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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)

INSIDE INFORMATION

LONG-TERM FORBEARANCE WITH NOTEHOLDERS

This announcement is made in accordance with the Inside Information Provision under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

By Order of the Board of Sunshine Oilsands Ltd.

Kwok Ping Sun
Executive Chairman

Hong Kong, August 8, 2021

Calgary, August 8, 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*

Hong Kong (August 8, 2021) and **Calgary, Alberta** (August 8, 2021) - The Board of Directors (the “**Board**”) of Sunshine Oilsands Ltd. (the “**Corporation**” or “**Sunshine**”) (**HKEX: 2012**) wishes to announce the following:-

LONG-TERM FORBEARANCE WITH NOTEHOLDERS

Reference is made to the announcements of the Corporation dated August 5, 2014, August 8, 2014 and February 5, 2016 (all Hong Kong time) in relation to, among other things, the offering of USD200 million principal amount of senior secured notes (the “**Notes**”). Reference is also made to the announcements of the Corporation dated August 1, 2016, August 12, 2016, August 17, 2016, August 29, 2016, September 1, 2016, September 12, 2016, October 31, 2016, January 31, 2017, March 21, 2017, July 28, 2017, September 27, 2017, August 2, 2018, November 1, 2018 and April 24, 2020 (all Hong Kong time) in relation to, among other things, the forbearance agreements the Corporation has entered into with the holders of the Notes (the “**Noteholders**”). Unless defined otherwise, terms used herein shall have the same meanings as those defined in the aforesaid announcements of the Corporation.

On August 8, 2021 (Calgary time), the Corporation and the Forbearing Holder confirmed the signing of the Forbearance Reinstatement and Amending Agreement (the “**FRAA**”). The principal terms of the FRAA include: (i) the FRAA covers the period from September 1, 2021 to August 31, 2023 (the “**Period of Forbearance**”); and (ii) same as the Forbearance Reinstatement and Amending Agreement executed on April 24, 2020, all outstanding amounts (principal and interests) will continue to be accrued at an interest of 10% per annum until August 31, 2023, and during the Period of Forbearance, there will not be any forbearance fee and yield maintenance premium based on the initial Forbearance Agreement executed on September 12, 2016.

The Board believes the entering into of the FRAA is in the interests of the Corporation and its shareholders as a whole in view that the FRAA will provide the Corporation with additional time to repay or refinance the indebtedness owned by the Corporation to the Noteholders under the Notes, whilst at the same time the financing cost has been substantially lowered.

ABOUT SUNSHINE OILSANDS LTD.

The Corporation is a Calgary based public corporation, listed on the Hong Kong Stock Exchange since May 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 is currently focused on executing milestone undertakings in the West Ells project area. West Ells Phase 1 is operational and has an initial production target of 5,000 barrels per day.

For further enquiries, please contact:

Mr. Kwok Ping Sun
Executive Chairman
Tel: (852) 3188 9298

Email: investorrelations@sunshineoilsands.com
Website: www.sunshineoilsands.com

FORWARD LOOKING INFORMATION

This announcement contains forward-looking information relating to, among other things, (a) the future financial performance and objectives of Sunshine; (b) the plans and expectations of the Corporation; and (c) the anticipated closings of the current private placements and the timing thereof. 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”, “may”, “will”, “should”, “believe”, “intend”, “anticipate”, “potential”, and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on Sunshine’s experience, current beliefs, assumptions, information and perception of historical trends available to Sunshine, 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 Sunshine 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. Sunshine 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 at 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 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 or the Corporation’s website at www.sunshineoilsands.com.