

THIS INSTRUMENT is executed by way of Deed Poll on 1 April 2020 by **SUNSHINE OILSANDS LTD.** (the “**Company**”, together with its subsidiaries, the “**Group**”), a company incorporated in the Province of Alberta, Canada with limited liability and having its correspondence address in Hong Kong at 20th Floor, Two Chinachem Central, No. 26 Des Voeux Road Central, Hong Kong.

NOW THIS INSTRUMENT WITNESSES AND THE COMPANY HEREBY DECLARES as follows:

1. DEFINITIONS AND INTERPRETATION

(A) Definitions

In this Instrument, the following expressions shall have the meanings assigned:

“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”	means the 8% annual coupon convertible bonds due on 31 March 2022 for an aggregate principal amount of HK\$72,000,000 in registered form to be issued by the Company in accordance with the Subscription Agreement and constituted by this Instrument and for the time being outstanding or, as the context may require, any number of them;
“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 throughout their normal business hours;
“Certificate”	means a certificate in or substantially in the form set out in Schedule 1 issued in the name of the holder of one or more Bonds;
“Conditions”	means the terms and conditions endorsed on the Bonds in definitive form as they may from time to time be modified in accordance with their provisions and/or of this Instrument, and reference in this Instrument to a particular numbered Condition shall be construed accordingly;

“Conversion Date”	in respect of each exercise of the Conversion Rights, the date on which the Conversion Notice is served in accordance with Condition 8;
“Conversion Notice”	the meaning ascribed thereto in Condition 8;
“Conversion Price”	the meaning ascribed thereto in Condition 6(D)(i);
“Conversion Rights”	the rights attached to the Bond to convert the principal amount or a part thereof into Shares;
“Conversion Shares”	the Shares to be issued by the Company under the Bond (whether upon exercise by a Bondholder of the Conversion Rights, or otherwise pursuant to the Conditions);
“Dispose”	means to make or to agree to make, and “Disposal” means, any sale, assignment, exchange, transfer, concession, loan, lease, direct or indirect reservation, waiver, compromise, release, dealing with or in or granting of any option, right of first refusal, power of attorney or other right or interest whatsoever and any agreement for any of the foregoing;
“Encumbrances”	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;
“Event of Default”	means any of the events specified in Condition 10;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong Stock Exchange” or “Stock Exchange”	means The Stock Exchange of Hong Kong Limited;

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Major Subsidiary”	means a subsidiary of the Company with the value of that subsidiary’s total assets, profits or revenue represents not less than 50% of the Group’s total assets;
“Maturity Date”	has the meaning ascribed to it in Condition 6(A);
“Ordinary Resolution”	has the meaning set out in paragraph 17 of Schedule 2;
“outstanding”	<p>means in relation to the Bonds, all the Bonds issued other than:</p> <ul style="list-style-type: none"> (a) those which have been redeemed and which have been cancelled in accordance with the Conditions; (b) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys have been duly paid to the relevant Bondholder or on its behalf; (c) those which have become void or those in respect of which claims have become prescribed under Condition 11; (d) those mutilated or defaced Bonds which have been surrendered in exchange for replacement Bonds pursuant to Condition 14; (e) (for the purpose only of determining how many Bonds are outstanding and without prejudice to their status for any other purpose) those Bonds alleged to have been lost, stolen or destroyed and in respect of which replacement Bonds have been issued pursuant to Condition 14; (f) those which have been purchased and cancelled as provided in Condition 6;
“Subscription Agreement”	means the subscription agreement dated 1 April 2020 entered into between the Company as issuer and PRIME UNION ENTERPRISES LIMITED

	as the subscriber in relation to the issue and subscription of the Bonds;
“Potential Event of Default”	means an event or circumstance which would with the giving of notice and/or lapse of time and/or the issuing of a certificate and/or the fulfillment of any other requirement provided for in Condition 10 become an Event of Default;
“PRC”	means the People’s Republic of China;
“Registrar”	means, until a professional registrar is appointed by the Company pursuant to the terms of this Instrument, the Company and any successor registrar appointed;
“Share Option Scheme”	any scheme approved in general meeting by the shareholders of the Company for the issue or grant to the directors or employees of the Company and/or any Subsidiary of Shares or options to subscribe for Shares;
“Shares”	the common shares in the share capital of the Company existing on the date of this Agreement 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 resulting from any sub-division, consolidation or re-classification thereof;
“Specified Office”	means in relation to the Registrar, either the office identified with its name at the end of the Conditions or any other office notified to the Bondholders pursuant to Clause 7(C), or in relation to the Company, the correspondence address of the Company in Hong Kong for the time being which as at the date of this Instrument is located at 20 th Floor, Two Chinachem Central, No. 26 Des Voeux Road Central, Hong Kong or any other office notified to the Bondholders pursuant to Clause 7(C);
“Subscriber”	means the subscriber in the Subscription Agreement, namely PRIME UNION ENTERPRISES LIMITED;
“Successor”	means in relation to the Registrar, such other or further person as may from time to time be

appointed by the Company as the Registrar and notice of whose appointment is given to Bondholders pursuant to Clause 7(C) and Condition 15;

“Taxation”

all forms of taxation, including taxation in Hong Kong and in any territory outside Hong Kong and all forms of profits tax (income tax), interest tax, value added tax, stamp duty and all levies, imposts, duties, charges, fees, deductions and withholdings whatsoever charged or imposed by any statutory, governmental, state, federal, provincial, local or municipal authority whatsoever whether on or in respect of profits, income, revenue, sales, trading, the use, ownership or licensing to or from any person of tangible or intangible assets and the carrying on of other activities, including any fines, interests or other payments relating to taxes, the loss of relief and exemption from and the loss of right of repayment or credit of any tax already paid, and the expression **“Tax”** shall be construed accordingly;

“this Instrument”

means this instrument, the schedules (as from time to time altered in accordance with this instrument) and any other document executed in accordance with this instrument (as from time to time so altered) and expressed to be supplemental to this instrument;

“Takeovers Code”

the Hong Kong Code on Takeovers and Mergers;

“Transfer Agent”

the Company or such other person, firm or company as for the time being;

“%”

per cent.

(B) Construction of certain references

References in this Instrument to:

costs, charges, remuneration or expenses shall include any value added tax, turnover tax or similar tax charged in respect thereof;

any action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than Hong Kong, references to such action, remedy or method of judicial proceedings for the enforcement of rights or creditors available or appropriate in such

jurisdiction as shall most nearly approximate thereto;

any reference to an obligation to be performed or warranty to be given by more than one person, it shall be deemed to be performed or given by the persons jointly and severally;

words denoting the singular number only shall include the plural number also and vice versa;

words denoting one gender only shall include the other genders;

words denoting persons only shall include firms and corporations and vice versa; and

any provision of any statutory or non-statutory provisions (including the Listing Rules and the Statements of Standard Accounting Practice) shall be deemed also to refer to any modification or re-enactment thereof or any instrument, order or regulation made thereunder or under such modification or re-enactment.

(C) Definitions in Conditions

Words and expressions defined in the Conditions and not defined in the main body of this Instrument shall when used in this Instrument have the same meanings as are given to them in the Conditions.

(D) Headings

Headings shall be ignored in construing this Instrument.

(E) Schedules

The Schedules are part of this Instrument and shall have effect accordingly.

(F) Enforceability

If at any time any provision of this Instrument is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Instrument nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

(G) “Subsidiary”

The word “**subsidiary**” has the meaning assigned to those expressions by the Listing Rules save that any reference therein to a company shall be deemed to include a reference to a body corporate incorporated or established outside Hong Kong or under any other statutory provisions.

2. ISSUE OF THE BONDS

Subject to the condition precedent set out in clause 3.1 of the Subscription Agreement being fulfilled by the parties thereto as provided therein on or before the time specified in such clause (or such later time and date as the parties thereto shall agree in writing), the Company shall issue the Bonds to the Subscriber in accordance with the terms of the Subscription Agreement.

3. AMOUNT OF THE BONDS AND COVENANT TO PAY

- (A) **Amount of the Bonds:** The aggregate principal amount of the Bonds is limited to HK\$72,000,000.
- (B) **Covenant to pay:** Subject to the conversion rights of the Bondholder as provided in Condition 6(D), the Company will on any date when the Bonds or any of them become due to be redeemed unconditionally pay to or to the order of the Bondholders by 4:00 p.m. (Hong Kong time) in Hong Kong dollars the principal amount of the Bonds becoming due for redemption on that date together with any applicable interest and will (subject to the Conditions) until such payment (both before and after judgment) unconditionally pay to or to the order of the Bondholders, provided that every payment of any sum due in respect of the Bonds made to or to the account of the Bondholders shall, to such extent, satisfy such obligation except to the extent that there is failure in its subsequent payment to the relevant Bondholders under the Conditions.
- (C) **Discharge:** Any payment to be made in respect of the Bonds by the Company may be made as provided in the Conditions and any payment so made will to such extent be a good, full and complete discharge to the Company.

4. FORM AND DENOMINATION OF THE BONDS

- (A) **The Certificates:** On issue of the Bonds, every Bondholder will be entitled to a definitive Certificate in or substantially in the form set out in Schedule 1 with the Conditions in or substantially in the form also set out in that Schedule.
- (B) **Denomination:** The Bonds shall be denominated in Hong Kong dollars and shall be issued in principal amounts of HK\$1,000,000 each.
- (C) **Signature:** The definitive Certificates will be signed manually or in facsimile by a Director of the Company authenticated manually by or on behalf of the Registrar. The Company may use the facsimile signature of any person who at the date of this Instrument is a Director of the Company even if at the time of issue of any Certificate he no longer holds such office and the Bonds in respect of which a Certificate is so executed and authenticated will be binding and valid obligations of the Company.
- (D) **Issue:** Issue and delivery of the Bonds shall be completed on the issue and delivery of the Certificates to the Bondholder (or its representative) by, or by the order of, the Company and completion of the register of Bondholders by or on behalf of the Registrar.

- (E) **Entitlement to treat holder as owner:** The holder of any Bond will (save as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on or the theft or loss of the Certificate issued in respect of it) and no person will be liable for so treating the holder or any entry on the register of Bondholders.

5. CAPITAL DUTIES AND TAXES

- (A) **Capital duties, etc:** The Company will pay any capital, stamp, issue, registration, documentary or other similar taxes and duties, including interest and penalties, payable in Hong Kong in respect of the creation and original issue and offering of the Bonds and the execution or delivery of this Instrument. The Company will also indemnify the Bondholders from and against all capital stamp, issue, registration, documentary or other similar taxes paid by any of them in any jurisdiction in relation to which the liability to pay arises directly as a result of any action taken by or on behalf of the Bondholders to enforce the obligations of the Company under this Instrument or the Bonds.
- (B) **Change of taxing jurisdiction:** If the Company becomes subject generally to the taxing jurisdiction of any territory or any authority of or in that territory having power to tax other than Hong Kong or any such authority of or in such territory then the Company will give to the Bondholders an undertaking in terms corresponding to the terms of Condition 9 with the substitution for the references in that Condition to Hong Kong of references to that other territory or authority to whose taxing jurisdiction the Company has become so subject and in such event this Instrument and the Bonds will be read accordingly.

6. COVENANT TO COMPLY WITH PROVISIONS

The Company hereby covenants to and with each Bondholder that it will comply with and perform and observe all the provisions of this Instrument and the Conditions which are expressed to be binding on it. The Conditions shall be binding on the Company and the Bondholders. The provisions contained in Schedule 1 shall have effect in the same manner as if herein set forth.

7. COVENANTS

So long as any Bond is outstanding, the Company covenants to and with each Bondholder that:

- (A) **Notice of Events of Default:** the Company will notify the Bondholders in writing immediately upon becoming aware of the occurrence of any Event of Default or Potential Event of Default;
- (B) **Further acts:** the Company will, so far as permitted by applicable law, do all such further things as may be necessary having regard to the interests of Bondholders to give effect to this Instrument;

- (C) **Change in Registrar:** the Company will give not less than 7 days' prior notice to the Bondholders of any future appointment or any resignation or removal of the Registrar or the Transfer Agent or of any change by the Registrar of its Specified Office or the Transfer Agent of its address or, if later, notice as soon as reasonably practicable after becoming aware thereof or of any change in its Specified Office or the address of the Transfer Agent;
- (D) **Bonds held by Company etc:** the Company will send to the Bondholders as soon as reasonably practicable and in any event within 5 days after being so requested in writing by any Bondholders a certificate of the Company signed by a Director on behalf of the Company setting out, based on the register of Bondholders maintained by the Registrar on behalf of the Company, the total number of Bonds which, at the date of such certificate, were held by or on behalf of the Company or its subsidiaries and which had not been cancelled. No application will be made to the Stock Exchange for the listing of the Bonds;
- (E) **Compliance:** the Company will comply with and perform and observe all the provisions of this Instrument which are expressed to be binding on it. The Conditions shall be binding on the Company and the Bondholders. The Bondholders shall be entitled to enforce the obligations of the Company under the Bonds and the Conditions as if the same were set out and contained in this Instrument which shall be read and construed as one document with the Bonds. The provisions contained in Schedule 2 shall have effect in the same manner as if herein set forth;
- (F) **Maintenance of register of Bondholders:** to maintain a register of holders of the Bonds;
- (G) **Registrar:** if and whenever required to do so by the Bondholders pursuant to an Ordinary Resolution, appoint such a professional firm of registrars to act as Registrar, enter into agreements with such registrar containing provisions with respect to such matters as are specified in such Ordinary Resolution, and to pay all charges of the Registrar that are payable to it under its agreement with the Company; and
- (H) **Banking and trade credit facilities:** the Company will at all times maintain sufficient banking and trade credit facilities available to satisfy the Group's working capital requirements.
- (I) **Maintenance of listing of Shares:** the Company shall use its reasonable endeavours (i) to maintain a listing for all the issued Shares on the Stock Exchange and (ii) to obtain and maintain a listing on the Stock Exchange for the Conversion Shares;
- (J) **Maintain sufficient Shares to satisfy the Conversion Rights:** the Company shall from time to time keep available for issue, free from pre-emptive rights, out of its authorised but unissued capital sufficient Shares to satisfy in full the Conversion Rights and the terms of any other securities for the time being in issue which are convertible into or have the right to subscribe Shares;

- (K) **Conversion Shares:** the Company shall ensure that all Conversion Shares will be duly and validly issued fully paid and registered;
- (L) **Fees in respect of issuance of Conversion Shares:** the Company shall pay all fees, capital and stamp duties payable in Hong Kong, if any, in respect of the issue of Shares upon conversion of all or part of the principal amount of the Bond;
- (M) **Compliance for the issuance of Conversion Shares:** the Company shall comply with and procure the compliance with all conditions and rules imposed by the Stock Exchange or by any other competent authority (in Hong Kong or elsewhere) for the issue of the Conversion Shares, for approval of the issue of the Bond or for the listing of and permission to deal in the Conversion Shares on the Stock Exchange and the continued compliance thereof and as such the Company shall not do or cause to be done anything to breach this term herein.

8. TRANSFER, TRANSMISSION AND REGISTER

Subject to and in accordance with Condition 3, the Bonds shall not be transferable unless with the prior written approval of the Company (except, where the Bondholders are companies, by transfer to wholly-owned subsidiaries or the holding companies (as defined in the Companies Ordinance, Cap. 622 of the Laws of Hong Kong) of the Bondholders). The transfer should be made by instrument of transfer in the form set out at the end of the Conditions or in any usual or common form or such other form as may be approved by the directors of the Company. The Bonds shall not be transferred by the Bondholders to any connected person (as defined in the Listing Rules) of the Company without the prior written consent of the Company. For this purpose, except where required otherwise by the Bondholders pursuant to an Ordinary Resolution, the Company shall appoint the Registrar to maintain a register of Bondholders and, unless the Bondholders shall otherwise require by Ordinary Resolution, the provisions in the memorandum and articles of association of the Company from time to time regarding the transfer and transmission of Shares shall apply to the transfer and transmission of the Bonds and shall have full effect as if the same had been incorporated herein save that the Company shall be obliged (unless the Bondholders shall otherwise permit by Ordinary Resolution) to maintain a register of Bondholders and the register of Bondholders may not be closed other than as permitted by Condition 3(D). No application will be made to the Stock Exchange for listing of the Bonds.

9. MODIFICATIONS

- (A) Any modification to this Instrument may be effected only by deed poll, executed by the Company and expressed to be supplemental hereto, and (save for minor amendments by the Company which shall not adversely affect the rights of the Bondholders under the Instrument) only if it shall first have been sanctioned by an Ordinary Resolution of the Bondholders.
- (B) A memorandum of every such supplemental deed shall be endorsed on this Instrument.
- (C) Notice of every modification to this Instrument shall be given in writing to the

Bondholders as soon as reasonably practicable.

10. SUIT BY AND MEETINGS OF BONDHOLDERS

- (A) The Company hereby acknowledges and covenants that the benefit of the covenants, obligations and conditions on the part of or binding upon it contained in this Instrument shall enure to each and every Bondholder.
- (B) Each Bondholder shall be entitled severally to enforce the said covenants, obligations and conditions against the Company insofar as each such Bondholder's Bonds are concerned, without the need to join the allottee of any such Bond or any intervening or other Bondholder in the proceedings for such enforcement.
- (C) The Bondholders may hold meetings for the consideration of such matters as they may think fit. The provisions of Schedule 2 shall apply to regulate the convening and conduct, and the powers, of all meetings of Bondholders. Such provisions may be altered by Ordinary Resolution.

11. COMMUNICATIONS

- (A) Any communication to the Company shall be by letter delivered personally or by facsimile transmission to it at 20th Floor, Two Chinachem Central, No.26 Des Voeux Road Central, Hong Kong and made to the attention of the Finance Department (or such other address as shall be notified in writing by the Company to the Bondholders, the Registrar and the Transfer Agent from time to time with specific reference to this Deed).
- (B) Any such communication will take effect, in the case of delivery, at the time of delivery or, in the case of facsimile transmission, at the time of despatch.

12. GOVERNING LAW

- (A) **Governing law:** This Instrument shall be governed by and construed in accordance with Hong Kong law.
- (B) **Jurisdiction:** The courts of Hong Kong are to have jurisdiction to settle any disputes which may arise out of or in connection with this Instrument or the Bonds and accordingly any legal action or proceedings arising out of or in connection with this Instrument and/or the Bonds ("**Proceedings**") may be brought in such courts. The Bondholders 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).

IN WITNESS whereof this Instrument has been executed as a deed poll on the date stated at the beginning.

SCHEDULE 1

Form of Certificate and Conditions

Certificate no.:

SUNSHINE OILSANDS LTD.

(incorporated in the Province of Alberta, Canada with limited liability)

(Stock Code: 2012)

8.0% annual coupon HK\$72,000,000 convertible bonds due on 31 March 2022

The Bond or Bonds in respect of which this Certificate is issued, the certificate number of which is noted below, are in registered form in the aggregate principal amount of up to HK\$72,000,000 (the “**Bonds**”) issued by SUNSHINE OILSANDS LTD. (the “**Company**”) and constituted by the Instrument referred to in the Terms and Conditions of the Bonds attached hereto. The Bonds are subject to, and have the benefit of, that Instrument, which is enforceable severally by each Bondholder against the Company insofar as each Bondholder’s Bonds are concerned. Such Instrument (together with any instruments supplemental thereto) and copies of the memorandum and articles of association of the Company are and will be held by the Company for the time being and will be available for inspection by Bondholders at the principal offices for the time being in Hong Kong of the Company.

Bondholders will be deemed to have notice of all the provisions contained in the said Instrument (and any instruments supplemental thereto) and may obtain copies thereof upon written request to the Company.

The Company hereby certifies that the person whose name and address is specified below is, at the date hereof, entered in the register of Bondholders as the holder of Bonds in the principal amount indicated below. For value received, the Company promises to pay the person who appears at the relevant time on the register of Bondholders as holder of the Bonds in respect of which this Certificate is issued such amount or amounts as shall become due in respect of such Bonds and otherwise to comply with the Conditions.

Folio	Bondholders and address	Principal amount of Bonds	Certificate no.	Transfer no.	Date of issue
		HK\$			

This Certificate is evidence of entitlement only. Title to the Bonds passes only on due registration on the register of Bondholders and only the duly registered holder is entitled to payments on Bonds in respect of which this Certificate is issued.

Subject to and in accordance with Condition 3 of the Terms and Conditions of the Bonds attached to this Certificate, a Bond may be transferred by delivery of the original Certificate issued in respect of that Bond, with the original form of transfer duly completed and signed, to the Specified Office of the Registrar and deliver a copy of such Certificate and form of transfer to the Transfer Agent. No transfer of title to any Bond will be effective unless and

until entered on the register of Bondholders.

This Certificate shall not be valid for any purpose until signed by or on behalf of the Company and authenticated by the Registrar.

The Certificate is governed by, and shall be construed in accordance with the law of the Hong Kong Special Administrative Region of the People's Republic of China.

SUNSHINE OILSANDS LTD.

by:

Director

Director

Authenticated by

For and on behalf of
Registrar

Authorised signatory

Registrar and its Specified Office:
20/F, Two Chinachem Central, No. 26 Des Voeux Road Central, Hong Kong

Transfer Agent and its address:
20/F, Two Chinachem Central, No. 26 Des Voeux Road Central, Hong Kong

(For endorsement in the event of partial conversion)

Date

Amount Converted

Amount Outstanding
after Conversion

TERMS AND CONDITIONS OF THE BONDS

The issue of 8% annual coupon HK\$72,000,000 convertible bonds due on 31 March 2022 (the “**Bonds**”) of SUNSHINE OILSANDS LTD. (the “**Company**”) authorised by resolutions of the Board of Directors of the Company passed on 31 March 2020. The Bonds are constituted by a deed poll (the “**Instrument**”, such expression shall include amendments and modifications from time to time made thereto) dated 1 April 2020 executed by the Company.

The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Instrument. Copies of the Instrument are available for inspection by Bondholders at the branch office of the Company in Hong Kong being at the date hereof at 20th Floor, Two Chinachem Central, No.26 Des Voeux Road Central, Hong Kong and at the Specified Office of the Registrar. The Bondholders are entitled to the benefit of the Instrument and are bound by, and are deemed to have notice of, all the provisions of the Instrument.

Unless otherwise stated or where the context otherwise requires, terms defined in the Instrument have the same meanings when used in these Conditions.

1. STATUS AND VOTING RIGHTS

(A) Status

The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Company and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations. No application will be made for the listing of the Bonds.

(B) Voting rights

A Bondholder shall not be entitled to attend or vote at any meetings of the Company by reason only it being the Bondholder.

2. FORM, DENOMINATION AND TITLE

(A) Form and denomination

The Bonds are issued in registered form in the denomination of HK\$1,000,000 each, save that if the outstanding amount of the Bonds to be issued is less than HK\$1,000,000, the Bonds may be issued in such amount. A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each bond and each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholders kept by the Registrar on behalf of the Company.

(B) Title

Title to the Bonds passes only by registration in the register of Bondholders. The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it or any entry on the register of Bondholders) and no person will be liable for so treating the holder. In these terms and Conditions “**Bondholder**” and (in relation to a Bond) “**holder**” means the person in whose name a bond is registered in the register of Bondholders.

3. TRANSFERS OF BONDS; ISSUE OF CERTIFICATES

(A) Transfers

The Bonds shall not be transferable to any person unless with the prior written approval of the Company. No transfer of title to any Bond will be effective unless the transfer is approved by the Company. In the event the Company approves the transfer of a Bond, the transfer shall be effected by delivery of the original Certificate issued in respect of that Bond, with the original form of transfer duly completed and signed, to the Specified Office of the Registrar and delivery of a copy of such Certificate and form of transfer to the Transfer Agent.

(B) Delivery of new certificates

Each new Certificate to be issued upon a transfer of Bonds will, within three Business Days of receipt by the Company of the form of transfer, be mailed by registered mail or delivered by hand, in each case at the risk of the holder entitled to the Bond, to the address specified in the form of transfer, or made available for collection by the holder entitled to the Bonds at the Specified Office of the Company. For the purposes of these Conditions, “**Business Day**” shall mean a day on which the Hong Kong Stock Exchange is open for trading in Hong Kong.

Where some but not all the Bonds in respect of which a Certificate is issued are to be transferred or redeemed, a new Certificate in respect of the Bonds not so transferred or redeemed will, within three Business Days of delivery of the original Certificate to the Company, be mailed by registered mail or delivered by hand, in each case at the risk of the holder of the Bonds not so transferred or redeemed, to the address of such holder appearing on the register of Bondholders, or made available for collection by such holder at the Specified Office of the Company.

(C) Formalities free of charge

Registration of transfer of Bonds will be effected without charge by or on behalf of the Company or the Registrar, but subject to Company complying with Clause 7(G) of the Instrument, upon payment (or the giving of such indemnity as the Company may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

(D) Closed periods

No Bondholder may require the transfer of a Bond to be registered (i) during the period of 7 days ending on the due date for any payment of principal of that Bond or (ii) in respect of which a Conversion Notice has been given in accordance with Condition 6.

4. INTEREST

(A) Subject to Condition 4(B) below, the Bonds shall bear interest from and including the date of its issue at the rate of 8.0 per cent. per annum on the outstanding principal amount thereof. Interest of 8.0 per cent. per annum on the outstanding principal amount shall be paid at maturity.

(B) The Bond(s) will cease to bear interest on the earliest of (a) the date of redemption of the relevant Bond(s) pursuant to Condition 6; and (b) the Maturity Date.

5. PAYMENTS

(A) Principal

Payment of principal will be made by transfer in HK\$ to the registered account of the Bondholder or by HK\$ cheque drawn on a licensed bank in Hong Kong mailed by registered mail to the registered address of the Bondholder if it does not have a registered account, payments of principal and premium (if any) will only be made against surrender of the relevant Certificate at the Specified Office of the Company.

(B) Registered accounts

For the purposes of this Condition, a Bondholder's registered account means the Hong Kong dollar account maintained by or on behalf of it with a bank in Hong Kong or in PRC, details of which appear on the register of Bondholders at the close of business on the first Business Day before the due date for payment, and a Bondholder's registered address means its address appearing on the register of Bondholders at that time.

(C) Fiscal laws

All payments are subject in all cases to any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 11. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

(D) Payment initiation

Where payments is to be made by transfer to a registered account, payment instructions (for value the due date or, if that is not a Business Day, for value the first following day which is a Business Day) will be given and, where payment is to be made by cheque, the cheque will be mailed, on the due date for payment or, in the case of a payment of principal and premium (if any), if later, on the Business Day on which

the relevant Certificate is surrendered at the Specified Office of the Company.

(E) Delay in payment

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Business Day, if the Bondholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment. If the amount of principal and premium, if any, which is due on the Bonds is not paid in full, the Company will annotate the register of Bondholders with a record of the amount of principal and premium, if any, in fact paid.

6. CONVERSION, REDEMPTION, EARLY REDEMPTION AND CANCELLATION

(A) Maturity

Unless previously converted, redeemed or purchased and cancelled as provided herein, the Company shall redeem each Bond which remains outstanding by 4:00 p.m. Hong Kong time on 31 March 2022 (the “**Maturity Date**”) at 100% of the principal amount.

(B) Early redemption

The Bonds shall not be redeemed by the Company before the Maturity Date.

(C) Cancellation

All Bonds which are redeemed or purchased by the Company or any of its Subsidiaries will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Company and such Bonds (and any Bonds purchased by any subsidiary of the Company) may not be reissued or resold.

(D) Conversion

- (i) The Bondholder shall, subject to the Company’s written approval for the conversion, and as well Conditions 6(D)(v) and 6(D)(vi), have the right in the manner provided in Condition 8, to convert the whole or any part of the outstanding principal amount of the Bond into Shares at any time from six months following the date of subscription of the Bond until 4:00 p.m. Hong Kong time on the Maturity Date at the conversion price of HKD0.632 per Share (“**Conversion Price**”), and that the Conversion Price shall not be less than the par value of a Share. The right of the Bondholder to repayment of the principal amount of the Bond, and premium (if any), being converted shall be extinguished and released upon exercise of the Conversion Rights in respect thereof.
- (ii) No fraction of a Share shall be issued on conversion and no amount in lieu thereof shall be refunded to the Bondholder. Any conversion shall be made in the amount of 1,000 shares or the multiples thereof and if any time,

the outstanding principal amount of the Bond shall be less than the amount of 1,000 shares, the whole (but not part only) of the outstanding principal amount of the Bond shall not be convertible.

- (iii) Shares issued upon conversion shall rank *pari passu* in all respects with all other issued Shares on the Conversion Date and the Bondholder shall be entitled in respect of its Conversion Shares to all dividends and other distributions the record date of which falls on a date on or after the Conversion Date.
- (iv) Delivery to the Company of Conversion Notice shall constitute a representation and warranty by the Bondholder that all steps necessary to be taken by it under any relevant laws and the rules of any relevant stock exchange to permit the relevant exercise and lawfully to acquire the relevant Conversion Shares have been taken.
- (v) The Bonds are not redeemable by the Bondholder whatsoever. Unless Conversion Notice shall have been previously given by the Bondholder to the Company, the Company may, by giving the Bondholder not less than seven day's prior written notice specifying the principal amount of the Bond to be redeemed and the date of such redemption, at any time after the date of issue of the Bond redeem the Bond (or part thereof) at a value equal to the principal amount of the Bond to be redeemed as specified in the redemption notice. Any such redemption shall be made in amount of not less than a whole multiple of 1,000. Any redemption of the Bond shall be so redeemed against surrender of the relevant Certificate for cancellation. For the avoidance of doubt, following redemption of a Bond such Bond shall be cancelled forthwith and may not be re-issued or re-sold.
- (vi) Notwithstanding anything herein, the Company shall not allot and issue Shares to the Bondholder nor shall the Bondholder be permitted to convert the Bond (or parts thereof) if upon such allotment and issue or conversion (as the case may be), (i) the Bondholder and parties acting in concert with it which when aggregated together with the existing Shares held shall be interested (whether directly or indirectly) in 29.90% or more of the consequential enlarged issued share capital of the Company at the date of the relevant exercise unless the Bondholder has obtained a whitewash waiver from the Hong Kong Securities and Futures Commission, (ii) any other percentage as may from time to time be specified in the Takeovers Code as being the level of triggering a mandatory general offer unless the Bondholder has obtained a whitewash waiver from the Hong Kong Securities and Futures Commission or (iii) the Company shall fail to maintain a 25% public float.

7. ADJUSTMENTS

- 7.1 No adjustments to the Conversion Price shall be made save for the following events:-

- (a) If and whenever the Shares are consolidated or sub-divided, the Conversion Price in force immediately prior thereto shall be adjusted upwards (in the case of consolidation) or downwards (in the case of sub-division) in proportion to the consolidation or subdivision. Each such adjustment shall be effective from the close of business in Hong Kong on the day immediately preceding the date on which the consolidation or sub-division becomes effective.
- (b) If and whenever the Company shall issue (other than in lieu of a cash dividend) any Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund), the Conversion Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$\frac{C}{D}$$

in each case, where:

C = the aggregate share capital of the issued Shares immediately before such issue; and

D = the aggregate share capital of the issued Shares immediately after such issue.

Each such adjustment shall be effective (if appropriate, retroactively) from the commencement of the Business Day next following the record date for such issue.

- 7.2 Any adjustment to the Conversion Price shall be made to the nearest one tenth of a cent so that any amount under HK\$0.0005 shall be rounded down and any amount of HK\$0.0005 or more shall be rounded up. In addition to any determination which may be made by the directors of the Company, every adjustment to the Conversion Price shall be certified by an approved merchant bank. For the purposes of this Condition 7, “**approved merchant bank**” means a merchant bank of repute in Hong Kong selected by the Company and agreed by the Bondholder for the purpose of providing a specific opinion or calculation or determination hereunder or, in the absence of such agreement, such merchant bank as may be appointed by the President for the time being of the Hong Kong Institute of Certified Public Accountants upon the request of either the Company or the Bondholder;
- 7.3 Notwithstanding anything contained herein, no adjustment shall be made to the Conversion Price in any case in which the amount by which the same would be reduced in accordance with the foregoing provisions of this Condition would be less than one-tenth of a cent and any adjustment that would otherwise be required then to be made shall not be carried forward.
- 7.4 Whenever the Conversion Price is adjusted as herein provided, the Company shall as soon as possible but not later than five (5) Business Days after the relevant adjustment has been determined give notice to the Bondholder that the

Conversion Price has been adjusted (setting out brief particulars of the event giving rise to the adjustment, the Conversion Price in effect prior to such adjustment, the adjusted Conversion Price and the effective date thereof) and shall at all times thereafter so long as the Bond remains outstanding make available for inspection at its principal place of business in Hong Kong a signed copy of the said certificate of the approved merchant bank setting forth particulars of the event giving rise to the adjustment, the Conversion Price in effect prior to the adjustment, the adjusted Conversion Price and the effective date thereof.

8. PROCEDURE FOR CONVERSION

- (A) The Conversion Rights attaching to the Bond may, subject as provided herein and the restrictions on conversion, be exercised on any Business Day six months following the date of subscription of the Bond until 4:00 p.m. on the Maturity Date by the relevant Bondholder giving written notice (a **"Conversion Notice"**) to the Company in accordance with Condition 15(D) stating the intention of the Bondholder to convert all or part of the Bond into Shares specifying the principal amount of the Bond to which such notice relates. Any such Conversion Notice shall be in the form annexed to these Conditions. Once delivered, a Conversion Notice shall be irrevocable and take effect immediately upon the Conversion Date. If a Conversion Notice is not duly completed or is inaccurate, the Company may reject the same and any intended conversion shall not be treated as taking effect until a duly completed, accurate Conversion Notice to the satisfaction of the Company is received by the Company. The Company, within 7 business days after receipt of the completed, accurate Conversion Notice, will notify the Bondholder whether it agrees with the conversion.
- (B) The Company shall be responsible for payment of all taxes and stamp duty, issue and registration duties (if any) and Stock Exchange levies and charges (if any) arising on any conversion.
- (C) The Shares arising on conversion shall be allotted and issued by the Company, credited as fully paid, to the relevant Bondholder or as it may direct within fourteen Business Days after, and with effect from, the Conversion Date against delivery of the Bond (which the Bondholder is obliged to deliver to the Company following such Conversion) and certificates for the Shares to which the Bondholder by ordinary mail, at the risk and expense of, the Bondholder.
- (D) On any conversion of the Bond the Bondholder thereof shall at the time of conversion deliver to the Company's principal place of business in Hong Kong specified in Condition 15(D) (i) a duly executed Conversion Notice; (ii) in the case of the execution of the Conversion Notice on behalf of a corporation by its offices, the authority of that person or those persons to do so; (iii) such other evidence as the Company may reasonably require if the Conversion Notice is executed by some other person on behalf of the Bondholder; (iv) such other evidence (including legal opinions) as the Company may reasonably require to support that the conditions and requirements of this Condition 8 are satisfied; and (v) the relevant Certificate of the Bond and (in the event of a partial

conversion) shall join in endorsing the relevant Certificate of the Bond with the amount of the relevant sum converted.

9. TAXATION

All payments of principal or premium (if any) by the Company will be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Hong Kong or any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled by law. In such event, the Company will pay such additional amounts as will result in the receipt by the Bondholders of the net amounts after such deduction or withholding equal to the amounts which would otherwise have been receivable by them had no such deduction or withholding been required except that no such additional amount shall be payable in respect of any Bond:

- (i) to a holder (or a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with Hong Kong otherwise than merely by holding the Bond(s) or by the receipt of principal, premium (if any) in respect of the Bond; or
- (ii) to a holder (or a third party on behalf of a holder) who would not be liable or subject to such withholding or deduction by making a declaration or non-residence or other similar claim for exemption to the relevant tax authority; or
- (iii) if the Certificate in respect of such Bond is surrendered more than 30 days after the relevant date except to the extent that the holder would have been entitled to such additional amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days.

For the purposes hereof “**relevant date**” means whichever is the later of (a) the date on which such payment first becomes due and (b) if the full amount payable has not been received in Hong Kong by the Bondholders on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders.

References in these Conditions to principal shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Instrument.

10. EVENTS OF DEFAULT

Any Bondholder may give notice to the Company that the Bonds are immediately due and repayable if:

- (i) **Payment default:** a default is made in the payment of the principal or interests, in respect of any of the Bonds when and as the same ought to be paid in accordance with these Conditions, and such default continues for a period of 7

days; or

- (ii) **Other default:** a default is made by the Company in the performance or observance of any covenant, condition or provision contained in the Instrument or in the Bonds and on its part to be performed or observed (other than the covenant to pay the principal, premium (if any) in respect of any of the Bonds) and such default continues for the period of 14 days next following the service by any Bondholder on the Company of notice specifying brief details of such default; or
- (iii) **Cross default:** any other present or future indebtedness of the Company or any Major Subsidiary for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of an event of default (however called) or any such indebtedness is not paid when due or, as the case may be, within any applicable grace period originally provided for or the Company or any Major Subsidiary fails to pay when due any amount payable by it under any present or future guarantee for any moneys borrowed or raised, provided that the aggregate amount of the relevant indebtedness or amount payable in respect of which one or more of the events mentioned above in this paragraph (iii) have occurred equals or exceeds US\$500 million (or its equivalent in another currency); or
- (iv) **Dissolution of the Company and Disposals:** a resolution is passed or an order of a court of competent jurisdiction is made that the Company be wound up or dissolved or the Company disposes of all or substantially all of its assets, otherwise, in any such case, than for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger or reorganisation, the terms of which shall have previously been approved in writing by an Ordinary Resolution of Bondholders and/or than for any disposal which has previously been approved in writing by an Ordinary Resolution of Bondholders, such approval should not be unreasonably withheld or delayed; or
- (v) **Dissolution of a Major Subsidiary and Disposals:** a resolution is passed or an order of a court of competent jurisdiction is made for the winding up or dissolution of any Major Subsidiary or a Major Subsidiary disposes of all or substantially all of its assets except, in any such case:
 - (a) for the purposes of or pursuant to and followed by a consolidation or amalgamation with or merger into the Company or any other subsidiary of the Company; or
 - (b) for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger or reorganisation (other than as described in subparagraph (a) above) the terms of which shall have previously been approved in writing by an Ordinary Resolution of Bondholder; or
 - (c) by way of a voluntary winding up or dissolution where there are surplus assets in such subsidiary of the Company and such surplus assets attributable to the Company and/or any other subsidiary of the Company are distributed to the Company and/or any such other subsidiary of the Company; or

- (d) in the case of a disposal of all or substantially all of a Major Subsidiary's assets, where those assets will following such disposal be vested in the Company or another subsidiary of the Company; or
- (e) for any disposal which has previously been approved in writing by an Ordinary Resolution of Bondholders, such approval should not be unreasonably withheld or delayed; or
- (vi) **Encumbrances:** an encumbrancer takes possession or a receiver is appointed of the whole or a material part of the assets or undertaking of the Company or any Major Subsidiary; or
- (vii) **Distress etc.:** a distress, execution or seizure before judgment is levied or enforced upon or sued out against a material part of the property of the Company or any Major Subsidiary and is not discharged within three days thereof; or
- (viii) **Bankruptcy:** the Company or any Major Subsidiary is unable to pay its debts as and when they fall due or the Company or any Major Subsidiary shall initiate or consent to proceedings relating to itself under any applicable bankruptcy, reorganisation or insolvency law or make an assignment for the benefit of, or enter into any composition with, its creditors (save, in the case of a subsidiary of the Company, in the circumstances set out in sub-paragraphs (v)(a) to (d) (inclusive) above); or
- (ix) **Bankruptcy proceedings:** proceedings shall have been initiated against the Company or any Major Subsidiary under any applicable bankruptcy, reorganisation or insolvency law and such proceedings shall not have been discharged or stayed within a period of 21 days; or
- (x) **Analogous events:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in paragraphs (vii) to (ix) (inclusive) above; or
- (xi) **Change in Control:** the single largest shareholder of the Company as at the date of this deed no longer holds any shareholding in the Company.

Upon any such notice being given to the Company, the Bonds will immediately become due and repayable at their principal amount on which full payment of all amounts payable under this Condition 10 is made in accordance with the provisions of the Instrument.

11. PRESCRIPTION

Claims in respect of amount due in respect of the Bonds will become prescribed unless made within ten years (in the case of principal) and 30 days (in the case of interest (if any)) from the relevant date for payment in respect thereof.

12. ENFORCEMENT

At any time after the Bonds have become due and repayable, any Bondholder may, at its discretion and without further notice, take such proceedings against the Company as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Instrument.

13. MEETINGS OF BONDHOLDERS, MODIFICATION AND WAIVER

(A) Meetings

The Instrument contains provisions for convening meetings of Bondholders to consider any matter affecting their interests, including the sanctioning by Ordinary Resolution of a modification of the Bonds or the provisions of the Instrument. The quorum at any such meeting for passing an Ordinary Resolution will be two or more persons holding or representing at least 10% in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented. An Ordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Instrument provides that a written resolution signed by or on behalf of a holder or the holders of not less than 50% of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Ordinary Resolution.

(B) Modifications and Waivers

Modifications to the Instrument may be effected only by deed poll, executed by the Company and expressed to be supplemental to the Instrument, and (save for minor amendments by the Company which shall not adversely affect the rights of the Bondholders under the Instrument) only if it shall first have been sanctioned by an Ordinary Resolution of the Bondholders.

(C) Interests of Bondholders

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification or waiver) the Company shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Company shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Company any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders.

14. REPLACEMENT OF CERTIFICATES

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the Specified Office of the Registrar for the time being upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Company may reasonably require and on payment of such fee not exceeding US\$7 as the Company may determine. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15. NOTICES

- (A) Every Bondholder shall register with the Company an address either in Hong Kong or elsewhere to which notices can be sent and if any Bondholder shall fail to do so, notice may be given to such Bondholder by sending the same in any of the manners hereinafter mentioned to his last known place of business or residence or, if there be none, by posting up the same for three days at the principal place of business and the registered office for the time being of the Company.
- (B) A notice shall be given by personal delivery, prepaid registered mail (registered airmail in the case of an overseas address to where airmail service is available).
- (C) All notices with respect to Bonds standing in the names of joint holders shall be given to whichever of such persons is named first on the register of Bondholders maintained by the Registrar and notice so given shall be sufficient notice to all the holders of such Bonds.
- (D) Notices sent by personal delivery or prepaid registered mail or the posting of the same at the principal place of business and the Specified Office of the Company shall be deemed to have been served on the first day after such delivery or the deposit of the letter with postal authorities or in a postbox or, as the case may be, the first day after the first posting up of such notice.
- (E) All notices to Bondholders shall be validly given if mailed to them at their respective addresses in the register of Bondholders.
- (F) A Bondholder may require either generally or specifically any document or notice sent to be it under the Instrument to be copied at the same time to such other member of its group of companies at such address as it may require. The Company shall comply with such requirement.

16. AGENTS

The initial Registrar and the Transfer Agent is the Company. The Company reserves the right at any time to appoint a professional provider of registration services as replacement Registrar or the Transfer Agent and to vary or terminate such appointment, provided that where the Bondholders have, pursuant to an Ordinary Resolution, prescribed the terms of appointment of the Registrar under the Instrument, the terms of appointment of any Successor shall not be materially different from such prescribed terms without the approval of the bondholders by Ordinary Resolution. Notice of any such termination or appointment, of any changes in the Registrar or the Transfer Agent shall be given promptly by the Company to the Bondholders.

17. GOVERNING LAW AND JURISDICTION

The Bonds and the Instrument are governed by, and shall be construed in accordance with the laws of Hong Kong. In relation to any legal action or proceedings arising out

of or in connection with the Instrument and/or the Bonds the Company has in the Instrument irrevocably submitted to the jurisdiction of courts of Hong Kong.

FORM OF TRANSFER

FOR VALUE RECEIVED the undersigned hereby transfers to:

.....
.....

(Please print or typewrite name and address of transferee)

HK\$ principal amount of the Bonds in respect of which this Certificate is issued, and all rights in respect thereof.

All payments in respect of the Bonds hereby transferred are to be made (unless otherwise instructed by the transferee) to the following account, which shall (until further notice) be the registered account of the transferee for the purposes of Condition 5(B):

Name of bank :

HK\$ account number :

For the account of :

The registered address of the transferee for the purposes of Condition 15(A) is that stated above.

Date: _____

Transferor's name : _____

Transferor's signature : _____

Transferor's witness : _____

Transferee's name : _____

Transferee's signature : _____

Transferee's witness : _____

Notes:

- (i) A representative of the Bondholder should state the capacity in which he signs, e.g. director.
- (ii) The signature of the person effecting a transfer shall conform to any list of authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Registrar requires.
- (iii) Any transfer of the Bonds shall be in accordance with Condition 3 of the Terms and Conditions attached to the Bonds.

Registrar and its Specified Office:

20/F, Two Chinachem Central, No. 26 Des Voeux Road Central, Hong Kong

Transfer Agent and its address:

20/F, Two Chinachem Central, No. 26 Des Voeux Road Central, Hong Kong

CONVERSION NOTICE

The undersigned hereby irrevocably elects to convert [all/part] of the Bond(s) specified below into shares of [•] each of SUNSHINE OILSANDS LTD. (the "**Company**") in accordance with the Conditions and the terms below.

Bond No.: _____

Amount to be converted: _____

Conversion Date: _____
[date of giving notice unless otherwise agreed]

Principal Amount of
Bond to be Converted: _____

Applicable Conversion Price: _____

Name in which Shares to be issued: _____

Address of shareholder: _____

Signature of Bondholder: _____

Name of Bondholder: _____

SCHEDULE 2

Provisions for meetings of Bondholders

1. The Company at any time may, and upon a request in writing of Bondholders holding not less than one-tenth in principal amount of the Bonds for the time being outstanding shall, convene a meeting of Bondholders. Every such meeting shall be held at such time and place as the Directors of the Company may reasonably approve.
2. Subject to paragraph 17 below, at least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the day, time and place of meeting shall be given to the Bondholders. The accidental omission to any notice to any of the Bondholders shall not invalidate the proceedings at any meeting.
3. A person (who may, but need not, be a Bondholder) nominated in writing by the Company shall be entitled to take the chair at every such meeting but if no such nomination is made or if at any meeting the person nominated shall not be present within 15 minutes after the time fixed for the meeting the Bondholders present shall choose one of their number to be chairman, failing which the Company may appoint a chairman. The chairman of an adjourned meeting need not be the same person as was chairman of the original meeting.
4. At any such meeting any two or more persons present in person holding Bonds or being proxies or representatives and holding or representing in the aggregate not less than one-tenth in principal amount of the Bonds for the time being outstanding shall form a quorum for the transaction of business and no business (other than the choosing of a chairman) shall be transacted at any meeting unless the requisite quorum be present at the commencement of business.
5. If within 30 minutes from the time fixed for any such meeting a quorum is not present the meeting shall, if convened upon the requisition of Bondholders, be dissolved. In any other case it shall stand adjourned for such period, not being less than 8 days nor more than 28 days, and to such place, as may be decided by the chairman. At such adjourned meeting two or more persons present in person holding Bonds or voting certificates or being proxies or representatives (whatever the principal amount of the Bonds so held or represented) shall form a quorum and may pass any resolution and decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had a quorum been present at such meeting.
6. The chairman may with the consent of (and shall if directed by) any meeting adjourn such meeting from time to time from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.
7. At least 7 days' notice of any meeting adjourned through want of a quorum shall be given in the same manner as for an original meeting and such notice shall state the quorum required at such adjourned meeting. It shall not, however, otherwise be necessary to give any notice of an adjourned meeting.

8. Every question submitted to a meeting shall be decided in the first instance by a show of hands and in case of equality of votes the chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) which he may have as a Bondholder or as a proxy or representative.
9. At any meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman, the Company or by one or more persons holding one or more Bonds or being proxies or representatives and holding or representing in the aggregate not less than one-fiftieth in principal amount of the Bonds for the time being outstanding, a declaration by the chairman that a resolution has been carried or carried by a particular majority or lost or not carried by any particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
10. If at any meeting a poll is so demanded, it shall be taken in such manner and (subject as provided below) either at once or after such an adjournment as the chairman directs and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuation of the meeting for the transaction of any business other than the question on which the poll has been demanded.
11. Any poll demanded at any meeting on the election of a chairman or on any question of adjournment shall be taken at the meeting without adjournment.
12. The Company (through its representatives) and financial and legal advisers may attend and speak at any meeting of Bondholders. No one else may attend at any meeting of Bondholders or join with others in requesting the convening of such a meeting unless he is the holder of a Bond or is a proxy or a representative.
13. At any meeting on a show of hands every person who is present in person and who produces a Bond or is a proxy or a representative shall have one vote and on a poll every person who is so present shall have one vote in respect of each HK\$100,000 in principal amount of the Bonds so produced or in respect of which he is a proxy or a representative. Any person entitled to more than one vote need not use all his votes or cast all the votes to which he is entitled in the same way.
14. A Bondholder is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a Bondholder.
15. A meeting of Bondholders shall, subject to the Conditions, in addition to the powers given above, but without prejudice to any powers conferred on other persons by this Instrument, have power exercisable by Ordinary Resolution:
 - (a) to sanction any proposal by the Company for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Bondholders against the Company or against any of its property whether such rights shall arise under this Instrument or otherwise;
 - (b) to sanction any scheme or proposal for the exchange, substitution or sale of the Bonds for, or the cancellation of the Bonds in consideration of, shares, stock,

notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Company or any other body corporate formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash;

- (c) to assent to any modification of this Instrument or the Bonds which shall be proposed by the Company;
- (d) to authorise anyone to concur in and do all such things as may be necessary to carry out and give effect to any Ordinary Resolution;
- (e) to give any authority, discretion or sanction which under this Instrument or the Bonds is required to be given by Ordinary Resolution;
- (f) to appoint any persons (whether Bondholders or not) as a committee or committees to represent the interests of the Bondholders and to confer upon such committee or committee any powers or discretions which the Bondholders could themselves exercise by Ordinary Resolution;
- (g) to approve the substitution of any entity for any liability in respect of any act or omission for which it may become responsible under this Instrument or the Bonds;
- (h) to make any modification to the provisions contained in this Instrument or the Bonds which would have the effect of:
 - (i) changing the maturity of the Bonds; or
 - (ii) modifying the status of the Bonds; or
 - (iii) reducing or cancelling the principal amount of, or other amounts in respect of, the Bonds; or
 - (iv) modifying the provisions contained in this Schedule concerning the quorum required at any meeting of Bondholders or the majority required to pass an Ordinary Resolution; or
 - (v) changing the currency of payment of the Bonds; or
 - (vi) to sanction any compromise or arrangement proposed to be made between the Company and the Bondholders or any of them; or
 - (vii) to discharge or exonerate any person from any liability in respect of any act or omission for which such person may have become responsible under this Instrument or the Conditions; or
 - (viii) amending this proviso.

16. An Ordinary Resolution passed at a meeting of Bondholders duly convened and held in accordance with this Instrument shall be binding upon all the Bondholders, whether or not present at such meeting and whether or not they vote in favour, and each of the Bondholders shall be bound to give effect to it accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances of such resolution justify the passing of it.
17. The expression “**Ordinary Resolution**” means a resolution passed at a meeting of Bondholders duly convened and held in accordance with these provisions by a majority consisting of not less than half of the votes cast. A written resolution signed by or on behalf of a holder or the holders of not less than 50 per cent. of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Ordinary Resolution.
18. Minutes of all resolutions and proceedings at every such meeting shall be made and entered in the books to be from time to time provided for that purpose by the Company and any such minutes, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings transacted or by the chairman of the next succeeding meeting of Bondholders, shall be conclusive evidence of the matters contained in them and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.
19. Subject to all other provisions contained in this Instrument the Company may without the consent of the Bondholders prescribe such further regulations regarding the holding of the meetings of Bondholders and attendance and voting at them as the Company may in its sole discretion determine including particularly (but without prejudice to the generality of the foregoing) such regulations and requirements as the Directors of the Company think reasonable so as to satisfy themselves that persons who purport to requisition a meeting in accordance with paragraph 1 are, in fact, Bondholders, their proxies or representatives.

THE COMMON SEAL of)
)
SUNSHINE OILSANDS LTD.)
)
was hereunto affixed in the presence of:)

DATED 1 April 2020

SUNSHINE OILSANDS LTD.

**DEED POLL
constituting
HK\$72,000,000 8% annual coupon
convertible bonds due on 31 March 2022**
