

Extractive Sector Transparency Measures Act Report

Reporting Year From: 01-Jan-16 To: 31-Dec-16
Reporting Entity Name Questfire Energy Corp.
Reporting Entity ESTMA Identification Number E226866
Subsidiary Reporting Entities (if necessary) Not Applicable

Attestation: Please check one of 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: Ronald A. Williams Date: 30-May-17
Position Title: Chief Financial Officer

Extractive Sector Transparency Measures Act - Annual Report

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From: 01/01/16 To: 31/12/16
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 E226866
 Not Applicable

Payments by Payee

Country	Payee Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Canada	Cardston County	160,000							160,000	
Canada	Clearwater County	160,000							160,000	
Canada	Province of Alberta		350,000	1,150,000					1,500,000	Payee includes: Alberta Boilers Safety Association; Alberta Department of Energy; Alberta Energy Regulator; Alberta Municipal Affairs; Alberta Petroleum Marketing Commission; Alberta Securities Commission; Department of Environmental Protection; and Minister of Finance. A portion of the royalties are paid in-kind and valued as per the note below.
Canada	County of Wetaskiwin No. 10	160,000							160,000	
Total		480,000	350,000	1,150,000					1,980,000	

Notes:

- ¹⁾ All payments were made in Canadian dollars, therefore no foreign exchange translation required.
- ²⁾ Payments are reported on a cash basis, meaning they are reported in the period in which they are paid.
- ³⁾ In-kind royalty payments were determined using Questfire's realized sales price for each month.
- ⁴⁾ In-kind royalty payments includes \$60,000 made in the capacity of contract operator for wells Questfire does not hold an interest.
- ⁵⁾ Payments included in the ESTMA report reflect gross payments made directly by Questfire, including payments made in the capacity of operator on behalf of partners. Payments made by an operator who is a reporting entity on behalf of Questfire are not included.

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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	Brazeau		10,000	50,000					60,000	
Canada	Crossfield		-	30,000					30,000	
Canada	East Central		10,000	230,000					240,000	
Canada	Edmonton		-	10,000					10,000	
Canada	Medicine Hat		10,000	220,000					230,000	
Canada	Northwest		140,000	40,000					180,000	
Canada	Open Lake	160,000	50,000	110,000					320,000	
Canada	Red Deer		30,000	260,000					290,000	
Canada	South	160,000	30,000	100,000					290,000	
Canada	Westerose	160,000	70,000	100,000					330,000	A portion of royalties relate to contract operated wells as per note 4 below.
Total		480,000	350,000	1,150,000	-	-	-	-	1,980,000	

Notes:

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