

Extractive Sector Transparency Measures Act - Annual Report



Reporting Entity Name	Sitka Exploration Ltd.					
Reporting Year	From	1/1/2019	To:	12/31/2019	Date submitted	5/13/2020
Reporting Entity ESTMA Identification Number	E197184					

- 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	Greg Jerome	Date	5/13/2020
Position Title	Chief Financial Officer		

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Subsidiary Reporting Entities (if necessary)					

Payments by Payee

Country	Payee Name	Departments, Agency, etc... within Payee that Received Payments ²	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Canada -Alberta	County of Mountain View		501,694		67,200					568,894	Payments relate to property taxes, operating expenses and regulator and administrative fees.
Canada -Alberta	County of Clearwater		396,509		29,057					425,565	Payments relate to property taxes, drilling permits and administrative fees.
Canada -Alberta	County of Red Deer		56,750							56,750	Payments relate to property taxes.
Canada -Alberta	North East Burnstick Grazing Association				2,000					2,000	Payments relate to surface rental payments.
Canada -Alberta	Government of Alberta	Alberta Boilers Safety Association, Alberta Energy, Alberta Energy Regulator, Alberta Petroleum Marketing Commission, Government of Alberta, Minister of Finance.		2,389,773	402,791					2,792,564	Royalties includes production volume taken in-kind as royalties and are valued at \$973,000 which is the fair market value based on Sitka's realized sales price. With respect to royalties taken in kind, Sitka has reported on behalf of all non-operated working interest holders. Fee payments relate to surface rentals, administrative fees and annual Orphan Well Fund Levy,

Additional Notes: Payments reported in the Schedules reflect the gross amounts paid directly by Sitka in its capacity as operator, on its own behalf and/or on behalf of its partners. Amounts paid by third party operators in respect of the Company's non-operated interests are not included in reportable payments.

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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
Canada -Alberta	Sitka CGU	954,953	2,389,773	501,048		-			3,845,773	Royalties includes production volume taken in-kind as royalties and are valued at \$973,000 which is the fair market value based on Sitka's realized sales price. With respect to royalties taken in kind, Sitka has reported on behalf of all non-operated working interest holders. Taxes relate to property taxes. Fees relate to mineral and surface lease rentals and administrative & regulatory fees.

Additional Notes: Payments reported in the Schedules reflect the gross amounts paid directly by Sitka in its capacity as operator, on its own behalf and/or on behalf of its partners. Amounts paid by third party operators in respect of Sitka's non-operated interests are not included in reportable payments.

Sitka has aligned its projects for ESTMA reporting with its cash generating units ("CGUs") determined for financial reporting purposes in accordance with International Financial Reporting Standards ("IFRS"). The CGU represent Sitka's upstream exploration and production activities that are substantially interconnected operationally and/or geographically. As at December 31, 2019, the Company had one CGU for its assets located in West Central Alberta.