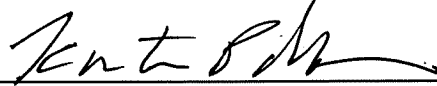


**EXHIBIT "2"** to the Affidavit of  
Jason Bednar  
Sworn/Affirmed before me  
this 9<sup>th</sup> day of January, 2026



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A Commissioner for Oaths in  
and for the Province of Alberta

Keaton Pridham  
Student-at-Law

COURT FILE NO.: 2501-18462  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE COMPANIES'  
CREDITORS ARRANGEMENT ACT, RSC  
1985, c C-36, as amended

AND IN THE MATTER OF A PLAN OF  
COMPROMISE OR ARRANGEMENT OF  
CANACOL ENERGY LTD., 2654044  
ALBERTA LTD., CANACOL ENERGY  
ULC, 2498003 ALBERTA ULC, CANTANA  
ENERGY GMBH, CNE OIL & GAS S.R.L,  
CANACOL ENERGY COLOMBIA S.A.S.,  
SHONA HOLDING GMBH, CNE ENERGY  
S.A.S., and CNE OIL & GAS S.A.S

I hereby certify this to be a true copy of  
the original Order

Dated this 12 day of Dec, 2025

for Clerk of the Court

APPLICANTS(S) CANACOL ENERGY LTD., 2654044 ALBERTA LTD., CANACOL  
ENERGY ULC, 2498003 ALBERTA ULC, CANTANA ENERGY  
GMBH, CNE OIL & GAS S.R.L, CANACOL ENERGY COLOMBIA  
S.A.S., SHONA HOLDING GMBH, CNE ENERGY S.A.S., and CNE  
OIL & GAS S.A.S.

DOCUMENT **SECOND AMENDED AND RESTATED CCAA INITIAL ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
Gowling WLG (Canada) LLP  
1600, 421 – 7th Avenue S.W.  
Calgary, AB T2P 4K9

Telephone (403) 298-1946 / (416) 862-3509 / (403) 298-1976  
Facsimile (403) 263-9193

Attention: Clifton Prophet / Sam Gabor / Katherine Yurkovich

Email: [clifton.prophet@gowlingwlg.com](mailto:clifton.prophet@gowlingwlg.com) / [sam.gabor@gowlingwlg.com](mailto:sam.gabor@gowlingwlg.com) /  
[kate.yurkovich@gowlingwlg.com](mailto:kate.yurkovich@gowlingwlg.com)

File No. G10088627

**DATE ON WHICH ORDER WAS PRONOUNCED:** - 2 -  
December 11, 2025

**LOCATION AT WHICH ORDER WAS MADE:** Edmonton Courts Centre

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**NAME OF JUSTICE WHO MADE THIS ORDER:** The Honourable Justice D. Mah

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**WHERE UPON** the application of Canacol Energy Ltd., 2654044 Alberta Ltd., Canacol Energy ULC, 2498003 Alberta ULC, Cantana Energy GMBH, CNE Oil & Gas S.R.L, Canacol Energy Colombia S.A.S., Shona Holding GMBH, CNE Energy S.A.S., and CNE Oil & Gas S.A.S. (collectively, the “**Applicants**”); **AND UPON** having read the Originating Application, the Affidavit of Jason Bednar affirmed November 16, 2025 (the “**Bednar Affidavit**”), the Affidavit of Jason Bednar affirmed November 22, 2025, the Affidavit of Michael Hibberd affirmed November 25, 2025, and the Affidavit of Jason Bednar affirmed December 5, 2025, the Affidavit of Jason Bednar affirmed December 8, 2025, and the Affidavit of Jason Bednar affirmed December 9, 2025; **AND UPON** reviewing the Initial Order granted by the Honourable Justice B. B. Johnston in these proceedings on November 18, 2025; **AND UPON** reviewing the Amended and Restated Initial Order granted by the Honourable Justice Bourque on November 28, 2025; **AND UPON** hearing from counsel for the Applicants, counsel for KPMG Inc. in its capacity as the court-appointed monitor in these proceedings (the “**Monitor**”) and counsel for any other party in attendance; **AND UPON** reading the Pre-Filing Report of KPMG Inc. in its capacity as the proposed Monitor (the “**Proposed Monitor**”) dated November 17, 2025 (the “**Pre-Filing Report**”), the First Report of the Monitor dated November 24, 2025 (“**First Report**”) and the Second Report of the Monitor dated December 9, 2025 (“**Second Report**”); **AND UPON** reviewing the Affidavit of Service of Arriane Tano sworn December 9, 2025, and being advised that the secured creditors who are likely to be affected by the charges created herein have been provided notice of this application; **AND UPON** the application being heard on December 10, 2025; **IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

**REFERENCES TO DOLLARS**

2. Unless otherwise stated, all references to dollars or \$ herein are to Canadian dollars.

## APPLICATION

3. Each of the Applicants is a company to which the *Companies' Creditors Arrangement Act* of Canada (the "CCAA") applies.

## PLAN OF ARRANGEMENT

4. The Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (the "**Plan**").

## POSSESSION OF PROPERTY AND OPERATIONS

5. The Applicants shall:
  - (a) remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof and all assets, undertakings and rights that are owned, held, controlled, administered, registered, or recorded in the name of any branch/sucursal of an Applicant in Colombia (the "**Property**");
  - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property;
  - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order; and
  - (d) subject to the terms of the Definitive Documents (as defined below), be entitled to continue to utilize the central cash management system currently in place as described in the Bednar Affidavit or, with the consent of the Interim Lender, replace it with another substantially similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as

provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. To the extent permitted by law and subject to the terms of the Definitive Documents, the Applicants shall be entitled but not required to make the following advances or payments of the following expenses, incurred prior to or after this Order:
- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
  - (b) the reasonable fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of this Order;
  - (c) obligations and expenses owing for goods and services supplied to the Applicants prior to the date of this Order by vendors, suppliers and governmental authorities, deemed by the Applicants to be critical to the extent required to ensure ongoing supply of critical goods and services, as permitted by the Initial Order, subject to prior approval by the Monitor and the Interim Lender, up to a maximum amount of the Canadian dollar equivalent of USD\$15,500,000; and
  - (d) payments required to be made for royalties arising prior to the date of this Order in the amount of USD\$1,807,000 for the month of September, 2025, and further amounts owing for the month of October, 2025 and the period of November 1, 2025 to November 18, 2025, to the Agencia Nacional de Hidrocarburos (“**ANH**”) (the National Hydrocarbon Agency) or other governmental and/or regulatory authorities in Colombia to preserve and maintain exploration and production contracts and exploration and exploitation contracts of the Applicants, including, without limitation, royalties and work commitments required to be paid thereunder;
  - (e) post cash collateral by one or more Applicants not subject to the order of the Chamber of Commerce of Bogotá pursuant to the Company Recovery Process dated November 28, 2025, in the approximate amount of USD\$5,200,000 to a bank account(s) of such Applicant(s) in Canada or the United States, or transfer such funds into escrow or trust, or make such other arrangements as acceptable to an issuer of a monetary instrument (“**Monetary Instrument**”), the Applicants, Interim Lender, and the Monitor, as security for the issuer of a Monetary instrument to issue a Monetary Instrument for the benefit of a Colombian bank, which Monetary Instrument may

secure a letter of credit issued from a Colombian bank to the ANH as security for CNE Oil & Gas S.A.S' obligations to ANH.

7. Except as otherwise provided to the contrary herein and subject to the terms of the Definitive Documents, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order and in carrying out the provisions of this Order, which expenses shall include, without limitation:
  - (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
  - (b) payment for goods or services actually supplied to the Applicants following the date of this Order.
  
8. The Applicants shall remit, in accordance with legal requirements, or pay:
  - (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
    - (i) employment insurance,
    - (ii) Canada Pension Plan,
    - (iii) Quebec Pension Plan, and
    - (iv) income taxes,but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;
  - (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order;
  - (c) any amount payable to the Crown in Right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to

be paid in priority to claims of secured creditors and that are attributable to or in respect of the carrying on of the Business by the Applicants; and

- (d) any amounts payable to Colombian taxation authority(ies) in respect of, including without limitation, regional, municipal and national withholding taxes and value-added taxes, which are entitled at law to be paid in priority to claims of secured creditors and that are attributable to or in respect of the carrying on of the Business by the Applicants.

- 9. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicants may, subject to the terms of the Definitive Documents, pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated by the Applicants from time to time for the period commencing from and including the date of this Order (“**Rent**”), but shall not pay any rent in arrears.
- 10. Except as specifically permitted in this Order and the Definitive Documents, the Applicants are hereby directed, until further order of this Court:
  - (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of its creditors as of the date of this Order;
  - (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and
  - (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

## **RESTRUCTURING**

- 11. The Applicants shall, subject to such requirements as are imposed by the CCAA and subject to the terms of the Definitive Documents, have the right to:
  - (a) permanently or temporarily cease, downsize or shut down any portion of its business or operations and to dispose of redundant or non-material assets not exceeding the Canadian dollar equivalent of USD\$250,000 in any one transaction or the Canadian dollar equivalent of USD\$1,000,000 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Applicants (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA;

- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;
- (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor (as defined below) or further Order of the Court, their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the Applicants deem appropriate, in accordance with section 32 of the CCAA; and
- (d) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

12. The Applicants shall provide each of the relevant landlords with notice of the Applicants’ intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal. If the landlord disputes the Applicants’ entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicants, or by further order of this Court upon application by the Applicants on at least two (2) days’ notice to such landlord and any such secured creditors. If the Applicants disclaim or resiliate the lease governing such leased premises in accordance with section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any such dispute other than Rent payable for the notice period provided for in section 32(5) of the CCAA, and the disclaimer or resiliation of the lease shall be without prejudice to the Applicants’ claim to the fixtures in dispute.
13. If a notice of disclaimer or resiliation is delivered pursuant to section 32 of the CCAA, then:
  - (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours’ prior written notice; and
  - (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or

parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY**

14. Until and including February 6, 2026, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the applicable Applicant and Monitor or leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

15. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with the written consent of the applicable Applicant and the Monitor or leave of this Court, provided that nothing in this Order shall:
- (a) empower the Applicants to carry on any business that the Applicants are not lawfully entitled to carry on;
  - (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA;
  - (c) prevent the filing of any registration to preserve or perfect a security interest;
  - (d) prevent the registration of a claim for lien; or
  - (e) exempt the Applicants from compliance with statutory or regulatory provisions relating to health, safety or the environment.
16. Nothing in this Order shall prevent any party from taking an action against the Applicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Applicants and Monitor at the first available opportunity.

17. Nothing in this Order shall prevent any party that is, or is an affiliate of, a lender under the Applicants' prepetition revolving credit facility and has a security interest over cash collateral, provided that such security was granted by one or more Applicants to secure one or more letters of credit issued by such party prior to or, solely to the extent permitted by the Definitive Documents or consented to in writing by the Interim Lender (which may be communicated via email by counsel to the Interim Lender), after the date of this Order (all such security interests over cash collateral, the "LC Collateral"), from enforcing its rights and remedies in respect of such LC Collateral in the event that an applicable letter of credit is drawn.

#### **NO INTERFERENCE WITH RIGHTS**

18. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicants, except with the written consent of the applicable Applicant and the Monitor, or leave of this Court.

#### **CONTINUATION OF SERVICES**

19. During the Stay Period, all persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
  - (b) oral or written agreements or arrangements with the Applicants, including without limitation all computer software, communication and other data services, centralized banking services, cash management services, payroll and benefit services, insurance, transportation, services, utility or other services to the Business or the Applicants

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicants or exercising any other remedy provided under such agreements or arrangements. The Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with the payment practices of the Applicants, or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

#### **NON-DEROGATION OF RIGHTS**

20. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date

of this Order, nor shall any person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants.

### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

21. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 16 of this Order, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date of this Order and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

### **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

22. The Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors and or officers of the Applicants after the commencement of the within proceedings except to the extent that, with respect to any officer or director, the obligation was incurred as a result of the director's or officer's gross negligence or wilful misconduct.
23. The directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount to the Canadian dollar equivalent of USD\$1,000,000, as security for the indemnity provided in paragraph 21 of this Order. The Directors' Charge shall have the priority set out in paragraphs 38 and 40 hereof.
24. Notwithstanding any language in any applicable insurance policy to the contrary:
- (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and
  - (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 21 of this Order. For certainty, the Applicants' directors and officers shall be entitled to the benefit of the Directors' Charge to pay the deductible for any claim covered by the Applicants' directors' and officers' insurance policy.

### **APPOINTMENT OF MONITOR**

25. KPMG Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs and the Applicants with the powers and obligations set out in

the CCAA or set forth herein and that the Applicants and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

26. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' receipts and disbursements, Business and dealings with the Property;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicants;
- (c) assist the Applicants, to the extent required by the Applicants, in their dissemination to the Interim Lender and their advisors of financial and other information in accordance with the Definitive Documents;
- (d) advise the Applicants in its preparation of the Applicants' cash flow statements and other reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and advisors in accordance with the Definitive Documents;
- (e) advise the Applicants in their development of the Plan and any amendments to the Plan;
- (f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicants to the extent that is necessary to adequately assess the Property, Business, and financial affairs of the Applicants or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (i) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person; and
- (j) perform such other duties as are required by this Order or by this Court from time to time.

27. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation or regulation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order be deemed to be in possession of any of the Property within the meaning of any federal or provincial environmental legislation.
28. The Monitor shall provide any creditor of the Applicants and the Interim Lender with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants are confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.
29. In addition to the rights and protections afforded the Monitor under the CCAA or as an Officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
30. The Monitor, counsel to the Monitor, and counsel to the Applicants shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a weekly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicants, retainers in the amounts set out in their respective engagement letters or arrangements, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

31. The Monitor and its legal counsel shall pass their accounts from time to time.
32. The Monitor, counsel to the Monitor, if any, and the Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of the Canadian dollar equivalent of USD\$1,500,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 38 and 40 hereof.

### **INTERIM FINANCING**

33. The Applicants are hereby authorized and empowered to obtain and borrow or guarantee, as applicable, pursuant to a credit facility from each of the Lenders to the Commitment Letter (as defined below) (such lenders and if a DIP Agent is appointed, the DIP Agent, collectively, the "**Interim Lender**") in order to finance the Applicants' working capital requirements and other general corporate purposes and capital expenditures, all in accordance with the Cash Flow Forecast (as defined in the Commitment letter) and the Commitment Letter, provided that borrowings of principal amounts under such credit facility shall not exceed the Canadian dollar equivalent of USD\$67,000,000 unless permitted by further order of this Court.
34. Such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicants and the Interim Lender dated as of December 5, 2025 and attached as Exhibit "K" to the Affidavit of Jason Bednar affirmed December 5, 2025 (as may be amended or amended and restated from time to time, including without limitation as a result of any new parties joining as lenders thereunder, the "**Commitment Letter**").
35. The Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, and security documents, guarantees and other definitive documents (collectively with the Commitment Letter and Cash Flow Forecast, the "**Definitive Documents**"), as are contemplated by the Commitment Letter or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities, and obligations as required under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order. Notwithstanding any other provision in this Order, all payments and other expenditures to be made by any of the Applicants to any Person shall be in accordance with the Definitive Documents.

36. The Interim Lender shall be entitled to the benefits of and is hereby granted a charge (the “**Interim Lender's Charge**”) on the Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order which charge shall not secure an obligation that exists before this Order is made. The Interim Lender's Charge shall have the priority set out in paragraphs 38 and 40 hereof.
37. Notwithstanding any other provision of this Order:
- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;
  - (b) upon the occurrence of an event of default under the Definitive Documents or the Interim Lender's Charge, the Interim Lender may immediately cease making advances or providing any credit to the Applicants and shall be permitted to set off and/or consolidate any amounts owing by the Interim Lender to the Applicants against the obligations of the Applicants to the Interim Lender under the Definitive Documents or the Interim Lender's Charge, make demand, accelerate payment and give other notices with respect to the obligations of the Applicants to the Interim Lender under the Definitive Documents or the Interim Lender's Charge, or to apply to this Court on three (3) days' notice to the Applicants, the Monitor and the Service List to seek the Court's authorization to exercise any and all of its other rights and remedies against the Applicants or the Property under or pursuant to the Definitive Documents and the Interim Lender's Charge, including without limitation, for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and
  - (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.
38. The Interim Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants or any of them under the CCAA, or any proposal filed by the Applicants or any of them under the *Bankruptcy and Insolvency Act* of Canada (the “**BIA**”), with respect to any obligations under the the Definitive Documents.

## **VALIDITY AND PRIORITY OF CHARGES**

39. The priorities of the Administration Charge, the Directors' Charge and the Interim Lender's Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of USD\$1,500,000);

Second – Interim Lender’s Charge (to the maximum amount of the Obligations (as defined in the Commitment Letter) owing thereunder at the relevant time); and

Third – Directors’ Charge (to the maximum amount of USD\$1,000,000).

40. The filing, registration or perfection of the Directors’ Charge, Interim Lender’s Charge or the Administration Charge (collectively the “**Charges**”) shall not be required, and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
41. The Charges (all as constituted and defined herein) shall each constitute a charge on the Property and subject always to section 34(11) of the CCAA such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person, save and except for the LC Collateral, with respect to which the Charges shall be subordinate.
42. Except as otherwise expressly provided for herein, or as may be approved by this Court on notice to parties in interest, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtain the prior written consent of the Monitor, the Interim Lender and the beneficiaries of the Charges (as applicable), or further order of this Court.
43. The Charges, the agreements and other documents governing or otherwise relating to the obligations secured by the Charges, and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (the “**Chargees**”) and/or the Interim Lender thereunder shall not otherwise be limited or impaired in any way by:
  - (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
  - (b) any application(s) for bankruptcy order(s) issued pursuant to *Bankruptcy and Insolvency Act*, RSC 1985 c B-3, as amended (the “**BIA**”), or any bankruptcy order made pursuant to such applications;
  - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
  - (d) the provisions of any federal or provincial statutes; or

- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) that binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:
  - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which it is a party;
  - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into Commitment Letter, the creation of the Charges or the execution, delivery or performance of any of the other Definitive Documents; and
  - (iii) the payments made by the Applicants pursuant to this Order or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

#### **ALLOCATION**

- 44. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Charges amongst the various assets comprising the Property.

#### **SERVICE AND NOTICE**

- 45. The Monitor shall (i) without delay, publish in the Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA; (ii) within five (5) days after the date of this Order (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000 and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.
- 46. The Monitor shall establish a case website in respect of the within proceedings at the following URL ‘<https://kpmg.com/ca/canacol>’ (the “**Case Website**”).
- 47. The Applicants, the Monitor and the Interim Lender and their respective counsel are at liberty to serve this Order, any other materials and orders in these proceedings, and any notices or other correspondence, by

forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing. Any person that wishes to be served with any application and other materials in these proceedings must deliver to the Applicants, the Monitor and the Interim Lender by way of ordinary mail, courier, or electronic transmission, a request to be added to the service list (the "**Service List**") to be maintained by the Monitor.

48. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsel's email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on the Case Website.

#### **FOREIGN REPRESENTATIVE**

49. The Monitor, or any officer, employee or representative of the Monitor, is hereby authorized and empowered to act as the foreign representative (in such capacity the "**Foreign Representative**") in respect of these proceedings for the purpose of having these proceedings recognized and approved in a foreign jurisdiction. The Foreign Representative is hereby authorized to apply for foreign recognition and approval of these proceedings, as necessary, in any jurisdiction outside Canada, including, without limitation, the United States of America, the Republic of Colombia, the Republic of Panama and/or Switzerland.

#### **RELIEF FROM REPORTING OBLIGATIONS**

50. The Applicants shall not be required to incur any further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents, and press releases (collectively, the "**Securities Filings**") that may be required by any law respecting securities or capital markets in Canada, or by the rules and regulations of a stock exchange, including, without limitation, the *Securities Act* (Alberta), RSA 2000, c S-4 and comparable statutes enacted by other provinces of Canada (collectively, the "**Securities Legislation**"), provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of the Applicants failing to make any Securities Filings required by the Securities Legislation.
51. None of the directors, officers, employees, and other representatives of the Applicants nor the Monitor shall have any personal liability for any failure by the Applicants to make any Securities Filing required by the Securities Legislation during the Stay Period, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of such failure by the

Applicants. For greater certainty, nothing in this Order is intended to or shall encroach on the jurisdiction of any securities regulatory authorities (the “**Regulators**”) in the matter of regulating the conduct of market participants and to issue cease trade orders if and when required pursuant to applicable securities law.

#### **APPROVAL OF REPORTS AND ACTIVITIES OF MONITOR**

52. The Pre-Filing Report, the First Report and the Second Report are approved, and the actions, conduct and activities of the Proposed Monitor and the Monitor (as applicable) set out therein are approved.

#### **GENERAL**

53. The Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
54. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor’s reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
55. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager or a trustee in bankruptcy of the Applicants, the Business or the Property.
56. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
57. Each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Monitor is authorized and empowered to act as foreign representative in respect of the within proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.


58. Any interested party (including the Applicants, the Monitor or the Interim Lender) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order; provided, however, that the Chargees, including the Interim Lender, shall be entitled to rely on this Order as issued and entered and on the Charges and priorities set out in paragraphs 38 to 42 hereof, including with respect to any fees, expenses and disbursements incurred and in respect of advances made under the Definitive Documents until the date this Order may be amended, varied or stayed.
59. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.



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Justice of the Court of King's Bench of Alberta

**EXHIBIT "3"** to the Affidavit of  
Jason Bednar  
Sworn/Affirmed before me  
this 9<sup>th</sup> day of January, 2026



A Commissioner for Oaths in  
and for the Province of Alberta

Keaton Pridham  
Student-at-Law

January 3, 2026

CONFIDENTIAL

Canacol Energy Ltd.  
215 - 9 Ave SW, Suite 2000  
Calgary, Alberta, Canada, T2P 1K3

Attention: Charle Gamba, President, CEO & Director

Dear Mr. Gamba:

This letter agreement (the "Agreement") confirms that, as of January 3, 2026, Canacol Energy Ltd. and each of its direct and indirect subsidiaries (collectively, the "**Company**") has engaged Moelis & Company LLC ("Moelis") to act as the Company's exclusive financial advisor and investment banker in connection with a Sale Transaction or Alternative Transaction (each as defined below).

For purposes of this Agreement:

"Sale Transaction" means: (a) the sale, disposition or other transfer (in one or a series of transactions) of a majority or more of (i) the equity securities of the Company, or (ii) the assets, properties or businesses of the Company (including by credit bids), in each case to one or more counterparties (including creditors) including, without limitation, debt-to-equity conversion or (b) the merger, consolidation, spin-off, split-off, joint venture, partnership, reverse merger or other business combination transaction involving the Company, in each case as may be approved by (i) the Court of King's Bench of Alberta (the "**Canadian Court**") in the Company's proceedings commenced (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* ("**CCAA**") and (ii) such other Court, as applicable.

"Alternative Transaction" means any restructuring, reorganization, repayment, refinancing, rescheduling or recapitalization in each case of all or at least a majority of the liabilities of the Company, however such result is achieved, including, without limitation, through a plan of arrangement, compromise or reorganization or liquidation (a "**Plan**") confirmed in connection with a case (a "**Case**") commenced by or against the Company or any of its affiliates under any Restructuring Law (as defined below) and such Plan is recognized by the applicable Courts, or an exchange offer or consent solicitation, covenant relief, rescheduling of debt maturities, foreclosure, change in interest rates, settlement or forgiveness of debt, conversion of debt into equity, or other amendments in each case to all or a substantial portion of the Company's debt instruments, or issuance of new securities, or raising of new debt or equity capital, in the case of all of the foregoing as may be approved by the Canadian Court and such other Court, as applicable. Any such liabilities that are the subject of an Alternative Transaction shall be "Restructured". For certainty, the Canacol DIP Loan Commitment Letter dated December 2, 2025 and approved by the Canadian Court (as amended and/or restated from time to time), and the obligations thereunder shall not be considered for purposes of this letter to be issuance of new debt.

"Restructuring Law" means the US Bankruptcy Code (the "**Code**"), the CCAA, the Canada Business Corporation Act ("**CBCA**"), the Canadian Bankruptcy and Insolvency Act (the "**BIA**"), or any similar applicable law.

"Courts" means the Canadian Court administering the CCAA Proceedings, and the applicable courts of competent jurisdiction in the United States of America (the "**U.S. Court**") and governmental authority in Colombia (the "**Colombian Court**"), in each case, administering the proceedings in each such jurisdiction recognizing the CCAA Proceedings as foreign main proceedings.

1. Services

As part of its engagement, Moelis will, if appropriate and requested by the Company:

- (a) assist the Company in conducting a business and financial analysis of the Company;
- (b) assist the Company in identifying and evaluating potential counterparties for a Sale Transaction or Alternative Transaction;
- (c) assist the Company in preparing the SISP and related marketing and information materials describing the Company (the “**Information Presentation**”), which Moelis may distribute to potential counterparties in accordance with the SISP and, as applicable, after confirming with the Company that such counterparties have executed a confidentiality agreement with the Company;
- (d) assist the Company in contacting potential counterparties, arranging meetings with such counterparties and coordinating the due diligence investigation of the Company by such counterparties, in each case in accordance with the SISP;
- (e) assist the Company in reviewing and analyzing any potential Sale Transaction or Alternative Transaction, in accordance with the SISP as applicable;
- (f) assist the Company in structuring and negotiating any Sale Transaction or Alternative Transaction;
- (g) meet with the Company's Board of Directors to discuss any proposed Sale Transaction or Alternative Transaction and its financial implications; and
- (h) provide such other financial advisory and investment banking services in connection with a Sale Transaction or Alternative Transaction as Moelis and the Company in consultation with the Monitor may mutually agree upon in writing.

The SISP and all services to be provided by Moelis in connection with the SISP shall be subject to the oversight of KPMG Inc., in its capacity as Monitor of the Company in the CCAA Proceedings (in such capacity, the “**Monitor**”), in accordance with the SISP. Moelis shall ensure that the Monitor is kept apprised of the work being done by Moelis and cooperate with the Monitor in connection with the Monitor's duty to oversee the SISP.

## 2. Compensation; Expenses

As compensation for Moelis' services hereunder, the Company agrees to pay Moelis the following nonrefundable cash fees:

- (a) A transaction fee (the “**Sale Transaction Fee**”), payable promptly upon closing of a Sale Transaction, equal to the greater of (i) [REDACTED] and (ii) an amount based on the Transaction Value (as defined below) as follows:

(A) [REDACTED]

(B) [REDACTED]  
[REDACTED]

(C) [REDACTED]

“**Transaction Value**” means the fully diluted enterprise value of the Company implied by the Sale Transaction and includes the sum of: (A)(i) in a Sale Transaction covered by (a)(i) or (b) of the definition of Sale Transaction above, the gross consideration paid or received or to be paid or received with respect to each share of common stock of the Company (or the exchange ratio with respect to each share of common stock of the Company) in connection with the Sale Transaction multiplied by the Shares Outstanding (as defined below), or (ii) in a Sale Transaction covered by (a)(ii) of the definition of Sale Transaction above,

the total gross consideration paid or received or to be paid or received to the Company or its stockholders (as if 100% of the assets were sold or transferred) in connection with the Sale Transaction; plus, (B) the amount of all indebtedness for borrowed money, capital leases and other long-term liabilities (net of cash and cash equivalents up to the amount of such indebtedness), in each case that remain on the balance sheet of the Company at the closing, or that are assumed, acquired, retired or transferred in connection with the Sale Transaction. "Shares Outstanding" means the aggregate number of shares of common stock of the Company that are outstanding at the closing, plus the aggregate number of shares of common stock of the Company issuable upon exercise, conversion or exchange of any outstanding securities exercisable, convertible or exchangeable into or for shares of common stock of the Company including, without limitation, all outstanding stock options of the Company (in each case, calculated net of exercise, conversion and exchange prices). "**Transaction Value**" will also include any dividends or distributions payable to stockholders of the Company after the date of this Agreement (other than normal, ordinary course, recurring dividends) and any amounts the Company pays to repurchase any of its securities (excluding repurchases pursuant to and consistent with any current stock repurchase program of the Company) after the date of this Agreement. Consideration consisting of securities that are publicly traded (or any securities convertible or exchangeable into such securities or any securities of the same class as such securities) will be valued at the trading price thereof (or the trading price of any such securities of a predecessor entity) on the day immediately prior to the closing of the Sale Transaction. If the Company or its stockholders receive newly-issued publicly traded securities in the Sale Transaction (or any securities convertible or exchangeable into such securities or any securities of the same class as such securities), such securities will be valued at the trading price of the Company or the Counterparty, as applicable, on the day immediately prior to the closing of the Sale Transaction. Any non-marketable securities or other non-cash consideration will be valued as the Company and Moelis may mutually agree in good faith, with the consent of the Monitor. For purposes of this paragraph, consideration includes cash, securities, property or rights, or any other consideration.

(b) A transaction fee (the "**Alternative Transaction Fee**"), payable promptly upon closing of an Alternative Transaction, equal to [REDACTED].

A Sale Transaction will be consummated pursuant to an Order approving such Sale Transaction in the CCAA Proceedings and, as applicable, recognized by the U.S. Court and the Colombian Court. Such Sale Transaction shall trigger a Sale Transaction Fee, and any resulting or subsequent Alternative Transaction approved by the Canadian Court shall trigger an Alternative Transaction Fee. For the avoidance of doubt, Moelis shall not be entitled to both a Sale Transaction Fee and an Alternative Transaction Fee.

Whether or not any Sale Transaction or Alternative Transaction is consummated, the Company will reimburse Moelis upon request for all of its reasonable expenses incurred (including reasonable related expenses incurred prior to the date of this Agreement in connection with this engagement) in entering into and performing services pursuant to this Agreement, including the reasonable costs of Moelis' legal counsel. In connection therewith, the Company shall pay Moelis upon execution of this Agreement and maintain thereafter a \$25,000 expense advance, the unused portion of which Moelis shall return to the Company following termination of this Agreement. Moelis agrees, if requested, to provide the Company and Monitor with reasonable support for its expenses.

The Company's obligation to pay any fees or expenses set forth herein or to pay any amounts under **Annex A** hereto are not subject to any reduction by way of setoff, recoupment or counterclaim. All fees, expenses and any other amounts payable hereunder are payable in U.S. dollars, free and clear of any withholding taxes or deductions, to the bank account designated in writing by Moelis. The Company agrees that any Sale Transaction Fee or Alternative Transaction Fee payable hereunder will be paid out of the funds flow in connection with the closing of the applicable Sale Transaction or Alternative Transaction (to the extent applicable). The Company will provide Moelis with a draft copy of any funds flow memorandum or similar document (if any) in advance of any closing of any Sale Transaction or Alternative Transaction. All fees, expenses and other payments under this Agreement shall be paid without giving effect to any withholding or deduction of any tax or similar governmental assessment. If any Goods and Services Tax, Value Added

Tax, Harmonized Sales Tax or other similar tax is payable with respect to the fees paid or payable to Moelis under this Agreement, Moelis will add the amount of such tax to its invoice.

If Moelis is required to render services in connection with this engagement not set forth in this Agreement, the Company will pay Moelis additional fees to be mutually agreed for such services, plus reasonable costs and expenses related thereto, provided however that any affidavits, declarations and evidence required from Moelis to seek approval of any Sale Transaction or Alternative Transaction as contemplated by this Agreement shall be included in the Sale Transaction Fee or the Alternative Transaction Fee, as applicable.

Moelis will make a substantial commitment of professional time and effort hereunder, which may foreclose other opportunities for it. Moreover, the actual time and effort required for the engagement may vary substantially from time to time. In light of the numerous issues that may arise in engagements such as this, Moelis' commitment of the time and effort necessary to address the issues that may arise in this engagement, Moelis' expertise and capabilities that the Company will require in this engagement, and the market rate for professionals of Moelis' stature and reputation, the parties agree that the fee arrangement provided herein is just and reasonable, fairly compensates Moelis, and provides the requisite certainty to the Company.

### 3. CCAA Proceedings

(a) The Company will use its reasonable best efforts to seek a final order of the Canadian Court approving Moelis' retention under this Agreement, *nunc pro tunc* to the date of this Agreement, as the Company's financial advisor and investment banker in connection with a Sale Transaction and/or Alternative Transaction. The Company's application materials and proposed form of order seeking approval of this Agreement shall be acceptable to Moelis, acting reasonably. The Company's obligations under this Agreement are subject to Canadian Court approval.

(b) Moelis will be entitled to cease providing services if (1) the Canadian Court does not approve Moelis' retention in an order acceptable to Moelis within 60 days of the date of this Agreement (the "**SISP Approval Order**") or (2) the approval of Moelis' retention is overturned in an appeal filed in connection with the SISP Approval Order. In the event that (1) the Canadian Court does not approve this Agreement within 60 days of the date of this Agreement or (2) the approval of Moelis' retention is overturned in an appeal in connection with the SISP Approval Order, this Agreement shall be terminated and Moelis shall be entitled to reimbursement for all expenses incurred prior to the date of termination.

(c) The Company will use its reasonable best efforts to ensure that, to the fullest extent permitted by law, any confirmed plan of arrangement, compromise or reorganization in the CCAA Proceedings contains typical and customary releases (both from the Company and from third parties) and exculpation provisions releasing, waiving, and forever discharging Moelis, its divisions, affiliates, any person controlling Moelis or its affiliates, and their respective current and former directors, officers, partners, managers, members, agents, representatives and employees from any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action, and liabilities related to the Company or the engagement described in this Agreement.

### 4. Information

(a) During the term of this engagement, the Company: (i) will furnish Moelis with such information concerning the Company and, to the extent available to the Company, the counterparty as Moelis reasonably deems appropriate (collectively, the "Information"); (ii) will provide Moelis with access to the Company's officers, directors, employees, accountants, counsel and other representatives and, as practicable, those of the counterparty and, (iii) will advise Moelis promptly of any material event or material change in the business, affairs, condition (financial or otherwise) or prospects of the Company or, to the Company's knowledge, the counterparty.

(b) To the best of the Company's knowledge, the Information will be true and correct in all material respects and will not contain any material misstatement of fact or omit to state any material fact necessary to make the statements contained therein not misleading. In performing its services hereunder, Moelis will be entitled to use and rely upon the Information as well as publicly available information without independent verification. Moelis will be entitled to assume that financial forecasts and projections the Company or any counterparty makes available to Moelis have been reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of the Company or such counterparty, as the case may be, as to the matters covered thereby. The Company will be solely responsible for the contents of the Information Presentation or any other information provided by or on behalf of the Company to potential counterparties.

(c) Moelis will keep Information concerning the Company provided to it in connection with this Agreement confidential pursuant to the Confidentiality Agreement between the Company and Moelis, dated November 24, 2025, in accordance with the terms thereof; provided, that Moelis may provide such Information to prospective counterparties or Alternative Transaction parties as contemplated by this Agreement, as long as such parties have executed confidentiality agreements with the Company.

#### 5. Advice; Publicity

The Company will not disclose, summarize or refer to Moelis, the terms of this Agreement or any of Moelis' advice publicly or to any third party without the prior written consent of Moelis. In the event disclosure is required by law or by judicial or regulatory process, the Company may disclose any of the foregoing to the extent required; provided that, to the extent legally permissible, the Company will provide Moelis with prompt advance notice of any such disclosure and cooperate with Moelis in (i) limiting the scope of any such disclosure and/or (ii) obtaining confidential treatment for any such information required to be disclosed. Notwithstanding the foregoing, Moelis has consented to the Company's disclosure of this Agreement and its terms in order to obtain an order of the Canadian Court in the CCAA Proceedings approving of Moelis' engagement and the obligations of the Company hereunder.

Moelis may, at its option and expense and after announcement of any Sale Transaction or Alternative Transaction, publicize such Sale Transaction or Alternative Transaction and Moelis' role in it (which may include the reproduction of the Company's logo and a hyperlink to the Company's website) on Moelis' website and in Moelis' marketing materials using publicly available information and/or stating in customary 'tombstone' format that Moelis has acted as exclusive financial advisor and investment banker in connection with a Sale Transaction and/or an Alternative Transaction. If requested by Moelis, the Company shall include a mutually acceptable reference to Moelis in any public announcement of any Sale Transaction or Alternative Transaction.

#### 6. Disclaimer; Annex A

Moelis is acting hereunder as an independent contractor with the contractual obligations expressly described herein owing only to the Company. Moelis expressly disclaims any agency or fiduciary or other similar duties (regardless of whether Moelis has assisted or is assisting the Company on other matters). Moelis will not be responsible for advice or services of the Company's other advisors or contractors. Moelis is not providing legal, tax, accounting or actuarial advice. Moelis is not authorized to enter into any binding agreement on behalf of the Company or any of its subsidiaries. The Company will solely be responsible for any decision to enter into any transaction, and for the commercial assumptions on which any advice provided by Moelis is based.

Since Moelis will be acting on the Company's behalf, the Company and Moelis agree to the provisions set forth in **Annex A**, which are an integral part of this Agreement. Other than the Moelis Persons (as defined in **Annex A**), there are no third-party beneficiaries of this Agreement.

#### 7. Termination; Tail

This Agreement may be terminated at any time by the Company or Moelis only upon five business days' written notice. In the event of any termination, Moelis will continue to be entitled to the fees that became payable hereunder, and the reimbursement of expenses incurred, in each case, prior to such termination. **Annex A**, Section 3, Sections 4(b) and (c), and Sections 5 through 9 shall remain in full force and effect after the termination of this Agreement in accordance with their terms.

If, at any time prior to the expiration of 12 months following any termination of this Agreement (other than a termination pursuant to the last paragraph of this Section 7 or Section 3(b)), the Company enters into an agreement that subsequently results in any Sale Transaction or Alternative Transaction (regardless of when such Sale Transaction or Alternative Transaction is actually consummated), then the Company (or its bankruptcy estate) will at the closing of such Sale Transaction or Alternative Transaction, as applicable, pay Moelis the Sale Transaction Fee or Alternative Transaction Fee, as applicable, specified above.

Notwithstanding anything to the contrary contained herein: (A) Moelis will not be entitled to fees hereunder following Moelis unilaterally terminating its engagement hereunder in writing; or, (B) if, prior to the signing of a definitive agreement for a Sale Transaction or Alternative Transaction, (i) the Company provides written notice to Moelis that it is terminating this Agreement due to the bad faith, willful misconduct or gross negligence of Moelis in the performance of its services hereunder, and (ii) such bad faith, willful misconduct or gross negligence is not promptly cured (if such cure is possible) by Moelis in a manner reasonably acceptable to the Company, then no Sale Transaction Fee or Alternative Transaction Fee following such termination shall be payable hereunder; provided, however, that if Moelis obtains a final order of a court of competent jurisdiction that it did not act with bad faith, willful misconduct or gross negligence in the performance of its services hereunder, Moelis will remain entitled to its Sale Transaction Fee or Alternative Transaction Fee, as applicable, pursuant to the terms of this Agreement.

#### 8. Acknowledgements

Moelis and its affiliates are engaged globally in a wide range of merchant banking, asset management, investment and investment banking activities for their own account and otherwise. Moelis and its affiliates may have interests that differ from the Company's interests. Moelis and its affiliates have no duty to disclose to the Company, or use for the Company's benefit, any information acquired in the course of providing services to any other party, engaging in any transaction or carrying on any other businesses. Moelis and its affiliates (and any of Moelis' or Moelis' affiliates' respective employees, officers and partners) may at any time own the Company's securities or those of any other entity involved in any transaction contemplated by this Agreement, as well as provide investment banking and financial advisory services to any such entity. Moelis recognizes its obligations under applicable securities laws in connection with the purchase and sale of such securities.

Moelis is required to obtain, verify and record information that identifies each party with whom it does business in a manner that satisfies the requirements of and in accordance with the USA Patriot Act. Upon request, each of the parties hereto will provide Moelis with information necessary to verify such party's identity for purposes of the USA Patriot Act. Pursuant to FINRA Rule 2111, the Company acknowledges that (i) the Company is capable of evaluating investment risks independently, both in general and with regard to transactions and investment strategies involving a security or securities and will exercise independent judgment in evaluating recommendations (if any) of Moelis and its associated persons, and (ii) the Company is an Institutional Account as defined in FINRA Rule 4512(c).

#### 9. Governing Law; Jurisdiction; Waiver of Jury Trial

This Agreement and any claims, counterclaims or disputes of any kind or nature (whether in contract, tort or otherwise) that may arise out of or relate to this Agreement shall be governed by and construed in accordance with the laws of the State of New York. This Agreement embodies the entire agreement and supersedes any prior written or oral agreement relating to the subject matter hereof, and may only be amended or waived in writing signed by both the Company and Moelis. If any part of this Agreement is judicially determined to be unenforceable, it shall be interpreted to the fullest extent enforceable so as to

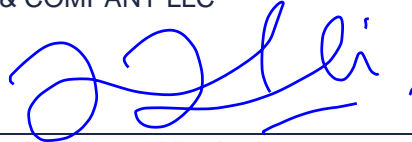
give the closest meaning to its intent and the remainder of this Agreement shall continue in full force and effect. Any proceeding arising out of this Agreement shall be heard exclusively in a New York state or federal court sitting in the city and county of New York, to whose jurisdiction and forum Moelis and the Company irrevocably submit; provided, that, any dispute or claim relating to or arising out of this Agreement and during the pendency of the CCAA Proceedings shall be heard and determined by the Canadian Court. The Company hereby appoints CT Corporation System of 28 Liberty Street, New York, NY 10005 as the Company's agent for service of process and any other documents in proceedings in the State of New York or any other proceedings in connection with this agreement. Upon such person ceasing to be the Company's agent, the Company shall promptly appoint another such agent with an address in the United States and advise Moelis in writing accordingly. If, following such a request, the Company fails to appoint another agent, Moelis shall be entitled to appoint one on the Company's behalf at the Company's expense. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement. This Agreement shall be binding upon the Company and Moelis and the respective successors and permitted assigns of the Company and Moelis. MOELIS AND THE COMPANY (ON ITS OWN BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS SECURITY HOLDERS) WAIVE ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY PROCEEDING ARISING OUT OF THIS AGREEMENT.

*(Signature page follows)*

Moelis is delighted to accept this engagement and looks forward to working with the Company. Please sign and return the enclosed duplicate of this Agreement. The obligations of the Company under this Agreement, including, the obligations under **Annex A** to this Agreement, will be the joint and several obligations of each of the entities comprising the Company. The individuals signing this Agreement each represent that he or she is authorized to execute and deliver it on behalf of the entities whose name appears above his or her signature.

Very truly yours,

MOELIS & COMPANY LLC



By: \_\_\_\_\_  
Name: Muhammad Laghari  
Title: Managing Director

Accepted and agreed to as of the date first written above  
on behalf of Canacol Energy Ltd. and each of its direct and indirect subsidiaries:

CANACOL ENERGY LTD.

By: \_\_\_\_\_  
Name: Charle Gamba  
Title: President, CEO & Director

Moelis is delighted to accept this engagement and looks forward to working with the Company. Please sign and return the enclosed duplicate of this Agreement. The obligations of the Company under this Agreement, including, the obligations under **Annex A** to this Agreement, will be the joint and several obligations of each of the entities comprising the Company. The individuals signing this Agreement each represent that he or she is authorized to execute and deliver it on behalf of the entities whose name appears above his or her signature.

Very truly yours,

MOELIS & COMPANY LLC

By: \_\_\_\_\_  
Name: Muhammad Laghari  
Title: Managing Director

Accepted and agreed to as of the date first written above  
on behalf of Canacol Energy Ltd. and each of its direct and indirect subsidiaries:

CANACOL ENERGY LTD.

By: \_\_\_\_\_  
DocuSigned by:  
  
7333DC41D32340B...  
Name: Charle Gamba  
Title: President, CEO & Director

## ANNEX A

The Company will indemnify and hold harmless Moelis, its affiliates and any of Moelis' or Moelis' affiliates' respective current or former directors, officers, partners, managers, agents, representatives or employees (including any person controlling Moelis or any of its affiliates) (collectively, the "Moelis Persons") from and against any losses, claims, damages, expenses or liabilities (collectively, "Losses") (A)(i) related to or arising out of the Company's actions or omissions (or the actions or omissions of the Company's officers, directors, employees and agents other than Moelis) in connection with the matters contemplated in the Agreement, (ii) related to or arising out of oral or written statements or omissions made or information provided by the Company or its agents in connection with the matters contemplated in the Agreement, including, without limitation, all information in the Information Presentation or otherwise provided to purchasers by or on behalf of the Company (which shall be deemed to include the Company's public filings) or (B) otherwise arising out of, related to or in connection with the Agreement, the matters contemplated in the Agreement, or Moelis' performance of the Agreement (or any other services or advice the Company requests Moelis to provide) in each case, including prior to the date of the Agreement, except that clause (B) shall not apply to Losses to the extent such Losses are finally judicially determined by a court of competent jurisdiction to have resulted primarily from the bad faith or gross negligence of such Moelis Person.

The Company agrees that no Moelis Person shall have any liability to the Company or its affiliates, or their respective owners, directors, officers, employees, security holders or creditors for any Losses (A)(i) related to or arising out of the Company's actions or omissions (or the actions or omissions of the Company's officers, directors, employees and agents other than Moelis) in connection with the matters contemplated in the Agreement, (ii) related to or arising out of oral or written statements or omissions made or information provided by the Company or its agents in connection with the matters contemplated in the Agreement, including, without limitation, all information in the Information Presentation or otherwise provided to purchasers by or on behalf of the Company (which shall be deemed to include the Company's public filings) or (B) otherwise arising out of, related to or in connection with the Agreement, the matters contemplated in the Agreement or Moelis' performance of the Agreement (or any other services or advice the Company requests Moelis to provide) in each case, including prior to the date of the Agreement, except that clause (B) shall not apply to Losses to the extent such Losses are finally judicially determined by a court of competent jurisdiction to have resulted primarily from the bad faith or gross negligence of such Moelis Person.

If such indemnification or limitation on liability is for any reason not available or is insufficient to hold a Moelis Person harmless, the Company agrees to contribute to the Losses in such proportion as is appropriate to reflect the relative benefits received (or anticipated to be received) by the Company, on the one hand, and by Moelis, on the other hand, with respect to the Agreement or, if such allocation is judicially determined to be unavailable, in such proportion as is appropriate to reflect the relative benefits and relative fault of the Company, on the one hand, and of Moelis, on the other hand, and any other equitable considerations; provided, however, that, to the extent permitted by applicable law, in no event shall the Moelis Persons be responsible for amounts that exceed the fees actually received by Moelis from the Company in connection with the Agreement. Relative benefits to the Company, on the one hand, and Moelis, on the other hand, with respect to the Agreement shall be deemed to be in the same proportion as (i) the total value paid or proposed to be paid or received or proposed to be received by the Company or its security holders, as the case may be, pursuant to the transaction(s) contemplated by the Agreement, whether or not consummated, bears to (ii) the fees actually received by Moelis in connection with the Agreement.

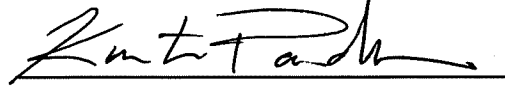
The Company will not, without Moelis' prior written consent (not to be unreasonably withheld), settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate (a "Settlement") any actual or threatened action, claim, suit, investigation or proceeding (an "Action") (or participate in or facilitate a Settlement of any Action) in respect of which indemnification or contribution is or may be sought hereunder (whether or not a Moelis Person is a party thereto) unless such Settlement includes a release of each Moelis Person from any Losses arising out of such Action. The Company will not permit any such Settlement to include a statement as to, or an admission of, fault or culpability by or on behalf of a Moelis Person

without such Moelis Person's prior written consent. No Moelis Person seeking indemnification or contribution under the Agreement will, without the Company's prior written consent (not to be unreasonably withheld), agree to the Settlement of any Action. The Company's obligations set forth in this *Annex A* shall be in addition to any rights that any Moelis Person may have at common law or otherwise.

In the event that any Moelis Person becomes involved in any capacity in any Action arising out of, related to or in connection with the Agreement or any matter referred to in the Agreement (including, without limitation, related matters prior to the date of the Agreement), the Company will reimburse such Moelis Person for the reasonable out-of-pocket costs and expenses (including counsel fees) of investigating, preparing for and responding to such Action or enforcing the Agreement (including, without limitation, each of the provisions of this *Annex A*), as they are incurred.

Prior to effecting any proposed sale, exchange, dividend or other distribution or liquidation of all or substantially all of its assets or any significant recapitalization or reclassification of its outstanding securities that does not explicitly or by operation of law provide for the assumption of the obligations of the Company set forth herein, the Company will notify Moelis in writing of its arrangements for the Company's obligations set forth herein to be assumed by another creditworthy party (for example through insurance, surety bonds or the creation of an escrow) upon terms and conditions reasonably satisfactory to the Company and Moelis.

**EXHIBIT "4"** to the Affidavit of  
Jason Bednar  
Sworn/Affirmed before me  
this 9<sup>th</sup> day of January, 2026

A handwritten signature in black ink, appearing to read "Keaton Pridham", written over a horizontal line.

A Commissioner for Oaths in  
and for the Province of Alberta

Keaton Pridham  
Student-at-Law

## SALE AND INVESTMENT SOLICITATION PROCESS

### INTRODUCTION

On November 18, 2025, the Court of King’s Bench of Alberta (the “**Court**”) granted an initial order (the “**Initial Order**”), among other things, granting protection to Canacol Energy Ltd. (“**Canacol**”) and 2654044 Alberta Ltd., Canacol Energy ULC, 2498003 Alberta ULC, Canacol Energy Colombia S.A.S., CNE Energy S.A.S., Cantana Energy GMBH, CNE Oil & Gas S.R.L., Shona Holding GMBH and CNE Oil & Gas S.A.S. (collectively together with Canacol, the “**CCAA Applicants**”) under the *Companies’ Creditors Arrangement Act* (“**CCAA**”) and appointed KPMG Inc. as monitor (in such capacity, the “**Monitor**”) in the CCAA proceedings. On November 28, 2025, the Court granted an amended and restated initial order.

On December 11, 2025, the Court granted a second amended and restated initial order (the “**SARIO**”), among other things, approving interim financing (the “**DIP Financing**”) pursuant to that certain Canacol DIP Loan Commitment Letter dated December 2, 2025 (as amended and restated from time to time, the “**DIP Commitment Letter**”) between the CCAA Applicants, the guarantor parties thereto, and the lender signatories thereto (the “**DIP Lenders**”) who are of holders of Canacol’s \$500,000,000 of 5.75% senior unsecured notes due 2028 (the “**Senior Unsecured Notes**”) and participants in an ad hoc committee of the Senior Unsecured Notes (as may be reconstituted from time to time, the “**Ad Hoc Committee**” and the advisors to the Ad Hoc Committee, the “**Ad Hoc Committee Advisors**”),<sup>1</sup> and granting a super-priority charge securing all obligations owing under the DIP Commitment Letter (the “**DIP Obligations**”).

On January 16, 2026, the Court granted an order (the “**SISP Approval Order**”) that, among other things, (a) approved the engagement by Canacol of Moelis & Company LLC to act as sale advisor (the “**Sale Advisor**”) and (b) authorized Canacol, with the assistance of the Sale Advisor and under the supervision of the Monitor, to implement a sale and investment solicitation process in accordance with the terms hereof (the “**SISP**”).

Capitalized terms that are not defined herein have the meanings ascribed thereto in SARIO or the SISP Approval Order, as applicable.

The SISP is intended to solicit interest in and opportunities for a sale of, or investment in, all or substantially all of the property, assets and undertakings (the “**Property**”) and/or business operations (the “**Business**”) of Canacol and/or its direct and indirect subsidiaries and affiliates (collectively, the “**Canacol Entities**”) in each case that constitute an Acceptable Transaction (as defined herein). Such opportunities may include one or more of a restructuring, recapitalization or other form of reorganization of the Business and affairs of the Canacol Entities as a going concern,

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<sup>1</sup> The Ad Hoc Committee Advisors are: Cassels Brock & Blackwell LLP, Davis Polk & Wardwell LLP, Houlihan Lokey Assessoria Financeira Ltda, Garrigues S.L.P., and such other advisors as may be retained by the Ad Hoc Committee.

or a sale of all, substantially all or one or more components of the Canacol Entities' Property and Business as a going concern or otherwise.

The SISP will be conducted by Canacol through the Sale Advisor and under the supervision of the Monitor.

Parties who wish to have their bids and/or proposals considered shall be expected to participate in this SISP as conducted by the Sale Advisor.

## **OPPORTUNITY**

1. The SISP is intended to solicit interest in, and opportunities for a sale of, or investment in, all or part of the Canacol Entities' Property or Business (the "**Opportunity**").
2. In order to maximize the number of participants that may have an interest in the Opportunity, the SISP will provide for the solicitation of interest for:
  - a. the sale of the Canacol Entities' interest in the Property. In particular, interested parties may submit proposals to acquire all or substantially all of the Property of the Canacol Entities (a "**Sale Proposal**"); and
  - b. an investment in the Canacol Entities' Business as a going concern. Such proposals for the Business may take the form of an investment in the Business including by way of a plan of compromise or arrangement pursuant to the CCAA (an "**Investment Proposal**").
3. Except to the extent otherwise set forth in a definitive sale or investment agreement with a Successful Bidder (as defined herein), any Sale Proposal or any Investment Proposal will be made on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Monitor, the Sale Advisor or the Canacol Entities, or any of their respective affiliates, agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of the Canacol Entities in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to court orders, except as otherwise provided in such court orders.

## **SOLICITATION OF INTEREST**

4. As soon as reasonably practicable following the SISP Approval Order, the Sale Advisor shall, in consultation with Canacol and the Monitor:
  - a. prepare: (i) in consultation with the Ad Hoc Committee, a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest in the Property or Business pursuant to the SISP, and a confidential information memorandum ("**CIM**"); and (ii) through the assistance of Canacol's counsel, a non-disclosure

- agreement in form and substance satisfactory to Canacol and the Monitor (an “NDA”);
- b. gather and review all required due diligence material to be provided to interested parties and establish a secure, electronic data room (the “**Data Room**”), which will be maintained and administered by the Sale Advisor during the SISP;
  - c. prepare a list of potential bidders, including: (i) parties that have approached Canacol, the Sale Advisor, the Monitor, the Ad Hoc Committee or other stakeholder of Canacol, indicating an interest in the Opportunity; and (ii) local and international strategic and financial parties who the Sale Advisor, in consultation with Canacol, the Monitor and the Ad Hoc Committee believe may be interested in purchasing all or part of the Business or Property or investing in Canacol pursuant to the SISP (collectively, the “**Known Potential Bidders**”);
  - d. cause a notice of the SISP (the “**Notice**”) to be published in the *Globe and Mail* (National Edition), and/or other industry publications determined to be beneficial or appropriate, once approved by the Court; and
  - e. send the Teaser Letter and NDA, in form acceptable to the Monitor and the Sale Advisor, to all Known Potential Bidders and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Sale Advisor by Canacol, the Monitor, the DIP Lenders, the Ad Hoc Committee or such other stakeholder of Canacol as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.
5. As soon as reasonably practicable following the SISP Approval Order, (i) Canacol shall, in consultation with the Ad Hoc Committee, issue a press release setting out the information contained in the Notice and such other relevant information that Canacol, in consultation with the Sale Advisor and the Monitor, considers appropriate and (ii) the Monitor shall post a copy of the Notice on its Website.

## **PHASE 1: NON-BINDING LETTERS OF INTENT**

### **Qualified Bidders**

6. Any party who expresses a desire to participate in the SISP (a “**Potential Bidder**”) must, prior to being given any additional information beyond the Teaser Letter such as the CIM or access to the Data Room, provide to the Sale Advisor written confirmation of the identity of the Potential Bidder, the contact information for such Potential Bidder, and full disclosure of the direct and indirect principals and equity holders of the Potential Bidder, and such other information that will enable Canacol, the Sale Advisor and the Monitor to determine that such person is likely based on the availability of financing, experience and other considerations, to be able to consummate a sale or investment pursuant to the SISP.

7. If a Potential Bidder has delivered the NDA and the confirmation contemplated in paragraph 6 above with disclosure that is satisfactory to Canacol, in consultation with the Sale Advisor and the Monitor, then such Potential Bidder will be deemed to be a “**Phase 1 Qualified Bidder**”.
8. At any time during Phase 1 of the SISP, Canacol, in consultation with the Sale Advisor and the Ad Hoc Committee, and with the consent of the Monitor, may in its reasonable business judgement eliminate a Phase 1 Qualified Bidder from the SISP, in which case such bidder will be eliminated from the SISP and will no longer be a “Phase 1 Qualified Bidder” for the purposes of the SISP.

### **Due Diligence**

9. The Sale Advisor, in consultation with Canacol and the Monitor, subject to competitive and other business considerations, will afford each Phase 1 Qualified Bidder such access to due diligence materials through the Data Room and information relating to the Property and Business as it deems appropriate. Due diligence access may further include management presentations with the participation of the Monitor and Canacol where appropriate, on-site inspections, and other matters which a Phase 1 Qualified Bidder may reasonably request and to which the Sale Advisor, in its reasonable business judgment and in consultation with Canacol and the Monitor, may agree. The Sale Advisor will designate a representative to coordinate all reasonable requests for additional information and due diligence access from Phase 1 Qualified Bidders and the manner in which such requests must be communicated. Further and for the avoidance of doubt, selected due diligence materials may be withheld from certain Phase 1 Qualified Bidders if Canacol, in consultation with the Sale Advisor and the Monitor, determines such information to represent proprietary or commercially sensitive competitive information.
10. Phase 1 Qualified Bidders must rely solely on their own independent review, investigation and/or inspection of all information relating to the Property and Business in connection with their participation in the SISP and any transaction they enter into with Canacol.

### **Submission of Non-Binding Letters of Intent**

11. A Phase 1 Qualified Bidder who wishes to pursue the Opportunity further must deliver an executed letter of intent (“**LOI**”), identifying such bidder’s interest in each specific Property or Business, to the Sale Advisor and the Monitor at the addresses specified in Schedule “A” hereto (including by email or fax transmission), so as to be received by them not later than 5:00 PM (Mountain Daylight Time) on or before March 9, 2026 (the “**Phase 1 Bid Deadline**”). Copies of each LOI (including Qualified LOIs) received by the Sale Advisor and/or Monitor will be circulated to the Ad Hoc Committee Advisors, promptly following the Phase 1 Bid Deadline.
12. An LOI so submitted will be considered a qualified LOI (a “**Qualified LOI**”) only if all of the following conditions are satisfied:

- a. it is submitted to the Sale Advisor and the Monitor on or before the Phase 1 Bid Deadline by a Phase 1 Qualified Bidder;
- b. it contains an indication of whether the Phase 1 Qualified Bidder is making a:
  - i. Sale Proposal; or
  - ii. an Investment Proposal;
- c. in the case of a Sale Proposal, it identifies or contains the following:
  - i. the aggregate and net purchase price, in US dollars, including details of any liabilities to be assumed by the Phase 1 Qualified Bidder, key assumptions supporting the valuation, and any proposed deductions;
  - ii. a description of the Property that is expected to be subject to the transaction and any of the Property, obligations or liabilities for each Property expected to be excluded;
  - iii. a specific indication of the financial capability (including analysis of the Phase 1 Qualified Bidder's current available cash liquidity, summary of key covenants and or restrictions on such liquidity), together with evidence of such capability, of the Phase 1 Qualified Bidder and the expected structure and financing of the transaction;
  - iv. a detailed outline of any additional due diligence required to be conducted in order to submit a final and binding offer;
  - v. an acknowledgement that any Sale Proposal transaction will be on an "as-is, where-is" basis;
  - vi. all conditions to closing that the Phase 1 Qualified Bidder may wish to impose;
  - vii. an acknowledgement that any Sale Proposal transaction will need to provide for the payment of allowed pre-petition claims from social security institutes in Colombia, withholding taxes payable in Colombia and incurred through the closing date of the transaction and the payment of certain Colombian creditors deemed to be necessary by Canacol, with the consent of the Monitor, for the operation of the Canacol Entities in Colombia;
  - viii. a description of the conditions and approvals required for a final and binding offer and the expected timeline for same;
  - ix. an acknowledgement that the Sale Proposal may be shared on a confidential basis with the Ad Hoc Committee and such other stakeholders of Canacol

as Canacol and the Monitor may determine necessary, and their respective advisors; and

- x. any other terms or conditions of the Sale Proposal that the Phase 1 Qualified Bidder believes are material to the proposed transaction;

d. in the case of an Investment Proposal, it identifies or contains the following:

- i. a description of how the Phase 1 Qualified Bidder proposes to structure the proposed investment in the Business;
- ii. the aggregate amount of the equity and/or debt investment to be made in the Business in US dollars and key assumptions supporting the valuation;
- iii. the underlying assumptions regarding the pro forma capital structure and proposed recovery to creditors;
- iv. a specific indication of the sources of capital for the Phase 1 Qualified Bidder and the structure and financing of the proposed transaction;
- v. a description of the conditions and approvals required for a final and binding offer and the expected timeline for same;
- vi. an outline of any additional due diligence required to be conducted in order to submit a final and binding offer and expected timeline for same;
- vii. an acknowledgement that any Investment Proposal is made on an “as-is, where-is” basis;
- viii. an acknowledgement that any Sale Proposal transaction will need to provide for the payment of allowed pre-petition claims from social security institutes in Colombia, withholding taxes payable in Colombia and incurred through the closing date of the transaction, and the payment of certain Colombian creditors deemed to be necessary by Canacol, with the consent of the Monitor, for the operation of the Canacol Entities in Colombia;
- ix. all conditions to closing that the Phase 1 Qualified Bidder may wish to impose;
- x. an acknowledgement that the Investment Proposal may be shared on a confidential basis with the Ad Hoc Committee and such other stakeholders of Canacol as Canacol and the Monitor may determine necessary, and their respective advisors; and
- xi. any other terms or conditions of the Investment Proposal that the Phase 1 Qualified Bidder believes are material to the proposed transaction; and

- e. in the case of either a Sale Proposal or an Investment Proposal:
    - i. it does not contain any requirement or provision for a break fee or reimbursement of expenses associated with submitting the Sale Proposal or Investment Proposal, conducting due diligence in respect thereof or otherwise.
13. Canacol, in consultation with the Sale Advisor, and with the consent of the Monitor and the Ad Hoc Committee, may waive compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified LOI. For the avoidance of doubt, the completion of any Sale Proposal or Investment Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.

### **Assessment of Phase 1 Bids**

14. Following the Phase 1 Bid Deadline, Canacol will assess the Qualified LOIs in consultation with the Sale Advisor, the Monitor and the Ad Hoc Committee. If it is determined by Canacol, with the consent of the Monitor and Ad Hoc Committee, that a Phase 1 Qualified Bidder that has submitted a Qualified LOI: (a) has a bona fide interest in completing a Sale Proposal or Investment Proposal (as the case may be); and (b) has the financial capability (based on availability of financing, experience and other considerations) to consummate such a transaction based on the financial information provided, then such Phase 1 Qualified Bidder will be deemed to be a “**Phase 2 Qualified Bidder**”, provided that Canacol may, in consultation with the Sale Advisor and with the consent of the Monitor and the Ad Hoc Committee, limit the number of Phase 2 Qualified Bidders (and thereby eliminate some Phase 1 Qualified Bidders from the process). Only Phase 2 Qualified Bidders shall be permitted to proceed to Phase 2 of the SISP. If it is determined by Canacol, with the consent of the Monitor and Ad Hoc Committee, that no Phase 1 Qualified Bidder has submitted a Qualified LOI, the SISP shall be terminated.
15. Notwithstanding anything contained herein, within 5 days after the Phase 1 Bid Deadline, and provided that the SISP has not otherwise been terminated in accordance with its terms, each of the DIP Lenders, the members of the Ad Hoc Committee and members of the senior management team of Canacol shall notify the Sale Advisor and the Monitor in writing whether it intends to bid or otherwise support or participate in a third party bid to be made in Phase 2 of the SISP. If a notice of intention to bid or support or participate in a bid is received by the Sale Advisor and the Monitor, each such party who delivered such a notice shall be deemed to be a Phase 2 Qualified Bidder and shall, thereafter, immediately lose any consultation or consent rights otherwise provided herein and, in the case of Canacol, be excluded from all internal communications and decision making by Canacol, its board, or their respective advisors as it relates to the SISP; provided that, with respect to members of the Ad Hoc Committee that provide the notice described herein, any such consultation or consent rights lost by those members shall be reinstated upon the withdrawal by those members or rejection of any such bid. Subject to such reinstatement, references to DIP Lenders, Ad Hoc Committee or to Canacol from this point in the SISP forward (including

the Auction Procedures at Schedule “B” hereto) shall exclude any members, employees, consultants who are deemed to be a Phase 2 Qualified Bidder.

16. The Sale Advisor, in consultation with Canacol, the Monitor, and the Ad Hoc Committee, will prepare a bid process letter for Phase 2 (the “**Bid Process Letter**”), which will include a draft purchase/investment agreement (the “**Draft Purchase/Investment Agreement**”) which will be made available in the Data Room, and the Bid Process Letter will be sent to all Phase 2 Qualified Bidders who are invited to participate in Phase 2. The process set out in the Bid Process Letter may, with the consent of the Ad Hoc Committee and the Monitor, include a stalking horse bid (on customary terms including bid protections) process to be proposed as part of Phase 2.

## **PHASE 2: FORMAL BINDING OFFERS**

17. Phase 2 Qualified Bidders that wish to make a formal Sale Proposal or an Investment Proposal shall submit to the Sale Advisor and the Monitor at the address specified in Schedule “A” hereto (including by email or fax transmission), a sealed binding offer that complies with all of the following requirements, so as to be received by them by 5:00 pm. (Mountain Daylight Time) on April 6, 2026 (the “**Phase 2 Bid Deadline**”):
  - a. it complies with all of the requirements set forth in respect of the Phase 1 Qualified LOIs;
  - b. the proposed purchase price or consideration provides for: (i) the payment in full in cash on closing of all amounts outstanding that are secured by each of the Charges (other than the DIP Charge, which is addressed in next clause); (ii) the payment in full in cash on closing of the DIP Obligations then outstanding, unless otherwise agreed to by the DIP Lenders in accordance with the DIP Commitment Letter; (iii) the payment in full in cash on closing of all allowed claims under that certain Credit and Guarantee Agreement dated as of September 3, 2024, by and among Canacol, as Borrower, the guarantors party thereto, the Lenders party thereto, the Hedge Providers from time to time party thereto, the Issuing Banks from time to time party thereto, and Macquarie Bank Ltd. (“**Macquarie**”), as Administrative Agent and Collateral Agent, unless otherwise agreed to by the Macquarie in its sole discretion; (iv) the payment in full in cash or the assumption of all obligations ranking in priority to unsecured claims against the CCAA Applicants; (v) the payment in full in cash of all allowed pre-petition claims from social security institutes in Colombia, withholding taxes payable in Colombia and incurred through the closing date of the transaction, and the payment of certain Colombian creditors deemed to be necessary by Canacol, with the consent of the Monitor, for the operation of the Canacol Entities in Colombia; and (vi) unless the proposed purchase price is sufficient to repay in full in cash all obligations outstanding under the Senior Unsecured Notes and the proven claims of other unsecured creditors of Canacol, consideration to the holders of Senior Unsecured Notes in form and amount acceptable to the Ad Hoc Committee in its sole discretion (collectively, an “**Acceptable Transaction**”);

- c. it contains: (i) duly executed binding transaction document(s) generally in the form of the Draft Purchase/Investment Agreement; and (ii) a blackline to the Draft Purchase/Investment Agreement;
- d. it contains evidence of authorization and approval from the Phase 2 Qualified Bidder's board of directors (or comparable governing body) and/or shareholders, as necessary and applicable;
- e. it (either individually or in combination with other bids that make up one bid) is an offer to purchase or make an investment in some or all of the Property or Business on terms and conditions reasonably acceptable to Canacol and the Monitor;
- f. it includes a letter stating that the Phase 2 Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder (as defined herein), provided that if such Phase 2 Qualified Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the earlier of: (i) the closing of the transaction with the Successful Bidder, and (ii) 30 days from the Sale Approval Application (as defined herein), subject to further extensions as may be agreed to under the applicable transaction agreement(s);
- g. it provides written evidence of a firm, irrevocable financial commitment for all required funding or financing, in form and substance acceptable to Canacol, the Monitor and in consultation with the Ad Hoc Committee;
- h. it is not conditional upon the outcome of unperformed due diligence by the bidder, and/or obtaining financing;
- i. it specifies any regulatory or other third party approvals that are required to be satisfied in order to complete the transaction;
- j. it fully discloses the identity of each entity that will be entering into the transaction or the financing, or that is participating or benefiting from such bid;
- k. it is accompanied by a cash deposit (the "**Deposit**") of 10%: (i) of the purchase price offered in respect of a Sale Proposal; (ii) of the total new investment contemplated in respect of an Investment Proposal; or (iii) of the total cash consideration, which shall be paid to the Monitor by wire transfer (to a bank account specified by the Monitor) and held in trust by the Monitor in accordance with this SISP;
- l. it includes acknowledgments and representations of the Phase 2 Qualified Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding Canacol and the Property and Business prior to making its offer; (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents, the Business and/or the Property in making its bid; (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees

whatsoever made by the Sale Advisor, Canacol, the Monitor, the DIP Lenders or the members of the Ad Hoc Committee, or any of their respective advisors or representatives, whether express, implied, statutory or otherwise, regarding the Business, Property, or Canacol, or the accuracy or completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by Canacol; (iv) it has not engaged in any collusion with respect to the SISP; and (v) it acknowledges that the completion of its Sale Proposal or Investment Proposal, as applicable, is subject to the approval of the Court;

- m. demonstrates that it is capable of being consummated by no later than June 30, 2026, as may be extended with the consent of Canacol, the Monitor and the Ad Hoc Committee (the “**Outside Date**”); and
  - n. it is received by the Phase 2 Bid Deadline.
18. Copies of each Phase 2 Bid received by the Sale Advisor and/or Monitor will be circulated to the Ad Hoc Committee Advisors, promptly following the Phase 2 Bid Deadline.
  19. Following the Phase 2 Bid Deadline, Canacol, in consultation with the Sale Advisor, the Monitor and the Ad Hoc Committee, will assess the Phase 2 Bids received with respect to the Property or Business. Canacol, in consultation with the Sale Advisor, and with the consent of the Monitor and the Ad Hoc Committee, will designate the most competitive bids that comply with the foregoing requirements to be “**Phase 2 Qualified Bids**”. Only Phase 2 Qualified Bidders whose bids have been designated as Phase 2 Qualified Bids are eligible to become the Successful Bidder(s).
  20. Canacol, with the consent of the Monitor and the Ad Hoc Committee, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Phase 2 Qualified Bid, provided that Canacol may not waive compliance with the requirements contained in subsection 17.b without the consent of the DIP Lenders, Macquarie and the Ad Hoc Committee, as applicable each in their sole discretion.
  21. The Sale Advisor, upon receiving instructions from Canacol, and within five (5) business days of the Phase 2 Bid Deadline (or such later time as may be agreed to by Canacol, the Monitor and the Ad Hoc Committee), shall notify each Phase 2 Qualified Bidder in writing as to whether its bid constitutes a Phase 2 Qualified Bid.
  22. Without limiting anything else herein, Canacol, in consultation with the Sale Advisor, the Ad Hoc Committee and the Monitor, may aggregate separate bids from unaffiliated Phase 2 Qualified Bidders to create one or more “Phase 2 Qualified Bid(s)”, subject to the requirements contained in subsection 17.b that require the consent of the DIP Lenders, Macquarie and the Ad Hoc Committee, as applicable each in their sole discretion.

### **Evaluation of Competing Bids**

23. A Phase 2 Qualified Bid will be evaluated based upon several factors, including, without limitation, whether the proposed purchase price or consideration provided under such Phase 2 Qualified Bid is equal to or greater than the proposed purchase price or consideration necessary to be an Acceptable Transaction under subsection 17.b unless agreed to otherwise by the DIP Lenders, Macquarie and the Ad Hoc Committee, as applicable, each in their sole discretion, and other items such as the net value and form of consideration to be provided by such bid, the identity and circumstances of the Phase 2 Qualified Bidder, any conditions attached to the bid and the expected feasibility of such conditions, the proposed transaction documents, factors affecting the speed, certainty and value of the transaction, the assets included or excluded from the bid, any related restructuring costs, the likelihood and timing of consummating such transactions, and the ability of the bidder to finance and ultimately consummate the proposed transaction by the Outside Date, each as evaluated by Canacol, in consultation with the Sale Advisor, the Monitor and the Ad Hoc Committee.
24. If no Phase 2 Qualified Bids are received by the Phase 2 Bid Deadline, the SISP shall be terminated.

### **Selection of Successful Bid**

25. If one or more Phase 2 Qualified Bids has been received, Canacol, in consultation with the Sale Advisor, the Monitor and the Ad Hoc Committee: (a) will review and evaluate each Phase 2 Qualified Bid, and shall be permitted to negotiate the terms of any Phase 2 Qualified Bid with the applicable Phase 2 Qualified Bidder, and such Phase 2 Qualified Bid may be amended, modified or varied as a result of such negotiations, and (b) will, with the consent of the Ad Hoc Committee, identify the highest or otherwise best bid or bids (the “**Successful Bid**”), and the Phase 2 Qualified Bidder making such Successful Bid (the “**Successful Bidder**”) for any particular Property or the Business in whole or part. For greater certainty, a Successful Bid must contain a purchase price and/or such other consideration to be paid by the Successful Bidder that is equal to or greater than the purchase price or consideration necessary to qualify as an Acceptable Transaction under subsection 17.b unless agreed to otherwise by the DIP Lenders, Macquarie and the Ad Hoc Committee, each as applicable, in their sole discretion. The determination of any Successful Bid by Canacol shall be subject to approval by the Court.
26. If two or more Phase 2 Qualified Bids has been received, Canacol may, with the consent of the Monitor and the Ad Hoc Committee, proceed with an auction process to determine the Successful Bid (the “**Auction**”), which Auction shall be administered in accordance with the terms set forth in **Schedule “B”** hereto. Forthwith upon determining to proceed with an Auction, Canacol shall provide written notice to each Phase 2 Qualified Bidder, along with copies of all Phase 2 Qualified Bids and a statement by Canacol specifying which Phase 2 Qualified Bid is the leading bid and the start date of the Auction.

27. Canacol, with the consent of the Monitor and the Ad Hoc Committee, (i) shall have no obligation to select a Successful Bid; and (ii) reserves the right to reject any or all Phase 2 Qualified Bids.

### **Sale Approval Hearing**

28. At the hearing of the application to approve any transaction with a Successful Bidder (the “**Sale Approval Application**”), Canacol shall seek, among other things, approval from the Court to consummate any Successful Bid. All of the Phase 2 Qualified Bids other than the Successful Bid, if any, shall be deemed rejected by Canacol on and as of the date of approval of the Successful Bid by the Court.
29. Any Deposit delivered with a Phase 2 Qualified Bid that is not selected as a Successful Bid, will be returned to the applicable bidder within ten (10) business days of the date on which the Successful Bid is approved by the Court, or such earlier date as may be determined by the Monitor, in consultation with Canacol and the Sale Advisor.

### **CONFIDENTIALITY, STAKEHOLDER/BIDDER COMMUNICATION AND ACCESS TO INFORMATION**

30. All information provided by Canacol to parties pursuant to this SISP is confidential and shall be subject to an applicable NDA or such other confidentiality agreement between Canacol and such party.
31. Except as otherwise permitted herein, participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Phase 1 Qualified Bidders, LOIs, Phase 2 Qualified Bidders, Phase 2 Qualified Bids, the details of any bids submitted or the details of any confidential discussions or correspondence between Canacol and/or the Sale Advisor, and/or the Monitor and/or the DIP Lenders and/or the Ad Hoc Committee, and such other bidders or Potential Bidders in connection with the SISP. Canacol may however, with the consent of the applicable participants and the Monitor, and in consultation with the Ad Hoc Committee disclose such information to other bidders for the purpose of seeking to combine separate bids from Phase 1 Qualified Bidders or Phase 2 Qualified Bidders. Further, the Monitor may disclose such information to the DIP Lenders, the Ad Hoc Committee Advisors and the Ad Hoc Committee in accordance with the terms of this SISP.
32. Except as otherwise permitted herein: (a) all discussions regarding a Sale Proposal, Investment Proposal, LOI or Phase 2 Bid should be directed through the Sale Advisor and/or the Monitor; and (b) under no circumstances should the management or any employee or director of Canacol or any stakeholder of Canacol, other than members of the Ad Hoc Committee or the Ad Hoc Committee Advisors, be contacted directly without the prior written consent of the Monitor and/or the Sale Advisor. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP.

33. Except as otherwise permitted herein, if it is determined by Canacol, in consultation with the Sale Advisor and the Ad Hoc Committee and with the consent of the Monitor, that it would be worthwhile to facilitate a discussion between a Phase 1 Qualified Bidder or Phase 2 Qualified Bidder (as applicable, depending on the stage of the SISP) and a stakeholder or other third party as a consequence of a condition to closing or potential closing condition identified by such bidder, Canacol may provide such bidder with the opportunity to meet with the relevant stakeholder or third party to discuss such condition or potential condition, with a view to enabling such bidder to seek to satisfy the condition or assess whether the condition is not required or can be waived. Any such meetings or other form of communication will take place on terms and conditions considered appropriate by the Monitor. The Monitor must be present (which may be by videoconference or teleconference) at all such meetings.
34. For greater certainty, nothing herein shall preclude a stakeholder from contacting potential bidders to advise that Canacol has commenced a SISP and that they should contact the Sale Advisor or the Monitor if they are interested.

#### **SUPERVISION OF THE SISP**

35. The Monitor will oversee, in all respects, the conduct of the SISP by Canacol and, without limitation to that supervisory role, the Monitor will participate in the SISP in the manner set out herein, and is entitled to receive all information in relation to the SISP.
36. This SISP does not, and will not be interpreted to create any contractual or other legal relationship between Canacol and any Phase 1 Qualified Bidder, any Phase 2 Qualified Bidder or any other party, other than as specifically set forth in any definitive agreement that may be signed by Canacol.
37. Without limiting the preceding paragraph, neither the Monitor nor the Sale Advisor shall have any liability whatsoever to any person or party, including without limitation, any Potential Bidder, Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, the Successful Bidder, or any other creditor or other stakeholder of the Canacol Entities, for any act or omission related to the process contemplated by this SISP, except to the extent such act or omission is the result of gross negligence or willful misconduct by the Monitor or Sale Advisor. By submitting a bid, each Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, or Successful Bidder shall be deemed to have agreed that it has no claim against the Monitor or Sale Advisor for any reason whatsoever, except to the extent such claim is the result of gross negligence or willful misconduct of the Monitor or Sale Advisor.
38. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any LOI, bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.
39. Canacol shall have the right to modify the SISP with the prior written approval of the Monitor and the Ad Hoc Committee if, in its reasonable business judgment, such

modification will enhance the process or better achieve the objectives of the SISP; provided that the service list in these CCAA proceedings shall be advised of any substantive modification to the procedures set forth herein and any such party or Canacol have an opportunity to seek the intervention of the Court, as appropriate, to address any such substantive modifications.

**Schedule “A”**

**Sale Advisor**

**Moelis & Company LLC**

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Email: [cullen.murphy@moelis.com](mailto:cullen.murphy@moelis.com)

**Monitor**

KPMG Inc. in its capacity as Monitor of Canacol and the other CCAA Applicants  
Attention: Paul van Eyk ([pvaneyk@kpmg.ca](mailto:pvaneyk@kpmg.ca)) / Duncan Lau ([duncanlau@kpmg.ca](mailto:duncanlau@kpmg.ca))

**With a copy to:**

Bennett Jones LLP, counsel to Monitor  
Attention: Raj Sahni ([sahnir@bennettjones.com](mailto:sahnir@bennettjones.com))

## **SCHEDULE “B”: AUCTION PROCEDURES**

All capitalized terms used and not otherwise defined in this Schedule "B", have the respective meanings ascribed to them in the SISP.

1. **Auction.** If Canacol receives more than one Phase 2 Qualified Bid, Canacol may, with the consent of the Monitor and the Ad Hoc Committee, conduct and administer an Auction in accordance with the terms of the SISP. Instructions to participate in the Auction (including details regarding location and start time) will be provided to Qualified Parties (as defined herein) not less than 48 hours prior to the Auction.

2. **Participation.** Only parties that provided a Phase 2 Qualified Bid by the Phase 2 Bid Deadline (collectively, the “**Qualified Parties**”), shall be eligible to participate in the Auction. No later than 5:00 p.m. Eastern Standard Time on the day prior to the Auction, each Qualified Party must inform Canacol whether it intends to participate in the Auction. Canacol will promptly thereafter inform in writing the Monitor, Ad Hoc Committee, Macquarie, the lenders under that certain revolving credit and guaranty agreement dated as of February 14, 2023 (as same may have been amended or restated) between among others, Canacol, as borrower and Deutsche Bank Trust Company Americas, as administrative agent (the “**RCF Lenders**”), and each Qualified Party who has expressed its intent to participate in the Auction of the identity of all Qualified Parties that have indicated their intent to participate in the Auction.

3. **Auction Procedures.** The Auction shall be governed by the following procedures:

- a. **Attendance.** Only Canacol, the Qualified Parties, the Monitor, the Sale Advisor, the DIP Lenders, Ad Hoc Committee, RCF Lenders, Macquarie and each of their respective advisors (the “**Permitted Participants**”) will be entitled to attend the Auction, and only the Qualified Parties will be entitled to make any subsequent Overbids (as defined below) at the Auction;
- b. **No Collusion.** Each Qualified Party participating at the Auction shall be required to confirm on the record at the Auction that: (i) it has not engaged in any collusion with respect to the Auction and the bid process; and (ii) its bid is a good-faith *bona fide* offer and it intends to consummate the proposed transaction if selected as the Successful Bid (as defined below);
- c. **Minimum Overbid.** The Auction shall begin with the Qualified Bid that represents the highest or otherwise best Qualified Bid as determined by Canacol, in consultation with the Sale Advisor and the Ad Hoc Committee and with the consent of the Monitor (the “**Initial Bid**”), and any bid made at the Auction by a Qualified Party subsequent to Canacol’s announcement of the Initial Bid (each, an “**Overbid**”), must proceed in minimum additional cash increments of USD\$1,000,000;

- d. **Bidding Disclosure.** The Auction shall be conducted such that all bids will be made and received in one group conference room, on an open basis, and all Qualified Parties and Permitted Participants will be entitled to be present for all bidding with the understanding that the true identity of each Qualified Party will be fully disclosed to all other Qualified Parties and that all material terms of each subsequent bid will be fully disclosed to all other Qualified Parties and the Permitted Participants throughout the entire Auction; provided, however, that Canacol, in its discretion, may establish separate conference rooms to permit interim discussions between Canacol, the Monitor, the DIP Lenders, the Ad Hoc Committee and individual Qualified Parties with the understanding that all formal bids will be delivered in one group conference, on an open basis;
- e. **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each participating Qualified Party has had the opportunity to submit one or more additional bids with full knowledge and written confirmation of the then-existing highest bid(s); and
- f. **No Post-Auction Bids.** No bids will be considered for any purpose after the Auction has concluded.

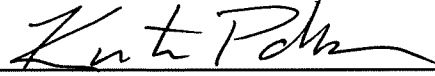
#### **Selection of Successful Bid**

4. **Selection.** Before the conclusion of the Auction, Canacol, in consultation with the Monitor, the Sale Advisor and the Ad Hoc Committee, will: (a) review each Qualified Bid, considering the factors set out in Section 17 of the SISP and, among other things, (i) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same, (ii) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in prong (i) above; (iii) the likelihood of the Qualified Party's ability to close a transaction by the Outside Date (including factors such as the transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments; and required governmental, regulatory or other approvals), (iv) the likelihood of the Court's approval of the Successful Bid, (v) the net benefit to Canacol and its stakeholders and (vi) any other factors Canacol may, consistent with its fiduciary duties, reasonably deem relevant; and (b) with the consent of the Monitor and the Ad Hoc Committee, identify the highest or otherwise best bid received at the Auction (the "**Successful Bid**" and the Qualified Party making such bid, the "**Successful Party**"). For greater certainty, a Successful Bid must contain a purchase price and/or such other consideration to be paid by the Successful Party that is equal to or greater than the purchase price or consideration necessary to qualify as an Acceptable Transaction under subsection 17.b unless agreed to otherwise by the DIP Lenders, Macquarie and the Ad Hoc Committee, each as applicable, in their sole discretion. The determination of any Successful Bid by Canacol shall be subject to approval by the Court.

5. **Acknowledgement.** The Successful Party shall complete and execute all agreements, contracts, instruments or other documents evidencing and containing the terms and

conditions upon which the Successful Bid was made within five business days of the Successful Bid being selected as such, unless extended by Canacol, with the consent of the Monitor and the Ad Hoc Committee.

**EXHIBIT "5"** to the Affidavit of  
Jason Bednar  
Sworn/Affirmed before me  
this 9<sup>th</sup> day of January, 2026



---

A Commissioner for Oaths in  
and for the Province of Alberta

**Keaton Pridham**  
**Student-at-Law**

Action No. 2501-18462  
E-File Name: EVK25CANACOL  
Appeal No. \_\_\_\_\_

IN THE COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE OF EDMONTON

IN THE MATTER OF THE COMPANIES'  
CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, As Amended

AND IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF  
CANACOL ENERGY LTD., 2654044 ALBERTA LTD., CANACOL  
ENERGY ULC, 2498003 ALBERTA ULC, et al

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P R O C E E D I N G S

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Edmonton, Alberta  
December 11, 2025

Transcript Management Services  
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1 Proceedings taken in the Court of King's Bench of Alberta, Courthouse, Edmonton, Alberta

2

3

4 December 11, 2025

Afternoon Session

5

6 The Honourable Justice D. Mah  
7 (remote appearance)

Court of King's Bench of Alberta

8

9 C.P. Prophet (remote appearance)

For Canacol Energy Ltd., 2654044 Alberta Ltd.,  
Canacol Energy ULC, 2498003 Alberta ULC,  
Cantana Energy GmbH, CNE Oil & Gas, S.R.L,  
Canacol Energy Colombia S.A.S., Shona  
Holding GmbH, CNE Energy S.A.S. and CNE  
Oil & Gas S.A.S.

10

11

12

13

14

15 S. Gabor (remote appearance)

For Canacol Energy Ltd., 2654044 Alberta Ltd.,  
Canacol Energy ULC, 2498003 Alberta ULC,  
Cantana Energy GmbH, CNE Oil & Gas, S.R.L,  
Canacol Energy Colombia S.A.S., Shona  
Holding GmbH, CNE Energy S.A.S. and CNE  
Oil & Gas S.A.S.

16

17

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19

20

21 K. Yurkovich (remote appearance)

For Canacol Energy Ltd., 2654044 Alberta Ltd.,  
Canacol Energy ULC, 2498003 Alberta ULC,  
Cantana Energy GmbH, CNE Oil & Gas, S.R.L,  
Canacol Energy Colombia S.A.S., Shona  
Holding GmbH, CNE Energy S.A.S. and CNE  
Oil & Gas S.A.S.

22

23

24

25

26

27 C. Brunet (remote appearance)

For Canacol Energy Ltd., 2654044 Alberta Ltd.,  
Canacol Energy ULC, 2498003 Alberta ULC,  
Cantana Energy GmbH, CNE Oil & Gas, S.R.L,  
Canacol Energy Colombia S.A.S., Shona  
Holding GmbH, CNE Energy S.A.S. and CNE  
Oil & Gas S.A.S.

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31

32

33 E.S. Dushenski (remote appearance)

For Citibank, National Association

34 A.C. Maerov (remote appearance)

For Citibank, National Association

35 J. Levine (remote appearance)

For Citibank, National Association

36 J.L. Oliver (remote appearance)

For the Ad Hoc Committee of Senior  
Noteholders

37

38 K.J. Bourassa (remote appearance)

For Agents on the Revolving Credit Facility

39 J. Willis (remote appearance)

For Agents on the Revolving Credit Facility

40 G.H. Finlayson (remote appearance)

For the Board of Directors of Canacol Energy

41

Ltd.

1	M. Cressatti (remote appearance)	For the Board of Directors of Canacol Energy Ltd.
2		
3	J. Pasquariello (remote appearance)	For Macquarie Bank Ltd.
4	E. Axell (remote appearance)	For Macquarie Bank Ltd.
5	R. Chadwick (remote appearance)	For Macquarie Bank Ltd.
6	R.I. Thornton (remote appearance)	For NG Energy
7	G.F. Body (remote appearance)	For Justice Canada, Canada Revenue Agency
8	R.S. Sahni (remote appearance)	For the Monitors, KPMG Inc.
9	K. Forbes (remote appearance)	For the Monitors, KPMG Inc.
10	K.J. Meyer (remote appearance)	For the Monitors, KPMG Inc.
11	E. Buhendwa	Court Clerk
12	Z. Wong	Court Clerk

---

13  
14  
15 THE COURT: Good afternoon, everyone. I just want to cast my  
16 eyes over the array here and make sure that everyone that should be here is here. So I see  
17 Mr. Prophet, I see Ms. Meyer.

18  
19 Okay, I am looking for someone from Mr. Pasquariello's firm. Oh I see Mr. Pasquariello  
20 there. Okay, great.

21  
22 Is there someone here from Cassels?

23  
24 MR. PROPHET: Mr. Oliver's here, Sir.

25  
26 THE COURT: Mr. Oliver, okay.

27  
28 MR. PROPHET: Thank you.

29  
30 THE COURT: That is great. All right, I think we are all here. So  
31 I am going to start in a moment. I will just let you know that this will likely go on for about  
32 20 minutes.

33  
34 MS. MEYER: Justice Mah, it's Kelsey Meyer from Bennett  
35 Jones on behalf of the Monitor.

36  
37 THE COURT: Yes.

38  
39 MS. MEYER: I did want to just give you an update with respect  
40 to the US proceeding which was heard this morning.

41

1 THE COURT: Okay.

2

3 MS. MEYER: This morning, the US Bankruptcy Court heard  
4 the motion for foreign recognition of these proceedings in the US and granted that motion,  
5 there being no objections to it, and the Judge held particularly that Canada is the centre of  
6 main interest for all of the debtor entities as part of his decision.

7

8 THE COURT: Thank you.

9

10 MS. MEYER: Thank you.

11

12 **Decision (Stay Extension and DIP Loan)**

13

14 THE COURT: Just give me a moment to set up. All right, this  
15 decision comes after a rather spirited hearing before me yesterday concerning a stay  
16 extension and approval of a DIP loan and charge under the *CCAA*.

17

18 The applicant is Canacol Group, an international group of companies engaged in oil and  
19 gas exploration and production with a headquarters in Calgary, operations in Columbia and  
20 financing through New York. Canacol Energy Ltd. and its associated companies comprise  
21 Canacol Group. I will refer to the group as Canacol, the entities under *CCAA* protection in  
22 these proceedings, throughout these reasons.

23

24 Canacol obtained an initial order from Justice Johnston on November 18th, 2025 and an  
25 amended and restated initial order from Justice Bourque on November 8th, 2025. Under  
26 the latter, the stay is set to expire on December 18th, 2025. Aside from stay extension to  
27 February 6th, 2026, Canacol also seeks approval of a DIP loan in charge with respect to  
28 proposed interim financing from what was called the ad hoc bond holder group.

29

30 This DIP facility contemplates DIP funding to a maximum of \$67 million US comprised  
31 of an initial advance, referred to as tranche A, of \$15 million US and a subsequent advance,  
32 tranche B, of \$30 million US. Tranche B contemplates renewal or replacement of certain  
33 lapsing letters of credit up to \$20 million US. There is also a Tranche C which contemplates  
34 new letters of credit up to \$2 million.

35

36 Any DIP loan order granted by this Court requires confirmation in the US Court and at  
37 least with respect to Tranche B, recognition in Columbia. The date for the US application  
38 in the Southern District of New York is December 18th, which date has already been  
39 procured and I was just updated by Ms. Meyer that the motion for foreign recognition was  
40 heard and granted this morning. Tranche A requires a commitment fee payable to the DIP  
41 lender of 5 percent of the maximum commitment amount in any event.

1  
2 Canacol's senior lender, Macquarie Bank, opposes the DIP loan part of the application on  
3 several grounds: That the DIP solicitation process was unduly rushed and flawed given that  
4 the priming charge, in its view, is contrary to Columbian law. Approval by the Alberta  
5 Court would set a negative and far-reaching precedent with implications for international  
6 comity. Approval would cause uncertainty in the *CCAA* proceedings. Approval would  
7 prejudice Macquarie as senior secured lender and there is something better out there to help  
8 Canacol in its current situation.

9  
10 Macquarie asked for an adjournment of the application so that this -- something different  
11 might be worked out, and also to ensure procedural fairness in this application because  
12 materials were late breaking and Macquarie Bank has all kinds of factual questions which  
13 it says needs to be answered. Macquarie, alternatively, opposes the DIP loan and charge  
14 application on its merits. Macquarie is owed \$37.5 million more or less and is the first  
15 position secured creditor.

16  
17 The application for DIP loan approval was supported by the ad hoc committee of senior  
18 noteholders, the proposed DIP lender, as well as Canacol's Board of Directors, and the RFC  
19 lender. The ad hoc committee represents 75 percent of the senior unsecured noteholders  
20 who, in aggregate, hold \$300 million in unsecured debt, while the other creditor is a  
21 syndicate lender holding \$200 million in unsecured debt.

22  
23 All of the application is supported by the Monitor, who of course is a Court appointed  
24 officer, and who provided his rationale for support in its second report which was filed  
25 with the Court. The application's proponent, Canacol, the Monitor, and the other parties  
26 who appeared by counsel and supported the DIP loan, all oppose the adjournment. Counsel  
27 for Canacol and the Monitor suggest that Macquarie is engaging in a campaign of  
28 disruption motivated only by the desire to get paid before anyone else and soon.

29  
30 The main question raised by Macquarie is what is the rush? And I need to give some  
31 background to the question of how this rush has occurred. First, I should say that this Court  
32 was satisfied in the person of Justice Johnston that the *CCAA* applied in Canacol's  
33 circumstances, and that the initial order should be granted in the first place. Then Justice  
34 Bourque ordered the stay extended to December 18th in a comeback hearing that gave rise  
35 to the ARIO.

36  
37 During the hearing before Justice Bourque, the DIP selection process was modified, that is  
38 it was extended so that the approval application could be presented before me yesterday.  
39 Due to the stay expiry on December 18th, Canacol had first proposed earlier dates in  
40 December, December 16th of 17th, as the date for this application. As it turned out, there  
41 was no available court time in either Edmonton or Calgary for the rest of the calendar year.

1 It was because another matter had fallen off yesterday's docket that the hearing date of  
2 December 10th was offered and counsel for Canacol seized that date.

3  
4 Given the short timeframe, filing deadlines for the application were required to be varied.  
5 I directed that the applicant's materials be filed on December 5th and response materials  
6 by December 8th. Counsel for the Monitor took it upon themselves but did advise me and  
7 other parties that its material would be filed thereafter but before the hearing, in accordance  
8 with its practice. Canacol also felt behooved to file a late reply affidavit and Amended  
9 Notice of application.

10  
11 When I read Macquarie's materials yesterday, I became concerned that the Court might  
12 have put the parties in a difficult position because of unavailability of court time and short  
13 filing deadlines. I tried to broker a solution of sorts by offering a date later in the first week  
14 of January, at least for the DIP portion of the application. Macquarie's counsel was the only  
15 taker for that suggestion. In the result, because I felt the adjournment request and the merits  
16 of the DIP fund application were inextricable, I decided to hear both at the same time.

17  
18 Now I should say that no one ever plans on having a liquidity crisis. I imagine that initiation  
19 of *CCAA* proceedings is a last resort measure in the face of dire corporate fortunes that are  
20 finally deemed by the company unlikely to change.

21  
22 In any event, Justice Johnston saw fit to grant the initial order on November 18th and I did  
23 not go behind that. Similarly, Justice Bourque saw fit to grant the amended and restated  
24 initial order on November 28th, and I do not question that. It did result in the DIP  
25 solicitation process following an extremely truncated timeline. Some of the questions that  
26 faced me is whether the short length of the timeline is unfair to and prejudices Macquarie.

27  
28 Argument in the application focussed primarily on the propriety of the DIP fund proposal,  
29 particularly with respect to the priming charge. I did not hear much argument on the stay  
30 extension itself, although DIP loan approval and stay extension go hand in glove. For  
31 reasons that I hope become apparent, I am going to deal with the DIP fund application first  
32 and then move to the stay extension, although intuitively it seems like it should go the other  
33 way around. As I said, the adjournment application and consideration of the merits of the  
34 DIP loan and charge request are dealt with together.

35  
36 Canacol and the Monitor said that the main reason for the DIP loan is exigency. Canacol  
37 contemplates a double track approach within this restructuring, a plan of arrangement, or a  
38 sales and investment solicitation process, or some combination. It cannot proceed with  
39 either normal operations in the meantime or restructuring efforts without injection of cash  
40 flow from a DIP lender.

41

1 The Monitor provided an updated cashflow statement for the period November 30, 2025  
2 to February 7th, 2026, which assumes the DIP loan prepared as of December 9th. Canacol  
3 is schedule to run out of cash more or less as of January 10th, 2026. The Monitor also  
4 provided a brief variance report at appendix G of the second report. I understood from  
5 Monitor's counsel that the Monitor became involved only shortly before the initial order  
6 itself and Canacol's financial state, from the Monitor's perspective, continues to evolve as  
7 more information becomes known and events develop. I accept this explanation.

8  
9 Canacol and the Monitor both say that without the DIP loan, the margin is virtually  
10 eliminated. Therefore, Canacol's stands in danger of what has been described as an orderly  
11 wind down in Columbia should the security be enforced, along with, as it was explained to  
12 me, sudden supply disruption to customers, basically the Government of Columbia, and  
13 subsequent disruption to the electrical grid and for energy end users in that country.

14  
15 Canacol's counsel says in this case, the most important or at least controversial of the  
16 statutory factors governing whether DIP funding should be approved under section 11.2(4)  
17 is the existence or not of material prejudice to any creditor. In this case, Macquarie was the  
18 only one before the Court alleging such prejudice.

19  
20 Macquarie's objections, whether contextually as part of an adjournment application or in  
21 opposition outright to the merits of the proposed DIP fund, are grouped as follows:  
22 Procedural prejudice; substantive prejudice; the unlikelihood of Columbian approval;  
23 uncertainty and disfunction within the *CCAA* process; and there is a better way to help  
24 Canacol, we just have to find it.

25  
26 So I will start with the procedural prejudice. It takes two forums. First, the rushed manner  
27 in which the DIP solicitation process unfolded, not giving Macquarie enough time to  
28 meaningfully respond with its own DIP plan. And second, the compacted timeframe for  
29 Court approval of this DIP loan, which means that Macquarie has not had the opportunity  
30 to meaningfully question the need for a priming charge for the DIP or the DIP at all.

31  
32 Details of the DIP selection process were set out in the Monitor's first report which was  
33 before Justice Bourque. During or as a result of that hearing, the deadline for responding  
34 with a DIP funding proposal was extended to December 5th. The whole of the selection  
35 process with updates is described at paragraphs 21 to 39 of the second report.

36  
37 The Monitor gives an opinion that those parties interested in the process had access to the  
38 same information and the same opportunity to generate a compliant proposal. I appreciate  
39 that the process was truncated in terms of timeline. However, in the circumstances, there  
40 is a limited universe from which a DIP lender might emerge. I suspect that the entire  
41 universe was likely represented before the Court yesterday.

1  
2 I am not satisfied that Macquarie was put to any disadvantage compared to any other person  
3 interested in submitting a DIP fund proposal or with the interim lender who is now before  
4 the Court. As the Monitor says, everyone had the same information, access to the data  
5 room, and the same opportunity. The ad hoc committee submitted an acceptable compliant  
6 proposal. Macquarie, after two cracks, did not.

7  
8 With regard to the other form of procedural prejudice, I accept that there has been scant  
9 time for testing the information put forward by the Monitor or questioning on affidavits.  
10 Counsel differ about whether such questioning could have taken place. Here, I say the  
11 Court must repose a certain degree of confidence in what the Monitor says as a Court  
12 appointed officer. Macquarie may have questions. It could have and should have asked  
13 those questions while the DIP selection process was underway. There was nothing  
14 preventing Macquarie from asking questions between November 28th and December 10th  
15 if it needed clarification about some of the financial information.

16  
17 I accept what counsel say about the nature of *CCAA* proceedings, how opportunities open  
18 and close and decisions must sometimes be made on the fly, as it were. This was described  
19 by Canacol counsel as insolvency proceedings unfolding in real time. So there are times  
20 when the Court must be called upon to choose between competing policy objectives.

21  
22 One set of such objectives would be that which underlies the *CCAA*, that is avoiding the  
23 social and economic cost of large corporate failure and allowing a large, distressed  
24 company breathing space to emerge from financial distress with a reasonable plan  
25 supervised by the Court.

26  
27 The competing objective here are the procedural fairness concerns in that, as Macquarie  
28 says, it does not have time to question the information presented by Canacol and the  
29 Monitor which as a party in this litigation, it says it has a right to do in order to put a better  
30 record before the Court for a decision.

31  
32 I cannot do both here. The reason I cannot do both is because January 10th, 2026, according  
33 to the most recent cash flow statement, represents a hard stop. If I adjourn to the latter part  
34 of the first week of January, Canacol misses its December 18th date with the Court in the  
35 SDNY. It seems unlikely that US Court approval could be achieved in 1 or 2 days after a  
36 hearing by this Court during the latter part of the first week of January. It is just too close.

37  
38 So what I need to consider is really what underlies Macquarie's concern about procedural  
39 fairness and its desire to delay so that Macquarie can, for example, conduct questioning or  
40 otherwise put the Monitor's figures to the test. I think the Monitor's counsel asked a fair  
41 question when she said: (as read)

1  
2 An adjournment to what end? What is the purpose of an adjournment?  
3 What does Macquarie propose to achieve? Is it going to come up with  
4 a better proposal? What is the real objective here?  
5

6 Canacol's counsel pointed me to paragraph 62 of Mr. Picard's (phonetic) affidavit where  
7 he says, I don't mind a defund if it second to Macquarie's security. The Monitor's counsel  
8 pointed me to the November 24th, 2025 letter from Macquarie's counsel to Canacol's  
9 counsel and the Monitor's counsel which, at the top of page 2, reiterates Macquarie's  
10 position that any DIP funding should be secondary to its security.  
11

12 Macquarie's counsel argued before me that an alternative structure which Macquarie would  
13 accept is either having the DIP fund in a junior position or requiring the DIP loan to pay  
14 out the Macquarie loan. The upshot of all of this is that Macquarie seeks to be paid out  
15 right away and be done with Canacol. That is a completely understandable position. In  
16 business and in litigation, the prime motivation is self-interest. There is nothing wrong with  
17 that.  
18

19 However, it is not compatible with the *CCAA* objective of fair treatment for all creditors  
20 and stakeholders. Once the *CCAA* is invoked, as it has been here, broader interests come  
21 into play. Even the interests of third parties, who may be residents of another country but  
22 are end users of Canacol's output, they are part of the equation.  
23

24 I have been told by counsel for the senior noteholders, who propose to be the DIP lender,  
25 that his client will not accept a secondary position. That is also a reasonable position to  
26 take and entirely consistent with what I say is the Supreme Court of Canada's view of  
27 priming charges for DIP lenders, as expressed in the *Canada North* case where the Court  
28 says they, being priming charges, are critical to encourage new investment in the company  
29 as it undergoes reorganisation.  
30

31 In that vein, here the DIP selection process was concluded. One DIP fund proposal was  
32 acceptable to Canacol and the Monitor and is now presented. Neither of Macquarie  
33 attempts at making a proposal were acceptable, nor compliant, and there is only one  
34 proposal before the Court. Further, I do not accept Macquarie's attempt to undermine the  
35 legitimacy of the latest cash flow rejection. I do accept both Canacol's and the Monitor's  
36 explanation that ongoing capital expenditure is an innate feature of the gas extraction  
37 industry.  
38

39 Therefore, in my view, the slim margins shown in the latest cash flow statement are real  
40 and show an actual liquidity crisis in the absence of an injunction of funds. Which leads  
41 me to say that there is no procedural prejudice other than a desire to delay so as to take

1 Canacol to the brink so that Canacol, the Monitor, and the senior noteholders will change  
2 their mind about having the DIP fund going second rather than first or paying out  
3 Macquarie outright.

4  
5 So this takes me to the question of substantive prejudice. The substantive prejudice argued  
6 also takes two forms. The first is that Macquarie will lose its priority position to the DIP  
7 lender. This is where the debate about valuation took place. After reading the transcript, I  
8 saw that the same issue was argued before and decided by Justice Bourque on November  
9 28th and was then relitigated before me.

10  
11 Whatever valuation measure is used, Canacol has sufficient assets to satisfy all priming  
12 charges and Macquarie's loan facility and depending on which valuation scenario is  
13 accepted, maybe even some or all of the unsecured lenders at present. Further, I accept as  
14 best evidence the reserve value found in Exhibit A to Mr. Bednar's December 8th, 2025  
15 affidavit, even if only taking into account the value of proven reserves. But even the book  
16 value or the proxy value of current bond price adequately covers Macquarie's position.

17  
18 Further, Macquarie taking a subordinate position to the priming charge is the result of the  
19 DIP lender agreeing to take on the risk of advancing additional and new funding to an  
20 enterprise in distress. As I already said, that risk is undertaken for the expressed purpose  
21 of advancing the public policy objectives under the *CCAA* and the price of that risk, as  
22 recognised by the Supreme Court of Canada, and that price is the granting of the priming  
23 charge.

24  
25 Macquarie says that there is no risk to DIP lender in going second, but that is an argument  
26 that cuts both ways. It is equally an argument against Macquarie maintaining first position.  
27 That Macquarie does nothing extra to promote Canacol's reorganisation efforts, means that  
28 it can and should occupy second position in the *CCAA* proceedings. I was given no reason  
29 to do otherwise. I conclude therefore that there is no substantive prejudice in loss of priority  
30 that accrues to Macquarie if the DIP loan and charge are approved.

31  
32 The second form of substantial prejudice falls along the same line as Macquarie's argument  
33 about the unlikelihood of Columbian approval of the priming charge for the DIP lender.  
34 Macquarie says that it has rights under Columbian law. By approving the DIP loan in  
35 charge, Macquarie says I would be stripping Macquarie of its rights to be paid out first or  
36 to receive additional security which comes under Columbian law.

37  
38 Further, given Mr. Valez's (phonetic) opinion, which is uncontradicted, the chances that a  
39 priming charge for the second tranche of \$30 million is approved in Columbia, Macquarie  
40 says, is virtually zero. I have read Mr. Valez's opinion. I agree with Canacol's counsel that  
41 Mr. Valez does not say that outright. His discussion of Columbian insolvency law does

1 leave room for the possibility of a priming charge to a DIP lender.

2  
3 Moreover, I agree that whether Macquarie's interpretation of Columbia law is correct or  
4 not is not a proper question for this Court. In effect, although counsel for Macquarie and I  
5 disagree on this point, I would be applying Columbian law because the reason I would be  
6 denying approval of the DIP loan is because of Columbian law, and that is something I say  
7 is strictly within the purview of the Columbian Court or authority to decide.

8  
9 Further, I did not consider it improper or back door to get an order in Canada and then  
10 apply for recognition in Columbia. In this case, Justice Johnston found that the *CCAA*  
11 applies and that means all of the *CCAA*, including section 11.2. As for Macquarie's  
12 argument that a priming charge for the DIP lender in a Canadian Court order would be  
13 overreach in Columbia, that is a respectfully a decision for the Columbian Court or  
14 authority to make. I further do not think that the making of such an order in Canada is so  
15 outrageous and unprecedented that it would throw the international order, when it comes  
16 to insolvency, into disarray. The order will either be recognised in Columbia or it will not.

17  
18 So I will take a moment to formally deal with the adjournment request. Adjournments are  
19 all about a balancing of rights. Taking a balance of convenience approach, I conclude that  
20 the harm inherent in granting an adjournment outweighs any possible prejudice to  
21 Macquarie. I also find that Macquarie will not incur any procedural or substantial prejudice  
22 by the granting of the order for the DIP loan in charge. So therefore, I deny the  
23 adjournment.

24  
25 With regard to uncertainty and disfunction within the *CCAA* process, it is premised on  
26 Macquarie fighting Canacol and the Monitor every step of the way, in every jurisdiction.  
27 This much is revealed on the penultimate paragraph of Mr. Picard's affidavit wherein he  
28 says: (as read)

29  
30 Granting such relief would create significant uncertainty in the *CCAA*  
31 proceedings, potentially delay the Canacol Group's restructuring  
32 objective and force litigation in the United States and Columbia,  
33 diverting focus and resources from the restructuring process to the  
34 detriment of the company and all stakeholders including Macquarie.

35  
36 Macquarie's counsel says in his November 21st, 2025 letter to Canacol's and the Monitor's  
37 counsel at the top of page 2: (as read)

38  
39 It would be extremely unfortunate, time consuming, and disruptive if  
40 Macquarie is jammed and forced to argue about priming and related  
41 matters at the come back motion.

1  
2 This prediction has come true and it lends credence to Canacol's counsel's suggestion that  
3 Macquarie seeks to act as a spanner in the works in the hope that it will get paid out and  
4 fast.

5  
6 I agree that a course of litigating hard in every jurisdiction is Macquarie's choice.  
7 Macquarie also says that I should not succumb to the lurid scenario of Columbians groping  
8 in the dark. Macquarie says the world will not necessarily come to an end. Macquarie says  
9 the noteholders have -- or the subordinate creditors have \$500 million at risk, somehow  
10 they will step up. Well as the counsel for the noteholders says, they've staked their ground,  
11 I can't rely on them to come through if this DIP loan and charge application is not granted.

12  
13 For the sake of Canada's international standing, I do not want to invite a scenario involving  
14 Columbians without electricity. It is a matter of considering the interests of downstream  
15 stakeholders, even if they live in another country. Approving the DIP loan in charge  
16 introduces certainty, rather than diminishes it. It gives Canacol a lifeline until the end of an  
17 extended stay period, so as to crystallise its reorganisation efforts. On the other hand,  
18 having nothing in place would create uncertainty.

19  
20 The last point is whether there is a better way and how to find it. There is no obvious better  
21 way that presents itself. The only viable proposal before the Court comes from the  
22 committee of senior noteholders. The only suggestion for the Court from Macquarie is that  
23 Macquarie gets paid from the DIP loan or the DIP loan takes a subordinate position, but  
24 that is not the proposal before the Court.

25  
26 So in looking at the factors in section 11.2(4), I conclude that I should exercise discretion  
27 to approve the DIP loan as presented, along with the charge under (2). From the evidence,  
28 I infer that the company's management has the confidence of the majority of the creditors  
29 at least in terms of dollar value, although I acknowledge that does not include Macquarie  
30 whose loan amount is secured but relatively small in comparison to the unsecured creditors.  
31 I am of the view that the DIP loan would enhance the prospect of a viable compromise or  
32 arrangement being made in respect of the company, and that the nature and value of the  
33 company's property justifies the loan.

34  
35 I have spoken at length about prejudice, both procedural and substantive, and I conclude  
36 that Macquarie would not be materially prejudiced as a result of the charge. Of course, the  
37 Monitor supports the granting of the loan, as do the unsecured creditors holding \$5 million  
38 in debt.

39  
40 As for the commitment fees, yes, they are high. But the Monitor's counsel has explained  
41 the circumstances and again, there is no acceptable alternative before the Court that will

1 provide relief to Canacol's liquidity problem at present other than this DIP loan, and so the  
2 fees are by no means a dealbreaker. I therefore make the order granting the DIP loan and  
3 charge as requested.  
4

5 I move then to the stay extension. The reason I put the stay extension second is because  
6 Macquarie questioned, maybe not in as many words, the good faith and due diligence of  
7 Canacol in the DIP selection process and with regard to presenting the DIP application to  
8 the Court. The statutory criteria for a stay extension are of course that it is appropriate in  
9 the circumstances, and that the applicant has acted in good faith and with due diligence.  
10

11 At the beginning of the decision, I discussed some of the background giving rise to the  
12 need for a DIP loan. Those circumstances provide justification for extending the stay, that  
13 is so that Canacol can continue on its path towards restructuring for the benefit of all  
14 stakeholders. As I have disposed of Macquarie's main arguments with regard to possible  
15 lack of good faith and due diligence, I find that the statutory criteria are met and I grant the  
16 stay to February 6th, 2026.  
17

18 Now I will move onto the ancillary relief, which I do not think is controversial. First, the  
19 letters of credit are part of the DIP loan proposal. They accordingly are also approved if  
20 specific approval is required. I will just note here again that it is new money being  
21 advanced, in some cases, to replace expired letters of credit and would not constitute queue  
22 jumping.  
23

24 With regard to payments to critical vendors, I heard no real argument against payment and  
25 as I said, it follows the granting of the DIP loan order. I accept the Monitor's  
26 recommendations in that regard.  
27

28 Finally, respecting approval of the Monitor's activities to date. Now that I have disposed  
29 of Macquarie's objections, there is no impediment to approving the activities as described  
30 in the Monitor's second report which are set out in, I say, a transparent and comprehensive  
31 manner and I so approve those activities.  
32

33 So what that leaves me with, Mr. Prophet, is a discussion of your forms of order and your  
34 application for a sealing order.  
35

### 36 **Discussion**

37

38 MR. PROPHET: Thank you. Thank you Justice. So the most up-  
39 to-date form of the order that you have would've been provided to the Commercial  
40 Coordinator at about 11 AM on Wednesday. That reflects some of the letter of credit  
41 arrangements that were in discussion between the ad hoc Bondholder participants in the

1 DIP loan and representatives of the RCF Lending Group as probable providers of at least  
2 an interim letter of credit at the time.

3  
4 So that is the form of the order I would like to speak with you about. There is a slight tweak  
5 to that order, but I can do that, if you will on the fly, it's in paragraph 30. So, if you have  
6 that, that I think is really our best (INDISCERNIBLE).

7  
8 THE COURT: Okay. Let me just bring it up.

9  
10 MR. PROPHET: Mr. Barrick (phonetic) I believe of the  
11 Commercial Coordinator's Office would have dealt with that through you.

12  
13 THE COURT: Yes. Okay. That would have been sent  
14 yesterday?

15  
16 MR. PROPHET: It would have at -- it came from our office to the  
17 Commercial Coordinator at 11 AM and again it was just reflective of some --

18  
19 THE COURT: Okay. So at 11 AM, so I think I have the right  
20 one. Let me try to identify it by -- there is some identifying numbers in the lower lefthand  
21 corner, can I read those to you, Mr. Prophet?

22  
23 MR. PROPHET: Possibly, let me just -- or the document itself or  
24 the email?

25  
26 THE COURT: The document itself.

27  
28 MR. PROPHET: Yes, so you can do that.

29  
30 THE COURT: Okay.

31  
32 MR. PROPHET: The document itself -- are you in the Word  
33 document or the PDF?

34  
35 THE COURT: I am in the Word document.

36  
37 MR. PROPHET: Very good.

38  
39 THE COURT: So there is a little number in the bottom lefthand  
40 corner.

41

- 1 MR. PROPHET: Yes.  
2
- 3 THE COURT: 91710284/5.  
4
- 5 MR. PROPHET: That is -- that is the correct -- that is the correct  
6 number and that is the correct order with one change --  
7
- 8 THE COURT: Okay.  
9
- 10 MR. PROPHET: -- which I can take you to.  
11
- 12 THE COURT: Okay.  
13
- 14 MR. PROPHET: And I can just highlight the evolutionary  
15 changes, but let's go to the one change that was made subsequent to that email, it's in  
16 paragraph 34, it's semantic only, but it's worth looking it.  
17
- 18 If you go to 34 --  
19
- 20 THE COURT: Yes, I am there.  
21
- 22 MR. PROPHET: So the words after the parenthetical in the second  
23 last line of the 34, beginning: (as read)  
24
- 25 Including without limitation as a result of any new parties joining as  
26 lenders thereunder ...  
27
- 28 THE COURT: Right.  
29
- 30 MR. PROPHET: That should be moved into the brackets, to be  
31 inserted after: (as read)  
32
- 33 Amended and restated from time to time, including without limitation  
34 as a result of any new parties joining as lenders thereunder, the  
35 commitment letter.  
36
- 37 THE COURT: Okay. So just --  
38
- 39 MR. PROPHET: It's just a --  
40
- 41 THE COURT: -- just moved the closed bracket -- just move the

1 closed bracket --

2

3 MR. PROPHET: Correct.

4

5 THE COURT: -- I can do that.

6

7 MR. PROPHET: Well move the -- in fact, move that phrase into  
8 just before the defined term, so it would read --

9

10 THE COURT: Oh I see. Okay.

11

12 MR. PROPHET: (as read)

13

14 Amended and restated from time to time, including without limitation  
15 as a result of any new parties joining as lenders thereunder, the defined  
16 term commitment letter.

17

18 THE COURT: Okay. I think I can do that.

19

20 MR. PROPHET: I can -- Sir I can --

21

22 THE COURT: Or you can just send me one, yes.

23

24 MR. PROPHET: Why don't I just send you one and I'll copy the  
25 parties, if that's okay with you.

26

27 THE COURT: Yes, that is --

28

29 MR. PROPHET: Cause I don't need -- shall I go through the  
30 Commercial Coordinator? I'm happy to do that, of course.

31

32 THE COURT: Yes you can go through the Commercial  
33 Coordinator.

34

35 MR. PROPHET: We will do that. Apart from that, there are no  
36 changes to the order that was sent to you approximately 11 AM yesterday. It contains an  
37 update from the SARJO form that was with our December 5 application, but you will have  
38 looked at that. I'm happy to go through it with you --

39

40 THE COURT: You do not have to go through it with me.

41

1 MR. PROPHET: Very good.

2

3 THE COURT: Okay.

4

5 **Submissions by Mr. Prophet (Sealing Order)**

6

7 MR. PROPHET: Okay. Sir, on the sealing order, the most  
8 convenient place to stop on that is my amended application on page 10. It's in paragraph  
9 33. So, as your finding that --

10

11 THE COURT: Okay, I am there, yes.

12

13 MR. PROPHET: So what we are addressing by way of sealing are  
14 two confidential appendices to the Monitor's 2nd Report. These contain the signature  
15 blocks and commitment amounts for the participates in the ad hoc DIP lenders DIP  
16 commitment. There's also a second confidential appendix if just an amendment to the DIP  
17 loan commitment that arose, I believe over the weekend, it's a small technical amendment,  
18 not much turns on it. It's in the -- I think it's in the Monitor's Report, the actual -- the  
19 amendment, we can go to it, but I think everyone's at ad idem that it's an appropriate  
20 amendment.

21

22 In any event, the rationale for the sealing has to make the *Sierra Club* and *Sherman Estate*  
23 test that we're all familiar with in circumstances like this and that is that while the principle  
24 of Court openness is an important value of our Courts, where the prejudice that may be  
25 caused by observing the principle, at least in the immediate term outweighs the public  
26 interest then in that, then sealing is appropriate. And an important commercial interest or  
27 interests, has been often identified as a rationale to implement a sealing order in the sense  
28 that the damage of such an important commercial interest is prejudice set out that in the  
29 appropriate case will outweigh the public interest in open court proceedings.

30

31 The important commercial interest here is as follows: the -- it's twofold in essence. It is the  
32 case and counsel for the ad hoc group of Bondholders can confirm this, that the participants  
33 in the DIP loan do not know each of them what their commitments are. You Sir, do know,  
34 the Monitor knows and the company obviously knows, but none of the individual  
35 participants know what each other's commitment is. Part of the rationale for the that, as I  
36 understand it, is to provide for more equitable, if you will, governance within the DIP loan  
37 group.

38

39 And so, in order to preserve that balance and not provide for domination for the group by  
40 one or the other of the participants, it is described by the ad hoc Bondholder Group as an  
41 important commercial interest that none of the commitments be made public and none of

1 the names of the people providing those commitments.

2

3 Now, further on the later point, the people providing the commitments are significant  
4 financial players, but their identity may influence the way that bonds currently trade and  
5 so, it is the view of the ad hoc group of Bondholders and the Monitor supports this as does  
6 the company, that disclosure of the identities of these DIP participants may have an  
7 influence on continued trading in the market. Certainly it will be made public to the market  
8 that a DIP loan with the terms that you've approved has been made, and so the market will  
9 know that and that's relevant information, but speculation based on the identity of the  
10 individuals in the DIP loan seems to be an unwarranted interference in the functioning of  
11 the public market for these bonds that continue to trade.

12

13 So that -- I guess the evenness of that market is another reason, commercial interest that  
14 would be prejudiced by disclosure. So on that basis --

15

16 THE COURT: Okay. Can I ask you this, sir -- Mr. Prophet.

17

18 MR. PROPHET: Yes.

19

20 THE COURT: What I haven't heard yet is some kind of  
21 limitation on scope and duration.

22

23 MR. PROPHET: Yes, there is, yes. It's important. The limitation  
24 sought is 1 year after the termination of the *CCAA* proceedings and of course, that's a  
25 critical principle. And that length of time is chosen as a reasonable period of time after  
26 which the business circumstances no matter what happens in these proceedings, pertaining  
27 to the Canacol Group, will have stabilised to the point that it will be irrelevant to know  
28 who participated by that time.

29

30 THE COURT: All right.

31

32 MR. PROPHET: Those are my submissions in support of the  
33 sealing order. I did provide it, through the Commercial Coordinator to your office, I hope  
34 it's got to you, the Monitor may have further submissions on that, I invite the Monitor's  
35 counsel to address that if you wish, Sir.

36

37 THE COURT: Ms. Meyer, anything?

38

39 **Submissions by Ms. Meyer (Sealing Order)**

40

41 MS. MEYER: No, Justice Mah. Thank you. I will just mention

1 that the Monitor's understanding of this is set out at paragraphs 43 and 44 of the 2nd Report  
2 and the Monitor is supportive of the sealing order sought.

3

4 THE COURT: All right.

5

6 MS. MEYER: Subject to any questions you may have.

7

8 THE COURT: No questions.

9

10 MR. PROPHET: I guess I should just -- sorry Sir.

11

12 THE COURT: Go ahead.

13

14 MR. PROPHET: I was just going to say I should end that the  
15 Monitor and the finance people at the Monitor firm are aware of the identity of these people  
16 and these are serious players and are -- their covenants are good in the Monitor's view.

17

18 THE COURT: Any other counsel wish to make submissions  
19 with regard to the sealing order, the application for the sealing order? Yes, Mr.  
20 Pasquariello?

21

22 **Submissions by Mr. Pasquariello (Sealing Order)**

23

24 MR. PASQUARIELLO: Now, I'm prepared to reply, Sir, if there are any  
25 others that would make submissions in support, I just wanted to let you know that I will be  
26 replying.

27

28 THE COURT: Okay. I do not think there is anyone else, Mr.  
29 Pasquariello, so go ahead.

30

31 MR. PASQUARIELLO: Okay. Thank you. Sorry. So, Sir, as I mentioned  
32 in my opposition, Macquarie is of the view that the identities and the holdings of the DIP  
33 lenders should be disclosed to this Court.

34

35 Those parties are benefitting from the *CCAA* proceedings. They're benefitting now by way  
36 of a court order charge in those proceedings, these proceedings are open and the  
37 commercial interest that my friend described is not a general commercial interest. It's a  
38 commercial interest as amongst that particular group and the governance of that group, as  
39 compared to the disclosure in these proceedings and the stakeholders in this proceeding.

40

41 It would be, in my respectful submission, extremely prejudicial and unfair for Macquarie

1 not to even know who it is that the Court is approving to prime its position, which it has  
2 now done by way of your order and not heard a substantive reason why not to do so.

3  
4 Secondly, my friend is also seeking what he's described as a technical amendment to the  
5 DIP that not much turns on it. And if that's in fact the case, I see no reason why that  
6 amendment should not be made part of the record, so that the entire agreement that the  
7 Court is approving is disclosed.

8  
9 Again, in my respectful submission, fairness and balance, in respect of both of these issues  
10 would result in disclosure and therefore, Your Honour, Macquarie would suggest that the  
11 sealing order not be granted in respect of these two issues.

12  
13 THE COURT: Can I ask you this, counsel? Does your client  
14 currently know who the bondholders are? I mean not the specific individuals or the  
15 subscribers to the DIP loan, but in general who they are? Is there someplace where you can  
16 see a list?

17  
18 MR. PASQUARIELLO: I don't think that's the case as unsecured holders,  
19 Sir, but this is, in my respectful submission, completely different where the parties are now  
20 being elevated to the position not as bondholders, but as DIP lenders in an approved order  
21 by the *CCAA* Court, they're wearing a different hat in respect of their ask of you.

22  
23 They are not wearing that hat and they're not asking that they be -- that the confidence be  
24 provided in respect of them as bondholders, they're not all participating bondholders,  
25 they're only some of the group in any event, and they are now DIP lenders not bondholders.  
26 So, I would submit that that's a material difference, Sir.

27  
28 THE COURT: Okay. And what do you say about the second  
29 ground that counsel advanced and that was that there could be some effect on the market,  
30 in general, just by knowing whose a player and who is not?

31  
32 MR. PASQUARIELLO: I don't know if I'm following that, Sir, the bonds  
33 don't trade on the basis of who a player is, the bonds trade on parties underlying view of  
34 the enterprise value of the company, not who happens to own them. So, again, my friend  
35 is giving evidence and I don't think he's an expert in bond trading, but in any event, I'll  
36 reply as I did. I'm also not an expert, but since you've asked me, that's the reply. The burden  
37 doesn't lie with us, it lies with the company, Sir.

38  
39 THE COURT: Okay.

40  
41 Any other counsel?

1  
2 **Submissions by Mr. Prophet (Sealing Order) (Reply)**  
3

4 MR. PROPHET: Sir, just brief reply on that. The amendment that  
5 I referred to is Exhibit D to the Monitor's 2nd Report and it's just about clarifying the  
6 effectiveness of the agreement. So there's no -- there's no issue about that.  
7

8 My only point was the signature -- we address that just in the context of the request for a  
9 sealing order, because the signature pages to this agreement are confidential appendix too,  
10 so that's the only reason for mentioning it, but it is there and it is (INDISCERNIBLE).  
11

12 THE COURT: Okay. Do you have any, Mr. Prophet, response  
13 to your friend's point that this is really about the dealings of this group of investors as  
14 among themselves, that there is not really a public interest, it is more of a private interest?  
15

16 MR. PROPHET: I think there is a general interest here on both  
17 supports or both grounds for the sealing order and the general interest in each -- in each  
18 branch of the grounds is as follows.  
19

20 The general interest and I'm not holding myself out as a bond trading expert, but it does  
21 matter whose supporting the company. It doesn't matter -- maybe it doesn't matter who  
22 holds the bonds, but the names of who've chosen to support the company, that matters. The  
23 bonds keep trading now. So that is interesting information, the fact of the DIP is even  
24 information that all that will have, but who, in particular, is supporting the company could  
25 have an effect on future trading. That's my simple observation  
26

27 If I was supporting it myself, that wouldn't have much of an effect, but I'm not one of the  
28 signatory bondholders. That's all I'd say about that and it's a general interest to safeguard  
29 market exchange on a level playing field in that sense.  
30

31 So that's my first that it's not just a private, but a general commercial interest. My second  
32 point about why the -- not knowing who has committed what within the bondholder DIP  
33 participant group, why that's a general commercial interest, is to the extent that that  
34 anonymity or the failure to know who else -- how much the other parties have in the bond  
35 -- in the DIP group, facilitates the governance of that group and we're told that it does and  
36 makes it more fair and more even. To the extent that that is the case, then that's a general  
37 commercial interest because in future cases, it will be understood that you won't know  
38 exactly who the dominant player is.  
39

40 It's kind of another species of my general commercial interest in keeping confidential the  
41 identity of the people who are now supporting the company. How much they're supporting

1 it and how much inter-say they're supporting it will tend to make these groups more easily  
2 governed in the future if that's the expectation. So, I say those are the two general, not  
3 private commercial interests.

4  
5 I also just want to correct one thing. My friend said that the identities of these bondholder  
6 participants in the DIP loan aren't before the Court, they're before you Justice, you know  
7 exactly who they are and so there's no lack of transparency to this Court, none would ever  
8 be attempted on that score. It's important that you know who they are and that the Monitor  
9 provide you with comfort on that subject in terms of the bonafide Monitor has done as an  
10 expert in finance.

11  
12 So those are my comments in reply, Sir.

13  
14 THE COURT: Okay.

15  
16 MS. MEYER: Justice Mah?

17  
18 THE COURT: Yes.

19  
20 **Submissions by Ms. Meyer (Sealing Order) (Reply)**

21  
22 MS. MEYER: Sorry, I didn't want to interrupt you, but I did  
23 want to note that I do have a few other comments to add in reply, if I might.

24  
25 THE COURT: Okay. Go ahead.

26  
27 MS. MEYER: Thank you. My friend, Mr. Pasquariello has  
28 indicated it would be -- as he said, extremely prejudicial and unfair for Macquarie not to  
29 know the identities of the DIP lenders and the amounts of their commitments, but he hasn't  
30 said why. And I'm not aware of any such prejudice nor is there any evidence of that.

31  
32 The additional point I wanted to note is some case law that I think may be helpful. I agree  
33 with Mr. Prophet's submissions that this is, as is always the case, governed by the *Sierra*  
34 *Club* and *Sherman Estate v. Donovan* test. But more explicitly and I apologise, I don't have  
35 these cases before you, but I can give you the cites, certainly in the *Sierra Club* and  
36 *Sherman Estate* decision, the Supreme Court of Canada has explicitly recognised that a  
37 party's legitimate commercial interest constitute an important public interest for purposes  
38 of that test. That's in *Sierra Club* at paragraphs 55 and 60 to 61 and *Sherman Estate* at  
39 paragraph 41. If you like I can give you those exact citations. It's *Sierra Club* is 2002 SCC  
40 41, paragraphs 55 and 60 to 61. *Sherman Estate* is 2021 SCC 25 at paragraph 41.

41

1 Those cases also set out that an important commercial interest includes preserving  
2 information that is intended to be confidential and where disclosure would frustrate the  
3 promotion and protection of competition. That is in the *Dow Chemical Canada ULC v.*  
4 *Nova Chemicals Corporation* decision of this Court 2015 ABQB 81 at paragraphs 50 to 51  
5 and paragraph 54. And also *Lewis v. Uber Canada Inc.*, 2023 ONSC 5134. Also the *Dow*  
6 *Chemical* case that I have just mentioned also says at paragraph 36 that whether a sealing  
7 order should be granted is ultimately a matter of judicial discretion.

8  
9 Now, of course, those cases that I've just mentioned or at least *Dow Chemical* once pre-  
10 dates the *Sherman Estate* case, but specifically with respect to that there is a finding by this  
11 Court that an important commercial interest includes preserving information that is  
12 intended to be confidential and where disclosure would frustrate the promotion and  
13 protection of competition. I think -- I submit that that case is perhaps helpful to this Court  
14 with respect to considering whether a sealing order should be granted.

15  
16 In that, I submit that the information that is sought to be sealed here, is important and  
17 confidential financial information of the participants here and particularly considering the  
18 influence that the disclosure of that information may have on trading of bonds, that that is  
19 relevant to the consideration here.

20  
21 As I mentioned at the outset, the Monitor is supportive of the sealing order request. Those  
22 are my submissions, subject to any questions. Thank you.

23  
24 THE COURT: All right. Thank you. Mr. Oliver?

25  
26 **Submissions by Mr. Oliver (Sealing Order)**

27  
28 MR. OLIVER: Thank you very much, Sir. On behalf of the  
29 interim lender, I just wish to voice our support for the submissions of Mr. Prophet and Ms.  
30 Meyer. From the interim lenders' perspective, this is commercially sensitive information.  
31 It's disclosure would be highly prejudicial if it was made public at this time.

32  
33 Of course, your job, Sir, is to balance a number of competing interests in considering this  
34 issue. In that regard, I do wish to note as my friends have that both you and the Monitor  
35 have seen the underlying information, the sealing that is requested is time limited and as  
36 narrow as reasonably possible.

37  
38 As a result we support the application for the limited time sealing order. Thank you.

39  
40 THE COURT: Okay. Mr. Pasquariello, is there something else  
41 you want to say?

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**Submissions by Mr. Pasquariello (Sealing Order) (Reply)**

MR. PASQUARIELLO: Yes with respect, Sir, I specifically indicated I was going to speak after others in support and I've had -- Ms. Meyer confirmed she had nothing further. Mr. Oliver didn't speak up. I've spoken and now my friends come forward, Ms. Meyer with case law, on top of it having said she had nothing to add and Mr. Prophet not referencing anything.

Sir, this continues the unfortunate procedure unfairness that has continued throughout. I just will leave it at that. It's just extremely disappointing, Sir.

THE COURT: All right. Well, that is why I came back to you at the end, counsel.

**Submissions by Ms. Meyer (Sealing Order) (Reply)**

MS. MEYER: Sir, if I might just say very briefly on behalf of the Monitor, my submissions just now are made in reply. I had no notice whatsoever that Mr. Pasquariello was going to oppose the Sealing Order application. If he did mention that yesterday during his submission, my apologies in that I missed it. But in any event, I do submit that it is proper for reply. Thank you.

MR. PASQUARIELLO: It was in our brief.

**Decision (Sealing Order)**

THE COURT: All right. Thanks counsel. The request for restricted access order or a sealing order does compromise the open courts principle and whether or not one should be granted is of course governed by the authority that counsel refers to which we all know about, that being the *Sierra Club* case decided by the Supreme Court of Canada and as modified in *Sherman Estate*. The applicant must show on a balance of probabilities that court openness presents a serious risk to an important interest, that the order is necessary to prevent the risk because alternative measures are not adequate and that as a matter of proportionality, the risk -- the benefits outweigh the negative effects.

In Alberta and I imagine elsewhere in Canada, commercial interest have been found to be an important interest deserving of protection, particularly in the context of Court supervised insolvency proceedings. The risk here as explained to me by counsel is really twofold. First that the proportion of ownership of the DIP participation, if know, would adversely affect the internal governance. Counsel for Macquarie, who objects to the granting of the sealing

1 order says, well that is a private matter among a group of people or entities and does not  
2 concern anyone else.

3  
4 I do see merit in Canacol's position because this *CCAA* proceeding is not concluded. I do  
5 not know if there is going to be further applications for increased advances, I do not know  
6 whether it will be the same or different DIP lender. The possibility is present that it is the  
7 same lender and therefore it is important for the *CCAA* proceeding that the governance of  
8 this Group operate in an appropriate fashion. So I recognise the risk there.

9  
10 Secondly, with regard to the operation of the bond market, Macquarie objects to the sealing  
11 order on the basis that that is simply a speculative concern, no one here is an expert in bond  
12 trading, no one can say. I agree that no one here at least has identified themselves as an  
13 expert in bond trading, certainly I am not, but I think I accept as a matter of logic and  
14 common sense that with regard to this body of bonds, the identity of the owners and  
15 proportion of ownership in this loan, could influence the market one way or another.

16  
17 So, the conclusion I reach is that there is a important public interest here and that is sensitive  
18 commercial information that could affect an ongoing *CCAA* proceeding or the operation of  
19 the bond market itself.

20  
21 I do not know and it was not suggested to me, how any sort of lesser measure might be put  
22 in place to alleviate that risk apart from a sealing order. It is also part of my duty to make  
23 sure that whatever means is imposed to safeguard this information, it is the least intrusive  
24 as possible. So that is usually achieved through limitation in the period of time that the  
25 order would be in effect.

26  
27 So my conclusion here is that test in *Sierra Club* and *Sherman Estate* is met. That the means  
28 that have been suggested are the least intrusive in that it is specific in time. I cannot think  
29 of nor has it been proposed to me, that some other way is going to achieve what is sought  
30 here and so I grant the sealing order.

31  
32 Okay. Counsel, I see that my next group has arrived for my 2:00 matter. So I am going to  
33 invite those counsel on the previous matter to leave if they wish and I am going to move  
34 onto the other matter.

35  
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37 PROCEEDINGS CONCLUDED  
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1 **Certificate of Record**

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I, Zoe Wong, certify that this record is the record made of the proceedings of the evidence in the proceedings in the Court of King’s Bench, held in courtroom 516, virtual courtroom 86, at Edmonton, Alberta, on the 11th day of December, 2025, and that I and Esther Budendwa, were the court officials in charge of the sound-recording machine during the proceedings.

1 **Certificate of Transcript**

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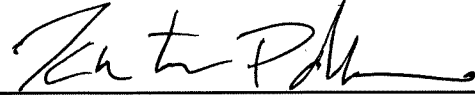
I, Tanner Zaherie, certify that

(a) I transcribed the record, which was recorded by a sound recording machine, to the best of my skill and ability and the foregoing pages are a complete and accurate transcript of the contents of the record and

(b) the Certificate of record for these proceedings was included orally on the record and is transcribed in this transcript.

TEZZ TRANSCRIPTION, Transcriber  
Order Number: TDS-1099676  
Dated: December 15, 2025

**EXHIBIT "6"** to the Affidavit of  
Jason Bednar  
Sworn/Affirmed before me  
this 9<sup>th</sup> day of January, 2026

A handwritten signature in black ink, appearing to read "Keaton Pridham", written over a horizontal line.

A Commissioner for Oaths in  
and for the Province of Alberta

Keaton Pridham  
Student-at-Law

January 5, 2026

**VIA EMAIL:**  
**commercialcoordinator.kbjcalgary@albertacourts.ca**

Court of King's Bench of Alberta  
Calgary Courts Centre  
601 5 Street SW  
Calgary, Alberta T2P 5P7

Attention: The Honourable Justice Bourque

Dear Justice Bourque:

**Re: In the Matter of Canacol Energy Ltd. et al. pursuant to the *Companies' Creditors Arrangement Act*  
Court File No.: 2501-18462 before the Honourable Justice M. Bourque  
January 16, 2026 at 2:00 p.m. (MST)**

---

We are counsel to Canacol Energy Ltd. and certain of its affiliates (the "**Canacol Group**"). We are writing further to our correspondence dated December 8, 2025, to the Commercial Coordinator in which our office confirmed that we will be proceeding with an application for approval of a sales investment and solicitation process ("**SISP**") and other ancillary relief under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCA**") on January 16, 2026 at 2:00 p.m. (MST) for one (1) hour before Your Lordship (the "**Application**").

We are writing to advise the Court that discussions and arrangements regarding the SISP are currently ongoing between the Canacol Group, the Monitor and the debtor in possession lender, and their respective advisors, which continue to evolve. Requisite information and evidence regarding the SISP will unfortunately not be finalized for submission to the Court by the practice directive filing deadline of January 5, 2025. Accordingly, we are respectfully requesting the Court's indulgence for an extension to file the below materials on behalf of the Canacol Group by on or before noon, Friday, January 9, 2026. Can Your Lordship kindly advise if the foregoing filing deadline is acceptable to the Court? At the Application, the Canacol Group intends to rely upon the following materials:

1. Application with draft form or Order;
2. Affidavit of Jason Bednar in support of the requested relief; and
3. Bench Brief and corresponding Book of Authorities.

The Monitor's counsel has further indicated to our office that the Monitor's Third Report will be filed and delivered to the Court following the filing and delivery of the Canacol Group's coumaterials.

Should you have any questions, please do not hesitate to contact us.

Sincerely,

Gowling WLG (Canada) LLP



Sam Gabor

c.c. Kelsey Meyer, Raj Sahnir – Bennett Jones LLP – Counsel for KPMG Ltd. as Monitor of the Canacol Group

**EXHIBIT "7"** to the Affidavit of  
Jason Bednar  
Sworn/Affirmed before me  
this 9<sup>th</sup> day of January, 2026

A handwritten signature in black ink, appearing to read "Keaton Pridham", written over a horizontal line.

A Commissioner for Oaths in  
and for the Province of Alberta

Keaton Pridham  
Student-at-Law

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

CANACOL ENERGY LTD., *et al.*<sup>1</sup>

Debtors in a Foreign Proceeding.

Chapter 15

Case No. 25-12572 (DSJ)

(Jointly Administered)

**ORDER GRANTING MOTION FOR (I) RECOGNITION OF FOREIGN  
MAIN PROCEEDING (OR, IN THE ALTERNATIVE, FOREIGN NONMAIN  
PROCEEDING), (II) RECOGNITION OF FOREIGN REPRESENTATIVE,  
AND (III) RELATED RELIEF UNDER CHAPTER 15 OF THE BANKRUPTCY CODE**

Upon consideration of the *Motion for (I) Recognition of Foreign Main Proceeding (or in the Alternative, Foreign Nonmain Proceeding), (II) Recognition of Foreign Representative, and (III) Related Relief Under Chapter 15 of the Bankruptcy Code* (together with the Verified Petitions filed concurrently therewith, the “Motion”),<sup>2</sup> filed by the Foreign Representative as the “foreign representative” of the above-captioned debtors (collectively, the “Debtors”); and upon the hearing on the Motion and this Court’s review and consideration of the Motion, the Sahni Declaration, the Forbes Declaration, and the Bednar Declaration; IT IS HEREBY FOUND AND DETERMINED THAT<sup>3</sup>:

---

<sup>1</sup> The Debtors, along with the last four digits of each Debtor’s unique identifier, as applicable, are as follows: Canacol Energy Ltd. (2074); Cantana Energy GmbH (8873); CNE Oil & Gas S.R.L. (9803); Canacol Energy ULC (0350); Shona Holding GmbH (2126); Canacol Energy Colombia S.A.S. (5633); CNE Energy S.A.S (0691); CNE Oil & Gas S.A.S. (6580); 2498003 Alberta ULC (4611); and 2654044 Alberta Ltd. (3429). The Foreign Representative’s service address for purposes of these Chapter 15 Cases is c/o KPMG Inc., Bay Adelaide Centre, Suite 4600 333 Bay Street, Toronto, Ontario, Canada M5H 2S5.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

<sup>3</sup> The findings and conclusions set forth herein and in the record of the hearing on the Motion constitute this Court’s findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Rules 7052 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). To the extent any of the findings of fact herein constitute conclusions of law, they are adopted as such. To the extent any of the conclusions of law herein constitute findings of fact, they are adopted as such.

A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 as well as the *Amended Standing Order of Reference* dated January 31, 2012, Reference M-431, *In re Standing Order of Reference Re: Title 11*, 12 Misc. 00032 (S.D.N.Y Feb. 2, 2012) (Preska, CJ).

B. Venue is proper before this Court as to each Debtor pursuant to 28 U.S.C. § 1410. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and this Court may enter a final order consistent with Article III of the United States Constitution.

C. Appropriate notice of the filing of, and the hearing on, the Motion was given, which notice is deemed adequate for all purposes, and no other or further notice need be given.

D. No objections or other responses were filed that have not been overruled, withdrawn, or otherwise resolved.

E. These Chapter 15 Cases were properly commenced pursuant to sections 1504, 1509, and 1515 of the Bankruptcy Code.

F. The Debtors have a domicile, principal place of business, and/or property in the United States, and the Debtors are each eligible to be a debtor in a chapter 15 case pursuant to, as applicable, sections 109 and 1501 of the Bankruptcy Code.

G. The Foreign Representative is a “person” pursuant to section 101(41) of the Bankruptcy Code and is the duly appointed “foreign representative” of the Debtors as such term is defined in section 101(24) of the Bankruptcy Code. The Foreign Representative has satisfied the requirements of section 1515 of the Bankruptcy Code and Bankruptcy Rule 1007(a)(4).

H. The Canadian Proceeding is entitled to recognition by this Court pursuant to section 1517 of the Bankruptcy Code.

I. The Canadian Proceeding is pending in Canada, where each of the Debtors have the “center of [their] main interests” as referred to in section 1517(b)(1) of the Bankruptcy Code. Accordingly, the Canadian Proceeding is a “foreign main proceeding” as to each Debtor pursuant to section 1502(4) of the Bankruptcy Code, and is entitled to recognition as a foreign main proceeding pursuant to section 1517(b)(1) of the Bankruptcy Code.

J. The Foreign Representative is entitled to all the relief available and provided pursuant to sections 1507, 1520, and 1521 of the Bankruptcy Code, without limitation, because those protections are necessary to effectuate the purposes of chapter 15 of the Bankruptcy Code and to protect the assets of the Debtors and the interests of the Debtors’ creditors.

K. Good, sufficient, appropriate, and timely notice of the filing of, and the hearing on (to the extent necessary), the Motion was given, which notice was deemed adequate for all purposes, and no further notice need be given.

L. All creditors and other parties in interest, including the Debtors, are sufficiently protected by the grant of relief ordered hereby in accordance with section 1522(a) of the Bankruptcy Code.

M. The relief granted hereby is necessary to effectuate the purposes and objectives of chapter 15 and to protect the Debtors and the interests of their creditors and other parties in interest, is in the interest of the public and international comity, consistent with the public policy of the United States, and will not cause any hardship to any party in interest that is not outweighed by the benefits of the relief granted. Absent the requested relief, the efforts of the Debtors and the Foreign Representative in conducting the Canadian Proceeding may be frustrated by the actions of individual creditors, a result contrary to the purposes of chapter 15.

**BASED ON THE FOREGOING FINDINGS OF FACT AND AFTER DUE DELIBERATION AND SUFFICIENT CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED THAT:**

1. The Motion is granted.
2. The Canadian Proceeding is recognized as a foreign main proceeding as to each Debtor pursuant to section 1517 of the Bankruptcy Code and the Debtors and the Foreign Representative are entitled to the protections of section 1520 and 1521 of the Bankruptcy Code (including sections 1521(a)(1) – (6) of the Bankruptcy Code), including, without limitation, the application of the protection afforded by the automatic stay under section 362 of the Bankruptcy Code to the Debtors and to the Debtors' property that is within the territorial jurisdiction of the United States.
3. KPMG Inc., as Monitor, is the duly appointed foreign representative of the Debtors within the meaning of section 101(24) of the Bankruptcy Code, is authorized to act on behalf of the Debtors in these Chapter 15 Cases, and is established as the exclusive representative of the Debtors in the United States.
4. The Initial CCAA Order and the Amended and Restated Initial CCAA Order, including any and all existing and future extensions, amendments, restatements, and/or supplements authorized by the Canadian Court (collectively, the "ARIO"), are hereby given full force and effect, on a final basis, with respect to the Debtors and the Debtors' property that now or in the future is located within the territorial jurisdiction of the United States, including, without limitation, staying the commencement or continuation of any actions against the Debtors or its assets (except as otherwise expressly provided herein or therein).

5. All objections, if any, to the Motion or the relief requested therein that have not been withdrawn, waived, or settled by stipulation filed with the Court, and all reservations of rights included therein, are hereby overruled on the merits.

6. Upon entry of this order (this "Order"), the Canadian Proceeding and all prior orders of the Canadian Court shall be and hereby are granted comity and given full force and effect in the United States and, among other things:

- a. the protections of sections 361, 362, and 365(e) of the Bankruptcy Code apply to the Debtors;
- b. all persons and entities are enjoined from taking any actions inconsistent with the Canadian Proceeding and from seizing, attaching, and enforcing or executing liens or judgments against the Debtors' property in the United States or from transferring, encumbering or otherwise disposing of or interfering with the Debtors' assets or agreements in the United States without the express consent of the Foreign Representative;
- c. all persons and entities are enjoined from commencing or continuing, including the issuance or employment of process of any judicial, administrative, or any other action or proceeding involving or against the Debtors or their assets or proceeds thereof, or to recover a claim or enforce any judicial, quasi-judicial, regulatory, administrative, or other judgment, assessment, order, lien or arbitration award against the Debtors or their assets or proceeds thereof;
- d. all persons and entities are enjoined from commencing any suit, action, or proceeding against the Debtors, the Foreign Representative, or any of their respective successors, directors, officers, agents, employees, representatives, advisors, or attorneys in respect of any claim or cause of action, in law or in equity, arising out of or relating to any action taken or omitted to be taken in connection with these Chapter 15 Cases and the Canadian Proceeding; and
- e. all persons and entities are enjoined from terminating or modifying an executory contract or unexpired lease at any time after the commencement of these Chapter 15 Cases solely because of a provision in such contract or lease is conditioned upon the commencement of the Canadian Proceeding or a case under the Bankruptcy Code.

7. The Foreign Representative and the Debtors shall be entitled to the full protections and rights enumerated under section 1521(a)(5) and 1521(b) of the Bankruptcy Code, and

accordingly, the Foreign Representative and the Debtors, under the supervision of the Foreign Representative, as applicable:

- a. are entrusted with the administration or realization of all or part of the Debtors' assets located in the United States;
- b. have the right and power to examine witnesses, take evidence, or deliver information concerning the Debtors' assets, affairs, rights, obligations, or liabilities; and
- c. are entrusted with the distribution of all or part of the Debtors' assets located in the United States.

8. All parties who believe they have a claim against any of the Debtors are obligated to file such claim in, and only in, the Canadian Proceeding.

9. All prior relief granted by this Court pursuant to section 1519(a) of the Bankruptcy Code shall be extended, and that certain *Order Granting Provisional Relief Pursuant to Section 1519 of the Bankruptcy Code* [Docket No. 25] (the "Provisional Relief Order") shall remain in full force and effect. To the extent there is any inconsistency between this Order and the Provisional Relief Order, the language in this Order shall control.

10. The Foreign Representative is hereby established as the representative of the Debtors with full authority to administer the Debtors' assets and affairs in the United States, including, without limitation, making payments on account of the Debtors' prepetition and postpetition obligations consistent with the ARIO.

11. The Foreign Representative and its respective agents are authorized to serve or provide any notices required under the Bankruptcy Rules or local Rules of this Court.

12. No action taken by the Foreign Representative, the Debtors, or their respective successors, agents, representatives, advisors, or counsel in preparing, disseminating, applying for, implementing, or otherwise acting in furtherance of or in connection with the Canadian Proceeding, this Order, these Chapter 15 Cases, or any adversary proceeding herein, or contested

matters in connection therewith, will be deemed to constitute a waiver of any immunity afforded the Foreign Representative, including without limitation pursuant to sections 306 or 1510 of the Bankruptcy Code.

13. The banks and financial institutions with which the Debtors maintain bank accounts or on which checks are drawn or electronic payment requests made in payment of prepetition or postpetition obligations are authorized and directed to continue to service and administer the Debtors' bank accounts without interruption and in the ordinary course and to receive, process, honor, and pay any and all such checks, drafts, wires, and automatic clearing-house transfers issued, whether before or after the Petition Date and drawn on the Debtors' bank accounts by respective holders and makers thereof and at the direction of the Foreign Representative or the Debtors, as the case may be; provided, for the avoidance of doubt, that nothing in this paragraph is intended to authorize the Foreign Representative or the Debtors to utilize the Cash Management System (as defined in the Initial CCAA Order and the ARIO) in a manner inconsistent with the authorization set forth in the Initial CCAA Order and the ARIO.

14. The Foreign Representative is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

15. This Order is without prejudice to the Foreign Representative requesting any additional relief in the Chapter 15 Cases, including seeking recognition and enforcement by this Court of any further orders issued in the Canadian Proceeding.

16. For avoidance of doubt, nothing in this Order is intended or should be construed to (a) prevent any entity from filing any claims against the Debtors in the Canadian Proceeding; (b) prevent parties from seeking relief in the Canadian Proceeding or seeking relief from this Court in these Chapter 15 Cases, including seeking to modify or terminate relief granted by this Order

pursuant to section 1522(c) of the Bankruptcy Code; or (c) effectuate a waiver of the rights, remedies, and defenses of any parties in the Canadian Proceeding.

17. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

18. A copy of this Order shall be served within five business days of entry of this order, by electronic mail to the extent email addresses are available and otherwise by U.S. mail, overnight, or first-class postage prepaid, upon the Core Notice Parties (as defined in the *Motion for Order Scheduling Recognition Hearing and Specifying Form and Manner of Service of Notice*) and such other entities as the Court may direct. Such service shall be good and sufficient service and adequate notice for all purposes.

19. This Court shall retain jurisdiction with respect to the enforcement, amendment, or modification of this Order, any requests for additional relief or any adversary proceeding brought in and through these Chapter 15 Cases, and any request by an entity for relief from the provisions of this Order, for cause shown, that is properly commenced and within the jurisdiction of this Court.

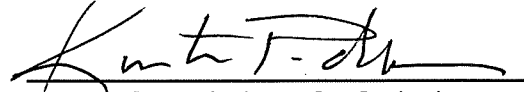
20. Notwithstanding any applicability of any Bankruptcy Rules, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry and shall constitute a final order within the meaning of 28 U.S.C. § 158(a).

21. This Order applies to all parties in interest in these Chapter 15 Cases and all of their agents, employees, and representatives, and all those who act in concert with them who receive notice of this Order.

Dated: New York, New York  
December 11, 2025

s/ David S. Jones  
HONORABLE DAVID S. JONES  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT "8"** to the Affidavit of  
Jason Bednar  
Sworn/Affirmed before me  
this 9<sup>th</sup> day of January, 2026

A handwritten signature in black ink, appearing to read "Keaton Pridham", written over a horizontal line.

A Commissioner for Oaths in  
and for the Province of Alberta

Keaton Pridham  
Student-at-Law

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

CANACOL ENERGY LTD., *et al.*<sup>1</sup>

Debtors in a Foreign Proceeding.

Chapter 15

Case No. 25-12572 (DSJ)

(Jointly Administered)

**ORDER GRANTING FOREIGN REPRESENTATIVE’S EMERGENCY MOTION FOR  
ORDER RECOGNIZING AND ENFORCING SECOND AMENDED AND RESTATED  
INITIAL ORDER INCLUDING DIP FINANCING AUTHORIZED THEREUNDER**

Upon consideration of the *Foreign Representative’s Emergency Motion for Order Recognizing and Enforcing Second Amended and Restated Initial Order Including DIP Financing Authorized Thereunder* (the “Motion”),<sup>2</sup> filed by the Foreign Representative as the “foreign representative” of the above-captioned debtors (collectively, the “Debtors”); and upon the hearing on the Motion and this Court’s review and consideration of the Motion, the Bednar Declaration and the Second Report; IT IS HEREBY FOUND AND DETERMINED THAT<sup>3</sup>:

A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 as well as the *Amended Standing Order of Reference* dated January 31, 2012, Reference M-431,

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<sup>1</sup> The Debtors, along with the last four digits of each Debtor’s unique identifier, as applicable, are as follows: Canacol Energy Ltd. (2074); Cantana Energy GmbH (8873); CNE Oil & Gas S.R.L. (9803); Canacol Energy ULC (0350); Shona Holding GmbH (2126); Canacol Energy Colombia S.A.S. (5633); CNE Energy S.A.S (0691); CNE Oil & Gas S.A.S. (6580); 2498003 Alberta ULC (4611); and 2654044 Alberta Ltd. (3429). The Foreign Representative’s service address for purposes of these Chapter 15 Cases is c/o KPMG Inc., Bay Adelaide Centre, Suite 4600 333 Bay Street, Toronto, Ontario, Canada M5H 2S5.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

<sup>3</sup> The findings and conclusions set forth herein and in the record of the hearing on the Motion constitute this Court’s findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Rules 7052 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). To the extent any of the findings of fact herein constitute conclusions of law, they are adopted as such. To the extent any of the conclusions of law herein constitute findings of fact, they are adopted as such.

*In re Standing Order of Reference Re: Title 11, 12 Misc. 00032 (S.D.N.Y Feb. 2, 2012) (Preska, CJ).*

B. Venue is proper before this Court as to each Debtor pursuant to 28 U.S.C. § 1410. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and this Court may enter a final order consistent with Article III of the United States Constitution.

C. Appropriate notice of the filing of, and the hearing on, the Motion was given, which notice is deemed adequate for all purposes, and no other or further notice need be given.

D. No objections or other responses were filed that have not been overruled, withdrawn, or otherwise resolved.

E. All creditors and other parties in interest, including the Debtors, are sufficiently protected by the grant of relief ordered hereby in accordance with section 1522(a) of the Bankruptcy Code.

F. The Foreign Representative has demonstrated, and its showings are verified by the findings of the Canadian Court, that (i) the incurrence of indebtedness in the form of loans and letters of credit under the DIP Facility, as authorized by the SARIO, and the granting of liens and charges in connection with the DIP Facility is necessary to preserve and maximize the values of the Debtors' assets and to prevent irreparable harm to the Debtors, (ii) without the financing provided by the DIP Facility, the Debtors will be unable to continue operations and fund their restructuring proceedings, which will significantly impair the value of their assets, (iii) the Debtors are unable to obtain the requisite financing on an unsecured basis, (iv) the terms of the DIP Facility are fair, reasonable, and adequate, given the circumstances and in the Debtors' reasonable business judgment, (v) Debtors are unable to obtain credit that does not have the priority set forth in the SARIO, (vi) the terms of the DIP Facility were entered into in good faith by the Debtors and the

DIP Lenders, (vii) the DIP Lenders will not extend credit pursuant to the DIP Facility without the protections contained in this Order, and (viii) the amount that the Debtors have been authorized to borrow in the form of loans and letters of credit is reasonably necessary for the Debtors to fund their restructuring and to continue their operations.

G. The terms of the DIP Facility have been negotiated in good faith and at arm's length between the Debtors and the DIP Lenders.

H. The relief granted hereby is necessary to effectuate the purposes and objectives of chapter 15 and to protect the Debtors and the interests of their creditors and other parties in interest, is in the interest of the public and international comity, consistent with the public policy of the United States. Absent the requested relief, the efforts of the Debtors and the Foreign Representative in conducting the Canadian Proceeding and effectuating the restructuring under Canadian law may be frustrated, a result contrary to the purposes of chapter 15.

**BASED ON THE FOREGOING FINDINGS OF FACT AND AFTER DUE DELIBERATION AND SUFFICIENT CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED THAT:**

1. The Motion is granted.
2. The Foreign Representative is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.
3. The SARIO, including the authorization of the DIP Financing thereunder, is granted recognition and enforcement in the United States and given full force and effect on a final basis, with respect to the Debtors' property that now or in the future is located within the territorial jurisdiction of the United States (the "U.S. Property"). To the extent authorized under the SARIO, the Court recognizes the DIP Lenders' Charge, as defined in the SARIO, and such Charge is hereby granted, on all of the Debtors' United States assets subject to the priorities, terms, and conditions

of the SARIO, to secure current and future amounts outstanding under the DIP Financing. The DIP Lenders' Charge shall have the priority set forth in the SARIO.

4. To the extent this Court's approval is required, and to the extent provided in the SARIO, the Debtors are hereby authorized to execute and deliver such term sheets, credit agreements, mortgages, charges, hypothecs and security documents, guarantees, and other documents as are contemplated by the DIP Facility or as may be reasonably required by the DIP Lenders pursuant to the terms thereof, including one or more amendments, waivers, consents or other modifications and any fees paid in connection therewith (it being understood that no further Court approval shall be required for amendments, waivers, consents or other modifications that do not shorten the maturity of the extension of credit under the DIP Financing or increase the commitments beyond the amounts expressly contemplated in the DIP Commitment Letter or the rate of interest payable thereunder), in each case in such form as the Debtors and the DIP Lenders may agree, and the Debtors are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities, and obligations to the DIP Lenders and Notes Trustee (as defined in the Commitment Letter, as defined in the SARIO), as required under and pursuant to the DIP Facility without any need for further approval from this Court.

5. If any of the provisions of this Order or the SARIO in connection with the DIP Financing or the DIP Lender's Charge is subsequently stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a "Variation"), such Variation shall not in any way impair, limit or lessen the priority, protections, rights or remedies of the DIP Lenders, whether under this Order (as made prior to the Variation), under the DIP Loan Commitment Letter or otherwise pursuant to the DIP Financing with respect to any advances made, letters of credit issued, or other obligations incurred prior to the DIP Lenders being given notice of the Variation, and the

DIP Lenders shall be entitled to rely on this Order as issued (including, without limitation, the DIP Lenders' Charge) for all advances so made, letters of credit so issued, and other obligations so incurred pursuant to the DIP Loan Commitment Letter and the DIP Financing.

6. Upon such notice to the Debtors and the Foreign Representative as required under the SARIO, any stay that would otherwise be applicable to the DIP Lenders (whether granted as provisional relief, applied to the Debtors pursuant to section 1520(a)(1) or otherwise) is hereby lifted to permit the DIP Lenders (or any agent acting on their behalf), upon the occurrence of an event of default under the DIP Facility, the DIP Documents or the DIP Lenders' Charge, to exercise all rights and remedies available to them under the SARIO, and such rights shall be enforceable against the Debtors and the Property and any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property to the extent provided in the SARIO.

7. This Order shall be sufficient and conclusive notice and evidence of the grant, validity, perfection, and priority of the liens granted to the DIP Lenders in the SARIO without the necessity of executing any security or other document or filing or recording this Order or any financing statement, mortgage, or other instrument or document, which may otherwise be required under the law of any jurisdiction; provided that the Debtors are authorized to execute and the administrative agent under the DIP Financing may file or record financing statements, mortgages, or other instruments to further evidence the liens authorized, granted, and perfected hereby and by the SARIO.

8. Nothing in this Order shall be deemed to determine issues of Colombian law or the permissibility of priming liens over the assets in Colombia.

9. This Order is without prejudice to the Foreign Representative requesting any additional relief in the Chapter 15 Cases, including seeking recognition and enforcement by this Court of any further orders issued in the Canadian Proceeding.

10. This Court shall retain jurisdiction with respect to the enforcement, amendment, or modification of this Order, any requests for additional relief or any adversary proceeding brought in and through these Chapter 15 Cases, and any request by an entity for relief from the provisions of this Order, for cause shown, that is properly commenced and within the jurisdiction of this Court.

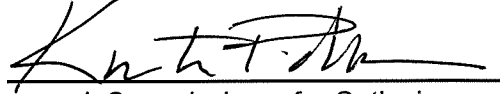
11. Notwithstanding any applicability of any Bankruptcy Rules, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry and shall constitute a final order within the meaning of 28 U.S.C. § 158(a).

12. This Order applies to all parties in interest in these Chapter 15 Cases and all of their agents, employees, and representatives, and all those who act in concert with them who receive notice of this Order.

Dated: New York, New York  
December 18, 2025

s/ David S. Jones  
HONORABLE DAVID S. JONES  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT "9"** to the Affidavit of  
Jason Bednar  
Sworn/Affirmed before me  
this 9<sup>th</sup> day of January, 2026

A handwritten signature in black ink, appearing to read "Keaton Pridham", written over a horizontal line.

A Commissioner for Oaths in  
and for the Province of Alberta

Keaton Pridham  
Student-at-Law

CERTIFIED TRANSLATION No. 175-2025. THIS IS A CERTIFIED TRANSLATION OF A DOCUMENT WRITTEN IN SPANISH, WHICH IS IDENTIFIED WITH THE SEAL OF THE TRANSLATOR. THIS TRANSLATION WAS PREPARED BY MARIANA ELENA CALDERÓN MEDINA, CERTIFIED INTERPRETER AND TRANSLATOR PURSUANT TO THE CERTIFICATE OF PROFESSIONAL QUALIFICATION ON CERTIFIED TRANSLATIONS AND INTERPRETATIONS NO. 0313, ISSUED BY "UNIVERSIDAD NACIONAL DE COLOMBIA" ON SEPTEMBER 14<sup>TH</sup>, 2010, IN BOGOTA, COLOMBIA.

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UPON REPLYING, PLEASE QUOTE:  
2025-01-851648  
TYPE: INTERNAL DATE: 12/17/2025 11:45:54 PROCEEDING:  
16500-APPLICATION AND PRELIMINARY STUDY OF REORGANIZATION PROCESS  
COMPANY: 830095563 - CANACOL ENERGY COLOMBIA SAS UNDER REORGANIZ.  
SENDER: 400 - DELEGATE FOR INSOLVENCY PROCEEDINGS  
DOCUMENT TYPE: Writ  
CONSECUTIVE NUMBER: 400-027939  
PAGES: 11 ATTACHMENTS: NO

**ORDER**  
**SUPERINTENDENCY OF COMPANIES**

**Subjects**

Canacol Energy Colombia S.A.S,  
CNE Oil & Gas S.A.S.,  
Canacol Energy Colombian Branch, and  
CNE Oil & Gas Colombia, Colombian Branch

**Matter**

Recognition of Foreign Proceedings

**Case File**

40197

**I. BACKGROUND**

1. Through memorandum 2025-01-817952 of November 27, 2025, KPMG INC. acting as foreign representative under the main reorganization proceeding commenced and ordered under the Companies' Creditors Arrangement Act (CCAA) by the Honorable Court of King's Bench (seated at the Judicial Centre of Calgary) in Alberta, Canada, against parent company Canacol Energy LTD. and its direct and indirect subsidiaries Alberta LTD, Canacol Energy ULC, Alberta ULC, Cantana Energy GMBH, Cne Oil & Gas S.R.L, Canacol Energy Colombia S.A.S, Shona Holding GMBH, Cne Energy S.A.S., and Cne Oil & Gas S.A.S, filed an application for:
  - 1.1. The recognition in Colombia of the aforementioned companies foreign insolvency proceeding, pursuant to Title III of Act 1116 of 2006;
  - 1.2. The recognition of KPMG Inc., in its capacity as Monitor and Foreign Representative under the main Canadian CCAA proceedings, duly appointed by the Honorable Court of King's Bench, (seated at the Judicial Centre of Calgary) in Alberta, Canada, to manage the debtors' assets and liabilities;
  - 1.3. [The issuance of] urgent interim measures, pursuant to Article 102 of Act 1116 of 2006;
  - 1.4. [The issuance of] automatic measures as of the recognition of the main foreign proceeding in connection with the debtors, pursuant to Article 105 of the Insolvency Statute [*Estatuto Concursal*];
  - 1.5. The [applied for] measures should be granted as of the foreign proceedings' recognition, pursuant to Article 106 of the Insolvency Statute.
2. Through memorandum 2025-01-841337 of December 10, 2025, KPMG INC. filed the substitution of the power of attorney granted to the professional who had been representing it before the Superintendency, and delivered additional information on the debtors' foreign proceeding, pursuant to Article 104 of Act 1116 of 2006.
3. KPMG INC. also informed the Superintendency, within the framework of the debtors' foreign proceeding, that on November 28, 2025, the Court of King's Bench of Alberta, Canada, issued a ruling ratifying and supplementing the Initial Order.

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4. Through memorandum 2025-01-841342 of December 10, 2025, KPMG INC. supplemented the application for recognition filed through memorandum 2025-01-817952 of November 27, 2025, stating that:
  - 4.1. The principal place of business of Canacol Energy Ltd., the Debtors' parent company, is Calgary, Canada, where the administrative, financial, reporting, and corporate governance headquarters of the Debtor group of companies are located.
  - 4.2. The joint proceeding ongoing in Canada aims to obtain a global solution for all the entities involved, in both the creditors and the Debtors businesses' best interests, considering that it involves a group of companies as defined in Decree 1074 of 2015.
5. KPMG INC. also applied for a replacement of the urgent interim measures requested with the initial application for recognition.
6. Through Order 2025-01-844296 of December 11, 2025, the Superintendency decided on the application for interim measures filed by the Foreign Representative's attorney, in accordance with Article 102 of Act 1116 of 2006.

**II. SUPERINTENDENCY'S CONSIDERATIONS**

7. Considering the foregoing, the Superintendency will proceed to decide on: (i) The Recognition of the Foreign Proceeding; (ii) The Recognition of the Monitor and Foreign Representative; (iii) The determination of the measures that may be granted as a result of the decision to recognize the foreign proceeding; and (iv) The continuation of the measures currently in force.

**ON THE RECOGNITION OF THE FOREIGN PROCEEDING**

8. Title III of Act 1116 of 2006 adopted the cross-border insolvency regime, based on the UNCITRAL (United Nations Commission on International Trade Law) Model Law published in 1997.
9. The cross-border insolvency regime seeks to: (i) Regulate the cooperation between the Colombian competent authorities and those of foreign jurisdictions; (ii) Increase the legal certainty in trade and investment matters; and (iii) Administer equitably and efficiently cross-border insolvencies, always seeking to protect the interests of both creditors and debtors; (iv) Ensure the debtor's assets protection and their value's optimization.
10. In particular, the cross-border insolvency regime allows the foreign representative to apply for the recognition of foreign proceedings so that the relevant local courts may issue any protective measures required to process an insolvency.
11. For the Superintendency of Companies –as the competent authority– to recognize a proceeding pursuant to Article 103 of Act 1116 of 2006: (i) The proceeding must be a foreign one, as defined in

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Article 87.11<sup>1</sup>; (ii) The foreign representative must be an individual or body in the sense of Article 87.42<sup>2</sup> thereof; (iii) The application must comply with the requirements established in Article 100; and (iv) The application must have been filed before the competent Colombian authority.

12. Considering the above, this Superintendency proceeds to analyze whether the application filed satisfies or not the formal and substantive requirements for the recognition of a foreign proceeding, established in Act 1116 of 2006, according to the following:
13. In this specific case, we see that, along with the memoranda referred to in the background section, the following documents were submitted with a copy duly translated into Spanish:
  - 13.1. Certified, apostilled, and translated copy of the Initial Order of November 18, 2025, issued by the Court of King's Bench of Alberta, Canada (seated at the Calgary Judicial Centre), admitting the insolvency of the parent company, CANACOL ENERGY LTD., and its direct or indirect subsidiaries: (i) 2654044 ALBERTA LTD.; (ii) CANACOL ENERGY ULC; (iii) 2498003 ALBERTA ULC; (iv) CANTANA ENERGY GMBH; (v) CNE OIL & GAS S.R.L, (vi) CANACOL ENERGY COLOMBIA S.A.S., (vii) SHONA HOLDING GMBH; (viii) CNE ENERGY S.A.S.; and (ix) CNE OIL & GAS S.A.S. in accordance with Canada's Companies Creditors Arrangement Act (CCAA).
  - 13.2. A certified, apostilled, and officially translated copy of the Initial Order whereby KPMG INC. was duly appointed as the Foreign Representative in the Canadian main foreign proceedings, under the CCAA, by the Honorable Court of King's Bench of Alberta (seated at the Calgary Judicial Centre), Canada.
  - 13.3. A certified, apostilled, and translated copy of the Order of November 28, 2025, by which the Court of King's Bench of Alberta ratified and amended the Initial Order.
14. In light of the foregoing, this proceeding falls within the definition in Article 87 of Act 1116 of 2006, as the Debtors brought an insolvency proceeding under the Companies Creditors Arrangement Act (CCAA) before the Court of King's Bench of Alberta, Canada (seated at the Calgary Judicial Centre).
15. Additionally, in the Order issued on November 18, 2025, delivered with memorandum 2025-01-817952 of November 27, 2025, KPMG Inc. was appointed, pursuant to the CCAA, as Monitor to oversee the financial, business, and assets-related matters of the Applicants, with the powers and obligations provided for under the CCAA.
16. Furthermore, the Court of King's Bench of Alberta, Canada, appointed KPMG Inc. as Foreign Representative to manage the reorganization and/or act as representative for the foreign proceeding,

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<sup>1</sup> "Foreign proceeding" means any collective proceeding, whether judicial or administrative, including provisional proceedings, brought by a foreign State under an insolvency law, whereby the debtor's assets and businesses become subject to a foreign court's control or supervision for purposes of their reorganization or liquidation.

<sup>2</sup> "Foreign representative" means any person or body, including anyone appointed on a provisional basis, authorized under a foreign proceeding to manage the debtor's assets or business reorganization or liquidation or act as the representative thereof.

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pursuant to Article 87.1 of the Insolvency Statute.

17. Consequently, this Superintendency finds that the application submitted complies with the requirements of Article 100 of Act 1116 of 2006.
18. Moreover, the foreign proceeding subject to recognition and the measures adopted therein are not contrary to the Republic of Colombia's public order, as provided for in Article 91 of Act 1116 of 2006.
19. Therefore, because the requirements in Article 100 of Act 1116 of 2006 are met in this case, this Superintendency will recognize the foreign proceeding brought by Canacol Energy Colombia S.A.S., CNE Oil & Gas S.A.S., Cantana Energy Sucursal Colombia, and Cneog Colombia Sucursal Colombia, as well as its foreign representative, KPMG INC., in accordance with Articles 96 and 97 of Title III of Act 1116 of 2006.
20. Now, Act 1116 of 2006 distinguishes two types of foreign proceedings that may be recognized: (i) The main one, conducted in the State where the debtor has its main interests; and (ii) The non-main proceeding, conducted in a country where the debtor only has an establishment or branch. The measures that may be granted under the foreign proceeding's recognition depend on this distinction.
21. In this specific case, the Foreign Representative stated in memorandum 2025-01-817952 of November 27, 2025, that Canacol Energy LTD is the controlling parent company of the Debtors and has its main interests in Calgary, Canada. Furthermore, its administrative, treasury, reporting, and corporate governance headquarters are located there, and is listed with the Toronto Stock Exchange (TSX). Therefore, this is the business center of the entire corporate organization worldwide, as defined in paragraph 2 of Article 87 of Act 1116 of 2006 and recognized by the Canadian court.
22. Similarly, memorandum 2025-01-841342 of December 10, 2025, it stated that the parent company is listed with the Toronto Stock Exchange. Therefore, its shares are traded in that country, which is where the decisions are made and all the companies' operations coordinated.
23. Based on the above, this Superintendency will recognize as the main proceeding the action brought before the Court of King's Bench of Alberta, Canada, under the CCAA Act.

**ON THE REQUEST TO RECOGNIZE KPMG INC. AS MONITOR AND FOREIGN REPRESENTATIVE FOR THE CANADIAN MAIN PROCEEDING**

24. As a direct consequence of the decision adopted, KPMG INC. will be recognized as Monitor and Foreign Representative for the Canadian main proceeding under the CCAA Act, duly appointed by the Honorable King's Court of Alberta, Calgary Judicial Centre, Canada, with all the prerogatives provided for in Articles 96 and 97 of Title III of Act 1116 of 2006.

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**ON THE RECOGNITION AS SINGLE PROCEEDING**

25. We hereby note that, for the sake of procedural efficiency and considering that this one is the only application for the recognition of a single foreign proceeding involving all the companies, particularly the subsidiaries and branches in Colombia, this Judicial Operator deems it appropriate to process this matter as a single proceeding.
26. The above, notwithstanding that pursuant to Article 106 of Act 1116 of 2006 this Superintendency orders the separate continuation of the proceedings for each branch if a reorganization proceeding is initiated, in accordance with the Colombian legal provisions on insolvency.

**ON THE APPLICATION TO GRANT THE MEASURES REFERRED TO IN ARTICLE 105 OF ACT 1116 OF 2006**

27. Pursuant to Article 105 of Act 1116, if a proceeding is recognized as the main proceeding, such as in this case, the two (2) effects referred to in said provision will ensue.
28. The first effect will be the inability to bring enforcement proceedings against the debtor, as well as any ongoing proceedings' stay. The foreign representative and the debtor will be legally authorized to request the enforcement's stay, either individually or jointly, and to argue the nullity of the proceedings or any actions following the main foreign proceeding's recognition.
29. The second effect limits any right to transfer or encumber the debtor's assets, or to dispose thereof in any title, unless the relevant act or transaction takes place within the company's ordinary course of business or this Superintendency expressly approves it.
30. In this regard, we note that any act carried out or conducted in contravention to Article 105 of Act 1116 of 2006 will be legally inefficacious and entail the imposition of successive fines until the transaction is reversed.
31. Although the judge for the main proceeding must authorize any transactions by the debtor and its group that are not within the ordinary course of business, this does not imply that such court's decisions will be automatically applicable in the Colombian jurisdiction.
32. In this respect, whenever any of the authorizations issued by the judge for the main proceeding refers to assets located in Colombia, they shall be subject to this Superintendency's control so that the provisions in Article 91 of Act 1116 of 2006 are complied with; otherwise, the penalties provided for in paragraph 2 of Article 105 of Act 1116 of 2006 shall apply.

**ON THE REQUEST TO EXTEND THE MEASURES GRANTED AS OF THE FOREIGN PROCEEDING RECOGNITION'S APPLICATION**

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33. Through memorandum 2025-01-817952 of November 27, 2025, KPMG INC. requested an extension of all provisional precautionary measures applied for, as of the foreign proceeding's application for recognition.
34. In this regard, it should be noted that pursuant to Article 106 of Act 1116 of 2006, from the date of the foreign proceeding's recognition, if necessary to protect the debtor's assets or the creditors' interests, the competent Colombian authority may, among others, extend any precautionary measures granted, pursuant to the relevant article on the grantable measures, from the date of the application for recognition of the foreign proceeding.
35. In this case, this Superintendency, through Order 2025-01-844296 of December 11, 2025, decided on the provisional measures requested by the Foreign Representative for the main reorganization proceeding on parent company Canacol Energy LTD and its subsidiaries, as provided for in Article 102 of the Insolvency Statute.
36. The Superintendency finds that the measures granted are necessary and urgent to protect the Debtors' assets, ensure the operating continuity, and prevent any paralysis resulting from the lack of liquidity, complying with the criteria of necessity, effectiveness, and proportionality under Article 590 of the Proceedings General Code and Article 102 of Act 1116 of 2006.
37. Therefore, pursuant to paragraph 4 of Article 106 of the Insolvency Statute, the following measures will be extended, taking into account the provisions in Articles 20, 21, and 22 of Act 1116 of 2006:
- a) Order that no enforcement actions or collection proceedings of any type shall be admitted or continued against the Debtors, including to enforce security interests and movable securities.
  - b) Order that any actions contrary to that provided for in subparagraph (a) above will be deemed null and void, and that any relevant official engaging thereon will be liable for misconduct.
  - c) Order the stay of any enforcement proceedings against the Debtors' assets (including, but not limited to enforcement proceedings on movable securities) and/or suspend any measures under processing, preventing or hindering the Debtors from continuing their ordinary business operations.
  - d) Order the following bank accounts to remain in the Debtors' control and their funds to be used to pay the Debtors' necessary operating and administrative expenses such as payroll, strategic suppliers, ordinary operating expenses, and tax payments:

<b>Company</b>	<b>Bank</b>	<b>Account No.</b>
Canacol Energy	Davivienda - Savings	482800005282
Canacol Energy	Corredores Davivienda - Collective Investment Fund	830095563-1-I-A1
Canacol Energy	Santander - Savings	100014211
Canacol Energy	Credicorp Capital - Collective Investment Fund Fonval	1-1-56422-9
Canacol Energy	Banco de Occidente Checking Account	263-04375-9

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<b>Canacol Energy</b>	Banco de Occidente - Checking	270-073-430
<b>Canacol Energy</b>	Banco Occidente - Savings	270-866-130
<b>Canacol Energy</b>	Fiduoccidente - Savings (New)	256-11794-6
<b>Canacol Energy</b>	Fiduoccidente - FIC (New)	1001210003446
<b>Canacol Energy</b>	Fiduoccidente - Savings (New)	256-13988-8
<b>Canacol Energy</b>	Banco de Occidente Panamá - USD - Fiduoccidente (New)	100011983
<b>CNE Oil &amp; Gas</b>	Itau Corpbanca - Checking	014-40404-0
<b>CNE Oil &amp; Gas</b>	Santander - Savings	100-01155-7
<b>CNE Oil &amp; Gas</b>	Davivienda - Savings	482800005977
<b>CNE Oil &amp; Gas</b>	Fiduoccidente - Savings (New)	256-11795-3
<b>CNE Oil &amp; Gas</b>	Fiduoccidente - Fic (New)	1001210003445
<b>CNE Oil &amp; Gas</b>	Fiduoccidente - Fic (New)	1001210003449
<b>CNE Oil &amp; Gas</b>	Corredores Davivienda - Collective Investment Fund	900713658-1-I
<b>CNE Oil &amp; Gas</b>	Credicorp Capital - Fonval Collective Investment Fund	1-1-49496-5
<b>CNE Oil &amp; Gas</b>	Credicorp Capital - EF Collateral Agent Mcquarie	919301202064
<b>CNE Oil &amp; Gas</b>	Citibank NY - CNE OIL & GAS - SSJN7 - USD	36279146
<b>CNE Oil &amp;</b>	Gas Banco de Occidente Panamá - USD - Fiduoccidente (New)	100011984
<b>CNE Oil &amp; Gas</b>	Fiduoccidente - Savings (New)	256-124-488
<b>CNEOG Colombia</b>	Credicorp Capital - Fonval Collective Investment Fund	1-1-58969-4
<b>CNEOG Colombia</b>	Corredores Davivienda - Collective Investment Fund	900276770-1-I-A1
<b>Cantana Energy</b>	Davivienda - Checking Account	008969992406
<b>Cantana Energy</b>	Credicorp Capital - Fonval Collective Investment Fund	1-1-58639-4

- f) Order that no unilateral termination of any Debtors contract shall be ordered, particularly the following, which are necessary for their operation and to generate their operating income:

<b>CNE OIL &amp; GAS S.A.S.</b>	
<b>Contract</b>	<b>Counterparty</b>
Hydrocarbon Exploration and Production Contract VMM-10-1	National Hydrocarbons Agency [Agencia Nacional de Hidrocarburos]
Hydrocarbon Exploration and Production Contract VMM-53	National Hydrocarbons Agency
Hydrocarbon Exploration and Production Contract VIM-33	National Hydrocarbons Agency
Hydrocarbon Exploration and Production Contract SSJN-07	National Hydrocarbons Agency
Hydrocarbon Exploration and Production Contract VIM-44	National Hydrocarbons Agency
Hydrocarbon Exploration and Production Contract VIM-	National Hydrocarbons Agency

<b>CANACOL ENERGY COLOMBIA S.A.S.</b>	
<b>Contract</b>	<b>Counterparty</b>
VMM-2 Hydrocarbon Exploration and Production Contract	National Hydrocarbons Agency
Sangretoro Hydrocarbon Exploration and Production Contract	National Hydrocarbons Agency
Casanare Area Production Service Contract with Risk	Hocol S.A

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<i>Casanare Area Participation Agreement – Rancho Hermos,</i>	<i>Hocol S.A.</i>
<i>Comprehensive Wells Operation and Maintenance Service Agreement</i>	<i>Hocol S.A.</i>

<b>CNEOG COLOMBIA, COLOMBIAN BRANCH</b>	
<b>Contract</b>	<b>Counterparty</b>
<i>Hydrocarbon Exploration and Production Contract VIM-21</i>	<i>National Hydrocarbons Agency</i>
<i>Hydrocarbon Exploration and Production Contract Esperanza</i>	<i>National Hydrocarbons Agency</i>

<b>CANTANA ENERGY, COLOMBIAN BRANCH</b>	
<b>Contract</b>	<b>Counterparty</b>
<i>Hydrocarbon Exploration and Production Contract VMM-49</i>	<i>National Hydrocarbons Agency</i>
<i>Hydrocarbon Exploration and Production Contract VMM-45</i>	<i>National Hydrocarbons Agency</i>

- g) Forbid the enforcement of the Debtors’ security interests, particularly those listed in Annex 5.9 of the Application for Recognition.
- h) Because the successful completion of the main foreign proceeding requires the experience, knowledge, and continuous engagement of advisors with well-known and specialized expertise, we request that the payments of the Foreign Representative, its attorneys, and the Debtors attorney’s fees are afforded priority over any other expenses, interest payments, and charges, so that the mentioned proceeding moves forward.

**ADDITIONAL MEASURES TO PROTECT THE CREDITORS’ INTERESTS AND THE DEBTORS’ ASSETS IN COLOMBIA**

38. Article 107 of the Insolvency Statute expressly provides that whenever any relevant measure is granted or denied, the Colombian authority must ensure that the creditors interests are duly protected.
39. Accordingly, to fulfill the provision’s purpose, this Superintendency will order that the decision recognizing the foreign proceeding shall be informed to the different creditors, as provided for in paragraphs 5 and 11 of Article 19 of Act 1116 of 2006. For the purposes of Article 19.5, the measure will be limited to the debtors that are part of the group and have permanent establishments in Colombia.
40. Additionally, the debtor will be required to submit, within the next 10 days, the following information on the group members with permanent establishments in Colombia:
- 40.1. (i) Individual, separate, and consolidated financial statements, prepared under the regulatory framework applicable to companies and branches pursuant to the International Financial Reporting Standards; (ii) Consolidated statement of comprehensive income; (iii) Cash flows statement; and (iv) Notes to the financial statements as of December 31, 2024 and November 30, 2025, certified and signed by the statutory auditor.

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- 40.2. Inventory of the companies' and branches' assets and liabilities as of November 30, 2025, duly certified and signed by the statutory auditor. This inventory shall be prepared by previously verifying the existence of each of the items included in the financial position statement. The inventory of liabilities shall expressly mention the relevant obligations' maturity dates.
- 40.3. Certification on the status of any pension-related obligations.
41. Finally, the Superintendency warns that the foreign proceeding's representative must comply with the obligations referred to in Article 107 of Act 1116 of 2006, particularly, reporting to this Superintendency any inability to continue to pay any obligations following the application, within the ordinary course of business, as soon as such a situation is noticed.
42. Furthermore, as soon as the main proceeding's Creditors Committee appoints its representatives in Colombia, the relevant appointment shall be informed to the Superintendency.

Based on the above, the Superintendent Delegate for Insolvency Proceedings,

**RESOLVES**

**First.** To recognize in Colombia the insolvency proceeding commenced under the Canadian Companies' Creditors Arrangement Act (CCAA) before the Court of King's Bench of Alberta—seated in the Judicial Centre of Calgary—, Canada, by Canacol Energy Colombia S.A.S., CNE Oil & Gas S.A.S., Cantana Energy Sucursal Colombia, and Cneog Colombia Sucursal Colombia, in furtherance of the applications filed through memoranda 2025-01-817952 of November 27, 2025, 2025-01-841337 and 2025-01-841342 of December 10, 2025, as main foreign proceeding.

**Second.** To recognize KPMG INC. as the Foreign Representative, with the powers granted by Articles 96 and 97 of Act 1116 of 2006.

**Third.** To recognize the efficacy of the automatic measures referred to in Article 105 of Act 1116 of 2006. Note that any act entered into or executed infringing paragraph 2 of Article 105 of Act 1116 of 2006 shall be legally inefficacious and will entail the imposition of successive fines by the competent Colombian authority for up to two hundred (200) current legal minimum wages, until the relevant transaction is reversed.

**Fourth.** To extend the term of the measures granted as of the filing of the foreign proceeding's application for recognition in Order 2025-01-844296 of December 11, 2025, mentioned in paragraph 37 of this order's considerations, pursuant to Articles 20, 21, 22, 106, and 107 of Act 1116 of 2006.

**Fifth.** Canacol Energy Colombia S.A.S., CNE Oil & Gas S.A.S., Cantana Energy Colombian Branch, and Cneog Colombia Colombian Branch's foreign proceedings' recognition will be processed as a single proceeding.

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**Sixth.** Any orders issued by a foreign judge on the disposal of assets located within the Colombian jurisdiction must be reviewed beforehand by this Superintendency to verify compliance with Article 91 of Act 1116 of 2006.

**Seventh.** The foreign representative shall comply with the obligations referred to in Article 107 of Act 1116 of 2006, particularly, reporting to this Superintendency any inability to continue to pay any obligations following the application, within the ordinary course of business, as soon as such a situation is noticed.

**Eighth.** To order the legal representatives for Canacol Energy Colombia S.A.S., CNE Oil & Gas S.A.S., Cantana Energy Colombian Branch, and Cneog Colombia Colombian Branch, to submit, along with their statutory auditors and accountants, within the 10 days following the date when this decision becomes final and unappealable:

- 8.1 (i) Individual, separate, and consolidated financial statements, prepared under the regulatory framework applicable to companies and branches pursuant to the International Financial Reporting Standards; (ii) Consolidated statement of comprehensive income; (iii) Cash flows statement; and (iv) Notes to the financial statements as of December 31, 2024 and November 30, 2025, certified and signed by the statutory auditor.
- 8.2. Inventory of the companies' and branches' assets and liabilities as of November 30, 2025, duly certified and signed by the statutory auditor. This inventory shall be prepared previously verifying the existence of each of the items included in the financial position statement. The inventory of liabilities shall expressly mention the relevant obligations' maturity dates.
- 8.3. Certification on the status of any pension-related obligations.

**Ninth.** To order the Judicial Support Group to post a notice within said Group, for a five (5) days period, informing on the recognition of the main foreign proceeding.

**Tenth.** To order the debtors' legal representative to post the notice prepared by the Judicial Support Group in a visible place at their main offices and branches, for the entire duration of the proceeding.

**Eleventh.** Order the recording of this ruling, recognizing the foreign proceedings, with the trade registry for Canacol Energy Colombia S.A.S.'s, CNE Oil & Gas S.A.S.'s, Cantana Energy Colombian Branch's, Cneog Colombia Colombian Branch's, and their commercial establishments' registered addresses, and for any places where their principal interests or operations are located and they permanently engage in any economic activity, as per that provided for in Article 8 of Decree 2785 of 2008.

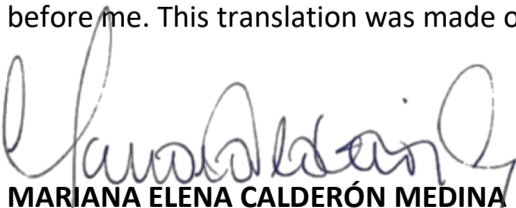
**Notify and comply,**

**Santiago Londoño Correa**  
Superintendent Delegate for Insolvency Proceedings  
TRD

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This translation is complete, accurate, and identical to the text of the document in Spanish that I had before me. This translation was made on December 21, 2025.

  
**MARIANA ELENA CALDERÓN MEDINA**

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