

Extractive Sector Transparency Measures Act - Annual Report



Reporting Entity Name	Certus Oil & Gas Inc.					
Reporting Year	From	2022-01-01	To:	2022-12-31	Date submitted	2023-05-16

Reporting Entity ESTMA Identification Number	E765822	<input checked="" type="radio"/> Original Submission
		<input type="radio"/> 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	Darwin Little	Date	2023-05-16
Position Title	Chief Financial Officer		

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Reporting Entity Name Certus Oil & Gas Inc. **Currency of the Report** CAD

Reporting Entity ESTMA Identification Number E765822

Subsidiary Reporting Entities (if necessary)

Payments by Payee

Country	Payee Name	Departments, Agency, etc... within Payee that Received Payments	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Canada	Government of Alberta		920,000	18,710,000	1,390,000					21,020,000	Royalties include an estimated \$8,660,000 of payments made in-kind. The estimated fair market value of the volumes taken in kind from Certus operated reporting facilities was based on Certus's realized sales prices. Fees include certain payments made to the Alberta Boilers Association, Alberta Energy, Alberta Energy Regulator, the Alberta Petroleum Marketing Commission and the Ministry of Treasury Board and Finance.
Canada	Government of Canada		1,630,000							1,630,000	
Canada	Red Deer County		160,000							160,000	

Additional Notes:
 - All payments were made in Canadian dollars.
 - All amounts have been rounded to the nearest \$10,000 per guidance from NRCan.

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Reporting Entity ESTMA Identification Number	E765822				
Subsidiary Reporting Entities (if necessary)					

Payments by Project

Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
Canada -Alberta	Sylvan Lake Area CGU	2,710,000	18,710,000	1,390,000					22,810,000	Royalties include an estimated \$8,660,000 of payments made in-kind. The estimated fair market value of the volumes taken in kind from Certus operated reporting facilities was based on Certus's realized sales prices.

Additional Notes:

- All payments were made in Canadian dollars.
- All amounts have been rounded to the nearest \$10,000 per guidance from NRCan.

BASIS OF PREPARATION

The Schedule of Payments by Payee and the Schedule of Payments by Project (collectively, the “Schedules”) prepared by Certus Oil & Gas Inc. (the “Company”) for the year ended December 31, 2022 have been prepared in accordance with the financial reporting provisions of the Extractive Sector Transparency Measures Act, Section 2.4 of the Extractive Sector Transparency Measures Act – Technical Reporting Specifications (version 2 – June 2018), and Sections 3 to 3.4 of the Extractive Sector Transparency Measures Act – Guidance (version 2.1 – July 2018) (collectively the “financial reporting framework”).

The Schedules are prepared to provide information to the Directors of the Company and the Minister of Natural Resources Canada to assist in meeting the requirements of the Extractive Sector Transparency Measures Act. As a result, the Schedules may not be suitable for another purpose.

SIGNIFICANT ACCOUNTING POLICIES

Cash basis

The Schedules have been prepared using the cash basis of accounting, as required by the financial reporting framework, and therefore exclude any accruals related to payments due to governments. The Schedules include all cash payments made, excluding cash inflows from a government. Where the Company makes a payment to a government that is net of credits from that government, the net payment amount has been presented.

Projects

The Company has aligned its reporting with its single cash generating unit as determined for financial statement reporting purposes.

Operator

The Company has reported all payments made by it, on its own behalf and in its role as operator, directly to the government on a ‘gross’ basis. Amounts paid by third party operators, who are subject to the financial reporting framework, have not been included in the Schedules. This includes payments made in-kind.

Take in-kind payments

The Company has valued in-kind payments at the fair market value of the volumes taken in-kind, based on Certus's realized sales prices.

Excluded payments

Certain payments related to the operation of the Company’s head office, payments made to governments for commercial services, or payments made to governments which are not related to the commercial extraction of oil and natural gas resources have been excluded from the Schedules, as described in the financial reporting framework.