

Extractive Sector Transparency Measures Act - Annual Report



Reporting Entity Name FRONTERA ENERGY CORPORATION

Reporting Year **From** 2021-01-01 **To:** 2021-12-31 **Date submitted** 2022-05-26

Reporting Entity ESTMA Identification Number E570651

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 Orlando Cabrales Segovia **Date** 2022-05-26

Position Title Chief Executive Officer

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Reporting Entity Name	FRONTERA ENERGY CORPORATION		
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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)
Colombia	Government of Colombia		8,270,000	71,850,000	27,220,000					107,340,000	- Agencia Nacional de Hidrocarburos (Includes Royalties in kind payments of US\$65.1 million equivalent to 1.1 Mmboe) - Direccion de Impuestos y Aduana Nacionales - Fondo Nacional Ambiental - Servicio Geologico Colombiano - Others
Colombia	Municipality Puerto Gaitan		150,000				690,000			840,000	
Colombia	Indigenous Community La Campana						540,000			540,000	
Colombia	Municipality San Luis de Palenque						170,000		240,000	410,000	
Colombia	Municipality Cabuyaro		80,000				100,000		220,000	400,000	
Colombia	Municipality Trinidad						60,000		250,000	310,000	
Colombia	Municipality Orocué		50,000				120,000		90,000	260,000	
Colombia	Municipality Mani		10,000				100,000		40,000	150,000	
Colombia	Municipality Villanueva		10,000				10,000		120,000	140,000	
Colombia	Municipality San Pedro						110,000			110,000	
Colombia	Bogota District Capital		110,000							110,000	
Colombia	Municipality El Espinal						20,000		80,000	100,000	
Colombia	Municipality Tauramena		80,000				20,000			100,000	
Colombia	Municipality Guaduas		60,000				40,000			100,000	
Colombia	Municipality Paz de Ariporo						40,000		50,000	90,000	
Colombia	Vencedor Pitiri Community						90,000			90,000	
Peru	Government of Peru		640,000		1,480,000			30,000		2,150,000	- Superintendencia Nacional de Aduanas y de Administración Tributaria - Perupetro S.A. - Marina de Guerra del Peru - Organismo de Evaluación y Fiscalización Ambiental
Peru	Native Community of Antioquia						640,000			640,000	
Peru	Native Community of Servicios Agropecuarios Jose Olaya						540,000			540,000	
Peru	Native Community of 12 de Octubre						280,000			280,000	
Peru	Native Community of Nuevo Andoas Pastaza						270,000			270,000	
Peru	Community of Titiyacu						260,000			260,000	
Peru	Native Community of Los Jardines						260,000			260,000	
Peru	Community of Antioquia						260,000			260,000	
Peru	Community of Los Jardines						230,000			230,000	
Peru	Community of Pampa Hermosa						230,000			230,000	
Peru	Community of 12 de Octubre						120,000			120,000	
Peru	Community of Nueva Jerusalem						80,000		20,000	100,000	
Peru	Native Community of Porvenir						90,000			90,000	
Peru	Native Community of Servicios Generales Nueva Jerusalem						80,000			80,000	
Peru	Native Community of Achuares						80,000			80,000	
Ecuador	Government of Ecuador				190,000				50,000	240,000	

Additional Notes:

Payments have been reported on a cash accounting basis. All number have been rounded to the nearest US\$10,000. This report includes payments within a category of payment that are made to the same payee, if the total amount of all those payments during the financial year was at least CAD\$100,000 (US\$80,000). For purposes of determining whether a series of payments constitute payments to the same payee under the Act, the Reporting Entity has grouped together departments, ministries, trusts, boards, commissions, corporations, bodies or other authorities that perform or are established to perform a power, duty or function on behalf of a particular level (e.g. national, regional, municipal, local authority) of a particular government.

All amounts are reported in United States (U.S.) dollars, the reporting currency of the reporting entity. Payments denominated in currencies other than US dollars are translated for this report at the exchange rate in effect at the payment date. The following are the weighted average exchange rates to U.S. dollars for 2021:
 1 COP = 0.0003743 USD
 1 PEN = 0.3889096 USD

Royalties paid in kind have been valued at monthly adjusted realized price. All other payments in kind and infrastructure improvements are reported at historical cost.

Frontera's subsidiary, CGX Energy Inc. (ESTMA ID: E331794) whose financial information is fully consolidated in Frontera's consolidated financial statements, has elected to file a separate, stand alone ESTMA report. None of CGX's payments are included in this report, however, payee aggregation and application of the CAD\$100,000 threshold has been done on a consolidated level.

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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 ^(2,3)
Colombia	Colombia Central	8,340,000	71,270,000	26,450,000		2,000,000		1,090,000	109,150,000	Includes Royalties in kind payments of US\$65.1 million equivalent to 1.1 Mmboe
Colombia	Colombia North	200,000	500,000	520,000		110,000			1,330,000	
Colombia	Colombia South	10,000	80,000	80,000					170,000	
Colombia	Entity Level	270,000		170,000					440,000	
Peru	Peru	640,000		1,480,000		3,450,000		20,000	5,590,000	
Ecuador	Ecuador			190,000				50,000	240,000	

Additional Notes³:	<p>Payments have been reported on a cash accounting basis. All number have been rounded to the nearest US\$10,000. This report includes payments within a category of payment that are made to the same payee, if the total amount of all those payments during the financial year was at least CAD\$100,000 (US\$80,000). For purposes of determining whether a series of payments constitute payments to the same payee under the Act, the Reporting Entity has grouped together departments, ministries, trusts, boards, commissions, corporations, bodies or other authorities that perform or are established to perform a power, duty or function on behalf of a particular level (e.g. national, regional, municipal, local authority) of a particular government.</p> <p>All amounts are reported in United States (U.S.) dollars, the reporting currency of the reporting entity. Payments denominated in currencies other than US dollars are translated for this report at the exchange rate in effect at the payment date. The following are the weighted average exchange rates to U.S. dollars for 2021: 1 COP = 0.0003743 USD 1 PEN = 0.3889096 USD</p> <p>Royalties paid in kind have been valued at monthly adjusted realized price. All other payments in kind and infrastructure improvements are reported at historical cost.</p> <p>Frontera's subsidiary, CGX Energy Inc. (ESTMA ID: E331794) whose financial information is fully consolidated in Frontera's consolidated financial statements, has elected to file a separate, stand alone ESTMA report. None of CGX's payments are included in this report, however, payee aggregation and application of the CAD\$100,000 threshold has been done on a consolidated level.</p>
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