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阳光油砂
SUNSHINE OILSANDS LTD.

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陽光油砂有限公司*

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

(HKEX: 2012)

GRANT OF SHARE OPTIONS AND CHANGE IN COMPOSITION OF BOARD COMMITTEES

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

By Order of the Board of Sunshine Oilsands Ltd.

Sun Kwok Ping
Executive Chairman

Hong Kong, June 29, 2017

Calgary, June 29, 2017

As at the date of this announcement, the Board consists of Mr. Kwok Ping Sun, Mr. Hong Luo, Mr. Qiping Men and Ms. Gloria Pui Yun Ho as executive directors; Mr. Michael John Hibberd, Ms. Linna Liu and Ms. Xijuan Jiang as non-executive directors; and Mr. Raymond Shengti Fong, Mr. Jeff Jingfeng Liu, Ms. Joanne Yan and Mr. Yi He as independent non-executive directors.

**For identification purposes only*

Grant of Options

The board of directors (the “**Board**”) of Sunshine Oilsands Ltd. (the “**Corporation**”) announces that share options (the “**Options**”) to acquire Class “A” common shares in the capital of the Corporation (the “**Shares**”) were granted by the Corporation, to certain employees of the Corporation (the “**Grantees**”), under its share option scheme adopted on January 26, 2012, as amended on May 7, 2013 and June 13, 2013 (the “**Share Option Scheme**”), subject to acceptance by the Grantees, with details as follows:

Date of grant	: June 29, 2017 (Hong Kong)
Number of Options granted	: An aggregate of 4,484,679 Options in respect of 4,484,679 Shares ⁽¹⁾
Exercise price of Options granted	: HK\$0.261 (CDN\$0.044 equivalent) ⁽¹⁾ per Share
Closing price of the Shares on the date of grant	: HK\$0.25
Validity period of the Options	: Five (5) years

Note:

1. The Options were priced in Canadian dollars and the Hong Kong dollar price is based on the Bank of Canada noon exchange rate on the date of grant. Each Option shall entitle each of the Grantees to subscribe for one Share upon exercise of such Option at an exercise price of HK\$0.261 (CDN\$0.044 equivalent) per Share, which is higher than (i) the closing price of HK\$0.25 (CDN\$0.042 equivalent) per Share as quoted on the Stock Exchange on the date of grant of the Options; and (ii) the average closing price of HK\$0.261 (CDN\$0.044 equivalent) per Share as quoted on the Stock Exchange for the 5 trading days immediately preceding the date of grant of the Options.

None of the Grantees is a substantial shareholder, chief executive or director of the Corporation, nor an associate (as defined under the Listing Rules) of any of them.

Change in Composition of Board Committees

The Board is further pleased to announce that, with effect from June 29, 2017 (Hong Kong) :-

- a) Ms. Joanne Yan was appointed as the chairlady of Audit Committee;
- b) Mr. Qiping Men was appointed as the chairman of the Reserve Committee ;and
- c) Mr. Jeff Jingfeng Liu was appointed as a member of each of the Audit Committee and the Reserve Committee.

ABOUT SUNSHINE OILSANDS LTD.

The Corporation is a Calgary based public corporation listed on the Hong Kong Stock Exchange since March 1, 2012. The Corporation is focused on the development of its significant holdings of oil sands leases in the Athabasca oil sands region. The Corporation owns interests in approximately one million acres of oil sands and petroleum and natural gas leases in the Athabasca region. The Corporation is currently focused on executing milestone undertakings in the West Ells project area. West Ells has an initial production target of 5,000 barrels per day.

For further enquiries, please contact:

Mr. Hong Luo
Chief Executive Officer
Tel: (1) 403-984-1450

Email: investorrelations@sunshineoilsands.com

Website: www.sunshineoilsands.com

FORWARD LOOKING INFORMATION

This announcement contains forward-looking information relating to, among other things, the plans and expectations of the Corporation. Such forward-looking information is subject to various risks, uncertainties and other factors. All statements other than statements and information of historical fact are forward-looking statements. The use of words such as “estimate”, “forecast”, “expect”, “project”, “plan”, “target”, “vision”, “goal”, “outlook”, “may”, “will”, “should”, “believe”, “intend”, “anticipate”, “potential”, and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on the Corporation’s experience, current beliefs, assumptions, information and perception of historical trends available to the Corporation, and are subject to a variety of risks and uncertainties including, but not limited to those associated with resource definition and expected reserves and contingent and prospective resources estimates, unanticipated costs and expenses, regulatory approval, fluctuating oil and gas prices, expected future production, the ability to access sufficient capital to finance future development and credit risks, changes in Alberta’s regulatory framework, including changes to regulatory approval process and land-use designations, royalty, tax, environmental, greenhouse gas, carbon and other laws or regulations and the impact thereof and the costs associated with compliance. Although the Corporation believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned that the assumptions and factors discussed in this announcement are not exhaustive and readers are not to place undue reliance on forward-looking statements as the Corporation’s actual results may differ materially from those expressed or implied. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements as a result of new information, future

events or otherwise, subsequent to the date of this announcement, except as required under applicable securities legislation. The forward-looking statements speak only as of the date of this announcement and are expressly qualified by these cautionary statements. Readers are cautioned that the foregoing lists are not exhaustive and are made as at the date hereof. For a full discussion of the Corporation's material risk factors, see the Corporation's annual information form for the year ended December 31, 2016 and risk factors described in other documents we file from time to time with securities regulatory authorities, all of which are available on the Hong Kong Stock Exchange at www.hkexnews.hk, on the SEDAR website at www.sedar.com or on the Corporation's website at www.sunshineoilsands.com.