

Extractive Sector Transparency Measures Act Report

Reporting Year	From:	1/1/2016	To:	12/31/2016
Reporting Entity Name	Modern Resources Inc.			
Reporting Entity ESTMA Identification Number	E833137			
Subsidiary Reporting Entities (if necessary)	n/a			

Attestation: Please check one of the 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 **n/a**, on the ESTMA report for the entity(ies) and period listed above.
The independent auditor's report can be found at: **n/a***

Director or Officer of Reporting Entity Full Name: Derek Mendham
Position Title: CFO

Date: 5/29/2017

Extractive Sector Transparency Measures Act - Annual Report

Reporting Year
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From: 1/1/2016 **To:** 12/31/2016
 Modern Resources Inc.
 E833137
 n/a

Payments by Payee

Country	Payee Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid to Payee	Notes
Canada	Alberta Energy	\$0	\$0	\$270,000	\$0	\$0	\$0	\$0	\$270,000	Mineral lease rentals
Canada	Alberta Boilers Safety Association	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0	\$10,000	Inspection fees
Canada	Alberta Energy Regulator	\$0	\$0	\$140,000	\$0	\$0	\$0	\$0	\$140,000	Well admin fees, orphan well fund levy
Canada	Alberta Petroleum Marketing Commission	\$0	\$1,850,000	\$0	\$0	\$0	\$0	\$0	\$1,850,000	Oil crown royalties, taken-in-kind valued using oil sales price
Canada	Alberta Sustainable Resources Development	\$0	\$0	\$190,000	\$0	\$0	\$0	\$0	\$190,000	Surface lease rentals
Canada	Government of Alberta, Department of Energy	\$0	\$800,000	\$0	\$0	\$0	\$0	\$0	\$800,000	Gas/NGL royalties
Canada	Municipal District of Greenview No. 16	\$480,000	\$0	\$130,000	\$0	\$0	\$0	\$0	\$610,000	Property taxes, drilling/facility license fees
Canada	Total	\$480,000	\$2,650,000	\$740,000	\$0	\$0	\$0	\$0	\$3,870,000	

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 n/a

Payments by Project

Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
Canada	Elmworth CGU, Alberta	\$20,000	\$60,000	\$20,000	\$0	\$0	\$0	\$0	\$100,000	
Canada	Kakwa CGU, Alberta	\$230,000	\$690,000	\$470,000	\$0	\$0	\$0	\$0	\$1,390,000	
Canada	Wapiti CGU, Alberta	\$230,000	\$1,900,000	\$230,000	\$0	\$0	\$0	\$0	\$2,360,000	
Canada	Total	\$480,000	\$2,650,000	\$720,000	\$0	\$0	\$0	\$0	\$3,850,000	