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阳光油砂
SUNSHINE OILSANDS LTD.

SUNSHINE OILSANDS LTD.
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)*

(Stock code: 2012)

CLARIFICATION ANNOUNCEMENT
DISCLOSEABLE TRANSACTION - ASSET DISPOSAL

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

Hong Kong, October 15, 2020

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 (October 15, 2020) - The Board of Directors (the “**Board**”) of Sunshine Oilsands Ltd. (the “**Corporation**” or “**Sunshine**”) (**HKEX: 2012**) wishes to clarify and supplement the following information relating to the announcement issued by the Corporation on August 8, 2020 (Hong Kong time) and September 4, 2020 (Hong Kong time).

Reference is made to the Corporations’ announcement dated August 8, 2020 (Hong Kong time) and September 4, 2020 (Hong Kong time) (collectively, the “**Announcements**”) in relation to, among other matters, the assets disposal of the Corporation (the “**Disposal**”). Capitalized terms used herein shall have the same meaning as those defined in the Announcements, unless defined otherwise.

The Board wishes to clarify that the Purchaser is owned by (i) InstarAGF Asset Management Inc (“**InstarAGF**”) ; (ii) Pfm Capital Inc (“**Pfm**”) ; and (iii) Devonian Properties Inc (“**Devonian Properties**”), not owned by its key directors.

Mr. Gregory J Smith, Mr. Jamie M McVicar and Mr. Robert M Duguid are the key directors of the Purchaser, at the same time, each of Mr. Gregory J Smith, Mr. Jamie M McVicar and Mr. Robert M Duguid, is the director and manage InstarAGF, Devonian Properties and Pfm respectively. They are independent of, not connected with the Company or any connected persons of its Group.

InstarAGF and Pfm are large private equity funds in North America with more than 10,000 shareholders. Similarly, Devonian Properties is a privately owned local reputable real estate development company established 30 years ago with a large shareholder base. Given the huge shareholder base, it is impossible and impracticable to list out all the ultimate beneficial owners of the Purchaser in an announcement.

In order to keep the public fully informed about the details of the Disposal, and that the Disposal is fair and reasonable and is in the best interests of the Corporation and its Shareholders as a whole, the management has exhausted its effort on confirming that the Disposal is on normal commercial terms, and the Purchaser is not connected with the Corporation’s Directors, chief executives or substantial shareholders of Sunshine and their associates.

In fact, all Sunshine’s connected persons have confirmed that they do not have any relationship with the Purchaser, i.e. Steel Reef Infrastructure Corporation and its shareholders, namely, InstarAGF, Pfm and Devonian Properties and their connected persons.

Whereas, the Purchaser has also confirmed that connected persons of the Purchaser have no relationship with Sunshine and its connected persons.

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 leases in the Athabasca oil sands region. The Corporation owns interests in approximately one million acres of oil sands and petroleum and natural gas leases in the Athabasca region. The Corporation is

currently focused on executing milestone undertakings in the West Ells project area. West Ells has an initial production target 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”, “may”, “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.