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 FIRST QUARTER ENDED MARCH 31, 2025

SUMMARY OF FINANCIAL FIGURES

The Petroleum sales, net of royalties for the three months ended March 31, 2025 decreased to CAD0 million from CAD11.2 million for the three months ended March 31, 2024. . The decrease in net petroleum sales is mainly due to the loss of revenue as a result of equipment maintenance at West Ells in Q1 2025.

The net operating income for the three months ended March 31, 2025 excluding one-off foreign exchange gain (loss), was a net operating loss of CAD1.7 million compared to a net operating gain of CAD0.1 million for the same period in 2024.

The operating cash flow for the three months ended March 31, 2025 was a net loss of CAD1.9 million compared to a net loss of CAD0.5 million for the three months ended March 31, 2024. The increase in operating cash flow deficiency for the three months ended March 31, 2025 was primarily due to the loss of revenue as a result of equipment maintenance at West Ells in Q1 2025.

For Q1 2025, net loss and comprehensive loss attributable to owners of the Company was approximately CAD 9.7 million compared to a loss attributable to owners of the Company of approximately CAD 22.1 million in Q1 2024.

As at March 31, 2025, December 31, 2024 and March 31, 2024, the Company notes the following selected financial figures.

(Canadian $000s)	3M ended 3/31/25	3M ended 3/31/24
Petroleum sales, net of royalties	0	11,192
Average Dilbit sales (bbl/day)	0	1,665.4

(Canadian $000s)	3M ended 3/31/25	3M ended 3/31/24
Net Operating income (loss), excluding one-off foreign exchange gain (loss)	(1,710)	55
Operating cash flow	(1,878)	(481)
Net profit (loss) attributable to owners of the Company	(9,716)	(22,144)

** For identification purposes only*

(Canadian $000s)	**March 31, 2025**	December 31, 2024
Property, plant and equipment	478,027	476,446
Exploration and evaluation assets	239,831	239,259
Shareholders' equity	7,055	16,848

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, May 14, 2025
Calgary, May 14, 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 and Ms. Xijuan Jiang as non-executive directors; and Mr. Yi He, Mr. Guangzhong Xing and Ms. Jue Pang as independent non-executive directors.

阳光油砂
SUNSHINE OILSANDS LTD.

CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2025 and 2024

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.

SUNSHINE OILSANDS LTD.

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

	Notes		March 31, 2025		December 31, 2024
Assets					
Current assets					
Cash and cash equivalents		$	309	$	319
Trade and other receivables	4		16,055		16,177
			16,364		16,496
Non-current assets					
Loan receivables	4		1,504		1,496
Other receivables	4		-		-
Exploration and evaluation	5		239,831		239,259
Property, plant and equipment	6		478,027		476,446
Right-of-use assets	7		5,180		5,326
			724,542		722,527
Total assets		$	740,906	$	739,023
Liabilities and Shareholders' Equity					
Current liabilities					
Trade payables, interest payables and accrued liabilities	8	$	87,889	$	81,863
Other loans	9.1		14,454		15,213
Bonds			1,195		-
Senior notes	9.2		11,501		11,511
Lease liabilities	7		583		575
			115,622		109,162
Non-current liabilities					
Interest payables	8		206,055		204,055
Loans from related companies	21.3		56,325		56,205
Loans from shareholders	21.4		21,688		20,990
Other loans	9.1		4,195		3,890
Senior Notes			274,066		274,315
Lease liabilities	7		363		509
Provisions	10		55,537		53,049
			618,229		613,013
Total liabilities			733,851		722,175
Shareholders' Equity					
Share capital	12		1,318,681		1,318,681
Reserve for share-based compensation	13.3		76,416		76,416
Capital reserve			(4,453)		(4,453)
Exchange fluctuation reserve			(2,300)		(2,300)
Accumulated deficit			(1,379,616)		(1,369,900)
Equity attributable to owners of the Company			8,728		18,444
Non-controlling interests			(1,673)		(1,596)
Total shareholders' equity			7,055		16,848
Total liabilities and shareholders' equity		$	740,906	$	739,023

Going concern (Note 2)
Commitments and contingencies (Note 22)

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)

For the three months ended March 31,	Notes		2025		2024
Revenue					
Petroleum sales, net of royalties	14	$	-	$	11,192
Other income	16		168		536
Foreign exchange gains/(losses)	20.4		513		(12,309)
			681		(581)
Expenses					
Diluent			-		4,942
Transportation			-		2,441
Operating			1,878		4,290
Depletion and depreciation	6,7		184		2,619
General and administrative	17		5,301		4,604
Finance costs	18		3,111		2,740
Impairment (reversal) on exploration and evaluation assets and PP&E			-		-
		$	10,474	$	21,636
Profit (loss) before income taxes			(9,793)		(22,217)
Income taxes	11		-		-
Net profit (loss)			(9,793)		(22,217)
Net profit (loss) attributable to Non-controlling interests			(77)		(73)
Net profit (loss) and total comprehensive profit (loss) attributable to owners of the Company		$	(9,716)	$	(22,144)
Basic and diluted profit (loss) per share	19	$	(0.03)	$	(0.09)

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

SUNSHINE OILSANDS LTD.

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, 2024	$ 1,318,681	$ 76,416	$ (4,453)	$ (2,300)	$ (1,369,900)	$ 18,444	$ (1,596)	$ 16,848
Net profit (loss) and total comprehensive profit (loss) for the period	-	-	-	-	(9,716)	(9,716)	(77)	(9,793)
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)	-	-	-	-	-	-	-	-
Three Months Ended March 31, 2025	$ 1,318,681	$ 76,416	$ (4,453)	$ (2,300)	$ (1,379,616)	$ 8,728	$ (1,673)	$ 7,055

	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, 2023	$ 1,315,265	$ 76,416	$ (4,453)	$ (455)	$ (1,294,508)	$ 92,265	$ (1,218)	$ 91,047
Net profit (loss) and total comprehensive profit (loss) for the period	-	-	-	-	(22,144)	(22,144)	(73)	(22,217)
Exchange fluctuation reserve	-	-	-	-	-	-	-	-
FX gain/loss	-	-	-	-	-	-	-	-
Issue of shares Director Share Arrangement	-	-	-	-	-	-	-	-
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)	-	-	-	-	-	-	-	-
Three Months Ended March 31, 2024	$ 1,315,265	$ 76,416	$ (4,453)	$ (455)	$ (1,316,652)	$ 70,121	$ (1,291)	$ 68,830

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)

For the three months ended March 31	Notes		2025		2024
Cash flows used in operating activities					
Net profit (loss) including non-controlling interests		$	(9,793)	$	(22,217)
Finance costs	18		3,111		2,740
Unrealized foreign exchange (gains)/losses	20.4		(587)		12,308
Other income	16		(2)		(1)
Depletion, depreciation and impairment	6,7		184		2,619
Share-based compensation	13.3		-		-
Movement in non-cash working capital	24		5,848		3,635
Net cash (used in) operating activities			(1,239)		(916)
Cash flows used in investing activities					
Other income received	16		2		1
Proceeds from sale of Assets	6		-		429
Payments for exploration and evaluation assets	5		(121)		(286)
Payments for property, plant and equipment	6		-		115
Movement in non-cash working capital	24		-		-
Net cash (used in) investing activities			(119)		259
Cash flows provided in financing activities					
Proceeds from issue of common shares			-		-
Payments for share issue costs	12		-		-
Payment for finance and interests costs	18		(398)		(60)
Proceeds from other loans	9.1		323		685
Payment for other loans	9.1		(718)		(601)
Proceeds from related companies' loans	21.3		123		15
Repayment of related companies' loans	21.3		(3)		-
Proceeds from shareholders' loans			752		667
Proceeds from Bonds			1,438		-
Payment of lease liabilities			(162)		(178)
Movement in non-cash working capital	24		-		-
Net cash provided by financing activities			1,355		528
Net increase / (decrease) in cash			(3)		(129)
Cash, beginning of period			319		527
Effect of exchange rate changes on cash held in foreign currency	20.4		(7)		(10)
Cash, end of period		$	309	$	388

See accompanying notes to the Condensed Consolidated Interim Financial Statements.

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 Suite 1210 – 635 8th Avenue SW, Calgary, AB T2P 3M3. 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 Company 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. The address of the principal place of business for Sunshine Hebei is Techno Building, Level 4, Room 0430, Chengde Hi-Tech Industry Development Zone, Hebei Province.

2. Basis of preparation

Going Concern

The Condensed Consolidated Interim Financial Statements have been prepared on a basis which asserts that the Company 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 Company 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 Company'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 Company would be unlikely to be able to continue the development of the West Ells project and the Company 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 Company's assessment of the carrying values of assets and liabilities associated with the West Ells project.

The Company incurred a net loss and comprehensive loss attributable to owners of the Company of CAD9.7 million for the three months ended March 31, 2025. As at March 31, 2025, the Company had net current liabilities of CAD99.3 million. The Company 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 Company 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 March 31, 2025, 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 2025 budget and on management's estimate of expenditures expected to be incurred beyond 2025. 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 March 31, 2025.

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 Company 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, except for the adoption of IFRS 15 Revenue from Contracts with Customers, IFRS 9 Financial Instruments and IFRIC 22 Foreign Currency Transactions and Advance Consideration. 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, 2024.

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

The Company has applied, for the first time, the following amendments to IFRSs issued by the International Accounting Standards Board (the "IASB") which are effective for the Company's financial year beginning on January 1, 2025.

Amendments to IAS 21	Lack of Exchangeability

The application of the new and amendments to IFRSs in the current year has had no material impact on the Company'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 Company 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 9 and IFRS 7	Classification and Measurement of Financial Instruments[1]
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements to IFRS Accounting Standards — Volume 11[1]
IFRS 18	Presentation and Disclosure in Financial Statements[2]
IFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

[1] Effective for annual periods beginning on or after January 1, 2026
[2] Effective for annual periods beginning on or after January 1, 2027
[3] 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 Company.

4. Trade and other receivables

		March 31, 2025		December 31, 2024
Trade receivables	$	-	$	-
Other receivables-current		16,055		16,177
Other receivables-non-current		-		-
Other loan receivables-non-current		1,504		1,496
	$	17,559	$	17,673

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

The Company 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 Company recognised lifetime ECL for trade receivables based on individually significant customer or the ageing of customers collectively.

As at March 31, 2025, the directors of the Company considered the ECL on trade receivables was insignificant.

5. Exploration and evaluation

		CAD'000
Balance, December 31, 2023	$	237,971
Capital expenditures		560
Non-cash expenditures[1]		728
Balance, December 31, 2024	$	239,259
Capital expenditures		121
Non-cash expenditures[1]		451
Balance, March 31, 2025	$	239,831

1. Non-cash expenditures include changes in decommissioning obligations.

At the end of the reporting period, the Company assessed whether there is an indication that its E&E CGU may be impaired or that historical impairment may be reversed. The Company's assets are aggregated into cash-generating units for the purpose of calculating impairment/impairment reversal. E&E Cash generating units ("E&E CGU"s) are based on an assessment of the units' ability to generate independent cash inflows. The company recognized impairment loss or reversal based on E&E CGU which is identified with respect to geographical proximity, shared infrastructure and similarity of market risk exposure and materiality. The recoverable amount of the E&E CGU were determined using judgment and internal estimates. .

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 Company's oil and gas reserves which was prepared by an independent qualified reserve evaluator, Boury Global Energy Consultants ("Boury") 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 Boury's evaluation of the Company'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 three months ended March 31, 2025, the Company did not recognize an impairment loss (reversal) of E&E CGU.

6. Property, plant and equipment

	Crude oil assets (CAD'000)	Corporate assets (CAD'000)	Total (CAD'000)
Cost			
Balance, December 31, 2023	$ 890,259	$ 5,837	$ 896,096
Disposal of Asset	(240)	(327)	(567)
Capital expenditures	772	-	772
Non-cash expenditures[1]	738	-	738
Exchange alignment	-	81	81
Balance, December 31, 2024	$ 891,529	$ 5,591	$ 897,120
Disposal of Asset	-	-	-
Capital expenditures	-	-	-
Non-cash expenditures[1]	1,599	-	1,599
Exchange alignment	-	2	2
Balance, March 31, 2025	$ 893,128	$ 5,593	$ 898,721

1. Non-cash expenditures include changes in decommissioning obligations.

	Crude oil assets	Corporate assets	Total
Accumulated depletion, depreciation and impairment			
Balance, December 31, 2023	$ 409,391	$ 5,321	$ 414,712
Depletion and depreciation expense	5,946	84	6,030
Disposal of Asset	-	(143)	(143)
Exchange alignment	-	75	75
Balance, December 31, 2024	$ 415,337	$ 5,337	$ 420,674
Depletion and depreciation expense	-	16	16
Disposal of Asset	-	-	-
Reversal of impairment	-	-	-
Exchange alignment	-	4	4
Balance, March 31, 2025	$ 415,337	$ 5,357	$ 420,694
Carrying values			
Carrying value, December 31, 2024	$ 476,192	$ 254	$ 476,446
Carrying value, March 31, 2025	**$** 477,791	**$** 236	**$** 478,027

At the end of the reporting period, the Group assessed whether there is an indication that its West Ells CGU may be impaired or that historical impairment may be reversed. The Company's assets are aggregated into cash-generating units for the purpose of calculating impairment/impairment reversal. West Ells Cash generating units ("West Ells CGU"s) are based on an assessment of the units' ability to generate independent cash inflows. The company recognized impairment loss or reversal based on West Ells CGU which is identified with respect to geographical proximity, shared infrastructure and similarity of market risk exposure and materiality. The recoverable amount of the West Ells CGU were determined using judgment and internal estimates

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 Company's oil and gas reserves which was prepared by an independent qualified reserve evaluator, Boury Global Energy Consultants ("Boury") 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 Boury's evaluation of the Company'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 three months ended March 31, 2025, the Company did not recognize an impairment loss (reversal) of 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, 2024	**4,203**	**1,479**	**225**	**76**	**5,983**
Additions	-	247	-	-	247
Termination of lease	-	(355)	(211)	-	(566)
Depreciation	(116)	(489)	(14)	(37)	(656)
Exchange alignment	240	78	-	-	318
December 31, 2024	**4,327**	**960**	**-**	**39**	**5,326**
Additions	-	-	-	-	-
Depreciation	(30)	(129)	-	(8)	(167)
Exchange alignment	21	-	-	-	21
March 31, 2025	**4,318**	**831**	**-**	**31**	**5,180**

(b) Leases Liabilities

	March 31, 2025
Lease liabilities	$ 946

(c) Cash Flow Summary

	Three Months Ended March 31, 2025
Total cash flow used for leases	$ 162

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 Company's incremental borrowing rate, which is 10% for the offices premise and equipment.

8. Trade and accrued liabilities

		March 31, 2025		December 31, 2024
Trade payables	$	20,929	$	20,340
Interest payables		217,937		215,594
Other payables		23,609		23,520
Accrued liabilities		31,469		26,464
	$	293,944	$	285,918

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

		March 31, 2025		December 31, 2024
Trade				
0 - 30 days	$	507	$	663
31 - 60 days		222		234
61 - 90 days		159		387
> 90 days		20,041		19,056
		20,929		20,340

9. Debt

9.1 Other loans

		March 31, 2025		December 31, 2024
Current	$	14,454	$	15,213
Non-current		4,195		3,890
	$	18,649	$	19,103

As at March 31, 2025, the balances are unsecured interest bearing of 0%-36% (December 31, 2024: 0 - 36%) per annum, and of which approximately CAD14,454,000 (December 31, 2024: CAD15,213,000) have a maturity date within one year.

Included in the above balance is approximately CAD14,860,000 (December 31, 2024: CAD14,899,000) for which the Company and an independent Hong Kong-based investment holding company entered into loan agreements and under which the Company provided Renminbi ("CNY") loan and received Hong Kong dollar ("HKD") loan from the investment holding company. The Company has to repay HKD to receive CNY from the investment holding company.

9.2 Senior notes

On February 16, 2023, the Company and the Forbearing Holder entered into an interest waiver agreement (the "2023 Interest Waiver Agreement") pursuant to which the Forbearing Holder agrees 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 ("2021 FRAA") dated August 8, 2021, the waived interest calculated at 10.0% per annum on the outstanding amounts (principal and interests) amounted to US$31.5 million. Save as the waiver of interest, all other terms and conditions in relation to the Senior Note and its subsequent forbearance remain unchanged.

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

- The 2023 FRAA covers the period from September 1, 2023 to August 31, 2025 ("Period of Forbearance 3");
- Same as the 2021 FRAA 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 2016 Forbearing Agreement executed on September 12, 2016.

On April 11, 2024, the Company and the Forbearing Holder entered into an interest waiver agreement (the "2024 Interest Waiver Agreement") pursuant to which the Forbearing Holder agrees to unconditionally and irrevocably waive the interest accrued between January 1, 2024 and December 31, 2024 (the "Waiver of Interest"). Based on the Forbearance Reinstatement and Amending Agreement ("2023 FRAA") dated August 8, 2023, the waived interest calculated at 10.0% per annum on the outstanding amounts (principal and interests) amounted to US$31.5 million. Save as the waiver of interest, all other terms and conditions in relation to the Senior Note and its subsequent forbearance remain unchanged.

On January 7, 2025, the Company and the Forbearing Holder confirmed the signing of the Forbearance Reinstatement and Amending Agreement (the “FRAA2025”). The principal terms of the FRAA2025 include:

- The FRAA2025 covers the period from September 1, 2025 to August 31, 2027 (“Period of Forbearance”);
- Same as the 2021 FRAA executed on January 8, 2021, all outstanding amounts (principal and interests) will continue to be accrued at an interest rate of 10% per annum until August 31, 2027, 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 FRAA2025 is in the interests of the Company and its shareholders as a whole in view that the FRAA2025 will provide the Company with additional time to repay or refinance the indebtedness owed by the Company to the Noteholders under the Notes, whilst at the same time the financing cost will be substantially lowered.

On January 7, 2025, the Company and the Forbearing Holder entered into an interest waiver agreement (the “2025 Interest Waiver Agreement”) pursuant to which the Forbearing Holder agrees to unconditionally and irrevocably waive the interest accrued between January 1, 2025 and December 31, 2025 (the “Waiver of Interest”). Based on the Forbearance Reinstatement and Amending Agreement (“FRAA2025”) dated January 7, 2025, the waived interest calculated at 10.0% per annum on the outstanding amounts (principal and interests) amounted to US$31.5 million.

The Company has presented the portion held by Non-Forbearing holder as current liabilities and the portion held by Forbearing holder as non-current liabilities on the unaudited condensed consolidated interim financial statements as at March 31, 2025.

10. Provisions

Decommissioning obligations, non-current		**March 31, 2025**		**December 31, 2024**
Balance, beginning of year	$	53,049	$	49,829
Effect of changes in estimates		2,050		1,466
Unwinding of discount rate and effect		438		1,754
Balance, end of period	$	55,537	$	53,049

As at March 31, 2025, the Company’s share of the estimated total undiscounted cash flows required to settle asset decommissioning obligations was CAD81.4 million (December 31, 2024 - CAD83.0 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 2.69% to 3.26% per annum and inflated using an inflation rate of 2.0% per annum.

11. Income taxes

At the end of the reporting period, the Company has not recognised deferred income tax due to the unpredictability of future profit streams of the respective group entities. The components of the net deferred income tax asset are as follows:

Deferred tax assets (liabilities)		**March 31, 2025**		**December 31, 2024**
E&E assets and property, plant and equipment	$	(53,601)	$	(50,611)
Decommissioning liabilities		12,774		12,201
Share issue costs		96		-
Tax losses		247,930		243,878
Capital lease asset (liability)		19		19
Deferred tax benefits not recognized		(207,218)		(205,487)
	$	-	$	-

12. Share capital

The Company'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)	**March 31, 2025**		**December 31, 2024**	
	Number of shares	$	Number of shares	$
Balance, beginning of year	292,174,417	1,318,681	243,478,681	1,315,265
Issue of Shares – general mandate			48,695,736	3,416
Director Share Arrangement	-	-	-	-
Share issue costs, net of deferred tax ($Nil)	-	-	-	-
Balance, end of period	292,174,417	1,318,681	292,174,417	1,318,681

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

2025 activity

There was not any purchase, sale or redemption of Sunshine's listed securities in Q1 2025.

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:

	March 31, 2025		**December 31, 2024**	
	Number of options	Weighted average exercise prices $CAD	Number of options	Weighted average exercise prices $CAD
Balance, beginning of period	-	-	200,000	0.60
Granted	-	-	-	-
Forfeited	-	-	-	-
Expired	-	-	(200,000)	(0.60)
Balance, end of period	-	-	-	-
Exercisable, end of period	-	-	-	-

As at March 31, 2025, stock options outstanding had a weighted average remaining contractual life of 0 years (December 31, 2024: 0 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:

		March 31, 2025		March 31, 2024
Stock options	$	-	$	-
	$	-	$	-

14. Revenue

		March 31, 2025		March 31, 2024
Petroleum sales	$	-	$	11,437
Royalties		-		(245)
Revenue from contracts with customers	$	-	$	11,192

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

Information about major customers

Revenue from customers contributing over 10% of the total revenue, before royalty, of the Company is as follows:

		March 31, 2025		March 31, 2024
Customer A[1]	$	-	$	7,225
Customer B		-	$	4,212

1. Customer A contributed 0% of the Company's revenue (March 31 2024: 63.2%).

16. Other income

		March 31, 2025		March 31, 2024
Interest income	$	2	$	1
Other Income[1]		166		369
Gain (Loss) on sale of assets		-		166
Balance, end of period	$	168	$	536

1. For the three months ended March 31, 2025, an aggregate amount of approximately CAD0.2 million was recognised in other income in relation to the Amended Royalty agreement with BEH.

17. General and administrative costs

		March 31, 2025		March 31, 2024
Salaries, consultants and benefits	$	1,619	$	1,446
Rent		13		6
Legal and audit		23		62
Other		3,646		3,090
Balance, end of period	$	5,301	$	4,604

18. Finance costs

		March 31, 2025		March 31, 2024
Interest expense on senior notes, including yield maintenance premium	$	312	$	294
Interest expense on other loans		134		62
Interest expense on loans from related companies and shareholders		2,142		1,878
Other interest expense – leases and others		85		75
Unwinding of discounts on provisions		438		431
Balance, end of period	$	3,111	$	2,740

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 CAD9,716,000 (2024: CAD22,144,000 loss) and the weighted average number of Class "A" common shares in issue during the years as presented in the following table.

		March 31, 2025		March 31, 2024
Basic and diluted – Class "A" common shares		292,174,417		234,478,681
Profit (loss) per share	$	(0.03)	$	(0.09)

20. Capital and financial risks management

20.1 Capital risk management

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

The Company'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 Company manages its capital structure in order to continue as a going concern and makes adjustments relative to changes in economic conditions and the Company's risk profile. In order to manage risk, the Company may from time to time issue shares and adjust its capital spending to manage current working capital levels.

The Company's capital structure currently includes shareholders' equity and working capital deficiency as follows:

		March 31, 2025		December 31, 2024
Working capital deficiency	$	99,258	$	92,666
Shareholders' equity		7,055		16,848
	$	106,313	$	109,514

There is no change in the Company's objectives and strategies of capital management for the three months ended March 31, 2025.

20.2 Categories of financial instruments

The Company'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 shareholders, other loans and senior notes. The carrying value or fair value of the Company's financial instruments carried on Condensed Consolidated Interim Statements of Financial Position are classified in the following categories:

	March 31, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at amortised cost (including cash and cash equivalent)	$ 16,795	$ 16,795	$ 16,681	$ 16,681
Financial liabilities				
Financial liabilities at amortised cost	$ 677,368	$ 677,368	$ 668,042	$ 668,042

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 Company 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, loans from related companies, Loans from shareholders, other loans, and long term debt which are denominated in United States dollars ("USD"), Hong Kong dollars ("HKD") and Renminbi ("RMB").The Company 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 Company had no forward exchange rate contracts in place as at or during the three months ended March 31, 2025.

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 March 31, 2025 would have been impacted by $Nil (March 31, 2024: $Nil) and the carrying value of the debt at March 31, 2025 would have been impacted by CAD2.9 million (March 31, 2024: CAD2.7 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 March 31, 2025 would have been impacted by $Nil (March 31, 2024: $Nil) and the carrying value of the debt at March 31, 2025 would have been impacted by CAD0.7 million (March 31, 2024: CAD0.7 million).

If exchange rate to convert from RMB to CAD had been one percent higher or lower with all other variables held constant, foreign cash held at March 31, 2025 would have been impacted by $Nil (March 31, 2024: $Nil) and the carrying value of the debt at March 31, 2025 would have been impacted by CAD0.1 million (March 31, 2024: CAD0.1 million).

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

		March 31, 2025		March 31, 2024
Unrealized foreign exchange loss/(gain) on translation of:				
U.S. denominated senior secured notes	$	(430)	$	10,699
H.K. denominated loans		(115)		1,274
Operating loans		(5)		44
Foreign currency denominated cash balances		11		10
Foreign currency denominated accounts payable balances		(48)		281
		(587)		12,308
Realized foreign exchange loss/(gain)		74		1
Total foreign exchange loss/(gain)	$	(513)	$	12,309

20.5 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company'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 March 31, 2025, are as follows:

		Total		Less than 1 year		1-3 years
Trade and accrued liabilities	$	293,944	$	87,889	$	206,055
Debt[1]		383,424		27,150		356,274
	$	677,368	$	115,039	$	562,329

1. Principal amount of Notes and loans based on the month end exchange rate of $1 US = 1.4376 CAD and $1HKD = $0.1981 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 Company entered into the following material related party transactions.

21.1 Trading transactions

For the three months ended March 31, 2025, a consulting company, to which a director of Sunshine is related, charged the Company CAD0.1 million (December 31, 2024 – CAD0.5 million) for management and advisory services***.***

As at March 31, 2025, 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 51.42% 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:

		March 31, 2025		March 31, 2024
Directors' fees	$	91	$	92
Salaries and allowances		489		489
Contribution to retirement benefit scheme		1		1
	$	581	$	582

21.3 Related companies' loans

		March 31, 2025		December 31, 2024
Current	$	-	$	-
Non-current		56,325		56,205
	$	56,325	$	56,205

As at March 31, 2025, the Company had loans from related companies which are unsecured, interest bearing at 10% per annum, and of which approximately CAD56,325,000 can be rollover for a period of 2 to 3 years (December 31, 2024: CAD56,205,000).

21.4 Loan from shareholders

As at March 31, 2025, the Company had loans from shareholders which are unsecured, interest bearing at 10% per annum, and of which approximately CAD21,688,000 are due from 1 to 3 years (December 31, 2024: CAD20,990,000).

22. Commitments and contingencies

22.1 Commitments

As at March 31, 2025, the Company's commitments are as follows:

At March 31, 2025		Total	2025	2026
Capital expenditure in respect of the acquisition of drilling machinery contracted for but not provided in the consolidated financial statements	$	-	-	-
	$	-	-	-

Note: The Company has an annual obligation for oil sands mineral lease rentals and surface lease rentals. Annual payment is approximately CAD1.5 million.

22.2 Litigation

The Company received a demand notice from the Regional Municipality of Wood Buffalo ("RMWB") in relation to the 2016-2025 municipal property taxes and have accrued up to 31 March 2025 which amounted to a total of CAD16.8 million. The Company was also accrued overdue penalties of CAD23.7 million. Since then the Company was in active negotiation with RMWB for a settlement plan with proposals to waive overdue penalties. As at the date of this report, the Company believes that notices issued by RMWB relating to property taxes did not comply with relevant legislation and the Company has sought judicial review to determine the effect of non-compliant tax notices on RMWB's property tax claim.

The Company 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. If unfavorable outcome were to occur against such claims or pending claims, there exists the possibility of a material adverse impact on the Company'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 Company determines that the loss is probable and the amount can be reasonably estimated. The Company believes it has made adequate provision for such claims. While fully supportable in the Company's view, some of these positions, if challenged may not be fully sustained on review. From time to time, the Company receives liens or claims on accounts payable balances, and the Company continues to work toward resolution of any liens or claims. At March 31, 2025, the Company had incurred CAD0.82 million (USD$0.57 million equivalent using the period end exchange rate) in liens against them during the ordinary course of business.

The Company received a judgement from the Court of the State of New York, New York County (the "Judgement") that the Company shall pay the non-forbearing holder all the amounts due and owing on the 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 CAD20,967,000). The judgement was vacated on May 25, 2023. On December 13, 2023, the Company received a judgement from the Court of the State of New York, New York County that the Company should pay the Non-forbearing Holder all the amounts due and owing on the Notes (including principal and interests) in an aggregate amount of approximately US$19,694,000 (equivalent to approximately CAD26,048,000). On January 2, 2024 and February 20, 2024, the Company lodged an appeal against the Judgement to the New York court of appeal. On February 27, 2024, the Non-forbearing Holder tried to execute the judgement by serving notice in the State of New York.

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. As of March 31, 2025, the subsidiary had no business activity.

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. As of March 31, 2025, the subsidiary had no business activity.

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. As of March 31, 2025, the subsidiary had no business activity.

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. As of March 31, 2025, the subsidiary had no business activity.

24. Supplemental cash flow disclosures

		March 31, 2025		March 31, 2024
Cash provided by (used in):				
Trade and other receivables	$	(53)	$	(801)
Prepaid expenses and deposits		238		85
Trade and other payables		5,683		4,364
Foreign Exchange changes		(20)		(13)
	$	5,848	$	3,635
Changes in non-cash working capital relating to:				
Operating activities				
Trade and other receivables	$	(53)	$	(801)
Prepaid expenses and deposits		238		85
Trade and other payables		5,663		4,351
	$	5,848	$	3,635
Investing activities				
Property, plant and equipment		-		-
Financing activities				
Foreign Exchange Changes-Other loans		-		-
Debt settlement		-		-
		-		-
	$	5,848	$	3,635

25. Subsequent events

On April 17, 2025 (Hong Kong time), the Company entered into settlement agreements for a total of 48,695,736 Class “A” common shares at a price of HKD $0.35 per share (post-consolidation) for gross proceeds of HKD $ 17,043,508. This settlement agreement was entered into for settlement of Debt Payables with the creditors separately.

On April 28, 2025 (Hong Kong time), the Company entered into settlement agreements for a total of 162,310,261 Class “A” common shares at a price of HKD $0.45 per share (post-consolidation) for gross proceeds of HKD $ 73,039,619. This settlement agreement was entered into for settlement of Debt Payables with the creditors separately.

On May 14, 2025 (Hong Kong time), the Company announced that it received an order notice (the "Order") from the Alberta Energy Regulatory (“AER”) requiring the Company to submit a project abandonment plan as the Company failed to meet their maintenance requirements. The Company also received legal documents from the Orphan Well Association (the “OWA”), a delegated body under the AER, seeking to take over the Company’s project as a result of AER's Order.

After consulting legal Advice, the Company is now preparing for an appeal and stay of the Order. As at the day hereof, no significant adverse impact was posed on the Company's business.

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 May 14, 2025 (Calgary Time) /May 14, 2025 (Hong Kong Time).

Appendix to the consolidated financial statements (Unaudited)

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	2025	2024
		CAD'000	CAD'000
Assets			
Current assets			
Trade and other receivables		4,370	4,553
Loan receivables		11,428	11,366
Cash and cash equivalents		42	9
		15,840	15,928
Non-current assets			
Exploration and evaluation assets		239,831	239,259
Property, plant and equipment		477,939	476,352
Right-of-use assets		862	1,000
Other receivables		-	-
Loan receivables		1,504	1,496
Amounts due from subsidiaries		242	-
Investment in subsidiaries		-*	-*
		720,378	718,107
Total assets		736,218	734,035
Liabilities and shareholders' equity			
Current liabilities			
Trade payables, interest payable and accrued liabilities		86,849	81,166
Lease liabilities		583	575
Bonds		1.195	-
Other loans		14,454	15,213
Senior notes		11,501	11,511
Amount due to subsidiaries		2,929	2,937
		117,511	111,402
Non-current liabilities			
Interest payables		201,541	199,666
Lease liabilities		363	509
Loans from related companies		46,613	46,551
Loans from shareholders		21,688	20,990
Other loans		4,195	3,890
Senior notes		274,066	274,315
Provisions		55,537	53,049
		604,003	598,970
Total liabilities		721,514	710,372

* The amount shown as zero due to rounding less than CAD 1,000.

	Notes	2025	2024
		CAD'000	CAD'000
Shareholders' equity			
Share capital		1,318,681	1,318,681
Reserve for share-based compensation		76,416	76,416
Convertible bonds equity reserve		-	-
Capital reserve		(4,453)	(4,453)
Accumulated deficit		(1,375,940)	(1,366,981)
Total shareholders' equity		14,704	23,663
Total liabilities and shareholders' equity		736,218	734,035

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:

		March 31, 2025		March 31, 2024
Directors' emoluments				
Directors' fees	$	91	$	92
Salaries and allowances		489		489
Contribution to retirement benefit scheme		1		1
Share-based compensation		-		-
		581		582
Other staff costs				
Salaries and other benefits		981		770
Contribution to retirement benefit scheme		57		94
Share-based compensation		-		-
		1,038		864
Total staff costs, including directors' emoluments		1,619		1,446
Less: staff costs capitalized to qualifying assets		-		-
	$	1,619	$	1,446