

*Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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)**

### **OVERSEAS REGULATORY ANNOUNCEMENT RESERVES AND RESOURCES EVALUATION UPDATE**

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The board of directors (the “**Board**”) of Sunshine Oilsands Ltd. (“**Sunshine**” or the “**Company**”) is pleased to announce an update to its reserves and resources evaluation for its Reserves and its Best Estimate Contingent Resources as at May, 31 2012, which is made in compliance with and pursuant to National Instrument 51-101 of the Canadian Securities Administrators (“**NI 51-101**”). The updated evaluation demonstrated an increase in Best Estimate Contingent Resources by 62% to approximately 5 Billion Barrels (an increase of 1.9 billion barrels since November 30, 2011) and an increase in 2P Reserves to 445 million barrels.

Sunshine’s Proved and Probable Reserves plus Best Estimate Contingent Resources have been independently evaluated and have increased substantially above our previous evaluation results as at November 30, 2011.

#### **Estimate of Resources**

Sunshine’s May 31, 2012 mid-year reserves and resources estimates are described and summarized below:

- 80 million barrels of 1P reserves with an aggregate pre-tax PV10% value of Cdn \$312 million;
- 445 million barrels of 2P Reserves with an aggregate pre-tax PV10% value of Cdn \$918 million;
- 603 million barrels of 3P reserves with an aggregate pre-tax PV10% of Cdn \$1.6 billion; and
- Approximately 5 billion barrels of Best Estimate Contingent Resources with an aggregate pre-tax PV10% value of Cdn \$6.9 billion.

	Reserves (MMbbls)			Contingent Resources (MMbbls)	Pre Tax PV10% (\$MM CAD)			
	1P	2P	3P	Best Estimate	1P	2P	3P	Best Estimate
Total Clastics	78	440	597	3,610	308	904	1,532	5,141
Total Carbonates	-	-	-	1,345	-	-	-	1,739
Total Conventional Heavy Oil	2	5	6	-	4	14	23	-
Combined Total	80	445	603	4,955	312	918	1,555	6,880

The aggregate associated pre-tax discounted cash flows from the independent evaluators for Best Estimate Contingent Resources of approximately 5 billion barrels (increase of 1.9 billion barrels), (PV10%) is Cdn \$6.9 billion, representing growth of 36% (Cdn \$1.8 billion) since November 30, 2011.

Proved Reserves were evaluated at 80 million barrels, representing growth of 78 million barrels while aggregate Proved plus Probable Reserves recognition increased by 26 million barrels to 445 million barrels.

The aggregate pre-tax discounted cash flows for Proved reserves (PV10%) is Cdn \$312 million while Proved plus Probable reserves PV10% value is Cdn \$918 million.

Sunshine realized increases in Best Estimate Contingent Resource recognition in both its clastics and carbonates categories. Clastics Best Estimate Contingent Resources recognition increased by 1.2 billion barrels to 3.6 billion barrels primarily due to Harper, Opportunity and Pelican Lake additions. Carbonates Best Estimate Contingent Resource recognition increased in Sunshine's Goffer, Muskwa and Portage operating areas, adding over 700 million barrels since November 30, 2011.

### Qualified Persons

Sunshine Oilsands Ltd.'s reserves and resource reports, effective May 31, 2012, were independently prepared by DeGolyer and MacNaughton Canada Limited and GLJ Petroleum Consultants Ltd.

### Technical Terms:

"1P"	Proved Reserves
"2P"	Proved plus Probable Reserves
"3P"	Proved plus Probable plus Possible Reserves
"Best Estimate"	The value derived by an evaluator using deterministic methods that best represent the expected outcome with no optimism or conservatism. If probabilistic methods are used, there should be at least a 50% probability (P50) that the quantities actually recovered will equal or exceed the best estimate.
"Cdn \$"	Canadian dollars
"Contingent Resources"	Those quantities of petroleum estimated as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies.

## **Additional Information**

This announcement contains estimates of the Company's contingent resources. There is no certainty that it will be commercially viable to produce any portion of the Company's contingent resources. The contingencies which prevent the classification of the resources as reserves are set out in the Company's Annual Information Form dated April 30, 2012 available on the SEDAR website at [www.sedar.com](http://www.sedar.com). The assumptions relating to the Company's reserves and resources are contained in the reports of GLJ Petroleum Consultants Ltd. dated effective May 31, 2012 and DeGolyer and MacNaughton Canada Limited dated effective May 31, 2012. Once the reports are finalized, Sunshine will file a Statement of Reserves Data and Other Oil and Gas Information (in Form 51-101F1) along with the other filings required by NI 51-101, all of which will be available on the SEDAR website.

### **ABOUT SUNSHINE OILSANDS LTD.**

Sunshine Oilsands Ltd. is one of the largest non-partnered holders of oil sands leases by area in the Athabasca oil sands region, which is located in the province of Alberta, Canada. Since the Company's incorporation on 22 February 2007, Sunshine has secured over 464,897 hectares (1,148,785 acres) of oil sands leases (equal to approximately 7% of all granted leases in this area).

The Company's principal operations are the exploration, development and production of its diverse portfolio of oil sands leases. Its principal operating regions in the Athabasca area are at West Ells, Thickwood, Legend Lake, Harper, Muskwa, Goffer, Pelican and Portage. Sunshine's oil sands leases are grouped into three main asset categories: clastics, carbonates and conventional heavy oil.

For further enquiries, please contact:

Sunshine Oilsands Ltd.

**Mr. John Zahary**  
President & CEO

**Mr. David Sealock**  
Executive VP, Corporate Operations

Tel: (1) 403 984 1446  
Email: [investorrelations@sunshineoilsands.com](mailto:investorrelations@sunshineoilsands.com)  
Website: [www.sunshineoilsands.com](http://www.sunshineoilsands.com)

By Order of the Board.  
**Michael John Hibberd**  
Co-Chairman  
and  
**Songning Shen**  
Co-Chairman

Hong Kong, July 5, 2012

*As at the date of this announcement, the Board consists of Mr. Michael John Hibberd and Mr. Songning Shen as executive directors, Mr. Hok Ming Tseung, Mr. Tingan Liu, Mr. Haotian Li and Mr. Gregory George Turnbull as non-executive directors and Mr. Raymond Shengti Fong, Mr. Wazir Chand Seth, Mr. Robert John Herdman and Mr. Gerald Franklin Stevenson as independent non-executive directors.*

*\* For identification purposes only*