

# Extractive Sector Transparency Measures Act - Annual Report



Reporting Entity Name Karve Energy Inc.

Reporting Year From 1/1/2019 To: 12/31/2019 Date submitted 9/24/2020

Reporting Entity ESTMA Identification Number E055516

Original Submission  
 Amended Report

Other Subsidiaries Included  
 (optional field)

For Consolidated Reports - Subsidiary Reporting Entities Included in Report: High Ground Energy Inc. E398067

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 Shane Helwer Date 9/24/2020

Position Title VP Finance and Chief Financial Officer

## Extractive Sector Transparency Measures Act - Annual Report

|  |                                 |                |  |  |                            |
|--|---------------------------------|----------------|--|--|----------------------------|
| Reporting Year                               | From: 1/1/2019                  | To: 12/31/2019 |  |  | Currency of the Report CAD |
| Reporting Entity Name                        | Karve Energy Inc.               |                |  |  |                            |
| Reporting Entity ESTMA Identification Number | E055516                         |                |  |  |                            |
| Subsidiary Reporting Entities (if necessary) | High Ground Energy Inc. E398067 |                |  |  |                            |

### Payments by Payee

| Country         | Payee Name <sup>1</sup>     | Departments, Agency, etc... within Payee that Received Payments <sup>2</sup> | Taxes     | Royalties | Fees      | Production Entitlements | Bonuses | Dividends | Infrastructure Improvement Payments | Total Amount paid to Payee | Notes <sup>34</sup>   |
|-----------------|-----------------------------|--|-----------|-----------|-----------|-------------------------|---------|-----------|-------------------------------------|----------------------------|---|
| Canada -Alberta | Province of Alberta         |  | 600,000   | 5,690,000 | 1,650,000 |                         |         |           |                                     | 7,940,000                  | Royalties include paid in-kind royalties that are valued at the realized sales price<br><br>Departments paid include:<br>- Alberta Boilers Safety Association<br>- Alberta Energy Regulator<br>- Alberta Municipal Affairs<br>- Alberta Petroleum Marketing Commission<br>- Alberta Sustainable Resource Development<br>- Minister Of Finance<br>- Alberta Energy |
| Canada -Alberta | Alberta Special Areas Board |  | 2,710,000 |           | 400,000   |                         |         |           |                                     | 3,110,000                  |   |
| Canada -Alberta | Town of Provost             |  | 320,000   |           |           |                         |         |           |                                     | 320,000                    |   |
| Canada -Alberta | County of Flagstaff         |  | 650,000   |           |           |                         |         |           |                                     | 650,000                    |   |
| Canada -Alberta | County of Paintearth        |  | 2,670,000 |           |           |                         |         |           |                                     | 2,670,000                  |   |
|                 |                             |  |           |           |           |                         |         |           |                                     |                            |   |
|                 |                             |  |           |           |           |                         |         |           |                                     |                            |   |

**Additional Notes:**

All payments were made and reported in Canadian Dollars

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|  |              |                                 |            |                               |     |
|--|--------------|---------------------------------|------------|-------------------------------|-----|
| Reporting Year                               | <b>From:</b> | 1/1/2019                        | <b>To:</b> | 12/31/2019                    |     |
| Reporting Entity Name                        |              | Karve Energy Inc.               |            | <b>Currency of the Report</b> | CAD |
| Reporting Entity ESTMA Identification Number |              | E055516                         |            |                               |     |
| Subsidiary Reporting Entities (if necessary) |              | High Ground Energy Inc. E398067 |            |                               |     |

### Payments by Project

| Country         | Project Name <sup>1</sup> | Taxes     | Royalties | Fees      | Production Entitlements | Bonuses | Dividends | Infrastructure Improvement Payments | Total Amount paid by Project | Notes <sup>23</sup>  |
|-----------------|---------------------------|-----------|-----------|-----------|-------------------------|---------|-----------|-------------------------------------|------------------------------|--|
| Canada -Alberta | Provost                   | 6,950,000 | 5,690,000 | 2,050,000 |                         |         |           |                                     | <b>14,690,000</b>            | Royalties include paid in-kind royalties that are valued at the realized sales price |
|                 |                           |           |           |           |                         |         |           |                                     |                              |  |
|                 |                           |           |           |           |                         |         |           |                                     |                              |  |
|                 |                           |           |           |           |                         |         |           |                                     |                              |  |
|                 |                           |           |           |           |                         |         |           |                                     |                              |  |
|                 |                           |           |           |           |                         |         |           |                                     |                              |  |

**Additional Notes<sup>3</sup>:**

All payments were made and reported in Canadian Dollars