

# Extractive Sector Transparency Measures Act - Annual Report

**Reporting Entity Name** PETRONAS Sasol Montney Partnership

**Reporting Year** **From** 7/1/2019 **To:** 6/30/2020 **Date submitted** 11/24/2020

**Reporting Entity ESTMA Identification Number** E088016

- 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**

Kevin Georget

**Date**

11/19/2020

**Position Title**

Chief Financial Officer

## Extractive Sector Transparency Measures Act - Annual Report

|   |                                    |                      |                                   |
|---|------------------------------------|----------------------|-----------------------------------|
| <b>Reporting Year</b>                               | <b>From:</b> 7/1/2019              | <b>To:</b> 6/30/2020 | <b>Currency of the Report</b> CAD |
| <b>Reporting Entity Name</b>                        | PETRONAS Sasol Montney Partnership |                      |                                   |
| <b>Reporting Entity ESTMA Identification Number</b> | E088016                            |                      |                                   |
| <b>Subsidiary Reporting Entities (if necessary)</b> |                                    |                      |                                   |

### Payments by Payee

| Country | Payee Name <sup>1</sup>        | Departments, Agency, etc... within Payee that Received Payments <sup>2</sup> | Taxes | Royalties | Fees      | Production Entitlements | Bonuses | Dividends | Infrastructure Improvement Payments | Total Amount paid to Payee | Notes <sup>34</sup> |
|---------|--------------------------------|--|-------|-----------|-----------|-------------------------|---------|-----------|-------------------------------------|----------------------------|---------------------|
| Canada  | Government of British Columbia | Minister of Finance, BC Oil and Gas Commission.                              |       | 930,000   | 1,460,000 |                         |         |           |                                     | <b>2,390,000</b>           |                     |
|         |                                |  |       |           |           |                         |         |           |                                     |                            |                     |
|         |                                |  |       |           |           |                         |         |           |                                     |                            |                     |

**Additional Notes:**

Note 1 – Financial Reporting Framework

(a) Basis of accounting:  
The Schedule of Payments by Payee and the Schedule of Payments by Project (collectively "the Schedules") prepared by PETRONAS Energy Canada Ltd., as Managing Partner of the PETRONAS Sasol Montney Partnership (the "Partnership"), for the year ended June 30, 2020 has been prepared in accordance with the financial reporting provisions in Section 9 of the Extractive Sector Transparency Measures Act, Section 2.3 of the Extractive Sector Transparency Measures Act – Technical Reporting Specifications and Sections 3.1 to 3.6 of the Extractive Sector Transparency Measures Act – Guidance (collectively the "financial reporting framework"). The Schedules are prepared to provide information to the Directors of PETRONAS Energy Canada Ltd., as Managing Partner of the Partnership, 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.

(b) Significant accounting policies:

i) Cash basis  
The Schedules have been prepared on a cash basis of accounting, as required by the financial reporting framework, and exclude any accruals related to payments due to governments (as defined in the financial reporting framework).

The Schedules include all cash payments made, without inclusion of cash inflows from a government. Where a payment is made to a government that is net of credits from that government, the net payment amount has been presented.

ii) Operator  
The Partnership has reported all payments made for the Partnership's benefit by PETRONAS Energy Canada Ltd., as the Managing Partner and operator for the Partnership, directly to the government.

iii) Excluded payments  
Certain 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.

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|   |                                    |                      |                                   |
|---|------------------------------------|----------------------|-----------------------------------|
| <b>Reporting Year</b>                               | <b>From:</b> 7/1/2019              | <b>To:</b> 6/30/2020 |                                   |
| <b>Reporting Entity Name</b>                        | PETRONAS Sasol Montney Partnership |                      | <b>Currency of the Report</b> CAD |
| <b>Reporting Entity ESTMA Identification Number</b> | E088016                            |                      |                                   |
| <b>Subsidiary Reporting Entities (if necessary)</b> |                                    |                      |                                   |

### Payments by Project

| Country | Project Name <sup>1</sup>          | Taxes | Royalties | Fees      | Production Entitlements | Bonuses | Dividends | Infrastructure Improvement Payments | Total Amount paid by Project | Notes <sup>23</sup>  |
|---------|------------------------------------|-------|-----------|-----------|-------------------------|---------|-----------|-------------------------------------|------------------------------|--|
| Canada  | PETRONAS Sasol Montney Partnership |       | 930,000   | 1,460,000 |                         |         |           |                                     | <b>2,390,000</b>             | The PETRONAS Sasol Montney Partnership is a stand-alone project. |
|         |                                    |       |           |           |                         |         |           |                                     |                              |  |

|                                      |   |
|--------------------------------------|---|
| <b>Additional Notes<sup>3</sup>:</b> | <p>Note 1 – Financial Reporting Framework</p> <p>(a) Basis of accounting:<br/>The Schedule of Payments by Payee and the Schedule of Payments by Project (collectively “the Schedules”) prepared by PETRONAS Energy Canada Ltd., as Managing Partner of the PETRONAS Sasol Montney Partnership (the “Partnership”), for the year ended June 30, 2020 has been prepared in accordance with the financial reporting provisions in Section 9 of the Extractive Sector Transparency Measures Act, Section 2.3 of the Extractive Sector Transparency Measures Act – Technical Reporting Specifications and Sections 3.1 to 3.6 of the Extractive Sector Transparency Measures Act – Guidance (collectively the “financial reporting framework”). The Schedules are prepared to provide information to the Directors of PETRONAS Energy Canada Ltd., as Managing Partner of the Partnership, 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.</p> <p>(b) Significant accounting policies:<br/>i) Cash basis<br/>The Schedules have been prepared on a cash basis of accounting, as required by the financial reporting framework, and exclude any accruals related to payments due to governments (as defined in the financial reporting framework).<br/><br/>The Schedules include all cash payments made, without inclusion of cash inflows from a government. Where a payment is made to a government that is net of credits from that government, the net payment amount has been presented.</p> <p>ii) Operator<br/>The Partnership has reported all payments made for the Partnership’s benefit by PETRONAS Energy Canada Ltd., as the Managing Partner and operator for the Partnership, directly to the government.</p> <p>iii) Excluded payments<br/>Certain 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.</p> |
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