019 and risk factors described in other documents we file from time to time with securities regulatory authorities, all of which are available on the Hong Kong Stock Exchange at www.hkexnews.hk, on the SEDAR website at www.sedar.com or on the Corporation's website at www.sunshineoilsands.com.