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)

(HKEX: 2012)

ANNOUNCEMENT OF RESULTS FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2023

SUMMARY OF FINANCIAL FIGURES

For Q3 2023, net loss and comprehensive loss attributable to owners of the Company was approximately CAD 15.7 million, compared to a net profit and comprehensive profit attributable to owners of the Company of approximately CAD 322.9 million in Q3 2022.

As at September 30, 2023, December 31, 2022 and September 30, 2022, the Corporation notes the following selected financial figures.

For the three months ended September *30,* *(Canadian $000s)*	**2023**	2022 Restated
Net profit (loss) attributable to owners of the Company	(15,686)	322,945
Average Dilbit sales (bbl/day)	10.6	989.7

(Canadian $000s)	**September 30, 2023**	December 31, 2022
Property, plant and equipment	479,174	485,222
Exploration and evaluation assets	236,566	235,044
Shareholders' equity	88,272	110,009

The quarterly results and the unaudited condensed consolidated financial statements have been reviewed by the Company's Audit Committee but have not been audited.

Hong Kong, November 10, 2023
Calgary, November 9, 2023

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 and Mr. Guangzhong Xing as independent non-executive directors.

** For identification purposes only*

阳光油砂
SUNSHINE OILSANDS LTD.

CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended September 30, 2023 and 2022

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the Condensed Consolidated Interim Financial Statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

Condensed Consolidated Interim Statements of Financial Position
(Expressed in thousands of Canadian dollars)

	Notes	September 30, 2023	December 31, 2022
Assets			
Current assets			
Cash and cash equivalents		$ 690	$ 542
Loan receivables	4	-	1,514
Trade and other receivables	4	5,041	8,330
		5,731	10,386
Non-current assets			
Loan receivables	4	12,081	11,347
Exploration and evaluation	5	236,566	235,044
Property, plant and equipment	6	479,174	485,222
Right-of-use assets	7	6,156	5,720
		733,977	737,333
Total assets		$ 739,708	$ 747,719
Liabilities and Shareholders' Equity			
Current liabilities			
Trade payables, interest payables and accrued liabilities	8	$ 73,216	$ 233,330
Loans from related companies	21.3	14,077	15,200
Other loans	9.1	1,202	4,008
Senior notes	9.2	10,816	269,040
Lease liabilities	7	502	391
		99,813	521,969
Non-current liabilities			
Interest payables	8	179,793	7,470
Loans from related companies	21.3	43,533	38,744
Loans from a shareholder	21.4	12,267	12,342
Other loans	9.1	13,883	12,230
Senior notes	9.2	257,747	-
Lease liabilities	7	1,536	811
Provisions	10	42,864	44,144
		551,623	115,741
Total liabilities		651,436	637,710
Shareholders' Equity			
Share capital	12	1,315,265	1,315,265
Reserve for share-based compensation	13.3	76,416	76,416
Capital reserve		(4,453)	(4,453)
Exchange fluctuation reserve		(1,042)	(1,042)
Accumulated deficit		(1,296,692)	(1,275,178)
Equity attributable to owners of the Company		89,494	111,008
Non-controlling interests		(1,222)	(999)
Total shareholders' equity		88,272	110,009
Total liabilities and shareholders' equity		$ 739,708	$ 747,719

Going concern (Note 2)
Commitments and contingencies (Note 22)
Subsequent events (Note 25)

Approved by the Board

"David Yi He"
Independent Non-Executive Director

"Kwok Ping Sun"
Executive Director

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statements of Operations and Comprehensive Loss
(Expressed in thousands of Canadian dollars, except for per share amounts)

	Notes	Three months ended September 30, 2023	Three months ended September 30, Restated[1] 2022	Nine months ended September 30, 2023	Nine months ended September 30, Restated[1] 2022
Revenues					
Petroleum sales, net of royalties	14	$ 51	$ 7,089	$ 17,996	$ 7,658
Other income	16	4,574	10,796	7,258	31,438
Foreign exchange gains/(losses)	20.4	(10,735)	(29,760)	1,265	(36,381)
		(6,110)	(11,875)	26,519	2,715
Expenses					
Diluent		31	3,094	7,422	3,388
Transportation		106	1,779	6,095	1,876
Operating		3,581	4,030	12,540	12,436
Depletion and depreciation	6,7	228	1,979	5,088	2,446
General and administrative	17	3,034	2,528	9,670	8,673
Finance costs	18	2,668	13,003	7,441	36,800
Impairment loss (reversal) on exploration and evaluation assets and PP&E assets		-	(361,159)	-	(488,106)
		$ 9,648	$ (334,746)	$ 48,256	$ (422,487)
Profit/(Loss) before income taxes		(15,758)	322,871	(21,737)	425,202
Income taxes	11	-	-	-	-
Net profit/(loss)		(15,758)	322,871	(21,737)	425,202
Net profit/(Loss) attributable to Non-controlling interests		(72)	(74)	(223)	(227)
Net profit/(loss) and comprehensive profit/(loss) for the year attributable to owners of the Company		(15,686)	322,945	(21,514)	425,429
Basic and diluted profit/(loss) per share	19	$ (0.06)	$ 1.33	$ (0.09)	$ 1.75

1. The 2022 comparative period in the table above have been restated. Please refer to Note 27 of the amended and restated unaudited Q3 2022 Consolidated Interim Financial Statements for full details.

See accompanying notes to the Condensed Consolidated Interim Financial Statements

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in thousands of Canadian dollars)

	Attributable to owners of the Company							
	Share capital	Reserve for share based compensation	Capital Reserve	Exchange fluctuation reserve	Accumulated Deficit	Total	Non-controlling interests	Total Equity
Balance at December 31, 2022	$ 1,315,265	$ 76,416	$ (4,453)	$ (1,042)	$ (1,275,178)	$ 111,008	$ (999)	$ 110,009
Net gain (loss) and comprehensive gain (loss)	-	-	-	-	(21,514)	(21,514)	(223)	(21,737)
Exchange fluctuation reserve	-	-	-	-	-	-	-	-
FX Gain/loss	-	-	-	-	-	-	-	-
Issue of common shares (note 12)	-	-	-	-	-	-	-	-
Issue of shares under employee share savings plan	-	-	-	-	-	-	-	-
Issue of shares Director Share Arrangement (note 12)	-	-	-	-	-	-	-	-
Issue of shares upon exercise of share options	-	-	-	-	-	-	-	-
Share option reserve transferred on exercise of stock options	-	-	-	-	-	-	-	-
Recognition of share-based payments (note 13.3)	-	-	-	-	-	-	-	-
Share issue costs, net of deferred tax ($Nil)	-	-	-	-	-	-	-	-
Nine Months Ended September 30, 2023	$ 1,315,265	$ 76,416	$ (4,453)	$ (1,042)	$ (1,296,692)	$ 89,494	$ (1,222)	$ 88,272
Balance at December 31, 2021	$ 1,315,265	$ 76,416	$ (4,453)	$ (403)	$ (1,209,775)	$ 177,050	$ (683)	$ 176,367
Net gain (loss) and comprehensive gain (loss) - Restated[1]	-	-	-	-	425,429	425,429	(227)	425,202
Exchange fluctuation reserve	-	-	-	-	-	-	-	-
Convertible bond-conversion option	-	-	-	-	-	-	-	-
Issue of common shares (note 12)	-	-	-	-	-	-	-	-
Issue of shares under employee share savings plan	-	-	-	-	-	-	-	-
Issue of shares Director Share Arrangement (note 12)	-	-	-	-	-	-	-	-
Issue of shares upon exercise of share options	-	-	-	-	-	-	-	-
Share option reserve transferred on exercise of stock options	-	-	-	-	-	-	-	-
Recognition of share-based payments (note 13.3)	-	-	-	-	-	-	-	-
Share issue costs, net of deferred tax ($Nil)	-	-	-	-	-	-	-	-
Nine Months Ended September 30, 2022 - Restated[1]	$ 1,315,265	$ 76,416	$ (4,453)	$ (403)	$ (784,346)	$602,479	$(910)	$601,569

1. The 2022 comparative period in the table above have been restated. Please refer to Note 27 of the amended and restated unaudited Q3 2022 Consolidated Interim Financial Statements for full details.

See accompanying notes to the Condensed Consolidated Interim Financial Statements

SUNSHINE OILSANDS LTD.

Condensed Consolidated Interim Statements of Cash Flows
(Expressed in thousands of Canadian dollars)

	Notes	Three months ended September 30, 2023	Three months ended September 30, Restated[1] 2022	Nine months ended September 30, 2023	Nine months ended September 30, Restated[1] 2022
Cash flows from operating activities					
Net profit/(loss)		$ (15,758)	$ 322,871	$ (21,737)	$ 425,202
Finance costs	18	2,668	13,003	7,441	36,800
Unrealized foreign exchange (gains)/losses	20.4	10,685	29,760	(1,314)	36,381
Other income	16	(3,502)	(10,296)	(5,005)	(30,341)
Depletion, depreciation and impairment	6,7	228	(359,324)	5,088	(485,660)
Share-based compensation	13.3	-	-	-	-
Movement in non-cash working capital	24	3,965	(1,536)	10,324	1,524
Net cash (used in) operating activities		(1,714)	(5,522)	(5,203)	(16,094)
Cash flows from investing activities					
Interest income received	16	2	1	5	4
Payments for exploration and evaluation asset	5	(1,525)	(389)	(2,004)	(780)
Payments for property, plant and equipment	6	(339)	574	(399)	(353)
Movement in non-cash working capital	24	-	-	-	(3)
Net cash (used in) investing activities		(1,862)	186	(2,398)	(1,132)
Cash flows from financing activities					
Proceeds from issue of common shares	12	-	-	-	-
Proceeds from amended royalty agreement	16	3,500	-	5,000	-
Payment for share issue costs	12	-	-	-	-
Payment for finance costs	18	(141)	(287)	(524)	(501)
Payments for the notes principal		-	-	-	-
Proceeds from other loan	9.1	-	75	579	1,515
Payments for other loan	9.1	(225)	(24)	(1,612)	(24)
Proceeds from related companies' loans	21.3	1,041	6,938	4,887	18,097
Repayment of related companies' loans	21.3	-	(696)	-	(696)
Payment of lease liabilities	7	(103)	(134)	(446)	(488)
Movement in non-cash working capital	24	-	-	-	-
Net cash provided by financing activities		4,072	5,872	7,884	17,903
Net increase / (decrease) in cash		496	536	283	677
Cash, beginning of period		234	429	542	312
Effect of exchange rate changes on cash held in foreign currency	20.4	(40)	(61)	(135)	(85)
Cash, end of period		$ 690	$ 904	$ 690	$ 904

1. The 2022 comparative period in the table above have been restated. Please refer to Note 27 of the amended and restated unaudited Q3 2022 Consolidated Interim Financial Statements for full details.

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

Notes to Condensed Consolidated Interim Financial Statements
For the three and nine months ended September 30, 2023 and 2022
(Expressed in thousands of Canadian dollars, unless otherwise indicated)

1. General information

Sunshine Oilsands Ltd. (the "Company") was incorporated under the laws of the Province of Alberta on February 22, 2007. The address of its principal place of business is 1910, 715-5th Avenue S.W., Calgary, Alberta, Canada T2P 2X6. The Company's shares were listed on the Stock Exchange of Hong Kong Limited ("SEHK") on March 1, 2012 pursuant to an initial public offering ("IPO") and trades under the stock code symbol of "2012". On November 16, 2012, the Company completed a listing of its common shares on the Toronto Stock Exchange ("TSX") and traded under the symbol of "SUO". On September 30, 2015, the Company completed a voluntary delisting from the TSX. The Company continues to be a reporting issuer in Canada. The Company and its subsidiaries are collectively referred to as the "Group".

The Group is engaged in the evaluation and the development of oil properties for the future production of bitumen in the Athabasca oilsands region in Alberta, Canada. Details of the subsidiaries are set out in note 23.

On April 15, 2019, Sang Xiang Petroleum & Chemical (Hebei) Limited ("Sunshine Hebei") was incorporated in China and is a joint venture company in which the Company owns 51% interests.

2. Basis of preparation

Going Concern

The Condensed Consolidated Interim Financial Statements have been prepared on a basis which asserts that the Group will continue to have the ability to realize its assets and discharge its liabilities and commitments in a planned manner with consideration to expected possible outcomes. Conversely, if the assumption made by management is not appropriate and the Group is unable to meet its obligations as they fall due the preparation of these Financial Statements on a going concern basis may not be appropriate and adjustments to the carrying amounts of the Group's assets, liabilities, revenues, expenses, and balance sheet classifications may be necessary and such adjustments could be material. Specifically, in the absence of additional financing and the restructuring of current debt (Note 9) the Group would be unlikely to be able to continue the development of the West Ells project and the Group would be required to consider divestiture of the West Ells project and other assets. Such curtailment of activity would likely materially and negatively impact the Group's assessment of the carrying values of assets and liabilities associated with the West Ells project.

The Group incurred a net loss and comprehensive loss attributable to owners of the Company of CAD $21.5 million for the nine months ended September 30, 2023, and as at September 30, 2023, the Group had net current liabilities of CAD $94.1 million. The Group will need to refinance or restructure its current debt and obtain additional financing in order to meet its near-term operating cash requirements, debt payments and sustaining capital expenditures. The validity of which depends upon that the Group will be able to successfully refinance or restructure its current debt and obtain additional financing to meet its liabilities as they fall due in the foreseeable future.

Management has applied significant judgment in preparing forecasts supporting the going concern assumption. Specifically, management has made assumptions regarding projected oil sales volumes and pricing, scheduling of payments arising from various obligations as at September 30, 2023, the availability of additional financing, and the timing and extent of capital and operating expenditures.

The Company's ability to continue as a going concern is dependent on its ability to realize forecasted revenues, achieve profitable operations, restructure projected cash outflows arising from existing arrangements, control the timing and extent of projected expenditures, and refinance current debt, access immediate additional financing and maintain compliance with all terms in debt and forbearance agreements. The timing and extent of forecast capital and operating expenditures is based on the Company's 2023 budget and on management's estimate of expenditures expected to be incurred beyond 2023. The Company has a significant degree of control and flexibility over both the extent and timing of expenditures under its future capital investment program. There is a material risk that the Company will be unable to meet its financing obligations including payments of outstanding interest and principal balances on its Senior Notes (Note 9.2). Management continually monitors the Company's financing requirements and is pursuing negotiations to refinance current debt and access immediate additional financing to fund its ongoing operations. Management is engaged in discussions with existing shareholders and creditors on proposed transactions and agreements which would reduce anticipated cash outflows and provide the additional financing required to fund capital and operating expenditures, and to meet obligations as they fall due in the 12 months following September 30, 2023.

2.1 Statement of compliance

The Condensed Consolidated Interim Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and by the Hong Kong Companies Ordinance. The Condensed Consolidated Interim financial statements have been prepared on the historical cost basis. Any financial instruments are measured at fair value. The Condensed Consolidated Interim financial statements are presented in Canadian Dollars ("$").

The Condensed Consolidated Interim Financial Statements reflect management's best estimates after giving consideration to likely outcomes. The Group has consistently applied the accounting policies to all periods presented in these financial statements. Certain information and disclosures normally included in the audited annual consolidated financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), have been condensed or omitted. Accordingly, these Condensed Consolidated Interim Financial Statements should be read in conjunction with the audited annual Consolidated Financial Statements for the year ended December 31, 2022.

3. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

The Group has applied for the first time the following new and amendments to IFRSs issued by the International Accounting Standards Board (the "IASB").

Amendments to IFRS 3	Reference to the Conceptual Framework
Amendment to IAS 16	Property, Plant and Equipment - Proceeds before Intended Use
Amendments to IAS 37	Onerous contracts: Cost of fulfilling a contract
Amendments to IFRSs	Annual Improvements to IFRS 2018 - 2020 cycle

The application of other new and amendments to IFRSs in the current year has had no material impact on the Group's financial performance and position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to IFRSs issued but not yet effective

The Group has not early applied the following new and amendments to IFRSs and interpretation that have been issued but are not yet effective:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback[1]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture[2]
Amendments to IAS 1	Classification of liabilities as Current or Non-current[1]
Amendments to IAS 1	Non-current Liabilities with Covenants[1]

[1] *Effective for annual periods beginning on or after January 1, 2024*

[2] *Effective for annual periods beginning on or after a date to be determined*

The directors of the Company anticipate that, the application of the new and amendments to IFRSs will have no material impact on the results and the financial position of the Group.

4. Trade and other receivables

		September 30, 2023		December 31, 2022
Trade receivables	$	89	$	1,304
Other receivables – current		4,952		8,540
Other loan receivables-non-current		12,081		11,347
	$	17,122	$	21,191

The Group allows an average credit period of 30 days to its trade customers. The Group transacts with a number of oil and natural gas marketing companies, and the marketing companies typically remit amounts to the Group by the 25th day of the month following production.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group recognised lifetime ECL for trade receivables based on individually significant customer or the ageing of customers collectively that are not individually significant.

As at September 30, 2023, the directors of the Company considered the ECL on trade receivables was insignificant.

5. Exploration and evaluation

		CAD'000
Balance, December 31, 2021	$	255,696
Capital expenditures		1,053
Non-cash expenditures[1]		(2,052)
Impairment loss		(19,653)
Balance, December 31, 2022	$	235,044
Capital expenditures		2,004
Non-cash expenditures[1]		(482)
Balance, September 30, 2023	$	236,566

1. Non-cash expenditures include capitalized share-based compensation and changes in decommissioning obligations.

At the end of the reporting period, the Group assessed impairment for its E&E CGU. For the purpose of impairment (reversal) testing, recoverable amounts for each CGU were estimated based on FVLCD methodology which is calculated using the present value of the CGUs' expected future cash flows (after-tax). The cash flow information was derived from a report on the Group's oil and gas reserves which was prepared by an independent qualified reserve evaluator, GLJ Petroleum Consultants ("GLJ") and its latest oil price forecasts. The projected cash flows used in the FVLCD calculation reflect market assessments of key assumptions, including management forecast of long-term commodity prices, inflation rates, and foreign exchange rates (Level 3 fair value inputs). Cash flow forecasts are also based on GLJ's evaluation of the Group's reserves and resources to determine production profiles and volumes, operating costs, maintenance and future development capital expenditures.

The reversal is recognized in profit or loss only to the extent that it reverses an impairment loss that was previously recognized in profit or loss. Any additional increase is accounted for as a revaluation and is recognized in other comprehensive income.

A reversal of an impairment loss shall be recognized immediately in profit or loss. In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset shall not be increased above the lower of:
(a) its recoverable amount; and
(b) the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior periods.

For the nine months ended September 30, 2023, the Group did not recognize any impairment loss (reversal) for E&E CGU.

6. Property, plant and equipment

	Crude oil assets (CAD'000)		Corporate assets (CAD'000)		Total (CAD'000)
Cost					
Balance, December 31, 2021	$	895,484	$	5,775	$ 901,259
Disposal of Asset		-		-	-
Capital expenditures		513		30	543
Non-cash expenditures[1]		(9,812)		-	(9,812)
Exchange alignment		-		45	45
Balance, December 31, 2022	$	886,185	$	5,850	$ 892,035
Capital expenditures		396		3	399
Non-cash expenditures[1]		(1,875)		-	(1,875)
Exchange alignment		-		(2)	(2)
Balance, September 30, 2023	$	884,706	$	5,851	$ 890,557

1. Non-cash expenditures include capitalized share-based compensation and changes in decommissioning obligations.

	Crude oil assets (CAD'000)		Corporate assets (CAD'000)		Total (CAD'000)
Accumulated depletion, depreciation and impairment					
Balance, December 31, 2021	$	418,578	$	5,057	$ 423,635
Depletion and depreciation expense		3,104		60	3,164
Impairment loss (reversal)		(20,028)		-	(20,028)
Exchange alignment		-		42	42
Balance, December 31, 2022	$	401,654	$	5,159	$ 406,813
Depletion and depreciation expense		4,426		143	4,569
Impairment loss (reversal)		-		-	-
Exchange alignment		-		1	1
Balance, September 30, 2023	$	406,080	$	5,303	$ 411,383
Carrying value, December 31, 2022	$	484,531	$	691	$ 485,222
Carrying value, September 30, 2023	**$**	**478,626**	**$**	**548**	**$ 479,174**

At the end of the reporting period, the Group assessed impairment for its West Ells CGU. For the purpose of impairment (reversal) testing, recoverable amounts for each CGU were estimated based on FVLCD methodology which is calculated using the present value of the CGUs' expected future cash flows (after-tax). The cash flow information was derived from a report on the Group's oil and gas reserves which was prepared by an independent qualified reserve evaluator, GLJ Petroleum Consultants ("GLJ") and its latest oil price forecasts. The projected cash flows used in the FVLCD calculation reflect market assessments of key assumptions, including management forecast of long-term commodity prices, inflation rates, and foreign exchange rates (Level 3 fair value inputs). Cash flow forecasts are also based on GLJ's evaluation of the Group's reserves and resources to determine production profiles and volumes, operating costs, maintenance and future development capital expenditures.

The reversal is recognized in profit or loss only to the extent that it reverses an impairment loss that was previously recognized in profit or loss. Any additional increase is accounted for as a revaluation and is recognized in other comprehensive income.

A reversal of an impairment loss shall be recognized immediately in profit or loss. In allocating a reversal of an impairment loss for a cash-generating unit, the carrying amount of an asset shall not be increased above the lower of:
(a) its recoverable amount; and
(b) the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior periods.

Future depletion expenses are adjusted to allocate the CGU's revised carrying amount over its remaining useful life.

For the nine months ended September 30, 2023, the Group did not recognize any impairment loss (reversal) for West Ells CGU.

7. Right-of-use Assets and Leases Liabilities

(a) Right-of-use Assets

	Leasehold land (CAD'000)	**Offices** (CAD'000)	**Truck** (CAD'000)	**Equipment** (CAD'000)	**Total** (CAD'000)
Balance, January 1, 2022	**4,744**	**771**	**-**	**-**	**5,515**
Lease terminated	-	-	-	-	-
Additions	-	556	287	147	990
Depreciation	(118)	(549)	(5)	(34)	(706)
Exchange alignment	(78)	(1)	-	-	(79)
December 31, 2022	**4,548**	**777**	**282**	**113**	**5,720**
Additions	-	1,221	-	-	1,221
Depreciation	(87)	(361)	(43)	(28)	(519)
Exchange alignment	(255)	(11)	-	-	(266)
September 30, 2023	**4,206**	**1,626**	**239**	**85**	**6,156**

(b) Leases Liabilities

	September 30, 2023
Lease liabilities	$ 2,038

(c) Cash Flow Summary	**Nine Months Ended September 30, 2023**
Total cash flow used for leases	$ 446

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate, which is 10% for the offices premise, trucks and equipment.

8. Trade and accrued liabilities

		September 30, 2023		**December 31, 2022**
Trade payables	$	20,036	$	16,433
Interest payables		192,687		187,400
Other payables		21,681		20,472
Accrued liabilities		18,605		16,495
	$	253,009	$	240,800

The following is an aged analysis of trade payables based on dates of invoices at the end of the reporting period:

		September 30, 2023		**December 31, 2022**
Trade				
0 - 30 days	$	415	$	377
31 - 60 days		191		6
61 - 90 days		492		37
> 90 days		18,938		16,013
	$	20,036	$	16,433

9. Debt

9.1 Other loans

		September 30, 2023		December 31, 2022
Current	$	1,202	$	4,008
Non-current		13,883		12,230
	$	15,085	$	16,238

As at September 30, 2023, the balances are unsecured and bearing interest of 0%-36% (December 31, 2022: 0% - 36%) per annum. Approximately CAD $1,202,000 (December 31, 2022: CAD $4,008,000) have a maturity date within one year.

Included in the above balance is approximately CAD $13,883,000 (December 31, 2022: $13,966,000) for which the Group and an independent Hong Kong-based investment holding company entered into loan agreements and under which the Group provided Renminbi ("CNY") loan and received Hong Kong dollar ("HKD") loan from the investment holding company. The Group has to repay HKD to receive CNY from the investment holding company.

9.2 Senior notes

On April 24, 2020, the Company and the Forbearing Holder confirmed the signing of the Forbearance Reinstatement and Amending Agreement (the "**FRAA**"). The principal terms of the FRAA include:

- The FRAA covers the period from December 31, 2019 to August 31, 2021 ("Period of Forbearance);
- Same as the Forbearance Reinstatement and Amending Agreement executed on November 1, 2018, all outstanding amounts (principal and interests) will continue to be accrued at an interest of 10% per annum until August 31, 2021, 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.

On August 8, 2021, the Company and the Forbearing Holder confirmed the signing of the Forbearance Reinstatement and Amending Agreement (the "**FRAA**"). The principal terms of the FRAA include:

- The FRAA covers the period from September 1, 2021 to August 31, 2023 ("Period of Forbearance);
- 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.

On September 28, 2021 (Calgary time), the Company and the Forbearing Holder entered into the interest waiver agreement pursuant to which the Forbearing Holder agreed to unconditionally and irrevocably waive the interest accrued between January 1, 2021 to December 31, 2021 at 10.0% per annum on the outstanding amounts (principal and interests) under the FRAA dated April 24, 2020 (the "Waiver of Interest") which amounted to USD $31.5 million. Save as the Waiver of Interest, all other terms and conditions as stipulated in the FRAA remain unchanged.

On May 12, 2022, the Company and the Forbearing Holder entered into the interest waiver agreement pursuant to which the Forbearing Holder agreed to unconditionally and irrevocably waive the interest accrued between January 1, 2022 to December 31, 2022 at 10.0% per annum on the outstanding amounts (principal and interests) under the FRAA dated August 8, 2021 (the "Waiver of Interest") which amounted to US$31.5 million. Save as the Waiver of Interest, all other terms and conditions as stipulated in the FRAA remain unchanged.

On February 16, 2023, the Group and the Forbearing Holder entered into an interest waiver agreement pursuant to which the Forbearing Holder agreed to unconditionally and irrevocably waive the interest accrued between January 1, 2023 and December 31, 2023 (the "Waiver of Interest"). Based on the Forbearance Reinstatement and Amending Agreement ("FRAA") dated August 8, 2021, the waived interest calculated at 10.0% per annum on the outstanding amounts (principal and interests) amounted to approximately US$31.5 million. Save as the Waiver of Interest, all other terms and conditions as stipulated in the FRAA remain unchanged.

On August 8, 2023 (Calgary time), the Company and the Forbearing Holder confirmed the signing of the Forbearance Reinstatement and Amending Agreement (the "**FRAA**"). The principal terms of the FRAA include:

- The FRAA covers the period from September 1, 2023 to August 31, 2025 ("Period of Forbearance");
- Same as the Forbearance Reinstatement and Amending Agreement executed on August 8, 2021, all outstanding amounts (principal and interests) will continue to be accrued at an interest of 10% per annum until August 31, 2025, unless otherwise waived in separate interest waiver agreements. 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 are in the interests of the Company and its shareholders as a whole in view that the FRAA will provide the Company with additional time to repay or refinance the indebtedness owned by the Company to the Noteholders under the Notes, whilst at the same time the financing cost has been substantially lowered to a reasonable market level.

The Board also believes the entering into of the Interest Waiver Agreements are in the interests of the Company and its shareholders as a whole given that the Interest Waiver Agreements will substantially reduce the liability and lower the gearing ratio of the Company.

10. Provisions

Decommissioning obligations, non-current		**September 30, 2023**		**December 31, 2022**
Balance, beginning of year	$	44,144	$	54,770
Effect of changes in estimates		(2,356)		(11,864)
Unwinding of discount rate		1,076		1,238
Balance, end of period	$	42,864	$	44,144

As at September 30, 2023, the Group's share of the estimated total undiscounted cash flows required to settle asset decommissioning obligations was $71.4 million (December 31, 2022 - $73.0 million). Expenditures to settle asset decommissioning obligations are estimated to be incurred up to 2040. Decommissioning costs are based on estimated costs to reclaim and abandon crude oil properties and the estimated timing of the costs to be incurred in future years, discounted using an annual risk-free rate from 3.58% to 4.77% per annum and inflated using an inflation rate of 2.0% per annum.

11. Income taxes

The components of the net deferred income tax asset are as follows:

		September 30, 2023		**December 31, 2022**
Deferred tax assets (liabilities)				
Exploration and evaluation assets and property, plant and equipment	$	(71,825)	$	(71,242)
Decommissioning liabilities		9,859		10,153
Share issue costs		125		27
Non-capital losses		244,435		246,680
Total Debt		-		-
Deferred tax benefits not recognized		(182,594)		(185,618)
	$	-	$	-

12. Share capital

The Group's authorized share capital is as follows:

- an unlimited number of Class "A" and Class "B" voting common shares without par value; and
- an unlimited number of Class "C", Class "D", Class "E" and Class "F" non-voting common shares without par value; and,
- an unlimited number of Class "G" and Class "H" non-voting preferred shares.

Issued and fully paid (after share consolidation)	**September 30, 2023**		**December 31, 2022**	
	Number of shares	$	Number of shares	$
Balance, beginning of year	243,478,681	1,315,265	243,478,681	1,315,265
Issue of Shares – general mandate	-	-	-	-
Director Share Arrangement	-	-	-	-
Share issue costs, net of deferred tax ($Nil)	-	-	-	-
Balance, end of period	243,478,681	1,315,265	243,478,681	1,315,265

Common shares consist of fully paid Class "A" common shares, which have no par value, carry one vote per share and carry a right to dividends.

General mandate

2023 activity

There was no purchase, sale or redemption of Sunshine's listed securities as of September 30, 2023.

13. Share-based compensation

13.1 Employee stock option plan

Post-IPO Stock Option Plan

The maximum number of Class "A" common shares that may be reserved for issuance pursuant to the Post-IPO Stock Option Plan is 10% of the total number of issued and outstanding shares, less the maximum aggregate number of shares underlying the options already granted pursuant to the Pre-IPO Stock Option Plan. Options granted under the Post-IPO Stock Option Plan have an exercise price that is determined by the Board of Directors but is not less than the higher of: the closing price on the Stock Exchange of Hong Kong on the option offer date, which must be a business day; the volume weighted average trading price (VWAP) of the shares on the Stock Exchange of Hong Kong for the five trading days immediately preceding the option offer date; and the average closing price of the shares on the Stock Exchange of Hong Kong for the five trading days immediately preceding the option offer date. .

13.2 Movements in stock options

The following reconciles the stock options outstanding at the beginning and end of each period:

	September 30, 2023		**December 31, 2022**	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Balance, beginning of period	6,500,000	1.96	6,580,000	1.96
Granted	-	-	-	-
Forfeited	-	-	-	-
Expired	(6,300,000)	2.00	(80,000)	2.50
Balance, end of period	200,000	0.60	6,500,000	1.96
Exercisable, end of period	200,000	0.60	6,500,000	1.96

As at September 30, 2023, stock options outstanding have a weighted average remaining contractual life of 0.94 years (December 31, 2022: 0.55 years).

13.3 Share-based compensation

Share-based compensation has been recorded in the Condensed Consolidated Interim financial statements for the years presented as follows:

	Three months ended September 30, 2023			Three months ended September 30, 2022		
	Expensed	Capitalized	Total	Expensed	Capitalized	Total
Stock options	$ -	$ -	$ -	$ -	$ -	$ -

	Nine months ended September 30, 2023			Nine months ended September 30, 2022		
	Expensed	Capitalized	Total	Expensed	Capitalized	Total
Stock options	$ -	$ -	$ -	$ -	$ -	$ -

14. Revenue

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Petroleum sales	$ 49	$ 7,765	$ 18,305	$ 8,354
Royalties[1]	2	(676)	(309)	(696)
Petroleum sales, net of royalties	$ 51	$ 7,089	$ 17,996	$ 7,658

1. Royalties include Oil sands royalty paid to the Government of Alberta and royalty paid to Burgess Energy Holdings.

All revenue from contracts with customers is derived from Canada and recognized at a point in time.

Revenues associated with the sale of crude oil are recognized at a point in time when control of goods have transferred, which is generally when title passes from the Group to the customer. Revenues are recorded net of crown royalties. Crown royalties are recognized at the time of production.

The royalty rate at West Ells is based on price sensitive royalty rates set by the Government of Alberta. The applicable royalty rates change dependent upon whether a project is pre-payout or post-payout, with payout being defined as the point in time when a project has generated enough net revenues to recover its cumulative costs. The royalty rate applicable to pre-payout oil sands operations starts at 1% of bitumen sales and increases for every dollar that the WTI crude oil price in Canadian dollars is priced above $55 per barrel, to a maximum of 9% when the WTI crude oil price is $120 per barrel or higher. The West Ells project is currently in pre-payout.

Revenue is allocated to each performance obligation on the basis of its standalone selling price and measured at the transaction price, which is the fair value of the consideration and represents amounts receivable for goods or services provided in the normal course of business. The price is allocated to each unit in the series as each unit is substantially the same and depicts the same pattern of transfer to the customer.

The Group's petroleum sales are determined pursuant to the terms of the marketing agreements and spot sales agreements. The transaction price for crude oil is based on the commodity price in the month published during the delivery month and adjusted for premiums, quality adjustments and equalization adjustments. Commodity prices are based on market indices that are determined on a daily or monthly basis. Petroleum sales are received one month after the crude oil is produced and shipped and typically collected on the 25th day of the month following production.

15. Segment information

The Group operates in one business unit based on their products, and has one reportable and operating segment: mining, production and sales of crude oil products. The directors of the Company monitor the revenue of its business unit as a whole based on the monthly sales and delivery reports for the purpose of making decisions about resource allocation and performance assessment.

Information about geographical area

As all of the Group's revenue is derived from the customers based in the Canada (country of domicile) and majority of the Group's non-current assets are located in Canada, no geographical information is presented.

Information about major customers

Gross revenue from customers contributing over 10% of the total gross revenue of the Group is as follows:

	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Customer A	$ 13,429	$ 7,637
Customer B	4,694	-

Customer A contributed 73.4% of the group's revenue (September 30 2022: 99.7 %)

16. Other income

	Three months ended September 30, 2023	Three months ended September 30, 2022	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Interest income	$ 2	$ 1	$ 5	$ 4
Other Income[1]	4,572	10,795	7,253	$ 31,434
Balance, end of period	$ 4,574	$ 10,796	$ 7,258	$ 31,438

1. For the three and nine months ended September 30, 2023, an aggregate amount of approximately CAD $3.5 million and CAD $5.0 million were recognised in other income in relation to the Amended Royalty agreement with BEH.

17. General and administrative costs

	Three months ended September 30, 2023	Three months ended September 30, 2022	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Salaries, consultants and benefits	$ 1,328	$ 1,001	$ 4,635	$ 3,733
Rent	24	214	40	322
Legal and audit	215	37	504	673
Other	1,467	1,276	4,491	3,945
Balance, end of period	$ 3,034	$ 2,528	$ 9,670	$ 8,673

18. Finance costs

	Three months ended September 30, 2023	Three months ended September 30, 2022	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Interest expense on senior notes, including yield maintenance premium	$ 292	$ 10,806	$ 875	$ 31,510
Interest expense on other loans	77	218	381	480
Interest expense on loan from related companies and a shareholder	1,892	1,618	4,934	3,840
Other Interest expenses-leases and others	50	17	175	77
Unwinding of discounts on provisions	357	344	1,076	893
Balance, end of period	$ 2,668	$ 13,003	$ 7,441	$ 36,800

19. Profit (Loss) per share

The calculation of basic profit (loss) per share attributable to owners of the Company is based on the (loss) for the period attributable to owners of the Company of approximately CAD ($21,514,000) (Restated 2022: CAD $425,429,000 profit) and the weighted average number of Class “A” common shares in issue during the periods as presented in the following table.

	Nine months ended September 30, 2023	Restated[1] 2022
Basic and diluted – Class “A” common shares	243,478,681	243,478,681
Profit (loss) per share	$ (0.09)	$ 1.75

1. The 2022 comparative period in the table above have been restated. Please refer to Note 27 of the amended and restated unaudited Q3 2022 Consolidated Interim Financial Statements for full details.

20. Capital and financial risks management

20.1 Capital risk management

The Group can be exposed to financial risks on its financial instruments and in the way that it finances its capital requirements. The Group manages these financial and capital structure risks by operating in a manner that minimizes its exposure to volatility.

The Group’s strategy is to access sufficient capital, through equity issuances and the utilization of debt, in order to maintain a capital base for the objectives of maintaining financial flexibility and to sustain the future development of the business. The Group manages its capital structure in order to continue as a going concern and makes adjustments relative to changes in economic conditions and the Group’s risk profile. In order to manage risk, the Group may from time to time issue shares and adjust its capital spending to manage current working capital levels.

The Group’s capital structure currently includes shareholders’ equity and working capital deficiency as follows:

	September 30, 2023	December 31, 2022
Working capital deficiency	$ 94,082	$ 511,583
Shareholders’ equity	88,272	110,009
	$ 182,354	$ 621,592

There is no change in the Group’s objectives and strategies of capital management for the nine months ended September 30, 2023.

20.2 Categories of financial instruments

The Group’s financial assets and liabilities include trade and other receivables, loan receivables, cash and cash equivalents, trade payables, interest payables and accrued liabilities, loans from related companies, loans from a shareholder, other loans, senior notes and interest payables. The carrying value or fair value of the Group’s financial instruments carried on Condensed Consolidated Interim Statements of Financial Position are classified in the following categories:

	September 30, 2023		December 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at amortised cost	$ 15,975	$ 15,975	$ 18,426	$ 18,426
Financial liabilities				
Financial liabilities at amortised cost	$ 606,534	$ 606,534	$ 592,364	$ 592,364

20.3 Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input. The directors of the Company consider that the carrying amounts of the financial assets and financial liabilities recorded at amortised cost using the effective interest rate method in the consolidated financial statements approximate their fair values.

20.4 Currency risk

The Group is exposed to risks arising from fluctuations in foreign currency exchange rates. Thus, exchange rate fluctuations can affect the fair value of future cash flows. This exposure primarily relates to certain expenditure commitments, deposits, accounts payable and long term debt which are denominated in United States dollars (“USD”) and Hong Kong dollars (“HKD”). The Group manages this risk by monitoring foreign exchange rates and evaluating their effects on using Canadian or U.S. vendors as well as timing of transactions. The Group had no forward exchange rate contracts in place as at or during the Nine months ended September 30, 2023.

If exchange rate to convert from USD to CAD had been one percent higher or lower with all other variables held constant, foreign cash held at September 30, 2023 would have been impacted by $Nil (September 30, 2022: $Nil) and the carrying value of the debt at September 30, 2023 would have been impacted by $2.7 million (September 30, 2022: $2.7 million).

If exchange rate to convert from HKD to CAD had been one percent higher or lower with all other variables held constant, foreign cash held at September 30, 2023 would have been impacted by Nil (September 30, 2022: $Nil) and the carrying value of the debt at September 30, 2023 would have been impacted by $0.5 million (September 30, 2022: $0.4 million).

The following table summarizes the components of the Group’s foreign exchange (gains)/ losses:

	Three months ended September 30,		Nine months ended September 30,	
	2023	**2022**	**2023**	**2022**
Unrealized foreign exchange loss/(gain) on translation of:				
USD denominated senior secured notes	$ 9,234	$ 27,033	$ (786)	$ 33,873
HKD denominated loan	1,216	2,722	(802)	2,757
Foreign currency denominated cash balances	40	61	135	85
Foreign currency denominated accounts payable balances	197	(60)	139	(339)
	10,687	29,756	(1,314)	36,376
Realized foreign exchange loss/(gain)	48	4	49	5
Total foreign exchange loss/(gain)	$ 10,735	$ 29,760	$ (1,265)	$ 36,381

20.5 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group’s approach to managing liquidity risk is to plan that it will have sufficient liquidity to meet its liabilities when due, using either equity or debt proceeds.

The timing of cash outflows relating to financial liabilities as at September 30, 2023, are as follows:

	Total	Less than 1 year	1-3 years
Trade and accrued liabilities	$ 253,009	$ 73,216	$ 179,793
Debt[1]	355,563	26,597	328,966
	$ 608,572	$ 99,813	$ 508,759

1. Principal amount of Notes and loans based on the month end exchange rate of $1 US = 1.3520 CAD and $1HKD = $0.1726 CAD.

21. Related party transactions

In addition to the transactions and balances disclosed elsewhere in these Condensed Consolidated Interim financial statements, during the year, the Group entered into the following material related party transactions.

21.1 Trading transactions

For the Nine months ended September 30, 2023, a consulting Group, to which a director of Sunshine is related, charged the Group $0.4 million (December 31, 2022 – $0.5 million) for management and advisory services.

As at September 30, 2023, Mr. Kwok Ping Sun, the Company's Executive Chairman, has beneficial ownership of, or control or direction of 150,232,591 common shares of the Company, which represents approximately 61.70% of the Company's outstanding common shares.

21.2 Compensation of key management personnel and directors

The remuneration of the directors and key management executives is determined by the Compensation Committee and consists of the following amounts:

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Directors' fees	$ 78	$ 72	$ 258	$ 251
Salaries and allowances	491	566	1,474	1,699
Share-based compensation	-	-	-	-
	$ 569	$ 638	$ 1,732	$ 1,950

21.3 Related companies' loans

	September 30, 2023	December 31, 2022
Current	$ 14,077	15,200
Non-current	43,533	38,744
	$ 57,610	$ 53,944

As at September 30, 2023, the Group had loans from related companies which are unsecured, interest bearing at 10% per annum, and of which approximately CAD $57,610,000 can be rollover for a period of 2 to 3 years (December 31, 2022: CAD $53,944,000).

21.4 Loan from a shareholder

As at September 30, 2023, the Group had loans from a shareholder which are unsecured, interest bearing at 10% per annum, and of which approximately CAD $12,267,000 expected to be settled in 2025 (December 31, 2022: CAD $12,342,000).

22. Commitments and contingencies

22.1 Commitments

As at September 30, 2023, the Group's commitments are as follows:

At September 30, 2023	Total	2023	2024
Drilling, other equipment and contracts not provided in the consolidated financial statements	61	12	49
	$ 61	12	49

Note: The Group has an annual obligation for oil sands mineral lease rentals and surface lease rentals. Annual payment is approximately CAD 1,500,000.

22.2 Litigation

The Group received a demand notice from the Regional Municipality of Wood Buffalo ("RMWB") in relation to the 2016-2023 municipal property taxes and have accrued up to September 30, 2023 which amounted to a total of CAD $14.7 million. The Group was also charged with overdue penalties of CAD $14.8 million. Since then the Group was in active negotiation with RMWB for a settlement plan with proposals to waive overdue penalties. As at the date of this report, the Group believes that notices issued by RMWB relating to property taxes did not comply with relevant legislation and the Group has sought judicial review to determine the effect of non-compliant tax notices on RMWB's property tax claim.

The Group is involved in various claims including claims described above and actions arising in the course of operations and is subject to various legal actions, pending claims and exposures. Litigation is subject to many uncertainties, and the outcome of individual matters is not predictable with assurance. Unfavorable outcome were to occur against such claims or pending claims, there exists the possibility of a material adverse impact on the Group's consolidated net income or loss in the period in which the outcome is determined. Accruals for litigation, claims and assessments are recognized if the Group determines that the loss is probable and the amount can be reasonably estimated. The Group believes it has made adequate provision for such claims. While fully supportable in the Group's view, some of these positions, if challenged may not be fully sustained on review. From time to time, the Group receives liens or claims on accounts payable balances, and the Group continues to work toward resolution of any liens or claims. At September 30, 2023, the Group had incurred $0.82 million (US $0.61 million equivalent using the period end exchange rate) in Builders' liens (not related to mineral leases) against them during the ordinary course of business.

The group received a judgment from the Court of the State of New York, New York County (the "Judgment") that the Company shall pay the Non-forbearing holder all the amounts due and owing on the Senior Notes issued under the notes indenture dated 8 August 2014 (including principal and interests) in an aggregate amount of approximately US$15,481,000 (equivalent to approximately CAD $20,950,000). On May 25, 2023, the group received notice from Supreme Court of the State of New York that the Judgment is vacated. On 27 July 2023 (New York time), the Non-forbearing holder has filed a renewed motion for summary judgment in lieu of complaint. The Company has filed an opposition in response of the Non-forbearing holder's renewed motion on 31 August 2023. A hearing is expected to be held in the New York Court in due course.

23. Subsidiaries

On May 4, 2012, Sunshine Oilsands (Hong Kong) Limited was incorporated in Hong Kong and is a wholly-owned subsidiary of the Company. The address of its principal place of business is 20/F, Two Chinachem Central, No.26 Des Voeux Road Central, Hong Kong.

On July 14, 2015, Boxian Investments Limited was incorporated in the British Virgin Islands and is a wholly-owned subsidiary of the Company. The address of its principal place of business is P.O. Box 957, Offshore Incorporation Centre, Road Town, Tortola, British Virgin Islands. The purpose of the subsidiary is to pursue new investment opportunities.

On March 24, 2017, Sang Xiang Petroleum & Chemical (Shanghai) Limited was incorporated in China and is a wholly-owned subsidiary of the Company. The address of its principal place of business is Building 1, Level 6, Room 41, 39 Jia Tai Road, the China (Shanghai) Pilot Free Trade Zone.

On April 15, 2019, Sang Xiang Petroleum & Chemical (Hebei) Limited was incorporated in China and is a subsidiary in which the Company owns 51% interests. The address of its principal place of business is Techno Building, Level 4, Room 0430, Chengde Hi-Tech Industry Development Zone, Hebei Province.

24. Supplemental cash flow disclosures

		Three months ended September 30, 2023		2022		Nine months ended September 30, 2023		2022
Cash provided by (used in):								
Trade and other receivables	$	4,243	$	(3,160)	$	1,824	$	(4,170)
Prepaid expenses and deposits		407		(1,170)		1,465		(1,915)
Trade and other payables		(683)		2,992		6,922		8,083
Foreign Exchange changes		(2)		(198)		113		(477)
	$	3,965	$	(1,536)	$	10,324	$	1,521
Changes in non-cash working capital relating to:								
Operating activities								
Trade and other receivables	$	4,243	$	(3,160)	$	1,824	$	(4,170)
Prepaid expenses and deposits		407		(1,170)		1,465		(1,915)
Trade and other payables		(685)		2,794		7,035		7,609
	$	3,965	$	(1,536)	$	10,324	$	1,524
Investing activities								
Property, plant and equipment	$	-	$	-	$	-	$	(3)
	$	-	$	-	$	-	$	(3)
Financing activities								
Foreign Exchange Changes-Loans	$	-	$	-	$	-	$	-
Debt settlement		-		-		-		-
	$	-	$	-	$	-	$	-
	$	3,965	$	(1,536)	$	10,324	$	1,521

25. Subsequent events

On October 10, 2023, Sunshine entered into the Amended Supplementary Agreement (the “Amended Supplementary Agreement”) with Renergy, pursuant to which, the Outside Date of the joint operating agreement (“JOA”), its supplementary agreement as well as other supporting agreements (collectively, the “Agreements”) is further extended from October 20, 2023 to October 20, 2025 (the “New Outside Date”). Prior to the New Outside Date, Renergy continues to be responsible for all expenditures in Muskwa and Godin. The JOA will not set a capital expenditure target or commitment cap. If Renergy fails to fulfill the production level of 500 barrels per day for any consecutive 20 days on or before the New Outside Date, Renergy’s working interest will be forfeited on the New Outside Date.

26. Approval of Condensed Consolidated Interim Financial Statements

The Condensed Consolidated Interim Financial Statements were approved by the Board of Directors and authorized for issue on November 9, 2023 (Calgary Time) /November 10, 2023 (Hong Kong Time).

Appendix to the consolidated financial statements (Unaudited)

Additional Stock Exchange Information

Additional information required by the SEHK and not shown elsewhere in these Condensed Consolidated Interim financial statements is as follows:

A1. Sunshine Oilsands Ltd. Non-Consolidated Statement of Financial Position

	Notes	2023	2022
		CAD'000	CAD'000
Asset			
Current assets			
Trade and other receivables		4,800	8,074
Loan receivables		-	1,514
Cash and cash equivalents		29	322
		4,829	9,910
Non-current assets			
Exploration and evaluation assets		236,566	235,044
Property, plant and equipment		479,061	485,053
Right-of-use assets		1,950	1,172
Other receivables		-	-
Loan receivables		12,081	11,347
Amounts due from subsidiaries		16,367	14,871
		746,025	747,487
Total Asset		750,854	757,397
Liabilities and Shareholders' Equity			
Current liabilities			
Trade payables, interest payable and accrued liabilities		72,901	233,024
Lease liabilities		502	391
Loans from related companies		13,686	14,246
Other loans		1,202	4,008
Senior notes		10,816	269,040
Amount due to subsidiaries		2,736	2,756
		101,843	523,465
Non-current liabilities			
Interest payables		176,903	5,241
Lease liabilities		1,536	811
Loans from related companies		34,947	30,260
Loan from a shareholder		12,267	12,342
Other loans		13,883	12,230
Senior notes		257,747	-
Provisions		42,864	44,144
		540,147	105,028
Total liabilities		641,990	628,493

Shareholders' Equity		
Share capital	1,315,265	1,315,265
Reserve for share-based compensation	76,416	76,416
Capital reserve	(4,453)	(4,453)
Exchange fluctuation reserve	(1,042)	(1,042)
Accumulated Deficit	(1,277,321)	(1,257,282)
Total shareholders' equity	108,865	128,904
Total Liabilities and Shareholders' Equity	750,854	757,397

Appendix to the Condensed Consolidated Interim Financial Statements (Unaudited)

A2. Directors' emoluments and other staff costs

The Directors' emoluments and other staff costs are broken down as follows:

	Three months ended September 30, 2023	Three months ended September 30, 2022	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Directors' emoluments				
Directors' fees	$ 78	$ 72	$ 258	$ 251
Salaries and allowances	491	566	1,474	1,699
Share-based compensation	-	-	-	-
	569	638	1,732	1,950
Other staff costs				
Salaries and other benefits	759	363	2,903	1,783
Share-based compensation	-	-	-	-
	759	363	2,903	1,783
Total staff costs, including directors' emoluments	1,328	1,001	4,635	3,733
Less: staff costs capitalized to qualifying assets	-	-	-	-
	$ 1,328	$ 1,001	$ 4,635	$ 3,733