

Extractive Sector Transparency Measures Act - Annual Report



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|---|--|--|------------|------------|-----------------------|-----------|
| Reporting Entity Name | Canacol Energy Ltd. | | | | | |
| Reporting Year | From | 1/1/2020 | To: | 12/31/2020 | Date submitted | 5/31/2021 |
| Reporting Entity ESTMA Identification Number | E478861 | <input checked="" type="radio"/> Original Submission <input type="radio"/> Amended Report | | | | |
| Other Subsidiaries Included (optional field) | | | | | | |
| For Consolidated Reports - Subsidiary Reporting Entities Included in Report: | E845851 Canacol Energy Colombia SA, E777529 CNE Oil & Gas SAS, E680285 Geoproduction Oil & Gas Company of Colombia and E605870 Shona Energy (Colombia) Limited | | | | | |

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.

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|---|--------------------------------------|-------------|-----------|
| Full Name of Director or Officer of Reporting Entity | Tracy Whitmore | Date | 5/31/2021 |
| Position Title | VP of Taxation and Corporate Affairs | | |

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| Reporting Entity ESTMA Identification Number | E478861 | | |
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Payments by Payee

| Country | Payee Name ¹ | Departments, Agency, etc... within Payee that Received Payments | Taxes | Royalties | Fees | Production Entitlements | Bonuses | Dividends | Infrastructure Improvement Payments | Total Amount paid to Payee | Notes |
|----------|---|---|------------|------------|-----------|-------------------------|-----------|-----------|-------------------------------------|----------------------------|---|
| Colombia | FEDERAL GOVERNMENT OF COLOMBIA | | 33,700,000 | 37,880,000 | 1,020,000 | | | | | 72,600,000 | A PORTION OF ROYALTIES ARE PAID IN KIND |
| Colombia | PUEBLO NUEVO CORDOBA MUNICIPALITY | | | | | | 470,000 | | | 470,000 | |
| Colombia | LA UNION DE SUCRE MUNICIPALITY | | | | | | 170,000 | | | 170,000 | |
| Colombia | SAN MARCOS MUNICIPALITY | | | | | | 100,000 | | | 100,000 | |
| Colombia | SAHAGUN MUNICIPALITY | | 90,000 | | | | 290,000 | | | 380,000 | |
| Colombia | PUEBLO ZENU INDIGENOUS COMMUNITY | | | | | | 2,080,000 | | | 2,080,000 | |
| Colombia | ESCOBALITO INDIGENOUS COMMUNITY | | | | | | 110,000 | | | 110,000 | |
| Colombia | SABANALARGA PALITO INDIGENOUS COMMUNITY | | | | | | 80,000 | | | 80,000 | |

Additional Notes: ALL PAYMENTS ARE REPORTED IN UNITED STATES DOLLARS (THE REPORTING CURRENCY OF THE REPORTING ENTITY) AND CONVERTED AT THE UNITED STATES DOLLAR TO COLOMBIAN PESO EXCHANGE RATE ON THE PAYMENT DATE. THE WEIGHTED AVERAGE UNITED STATES DOLLAR TO COLOMBIAN PESO EXCHANGE RATE APPLIED TO THE PAYMENTS IS 3,699:1.
 ALL PAYMENTS WITHIN THE \$100,000 CAD PER PAYEE REPORTING THRESHOLD HAVE BEEN INCLUDED USING THE 2020 ANNUAL AVERAGE UNITED STATES DOLLAR TO CANADIAN DOLLAR EXCHANGE RATE OF 1.34:1.
 ROYALTIES PAID IN KIND HAVE BEEN VALUED AT THE FAIR MARKET SALES PRICE AT THE TIME OF PAYMENT.
 ALL NUMBERS HAVE BEEN ROUNDED TO THE NEAREST \$10,000 USD.

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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 |
|----------|---------------------------|------------|------------|---------|-------------------------|-----------|-----------|-------------------------------------|------------------------------|----------------------------|
| Colombia | CORPORATE | 33,770,000 | | 790,000 | | | | | 34,560,000 | |
| Colombia | ESPERANZA | 20,000 | 8,700,000 | 70,000 | | 850,000 | | | 9,640,000 | |
| Colombia | VIM-5 | | 28,320,000 | 140,000 | | 1,560,000 | | | 30,020,000 | |
| Colombia | RANCHO HERMOSO | | 260,000 | 10,000 | | | | | 270,000 | ROYALTIES ARE PAID IN KIND |
| Colombia | VIM-21 | | 600,000 | | | 810,000 | | | 1,410,000 | |
| Colombia | SSNJ7 | | | 10,000 | | 80,000 | | | 90,000 | |

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