

Gran Tierra Energy Inc.

Report on payments to governments for the year 2020

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 2020 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 2020 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	15,476,000	-	-	-	-	-	-	15,476,000	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Colombia	DISTRICT OF BOGOTA		210,470	-	-	-	-	-	-	210,470	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Colombia	MUNICIPALITY OF MOCOA		221,002	-	-	-	-	-	-	221,002	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Colombia	MUNICIPALITY OF PUERTO ASÍS		82,760	-	-	-	-	-	-	82,760	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Colombia	GOVERNMENT OF COLOMBIA	NATIONAL HYDROCARBON AGENCY OF COLOMBIA	-	31,454,614	-	-	-	-	-	31,454,614	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Colombia	GOVERNMENT OF COLOMBIA		-	-	1,743,233	-	336,030	-	-	2,079,263	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Colombia	WASIPUNGO INDIGENOUS RESERVATION		-	-	104,686	-	-	-	-	104,686	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Colombia	ORCONEPUL-AFRO COMMUNITY ORGANIZATION		-	-	115,877	-	-	-	-	115,877	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Colombia	PUERTO LIMON INDIGENOUS RESERVATION		-	-	155,215	-	-	-	-	155,215	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Colombia	PUERTO LIMON COMMUNITY COUNCIL		-	-	83,531	-	-	-	-	83,531	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Ecuador	GOVERNMENT OF ECUADOR	MINISTRY OF ENERGY AND NON-RENEWABLE NATURAL RESOURCES OF ECUADOR	-	-	233,000	-	-	-	-	233,000	Paid in USD
Ecuador	GOVERNMENT OF ECUADOR	THE INSTITUTE FOR THE PROMOTION OF HUMAN TALENT	-	-	300,000	-	-	-	-	300,000	Paid in USD
United States of America	STATE OF DELAWARE	DELAWARE SECRETARY OF STATE	201,518	-	-	-	-	-	-	201,518	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	15,990,232	22,971	1,101,566	-	-	-	-	17,114,769	Paid in Colombian Pesos. Translated at the 2020 average foreign exchange rate of 3,693:1 USD
Colombia	PUTUMAYO BASIN	-	13,894,014	823,547	-	217,877	-	-	14,935,438	Paid in both Colombian Pesos and in kind. Colombian Pesos translated at 3,693:1 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	-	16,522,922	224,847	-	118,153	-	-	16,865,922	Paid in both Colombian Pesos and in kind. Colombian Pesos translated at 3,693:1 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	-	1,014,706	52,582	-	-	-	-	1,067,288	Paid in both Colombian Pesos and in kind. Colombian Pesos translated at 3,693:1 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	-	-	175,000	-	-	-	-	175,000	Paid in USD
Ecuador	CHANANGUE	-	-	179,000	-	-	-	-	179,000	Paid in USD
Ecuador	IGUANA	-	-	179,000	-	-	-	-	179,000	Paid in USD
United States of America	ENTITY WIDE	201,518	-	-	-	-	-	-	201,518	Paid in USD