

Alberta Sulphur Research Ltd. - Membership 2022-2023

A Member shall be an individual or a corporation that has, through its normal business, an involvement in the discovery, development, production, handling, transportation or uses of sulfur or sulfur compounds or both; and has an interest in fostering fundamental and applied research, technology transfer and education in these areas of sulfur activity, and shall make an initial commitment of three years.

The membership structure and fee schedule are presented below for the 2022-2023 fiscal year. It is comprised of six categories, divided into three groups: associate member, producers and non-producers. *The membership categories do not imply a differentiation in service or attention.* The scheme was developed to reflect the degree to which the variety of member companies would utilize the resources of the Company and benefit from the work done and to correlate that to the amount contributed to support and sustain the fundamental research group.

| Classification | Description | Research Contribution CAD |
|--|--|---------------------------|
| ASSOCIATE MEMBERSHIP CATEGORY | | |
| 1.1 | Sole Proprietorships/Individual Consultants | 1,040 |
| 1.2 | Consulting/Special Interest (2-5 Tech. Staff) | 7,635 |
| 1.3 | Consulting/Special Interest (6-10 Tech. Staff) | 13,000 |
| NON-PRODUCERS OF SOUR HYDROCARBON &/OR SULFUR | | |
| 2 | Specific Service &/or Supply Companies | 25,245 |
| 3 | Broad Focused Non-Producers; e.g., Engineering Companies | 27,530 |
| PRODUCERS OF SOUR HYDROCARBON &/OR SULFUR | | |
| 4 | Junior Producers: Non-Processing Midstream/Third-Party Processors | 38,320 |
| 5 | Intermediate Producers (Total sulfur production under 1000 tpd) | 45,880 |
| 6 | Large Producers (Total sulfur production over 1000 tpd) | 61,255 |

Category No. 1 is termed an “Associate Member” group which allows for the participation of small consulting firms who generally do not have the resources to commit to a higher category of membership but who contribute valuable experience and innovation. Category 1.1 is comprised of sole proprietorships or individual consultants with no specific affiliation. Category 1.2 consists of firms with 2-5 technical staff. Category 1.3 includes firms that have between 6 and 10 technical staff.

The second membership group is termed non-producers of sour hydrocarbons and/or sulfur and is made up of categories No. 2 and 3. The distinction between these two categories is based on the range of interest in the areas of research conducted by ASRL. Generally, specific service and supply companies would be focused on a narrow range of topics, while the No. 3 category, typified by the engineering company members, is more broadly focused.

The third group of membership is comprised of member companies that are the producers. Category No. 4 is meant to include junior production companies that do not, for the most part, own or operate their own processing facilities. It is also a category in which we have placed the third-party processor. Categories No. 5 and 6 represent the bulk of the sulfur producing companies with distinctions made, in part, on size and sulfur production.

In addition to the yearly research contributions outlined above, each member company is required to pay an annual \$1,000.00 membership fee.

In Canada, ASRL research contribution may be claimed as a research tax credit with the Federal Government of Canada. In addition, most of the provincial governments have also made provisions for research tax credits.