

**Gran Tierra Energy Inc.**

**Report on payments to governments for the year 2019**

**Introduction**

Gran Tierra Energy Inc. ("Gran Tierra") has prepared the following report that sets out details of the payments made to governments for the year ended 31 December 2019 in accordance with the Reports on Payments to Governments Regulations 2014 (2014/3209) as amended by the Reports on Payments to Governments (Amendment) Regulations 2015 (2015/1928) and The Disclosure and Transparency Rule ("DTR 4.3A") issued by the Financial Conduct Authority.

**Basis of preparation**

The payments disclosed, which are on a cash basis in U.S Dollars, are based on where the obligation for the payment arose (i.e. at a project or corporate level). Where a payment or a series of related payments do not exceed £86,000, they are not required to be disclosed under the UK Regulations, however this has been disclosed in aggregate at a corporate level for clarity over obligations.

All of the payments disclosed in accordance with the Directive have been made to National Governments of Colombia and Ecuador, either directly or through a Ministry or Department of the National Government and to Local Community Councils or municipalities in Colombia.

**Taxes**

This represents cash tax calculated on the basis of profits including income or capital gains. Income taxes are usually reflected in corporate income tax returns. The cash payment of income taxes occurs in the year in which the tax has arisen or up to one year later. Income taxes also include any cash tax rebates received from the Government or revenue authority during the year and excludes fines and penalties.

**Royalties**

This represents cash and in-kind royalties paid to Governments during the year for the extraction of oil or gas. The terms of the royalties are described within Gran Tierra's 2019 Annual Report filed on from 10-K.

**Fees**

This represents supervision, licensing, permits, project assessment fees and other levies or consideration related to Gran Tierra's exploration and production contracts or to the overall management of our business.

**Bonuses**

This represents social investment program payments to the local communities or municipalities in Colombia

**Disclosure by Payee**

Country	Payee Name	Departments, Agency, etc... within Payee that Received Payments	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Colombia	GOVERNMENT OF COLOMBIA	DIRECTORATE OF NATIONAL TAXES AND CUSTOMS OF COLOMBIA	45,901,253	-	-	-	-	-	-	45,901,253	Paid in Colombian Pesos. Translated at the 2019 average foreign exchange rate of 3,281:1 USD
Colombia	GOVERNMENT OF COLOMBIA	NATIONAL HYDROCARBON AGENCY OF COLOMBIA	-	106,691,420	-	-	-	-	-	106,691,420	Paid in Colombian Pesos. Translated at the 2019 average foreign exchange rate of 3,281:1 USD
Colombia	GOVERNMENT OF COLOMBIA		-	-	1,441,081	-	-	-	-	1,441,081	Paid in Colombian Pesos. Translated at the 2019 average foreign exchange rate of 3,281:1 USD
Colombia	INGA WASIPUNGO RESERVATION		-	-	89,621	-	-	-	-	89,621	Paid in Colombian Pesos. Translated at the 2019 average foreign exchange rate of 3,281:1 USD
Colombia	AFRO SAN LUIS COMMUNITY COUNCIL		-	-	-	-	149,664	-	-	149,664	Paid in Colombian Pesos. Translated at the 2019 average foreign exchange rate of 3,281:1 USD
Colombia	AFRO TESALIA COMMUNITY COUNCIL		-	-	-	-	105,120	-	-	105,120	Paid in Colombian Pesos. Translated at the 2019 average foreign exchange rate of 3,281:1 USD
Colombia	MUNICIPALITY OF VILLAGARZON		-	-	-	-	229,830	-	-	229,830	Paid in Colombian Pesos. Translated at the 2019 average foreign exchange rate of 3,281:1 USD
Colombia	PUERTO LIMON COMMUNITY COUNCIL		-	-	-	-	80,222	-	-	80,222	Paid in Colombian Pesos. Translated at the 2019 average foreign exchange rate of 3,281:1 USD
Ecuador	GOVERNMENT OF ECUADOR	MINISTRY OF ENERGY AND NON-RENEWABLE NATURAL RESOURCES OF ECUADOR	-	-	186,000	-	-	-	-	186,000	Paid in USD
Ecuador	GOVERNMENT OF ECUADOR		-	-	201,000	-	-	-	-	201,000	Paid in USD

**Disclosure by Project**

Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
Colombia	ENTITY WIDE	45,901,253	-	452,288	-	-	-	-	<b>46,353,541</b>	Paid in Colombian Pesos. Translated at the 2019 average foreign exchange rate of 3,281:1 USD
Colombia	PUTUMAYO BASIN	-	44,240,162	781,423	-	564,836	-	-	<b>45,586,421</b>	Paid in both Colombian Pesos and in kind. Colombian Pesos translated at 3,281:1 USD. In kind contributions calculated based on commodity volumes remitted multiplied by monthly realized prices the company receives on arm's length transactions.
Colombia	MIDDLE MAGDALENA BASIN	-	60,710,077	197,632	-	-	-	-	<b>60,907,708</b>	Paid in both Colombian Pesos and in kind. Colombian Pesos translated at 3,281:1 USD. In kind contributions calculated based on commodity volumes remitted multiplied by monthly realized prices the company receives on arm's length transactions.
Colombia	LLANOS BASIN	-	1,741,181	99,360	-	-	-	-	<b>1,840,541</b>	Paid in both Colombian Pesos and in kind. Colombian Pesos translated at 3,281:1 USD. In kind contributions calculated based on commodity volumes remitted multiplied by monthly realized prices the company receives on arm's length transactions.
Ecuador	CHARAPA	-	-	129,000	-	-	-	-	<b>129,000</b>	Paid in USD
Ecuador	CHANANGUE	-	-	129,000	-	-	-	-	<b>129,000</b>	Paid in USD
Ecuador	IGUANA	-	-	129,000	-	-	-	-	<b>129,000</b>	Paid in USD