

DATE: 16 JUNE 2019

**SUNSHINE OILSANDS LTD.
(as the Company)**

AND

**LIONROCK SOLEIL L.P.
(as the Subscriber)**

SUBSCRIPTION AGREEMENT

relating to the subscription for US\$9,868,398.69

8.0% senior guaranteed

convertible bonds to be issued by

SUNSHINE OILSANDS LTD.

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THIS AGREEMENT is dated 16 June 2019

BETWEEN:

- (1) **SUNSHINE OILSANDS LTD.**, a company incorporated in the Province of Alberta, Canada with limited liability and whose correspondence address in Hong Kong is 20th Floor, Two Chinachem Central, No. 26 Des Voeux Road, Central, Hong Kong (the "**Company**"); and
- (2) **LIONROCK SOLEIL L.P.**, a company incorporated under the laws of Cayman Islands, whose registered office is 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands (the "**Subscriber**").

WHEREAS:

- (A) The Company is a company incorporated in the Province of Alberta, Canada with limited liability. As of the date hereof, the Company has an authorized share capital of an unlimited number of (a) Class "A" and Class "B" voting common shares without par value; (b) Class "C", Class "D", Class "E" and Class "F" non-voting common shares without par value; and (c) Class "G" and Class "H" non-voting preferred share. All of the issued shares of the Company are currently listed on Main Board of the Stock Exchange.
- (B) The Company has conditionally agreed to issue the Bonds (as defined below), and the Subscriber has conditionally agreed to subscribe or procure subscription for the Bonds (as defined below), upon and subject to the terms and conditions set out in this Agreement. No application will be made to the Stock Exchange for the listing of the Bonds.

NOW IT IS HEREBY AGREED:

1. **DEFINITIONS**

- 1.1 In this Agreement, including the Recitals and the Schedules, the following expressions shall, unless the context otherwise requires, have the following meanings:

"Bondholder" means a person in whose name a Bond is registered in the register of Bondholders, and "**holder**" in relation to a Bond has a corresponding meaning;

"Bonds" the 8.0% annual coupon senior guaranteed convertible and unlisted straight bonds in an aggregate principal amount of US\$ 9,868,398.69 to be issued by the Company pursuant to this Agreement with the benefit and subject to the provisions of the Conditions and the Instrument; and "**Bond**" shall be construed accordingly;

"Business Day" any day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning no.8 or above or a "black" rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks are generally open for business in Hong Kong, in the place where the Certificate is surrendered, throughout their normal business hours);

"Certificate"	a certificate in or substantially in the form set out in schedule of the Instrument issued in the name of the holder of the Bonds;
"Completion"	the full performance by the parties hereto of their respective obligations under Clause 4;
"Chairman"	Kwok Ping SUN (孙国平), holder of Hong Kong identity card no: P590331(2);
"Chairman Loan"	the loan extended by the Chairman to the Company with an outstanding principal amount of HK\$55,924,646 as of the date hereof;
"Conditions"	the terms and conditions to be attached to or form part of the Bonds (with such amendments thereto as the parties hereto may agree) and the Instrument, and "Condition" refers to the relative numbered paragraph of the Conditions;
"Conditions Precedent"	the conditions precedent set out in Clause 3.1;
"Contract"	with respect to any Person, any oral or written contract, agreement, undertaking, understanding, indenture, option, warrant or other form of obligation which upon exercise would require the Company to issue any Equity Securities, note, bond, loan or other form of debt obligation, instrument, lease, mortgage, deed of trust, franchise, or license to which such Person is a party or by which such Person or any of its property is bound.
"Conversion Right"	in respect of the Bonds which are convertible and specified as such on the relevant Certificate, the right(s) of the Subscriber to convert all or a portion of the Bonds into Shares subject to and in accordance with the Conditions;
"Conversion Shares"	the Shares allotted and issued upon an exercise of the Conversion Right;
"Dispute"	any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement);
"Encumbrance"	means any mortgage, charge, pledge, lien (otherwise than arising by statute or operation of law), hypothecation, equities, adverse claims, or other encumbrances, priority or security interest, deferred purchase, title retention, leasing, sale-and-purchase, sale-and-leaseback arrangement over or in any property, assets or rights of whatsoever nature or interest or any agreement for any of same and "Encumber" shall be construed accordingly;

"Equity Securities"	with respect to any Person, such Person's share capital, capital stock, membership interests, partnership interests, registered capital, joint venture or other ownership interests or any options, warrants or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, such share capital, capital stock, membership interests, partnership interests, registered capital or joint venture or other ownership interest (whether or not such derivative securities are issued by such Person);
"Event of Default"	any event or circumstance specified as such in the Conditions;
"Existing Loans"	all the short term loans extended to the Company as of the date hereof in an aggregate outstanding amount of HK\$62,490,000 and the Chairman Loan;
"Existing Notes"	the 10% senior secured existing notes issued by the Company in 2014 with an aggregate principal amount of US\$200 million and its amendments;
"Existing Notes New Maturity Date"	the further extended date of maturity date of the Existing Notes to no earlier than one day after the Maturity Date;
"Guarantee"	the personal guarantee dated on or around the Issue Date to be executed by the Guarantor and the Subscriber, among other things, for the Guarantor to guarantee the repayment of the Bonds and other obligations under the Transaction Documents in form and substance satisfactory to the Subscriber;
"General Mandate"	means the general mandate approved by the general meeting of the shareholders of the Company to the directors to allot, issue and deal with additional shares in the Company not exceeding 20% of the aggregate number of shares of the Company in issue as of the date of the passing of the relevant resolution at the general meeting of the Company as of 25 June 2018;
"Governmental Authority"	means any nation or government or any federation, province or state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of the PRC, Canada or any other country, or any political subdivision thereof, any court, tribunal or arbitrator, and any self-regulatory organization;
"Group"	the Company and its Subsidiaries;

"Guarantor"	the Chairman;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Indirect Tax"	any goods and services tax, consumption tax, value added tax or any tax of a similar nature;
"Instrument"	the instrument to be executed by the Company by way of a deed poll constituting the Bonds substantially in the form set out in Schedule 1 (subject to such amendments as the Subscriber and the Company may reasonably agree), together with the schedules (as from time to time altered in accordance with the instrument) and any other document executed in accordance with the instrument (as from time to time so altered) and expressed to be supplemental to the instrument;
"Issue Date"	the date on which completion of the issue of and the subscription for the Bonds occurs in accordance with this Agreement;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Long Stop Date"	30 June 2019 or such other date as may be agreed by the Company and the Subscriber;
"Material Adverse Effect"	a material adverse effect on: (i) the business, operations, property, condition (financial or otherwise) or prospects of any Obligor; (ii) the ability of any Obligor to perform its obligations under the Transaction Documents; or (iii) the validity or enforceability of the Transaction Documents or the rights or remedies of the Subscriber under the Transaction Documents.
"Obligors"	the Company, the Guarantor and the Group, and "Obligor" means any one of them;
"Person"	any individual, corporation, partnership, limited partnership, proprietorship, association, limited liability company, firm, trust, estate or other enterprise or entity;
"PRC"	the People's Republic of China, but (solely for the purpose of the Transaction Documents) excluding Hong Kong and Macau Special Administrative Regions and Taiwan region;

"Relevant Jurisdictions"	(a) the jurisdiction of incorporation of the relevant Obligor; or (b) the place of residence of the Obligor or where the Obligor has assets.
"Shares"	the common shares of the Company and all other (if any) stock or shares from time to time and for the time being ranking pari passu therewith and all other (if any) shares or stock in the share capital of the Company resulting from any sub-division, consolidation or re-classification thereof;
"Shareholders"	the holders of Shares;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Subscription Amount"	US\$ 9,868,398.69;
"Subsidiary"	any company or other business entity of which the Company owns or controls or proposes to own or control (either directly or through one or more other Subsidiaries) 50 percent or more of the issued share capital or other ownership interest or having ordinary voting power to elect directors, managers, trustees or other governing body of such company or other business entity or any company or other business entity or having power in directing the business or their affairs, which at any time has its accounts consolidated with those of the Company (where appropriate) or which, under Hong Kong law, regulations or generally accepted accounting principles in Hong Kong from time to time, should have its accounts consolidated with those of the Company (where appropriate) or would be so required on completion of the relevant acquisition or subscription;
"Swap"	the swap between the equity interests held by the Chairman and/or any entity controlled by or affiliated with the Chairman in certain other entity and the Existing Notes, whereby all liabilities under the Existing Notes shall be discharged from the holders of the Existing Notes in full in consideration for such equity interests to be transferred prior to the Existing Notes New Maturity Date;
"this Agreement"	this subscription agreement, as amended from time to time in accordance with Clause 18;
"Transaction Documents"	all of the following: <ul style="list-style-type: none"> (i) this Agreement; (ii) the Instrument (including the Conditions and the Certificate); and (iii) the Guarantee;

“Warranties”	the representations, warranties and undertakings contained in Clause 5 and Schedule 3;
“US\$”	United States dollars, the lawful currency of the United States of America;
“Upfront Fee”	a nonrefundable upfront fee to be paid by the Company to the Subscriber in an amount equal to 1% of its Subscription Amount;
“%”	percent

1.2 In this Agreement, unless the context otherwise requires, any reference to a **“Clause”** or a **“Schedule”** is a reference to a clause of and a schedule to this Agreement and, unless otherwise indicated, includes all the sub-clauses of that clause.

1.3 In this Agreement, words importing the singular include the plural and vice versa, words importing gender include both genders and the neuter and references to persons include bodies corporate or unincorporate.

1.4 An Event of Default is **“continuing”** if it has not been waived in writing or remedied.

1.5 The headings in this Agreement are for convenience only and shall not affect its interpretation.

1.6 References to statutory provisions shall be construed as references to those provisions as respectively amended or re-enacted (whether before or after the date hereof) from time to time and shall include any provision of which they are re-enactments (whether with or without modification) and any subordinate legislation made under provisions.

2. **SUBSCRIPTION FOR THE BONDS**

2.1 Subject to fulfilment of the Conditions Precedent, the Subscriber shall subscribe for and purchase the Bonds in the Subscription Amount, and the Subscription Amount shall be satisfied by the full payment of the Subscription Amount (subject to Clause 4.3 below) in cash by the Subscriber at Completion.

2.2 Subject to fulfilment of the Conditions Precedent, the Company shall at Completion execute the Instrument and issue the Bonds at the Subscription Amount to the Subscriber or its nominee(s) in such manner as the Subscriber may direct.

2.3 Payment of the relevant Subscription Amount as set out in Clause 2.1 shall be effected by a Subscriber delivering to the Company one or more cashier order(s) issued by a licensed bank in Hong Kong in favour of the Company.

2.4 **Listing**

2.4.1 The Company shall, as soon as practicable after the day hereof, apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares on the Main Board of the Stock Exchange.

2.5 **Purpose**

2.5.1 The Company shall apply the proceeds from the issue of the Bonds (after deduction of all expenses and fees which are payable by the Company in accordance with

the Transaction Documents) for financing its working capital and capital expenditure for its West Ells project to bring daily production to 5,000 barrel

2.5.2 No such proceeds shall be used for the redemption or repayment of any previous loan (including interests and related fees and expenses) extended to the Company or any other member of the Group, including but not limited to the Existing Loans and the Existing Notes.

2.5.3 The Subscriber is not bound to monitor or verify the application of any amount of the proceeds of the issue of the Bond pursuant to this Agreement.

3. **CONDITIONS PRECEDENT**

3.1 Subscriber's obligations to subscribe for the Bonds under this Agreement are conditional upon (unless agreed to be waived by such Subscriber in its absolute sole discretion), save that the conditions set out in item (iv) below shall not be waived howsoever:

- (i) such Subscriber has received all of the documents and evidence set out in Schedule 2 (Completion Deliverables) in form and substance satisfactory to it on or prior to the Issue Date;
- (ii) the Warranties of each Obligor contained in the Transaction Documents to which it is a party is true, accurate and correct and not misleading as of the date of this Agreement and the Issue Date;
- (iii) Subscriber and the Company have obtained all necessary external, internal and corporate consents and approvals under all applicable laws and regulations regarding the Transaction Documents, including but not limited to sufficient General Mandate for contemplated transactions under the Transaction Documents;
- (iv) the Stock Exchange have granted approval of the listing of, and permission to deal in, the Conversion Shares with respect to the Bonds, and all requirements, if any, imposed by the Stock Exchange and the Hong Kong Securities and Futures Commission, in connection with the contemplated transactions under the Transaction Documents, shall have been obtained and/or complied with in full;
- (v) all obligations and all compliance procedures under the Transaction Documents and applicable laws required to be performed by each Obligor on or before the Issue Date have been performed;
- (vi) no Event of Default is continuing or would result from the proposed issue by the Company of the Bonds to the Subscriber;
- (vii) there shall not have occurred any change that would have a Material Adverse Effect on the Obligor;
- (viii) the Chairman is a director and of the board of directors of the Company, and holds not less than 25% beneficial interest directly or indirectly in the Company as at the Issue Date on a fully-diluted basis;
- (ix) the auditor's report in the latest audited financial statements of the Company and each other member of the Group shall not be qualified in any way and the latest audited financial statements of the Company and each other member of the Group have been provided to the Subscriber;
- (x) the delivery of a deed of undertakings from the Guarantor pursuant to which the Guarantor undertakes to, among other things, (a) complete the Swap prior to the Existing Notes New Maturity Date and (b) ensures that the replacement notes (if any) shall be subordinated to the Bonds prior to the Issue Date.

- 3.2 The Company shall use its best endeavours to procure the fulfilment of all the Conditions Precedent as soon as practicable and in any event on or before the Long Stop Date. The Subscriber and the Company hereby undertakes to the others that it shall procure that all information and documents required pursuant to the Listing Rules, and other applicable rules, codes and regulations whether in connection with the preparation of all circulars, reports, documents, independent advice or otherwise are duly given promptly to the other of them, the Stock Exchange and other relevant regulatory authorities.
- 3.3 The Subscriber may at any time by notice in writing to the Company waive the condition set out in Clause 3.1 other than item (iv). If the Conditions Precedent are not fulfilled (or waived) on or before the Long Stop Date, this Agreement (save and except Clause 20.3 and Clauses specified therein) shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with this Agreement save in respect of any antecedent breach of any obligation hereof.
4. **COMPLETION**
- 4.1 Completion of the issuance and subscription of the Bonds between the Company and the Subscriber shall take place on the Issue Date following the satisfaction (or waiver as the case may be) of the conditions set out in Clause 3 (*Conditions Precedent*) of this Agreement or at such other time as the Company and such Subscriber may agree in writing.
- 4.2 On the Issue Date, apart from the documents set out in Schedule 2 (*Completion Deliverables*), the Company shall deliver to the Subscriber:
- 4.2.1 a Certificate duly executed and authenticated by the Company and issued in favour of the Subscriber or its nominees for the Bonds in such principal amount of the relevant Subscription Amount in such manner as such Subscriber may direct; and
- 4.2.2 a letter issued by the Company's legal counsel evidencing that the Subscriber is in the Company's bondholder register as the holder of the Bonds.
- 4.3 If the conditions set out in this Agreement have been met and against the delivery by the Company of the documents and evidence set out in Clause 4.2 above, the Subscriber shall subscribe for the Bonds, and pay or cause to be paid, to the Company the relevant Subscription Amount less (i) the amount of legal fee charged by legal counsel to such Subscriber and any other fees and due diligence costs incurred by such Subscriber (in any case, no more than 1% of its Subscription Amount) and (ii) its pro rata Upfront Fee (if not previously paid). The payment of such net amount shall be made to the Company by credit transfer in US\$ for same day value into the Company's bank account. Once such net amount is irrevocably instructed to be transferred to the Company's bank account, such Subscriber shall be deemed to have fully performed its payment obligation for the Bonds in the Subscription Amount.
5. **REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS OF THE COMPANY**
- 5.1 The Company hereby represents, warrants and undertakes to the Subscriber that the Warranties are true and correct in all respects and not misleading in any respects as at the date of this Agreement and will continue to be so up to and including the time of Completion.
- 5.2 The Company undertakes to notify the Subscriber as soon as reasonably practicable on any matter or event coming to its attention prior to Completion which shows or could reasonably be expected to cause any of the Warranties to be or to have been untrue or misleading in any material respect or which may have any Material Adverse Effect on the assets or liabilities of the Company.

- 5.3 The Company hereby agrees and acknowledges that the Subscriber is entering into this Agreement in reliance on the Warranties notwithstanding any enquiries or investigations which any Subscriber may have conducted and notwithstanding anything of which any Subscriber may or ought to have knowledge or notice, and the Subscriber is entitled to treat such representations and warranties as conditions of the Agreement.
- 5.4 Each of the Warranties is without prejudice to any other Warranty and, except where expressly or otherwise stated, no provision in any Warranty shall govern or limit the extent or application of any other provision in any Warranty.
- 5.5 The Warranties shall survive Completion and the rights and remedies of the Subscriber in respect of any breach of the Warranties shall not be affected by Completion or by any Subscriber rescinding, or failing to rescind this Agreement, or failing to exercise or delaying the exercise of any right or remedy, or by any other event or matter whatsoever, except a specific and duly authorized written waiver or release and no single or partial exercise of any right or remedy shall preclude any further or other exercise
- 5.6 The Subscriber shall be entitled to take action both before and after Completion in respect of any breach or non-fulfillment of any of the Warranties and Completion shall not in any way constitute a waiver of any right of any Subscriber.
- 5.7 The Company undertakes in relation to any Warranty which refers to the knowledge, information or belief of the Company that it has made full enquiry into the subject matter of that Warranty and that it does not have the knowledge, information or belief that the subject matter of that Warranty may not be correct, complete or accurate.

6. REPRESENTATIONS AND WARRANTIES OF THE SUBSCRIBER

- 6.1 The Subscriber hereby represents and warrants that as at the date hereof and as at Completion:
- 6.1.1 it is duly incorporated and validly existing under the laws of its place of incorporation;
- 6.1.2 it has the authority to enter into and perform this Agreement and that in entering into this Agreement and in performing its obligations hereunder (including the holding of the Bonds and the exercising of its rights thereunder) it does not and shall not do so in breach of any applicable legislation; and
- 6.1.3 this Agreement constitutes valid, binding and enforceable obligations of such Subscriber.
- 6.2 The Subscriber hereby agrees and acknowledges that the Company is entering into this Agreement in reliance on the representations and warranties made by it under Clause 6.1. However, save and except as expressly stipulated in Clause 6.1, the Company hereby expressly acknowledges and agrees that the Subscriber has not, and shall not be deemed to have, given any representations, warranties or undertakings in relation to any and all of the transactions contemplated in the Transaction Documents and any and all such representations, warranties and undertakings are hereby expressly excluded.

7. TAX GROSS UP AND INDEMNITIES

7.1 Tax definition

- 7.1.1 In this Clause 7:
- "**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Transaction Document.

- 7.1.2 Unless a contrary indication appears, in this Clause 7, a reference to "determines" or "determined" means a determination made in the absolute discretion of the person making the determination.

7.2 Tax gross-up

- 7.2.1 All payments to be made by the Company and the Guarantor to the Subscriber in respect of the Transaction Documents and the Bonds shall be made free and clear of and without any Tax Deduction unless by the Company and the Guarantor is required to make a Tax Deduction, in which case the sum payable by the Company or the Guarantor (in respect of which such Tax Deduction is required to be made) shall be increased to the extent necessary to ensure that the Subscriber receives a sum net of any deduction or withholding equal to the sum which it would have received had no such Tax Deduction been made or required to be made.
- 7.2.2 The Company or the Guarantor shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Subscriber accordingly. Similarly, the Subscriber shall notify the Company or the Guarantor on becoming so aware in respect of a payment payable to the Subscriber.
- 7.2.3 If the Company or the Guarantor is required to make a Tax Deduction, the Company or the Guarantor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.
- 7.2.4 Within 30 days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Company or the Guarantor making that Tax Deduction shall deliver to the Subscriber evidence reasonably satisfactory to the Subscriber that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

7.3 Tax indemnity

- 7.3.1 Without prejudice to Clause 7.2 (*Tax gross-up*), if any Subscriber is required to make any payment of or on account of Tax (excluding any profit tax of such Subscriber and any liability solely and directly resulting from non-payment or underpayment of profit tax by such Subscriber) on or in relation to any sum received or receivable under this Agreement and the Bonds (including any sum deemed for purposes of Tax (excluding any profit tax of such Subscriber) to be received or receivable by such Subscriber whether or not actually received or receivable) or if any liability in respect of any such payment is asserted, imposed, levied or assessed against such Subscriber, the Company or the Guarantor shall, within seven (7) Business Days of demand of the Subscriber with invoice or evidence, promptly indemnify such Subscriber that suffers a loss or liability as a result against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith.
- 7.3.2 Any Subscriber intending to make a claim under Clause 7.3.1 above shall notify the Company of the event giving rise to the claim.

7.4 Stamp taxes

The Company and the Guarantor shall:

- 7.4.1 pay all stamp duty, registration and other similar Taxes payable in respect of any Transaction Document (other than any stamp duty, registration and other similar

Taxes payable in connection with any transfer or assignment under the Bonds by the Subscriber); and

- 7.4.2 within seven (7) Business Days of demand, indemnify the Subscriber against any cost, loss or liability such Subscriber incurs in relation to any stamp duty, registration or other similar Tax paid or payable in respect of any Transaction Document (other than any stamp duty, registration and other similar Taxes payable in connection with any transfer or assignment under the Bonds by such Subscriber).

7.5 Indirect Tax

- 7.5.1 All amounts set out or expressed in a Transaction Document to be payable by any Party to the Subscriber shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any payment made by the Subscriber to any Party in connection with a Transaction Document, that Party shall pay to the Subscriber (in addition to and at the same time as paying the consideration) an amount equal to the amount of the Indirect Tax.
- 7.5.2 Where a Transaction Document requires any Party to reimburse any Subscriber for any costs or expenses, that Party shall also at the same time pay and indemnify such Subscriber against all Indirect Tax incurred thereby in respect of the costs or expenses.

8. OTHER INDEMNITIES

The Company shall, within seven (7) Business Days of receiving written demand with reasonable proof from the Subscriber, indemnify any Subscriber (to the fullest extent permitted by applicable law) against any cost, loss or liability incurred by such Subscriber as a result of:

- 8.1 the occurrence of any Event of Default;
- 8.2 any information produced or approved by any Obligor and provided to such Subscriber by such Obligor being materially misleading and/or deceptive in any respect;
- 8.3 any enquiry, investigation, subpoena (or similar order) initiated or requested by any governmental, regulatory or judicial authority with respect to any Obligor or with respect to the transactions contemplated under this Agreement or other Transaction Documents;
- 8.4 a failure by an Obligor to pay any amount due under a Transaction Document on its due date or in the relevant currency;
- 8.5 a Bond (or part of a Bond) not being redeemed (either upon maturity or as early redemption) in accordance the Conditions;
- 8.6 investigating any event which it reasonably believes is an Event of Default and actually constitutes an Event of Default; or
- 8.7 acting or relying on any notice, request or instruction authorized by any Obligor.

9. COSTS AND EXPENSES

All costs and expenses relating to the Bonds, the Guarantee and the Swap shall be borne by the Company, provided that the aggregate amount of such costs and expenses shall not in any case exceed 1% of aggregate principal amount the Bonds. Notwithstanding the foregoing, all legal costs incurred by the Subscriber shall be borne by the Company if the issuance of the Bonds has not been completed due to the Company's reason.

10. GENERAL UNDERTAKINGS

The Company agrees to be bound by the covenants set out in this Clause 10 relating to it. The undertakings in this Clause 10 remain in force from the date of this Agreement for so long as any amount is outstanding under the Transaction Documents.

10.1 Notice of Events of Default:

The Company will notify the Subscriber in writing immediately upon becoming aware of the occurrence of any Event of Default.

10.2 Authorisations

The Company shall (and shall procure the other Obligor will) promptly:

10.2.1 obtain, comply with and do all that is necessary to maintain in full force and effect; and

10.2.2 supply certified copies to the Subscriber,

of any authorisation required under any law or regulation to enable it to perform its obligations under the Transaction Documents and to ensure the legality, validity, enforceability or admissibility in evidence of any Transaction Document.

10.3 Compliance

10.3.1 The Company shall (and shall procure the other Obligors will) comply in all respects with all laws and regulations to which it or its assets may be subject, if failure to do so has or is reasonably likely to have a Material Adverse Effect.

10.3.2 The Company must comply with all applicable laws and regulations relating to the transactions contemplated under the Transaction Documents including any disclosure requirements under any listing rules.

10.4 Off balance sheet financing

The Company will not incur, create or permit to subsist or have outstanding any off balance sheet financing and will not enter into any agreement or arrangement whereby it is entitled to incur, create or permit to subsist any off balance sheet financing.

10.5 No redemption and repayment

The Company shall ensure that no redemption or repayment shall be made to:

10.5.1 the Chairman Loan; and

10.5.2 the Existing Notes, except that the Existing Notes may be discharged by way of Swap,

until all the liabilities under the Transaction Documents are fully discharged.

10.6 Restriction on disposal, borrowings and guarantees

The Company shall not enter into a single transaction or a series of transactions to sell, lease, transfer or otherwise dispose of its material assets or material part of its business, or subsist any loans, grant any credit or give or allow to remain outstanding any guarantee or

indemnity or otherwise voluntarily assume any liability without the Subscriber's prior written consent, except for refinancing existing debt on terms no less favourable than existing debt.

10.7 Negative pledge

The Company shall not create or permit to subsist any security over any of its assets without the Subscriber's prior written consent, except for security interests already created in favour of Existing Loans or Existing Notes as of the Issue Date.

10.8 Merger

The Company or any of its Subsidiaries shall not enter into any amalgamation, demerger, merger or corporate reconstruction without the prior written consent of the Subscriber.

10.9 Change of business

The Company shall ensure that no substantial change is made to its general nature of the business from that carried on at the date of this Agreement.

10.10 Taxation

The Company shall duly and punctually pay and discharge all Taxes imposed upon it or its assets within the time period allowed without incurring penalties (except to the extent that (a) such payment is being contested in good faith, (b) adequate reserves are being maintained for those Taxes and (c) such payment can be lawfully withheld).

10.11 Control

The Chairman shall at all times remains as a director and the chairman of the board of directors of the Company, and holds not less than 25% beneficial interest directly or indirectly in the Company on a fully-diluted basis.

10.12 Financial Statements

The auditor's report in the audited financial statements of the Company at all times shall not be qualified in any way.

10.13 Preservation of Assets

The Company shall maintain and preserve all of its assets that are necessary or desirable, in the opinion of the Subscriber, for the conduct of its business, as conducted at the date of this Agreement, in good working order and condition.

10.14 Access to Information

The Company shall procure that the Subscriber, its agents, representatives and professional advisers are given promptly on request full access to all such facilities and information regarding the business, assets, liabilities, contracts and affairs of the Obligor and other evidence of ownership of the assets owned by the Obligor as the Subscriber may require. Subject to any applicable legal or regulatory restrictions, the Company shall supply the Subscriber:

10.14.1 promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceeding which is current, threatened or pending against the Company (or against the directors of the Company which is a corporate), and which might, if adversely determined, have a Material Adverse Effect;

- 10.14.2 notice of any notice, order or material correspondence from or with a government agency relating to the Company's business or assets, the effect of which has or would reasonably be expected to have a Material Adverse Effect;
- 10.14.3 the semi-annual management accounts or financial statements within two months after the end of each 6 months and the audited financial statements within 3 months after the end of each financial year of the Company.

11. CONDITIONS SUBSEQUENT

11.1 Extension of the Existing Notes

The Company shall procure that the maturity date of the Existing Notes shall be extended to the Existing Notes New Maturity Date or any time later as soon as practicable after the Issue Date.

11.2 Swap

The Company shall procure that the Swap shall be completed prior to Existing Notes New Maturity Date.

If any of the conditions subsequent set forth above is not satisfied in accordance with this Clause 11, all the principal amounts, together with all accrued but unpaid interests, of the outstanding Bonds shall become immediately due and payable.

12. SET-OFF

The Subscriber may set off any matured obligation due from the Company under the Transaction Documents against any matured obligation owed by the Subscriber to the Company, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Subscriber may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

13. NOTICES

- 13.1 Each notice, demand or other communication given, made or serve under this Agreement shall be in writing and delivered or sent to the relevant party by prepaid postage (by airmail if to another country), facsimile transmission or personal delivery to its address or fax number as set out below (or such other address or fax number as the addresses has by five (5) days' prior written notice specified to the other parties):

To the Company: SUNSHINE OILSANDS LTD.

Address: 20th Floor, Two Chinachem Central, No.26 Des Voeux Road Central, Hong Kong

Fax Number: (852) 3188 0005

Attention: Ms. Gloria Ho

To the Subscriber: LIONROCK SOLEIL L.P.

Address: Unit 903, 9/F, 303 Hennessy Road, Wanchai, Hong Kong

Tel Number: (852) 2834 8000

E-mail: daniel@lionrockcapitalhk.com

Attention: Daniel Tseung

- 13.2 Each notice, demand or other communication given, made or serve under this Agreement shall be deemed to have been given and received by the relevant parties (i) within two (2) days after the date of posting, if sent by local mail; four (4) days after the date of posting, if sent by airmail; (ii) when delivered, if delivered by hand; and (iii) on despatch, if sent by facsimile transmission.

14. CALCULATIONS AND CERTIFICATES

14.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Transaction Document, the entries made in the accounts maintained by the Subscriber are prima facie evidence of the matters to which they relate.

14.2 Certificates and determinations

Any certification or determination by the Subscriber of a rate or amount under any Transaction Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

14.3 Day count convention

Any interest, commission or fee accruing under a Transaction Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days.

15. FURTHER ASSURANCE

The Company shall, at its own cost and expenses, execute, do and perform or procure to be executed, done and performed by other necessary parties all such further acts, agreements, assignments, assurances, deeds and documents as the Subscriber may reasonably require to give effect to the provisions of this Agreement.

16. TIME AND NO WAIVER

Time shall in every respect be of the essence of this Agreement but no failure on the part of any party hereto to exercise, and no delay on its part in exercising any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise of it or the exercise of any other right(s) or prejudice or affect any right(s) against any other parties hereto under the same liability, whether joint, several or otherwise. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

17. INVALIDITY

If at any time any one or more of the provisions of this Agreement is/are or become(s) illegal, invalid or unenforceable in any respect under laws of any jurisdiction, the legality, validity or enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

18. AMENDMENTS

This Agreement shall not be amended, supplemented or modified except by instruments in writing signed by each of the parties hereto.

19. **ASSIGNMENT**

- 19.1 The Company may not assign or transfer any of its rights (if any) and obligations under the Transaction Documents unless with the prior written consent of the Subscriber.
- 19.2 The Subscriber may not assign or transfer its rights and obligations under this Agreement without the prior written consent of the Company, except to the Chairman or any entity controlled by or affiliated with the Chairman.

20. **DURATION**

20.1 **Effectiveness**

This Agreement shall become effective upon execution and shall continue in full force and effect until all liabilities and obligations under or pursuant to the Transaction Documents have been irrevocably paid and discharged in full unless otherwise terminated in accordance with Clause 20.2 (Termination).

20.2 **Termination**

Subject to Clause 20.3 (Survival), this Agreement may be terminated if any one or more of Conditions Precedent is not fulfilled, satisfied or waived prior to the Long Stop Date.

20.3 **Survival**

20.3.1 Clauses 1 (Definitions), 7 (Tax gross up and indemnities), 8 (Other indemnities), 9 (Costs and Expenses), 13 (Notices), 20.3 (Survival), 23 (Counterparts) and 25 (Governing law and enforcement) of this Agreement will survive any termination of this Agreement.

20.3.2 This Clause is without prejudice to any rights or obligations which have accrued before termination of this Agreement.

21. **ENTIRE AGREEMENT**

This Agreement constitutes an entire agreement between the parties hereto with respect to the matters dealt with herein and supersedes any previous agreements, arrangements, statements or transactions between the parties hereto in relation to the subject matters hereof.

22. **RESTRICTION ON ANNOUNCEMENTS**

- 22.1 Each of the parties undertakes to the other that it will not, at any time after the date of this Agreement, divulge or communicate to any person other than to its professional advisers, or when required by law or any rule of any relevant stock exchange body, or to its respective officers or employees whose province it is to know the same any confidential information concerning the business, accounts, finance or contractual arrangements or other dealings, transactions or affairs of the other which may be within or may come to its knowledge and it shall use its best endeavors to prevent the publication or disclosure of any such confidential information concerning such matters.
- 22.2 No public announcement or communication of any kind shall be made in respect of the subject matter of this Agreement unless specifically agreed between the parties or unless an announcement is required pursuant to the applicable law and the regulations or the requirements of the Stock Exchange or any other regulatory body or authority. Any announcement by any party required to be made pursuant to any relevant law or regulation or the requirements of the Stock Exchange or any other regulatory body or authority shall be

issued only after such prior consultation with the other party as is reasonably practicable in the circumstances.

23. COUNTERPARTS

This Agreement may be executed by the parties hereto in any number of counterparts and on separate counterparts, each of which when so executed shall be deemed an original but all of which shall constitute one and the same instrument and be binding on all parties.

24. GOVERNING LAW AND JURISDICTION

24.1 Governing law

This Agreement and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability shall be governed by and construed in accordance with Hong Kong law, without giving effect to any choice of law principles that would require or permit the application of the laws of another jurisdiction.

24.2 Jurisdiction of Hong Kong courts

The courts of Hong Kong are to have jurisdiction to settle any Disputes which may arise out of or in connection with this Agreement and the Bonds accordingly any legal action or proceedings arising out of or in connection with this Agreement and/or the Bonds ("Proceedings") may be brought in such courts. The Subscriber shall be entitled to take Proceedings in any other court of competent jurisdiction, and the taking of Proceedings in any one or more jurisdictions shall not preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

25. INDEPENDENT REPRESENTATION

The parties acknowledge that each party has been represented by its own counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any applicable law that would require interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived. If any claim is made by a party relating to any conflict, omission or ambiguity in the provisions of this Agreement, no presumption or burden of proof or persuasion will be implied because this Agreement was prepared by or at the request of any party or its counsel.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1

THE INSTRUMENT

SCHEDULE 2

COMPLETION DELIVERABLES

1. Obligors

1.1 A copy of the constitutional documents of the Company:

- 1.1.1 its certificate of incorporation (including any certificate of incorporation on change of name);
- 1.1.2 its memorandum and articles of association (together with all amendments thereto);
- 1.1.3 its certificate of registration of non-Hong Kong company (including any certificate of registration of alternation of name of registered non-Hong Kong company);
- 1.1.4 its current business registration certificate;
- 1.1.5 its register of directors and officers; and
- 1.1.6 its register of mortgages and charges.

1.2 A certified true copy of the identification document of the Chairman.

1.3 A copy of the resolutions of the board of directors and Shareholders of the Company:

- 1.3.1 approving the terms of, and the transaction contemplated by, the Transaction Documents to which it is a party and resolving that it execute, deliver and perform the Transaction Documents to which it is a party;
- 1.3.2 approving the issuing of the Bonds;
- 1.3.3 approving the allotment of the Conversion Shares upon exercise of the conversion right under the Conditions;
- 1.3.4 authorising a specified person or persons to execute the Transaction Documents to which it is a party on its behalf; and
- 1.3.5 authorising a specified person or persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with the Transaction Documents to which it is a party.

1.4 A certificate of the Company, signed by a director and dated the Issue Date, confirming:

- 1.4.1 issuing or securing, as appropriate the Bonds would not cause any debt issuance or security or similar limit binding on it to be exceeded;
- 1.4.2 that each copy document relating to it specified in this Schedule 2 is correct, complete and in full force and effect;
- 1.4.3 that since the date of this Agreement that all the conditions precedent under Clause 3 (*Conditions Precedent*) have been satisfied

- 1.5 A certificate signed by each of the Guarantor or its authorized representative and dated the Issue Date, confirming that providing guarantee (as applicable) under the Transaction Documents would not cause any borrowing, guaranteeing, granting of security or similar limit binding on it to be exceeded or breached.
2. **Transaction Documents**

All the Transaction Documents duly executed by the parties thereto.
3. **Other documents and evidence**
 - 3.1 A letter issued by the Company's legal counsel evidencing that the Subscriber is in the Company's bondholder register as the holder of the Bonds.
 - 3.2 A copy of the minutes passed by the requisite Shareholders at the general meeting of the Company as of 25 June 2018 required under the Listing Rules for approving the General Mandate.
 - 3.3 A copy of the notification from the Stock Exchange to the effect that the listing of, and permission to deal in, the Conversion Shares with respect to the Bonds has been granted.
 - 3.4 A copy of the minutes of the board meeting of the Company passed by requisite directors for approving the issuance of convertible bonds of principal amount up to US\$15,000,000 by the Company evidencing the presence of the holders of Existing Notes.

SCHEDULE 3

Warranties

1. Status

- 1.1 The Company is a company, duly incorporated, validly existing and in good standing under the laws of Canada.
- 1.2 The Company has the power to own its assets and carry on its business as it is being conducted.
- 1.3 The Company is lawfully qualified to conduct business (if any) in those jurisdictions in the manner in which its business is currently being conducted.

2 Corporate Structure Chart

The Corporate Structure Chart of the Group as set out in Schedule 4 (*Corporate Structure Chart*) is true, complete and accurate in all respects and includes the Company as members of the Group, evidencing the Chairman holds 25% or more beneficial interest directly or indirectly in the Company on a fully-diluted basis.

3 Binding obligations

The obligations expressed to be assumed by the Company under this Agreement and the Bonds are legal, valid, binding and enforceable obligations.

4 Non-conflict with other obligations

The execution and delivery of the Transaction Documents and the creation and issue of the Bonds and the consummation of the transactions herein and therein contemplated and compliance with the terms hereof and thereof by the Company do not, and will not, at the time of execution and delivery or issue (as the case may be), (i) contravene the memorandum and articles of association of the Company in any way; or (ii) conflict with or result in breach of any of the terms or provisions of, or constitute a default under any indenture, trust deed, mortgage or other agreement of instrument to which the Company or any of its Subsidiaries is a party or by which any of them or any of their respective properties are bound; or (iii) infringe any existing applicable law, rule, regulation, judgment, order or decree of any government, governmental body or court, domestic or foreign, having jurisdiction over the Company, any such Subsidiary or any of their respective properties.

5 Power and authority

- 5.1 The Company has full power to enter into, perform and deliver of, and has taken all necessary action to authorize its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents to which it is a party
- 5.2 No limit on the Company's powers or restrictions contained in any agreement to which the Company is a party will be breached as a result of the issuing, granting of security or giving of guarantees or indemnities contemplated by the Transaction Documents to which it is a party.

6. Validity and admissibility in evidence

All consents, approvals, authorisations, orders, registrations and qualifications of or with any court or Governmental Authority and any other action or thing of each of the Obligor required or desirable:

- 6.1 to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it or he is a party (including without limitation, the grant of General Mandate from the shareholders at the annual general meeting of the Company for the issue and allotment of the Conversion Shares with respect to the Bonds);
 - 6.2 to make the Transaction Documents to which it or he is a party admissible in evidence in its Relevant Jurisdictions; and
 - 6.3 for each of the Obligor to carry on its business,
- have been obtained or effected and are in full force and effect.

7. Valid Issue of Bond and Conversion Shares

- 7.1 Subject to the satisfaction of the Conditions Precedent, the creation and issue of the Bonds have been duly authorised by the Company and, when duly executed, authenticated, issued and delivered in accordance with this Agreement, the Bonds will constitute valid and legally binding obligations of the Company against the Company enforceable in accordance with their own terms.
- 7.2 All of the Bonds, when issued and delivered to the Subscriber in accordance with the terms of this Agreement, will be duly and validly issued, free from any Encumbrance, any pre-emptive rights, rights of first refusal or any other similar rights, and will be free of restrictions on transfer and be issued in compliance with the requirements of all applicable laws and Contracts.
- 7.3 The Company has authorised (by general and/or specific mandate(s) duly approved by the shareholders of the Company) and will ensure that such number of Shares as would enable the Subscriber's rights of conversion into, subscription for or exchange into Shares at the time of conversion to be satisfied in full are kept available for issue free from pre-emptive rights out of its authorised but unissued share capital.
- 7.4 The General Mandate has been properly obtained from the shareholders of the Company in accordance with the requirements of the applicable Laws, and the General Mandate is in full force and effect, and the issue of the Bonds and the Conversion Shares issuable upon exercise of the conversion right under the Bonds (in each case, in the manner and in the number) as contemplated under the Transaction Documents will fall within the authority and the limit granted under the General Mandate, and there are, at all times, sufficiently available unissued Shares under the General Mandate to satisfy the issue of the Bonds and the Conversion Shares issuable upon exercise of the conversion right under the Bonds.
- 7.5 The Subscriber to whom Shares are issued upon the exercise of the conversion right will become the holder of record of the number of Shares issuable upon conversion with effect from the date of conversion. The Shares issued upon conversion of the Bonds will be free from any Encumbrance, and in all respects rank *pari passu* with the Shares in issue on the relevant Conversion Date as if the Shares issued on conversion or subscription had been issued on such date (except for any right excluded by mandatory provisions of applicable law) and be freely tradable and listed on the Stock Exchange.

8. No registration requirements

It is not necessary to file, register or record any of the Transaction Documents in any public place or elsewhere.

9. Consents

No approval of, or registration, qualification, designation, declaration or filing with, any Governmental Authority or any party to a Contract or any other third party is required on the part of each Obligor in connection with the valid execution, delivery and performance of this Agreement or any other Transaction Documents or the consummation of the transactions contemplated hereby and thereby including the offer, sale, transfer, issue or reservation for issue of the Bonds.

10. Governing law and enforcement

- 10.1 The choice of governing law of each of the Transaction Documents will be recognised and enforced in its Relevant Jurisdictions.
- 10.2 Any final and conclusive monetary judgment obtained in Hong Kong in relation to a Transaction Document will be recognised and enforced in its Relevant Jurisdictions.

11. Tax Compliance

- 11.1 Each of the Obligors has duly and punctually paid and discharged all Taxes imposed upon it or any of its assets within the time period allowed without incurring penalties.
- 11.2 Each of the Obligors has, in a timely manner, filed all tax returns that are required to be filed, and all such tax returns are true, complete and accurate in all respects and have been prepared in compliance with the applicable laws in all respects.
- 11.3 There is no action, suit, investigation, taxing authority proceeding or audit now in progress, pending or threatened against or with respect to any Obligor which, if adversely determined, has or is reasonably likely to have a Material Adverse Effect.

12. No default

- 12.1 No Event of Default is continuing or might reasonably be expected to result from the making of any issue of Bonds or the entry into, the performance of, or any transaction contemplated by, any Transaction Document.
- 12.2 No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on any Obligor or to which any Obligor's assets are subject which might have a Material Adverse Effect.

13. No misleading information

All information supplied by any Obligor is true, complete and accurate in all respects as at the date it was given and is not misleading in any respect.

14. Ranking of the Bonds and Conversion Shares

The Obligors' obligations under the Bonds and the Transaction Documents rank at least *pari passu* in priority of the claims of all of its other unsubordinated obligations, and any other Encumbrance.

15. No proceedings pending or threatened

No litigation, arbitration or administrative proceedings of or before any court, arbitral body

or agency which, if adversely determined might be expected to have a Material Adverse Effect, have been started or, to the best knowledge of the Company, has been threatened against any Obligor.

16. No immunity

In any proceedings taken in a Relevant Jurisdiction in relation to the Transaction Documents, none of the Obligors will be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.

17. Private and commercial acts

The Company's execution of the Transaction Documents to which it is a party constitutes, and its exercise of its rights and performance of its obligations under this Agreement will constitute, private and commercial acts done and performed for private and commercial purposes.

18. Off Balance Sheet Financing

The Company does not incur, create or permit to subsist or have outstanding any off balance sheet financing and does not enter into any agreement or arrangement whereby it is entitled to incur, create or permit to subsist any off balance sheet financing.

19. Good title to assets

Each Obligor has good, valid and marketable title to, or valid leases or licenses of, and all appropriate authorisations to use the assets necessary to carry on its business as presently conducted.

20. No public offering or listing of the Bonds

No action has been or will be taken in any jurisdiction by the Company that would permit a public offering of the Bonds or possession or distribution of any information or any other offering or publicity material relating to the Bonds in any country or jurisdiction where action for that purpose is required, or result in a listing of the Bonds on any stock exchange.

21. Anti-money laundering

The operations of each Obligor are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting and other requirements of the money laundering laws of all jurisdictions which an Obligor conducts business (collectively, the "**Money Laundering Laws**"), and no action, suit or proceedings, nor, to the best knowledge of the Company, investigation or inquiry, by or before any authority involving any Obligor with respect to the Money Laundering Laws is pending, contemplated or threatened.

22. No suspension and delisting of shares

The Company remains listed on the Stock Exchange at all times, and trading of the shares in the Company shall not be suspended at any time, unless such suspension shall not continue for more than 5 consecutive trading days.

23. Control

The Chairman is a director and of the board of directors of the Company, and holds not less than 25% beneficial interest directly or indirectly in the Company on a fully-diluted basis.

24. Financial Statements

The auditor's report in the audited financial statements of the Company is not qualified in any way.

25. No insolvency proceedings

No petition has been presented or no proceeding has been commenced or no order has been made or no resolution has been passed or no notice has been issued convening a meeting for the purpose of passing any resolution or no step has been taken by any person for the winding-up, insolvency, administration, reorganisation, reconstruction, dissolution of any of the Obligors or for the appointment of a liquidator, receiver, administrator, trustee or similar officer of any of the Obligors or of all or any part of its business or assets.

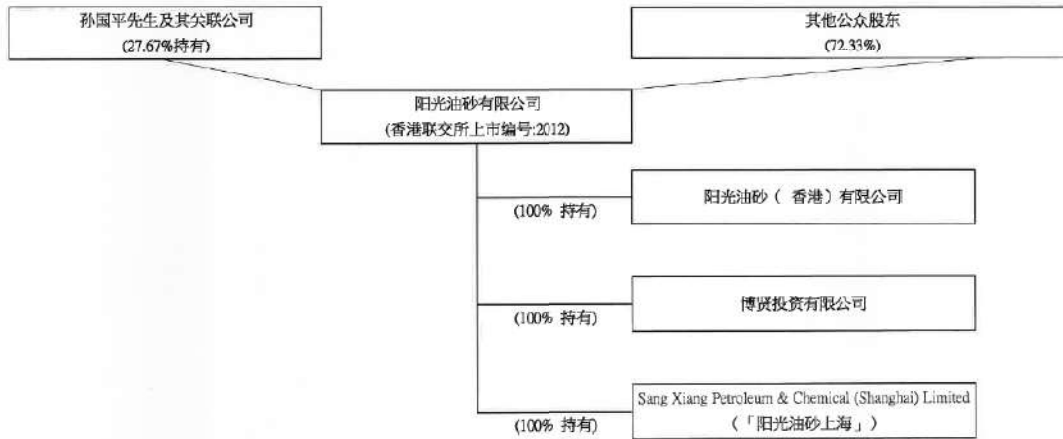
26. Stock Exchange Requirements

All requirements, if any, imposed by the Stock Exchange and the Securities and Future Commission of Hong Kong, in connection with the contemplated transactions under the Transaction Documents have been complied with in full.

27. Repetition


- 27.1 Each representation and warranty set out in this Schedule 3 (other than those set out in paragraph 8 (No registration requirements), paragraph 10 (Governing law and enforcement), and paragraph 20 (No public offering or listing of the Bonds) which shall only be deemed to be repeated up to Issue Date) is made by and is deemed to be repeated by the Company on each date during the period beginning on the date of this Agreement and ending on the date on which all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Company to the Subscriber under each Transaction Document have been unconditionally and irrevocably paid and discharged in full.

SCHEDULE 4
CORPORATE STRUCTURE CHART




IN WITNESS WHEREOF this Agreement has been executed on the day and year first above written.

THE COMPANY

SIGNED by) 
)
for and on behalf of)
)

SUNSHINE OILSANDS LTD.

)
)
in the presence of: )

IN WITNESS WHEREOF this Agreement has been executed on the day and year first above written.

THE SUBSCRIBER

SIGNED by



)

)

for and on behalf of

)

)

LionRock Capital GP Limited, (as general partner,
acting for and on behalf of **LIONROCK SOLEIL L.P.**)

)

)

in the presence of:

)