

## Extractive Sector Transparency Measures Act - Annual Report

|  |   |          |  |             |                       |           |
|--|---|----------|--|-------------|-----------------------|-----------|
| <b>Reporting Entity Name</b>   | Long Run Exploration Ltd.                         |          |  |             |                       |           |
| <b>Reporting Year</b>  | <b>From</b>                                       | 1/1/2017 | <b>To:</b>   | 12/31/2017  | <b>Date submitted</b> | 5/17/2018 |
| <b>Reporting Entity ESTMA Identification Number</b>  | E054649   |          | <input checked="" type="radio"/> Original Submission<br><input type="radio"/> Amended Report |             |                       |           |
| <b>Other Subsidiaries Included</b><br>(optional field)   | n/a   |          |  |             |                       |           |
| <b>Not Consolidated</b>  |   |          |  |             |                       |           |
| <b>Not Substituted</b>   |   |          |  |             |                       |           |
| <b>Attestation by Reporting Entity</b>   |   |          |  |             |                       |           |
| <i>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.</i> |   |          |  |             |                       |           |
| <b>Full Name of Director or Officer of Reporting Entity</b>  | Jason Ge  |          |  | <b>Date</b> | 5/17/2018             |           |
| <b>Position Title</b>  | Senior Vice President and Chief Financial Officer |          |  |             |                       |           |

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|  |                           |                |  |                        |     |
|--|---------------------------|----------------|--|------------------------|-----|
| Reporting Year                               | From: 1/1/2017            | To: 12/31/2017 |  |                        |     |
| Reporting Entity Name                        | Long Run Exploration Ltd. |                |  | Currency of the Report | CAD |
| Reporting Entity ESTMA Identification Number | E054649                   |                |  |                        |     |
| Subsidiary Reporting Entities (if necessary) |                           |                |  |                        |     |

### 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 - Alberta | Beaver County                             |  | 350,000    |           |           |                         |           |           |                                     | 350,000                    |   |
| Canada - Alberta | Big Lakes County                          |  | 600,000    |           |           |                         |           |           |                                     | 600,000                    |   |
| Canada - Alberta | Birch Hills County                        |  | 460,000    |           |           |                         |           |           |                                     | 460,000                    |   |
| Canada - Alberta | Camrose County                            |  | 120,000    |           |           |                         |           |           |                                     | 120,000                    |   |
| Canada - Alberta | County of Barrhead No. 11                 |  | 150,000    |           |           |                         |           |           |                                     | 150,000                    |   |
| Canada - Alberta | County of Grande Prairie No. 1            |  | 430,000    |           |           |                         |           |           |                                     | 430,000                    |   |
| Canada - Alberta | County of Northern Lights                 |  | 400,000    |           |           |                         |           |           |                                     | 400,000                    |   |
| Canada - Alberta | Flagstaff County                          |  | 430,000    |           |           |                         |           |           |                                     | 430,000                    |   |
| Canada - Alberta | Government of Alberta                     |  | 220,000    | 8,310,000 | 5,750,000 |                         | 5,180,000 |           |                                     | 19,460,000                 | Royalties include the fair market value of crude oil royalties paid in-kind, estimated using Long Run's realized sales price. |
| Canada - Alberta | Kneehill County                           |  | 120,000    |           |           |                         |           |           |                                     | 120,000                    |   |
| Canada - Alberta | Lac Ste Anne County                       |  | 810,000    |           | 30,000    |                         |           |           |                                     | 840,000                    |   |
| Canada - Alberta | Mackenzie County                          |  | 1,030,000  |           |           |                         |           |           |                                     | 1,030,000                  |   |
| Canada - Alberta | Municipal District of Greenview No. 16    |  | 520,000    |           | 90,000    |                         |           |           |                                     | 610,000                    |   |
| Canada - Alberta | Municipal District of Smoky River No. 130 |  | 2,720,000  |           | 220,000   |                         |           |           |                                     | 2,940,000                  |   |
| Canada - Alberta | Municipal District of Wainwright No. 61   |  | 210,000    |           |           |                         |           |           |                                     | 210,000                    |   |
| Canada - Alberta | Paddle Prairie Metis Settlement           |  |            | 20,000    | 1,010,000 |                         | 100,000   |           |                                     | 1,130,000                  | Includes payments made from June 1, 2017 to December 31, 2017.  |
| Canada - Alberta | Strathcona County                         |  | 250,000    |           | 110,000   |                         |           |           |                                     | 360,000                    |   |
| Canada - Alberta | Sturgeon County                           |  | 750,000    |           | 200,000   |                         |           |           |                                     | 950,000                    |   |
| Canada - Alberta | Thorhild County                           |  | 240,000    |           | 240,000   |                         |           |           |                                     | 480,000                    |   |
| Canada - Alberta | Yellowhead County                         |  | 820,000    |           | 70,000    |                         |           |           |                                     | 890,000                    |   |
|                  |   |  | 10,630,000 | 8,330,000 | 7,720,000 | -                       | 5,280,000 | -         | -                                   | 31,960,000                 | All payments were made in Canadian dollars.   |

**Additional Notes:**

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| <b>Reporting Year</b>                               | <b>From:</b>                   | 1/1/2017   | <b>To:</b> | 12/31/2017 |                               |           |           |                                     |                              |   |
|---|--------------------------------|------------|------------|------------|-------------------------------|-----------|-----------|-------------------------------------|------------------------------|---|
| <b>Reporting Entity Name</b>                        | Long Run Exploration Ltd.      |            |            |            | <b>Currency of the Report</b> | CAD       |           |                                     |                              |   |
| <b>Reporting Entity ESTMA Identification Number</b> | E054649                        |            |            |            |                               |           |           |                                     |                              |   |
| <b>Subsidiary Reporting Entities (if necessary)</b> |                                |            |            |            |                               |           |           |                                     |                              |   |
| <b>Payments by Project</b>                          |                                |            |            |            |                               |           |           |                                     |                              |   |
| 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  | Alberta Oil and Gas Extraction | 10,630,000 | 8,330,000  | 7,720,000  |                               | 5,280,000 |           |                                     | <b>31,960,000</b>            |   |
|   |                                | 10,630,000 | 8,330,000  | 7,720,000  | -                             | 5,280,000 | -         | -                                   | 31,960,000                   | All payments were made in Canadian dollars. |
| <b>Additional Notes<sup>3</sup>:</b>                |                                |            |            |            |                               |           |           |                                     |                              |   |