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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)

**VOLUNTARY ANNOUNCEMENT
FINANCIAL ASSISTANCE FROM A SUBSTANTIAL SHAREHOLDER**

This announcement is made by Sunshine Oilsands Ltd. and its group 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 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.

Sun Kwok Ping
Executive Chairman

Hong Kong, August 24, 2017
Calgary, August 24, 2017

As at the date of this announcement, the Board consists of Mr. Kwok Ping Sun, Mr. Hong Luo, Mr. Qiping Men 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. Raymond Shengti Fong, Mr. Jeff Jingfeng Liu, Ms. Joanne Yan and Mr. Yi He as independent non-executive directors.

**For identification purposes only*

The Board wishes to announce that on August 24, 2017 (Hong Kong time), a Shareholder's Loan Agreement was entered into between Prime Union as lender and Sunshine as borrower, pursuant to which the lender will provide a Loan to Sunshine. Prime Union is a company directly wholly owned by Mr. Kwok Ping Sun who is a substantial shareholder and the Executive Chairman of the Corporation.

As at the date of this announcement, the lender and its associates held approximately 22.98% of the issued share capital of the Company in aggregate and are therefore connected persons of the Company. Accordingly, the Shareholder's Loan Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. However, the Board considers that as (i) the Shareholder's Loan Agreement has been entered into after arm's length negotiations between the Company and the lender and determined on normal commercial terms or better and (ii) the Loan is not secured by any assets of the Group, the Loan is fully exempted from the independent Shareholders' approval, annual review and all disclosure requirements under Rule 14A.90 of the Listing Rules. This announcement is made by the Company on a voluntary basis.

The Board is pleased to announce that on August 24, 2017 (Hong Kong time), the Shareholders' Loan Agreement was entered into between Prime Union as lender and the Company as borrower, pursuant to which the lender agreed to provide a term loan to the Company in the aggregate amount of HK\$14,058,885 (the "**Loan**"). Prime Union is a company directly wholly owned by Mr. Kwok Ping Sun who is a substantial shareholder and the Executive Chairman of the Corporation. The principal terms of the Shareholders' Loan Agreement are set out as follows:

THE SHAREHOLDERS' LOAN AGREEMENT

Date:	August 24, 2017 (Hong Kong time)
Lender:	Prime Union Investments Limited, a company incorporated in the B.V.I. with limited liability, which is directly wholly owned by Mr. Kwok Ping Sun, the Executive Chairman of the Company. Prime Union is engaged in investment holding.
Borrower:	the Company
Drawdown Date:	August 24, 2017
Principal Amount:	HK\$14,058,885
Interest Rate:	6% per annum, payable at the Interest Payment Date
Interest Payment Date:	Final Repayment Date
Term:	3 months from the Drawdown Date

Final Repayment Date:	November 23, 2017
Early Repayment:	the Company will be entitled to early repay any time before the Final Repayment Date, all or any part of the Loan then outstanding together with the accrued interest thereon, upon giving not less than three (3) business days' prior notice to the lender
Repayment:	The Loan (including all accrued interest and any amounts payable under the Shareholders' Loan Agreement) shall be repaid on the Final Repayment Date
Use of Proceeds:	(i) for general working capital of the Group and (ii) as funds for future development of the existing business of the Group, including funding the operation costs of the West Ells project

REASONS FOR AND BENEFITS OF ENTERING INTO THE SHAREHOLDERS' LOAN AGREEMENT

The Directors (including the independent non-executive Directors) consider that the Loan will be used for (i) general working capital of the Group and (ii) as funds for future development of the existing business of the Group, including funding the operation costs of the West Ells project.

The Directors (including the independent non-executive Directors) are of the view that the Shareholders' Loan Agreement has been entered into after arm's length negotiations and on normal commercial terms or better.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the lender and its associates held approximately 22.98% of the issued share capital of the Company in aggregate and are therefore connected persons of the Company. Accordingly, the Shareholders' Loan Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. However, the Board considers that as (i) the Shareholders' Loan Agreement has been entered into after arm's length negotiations between the Company and the lender and determined on normal commercial terms or better and (ii) the Loan is not secured by any assets of the Group, the Loan is fully exempted from the shareholders' approval, annual review and all disclosure requirements under Rule 14A.90 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"Board"	the board of Directors
"BVI"	the British Virgin Islands
"the Company" or "Sunshine"	Sunshine Oilsands Ltd., a company incorporated under the Business Corporations Act of the Province of Alberta, Canada with limited liability, the common shares of which are listed on the main board of the Hong Kong Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the directors of the Company
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	the Stock Exchange of Hong Kong Limited
"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"Mr. Sun"	Mr. Kwok Ping Sun, the Executive Chairman and a substantial shareholder of the Company, who directly or indirectly holds 1,318,881,500 Shares (including share options), representing approximately 24.02% of the issued and outstanding Shares of the Company as at the date of this announcement
"PRC"	the Peoples' Republic of China
"Share(s)"	the Class "A" common voting share(s) in the issued share capital of the Corporation
"Shareholder(s)"	holder(s) of Share(s)
"substantial shareholder"	has the meaning ascribed to it in the Listing Rules
"%"	per cent.

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, 2016 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.