

Extractive Sector Transparency Measures Act - Annual Report

VERMILION
ENERGY



Reporting Entity Name	Vermilion Energy Inc.			
Reporting Year	From	1/1/2018	To:	12/31/2018
			Date submitted	12/10/2019
Reporting Entity ESTMA Identification Number	E961953	<input type="radio"/> Original Submission <input checked="" type="radio"/> Amended Report		Report Version
				2
Other Subsidiaries Included (optional field)				
For Consolidated Reports - Subsidiary Reporting Entities Included in Report:	E373536 Vermilion Resources, E153688 Vermilion Energy Canada Ltd., E326979 Spartan Energy Corp.			
Not Substituted				
Attestation by Reporting Entity	<p><i>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.</i></p>			
Full Name of Director or Officer of Reporting Entity	Lars Glemser		Date	12/10/2019
Position Title	Vice President & Chief Financial Officer			

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Reporting Year	From:	1/1/2016	To:	12/31/2016
Reporting Entity Name	Verdon Energy Inc.			
Reporting Entity ESTM	C04162			
Identification Number	C04162			
Schedule Reporting Entities (if necessary)	127324 Verdon Resources, 123248 Verdon Energy Canada Ltd., 122077 Sparlan Energy Corp			
Currency of the Report	CAD			

Payments by Payee

Country	Payee Name	Department, Agency etc. - within Payee that Received Payments ¹	Taxes	Royalties	Fees	Production Entitlements	Dividends	Debitors	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes ²
Canada	Government of Saskatchewan		12,960,000	30,640,000	2,180,000	-	-	-	-	47,800,000	Land Revenue Ministry of the Crown: 131,703,000 Land Revenue Ministry of Finance: 131,960,000 Petroleum Development: 110,000,000
Canada	Government of Alberta		-	30,600,000	1,970,000	-	-	-	-	34,530,000	Alberta Department of Energy: 113,910,000 Alberta Energy Regulator: 14,430,000 Alberta Department of Economic Development: 199,000,000 Alberta Petroleum Marketing Commission: 1,030,000 Budgets of 11,100,000 paid in-kind. The value of in-kind payments was determined using the prevailing commodity price at the time of transfer.
Canada	Yellowhead County		-	-	2,290,000	-	-	-	-	2,290,000	Yellowhead County: 12,290,000
Canada	Rural Municipality of Rosemary No. 12		-	-	1,310,000	-	-	-	-	1,310,000	Rural Municipality of Rosemary No. 12: 1,310,000
Canada	Rural Municipality of Rosemary No. 16		-	-	1,390,000	-	-	-	-	1,390,000	Rural Municipality of Rosemary No. 16: 1,390,000
Canada	Rural Municipality of Rosemary No. 17		-	-	990,000	-	-	-	-	990,000	Rural Municipality of Rosemary No. 17: 990,000
Canada	Rural Municipality of Steink Valley No. 7		-	-	870,000	-	-	-	-	870,000	Rural Municipality of Steink Valley No. 7: 870,000
Canada	Rural Municipality of Emerald No. 2		-	-	700,000	-	-	-	-	700,000	Rural Municipality of Emerald No. 2: 700,000
Canada	Northwest Saskatchewan County		-	-	560,000	-	-	-	-	560,000	Northwest Saskatchewan County: 560,000
Canada	Rural Municipality of Assiniboia No. 1		-	-	540,000	-	-	-	-	540,000	Rural Municipality of Assiniboia No. 1: 540,000
Canada	Beaumont County		-	-	400,000	-	-	-	-	400,000	Beaumont County: 400,000
Canada	Rural Municipality of Assiniboia No. 61		-	-	330,000	-	-	-	-	330,000	Rural Municipality of Assiniboia No. 61: 330,000
Canada	Rural Municipality of Assiniboia No. 62		-	-	290,000	-	-	-	-	290,000	Rural Municipality of Assiniboia No. 62: 290,000
Canada	White Star First Nation		-	-	510,000	-	-	-	-	510,000	White Star First Nation: 510,000
Canada	Rural Municipality of Grand Prairie No. 2		-	-	260,000	-	-	-	-	260,000	Rural Municipality of Grand Prairie No. 2: 260,000
Canada	Rural Municipality of Emerald No. 24		-	-	420,000	-	-	-	-	420,000	Rural Municipality of Emerald No. 24: 420,000
Canada	Rural Municipality of Assiniboia No. 200		-	-	410,000	-	-	-	-	410,000	Rural Municipality of Assiniboia No. 200: 410,000
Canada	Rural Municipality of Assiniboia No. 63		-	-	400,000	-	-	-	-	400,000	Rural Municipality of Assiniboia No. 63: 400,000
Canada	Rural Municipality of Carleton Place No. 200		-	-	390,000	-	-	-	-	390,000	Rural Municipality of Carleton Place No. 200: 390,000
Canada	Red Deer County		-	-	310,000	-	-	-	-	310,000	Red Deer County: 310,000
Canada	Rural Municipality of Carleton Place No. 91		-	-	300,000	-	-	-	-	300,000	Rural Municipality of Carleton Place No. 91: 300,000
Canada	Rural Municipality of Assiniboia No. 91		-	-	280,000	-	-	-	-	280,000	Rural Municipality of Assiniboia No. 91: 280,000
Canada	Chapleau County		-	-	240,000	-	-	-	-	240,000	Chapleau County: 240,000
Canada	Rural Municipality of Birch No. 64		-	-	220,000	-	-	-	-	220,000	Rural Municipality of Birch No. 64: 220,000
Canada	Rural Municipality of Assiniboia No. 101		-	-	220,000	-	-	-	-	220,000	Rural Municipality of Assiniboia No. 101: 220,000
Canada	Government of Canada		-	-	200,000	-	-	-	-	200,000	Government of Canada: 200,000
Canada	Rural Municipality of Carleton Place No. 95		-	-	170,000	-	-	-	-	170,000	Rural Municipality of Carleton Place No. 95: 170,000
Canada	Rural Municipality of Assiniboia No. 28		-	-	140,000	-	-	-	-	140,000	Rural Municipality of Assiniboia No. 28: 140,000
Canada	Rural Municipality of Assiniboia No. 29		-	-	140,000	-	-	-	-	140,000	Rural Municipality of Assiniboia No. 29: 140,000
Canada	Rural Municipality of Assiniboia No. 120		-	-	120,000	-	-	-	-	120,000	Rural Municipality of Assiniboia No. 120: 120,000
Canada	Paul First Nation		-	-	110,000	-	-	-	-	110,000	Paul First Nation: 110,000
Canada	Pinawa County		-	-	110,000	-	-	-	-	110,000	Pinawa County: 110,000
Canada	Chapleau First Nation		-	-	100,000	-	-	-	-	100,000	Chapleau First Nation: 100,000
France	Government of the French Republic		25,230,000	-	1,390,000	-	-	-	-	26,700,000	Office National des Forêts: 10,000,000 Forces Armées Françaises: 10,000,000 Office National des Forêts: 10,000,000 Recueil Régional Des Données Végétales: 140,000
France	Seine de Seine Department		-	8,100,000	-	-	-	-	-	8,100,000	Forces Armées Françaises: 8,100,000
France	Corse Department		-	4,840,000	540,000	-	-	-	-	5,420,000	Forces Armées Françaises: 5,420,000
France	Casimereux Municipality		-	5,540,000	-	-	-	-	-	5,540,000	Forces Armées Françaises: 5,540,000
France	Lander Department		-	3,340,000	-	-	-	-	-	3,340,000	Forces Armées Françaises: 3,340,000
France	Lorient Department		-	2,340,000	-	-	-	-	-	2,340,000	Forces Armées Françaises: 2,340,000
France	Evreux Department		-	2,490,000	-	-	-	-	-	2,490,000	Forces Armées Françaises: 2,490,000
France	La Fère Aisne Municipality		-	1,640,000	-	-	-	-	-	1,640,000	Forces Armées Françaises: 1,640,000
France	Ménil Municipality		-	1,570,000	-	-	-	-	-	1,570,000	Forces Armées Françaises: 1,570,000
France	Caude Municipality		-	1,270,000	-	-	-	-	-	1,270,000	Forces Armées Françaises: 1,270,000
France	Pyrenees Atlantiques Department		-	1,110,000	-	-	-	-	-	1,110,000	Forces Armées Françaises: 1,110,000
France	Corse du Sud Municipality		-	390,000	-	-	-	-	-	390,000	Forces Armées Françaises: 390,000
France	Six Communes des Bouches Municipality		-	380,000	-	-	-	-	-	380,000	Forces Armées Françaises: 380,000
France	Provençaux Municipality		-	240,000	-	-	-	-	-	240,000	Forces Armées Françaises: 240,000
France	Nangey Municipality		-	190,000	-	-	-	-	-	190,000	Forces Armées Françaises: 190,000
France	Bayac Seine Municipality		-	140,000	-	-	-	-	-	140,000	Forces Armées Françaises: 140,000
Netherlands	Government of the Netherlands		18,170,000	200,000	1,710,000	98,340,000	-	-	-	120,460,000	Ministry of Economic Affairs: 147,000,000 Ministry of Economic Affairs: 147,000,000 Ministry of Economic Affairs: 147,000,000 Ministry of Economic Affairs: 147,000,000
Netherlands	Municipality of Wageningen		-	-	520,000	-	-	-	-	520,000	Ministry of Economic Affairs: 520,000
Germany	Ministry for the Economy, Labour, and Transport of Lower Saxony		-	5,340,000	160,000	-	-	-	-	5,500,000	Ministry of Economic Affairs: 5,500,000
Australia	Commonwealth of Australia		11,000,000	-	210,000	-	-	-	-	11,260,000	Ministry of Economic Affairs: 11,260,000
United States of America	Government of the United States of America		-	2,680,000	100,000	-	-	-	-	2,820,000	Ministry of Economic Affairs: 2,820,000
United States of America	State of Wyoming		-	2,090,000	-	-	-	-	-	2,090,000	Ministry of Economic Affairs: 2,090,000
United States of America	Weld County Wyoming		-	570,000	-	-	-	-	-	570,000	Ministry of Economic Affairs: 570,000
United States of America	Weld County Wyoming		-	120,000	-	-	-	-	-	120,000	Ministry of Economic Affairs: 120,000
Hungary	Government of Hungary		-	740,000	2,140,000	-	-	-	-	2,900,000	Ministry of Economic Affairs: 2,900,000
Croatia	Government of the Republic of Croatia		-	-	540,000	-	-	-	-	540,000	Ministry of Economic Affairs: 540,000
Slovakia	Government of Slovakia		-	-	120,000	-	-	-	-	120,000	Ministry of Economic Affairs: 120,000

Payments reported in the ESTM Report reflect gross payments made directly by Verdon and its subsidiaries, including payments made in the capacity of operator or behalf of partners. Gross payments made by an operator on behalf of its subsidiaries are not included when the operator is reporting only under ESTM or subsidiaries reporting requirements in another jurisdiction, such as for the Com project in Ireland.

When payments were made in currencies other than Canadian dollars, the payments were converted into Canadian dollars using a weighted average of the exchange rates during the period. The weighted average exchange rates used were:

- 1 USD = 1.3291 CAD
- 1 USD = 1.3279 CAD
- 1 USD = 1.3274 CAD
- 1 EUR = 1.3129 CAD
- 1 EUR = 1.3129 CAD
- 1 EUR = 1.3129 CAD

This report has been amended to identify that payments made by Sparlan Energy Corp. (S04979) prior to May 25, 2016, the date of amalgamation with Verdon Energy Inc. (S04790), are included in Verdon Energy Inc.'s 2016 Consolidated ESTM Report.

Additional Notes:

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year	From: 1/1/2018	To: 12/31/2018	Reporting Entity Name	Vermilion Energy Inc.	Currency of the Report	CAD
Reporting Entity ESTMA Identification Number	E961953					
Subsidiary Reporting Entities (if necessary)	E373536 Vermilion Resources, E153688 Vermilion Energy Canada Ltd., E326979 Spartan Energy Corp.					

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	Saskatchewan	12,960,000	30,680,000	13,200,000	-	2,020,000	-	-	58,860,000	
Canada	Drayton Valley Gas	-	14,210,000	2,610,000	-	360,000	-	-	17,180,000	
Canada	Drayton Valley Oil	-	14,000,000	2,820,000	-	-	-	-	16,820,000	
Canada	Central Alberta Coal Bed Methane	-	2,390,000	2,690,000	-	-	-	-	5,080,000	
Canada	Manitoba	-	-	300,000	-	-	-	-	300,000	
France	France	25,330,000	-	1,390,000	-	-	-	-	26,720,000	Payments made in EUR.
France	Paris Basin Chaunoy & Champotran	-	15,230,000	-	-	-	-	-	15,230,000	Payments made in EUR.
France	Aquitaine Basin	-	10,600,000	570,000	-	-	-	-	11,170,000	Payments made in EUR.
France	Paris Basin Vert le Grand	-	4,880,000	-	-	-	-	-	4,880,000	Payments made in EUR.
France	Paris Basin Neocomian	-	2,540,000	-	-	-	-	-	2,540,000	Payments made in EUR.
Netherlands	Netherlands	18,170,000	250,000	4,660,000	98,360,000	-	-	-	121,440,000	Payments made in EUR.
Germany	Dümmersee-Uchte	-	3,370,000	-	-	-	-	-	3,370,000	Payments made in EUR.
Germany	Eastern Hannover/East Friesland	-	1,810,000	170,000	-	-	-	-	1,980,000	Payments made in EUR.
Ireland	Corrib	-	-	-	-	-	-	-	-	Gross payments made by a subsidiary of Royal Dutch Shell plc ("Shell") as the operator of Corrib on behalf of Vermilion and its subsidiaries are not included. Shell E&P Ireland Limited's ultimate parent company, Shell, reports under the UK's Report on Payments to Government Regulations 2014 (as amended in December 2015) which enacts domestic rules in line with Directive 2013/34/EU (the EU Accounting Directive (2013)), which is considered a substitutable reporting requirement in another jurisdiction. This joint arrangement is referred to as the "Corrib Project" in Shell's report on payments to government. A wholly-owned subsidiary of Vermilion Energy Inc. acquired Shell E&P Ireland Limited in December 2018, and did not make any payments in its capacity of operator in 2018.
Australia	Wandoo	11,050,000	-	510,000	-	-	-	-	11,560,000	Payments made in AUD.
United States of America	Power River Basin, Wyoming	-	5,370,000	360,000	-	-	-	-	5,730,000	Payments made in USD.
Hungary	Hungary	20,000	760,000	2,190,000	-	-	-	-	2,970,000	Payments made in HUF.
Croatia	Croatia	-	-	1,320,000	-	-	-	-	1,320,000	Payments made in HRK.
Slovakia	Slovakia	-	-	120,000	-	-	-	-	120,000	Payments made in EUR.

Additional Notes:

Payments reported in the ESTMA Report reflect gross payments made directly by Vermilion and its subsidiaries, including payments made in the capacity of operator on behalf of partners. Gross payments made by an operator on behalf of Vermilion and its subsidiaries are not included when the operator is a reporting entity under ESTMA or substitutable reporting requirements in another jurisdiction, such as for the Corrib project in Ireland.

When payments were made in currencies other than Canadian dollars, the payments were converted into Canadian dollars using a weighted average of the exchange rates during the period. The weighted average exchange rates used were:

- 1 EUR = 1.5282 CAD
- 1 USD = 1.3019 CAD
- 1 AUD = 0.9754 CAD
- 1 HRK = 0.1879 CAD
- 1 HUF = 0.0048 CAD

This report has been amended to identify that payments made by Spartan Energy Corp. (E326979) prior to May 25, 2018, the date of amalgamation with Vermilion Energy Inc. (E961953), are included in Vermilion Energy Inc.'s 2018 Consolidated ESTMA Report.