

Extractive Sector Transparency Measures Act Report

Reporting Year From: 1/1/2016 To: 12/31/2016
Reporting Entity Name Vermilion Energy Inc.
Reporting Entity ESTMA Identification Number E961953
Subsidiary Reporting Entities (if necessary) Vermilion Resources E373536

Attestation: Please check one of the the boxes below and provide the required information

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.

Attestation (through independent audit)

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest that I engaged an independent auditor to undertake an audit of the ESTMA report for the entity(ies) and reporting year listed above. Such an audit was conducted in accordance with the Technical Reporting Specifications issued by Natural Resources Canada for independent attestation of ESTMA reports.

*The auditor expressed an unmodified opinion, dated [ENTER DATE: YYYY-MM-DD], on the ESTMA report for the entity(ies) and period listed above.
The independent auditor's report can be found at [INSERT WEBLINK TO AUDIT OPINION POSTED ONLINE – link should be on same page as report link]*

Director or Officer of Reporting Entity Full Name: Curtis W. Hicks Date: 2017-04-27
Position Title: Executive Vice President & Chief Financial Officer

Extractive Sector Transparency Measures Act - Annual Report

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From: 1/1/2016 **To:** 12/31/2016
 Vermilion Energy Inc.
 E961953
 Vermilion Resources E373536

Payments by Payee

Country	Payee Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Canada	Government of Alberta	\$ -	\$ 12,040,000	\$ 2,620,000	\$ -	\$ 670,000	\$ -	\$ -	\$ 15,330,000	Alberta Department of Energy - \$8,100,000 Provincial Treasurer of Alberta - \$5,750,000 Alberta Energy Regulator - \$1,330,000 Alberta Petroleum Marketing Commission - \$150,000
Canada	Yellowhead County	-	-	2,290,000	-	-	-	-	2,290,000	Yellowhead County - \$2,290,000
Canada	Government of Saskatchewan	-	1,700,000	180,000	-	220,000	-	-	2,100,000	Saskatchewan Ministry of the Economy - \$2,100,000
Canada	Rural Municipality of Enniskillen No. 3	-	-	1,450,000	-	-	-	-	1,450,000	Rural Municipality of Enniskillen No. 3 - \$1,450,000
Canada	Northern Sunrise County	-	-	660,000	-	-	-	-	660,000	Northern Sunrise County - \$660,000
Canada	Brazeau County	-	-	530,000	-	-	-	-	530,000	Brazeau County - \$530,000
Canada	Red Deer County	-	-	360,000	-	-	-	-	360,000	Red Deer County - \$360,000
Canada	Ponoka County	-	-	170,000	-	-	-	-	170,000	Ponoka County - \$170,000
Canada	Clearwater County	-	-	160,000	-	-	-	-	160,000	Clearwater County - \$160,000
Canada	Rural Municipality of Coalfields No.4	-	-	150,000	-	-	-	-	150,000	Rural Municipality of Coalfields No.4 - \$150,000
Canada	Lacombe County	-	-	100,000	-	-	-	-	100,000	Lacombe County - \$100,000
France	Government of the French Republic	4,340,000	-	760,000	-	-	-	-	5,100,000	Direction des Grandes Entreprises - \$4,340,000 Trésor Public - \$730,000
France	Rozay en Brie Municipale	-	4,350,000	-	-	-	-	-	4,350,000	Tresorerie de Rozay - \$4,350,000
France	Seine et Marne Departement	-	3,720,000	-	-	-	-	-	3,720,000	Tresorerie Generale de Seine et Marne - \$3,720,000
France	Gironde Departement	-	2,960,000	-	-	-	-	-	2,960,000	Tresorerie Generale de Gironde - \$3,000,000
France	Arcaçhon Municipale	-	2,950,000	-	-	-	-	-	2,950,000	Service des Impots d'Arcaçhon - \$2,950,000
France	Montargis Municipale	-	2,830,000	-	-	-	-	-	2,830,000	Service des Impots de Montargis - \$2,830,000
France	Parentis-en-Born Municipale	-	2,720,000	-	-	-	-	-	2,720,000	Tresorerie Parentise en Born - \$2,720,000
France	La Ferte Alais Municipale	-	1,860,000	-	-	-	-	-	1,860,000	Tresorerie de la Ferte Alais - \$1,860,000
France	Garlin Municipale	-	1,560,000	-	-	-	-	-	1,560,000	Tresorerie de Garlin - \$1,560,000
France	Guignes Municipale	-	1,440,000	-	-	-	-	-	1,440,000	Tresorerie Guignes - \$1,450,000
France	Landes Departement	-	1,430,000	-	-	-	-	-	1,430,000	Tresorerie Generale des Landes - \$1,430,000
France	Loiret Departement	-	740,000	-	-	-	-	-	740,000	Direction Regionale Finances Loiret - \$590,000 Service des Impots des Entreprises - \$140,000
France	Belin-Beliet Municipale	-	480,000	-	-	-	-	-	480,000	Tresorerie Belin Beliet - \$480,000
France	Corbeil Essones Municipale	-	430,000	-	-	-	-	-	430,000	Tresorerie de Corbeil-Villabe - \$430,000
France	Ste Genevieve des Bois Municipale	-	300,000	-	-	-	-	-	300,000	Tresorerie Ste Genevieve des Bois - \$300,000
France	La Ferte Gaucher Municipale	-	190,000	-	-	-	-	-	190,000	Tresorerie la Ferte Gaucher - \$190,000
France	Audenge Municipale	-	180,000	-	-	-	-	-	180,000	Tresorerie Audenge - \$180,000
France	Provins Municipale	-	160,000	-	-	-	-	-	160,000	Tresorerie de Provins - \$160,000
Netherlands	Government of the Netherlands	9,510,000	1,720,000	3,220,000	52,050,000	-	-	-	66,500,000	Energie Beheer Nederland BV - \$52,050,000 Tax and Customs Administration - \$14,370,000 Central Government Real Estate Agency - \$70,000 Ministerie van Economische Zaken - \$10,000
Germany	Ministry for the Economy, Labour, and Transport of Lower Saxony	-	3,500,000	-	-	-	-	-	3,500,000	State Authority for Mining, Energy and Geology - \$3,500,000
Australia	Commonwealth of Australia	4,040,000	-	940,000	-	-	-	-	4,980,000	Australian Taxation Office - \$4,040,000 National Onshore Petroleum Safety and Environmental Management Authority - \$900,000 National Offshore Petroleum Titles Administrator - \$40,000
United States of America	Government of the United States of America	-	780,000	5,570,000	-	-	-	-	6,350,000	Bureau of Land Management - \$5,460,000 Office of Natural Resources Revenue - \$890,000
United States of America	State of Wyoming	-	400,000	440,000	-	-	-	-	840,000	Wyoming State Lands and Investments - \$430,000 State of Wyoming - Department of Revenue - \$400,000 Wyoming Air Quality Division - \$10,000
Croatia	Government of the Republic of Croatia	-	-	580,000	-	1,840,000	-	-	2,420,000	Croatian Hydrocarbon Agency - \$2,420,000
Hungary	Government of Hungary	-	-	680,000	-	-	-	-	680,000	Hungarian Office for Mining and Geology - \$680,000

⁽¹⁾ All payments are reported in Canadian dollars. Where 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:

- CAD/EUR: 1.4661
- CAD/USD: 1.3144
- CAD/AUD: 0.9970

⁽²⁾ Where there were in-kind payments made (production entitlements in the Netherlands and take-in-kind crude oil royalties in Alberta), the value of the in-kind payments was determined using the prevailing commodity prices at the time of transfer.

⁽³⁾ 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. Payments made by an operator on behalf of Vermilion and its subsidiaries are not included.

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From: 1/1/2016 To: 12/31/2016
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Vermilion Resources E373536

Payments by Project

Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
Canada	Drayton Valley Oil	\$ -	\$ 8,430,000	\$ 3,030,000	\$ -	\$ -	\$ -	\$ -	\$ 11,460,000	
Canada	Drayton Valley Gas	-	3,240,000	1,770,000	-	670,000	-	-	5,680,000	
Canada	Saskatchewan	-	1,700,000	1,790,000	-	220,000	-	-	3,710,000	
Canada	Central CBM	-	380,000	2,360,000	-	-	-	-	2,740,000	
France	Aquitaine Basin	-	12,270,000	-	-	-	-	-	12,270,000	
France	Paris Basin Chaunoy & Champotran	-	9,990,000	-	-	-	-	-	9,990,000	
France	France	4,340,000	-	740,000	-	-	-	-	5,080,000	
France	Paris Basin Neocomian	-	3,570,000	-	-	-	-	-	3,570,000	
France	Paris Basin Vert le Grand	-	2,620,000	-	-	-	-	-	2,620,000	
Netherlands	Netherlands	9,510,000	1,720,000	3,450,000	52,050,000	-	-	-	66,730,000	
Germany	Germany	-	3,500,000	-	-	-	-	-	3,500,000	
Australia	Australia	4,040,000	-	940,000	-	-	-	-	4,980,000	
United States of America	United States of America	-	1,180,000	6,140,000	-	-	-	-	7,320,000	
Croatia	Croatia	-	-	1,720,000	-	1,840,000	-	-	3,560,000	
Hungary	Hungary	-	-	680,000	-	-	-	-	680,000	

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