

Extractive Sector Transparency Measures Act - Annual Report



Reporting Entity Name Velvet Energy Ltd.

Reporting Year **From** 2021-01-01 **To:** 2021-08-31 **Date submitted** 2023-01-31

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 Geri Greenall **Date** 2023-01-30

Position Title Chief Financial Officer

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Reporting Year	From: 2021-01-01	To: 2021-03-31	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 ³⁴
Canada -Alberta	GREENVIEW NO. 16				129,837					129,837	
Canada -Alberta	YELLOWHEAD COUNTY		1,306,242							1,306,242	
Canada -Alberta	GOVERNMENT OF ALBERTA		94,219	5,953,080	338,181					6,385,480	Includes royalties taken in kind, see valuation method below. Alberta Energy and Natural Resources; ABSA Alberta Boilers; Alberta Petroleum Commission; Government of Alberta, Minister of Finance - Alberta; Alberta Energy Regulators; Alberta Sustainable Resources
Canada -Saskatchewan	PROVINCE OF SASKATCHEWAN				2,546					2,546	Minister of Energy & Resources; Ministry of Agriculture - Lands Branch
Canada	FEDERAL GOVERNMENT OF CANADA				495					495	

Additional Notes: The decrease in royalties from the prior year (2020) is due to the following: A - Velvet sold their Edson assets to Wesbrick effective April 2021; B - The Corporate disposition of Velvet to Spartan Delta Corp effective September 2021. Royalties paid in-kind are converted to an equivalent cash value based on what the Company has determined to be the most appropriate and relevant method for the payment, which can be at cost or market value as stated in the contract. Velvet Energy Ltd reporting period is for Jan – Aug 2021 as the company was acquired by Spartan Delta Corp effective September 1, 2021. Period from Sep – Dec 2021 is included in Spartan Delta Corp filing.

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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	Central Alberta	1,345,053	2,384,566	94,280					3,823,899	
Canada	North Alberta	55,408	3,568,514	374,233					3,998,155	
Canada	Saskatchewan			2,546					2,546	

Additional Notes³: Velvet Energy Ltd reporting period is for Jan – Aug 2021 as the company was acquired by Spartan Delta Corp effective September 1, 2021. Period from Sep – Dec 2021 is included in Spartan Delta Corp filing.

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.