THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt *as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.*

If you have sold or transferred *all your shares in Sunshine Oilsands Ltd., you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.*

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.

阳光油砂
SUNSHINE OILSANDS LTD.

陽光油砂有限公司*

(a company incorporated under the Business Corporations Act of the Province of Alberta, Canada with limited liability)

(HKEX: 2012)

Suite 1210 – 635 8th Avenue SW
Calgary AB, T2P 3M3
Canada

Telephone: 1-403-984-1450

MANAGEMENT INFORMATION CIRCULAR

ANNUAL MEETING

Meeting Date: June 24, 2025 at 11:30 a.m. (Hong Kong time) /
June 23, 2025 at 9:30 p.m. (Calgary time)

May 23, 2025

**For identification purpose only*

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All amounts and tabular amounts are stated in Canadian dollars unless indicated otherwise.

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(HKEX: 2012)

NOTICE OF ANNUAL MEETING

TO BE HELD AT 11:30 a.m. ON JUNE 24, 2025 (HONG KONG TIME)
AND 9:30 p.m. ON JUNE 23, 2025 (CALGARY TIME)

NOTICE IS HEREBY GIVEN that the annual meeting (the "**Annual Meeting**", the "**General Meeting**" or the "**Meeting**") of the holders (the "**Shareholders**") of Class "A" Common Voting Shares (the "**Shares**") of Sunshine Oilsands Ltd. ("**Sunshine**" or the "**Company**") will be held at 21st Floor, CMA Building, 64 Connaught Road Central, Hong Kong on June 24, 2025 started at 11:30 a.m. (Hong Kong time) / June 23, 2025 at 9:30 p.m. (Calgary time), for the following purposes:

1. to receive and consider the audited financial statements of the Company as at and for the financial year ended December 31, 2024, the report of the board of directors of the Company (the "**Board**") and the report of the auditor thereon;

2. to fix the number of directors of the Company to be elected for the ensuing year;

3. to re-elect, each as a separate resolution, the following directors of the Company for the ensuing year:

   (a) Kwok Ping Sun as an executive director;
   (b) Michael John Hibberd as a non-executive director;
   (c) Gloria Pui Yun Ho as an executive director;
   (d) Xijuan Jiang as a non-executive director;
   (e) Yi He as an independent non-executive director;
   (f) Guangzhong Xing as an independent non-executive director; and
   (g) Jue Pang as an independent non-executive director.

**For identification purposes only*

4. to appoint Prism Hong Kong Limited as auditor for the ensuing year and to authorize the directors of the Company to fix their remuneration;

5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving a proposal for the Company to grant to the Board a general mandate to allot, issue and otherwise deal with un-issued Shares not exceeding twenty percent (20%) of its issued share capital, as more particularly described in the accompanying Circular;

6. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving a proposal for the Company to grant to the Board a general mandate to repurchase Shares not exceeding ten percent (10%) of its issued share capital, as more particularly described in the accompanying Circular; and

7. to transact such other business as may properly come before the General Meeting or any adjournment or adjournments thereof.

Time and venue of the General Meeting

The General Meeting will be held and started at 11:30 a.m. on June 24, 2025 (Hong Kong time) / at 9:30 p.m. on June 23, 2025 (Calgary time) at 21st Floor, CMA Building, 64 Connaught Road Central, Hong Kong.

Registered Shareholders

If you hold Shares in your own name, you are a registered shareholder of the Company ("**Registered Shareholder**"). As a Registered Shareholder, if you are unable to attend the General Meeting in person and wish to ensure that your Shares are voted at the General Meeting, you must complete, date and sign the enclosed form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Circular. Such form of proxy is also published on the HKEX news' website of the Hong Kong Exchanges and Clearing Limited at www.HKEXnews.hk and the website of the Company at www.sunshineoilsands.com.

Beneficial Shareholders

If your Shares are held in an account with a brokerage firm or an intermediary (i.e. a broker, investment firm, clearing house or a similar entity), you are a beneficial shareholder of the Company ("**Beneficial Shareholder**"). Beneficial Shareholders should follow the instructions set out in the voting instructions form or other form of proxy provided by your intermediaries to ensure that your Shares will be voted at the General Meeting.

Record Date

All Registered Shareholders as at 4:30 p.m. on May 19, 2025 (Hong Kong Time) and 4:30 p.m. on May 19, 2025 (Calgary time), as the case may be (the "**Record Date**"), may vote in person at the General Meeting or any adjournments thereof, or they (including a Beneficial Shareholder) may appoint another person (who need not be a Shareholder) as their proxy to attend and vote in their place.

Delivery of Proxy

Shareholders who receive this Circular and other accompanying meeting materials **from the Company's branch share registrar in Hong Kong, being Computershare Hong Kong Investor Services Limited**, and who are unable to present at the Annual Meeting are requested **to date and sign the enclosed form of proxy and return it to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong,** in the enclosed envelope provided for that purpose.

Shareholders who receive this Circular and other accompanying meeting materials **from the Company's share registrar in Canada**, **being Odyssey Trust Company**, and who are unable to present at the Annual Meeting are requested **to date and sign the enclosed form of proxy and return it to the Proxy Department of Odyssey Trust Company at Suite 702 Trader's Bank Building, 67 Yonge St, Toronto, ON M5E 1J8,** in the enclosed envelope provided for that purpose.

In order to be valid, the Proxy must be completed, signed, dated and deposited, as applicable:

(a) if the Shareholder is on the Hong Kong register, at the office of the Company's share registrar in Hong Kong, being Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, during regular business hours, at least 48 hours, excluding Saturdays, Sundays and public holidays in Hong Kong, before the Annual Meeting (i.e. 11:30 a.m. on June 20, 2025 (Hong Kong time)) prior to the time of the Meeting or any adjournment thereof or, deposited with the Chairman of the Meeting on the day of the Meeting prior to the commencement of the Meeting; or

(b) if the Shareholder is on the Canada register, at the office of the proxy department of Odyssey Trust Company, at Suite 702 Trader's Bank Building, 67 Yonge St, Toronto, ON M5E 1J8, during regular business hours, by at least 48 hours, excluding Saturdays, Sundays and public holidays in Toronto before the Annual Meeting (i.e. 4:30 p.m. on June 19, 2025 (Toronto time)) or any adjournment thereof.

Results of the General Meeting

The votes to be taken at the General Meeting will be taken by poll, the result of which will be published on the websites of the Company and the Stock Exchange after the General Meeting.

BY ORDER OF THE BOARD OF DIRECTORS
SUNSHINE OILSANDS LTD.

(signed) "*Kwok Ping Sun*"
Kwok Ping Sun
Executive Chairman

Calgary, Alberta, May 23, 2025
Hong Kong, May 23, 2025

Notes:

1. *Any shareholder entitled to attend and vote at the Annual Meeting is entitled to appoint another person as his/her/its proxy to attend and vote instead of his/her/it. A shareholder who is the holder of two or more Shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a Shareholder of the Company but must be present in person at the meeting to represent the Shareholder. Completion and return of the form of Proxy will not preclude a Shareholder from attending the Annual Meeting and voting in person. In such event, his/her/its form of Proxy will be deemed to have been revoked.*

2. *The proxy must be dated and must be executed by the Shareholder or his attorney authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or by an officer or attorney thereof duly authorized. A copy of such authorization should accompany the proxy. Persons signing as executors, administrators, trustees, etc. should so indicate. If this Proxy is not dated, it shall be deemed to bear the date on which it was mailed to the Shareholder by the Company.*

3. *Where there are joint holders of any Share, any one of such joint holders may appoint the chair of the Annual Meeting to vote at the Meeting, in respect of such Share as if he/she/it was solely entitled thereto.*

As at the date of this notice, 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, Ms. Jue Pang and Mr. Guangzhong Xing as independent non-executive directors.

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Canada

Telephone: 1-403-984-1450

(HK Stock code: **2012**)

May 23, 2025

GENERAL PROXY INFORMATION

Solicitation of Proxies

This management information circular (the "**Circular**") is furnished in connection with the solicitation of proxies by or on behalf of the management of the Company for use at the Annual Meeting of shareholders of the Company to be held at 21st Floor, CMA Building, 64 Connaught Road Central, Hong Kong on June 24, 2025 at 11:30 a.m. (Hong Kong time) / June 23, 2025 at 9:30 p.m. (Calgary time) and any adjournment thereof (the "**Annual Meeting**", the "**General Meeting**" or the "**Meeting**") for the purposes set forth in the notice accompanying this Circular.

The cost of this solicitation of proxies is borne by the Company. It is expected that the solicitation will be primarily by mail, but proxies or votes or voting instructions may also be solicited personally or by telephone, facsimile, e-mail, or other means of communication by directors, officers and regular employees of the Company.

Voting at the General Meeting

Registered Shareholders are invited to attend the General Meeting, vote their Shares or appoint another person (who need not be a Shareholder) to act as their proxy and vote in their place, as described below under the heading "*Proxy Information for Registered Shareholders".* Beneficial Shareholders are invited to attend the General Meeting, but in order to vote their Shares they must follow the procedures described below under the heading *"Proxy Information for Beneficial Shareholders".*

* *For identification purposes only*

PROXY INFORMATION FOR REGISTERED SHAREHOLDERS

Appointment of Proxy Holder

A proxy is a document that authorizes someone else to attend the General Meeting and cast the votes for a Registered Shareholder. **The persons named in the accompanying form of proxy (the "Proxy") are officers and/or directors of the Company. If you are a Registered Shareholder, you have the right to appoint a person or company other than the persons designated in the Proxy, who need not be a Shareholder to attend and act on your behalf at the General Meeting. You may do so either by inserting the name of that other person or company in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

A proxy must be in writing and must be executed by you as Registered Shareholder, or by your attorney authorized in writing, or if the Registered Shareholder is a company or other legal entity, under its corporate seal or by an officer or attorney thereof duly authorized.

The persons named in the Proxy will vote or withhold from voting the Shares represented thereby in accordance with your instructions on any ballot that may be called. If you specify a choice with respect to any matter to be acted upon, your Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

(a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;

(b) any amendment to or variation of any matter identified therein; and

(c) any other matter that properly comes before the General Meeting.

In respect of a matter for which a choice is not specified in the Proxy, other than the appointment of an auditor and the election of the directors, the persons named in the Proxy will vote the Shares represented by the Proxy for the approval of such matter.

Voting by Proxy Holder

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the General Meeting in person.

Registered Shareholders who received this Circular and other accompanying meeting materials from the Company's branch registrar in Hong Kong, and who elect to submit a proxy may do so by completing, dating and signing the accompanying Proxy and returning it to the Company's branch share registrar in Hong Kong, being Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, ensuring that the Proxy is received during regular business hours at least 48 hours, excluding Saturdays, Sundays and public holidays in Hong Kong, before the General Meeting (i.e. 11:30 a.m. on June 20, 2025 (Hong Kong time)), or any adjournment thereof, at which the Proxy is to be used.

Registered Shareholders who received this Circular and other accompanying meeting materials from the Company's principal share registrar in Canada, and who elect to submit a proxy may do so by completing, dating and signing the accompanying Proxy and returning it to the Company's share registrar in Canada, being Odyssey Trust Company, Proxy Department at Suite 702 Trader's Bank Building, 67 Yonge St, Toronto, ON M5E 1J8, ensuring that the Proxy is received during regular business hours at least 48 hours, excluding Saturdays, Sundays and public holidays in Toronto, before the General Meeting (i.e. 4:30 p.m. on June 19, 2025 (Toronto time)), or any adjournment thereof, at which the Proxy is to be used.

PROXY INFORMATION FOR BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the General Meeting are those deposited by Registered Shareholders.

Only Registered Shareholders or the persons they appoint as their proxies are permitted to vote at the General Meeting. Many Shareholders of the Company are Beneficial Shareholders because the Shares they own are not registered in their own names, but are instead registered in the name of the brokerage firm, bank, trust company or clearing house through which they purchased the Shares. Shares beneficially owned by a Beneficial Shareholder are registered either: (i) in the name of an intermediary (an "**Intermediary**") that the Beneficial Shareholder deals with in respect of the Shares of the Company (Intermediaries include, among others, banks, trust companies, securities dealers, securities brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSAs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or HKSCC Nominees Limited) of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Company will have distributed copies of the notice, the Circular, and form of proxy (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for distribution to Beneficial Shareholders.

Intermediaries are required to forward the Meeting Materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Beneficial Shareholders. Every intermediary or service company has its own mailing procedures and provides its own return instructions to clients. Please note that the Company's management does not intend to pay for Intermediaries to forward the Meeting Materials and voting instruction request forms to those Beneficial Shareholders who have objected to their Intermediary disclosing ownership information about them pursuant to Canadian securities legislation ("**Objecting Beneficial Shareholders**"). Consequently, if you are an Objecting Beneficial Shareholder, you will not receive these materials unless the Intermediary holding Shares on your account assumes the cost of delivery.

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Shares are voted at the Annual Meeting. The form of proxy supplied to you by your broker will be similar to the Proxy provided by the Company to its Registered Shareholders. However, its purpose is limited to instructing the intermediary on how to vote on your behalf.

In Canada, most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**"). Broadridge mails a voting instruction form in lieu of a Proxy provided by the Company. The voting instruction form will name the same persons as the Company's Proxy to represent you at the General Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the General Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the General Meeting. If you receive a voting instruction form from Broadridge, you cannot use it to vote your Shares directly at the General Meeting. The voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the General Meeting in order to have the Shares voted.

Although as a Beneficial Shareholder you may not be recognized directly at the General Meeting for the purpose of voting Shares registered in the name of your broker, you, or a person designated by you, may attend the General Meeting as a proxy holder for your broker and vote your Shares in that capacity. If you wish to attend the General Meeting, and indirectly vote your Shares as a proxy holder for your broker, or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the completed form to your broker in accordance with the instructions provided by such broker, well in advance of the General Meeting. Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend the General Meeting and vote your Shares.

REVOCATION OF PROXY

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. In addition to revocation in any other manner permitted by law, a Shareholder who has given a proxy may revoke it by:

(a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Shareholder or such person's authorized attorney in writing or, if such person is a Company, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to (i) the Company's principal share registrar in Canada, being Odyssey Trust Company, Proxy Department, Suite 702 Trader's Bank Building, 67 Yonge St, Toronto, ON M5E 1J8; or (ii) the Company's branch share registrar in Hong Kong, being Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as applicable; or (iii) the headquarter address of the Company at Suite 1210 – 635 8th Avenue SW, Calgary AB, T2P 3M3, during regular business hours at least 48 hours before the General Meeting (i.e. 4:30 p.m. on June 19, 2025 (Toronto time) or 11:30 a.m. on June 20, 2025 (Hong Kong time), as the case may be), or any adjournment thereof, at which the proxy is to be used, or to the chairman of the Meeting on the day of the General Meeting or any reconvening thereof, or in any other manner provided by law; or

(b) personally attending the General Meeting and voting such person's Shares at that meeting.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed in Rule 13.39(5) of the Listing Rules.

COUNTING THE VOTES

The Company's share registrar in Canada, Odyssey Trust Company, and the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, will count and tabulate the proxies for Shares. This is done independently of the Company to preserve confidentiality in the voting process. Proxies are referred to the Company only in cases where a Shareholder clearly intends to communicate with management or when it is necessary to do so to meet the requirements of applicable law.

INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than as disclosed in this Circular, the management of the Company is unaware of any material interest of any director or nominee for director, or executive officer or anyone who has held office as such since the beginning of the Company's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the General Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF AND VOTES NECESSARY TO PASS RESOLUTIONS

The authorized capital of the Company consists of an unlimited number of shares designated as Class "A" Common Voting Shares (the "**Shares**"), Class "B" Common Voting Shares, Class "C" Common Non-Voting Shares, Class "D" Common Non-Voting Shares, Class "E" Common Non-Voting Shares, Class "F" Common Non-Voting Shares, Class "G" Preferred Non-Voting Shares and Class "H" Preferred Non-Voting Shares.

As at May 19, 2024 (the "**Latest Practicable Date**") there were 340,870,153 Class "A" Common Voting Shares of the Company issued and outstanding and no shares of any of the other classes issued or outstanding. Each Class "A" Common Voting Share carries the right to one vote at any meeting of the Shareholders of the Company. Each Class "B" Common Voting Share also carries the right to one vote (but none are issued or outstanding).

The holders of Class "C" Common Non-Voting Shares, Class "D" Common Non-Voting Shares, Class "E" Common Non-Voting Shares, Class "F" Common Non-Voting Shares, Class "G" Preferred Non-Voting Shares and Class "H" Preferred Non-Voting Shares do not carry the right to vote at any meeting of the Shareholders of the Company (subject to the provisions of the *Business Corporations Act* (Alberta) ("**ABCA**")).

By-Law No. 1 of the Company provides that if holders of not less than five percent (5%) of the shares are entitled to vote, are present in person or are represented by proxy in a shareholders' meeting, a quorum for that shareholders' meeting is constituted.

To the best of the knowledge of the directors and officers of the Company and as at the Latest Practicable Date, the only persons, firms, or corporations, owning of record or beneficially, controlling or directing, directly or indirectly, 10% or more of the issued and outstanding Shares are: (i) Mr. Kwok Ping Sun, who directly or indirectly beneficially owns or controls 150,232,591 Shares, representing approximately 44.07% of the issued and outstanding Shares and (ii) HKSCC Nominees Limited, which holds 267,224,374 Shares, representing approximately 78.39% of the issued and outstanding Shares. HKSCC Nominees Limited is a subsidiary of the Hong Kong Exchanges and Clearing Limited (''HKEX'') and its principal business is to act as nominee on behalf of other corporate or individual shareholders. All shares of Hong Kong listed companies, which are deposited into HKEX's Central Clearing and Settlement System (CCASS), are registered in the name of HKSCC Nominees Limited.

References to ''issued and outstanding'' securities and similar expressions in this Circular are to outstanding security including Shares) of the Company, being those securities issued by Company and held by its investors (and excluding any securities issued and then repurchased, but canceled, by the Company). As at the Latest Practicable Date, there are no securities of Company issued but not outstanding.

RECORD DATE

The record date for the General Meeting has been fixed at 4:30 p.m. on May 19, 2025 (Hong Kong time) and 4:30 p.m. on May 19, 2025 (Calgary time), as the case may be (the "**Record Date**"). Only Shareholders as at the Record Date are entitled to receive notice of the General Meeting. Shareholders on record will be entitled to vote their Shares held by them as at the Record Date, unless any such Shareholder properly transfers the Shares after the Record Date and the transferee of those Shares, having produced properly endorsed certificates evidencing such Shares or having otherwise established ownership of such Shares, demands, at least ten (10) days before the General Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the General Meeting, in which case such transferee shall be entitled to vote such Shares at the General Meeting. To ensure that there is no risk that any of the Shares will be voted twice, the transferee must provide written evidence to the Company including, without limitation, providing properly endorsed certificates evidencing the transfer of such Shares or having otherwise established ownership of such Shares, written evidence of the identification of the relevant transferor and written evidence that the relevant transferor has not and will not exercise their right to vote either by proxy or in person at the General Meeting. The Company may refuse the demand by a transferee to be included in the list of Shareholders entitled to vote at the General Meeting if the transferee cannot demonstrate to the Company with sufficient certainty that the relevant Shares have not already been voted by proxy or will be voted by the relevant transferor at the General Meeting.

DIRECTORS

As at the date of this Circular, 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, Ms. Jue Pang and Mr. Guangzhong Xing as independent non-executive directors.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE GENERAL MEETING

1. Financial Statements

The audited financial statements of the Company as at and for the financial year ended December 31, 2024, the report of the Board and the report of the auditor thereon will be placed before the Shareholders at the General Meeting.

2. Fixing the Number of Directors of the Company

According to the requirements of the Listing Rules, the Company must appoint independent non-executive directors representing at least one-third of the board. It is proposed that the number of directors to be elected at the General Meeting to hold office until the next annual meeting or until their successors are elected or appointed, subject to the Articles of Incorporation and By-Law No. 1 of the Company, be set at seven (7). As at the date of this Circular, there are presently eight Directors of the Company, of which three of them are the independent non-executive directors. Each of the Directors will retire from office at the General Meeting.

Unless otherwise instructed, it is the intention of the persons named in the accompanying Proxy to vote in FAVOUR OF setting the number of directors to be elected at the Meeting at seven (7).

3. Election of Directors

The Shareholders will be asked to pass an ordinary resolution at the General Meeting to elect, as directors of the Company, the nominees whose names are set forth in the table below. Each nominee elected will hold office until the next annual meeting of the Shareholders or until his successor is duly elected or appointed, unless his office is vacated earlier, then in accordance with the Articles of Incorporation and By-Law No. 1 of the Company. Voting for the election of the directors will be conducted on an individual, and not on a slate basis.

Effective March 26, 2013, the Board passed a policy which provides that, in the event that a director candidate is elected but receives more votes withheld than cast in favor of the director at the meeting appointing directors, he or she is expected to submit a letter of resignation within seven (7) days. Within 90 days of the voting results, the Board shall consider the circumstances of such vote, the particular attributes of the director candidate including his or her knowledge, experience and contribution at Board meetings and determine whether to accept or reject the resignation and will issue a press release announcing the resignation or explain the reasons justifying its decision not to accept the resignation.

Unless instructed otherwise, the persons named in the accompanying Proxy intend to vote the Shares represented thereby in FAVOUR OF the election to the Board of each of those persons designated in the table below.

The Board does not contemplate that any of such nominees will be unable to serve as a director of the Company. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as a director, proxies in favor of management designees will be voted for another nominee in their discretion unless the Shareholder has specified in their proxy that their Shares are to be withheld from voting on the election of directors.

The information in the table below relating to the directors is based partly on the records of the Company and partly on information received by the Company from the directors, and sets forth the name, municipality of residence of the persons proposed to be nominated for election as directors, all other positions and offices within the Company now held by them, their principal occupations or employments during the past five years, the periods during which they have served as directors of the Company and the interest in Shares within meaning of Part XV of the Securities and Futures Ordinance (Cap. 571) of each of them as at the Latest Practicable Date.

Name, Municipality of Residence & Current Position(s) with the Company	Principal Occupation in the Past Five Years	Director Since	Interest in Shares within meaning of Part XV of the Securities and Futures Ordinance (Cap. 571) as at the Latest Practicable Date [5]
Kwok Ping Sun [1][2][3] Hong Kong Executive Chairman Age: 60	Executive Chairman of the Company since 28 June, 2015. Non-Executive Director of the Company from May 2015 to June 2015. Founder of Nobao Renewable Energy Holdings Limited (''Nobao'') and served as the Chairman of the Board, Director and Chief Executive Officer of Nobao since its inception in 2007.	May 25, 2015	150,232,591
Gloria Pui Yun Ho Hong Kong Executive Director, Chief Financial Officer Age: 44	Executive Director of the Company since June 27, 2017. Chief Financial Officer since November 1, 2016. Ms. Ho is a Chartered Accountant, Certified Public Accountant, Chartered Financial Analyst and Chartered Alternative Investment Analyst. Ms. Ho holds a postgraduate certificate in Financial Engineering at Stanford University and a M.Sc. in Finance at the University of Illinois at Urbana-Champaign. She was appointed as an Independent Non-Executive Director of New World Department Store China Limited (825.HK) since May 1, 2023.	June 27, 2017	Nil
Michael John Hibberd [1] Calgary, Alberta Canada Non-Executive Vice-Chairman Age: 69	Non-Executive Vice-Chairman of the Company since June 2015, Executive Vice-Chairman of the Company from November 2014 to June 2015. Executive Chairman from June 2014 to November 2014. Executive Co-Chairman of the Company from October 2008 to June 2014. Prior thereto, from May 2007 to October 2008, Chairman and Co-CEO of the Company. President and Chief Executive Officer of MJH Services Inc., a corporate finance advisory company, since January 1995. Mr. Hibberd is currently Chairman of Canacol Energy Ltd and Petro Frontier Corp. He is also a director of D2 Lithium Corp.	May 9, 2007	2,165,981
Xijuan Jiang [3] Beijing China Non-Executive Director Age: 59	Vice President and Chief Engineer of Nuoxin Energy Technology (Shanghai) Co. Ltd. since 2012	June 30, 2016	104,814
Yi He [1][2][3][4] Shanghai China Independent Non-Executive Director Age: 52	Founder of Yaoxin Asset Management Company since 2015. Director of Kai Yuan Holding Limited (1215.HK) and Future World Holding Limited (572.HK). Chief Executive Officer of Nomura China	June 30, 2016	139,682

Name, Municipality of Residence & Current Position(s) with the Company	Principal Occupation in the Past Five Years	Director Since	Interest in Shares within meaning of Part XV of the Securities and Futures Ordinance (Cap. 571) as at the Latest Practicable Date [5]
Guangzhong Xing [1][2][3][4] Hebei China Independent Non-Executive Director Age: 68	University tutor in the Northeast Heavy Machinery Institute Metallography in September 1978 until August 1979 and during the period from September 1981 to September 1989. Then acted for the position as dean for the school of materials science of Yanshan University during the period from August 1996 to October 1997. For the period from November 1997 to December 1999, acted as a director of academic affairs of Yanshan University. During the period from January 2001 to October 2016, he was the vice principal of Yanshan University. He also had been the President of燕山大學產業集團(Yanda Industry Group Co., Ltd.) and燕山大學房地產公司(Yanda Real Estate Company) during the period from October 2004 to October 2009; and established 燕山大學國家大學科技園 National science area of Yanshan University	June 25, 2019	Nil
Jue Pang [1][3][4] Shanghai China Independent Non-Executive Director Age: 43	Founding Partner of Bing Wen Law Firm, holder of LL.M. degree of the University of Hong Kong and LL.B. degree of Nanjing University. Ms. Pang has 18 years of legal practice experience and was the partner at Grandall Law Firm (Shanghai). Ms. Pang is an independent non-executive director of Ribo Fashion Group Co. Ltd, the shares of which are listed on Shanghai Stock Exchange with stock code: 603196.	December 19, 2023	Nil

Notes:

(1) Member of the Corporate Governance Committee.

(2) Member of the Reserves Committee.

(3) Member of the Compensation Committee.

(4) Member of the Audit Committee.

(5) Includes only the Class "A" Common Voting Shares. Details of options held by Directors are noted under the section entitled "Incentive Plan Awards". The aforesaid numbers of Shares held by Directors were adjusted after the Share Consolidation took place by the Company on February 26, 2020.

Brief biographies for each nominee are set forth below:

Kwok Ping Sun. Mr. Sun is an Executive Chairman and Executive Director appointed by the Board on June 28, 2015. He was appointed as a Non-Executive Director by the Board on May 25, 2015. Mr. Sun is the founder of Nobao Renewable Energy Holdings Limited ("Nobao") and has served as the Chairman of the Board, Director and Chief Executive Officer of Nobao since its inception in 2007. Prior to founding Nobao, Mr. Sun was the General Manager of Shanghai Nobao Electric Appliance Co., Ltd from 2005 to 2007. In 2003, Mr. Sun started his own research and development with respect to ground source heat pump (GSHP) systems and gained over 10 years of experience in this area. From 1999 to 2002, Mr. Sun served as the General Manager of Dynamic Co., Ltd of Denmark and was responsible for developing wind power projects in China in cooperation with Chinese local companies. From 1994 to 1998, Mr. Sun was the Chief Executive Officer of Wu Fong Investment Co., Ltd of Denmark. Between 1983 and 1990, Mr. Sun worked as an Official of the customs department, the publicity department and the foreign trade bureau of the City Government of Zhangjiagang, Jiangsu Province, People's Republic of China. Mr. Sun has over 20 years of experience in automated control systems through his experiences described above as well as his experience as the General Manager of Jiangsu Zhongwang Electronics Co., Ltd. between 1990 and 1993 and as an Engineer of Zhangjiagang Radio Factory between 1979 and 1982.

Mr. Sun graduated from Suzhou Transportation Vocational College in 1985 and received an EMBA degree from Tsinghua University in 2006.

Michael J. Hibberd. Mr. Hibberd has been a Non-Executive Vice-Chairman and a Non-Executive Director since June 28, 2015. He was Executive Vice-Chairman of the Corporation from November 28, 2014 to June 28, 2015. He was Executive Chairman from June 25, 2014 to November 28, 2014 and was Executive Co-Chairman of the Corporation from October 6, 2008 to June 25, 2014. Mr. Hibberd was a founder of the Corporation and held the title of Chairman and Co-CEO from May, 2007 to October 6, 2008. Mr. Hibberd is President and CEO of MJH Services Inc., a corporate finance advisory company established in January 1995. Mr. Hibberd has extensive international energy project planning and capital markets experience. Prior to January 1995, Mr. Hibberd spent 12 years with ScotiaMcLeod. Mr. Hibberd worked in corporate finance in Toronto and Calgary and held the position of Director and Senior Vice-President, Corporate Finance. Mr. Hibberd is currently Chairman of Canacol Energy Ltd. (TSX and Bolsa de Valores de Colombia) and Chairman of Petro Frontier Corp., the shares of which are listed on the TSX Venture Exchange. He is also a director of D2 Lithium Corp, the shares of which are listed on the TSX Venture Exchange. Mr. Hibberd was previously Chairman of Heritage Oil Plc, Heritage Oil Corporation, CanAsia Energy Corp. and Greenfields Petroleum Corporation. Mr. Hibberd obtained his BA in 1976 and his MBA in 1978 from the University of Toronto. He obtained his LLB from University of Western Ontario in 1981, was called to the bar in 1983.

Gloria Pui Yun Ho. Ms. Ho became an Executive Director on June 27, 2017. She was appointed as Chief Financial Officer of the Company from November 1, 2016. Ms. Ho has extensive experience in investment, risk management, corporate banking and finance. Prior to joining the Company, she worked in equity research, credit analysis, capital strategy, funds management and auditing in several international institutions and most recently as the Chief Executive of a reputable Chinese-based asset management firm.

Ms. Ho is a Chartered Accountant, Certified Public Accountant, Chartered Financial Analyst and Chartered Alternative Investment Analyst. Ms. Ho holds a postgraduate certificate in Financial Engineering at Stanford University and a M.Sc. in Finance at the University of Illinois at Urbana-Champaign.

Ms. Ho was appointed as an independent non-executive director of New World Department Store China Limited (825.HK) since May 1, 2023.

Xijuan Jiang. Ms. Jiang became a Non-Executive Director on June 30, 2016. She was a senior engineer with 26 years of experience in industrial applications. Ms. Jiang is the recipient of numerous design awards, primarily in respect of heating and ventilation systems. Ms. Jiang has been the Vice President and Chief Engineer of Nuoxin Energy Technology (Shanghai) Co. Ltd. since November 2012. Prior thereto, she was the Chief Engineer (Water and Sewer) at the Architecture Branch of Shougang Design Institute.

Ms. Jiang obtained a Bachelor degree from the Xi'an University of Architecture and Technology in 1988.

Yi He. Mr. He is an Independent Non-Executive Director appointed on June 30, 2016. He has worked in the financial industry for more than 22 years and held various senior management roles in several global banks in China. In 2012, Mr. He was appointed as Chief Executive Officer of Nomura China Bank and led all China related banking businesses. From 2008 to 2012, he was in charge of China related banking business for Barclays Bank as the General Manager of the Shanghai Branch. Prior thereto, Mr. He led the global markets business for Australia and New Zealand Banking Company Limited and was the Deputy General Manager of ANZ China. Mr. He began his career with Credit Agricole China in 1994 and joined First Sino Bank as the Head of Treasury in 1997.

Mr. He has been an independent non-executive director of Kai Yuan Holding Limited (1215.HK) since 2011 and is member of the audit committee, the remuneration committee, and the nomination committee of Kai Yuan.

Mr. He was appointed an independent non-executive director of Future World Holding Limited (572.HK) since July 1, 2022 and was nominated the chairman of audit committee and nomination committee, and a member of remuneration committee of Future World.

Mr. He founded Yaoxin Asset Management Company in early 2015, which mainly focuses on financial related consulting. In addition, Mr. He holds a Master Degree in Economics from Fudan University of China and also is a Certified Professional Accountant in China.

Guangzhong Xing. Mr. Xing is an Independent Non-Executive Director appointed on June 25, 2019. He obtained his Doctor Degree from the University of Hull with Debeers Scholarship in July 1995. He further obtained postdoctoral from the same university in June 1996. Mr. Xing holds a master degree and a bachelor degree of Metallography from the Northeast Heavy Machinery Institute (renamed as Yanshan University in 1997) ("Yanshan University") in August 1981 and August 1978 respectively. He started his career as university tutor in the Northeast Heavy Machinery Institute Metallography in September 1978 until August 1979 and during the period from September 1981 to September 1989. He was then acted for the position as dean for the school of materials science of Yanshan University during the period from August 1996 to October 1997.Thereafter, for the period from November 1997 to December 1999, he acted as a director of academic affairs of Yanshan University. During the period from January 2001 to October 2016, he was the vice principal of Yanshan University. He also had been the President of 燕山大學產業集團 (Yanda Industry Group Co., Ltd. *) and 燕山大學房地產公司 (Yanda Real Estate Company *) during the period from October 2004 to October 2009; and established 燕山大學國家大學科技園 National science area of Yanshan University.

Jue Pang. Ms. Pang is an Independent Non-Executive Director appointed on December 19, 2023. She is a founding Partner of Bing Wen Law Firm, holder of LL.M. degree of the University of Hong Kong and LL.B. degree of Nanjing University. Ms. Pang has 18 years of legal practice experience and was the partner at Grandall Law Firm (Shanghai). She specializes in IPO capital markets, capital restructuring, investment and financing, companies restructuring, merger and acquisitions, etc. Ms. Pang is an independent non-executive director of Ribo Fashion Group Co. Ltd, the shares of which are listed on Shanghai Stock Exchange with stock code: 603196.

Except as disclosed herein, no proposed director of the Company has any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571) as at the Latest Practicable Date.

Except as disclosed in this Circular, no proposed director of the Company at the Latest Practicable Date has any relationships with any other directors, senior management or substantial or controlling shareholders of the Company.

To the knowledge of the management of the Company, no proposed director of the Company, as at the date of this Circular:

(a) is subject to any investigation, hearing or proceeding brought or instituted by any judicial, regulatory, governmental authority or securities regulatory authority (including the Hong Kong Takeovers Panel) or any other securities regulatory commission or panel, or any judicial proceeding in which violation of any securities law, rule or regulation is or was alleged;

(b) has at any time been refused admission to membership of any professional body or been censured or disciplined by any such body to which he belongs or belonged or been disqualified from membership in any such body or has at any time held a practising certificate or any other form of professional certificate or licence subject to special conditions;

(c) is now or has at any time been a member of a triad or other illegal society;

(d) has, within the 10 years before the date of this Circular, been or become bankrupt or insolvent, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;

(e) is now or has been subject to any penalties or sanctions imposed by the court or a competent authority relating to a securities or financial markets legislation, rule or regulation or by a securities regulatory authority or has entered in a settlement agreement with securities regulatory authority; or

(f) is now or has been subject to any other penalties or sanctions imposed by the court, statutory or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Mr. Hibberd was formerly a director of Skope Energy Inc. (a TSX listed oil and gas company based in Canada), which commenced proceedings in the Court of Queen's Bench of Alberta under the CCAA to implement a restructuring of approximately $55 million in November 2012 which was completed on February 19, 2013.

Mr. Hibberd was a director of Montana Exploration Corp. at the time that an order was issued to suspend trading until 2017 year end financial statements and MD&A were filed and compliance with TSX Venture Exchange requirements were confirmed. The order was issued by the Alberta Securities Commission on May 4, 2019.

For information relating to the directors' emoluments, please see the information provided under the heading "*Statement of Executive Compensation – Narrative Discussion of Director Compensation*".

Save as otherwise disclosed above, there is no other information required to be disclosed under Rule 13.51(2) of the Listing Rules.

4. Appointment of Auditors

At the General Meeting, Shareholders will be asked to pass an ordinary resolution to appoint Prism Hong Kong Limited as auditor of the Company, to hold office until the next annual meeting of the Shareholders, at a remuneration to be determined by the Board.

Unless instructed otherwise, the persons named in the accompanying Proxy intend to vote in FAVOUR OF the appointment of Prism Hong Kong Limited as auditor of the Company.

5. General Mandate to Issue Shares

At the General Meeting, the Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution giving the Board a general and unconditional mandate to allot, issue or otherwise deal with unissued Shares up to a maximum of twenty percent (20%) of the aggregate issued and outstanding share capital of the Company until the next annual meeting of the Shareholders. The purpose of the proposed mandate is to increase the flexibility of the Company to raise new capital as and when the Board determines appropriate. As at the Latest Practicable Date, the Company has in issue 340,870,153 Class "A" common shares. Subject to the passing of the proposed resolution for the approval of the General Mandate and in accordance with its terms, the Company will be allowed to allot, issue and deal with up to a maximum of 68,174,030 Class "A" common shares on the basis that no further Class "A" common shares will be issued by the Company prior to the meeting.

At the General Meeting, the Shareholders will be asked to pass the following ordinary resolution:

"BE IT RESOLVED THAT:

1. Subject to paragraph (4) of this resolution, the exercise by the Board of Directors (the "**Board**") of Sunshine Oilsands Ltd. (the "**Company**") during the Relevant Period (as hereinafter defined) to allot, issue and otherwise deal with additional shares in the share capital of the Company or securities convertible into such shares or options, warrants, or similar rights to subscribe for any such shares or such convertible securities and to make or grant offers, agreements and options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws be and is hereby generally and unconditionally approved.

2. The approval of paragraph (1) of this resolution shall authorize the Board during the Relevant Period to cause the Company to make or grant offers, agreements and options which would or might require the exercise of such powers at any time during or after the end of the Relevant Period.

   The aggregate share capital of the Company which may be allotted or conditionally or unconditionally agreed to be allotted (whether pursuant to an option or otherwise), issued or otherwise dealt with by the Board pursuant to the approval in paragraph (1) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), or (ii) the exercise of the subscription or conversion rights attaching to any securities or warrants which may be issued by the Company or any securities which are convertible

into common shares of the Company from time to time, or (iii) the exercise of options granted under the stock option plan of the Company or similar arrangements, including without limitation any director share compensation arrangement, from the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of common shares or rights to acquire common shares of the Company, or (iv) any issues of shares in lieu of the whole or part of a dividend on shares in accordance with the Articles of Incorporation of the Company in force from time to time, shall not exceed twenty percent (20%) of the aggregate issued and outstanding share capital of the Company as at the date of passing of this resolution.

3. For the purpose of this resolution:

"**Relevant Period**" means the period from the time of the passing of this resolution until whichever is the earliest of:

i. the conclusion of the next annual meeting of the Company;

ii. the expiration of the period within which the next annual meeting of the Company is required to be held under any applicable laws or under the Articles of Incorporation of the Company; and

iii. the time of the passing of an ordinary resolution of the Company in a general meeting revoking or varying the authority set out in this resolution.

"**Rights Issue**" means an offer of shares open for a period fixed by the Board to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).

4. The directors and officers of the Company are hereby authorized to do all things necessary in order to give effect to the foregoing resolution."

Unless instructed otherwise, the persons named in the accompanying Proxy intend to vote in FAVOUR OF the ordinary resolution approving the general mandate given to the Board regarding issuance of Shares in accordance with the Listing Rules.

6. Repurchase of Shares

At the General Meeting, the Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution giving the Board a general and unconditional mandate to authorize the Company to repurchase Shares up to a maximum of ten percent (10%) of the aggregate issued and outstanding share capital of the Company until the next annual meeting of the Shareholders (the "**Share Repurchase Mandate**").

An explanatory statement as required by the Listing Rules, providing the requisite information regarding the grant of the Share Repurchase Mandate is set out in Schedule A to this Circular.

At the General Meeting, the Shareholders will be asked to pass the following ordinary resolution:

"BE IT RESOLVED THAT:

1. Subject to paragraph (3) of this resolution, the exercise by the Board of Directors (the "**Board**") of Sunshine Oilsands Ltd. (the "**Company**") during the Relevant Period (as defined below) of all the powers of the Company to repurchase securities of the Company on The Stock Exchange of Hong Kong Limited (the "**SEHK**") or on any other stock exchange on which the securities of the Company may be listed which is recognized by the Securities and Futures Commission of Hong Kong and the SEHK for this purpose (the "**Recognized Stock Exchange**"), subject to and in accordance with the Listing Rules and all other applicable laws and the requirements of the SEHK or any other Recognized Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved.

2. The aggregate number of the shares of the Company authorized to be repurchased by the Company pursuant to the approval in paragraph (1) above during the Relevant Period shall not exceed 10% of the aggregate issued and outstanding share capital of the Company as at the date of the passing of this resolution and the said approval shall be limited accordingly.

3. For the purpose of this resolution:

   "**Relevant Period**" means the period from the time of the passing of this resolution until whichever is the earliest of:

   (i) the conclusion of the next annual meeting of the Company;

   (ii) the expiration of the period within which the next annual meeting of the Company is required to be held under any applicable laws or under the Articles of Incorporation of the Company; and

   (iii) the time of the passing of an ordinary resolution of the Company in a general meeting revoking or varying the authority set out in this resolution; and

4. The directors and officers of the Company are hereby authorized to do all things necessary in order to give effect to the foregoing resolution."

Unless instructed otherwise, the persons named in the accompanying Proxy intend to vote in FAVOUR OF the ordinary resolution approving the general mandate to the Board regarding the repurchase of Shares until the next annual meeting of the Shareholders.

7. Other Matters

Management of the Company is not aware of any other matters to come before the General Meeting other than as referred to in the notice of the General Meeting. Should any other matters properly come before the General Meeting, the Shares represented by proxy solicited hereby will be voted on such matters in accordance with the best judgment of the person voting such proxy.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of hereof, a "**Named Executive Officer**", or **"NEO"**, means each of the following individuals:

(a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CEO, including an individual performing functions similar to a CEO;

(b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as CFO, including an individual performing functions similar to a CFO;

(c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000;

(d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

Based on the foregoing definitions, the Company's NEO in respect of the year ended December 31, 2024 were Ms. Gloria Ho (CFO) and Mr. JianPing Sun (CEO).

Compensation Discussion and Analysis

The Compensation Committee of the Board of Directors of the Company (the "**Compensation Committee**") exercises general responsibility regarding overall employee and executive officer compensation. During the FY 2024, the Compensation Committee comprised of Messrs. David Yi He, Kwok Ping Sun, Xijuan Jiang, Jue Pang and Guangzhong Xing. Both David Yi He, Jue Pang and Guangzhong Xing are independent non-executive directors of the Company.

Each of the members of the Compensation Committee has the skills and experience necessary to enable the Compensation Committee to make decisions on the suitability of the Company's compensation policies and practices. Each of Messrs. He, Sun, Pang, Xing and Jiang has years of experience in director roles of private and public companies and has dealt with compensation matters in such capacity. All of them have experience with the suitability of compensation policies and practices through years of experience in senior executive roles.

The objective of the Company's executive compensation policy is to create remuneration packages that will both attract and retain experienced and qualified individuals to assist the Company in the furtherance of its business and to keep such individuals committed to the long-term success of the Company. Such remuneration packages generally consist of competitive salaries and stock option grants pursuant to the Company's Post IPO Share Option Scheme.

Components of Compensation

Salaries

Base salary provides employees and executive officers with a level of fixed cash compensation that is consistent with market practice. The base salary of each executive officer, including the NEO, compensates them for performing day-to-day responsibilities and is set in the context of the market. Each individual's total compensation package reflects the complexity of their role. Base salary also typically provides a reference point on which other components of compensation are established, such as short term incentives.

Short Term Incentive (Discretionary Cash Bonus)

In addition to base salaries, the Company may award discretionary cash bonuses to employees and executive officers of the Company, including the NEO. The Company does not have a formal bonus plan. The amount of bonuses paid is not set in relation to any formula or specific criteria but is a result of a subjective determination based on, in the case of non-executive employees:(i) the employee's contribution in adding share value and reducing costs; and (ii) the employee's contribution to achieving overall corporate goals. In the case of executive officers and NEO, bonus awards are discretionary and while there are no specific targets or criteria set out, matters such as achievement of corporate goals are considered. No maximum bonus has been established for any executive officers other than a minimum and maximum bonus range established for the 2024 fiscal year under the executive employment agreements between the Company and each of Mr. Sun and Ms. Ho. The award of cash bonuses has not traditionally been targeted at maintaining the Company's cash compensation at any specific level relative to its peer group.

Option-based Awards

The purpose of the Company's Post IPO Share Option Scheme is to advance the interests of the Company by encouraging the directors, officers, and employees of, or providers of services to, the Company and its subsidiaries to acquire Shares, thereby: (i) increasing the proprietary interests of such persons in the Company; (ii) aligning the interests of such persons with the interests of the Company's Shareholders generally; (iii) encouraging such persons to remain associated with the Company; and (iv) furnishing such persons with an additional incentive in their efforts on behalf of the Company. General option based awards for the executive officers individually, and for the Company's employees in the aggregate, are reviewed by the Compensation Committee based on recommendations by the Executive Chairman, the Non-Executive Vice-Chairman or the Chief Executive Officer of the Company. After the Compensation Committee has considered and determined what General stock options should be granted, it makes a recommendation to the Board of Directors of the Company (the "**Board**") for consideration and, if deemed appropriate, approval. From time to time, the full Board may consider and approve of specific option based awards outside of the General stock option award process described above. Previous grants of stock options, individual and corporate performance, competitive pressures, staff retention and numerous other factors are taken into account when the Compensation Committee and the Board are considering new stock option grants.

Employee Share Savings Plan

The purpose of the Employee Share Savings Plan (the "**ESSP**") was to provide an opportunity for employees of the Company to purchase Shares from the Company's treasury at market price through voluntary automatic payroll deductions, thereby attracting, retaining, encouraging and rewarding employees to use their combined best efforts on behalf of the Company and to ensure that employees have a share in the increased profitability and value of the Company, thereby aligning their interests with those of the Shareholders. The ESSP was cancelled on August 31, 2015.

Compensation Governance

Please refer to the disclosure under the heading "*Corporate Governance Disclosure – Committees of the Company – Compensation Committee*".

Risk Oversight

In carrying out its mandate, the Compensation Committee reviewed the elements of compensation of the Company to identify risks arising from the Company's compensation policies and programs that are reasonably likely to have a material adverse effect on the Company. The Compensation Committee has concluded that the compensation program and policies of the Company provide a reasonable balance among different forms of compensation and do not encourage its senior executives to take inappropriate or excessive risks.

The Compensation Committee meets at least once annually to ensure full assessment and analysis of compensation policies and practices with management. Compensation changes are made as appropriate to ensure that Sunshine is competitive in the market place.

Hedging and Offsetting

At present, the Company does not have a formal policy prohibiting its directors and executive officers from engaging in short sales of securities of the Company or buying or selling puts, calls or other derivatives that are designed to hedge or offset a decrease in the market value of securities of the Company.

Currently, in the absence of such a policy, the directors and officers of the Company are expected to act at all times transparently, with integrity, in compliance with stock exchange and securities laws and with a view to the best interests of the Company and its Shareholders in their securities trading activities.

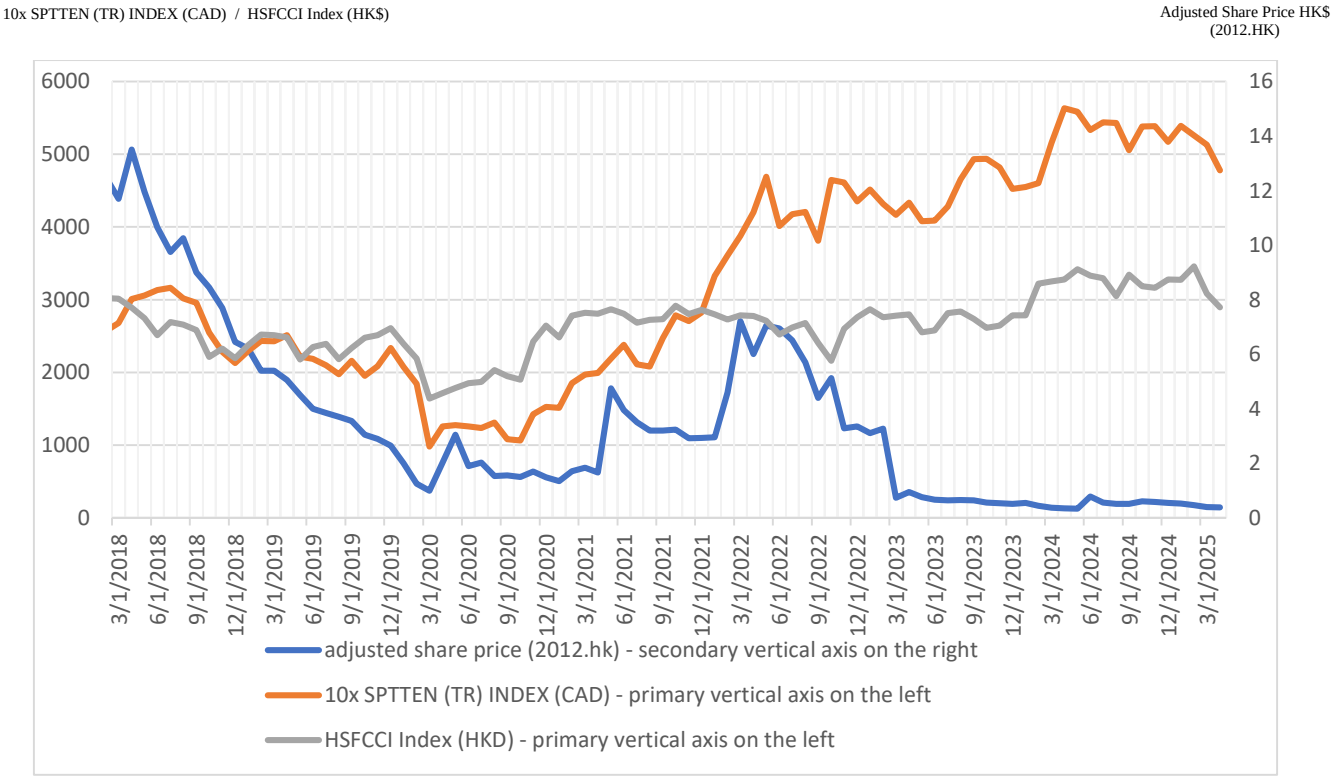
It should be noted that any transactions of this nature are subject to insider reporting requirements and are reported on the System for Electronic Disclosure by Insiders (SEDI). The directors and the Chief Executive Officer are also required to report these transactions using Form 3A (Director's and Chief Executive's Notice – Interests in Shares of Listed Company) to the Stock Exchange of Hong Kong Limited under Section 347 of Part XV of the Securities and Futures Ordinance (Cap. 571).

Insider Trading Policy

Sunshine's Corporate Disclosure and Trading Policy prohibits directors, officers, employees, consultants and other insiders with knowledge of confidential or material information about the Company from trading in securities of the Company including during defined blackout periods.

Subject to complying with such policy, Sunshine encourages certain of its officers and employees to voluntarily acquire Sunshine securities to align the performance and interests of those persons with the long term interests of Sunshine and its shareholders.

Performance Graph



The above graph compares the cumulative shareholder return over the period indicated of a $100 investment in the Shares, with the cumulative shareholder return of the S&P/TSX Energy Index (the ‘‘**SPTSEN Index**’’) and the Hang Seng Foreign Companies Composite Index (the ‘‘**HSFCC Index**’’), assuming the reinvestment of dividends, where applicable.

The trend as shown by the above performance graph shows a decrease in the share price from May 2018 to March 2020, thereafter the Share price increases slightly until the end of May 2020. Since then the share price stays flat until the end of April 2021 where there is a sudden increase. The share price then rebounded sharply until January 2022, remained stagnant for two months and declined gradually until March 2025.

The trend shown in the above graph does not correlate in all cases with the compensation that was awarded to the NEO.

Summary Compensation Table

The following table provides a summary of compensation earned during the years ended December 31, 2022, 2023, and 2024 by the NEO.

Unless otherwise indicated, all dollar amounts in this Circular are expressed in Canadian dollars. In addition, all amounts contained in this Statement of Executive Compensation have been derived from the information supporting the Company's financial statements that have been prepared in accordance with International financial Reporting Standards (IFRS).

Name and Principle	Year	Salary	Share Based Awards	Option Based Awards	General Incentive Plans	Long Term Incentive Plans	Pension Value	All other Compensation	Total Compensations
		($)	*($)*	*($)*	*($)*	*($)*	*($)*	*($)*	*($)*
Gloria Ho	**2024**	600,000	–	–	–	–	–	42,000	642,000
Chief Financial Officer	**2023**	600,000	–	–	–	–	–	42,000	642,000
	2022	583,333	–	–	–	–	–	46,000	629,333
JianPing Sun	**2024**	600,000	–	–	–	–	–	–	600,000
Chief Executive Officer	**2023**	600,000	–	–	–	–	–	–	600,000
	2022	100,000	–	–	–	–	–	–	100,000

Notes

1. *Ms. Gloria Ho was appointed Chief Financial Officer on November 1, 2016 and commenced as an executive director on June 27, 2017.*
2. *Mr. JianPing Sun was appointed as CEO since November 1, 2022.*
3. *Share-based awards and option-based awards are valued at the ‘‘call option value’’ using the Black Scholes model. All values are calculated based on International Financial Reporting Standards. On February 26, 2020, the Company conducted a share consolidation on the basis that 50 existing Shares be consolidated into 1 consolidated share. Hence, the Share Based Awards and the Option Based Awards were adjusted.*
4. *Director's fee are the fees that the only amounts earned relating to the role as a director of the Company.*

Narrative Discussion of Summary Compensation Table

Please refer to the disclosure under the heading ‘‘Compensation Discussion and Analysis’’ above and the above footnotes to the Summary Compensation Table for a description and explanation of any significant factors necessary to understand the information disclosed in the Summary Compensation Table. The Company did not make any downward pricing adjustment of stock options during the fiscal period ended December 31, 2024.

Incentive Plan Awards

Outstanding Share Based Awards and Option Based Awards

The following table sets forth, for each Named Executive Officers, the option based awards that were outstanding as at December 31, 2024. There were no share-based awards outstanding as at December 31, 2024. The number of securities to be issued on the exercise of unexercised options has been adjusted to reflect the 50 for 1 share consolidation made effective on February 26, 2020. As a result, the option exercise price will be multiplied by 50.

	Option-based Awards			
Name	**Number of Securities Underlying Unexercised Options**	**Option Exercise Price (HK$)**	**Option Expiration Date**	**Value of Unexercised in-the-money Options ($)**
Gloria Ho				
Chief Financial Officer	-	-	-	-
JianPing Sun				
Chief Executive Officer	-	-	-	-

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each Named Executive Officer, the incentive plan awards that were earned during the year ended December 31, 2024.

Name	*Option based awards – Value vested during the year ($)* [1]	*Share based awards –Value vested during the year ($)*	*Non-equity incentive plan compensation – Value earned during the year ($)*
Gloria Ho	Nil	Nil	Nil
JianPing Sun	Nil	Nil	Nil

Note: The aggregate dollar value of the vested unexercised in-the-money options is the value that would have been realized if the options had been exercised on the vesting date.

Pension Plan Benefits

The Company has no defined benefit plans, retirement plans or deferred compensation plans or other forms of retirement compensation for any of its employees.

Termination and Change of Control Benefits

The Company has entered into executive employment agreements (the "**Executive Agreements**") with each of Mr. Sun and Ms. Ho (the "**Executives** "). The following is a description of the Executive Agreements and certain of its terms and provisions in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the company or a change in the Executives' responsibilities.

Termination Payments under the Executive Agreements

The table below lists the compensation that would be paid to the Executives upon termination in addition to base salary earned as of the termination date and unused vacation pay, assuming a termination date of December 31, 2024.

Type of Termination	Cash payments ($)	Benefits ($)	Post IPO Share Option Scheme ($)
Resignation [1]	None	None	Treated in accordance with the terms of the Post IPO Share Option Scheme.
Termination (involuntary without just cause)	Six to twelve months base salary[2]	None	Treated in accordance with the terms of the Post IPO Share Option Scheme.
Termination (on change of control and for good reason)	Six to twelve months base salary[2]	None	Treated in accordance with the terms of the Post IPO Share Option Scheme.
Termination (for just cause)	None	None	Treated in accordance with the terms of the Post IPO Share Option Scheme.
Death	None	None	Treated in accordance with the terms of the Post IPO Share Option Scheme.

Note:

1. *Assuming the resignation is accepted and the Executive continues employment with the Company during the notice period for such resignation.*
2. *Depends on agreement terms of each Executive*

Estimated Termination Payments

The table below shows estimated compensation amounts other than base salary earned as of the termination date and unused vacation pay had each Executive been terminated on December 31, 2024.

Type of Termination	Cash payments	Benefits	Post IPO Share Option Scheme	Total Payout
Resignation [1]				
Gloria Ho	-	-	-	-
JianPing Sun	-	-	-	-
Termination (involuntary without just cause)				
Gloria Ho	63,500	500	300,000	364,000
JianPing Sun	provide notice: 72,690	-	-	provide notice: 72,690
Termination (on change of control and for good reason)				
Gloria Ho	63,500	500	300,000	364,000
JianPing Sun	provide notice: 72,690	-	-	provide notice: 72,690
Termination (for just cause)				
Gloria Ho	-	-	-	-
JianPing Sun	72,690	-	-	72,690
Death				
Gloria Ho	-	-	-	-
JianPing Sun	72,690	-	-	72,690

Notes:

(1) Assuming the Executive's resignation is accepted and he or she continues employment with the Company during the eight week notice period for such resignation.

Director Compensation for 2024

Name	Fees Earned ($'000)	Option Based Awards [1] ($'000)	Non-Equity Incentive Plan Compensation ($'000)	Pension Value ($'000)	All Other Compensation ($'000)	Total ($'000)
Kwok Ping Sun	48	-	-	-	3	51
Michael Hibberd	45	-	-	-	-	45
Yi He	56	-	-	-	-	56
Xijuan Jiang	41	-	-	-	-	41
Gloria Ho	41	-	-	-	3	44
Guangzhong Xing	44	-	-	-	-	44
Linna Liu [2]	39	-	-	-	-	39
Jue Pang	43	-	-	-	-	43
	357	-	-	-	-	363

Note:

1. *Share based and option based awards are valued at the ''call option value'' using the Black Scholes model. All values are calculated based on International Financial Reporting Standards.*
2. *Ms. Linna Liu ceased to be a Director of Sunshine with effect from March 31, 2025.*

Narrative Discussion of Director Compensation

The Company's non-executive directors do not have service contracts with respect to their roles as directors. All directors are reimbursed for reasonable expenses incurred by them in their capacity as directors, including travel and other out of pocket expenses incurred in connection with meetings of the Board or its committees. The Company pays its directors $38,000 per year as a general retainer and a $800 fee per meeting. An additional $4,000 retainer is payable to the Chairman and the Vice- Chairman of the Board. Generally, $4,000 is paid to the chair of the Audit Committee and $4,000 is paid to chairs of all other committees of the Board on an general basis. The Company has not in the past incurred any large amounts in this area. In addition, the directors are entitled to participate in the Post IPO Share Option Scheme. Director compensation has been reviewed during 2024.

Outstanding Share Based Awards and Option Based Awards

The following table sets forth for each non-executive director, the option based awards that were outstanding as at December 31, 2024. There were no share-based awards outstanding as at December 31, 2024. For options issued under the Company's Post IPO Stock Option Plan (the "**Post IPO Plan**"), the number of securities underlying unexercised options has been adjusted to reflect the 50 for 1 share consolidation effected on February 26, 2020. As a result, the option exercise price was multiplied by 50.

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (HKD)	Option Expiration Date	Value of Unexercised in-the-money Options ($)
Yi He	100,000	3.65	September 9, 2024	-
Guangzhong Xing	100,000	3.65	September 9, 2024	-

Incentive Plan Awards – Value Vested or Earned During the Year

During the year ended December 31, 2024, there were no incentive plan awards value vested or earned by non-executive directors.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets forth information, as at December 31, 2024, with respect to compensation plans under which equity securities are authorized for issuance, aggregated for all equity compensation plans. In connection with the options issued under the Post IPO Plan, the number of shares to be issued upon exercise of outstanding options has been adjusted to reflect the 50 for 1 share consolidation effective as of February 26, 2020.

Plan Category	Number of Shares to be Issued Upon Exercise of	Weighted Average Exercise Price of Outstanding Options	Number of Shares Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by Shareholders	-	-	-
Equity compensation plans not approved by Shareholders	-	-	-
Total	-	-	-

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular and during the most recently completed financial year, none of the Company's current and former directors, executive officers or employees set out in this Circular, nor any of their respective associates or affiliates, are indebted to the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Circular, to best of the knowledge of the Company's management, none of the Company's directors or executive officers, nor any person who beneficially owns directly or indirectly or exercises control or direction over securities carrying more than 10% of the voting rights attaching to the shares in the capital of the Company, nor any known associate or affiliate of these persons had any material interest, direct or indirect in any transaction since the commencement of the Company's most recently completed financial year which has materially affected the Company, or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

For the twelve months ended December 31, 2024, a consulting Group, to which a director of Sunshine is related, charged the Group CAD 525,000 (December 31, 2023 – CAD 533,000) for management and advisory services.

As at December 31, 2024, 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.

CORPORATE GOVERNANCE DISCLOSURE

Effective June 30, 2005, National Instrument 58-101 – Disclosure of Corporate Governance Practices ("**NI 58-101**") and National Policy 58-201 – Corporate Governance Guidelines ("**NP 58-201**") were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices. The Company is also subject to National Instrument 52-110, which has been adopted in each of the Canadian provinces and territories and which prescribes certain requirements in relation to audit committees.

The Board and the Company's management are committed to good corporate governance and consider good corporate governance to be central to the effective and efficient operation of the Company. The Company believes that good corporate governance helps it to compete more efficiently, be more successful and sustain its success and ultimately build long term shareholder value. The Board is responsible for the governance of the Company. Below is a discussion of the Company's approach to corporate governance.

Independence of Members of the Board

NI 58-101 and NP 58-201 emphasize the importance of the constitution and independence of corporate boards. An "independent" director, under these instruments and policies, is a director who has no direct or indirect material relationship with the Company. For these purposes, a material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Notwithstanding the foregoing, certain individuals are deemed by the applicable legislation to be considered to have a material relationship with the Company. As at the Latest Practicable Date, apart from the three independent non-executive directors who had provided their confirmation of independence to the Board as required under Rule 3.13 of the Listing Rules, the Board has concluded that a majority of directors are independent. Under applicable Canadian securities laws, the Board considers four of the Company's seven existing directors to be not independent as provided in the table below:

Name of Director	Independent	Not Independent	Reason For Non-Independent Status
Sun Kwok Ping		✓	Mr. Sun is the Executive Chairman of the Board.
Gloria Pui Yun Ho		✓	Ms. Ho is an Executive Director of the Company.
Michael J. Hibberd		✓	Mr. Hibberd is the Non-Executive Vice-Chairman of the Company.
Linna Liu [(1)]		✓	Ms. Liu is the representative of Bank of China Group Investment Limited ("BOCGI"), a strategic Shareholder of the Company.
Xijuan Jiang	✓		
Yi He	✓		
Guangzhong Xing	✓		
Jue Pang	✓		

Note:

(1) Ms. Liu ceased to be a Director of the Company with effect from March 31, 2025.

Participation of Directors in Other Reporting Issuers

Name of Directors	Name of Other Reporting Issuer	Listing
Michael J. Hibberd	Canacol Energy Ltd.	TSX, Colombia Stock Exchange
	Greenfields Petroleum Company	TSX Venture Exchange
	D2 Lithium Corp.	TSX Venture Exchange
Gloria Ho	New World Department Store China Limited	HK Stock Exchange
Yi He	Kai Yuan Holding Limited	HK Stock Exchange
	Future World Holding Limited	HK Stock Exchange
Jue Pang	Ribo Fashion Group Co Ltd.	Shanghai Stock Exchange

The independent directors of the Company do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. To facilitate open and can did discussion among the independent directors, the Board holds in camera sessions at Board meetings without the presence of management or those directors who are executives. The independent directors may in the future consider holding regularly scheduled meetings at which non-independent directors and members of management are not in attendance.

Both the Executive Chairman and the Non-Executive Vice-Chairman of the Board are non-independent directors. To provide leadership for the independent directors, the Compensation Committee is comprised of a majority of independent directors; whereas, the Audit Committee is comprised of 100% independent directors and is chaired by an independent director. The ability to establish ad hoc committees comprised of a majority, or entirely, of independent directors provides the Board with the further ability to exercise independent oversight of management, and the chair of each such ad hoc committee provides leadership for such committee.

Board and Committee Meetings and Meeting Attendance

The following is a summary of attendance of the directors at meetings of the Board and its committees for the year ended December 31, 2024:

Directors During FY 2024	**Board of Directors' meeting**	**Audit Committee meeting**	**Compensation Committee meeting**		**Corporate Governance Committee meeting**		**Reserves Committee meeting**
Mr. Kwok Ping Sun [(1)]	2/4		1/1		1/1		0/1
Mr. Michael J Hibberd	4/4				1/1		
Ms. Gloria Ho	4/4						
Ms. Linna Liu [(2)]	1/4						
Ms. Xijuan Jiang	4/4		1/1				
Mr. Guangzhou Xing	4/4	4/4	1/1		1/1		1/1
Ms. Jue Pang	2/4	3/4	1/1		1/1		0/1
Mr. Yi He	4/4	4/4			1/1		

Notes

1. *Mr. Sun's attendance hereto includes reporting representative attendance.*
2. *Ms. Liu's attendance hereto includes reporting representative attendance. She resigned on March 31, 2025.*
3. *During the year under review, no Director attended meetings or committee meetings through his/her alternate.*
4. *As permissible and allowable under the Company's constitutional documents and the applicable laws and regulation, during FY 2024, the Company usually held Board meetings, various committees meetings and the annual general meeting with Directors' attendance by means of telephone or other communication facilities that permit all attendees participating in that meeting to hear each other. A Director participated in meetings by those means is deemed to be present at that meetings.*
5. *All Directors attended the AGM held on June 18, 2024 (Hong Kong time) / June 17, 2024 (Calgary time).*

Board Mandate

The Board is generally responsible for managing the business and affairs of the Company. The primary responsibility of the Board is to promote the best interests of the Company and maximize Shareholders' value. This responsibility includes: (i) approving capital expenditure budgets and general and administrative expense budgets and reviewing fundamental operating, financial and other corporate plans, strategies and objectives; (ii) outlining key operating parameters including debt levels and ratios; (iii) evaluating the performance of the Company and executive officers; (iv) determining, evaluating and fixing the compensation of executive officers; (v) adopting policies of corporate governance and conduct; (vi) considering risk management matters; (vii) reviewing the process of providing appropriate financial and operational information to the Shareholders and the public generally; and (viii) evaluating the overall effectiveness of the Board.

The Board explicitly acknowledges its responsibility for the stewardship of the Company. The Board reviews with management matters of strategic planning, business risk identification, succession planning, communications policy and integrity of internal control and management information systems. The Board fulfils its responsibilities through regular meetings. It meets a minimum of four (4) times per year. In addition, the Board meets at such other times as may be required.

Position Descriptions

The Board has developed written position descriptions for the Board Chairman role (Chairman and Vice-Chairman) and the Chairs of the Company's various Board committees. The Board has also developed written terms of reference for each of the Company's Board committees.

The Board has developed a written position description for the President and Chief Executive Officer of the Company.

Orientation and Continuing Education

The Board orients new directors of the Company by holding sessions to review the Company's constituting document, its board mandate, the terms of references for each of the Company's Committees, and provides an overview of the Company's technical operations. The Board also makes arrangements to introduce all new directors to the Company's senior management. Senior management provides each new director with a general overview of the Company's financial, corporate and internal operations and control structures. From time to time, the Board uses the expertise of its Canadian and Hong Kong legal counsel, to provide continuing education to its directors regarding applicable statutory, regulatory and other compliance requirements to which the Company is subject.

Ethical Business Conduct

The Board has approved and adopted a written corporate code of conduct (the "**Code**") for its directors, officers and employees. The Code is posted on the Company's intranet and is easily accessible by all directors, officers and employees of the Company. The Company mandates that each and every director, officer and employee of the Company review and sign the Code, thereby consenting to abide by it. Strict compliance with the Code is monitored by the executive directors and, from time to time, by the Company's Canadian and Hong Kong legal counsel.

The Board ensures that each director exercises independent judgment in all transactions and agreements by encouraging directors to seek independent legal counsel as and when necessary. Each director is asked at each board and committee meetings if they have any material interest to disclose, and if there exists any material interest, such director(s) abstains from voting on the transaction and/or agreement in which such director(s) has a material interest.

Nomination of Directors

The Corporate Governance Committee is responsible for recruiting and recommending to the full Board nominees for election as directors. The goal of the Corporate Governance Committee is to achieve a Board that provides effective oversight of the Company through the appropriate diversity of experience, expertise, skills, specialized knowledge and other qualifications and attributes of the individual directors. Important general criteria for Board membership include, but are not limited to, the following:

a) members of the Board should be individuals of high integrity and independence, with substantial accomplishments, and should have prior or current associations with institutions noted for their excellence;

b) members of the Board should have demonstrated leadership ability, with broad experience, diverse perspectives, and the ability to exercise sound business judgment; and

c) the composition of the Board should reflect the benefits of diversity as to gender, ethnic background and experience.

The Corporate Governance Committee has adopted a written terms of reference which describes the committee's responsibilities, powers and operations. During the FY 2024, the Corporate Governance Committee composed of five directors: Mr. Kwok Ping Sun, the chairman, and Messrs. Michael J Hibberd, David Yi He, Guangzhong Xing and Jue Pang. A majority of the committee members are independent. The Company has been of the view that the current members of the Corporate Governance Committee are influential and important in setting the key direction of the Company.

Election of Directors

Effective March 26, 2013, the Board passed a policy which provides that, in the event that a director candidate is elected but receives more votes withheld than cast in favor of the director at the meeting appointing directors, he or she is expected to submit a letter of resignation within seven (7) days. Within 90 days of the voting results, the Board shall consider the circumstances of such vote, the particular attributes of the director candidate including his or her knowledge, experience and contribution at Board meetings and determine whether to accept or reject the resignation and will issue a press release announcing the resignation or explain the reasons justifying its decision not to accept the resignation.

Compensation

The Compensation Committee comprises five members, three of whom are independent directors. The Board believes that having an independent non-executive director as chairman of the Compensation Committee ensures an objective process for determining compensation. The Board also ensures an objective process by requiring the Compensation Committee to adhere to the written mandate of the Board set forth in the Compensation Committee Terms of Reference. For the process by which the Board determines the compensation for the Company's directors and officers and the responsibilities, powers and operation of the Compensation Committee, please see the heading "Compensation Discussion & Analysis" above.

Assessments

The Corporate Governance Committee is responsible for assessing the performance of the Board and its Chair, the Board committees and individual directors on an ongoing basis. Directors are encouraged to comment broadly, positively and negatively, on any issue concerning the Board, Board committees and director performance. From time to time, the Executive Chairman and the Non-Executive Vice-Chairman of the Board meet informally with each director, to discuss performance of the Board, Board committees and other issues.

Director Term Limits

The Company has not adopted term limits for the directors on its Board or other mechanisms of Board renewal. The Company does not impose term limits on its directors as it takes the view that term limits are an arbitrary mechanism for removing directors which can result in valuable, experienced directors being forced to leave the Board solely because of length of service. Instead, the Company believes that directors should be assessed based on their ability to continue to make a meaningful contribution. The Board's priorities continue to be ensuring the appropriate skill sets are present amongst the Board to optimize the benefit to the Company.

The Company believes that General elections by the Shareholders are a more meaningful way to evaluate the performance of directors and to make determinations about whether a director should be removed due to under-performance.

Policies Regarding Gender Diversity

While the Board recognizes the potential benefits from new perspectives which could manifest through increased gender diversity within its ranks, the Board has not formally adopted a written Board diversity policy and has not set a target regarding the number or percentage of female members that it wishes to include on the Board. The selection of candidates for appointment to the Board will continue to be based on the skills, knowledge, experience and character of individual candidates and the requirements of the Board at the time, with achieving an appropriate level of diversity on the Board being one of the criteria that the Corporate Governance Committee considers when evaluating the composition of the Board.

When considering candidates for senior management positions, the Company focuses on attracting and retaining experienced and highly skilled individuals that can add value to its business. While the Company does consider the level of representation of women in executive officer positions when making executive officer appointments, the Board does not believe that a formal policy will necessarily result in the identification or selection of the best candidates. The Company considers all candidates based on their merit and qualifications relevant to the specific role.

The Company does not currently have any targets, rules or formal policies that specifically require the identification, consideration, nomination or appointment of female Board nominees or candidates for executive management positions or that would otherwise force the composition of the Board or the Company's executive management team. The Board does not believe it is in the Company's best interests to implement such targets at this time.

Committees of the Company

Corporate Governance Committee

The Company has established a corporate governance committee (the "**Corporate Governance Committee**") to deal with nomination and corporate governance issues, with written terms of reference. These terms of reference can be accessed at the Company's website at www.sunshineoilsands.com/about/committee-charters.html.

The primary functions of the Corporate Governance Committee in respect of nominations include, but are not limited to:

a) making recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive officer; and

b) assessing the independence of independent non-executive directors.

c) Further, the Corporate Governance Committee has certain duties in respect of other corporate governance matters, including:

- to consider and review the Company's corporate governance principles, practices and processes and to make recommendations to the Board;
- to review and monitor the training and continuous professional development of directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to review and monitor the code of conduct and compliance manual applicable to employees and directors; and
- to review the Company's compliance with the Code on Corporate Governance.

The Corporate Governance Committee meets at least once annually.

Compensation Committee

The Company has established a compensation committee (the "**Compensation Committee**") with written terms of reference. These terms of reference can be accessed at the Company's website at www.sunshineoilsands.com/about/committee-charters.html.

The primary duties of the Compensation Committee are to review and make recommendations to the Board in respect of the compensation of the directors, officers and employees of the Company. The Compensation Committee also reviews compensation and other human resource philosophies and policies and undertakes the review of bonuses, general stock option awards and share purchase plan(s) (if any). Further, the Compensation Committee submits an Annual report for inclusion in the Company's relevant public document. The Compensation Committee meets at least once annually.

During the FY 2024, the members of the Compensation Committee were Mr. David Yi He, Mr. Kwok Ping Sun, Mr. Guangzhong Xing, Ms. Jue Pang and Ms. Xijuan Jiang. The majority of the committee members are independent.

Reserves Committee

The Company has established a reserves committee (the "**Reserves Committee**") which has the primary responsibility for reviewing procedures relating to the disclosure of information with respect to oil and gas activities, including reviewing its procedures for complying with its disclosure requirements and restrictions set forth under applicable securities requirements. The terms of reference of the Reserves Committee can be accessed at the Company's website at www.sunshineoilsands.com/about/committee-charters.html.

Specifically, the Reserves Committee's responsibilities include, but are not limited to:

a) reviewing and approving management's recommendations for the appointment of independent evaluators;

b) reviewing procedures for providing information to the independent evaluators;

c) meeting with management and the independent evaluators to review the reserves data and reports;

d) recommending to the Board whether to approve the content of the independent evaluators' reports; and

e) reviewing procedures for reporting on other information associated with oil sands producing activities and generally reviewing all public disclosure of estimates of reserves.

The Reserves Committee is comprised of three members of the Board, who must meet certain independence criteria as set out by the Board in the committee's written terms of reference. The Reserves Committee meets at least once annually. During the FY 2024, the Reserves Committee comprised of Mr. Yi He, the chairman of the Committee, Mr. Kwok Ping Sun and Mr. Guangzhong Xing.

Audit Committee

The Company has established an audit committee (the ''**Audit Committee**'') with written terms of reference. These terms of reference can be accessed at the Company's website at

www.sunshineoilsands.com/about/committee-charters.html.

The purpose of the Audit Committee is to provide assistance to the Board in fulfilling its legal fiduciary obligations with respect to matters involving the accounting, auditing, financial reporting, risk management, internal control and legal compliance functions of the Company. The Audit Committee has a defined mandate and is responsible for reviewing and overseeing the external audit function, recommending the external auditor and the terms of such appointment or discharge, reviewing external auditor reports and significant findings and reviewing and recommending for approval to the Board all public financial disclosure information such as financial statements, management's discussion and analysis, General information forms and prospectuses. The Audit Committee also pre-approves all non- audit services to be conducted by the external auditors and ensures that management has effective internal control systems, investigates any recommendations for improvement of internal controls and meets at least Generally with the Company's external auditors without management present and at least quarterly with management present. Sunshine does not have internal auditors and, given the size of the Company, Sunshine considers this to be practical and appropriate. The Audit Committee convenes at least quarterly with the Company's auditors and management and as circumstances otherwise warrant.

During the FY 2024, the members of the Audit Committee were Mr. Yi He, the chairman of the Committee, Mr. Guangzhong Xing and Ms. Jue Pang.

RECOMMENDATION

The Directors consider that the election of directors for the ensuing year, the appointment of auditor, the general mandate to issue Shares and the Share Repurchase Mandate are all in the best interests of the Company and its Shareholders as a whole. Accordingly, the directors recommend all Shareholders to vote in favor of all the resolutions to be proposed at the Annual Meeting.

ADDITIONAL INFORMATION

Additional financial information is provided for in our financial statements and management's discussion and analysis for the year ended December 31, 2024. Copies of these document as well as additional information relating to the Company contained in document filed by the Company may also be accessed through the websites of the HKEX and the Company.

Document affecting the rights of security holders, along with other information relating to the Company, may be found on the Company's website at www.sunshineoilsands.com.

RESPONSIBILITY STATEMENT

This Circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Circular is accurate and complete in all material respects and is

not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

DIRECTORS' APPROVAL

The contents and the dispatch of this Circular have been approved by the Board.

(signed) "*Kwok Ping Sun"*
Kwok Ping Sun
Executive Chairman

Calgary, Alberta, May 23, 2025
Hong Kong, May 23, 2025

SCHEDULE A

EXPLANATORY STATEMENT RELATING TO SHARE REPURCHASE

This Schedule serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to the shareholders for their consideration of the Share Repurchase Mandate.

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LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listing is on the SEHK to repurchase their shares on the SEHK or other stock exchanges subject to certain restrictions. The Company is empowered to repurchase its own shares, subject to the requirements of the ABCA.

SHARE CAPITAL

As at the Latest Practicable Date, the issued and outstanding Shares of the Company numbered 340,870,153. Subject to the passing of the repurchase resolution and on the basis that no further shares are issued or repurchased prior to the Meeting, the Company would be allowed to repurchase up to a maximum of 34,087,015 Shares under the Share Repurchase Mandate during the Relevant Period, representing 10% of the issued and outstanding share capital of the Company as at the Latest Practicable Date.

REASONS FOR THE REPURCHASES

The Board believes that the flexibility afforded to them by the Share Repurchase Mandate would be in the best interests of the Company and the Shareholders. Repurchases pursuant to such mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the Company's Shares or the net assets and/or the earnings per share and will only be made when the Board believes that such actions will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Incorporation and subject to the requirements of the ABCA. It is expected that the Company will fund any repurchase of shares from its available internal resources.

IMPACT ON THE WORKING CAPITAL OR GEARING POSITION

If the Share Repurchase Mandate is exercised in full at any time during the Relevant Period, there may be a material adverse effect on the working capital levels of the Company or its gearing levels, as compared with the position disclosed in the Company's audited financial statements for the year ended December 31, 2024 (the most recent published audited financial statements). However, the Board does not propose to exercise such mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company at the time of the relevant repurchases unless the Board determines that such repurchases are, taking into account of all relevant factors, in the best interests of the Company.

SHARE PRICES

The highest and lowest prices at which the Company's Shares have been traded on the SEHK for the past twelve months preceding the issue of this Circular were as follows:

SEHK Trading Prices

	Per Share *(Note 1)*	
	Highest	Lowest
	HK$	*HK$*
2024		
May 1 – May 31	0.42	0.285
June 1 – June 30	1.48	0.355
July 1 – July 31	0.75	0.45
August 1 – August 31	0.56	0.475
September 1 – September 30	0.66	0.45
October 1 – October 31	0.7	0.53
November 1 – November 30	0.64	0.52
December 1 – December 31	0.62	0.51
2025		
January 1 – January 31	0.58	0.495
February 1 – February 29	0.58	0.385
March 1 – March 31	0.48	0.345
April 1 – April 30	0.53	0.32
May 1 – May 19 (being the Latest Practicable Date)	0.55	0.405

Note : The Company conducted a share consolidation on the basic that every fifty (50) Existing Shares be consolidated into one (1) Consolidated Share on February 26, 2020. The aforesaid share prices were restated on a post-consolidated basis for comparison purpose.

EFFECT OF THE CODE OF TAKEOVERS AND MERGERS AND SHARE REPURCHASES OF HONG KONG (THE "TAKEOVERS CODE")

A Shareholder's proportionate interest in the voting rights of the Company will increase upon the Company's exercise of its powers to repurchase Shares pursuant to the Share Repurchase Mandate, and such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase in his/her or their shareholding interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Kwok Ping Sun, the Executive Chairman and a substantial shareholder of the Company, interested and deemed to be interested in an aggregate of 150,232,591 Shares, representing an approximately 44.07% of the issued share capital of the Company. In the event that the Directors exercise the power of Share Repurchase Mandate in full, the shareholding of Mr. Kwok Ping Sun will be increased to approximately 48.97% of the issued share capital of the Company and such increase would not give rise to an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code.

In addition, the Directors have no intention to exercise the Share Repurchase Mandate to the extent that it may result in a public shareholding less than 25% of the issued share capital, being the prescribed minimum percentage of shares required by the SEHK.

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules), has any present intention to sell Shares to the Company in the event that the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any "core connected person" (as defined in the Listing Rules) that he has a present intention to sell Shares to the Company or has undertaken not to sell Shares held by him to the Company in the event that the Share Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF DIRECTORS

The directors have undertaken to the SEHK that they will exercise the power of the Company to make repurchases pursuant to the Share Repurchase Mandate in accordance with the Listing Rules, Canadian laws and the constitutional document of the Company.

SHARE PURCHASE MADE BY THE COMPANY

The Company did not purchase any of the Company's Shares during the six months prior to the Latest Practicable Date.

SCHEDULE B

POST IPO SHARE OPTION SCHEME DESCRIPTION

The Company adopted the Post IPO Share Option Scheme on January 26, 2012 (the "Scheme"). The Scheme was subsequently amended by (i) a resolution passed at the Company's annual and special meeting of Shareholders held on May 7, 2013; and (ii) a resolution of the Board on June 13, 2013. The purpose of the Scheme is to attract skilled and experienced personnel, to incentivize them to remain with the Company and to motivate them to strive for the future development and expansion of the Company by providing them with the opportunity to acquire equity interests in the Company.

As at the Latest Practicable Date, there was no share underlying option granted under the Scheme.

Present Terms of the Scheme

The following section provides a brief summary of the principal terms of the Post IPO Share Option Scheme, without giving effect to the amendments for which Shareholder approval is being sought at the Meeting, and is qualified in its entirety by the terms and provisions of the Scheme, the full text of which is available under the Company's profile at the websites of the HKEX and the Company.

Participants

The Board may, in its discretion, select any directors, officers and employees of the Company, the Company's subsidiaries and any other persons to participate in the Post IPO Share Option Scheme.

Option Issuance Thresholds

The Scheme was last refreshed on October 31, 2018 (the "Scheme Mandate Limit"). Under the refreshed Scheme Mandate Limit, the Directors will be authorized to grant 601,359,617 Options (before Share Consolidation adjustment) to subscribe for a maximum total of 601,359,617 Shares (before Share Consolidation adjustment), representing 10% of the Shares in issue as at that date on which the resolution were passed by the Shareholders of the Company.

This threshold may be increased at a later date with the approval of Shareholders provided that the new limit may not exceed 10% of Shares issued and outstanding as at such date (excluding Shares underlying options granted under the Scheme and any other share option scheme prior to such date). The Company may exceed this limit where shareholder approval has been sought and obtained in accordance with the provisions of the Scheme.

The Scheme provides that the number of Shares issued to insiders (as defined in the Scheme) of Sunshine within any 12-month period, and the number of Shares issuable to Sunshine insiders at any time, will not exceed 10% of Sunshine's total issued and outstanding Shares. The aggregate number of Shares issued or to be issued to any one person under the Scheme at any time in any 12 month period (together with any Shares underlying options granted during such period under any other share option scheme) must not exceed 1% of Shares issued and outstanding at the time, unless shareholder approval has been sought and obtained in accordance with the provisions of the Scheme (and with the person receiving such option grant abstaining from voting).

Shareholder approval (excluding the votes of all "connected persons" of Sunshine, as "connected person" is defined in the Listing Rules) is required where any grant of options under the Scheme to a substantial shareholder (as defined in the Listing Rules) or an independent non-executive director, or any of their respective associates, would result in the Shares issued and to be issued upon the exercise of all options (including those already granted and including options exercised, cancelled and outstanding) and any other share option schemes of the Company in the 12 month period up to and including the grant date would represent in the aggregate over 0.1% Shares in issue on the grant date and have an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the SEHK on the grant date, in excess of HK$5 million. Grants to directors, chief executives (as defined in the Listing Rules) or substantial shareholders falling below this threshold require the prior approval of the independent non-executive directors (excluding the vote of the independent non-executive director receiving shares under the grant, if any).

Exercise Price

The Board has the authority under the Scheme to determine the exercise price for the Shares underlying options granted under the Scheme, but the Scheme provides that such exercise price will not be less than the higher of: (a) the closing price of the Shares as stated in the daily quotation sheets issued by the SEHK on the offer date, which must be a business day; (b) the volume weighted average trading price of the Shares on the SEHK for the five trading days immediately preceding the offer date; and (c) the average closing price of the Shares as stated in the daily quotation sheet issued by the SEHK for the five business days immediately preceding the offer date; which price, for convenience, shall be expressed in or converted to Canadian dollars at the Bank of Canada noon Hong Kong – Canada exchange rate in effect on that day.

Other Terms of Options Granted

The Board has discretion to specify the terms on which options are granted under the Post IPO Share Option Scheme. Such terms may include, among other things: (a) vesting periods; (b) performance targets that must be reached before an option can be exercised; such performance targets could include but not limited to production volume, annual downtime, etc.; (c) the period during which an option may be exercised (the "Exercise Period"), which shall not expire later than 10 years from the date on which the option is offered; and (d) any other terms either on a case by case basis or generally. Currently, for all options that are already granted, no performance targets have been set. Should the Company issue share options with performance targets in the future, relevant disclosures will be made in accordance with the Listing Rules.

An option granted to a person in accordance with the Post IPO Share Option Scheme is not assignable or transferable and the person must not sell, transfer, charge, mortgage, encumber or create any interest in favor of any third party in relation to any option.

Expiry

Option granted under the Scheme lapse automatically and will not be exercisable on the earliest of: (a) the expiry of the Exercise Period; (b) the date of termination of the grantee's employment or service by the Company or any of its subsidiaries for cause; (c) the date on which the grantee: (i) becomes an officer, director, employee, consultant, adviser, partner of, or a shareholder or other proprietor owning more than a 5% interest in, any competitor; or (ii) knowingly performs any act that may confer any competitive benefit or advantage upon any competitor; (d) the date on which an unconditional general offer, by way of takeover or otherwise, made to all the Shareholders (other than the offeror and any person or person acting jointly or in concert with the offeror) closes; (e) the date, where a plan or scheme of arrangement was made to all Shareholders and was approved at the requisite meeting, that is the record date for determining entitlements under such scheme of arrangement; (f) the date on which a compromise or arrangement (other than as described above) under the ABCA becomes effective; (g) the date of the commencement of the winding up of the Company; (h) the expiry of the period for exercising the option referred following a termination for reasons other than for cause; (i) the date on which the person transfers the option; (j) the date on which the person is declared bankrupt or enters into any arrangement or composition with his creditors generally; and (k) in respect of Shares underlying options which are subject to vesting conditions, the date on which the conditions to vesting of the relevant Shares underlying the option are not satisfied.

If the Grantee's employment or service with the Company or its subsidiary is terminated for any reason other than for cause (including any reason of resignation, retirement, death, disability or non- renewal of the employment, service or other agreement upon its expiration) prior to the expiry of the Exercise Period of any option, then the Board shall determine at its absolute discretion whether the grantee will be entitled to exercise the options in respect of vested and unvested shares as at the date of the grantee's employment or service is terminated. If the Board determines that such option may not be exercised following such termination of employment or service, such option shall automatically expire on the date of the termination.

Where the last date on which an option may be exercised in the option period under the grant falls within a period during which the Company is in blackout and trading in Shares is prohibited under the Company's policies or within 2 Business Days from the end of such a blackout period, the terms of the Scheme provide that the option period for such grant shall be extended to the date that is 10 business days following the end of the blackout period, except where such extension would result in such option period expiring later than 10 years from the date of grant.

Amendment of the Scheme

The Board may alter any of the terms of the Post IPO Share Option Scheme at any time, provided that any alterations to the key terms of the Post IPO Share Option Scheme (including *inter alia* those that relate to who can participate, the issuance thresholds, determining the exercise price and the cancellation and termination of options granted) to the advantage of participants or any changes to the terms of the options granted under the Scheme must be approved by Shareholders in a general meeting and provided that any alterations to the amendment provisions of the Scheme or which are, in the opinion of the Board, of a material nature must be approved by Shareholders in a general meeting.

The Scheme also requires shareholder approval for any amendment that would: (i) remove or exceed the limits for options granted to "connected persons" (as defined under the Listing Rules) and insiders under the Scheme; (ii) reduce the price at which Shares are purchased under the Scheme; (iii) expand the definition of "Participants" under the Scheme; or (iv) amend the amendment provisions of the Scheme.

The Board may amend the Scheme or any grant of options made thereunder provided it obtains the prior approval of the SEHK or any other applicable regulatory authority or stock exchange and provided it obtains the consent or deemed consent of any participant whose rights would be materially prejudiced by the amendment.

Amendments made by the Board in 2013

On June 13, 2013, the Board, with the approval of the SEHK, amended the Scheme to permit the Company to provide loans on commercial terms to any Scheme participant (excluding directors and "connected persons", as such term is defined under the Listing Rules) to exercise options granted under the Scheme in accordance with relevant laws and regulations. As the Board determined that this amendment was not material to the Scheme, the Board determined it was unnecessary under the terms of the Scheme to seek Shareholder approval for the amendment.