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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 Corporation Act of the Province of Alberta, Canada with limited liability)
(HKEX: 2012)

UPDATE IN RELATION TO THE DISCLAIMER OF OPINION ON GOING CONCERN SET OUT IN THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Reference is made to the announcement of the Company (HKEX: 2012) dated August 8, 2025 and August 15, 2025 (the "**Announcements**") in relation to the Company's business update. Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meaning as defined in the Announcements.

The announcement was meant to be an update in relation to the disclaimer of opinion solely on the going concern basis of preparation of financial statements ("**going concern**") for the year ended 31 December 2024 (the "**Disclaimer of Opinion**") and management's separate assessment on going concern as set out in the annual report of the Company (the "**Annual Report**") published on 30 April 2025 with details of upcoming plans of corporate actions and capital raise. The Company would like to provide an update to the items discussed in the Announcements:

1) By now, the Company has carried out the following repair and maintenance:

a) Replacement of leaking steam valves ;

b) Engaged consultants to perform a pipeline engineering assessment and valve failure analysis and develop a solution to ensure proper pipeline maintenance according to AER's established pipeline management guidelines; and

c) Developed a reasonable care plan to prevent impairment or damage of the wells, pipelines, facilities, and sites meanwhile.

The Company is in the process of bypassing the economizer of one of its turbine to restore boiler function and is yet to complete. Meanwhile the Company is waiting for AER's decision regarding hydro-testing due to the weather conditions.

**For identification purposes only*

The repair and maintenance work required by the AER includes, amongst other things, repair of tank with leakages and insufficient containment, manage vegetation to mitigate fire risk by reducing the availability of flammable fuels, repair of turbine steam generators and leak detection installation on pipelines. It could be hard to estimate the cost of the repair and maintenance as: a) consultants need to be hired to determine the route for repair and the scope of repair could change based on their assessments; b) most vendors are only interested to provide a quote after the Company pays up certain deposits especially for those which involve consultants or involve write-up of plans.

2) As mentioned in the Announcements, the Company anticipates that it will be able to raise funds within two months after the NAA to fund the required R&M work. The Company believes that such expectation remain valid. On 5 November 2025, the Company separately announced that it is intended to complete the 140 million share issuance under specific mandate transaction before the NAA.

3) The Company remains committed in getting external financing. For the benefit of its fund raising exercise, the Company has been reducing its leverage by settlement with creditors through equity issuance. The gearing ratio has since then reduced from 2,629% as of 2Q25 to 1937% by end of 3Q25.

4) The appeal and stay application regarding AER's notice dated 12 May 2025 has been filed on 15 May 2025 and the application was accepted in 24 June 2025. A hearing panel has already been established by AER internally. Meanwhile the hearing process is being set. The AER has also issued a notice for hearing to involving parties in order to set the hearing process. The commissioner will hear substantive issues of the case. A decision will be made within 90 days after the end of the hearing. If the appeal party is not satisfied with the AER decision, it can appeal to the Court of Appeal and pursue further. The Company is still waiting for further notice from the AER as to when a hearing will be scheduled but is aware that a hearing could happen in second quarter of 2026. Meanwhile the Company will continue to raise funds and carry out repair and maintenance work.

Given the likely timing of the hearing, the estimated time for resumption of production is 2H26. However, our estimate is subject to uncertainty due to uncontrollable factors, e.g. market condition for capital raise, schedules of R&M vendors, weather conditions, road conditions, pace of and result of the appeal, etc.

The Company will issue further announcement as and when appropriate.

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

Hong Kong, December 8, 2025
Calgary, December 8, 2025

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. Xijuan Jiang and Mr. Yonglan Chen as non-executive directors; and Mr. Yi He, Mr. Guangzhong Xing and Ms. Jue Pang as independent non-executive directors.

ABOUT SUNSHINE OILSANDS LTD.

The Company is a Calgary based public corporation, listed on the Hong Kong Stock Exchange since March 1, 2012. The Company is focused on the development of its significant holdings of oil sands and heavy oil leases in the Athabasca oil sands region. The Company owns interests in oil sands and petroleum and natural gas leases in the Athabasca region of Alberta. The Company 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.

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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 Company; 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 Company’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 Company’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's website at www.hkexnews.hk or the Company's website at www.sunshineoilsands.com.