

Extractive Sector Transparency Measures Act - Annual Report

Reporting Entity Name Source Energy Services Ltd.

Reporting Year **From** 1/1/2017 **To:** 12/31/2017 **Date submitted** 5/28/2018

Reporting Entity ESTMA Identification Number E944277

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

Derren Newell

Date

5/28/2018

Position Title

Chief Financial Officer

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Reporting Year	From: 1/1/2017	To: 12/31/2017	Currency of the Report CAD
Reporting Entity Name	Source Energy Services Ltd.		
Reporting Entity ESTMA Identification Number	E944277		
Subsidiary Reporting Entities (if necessary)			

Payments by Payee

Country	Payee Name ¹	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 ^{3,4}
United States of America	Rusk County, Wisconsin	Village of Weyerhaeuser, Rusk County Treasurer	500,000							500,000	Payment of Property Tax. Payment made in USD. Amount reported is converted to CAD using the average monthly Bank of Canada rate in the month the payment was made, (Average exchange for the year, 0.7704). The amount reported is rounded to the nearest \$10,000.
United States of America	Barron County, Wisconsin	Town of Sumner Treasurer, Barron County Treasurer, Town of Sumner Community Foundation Inc.	230,000				330,000			560,000	Payment of Property Tax and Endowment. Payment made in USD. Amount reported is converted using the average monthly Bank of Canada rate in the month the payment was made, (Average exchange for the year, 0.7704). The amount reported is rounded to the nearest \$10,000.
United States of America	State of Wisconsin	Wisconsin Department of Agriculture, Trade and Consumer Protection, Wisconsin Department of Natural Resources, Wisconsin Department of Revenue, State of Wisconsin DSPS			170,000					170,000	Fees paid for terminating two Farmland Preservation Agreements and permits. Payment made in USD. Amount reported is converted using the average monthly Bank of Canada rate in the month the payment was made, (Average exchange for the year, 0.7704). The amount reported is rounded to the nearest \$10,000.

Additional Notes:

(1) There were no in-kind payments made during the year.

¹ Enter the proper name of the Payee receiving the money (i.e. the municipality of x, the province of y, national government of z).

² Optional field.

³ When payments are made in-kind, the notes field must highlight which payment includes in-kind contributions and the method for calculating the value of the payment.

⁴ Any payments made in currencies other than the report currency must be identified. The Reporting Entity may use the Additional notes row or the Notes column to identify any payments that are converted, along with the exchange rate and primary method used for currency conversions.

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Reporting Entity ESTMA Identification	E944277				
Subsidiary Reporting Entities (if necessary)					

Payments by Project

Country	Project Name ¹	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes ²³
United States of America	US Operations	730,000.00		170,000		330,000			1,230,000	Payment made in USD. Amount reported is converted using the average monthly Bank of Canada rate in the month the payment was made, (Average exchange for the year, 0.7704). The amount reported is rounded to the nearest \$10,000.

Additional Notes³:

(1) Project classification is consistent with the entity's operating segment identified in the entity's financial reporting.
 (2) Payments were made to Village of Weyerhaeuser, Rusk County Treasurer, Town of Sumner Treasurer, Barron County Treasurer, Town of Sumner Community Foundation Inc., Wisconsin Department of Agriculture, Trade and Consumer Protection, Wisconsin Department of Natural Resources, Wisconsin Dept of Revenue, and State of Wisconsin DSPS
 (3) There were no in-kind payments made during the year.

¹ Enter the project that the payment is attributed to. Some payments may not be attributable to a specific project, and do not need to be disclosed in the "Payments by Project" table.
² When payments are made in-kind, the notes field must highlight which payment includes in-kind contributions and the method for calculating the value of the payment.
³ Any payments made in currencies other than the report currency must be identified. The Reporting Entity may use the "Additional Notes" row or the "Notes" column to identify any payments that are converted, along with the exchange rate and primary method used for currency conversions.