

Extractive Sector Transparency Measures Act Report

Reporting Year

From: 1-Jan-16

To: 31-Dec-16

Reporting Entity Name

Canacol Energy LTD

Reporting Entity ESTMA Identification Number

E478861

Subsidiary Reporting Entities (if necessary)

Geoproduction Oil & Gas Company of Colombia (ESTMA ID E680285), Canacol Energy Inc. (ESTMA ID E144373), Canacol Energy Colombia SA (ESTMA ID E845851), CNE Oil & Gas SAS (ESTMA ID E777529), Canamex Energy Holdings S.A.P.I. de C.V. (ESTMA ID E951235)

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:

Jason Bednar

Position Title:

Chief Financial Officer



Date: 5/30/2017

Extractive Sector Transparency Measures Act - Annual Report

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Payments by Payee										
Country	Payee Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
COLOMBIA	FEDERAL GOVERNMENT OF COLOMBIA	\$ 13,100,000	\$ 16,940,000	\$ 350,000					\$ 30,390,000	A PORTION OF THE ROYALTIES ARE PAID IN KIND
COLOMBIA	SANTO DOMINGO VIDAL INDIGENOUS COMMUNITY					\$ 110,000			\$ 110,000	
COLOMBIA	VILLA FATIMA OF THE PUEBLO ZENU INDIGENOUS COMMUNITY					\$ 160,000			\$ 160,000	
COLOMBIA	MONTEGRANDE OF THE PUEBLO ZENU INDIGENOUS COMMUNITY					\$ 700,000			\$ 700,000	
COLOMBIA	BOGOTA CHAMBER OF COMMERCE			\$ 370,000					\$ 370,000	
MEXICO	FEDERAL GOVERNMENT OF MEXICO		\$ 610,000						\$ 610,000	
Total		\$ 13,100,000	\$ 17,550,000	\$ 720,000	\$ -	\$ 970,000	\$ -	\$ -	\$ 32,340,000	

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 AND MEXICAN PESOS EXCHANGE RATE ON THE PAYMENT DATE. THE WEIGHTED AVERAGE UNITED STATES DOLLAR TO COLOMBIAN AND MEXICAN PESO EXCHANGE RATE OF THE PAYMENTS IS 3,059:1 AND 19:1, RESPECTIVELY.

ALL PAYMENTS WITHIN THE \$100,000 CAD PER PAYEE REPORTING THRESHOLD HAVE BEEN INCLUDED USING THE 2016 ANNUAL AVERAGE UNITED STATES DOLLAR TO CANADIAN DOLLAR EXCHANGE RATE OF 1.32:1.

ROYALTIES PAID IN KIND HAVE BEEN VALUED AT THE FAIR MARKET SALE 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	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
COLOMBIA	OSO PARDO/MONO ARANA		\$ 320,000	\$ 10,000					\$ 330,000	
COLOMBIA	LLANOS 23		\$ 2,150,000	\$ 80,000					\$ 2,230,000	A PORTION OF THE ROYALTIES ARE PAID IN KIND
COLOMBIA	ESPERANZA		\$ 4,980,000			\$ 200,000			\$ 5,180,000	
COLOMBIA	VIM 5		\$ 8,640,000	\$ 70,000		\$ 770,000			\$ 9,480,000	
COLOMBIA	RANCHO HERMOSO		\$ 850,000	\$ 560,000					\$ 1,410,000	
COLOMBIA	CORPORATE	\$ 13,100,000							\$ 13,100,000	
MEXICO	MOLOACAN		\$ 610,000						\$ 610,000	
Total		\$ 13,100,000	\$ 17,550,000	\$ 720,000	\$ -	\$ 970,000	\$ -	\$ -	\$ 32,340,000	

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