

Extractive Sector Transparency Measures Act - Annual Report



Reporting Entity Name Velvet Energy Ltd.

Reporting Year **From** 01/01/2017 **To:** 31/12/2017 **Date submitted** 30/05/2018

Reporting Entity ESTMA Identification Number E272110

Original Submission
 Amended Report

Other Subsidiaries Included
(optional field)

Not Consolidated

Not Substituted

Attestation by Reporting Entity

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Full Name of Director or Officer of Reporting Entity Christopher Teal **Date** 30/05/2018

Position Title Chief Financial Officer

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year	From:	01/01/2017	To:	31/12/2017	Currency of the Report	CAD
Reporting Entity Name	Velvet Energy Ltd.					
Reporting Entity ESTMA Identification Number	E272110					
Subsidiary Reporting Entities (if necessary)						

Payments by Payee

Country	Payee Name ¹	Departments, Agency, etc... within Payee that Received Payments ²	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes ^{3,4}
Canada	YELLOWHEAD COUNTY		1,290,000		1,530,000				10,000	2,830,000	
Canada	MUNICIPAL DISTRICT OF GREENVIEW NO. 16		40,000		440,000					480,000	
Canada	BRAZEAU COUNTY		60,000		80,000					140,000	
Canada	ALEXIS NAKOTA SIOUX NATION						130,000			130,000	
Canada	GOVERNMENT OF ALBERTA	Alberta Department of Energy Alberta Energy Regulator Alberta Petroleum Marketing Commission Alberta Boilers Safety Association Government of Alberta Environment and Parks Government of Alberta Land Titles		9,020,000	2,660,000		15,330,000			27,010,000	Royalties paid in kind have been valued at the fair market sale price at time of payment

Additional Notes: All payments are reported in Canadian dollars (the reporting currency of Velvet Energy Ltd.)

¹ Enter the proper name of the Payee receiving the money (i.e. the municipality of x, the province of y, national government of z).

² Optional field.

³ When payments are made in-kind, the notes field must highlight which payment includes in-kind contributions and the method for calculating the value of the payment.

⁴ Any payments made in currencies other than the report currency must be identified. The Reporting Entity may use the Additional notes row or the Notes column to identify any payments that are converted, along with the exchange rate and primary method used for currency conversions.

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year	From: 01/01/2017	To: 31/12/2017	Currency of the Report CAD
Reporting Entity Name	Velvet Energy Ltd.		
Reporting Entity ESTMA Identification Number	E272110		
Subsidiary Reporting Entities (if necessary)			

Payments by Project

Country	Project Name ¹	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes ²³
Canada	CENTRAL ALBERTA	1,360,000	8,140,000	3,430,000		1,800,000		10,000	14,740,000	
Canada	NORTHWEST ALBERTA	30,000	880,000	1,280,000		13,660,000			15,850,000	

Additional Notes³:

¹ Enter the project that the payment is attributed to. Some payments may not be attributable to a specific project, and do not need to be disclosed in the "Payments by Project" table.

² When payments are made in-kind, the notes field must highlight which payment includes in-kind contributions and the method for calculating the value of the payment.

³ Any payments made in currencies other than the report currency must be identified. The Reporting Entity may use the "Additional Notes" row or the "Notes" column to identify any payments that are converted, along with the exchange rate and primary method used for currency conversions.