

Extractive Sector Transparency Measures Act - Annual Report



Reporting Entity Name	Velvet Energy Ltd.					
Reporting Year	From	2018-01-01	To:	2018-12-31	Date submitted	2019-05-29

Reporting Entity ESTMA Identification Number	E272110	<input checked="" type="radio"/> Original Submission
		<input type="radio"/> Amended Report

Other Subsidiaries Included
(optional field)

For Consolidated Reports - Subsidiary Reporting Entities Included in Report:

E778484 Iron Bridge Resources Inc.

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 B. Theal	Date	2019-05-29
Position Title	Chief Financial Officer		

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Subsidiary Reporting Entities (if necessary)	E778484 Iron Bridge Resources Inc.					

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 ³⁴
Canada -Alberta	BRAZEAU COUNTY		110,000							110,000	
Canada -Alberta	MUNICIPAL DISTRICT OF GREENVIEW NO. 16		240,000		490,000					730,000	
Canada -Alberta	WOODLANDS COUNTY		100,000							100,000	
Canada -Alberta	YELLOWHEAD COUNTY		1,560,000		390,000					1,950,000	
Canada -British Columbia	GOVERNMENT OF BRITISH COLUMBIA	MINISTER OF FINANCE			80,000		6,580,000			6,660,000	
Canada -Alberta	GOVERNMENT OF ALBERTA	ALBERTA PETROLEUM MARKETING COMMISSION, ALBERTA SUSTAINABLE RESOURCE DEVELOPMENT, ALBERTA ENERGY REGULATOR, ABSA, ALBERTA LAND TITLES, ALBERTA ENERGY, ENVIRONMENT AND PARKS		11,570,000	2,940,000		3,650,000			18,160,000	Royalties paid in kind total \$6,071,500 and are valued at the fair market value of the volumes taken in-kind, based on Velvet's realized sales price.

Additional Notes: All payments were made in Canadian dollars.

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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 -Alberta	CENTRAL ALBERTA	1,760,000	9,090,000	2,240,000		270,000			13,360,000	Royalties paid in kind total \$1,003,500 and are valued at the fair market value of the volumes taken in-kind, based on Velvet's realized sales price.
Canada -Alberta	NW ALBERTA / BC	240,000	2,490,000	1,660,000		9,950,000			14,340,000	Royalties paid in kind total \$5,068,000 and are valued at the fair market value of the volumes taken in-kind, based on Velvet's realized sales price.

Additional Notes³: All payments were made in Canadian dollars.