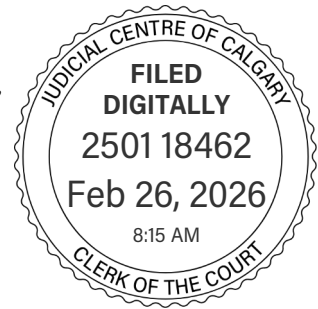


COURT FILE NO. 2501-18462
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

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.



APPLICANTS 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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File No. G10088627

**APPLICATION BEFORE THE HONOURABLE JUSTICE BOURQUE
March 5, 2026, AT 9:30 A.M. (M.T.) ON THE CALGARY COMMERCIAL LIST**

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PART 1 - INTRODUCTION

1. This Brief is filed on behalf of Canacol Energy Ltd. (“**Canacol**”), 2654044 Alberta Ltd. (“**265 Alberta**”), Canacol Energy ULC (“**Canacol ULC**”), 2498003 Alberta ULC (“**249 Alberta**”), Cantana Energy GmbH (“**Cantana Switzerland**”), CNE Oil & Gas S.R.L (“**CNE Panama**”), Canacol Energy Colombia S.A.S. (“**Canacol Colombia**”), Shona Holding GMBH (“**Shona Switzerland**”), CNE Energy S.A.S. (“**CNE Energy Colombia**”), and CNE Oil & Gas S.A.S. , with the aforementioned named applicants, collectively the “**Applicants**” or the “**Canacol Group**”).
2. The Applicants seek from this Honourable Court an Order that provides as follows:
 - (a) declaring that the time for service of the Application be abridged and deemed good and sufficient, that the Application is properly returnable, and that further service of the Application be dispensed with;
 - (b) granting a charge (the “**Sale Advisor Charge**”) over the Applicants’ assets, undertaking and property (the “**Property**”) in favour of Moelis & Company LLC (“**Moelis**”) in its capacity as sale advisor (the “**Sale Advisor**”) as security for the minimum fee payable to Moelis under the terms of the engagement letter between the Applicants and the Sale Advisor dated as of January 3, 2026 (the “**Moelis Engagement Letter**”), up to the maximum aggregate amount of the Canadian dollar equivalent of US\$3,500,000;
 - (c) increasing the quantum of the Administration Charge (as defined second amended and restated initial order of the Honourable Justice D. Mah dated December 11, 2025 (the “**SARIO**”)) from up to a maximum aggregate amount of the Canadian dollar equivalent of US\$1,500,000 to up to the maximum aggregate amount of the Canadian dollar equivalent of US\$3,000,000;
 - (d) providing for the priority ranking of the Sale Advisor Charge (together with the Administration Charge, the Directors’ Charge (as defined below), and the DIP Lenders’ Charge (as defined below), the “**Charges**”) such that the Charges rank in

the following order, in priority to all other security, charges and encumbrances in favour of any person over the Property:

- (i) First – the Administration Charge (up to a maximum amount of the Canadian dollar equivalent of US\$3,000,000);
 - (ii) Second – the Sale Advisor Charge (up to the maximum aggregate amount of the Canadian dollar equivalent of US\$3,500,000);
 - (iii) Third – the DIP Lenders’ Charge (up to a maximum amount of all amounts due and owing under the DIP Commitment Letter (as defined below) from time to time, as approved by the Court); and
 - (iv) Fourth – the Directors’ Charge (up to a maximum amount of the Canadian dollar equivalent of US\$1,000,000);
- (e) amending paragraph 22 of the SARIO to extend the scope of the indemnity in favour of the Applicants’ directors and officers in respect of all obligations and liabilities that they may incur in such positions following the date of the Initial Order, to the extent such obligations and liabilities were not incurred as a result of the director’s or officer’s gross negligence or wilful misconduct (the “**D&O Indemnity**”), so as to include all obligations and liabilities that may be incurred in respect of any and all fees and disbursements of legal counsel to Canacol’s board of directors;
- (f) granting Canacol relief from securities issuer reporting and disclosure obligations, and other obligations applicable to issuers as may be imposed by applicable Colombian laws, by the Superintendencia Financiera de Colombia (the “**SFC**”), the Bolsa de Valores de Colombia (the “**BVC**”) and any applicable issuer reporting system required in Colombia from time to time, including any requirements administered or enforced by any foreign securities regulator or self-regulatory organization in Colombia, until further order of the Court; and

- (g) approving the Fourth Report of the Monitor, to be filed (the “**Fourth Report**”), and the actions, conduct and activities of the Monitor set out therein.
- (h) Such further and other relief as counsel may advise and this Honourable Court may deem just.

PART 2 - FACTS AND BACKGROUND

- 3. The facts in support of the Canacol Group’s Application are supported by the Affidavit of Jason Bednar #6, affirmed February 25, 2026,¹ and by the Fourth Report of the Monitor of KPMG Inc. (“**KPMG**”), in its capacity as the court appointed monitor (the “**Monitor**”) of the Canacol Group. All capitalized terms not otherwise defined in this Bench Brief shall have the meaning given to them in the Bednar Affidavit 6.
- 4. All references to dollar amounts contained herein are to United States Dollars unless otherwise stated.

The CCAA Proceedings

- 5. On November 18, 2025, the Applicants appeared before this Honourable Court and were granted an initial order (the “**Initial Order**”), among other things, granting protection to the Applicants under the CCAA and appointing KPMG Inc. as the Monitor in these CCAA proceedings.² On November 28, 2025, this Honourable Court granted an amended and restated initial order (the “**ARIO**”).³
- 6. On December 11, 2025, this Honourable Court granted a second amended and restated initial order (the “**SARIO**”), among other things, approving interim financing pursuant to the Canacol DIP Loan Commitment Letter dated December 2, 2025 (as may be amended or restated from time to time, the “**DIP Commitment Letter**”) between the Applicants, the guarantor parties thereto, and the lender signatories thereto (the “**DIP Lenders**”) who are holders of Canacol’s US\$495,000,000 of 5.75% senior unsecured notes due in 2028

¹ The Affidavit of Jason Bednar #6 sworn on February 25, 2026 (the “**Bednar Affidavit 6**”).

² Bednar Affidavit 5, at para 5.

³ Bednar Affidavit 5, at para 6.

and participants in an ad hoc committee of the senior unsecured notes (the “**Ad Hoc Committee**”), and granting a super-priority charge securing all obligations owing under the DIP Commitment Letter.⁴ An initial advance of US\$15,000,000 has been advanced under the DIP Commitment Letter in reliance on the terms of the SARIO.

7. On January 26, 2026, the Honourable Justice Bourque of this Court granted an order (the “**SISP Approval Order**”), among other things, (i) amending the provisions of the SARIO to extend the stay of proceedings in respect of the Applicants up to and including June 27, 2026; (ii) approving the Applicants’ engagement of Moelis as Sale Advisor pursuant to the terms of the Moelis Engagement Letter; (iii) approving the sale and investment solicitation process (the “**SISP**”) in the form attached to the SISP Approval Order as Schedule “A” and authorizing the Applicants, the Sale Advisor and the Monitor to implement the SISP; and (iv) approving the Third Report of the Monitor dated January 13, 2026 and the activities of the Monitor described therein.⁵
8. On January 2, 2026, Macquarie Bank Ltd. (“**Macquarie**”) filed an application with the Alberta Court of Appeal seeking leave to appeal Justice Mah’s decision granting the SAIRO (the “**Leave to Appeal Application**”), and in particular the granting of the DIP Lender’s Charge in priority to the secured claim of Macquarie.⁶ The Leave to Appeal Application was heard on February 18, 2026 before the Honourable Justice Kirker (the “**Appeal Hearing**”). Justice Kirker rendered an oral decision dismissing the Leave to Appeal application on February 20, 2026.⁷

The Sale Advisor Charge

9. The SISP Approval Order granted, among other things, the approval of the Moelis Engagement Letter.
10. The SISP is to be conducted through the Sale Advisor (under the supervision and oversight of the Monitor), and the Sale Advisor is responsible for, among other things, soliciting

⁴ Bednar Affidavit 5, at para 7.

⁵ Bednar Affidavit 6, at para 8.

⁶ Bednar Affidavit 6, at para 9.

⁷ Bednar Affidavit 6, at para 10 – Exhibit E.

offers for the Opportunity (as defined in the SISP), assisting the Canacol Group in the assessment of offers delivered in accordance with the SISP, and communicating with potential bidders through the duration of the SISP.⁸ The Sale Advisor has initiated the implementation of the SISP, including by (i) preparing the Teaser Letter, CIM and NDA, establishing the Data Room; (ii) causing the Notice of the SISP to be published in the Globe and Mail; (iii) sending the Teaser Letter and NDA to all Known Potential Bidders; (iv) reviewing information regarding Phase I Qualified Bidders; and (v) assisting with ongoing information requests and diligence inquiries from Phase I Qualified Bidders that have expressed an interest in participating in the SISP.⁹ The Sale Advisor is critical to the implementation and conduct of the SISP in these CCAA proceedings.

11. The assistance of the Sale Advisor is necessary and desirable to promote a successful outcome through the SISP.¹⁰ The Sale Advisor's involvement will enhance the likelihood of the SISP generating maximum value for the Canacol Group's stakeholders.¹¹ The Sale Advisor has specifically and repeatedly requested that the Applicants seek the granting of the Sale Advisor Charge, and may elect to terminate the Moelis Engagement Letter absent the granting of this relief.¹²
12. The Applicants are seeking the Sale Advisor Charge up to the maximum amount of the Canadian dollar equivalent of US\$3,500,000. The quantum of the Sale Advisor Charge has been developed and negotiated in consultation with the Sale Advisor and the Monitor, and represents the amount necessary to ensure payment of the Sale Advisor's minimum fee pursuant to the Moelis Engagement Letter.¹³
13. The Sale Advisor Charge is both necessary and appropriate in the circumstances to ensure that the Sale Advisor has the same protections with regard to the payment of its fees as those afforded to other professionals assisting the Applicants in these proceedings.¹⁴

⁸ Bednar Affidavit 6, at para 23.

⁹ Bednar Affidavit 6, at para 11 (f).

¹⁰ Bednar Affidavit 6, at para 24.

¹¹ Bednar Affidavit 6, at para 24.

¹² Bednar Affidavit 6, at para 24.

¹³ Bednar Affidavit 6, at para 25.

¹⁴ Bednar Affidavit 6, at para 25.

14. The DIP Lenders have consented to the quantum and the granting of the Sale Advisor Charge.¹⁵
15. Macquarie has previously stated on the record in the Appeal Hearing that they support the SISP proceeding.¹⁶

Increase to the Quantum of the Administration Charge

16. Pursuant to the ARIO, the Applicants were granted the Administration Charge in the maximum amount of the Canadian dollar equivalent of US\$1,500,000.
17. The scope and intensity of the work by the beneficiaries of the Administration Charge (the professionals advising the Canacol Group and the Monitor and its advisors) has been greater than initially anticipated. Amounts accrued and accruing for professional fees have been in excess of the quantum of the current Administration Charge.¹⁷ The expertise, knowledge and continuing participation of the proposed beneficiaries of the Administration Charge are essential to the Canacol Group's ability to complete a successful restructuring.¹⁸
18. The quantum of the proposed increase to the Administration Charge has been developed in consultation with the Monitor and is appropriate in the circumstances, particularly in light of the fact that it is needed in order to provide security for the fees and disbursements of the work being done by at least eight professional firms (the Applicants' Canadian, Colombian, U.S. and Swiss counsel, the Monitor and the Monitor's Canadian, Colombian and U.S. counsel).¹⁹

¹⁵ Bednar Affidavit 6, at para 26.

¹⁶ Bednar Affidavit 6, at para 10 – Exhibit F [Leave to Appeal Hearing Transcript], pg. 22, lines 2 to 3.

¹⁷ Bednar Affidavit 6, at para 28.

¹⁸ Bednar Affidavit 6, at para 29.

¹⁹ Bednar Affidavit 6, at para 29.

Priority of Charges

19. Inclusive of the requested Sale Advisor Charge, the proposed ranking of the Charges is as follows:
- (a) First – the Administration Charge (up to a maximum amount of the Canadian dollar equivalent of US\$3,000,000);
 - (b) Second – the Sale Advisor Charge (up to the maximum aggregate amount of the Canadian dollar equivalent of US\$3,500,000);
 - (c) Third – the DIP Lenders’ Charge (up to a maximum amount of all amounts due and owing under the DIP Commitment Letter from time to time, as approved by the Court); and
 - (d) Fourth – the Directors’ Charge (up to a maximum amount of the Canadian dollar equivalent of US\$1,000,000).
20. Each of the Charges will rank in priority over Macquarie’s pre-filing security when fully recognized. The value of the assets of the Canacol Group exceeds the indebtedness owing to Macquarie and the amounts secured (or proposed to be secured) by the Charges.²⁰ The Court has previously found that based on the valuation evidence before the Court (including that put forth by Macquarie), the value of the assets of the Applicants exceeds the Indebtedness owing to Macquarie and the amounts secured by the Charges referenced above.²¹

Extension of the D&O Indemnity

21. Pursuant to the terms of the ARIO (as amended and restated by the SARIO), the Canacol Group’s directors and officers were granted the D&O Indemnity. The Applicants are seeking to amend the provisions of the SARIO such that the D&O Indemnity extends to all

²⁰ Bednar Affidavit 6, at para 32.

²¹ Bednar Affidavit 6, at para 32.

obligations of Canacol's directors and officers to pay the fees and disbursements of legal counsel to Canacol's board of directors ("**D&O Counsel**").

22. The Applicants are not seeking any increase to the Directors' Charge at this time.²²

Relief from Columbian Securities Law Obligations

23. As a result of its common shares being traded on the BVC (the principal stock exchange in Colombia) and Canacol being an issuer registered in the Colombian National Registry of Securities and Issuers (the "**RNVE**"), Canacol is subject the Colombian Securities Reporting Requirements, including, without limitation, the following:

- (a) Maintaining updated corporate and governance information in the RNVE;
- (b) Making continuous disclosure of material information to investors in accordance with Colombian securities regulations;
- (c) Preparing and submit detailed year-end information to RNVE, including year-end period reports and audited year-end financing statements; and
- (d) Preparing and submit detailed quarterly periodic reports and audited financial statements.²³

24. Non-compliance with the Colombian Securities Reporting Requirements can result in both significant financial penalties, sanctions and other regulatory or market consequences for the reporting issuer, and the imposition of personal administration fines and sanctions on the legal representative of Canacol in Colombia registered with the RNVE.²⁴ Canacol's directors and officers may also be at risk of penalty for noncompliance with the Colombian Securities Reporting Requirements.²⁵

25. On advice the advice of Colombian counsel, the Applicants are seeking authorization to amend the provisions at paragraphs 50-51 of the SARIO such that, in addition to being

²² Bednar Affidavit 6 at para 35.

²³ Bednar Affidavit 6, at para 36.

²⁴ Bednar Affidavit 6, at para 38.

²⁵ Bednar Affidavit 6, at para 38.

exempt from Canadian securities and exchange requirements, the Applicants will also be exempt from the Colombian Securities Reporting Requirements and incurring any further expenses in connection therewith. The Applicants intend to seek recognition of such relief in Colombia, if granted in these CCAA proceedings.²⁶

PART 3 - ISSUES

26. The issues to be determined by this Honourable Court are as follows:
- (a) Should this Honourable Court abridge the service of this Application and related materials and deem service good and sufficient?
 - (b) Should the Sale Advisor Charge be approved?
 - (c) Should the Administration Charge over the Applicants' Property in the amount of US\$1,500,000, be increased to US\$3,000,000, and be granted in priority over all Encumbrances in favour of any person over the Property?
 - (d) Should this Honourable Court grant the proposed amendments to the SARIO to extend the D&O Indemnity to include the fees and disbursements of D&O Counsel?
 - (e) Should this Honourable Court grant the proposed amendments to the SARIO granting relief from certain Columbian securities law obligations?
 - (f) Should the Fourth Report of KPMG in its capacity as Monitor, be approved, and the activities and conduct of the Monitor referenced therein be approved?

²⁶ Bednar Affidavit 6, at para 39.

PART 4 - LAW AND ARGUMENT

A. Service Should be Abridged

27. Rule 13.5(2)(a) of the Alberta *Rules of Court* provides the Court the authority to abridge the time for service of this application.²⁷
28. The hearing before the Honourable Justice Bourque was confirmed on February 3, 2025, and as a result of the commercial court practice direction the Applicants' materials were to be filed by February 23, 2026. The Honourable Justice Bourque, on request of the Applicants, granted an extension permitting the Applicants' materials to be filed by February 25, 2026.
29. On February 25, 2026, the Applicants served their Application (with Form of Order) and the Bednar Affidavit 6 on the service list.²⁸
30. Based on the Court's filing directions, it is appropriate and reasonable in the circumstances that the Court deem the time for service of this application good and sufficient.

B. The Sale Advisor Charge Should be Approved

31. The SISP Approval Order granted, among other things, the approval of the Moelis Engagement Letter. The Applicants are now seeking the Sale Advisor Charge up to the maximum amount of the Canadian dollar equivalent of US\$3,500,000.
32. CCAA Courts have recognized that financial advisors can play a key role in assisting insolvent companies and the Monitor by bringing experience and expertise to the restructuring process, including during a sales process²⁹.
33. The Sale Advisor is critical to the implementation and conduct of the SISP in these CCAA proceedings.³⁰ The assistance of the Sale Advisor is necessary and desirable to promote a

²⁷ [Alberta Rules of Court, Alta Reg 124/2010, Rule 13.5\(2\)\(a\)](#) [TAB 1].

²⁸ Affidavit of Service of Arriane Tano.

²⁹ [Walter Energy Canada Holdings, Inc. \(Re\)](#), 2016 BCSC 107 (CanLII), at paras 25- 32 [TAB 2].

³⁰ Bednar Affidavit 6, at para 24.

successful outcome through the SISP, and the Applicants believe that the Sale Advisor's involvement will enhance the likelihood of the SISP generating maximum value for the Canacol Group's stakeholders.³¹

34. Section 11.52(1) of the CCAA provides that, on notice to secured creditors likely to be affected by a Court-ordered priority charge, the Court may order that all or part of the property of the Petitioner be subject to a charge, in an amount the Court considers appropriate, in favour of any financial, legal or other experts engaged by the company for the purposes of proceedings under the CCAA.³²
35. Courts in Canada have routinely granted separate charges in a restructuring for the benefit of third parties, including financial advisors, that implement sales and solicitation processes.³³
36. The factors to be considered by the Court in determining whether to approve a charge securing compensation include:
 - (a) the size and complexity of the business being restructured;
 - (b) the proposed role of the beneficiaries of the charge;
 - (c) whether there is an unwarranted duplication of roles;
 - (d) whether the quantum of the proposed charge appears to be fair and reasonable;
 - (e) the position of the secured creditors likely to be affected by the charge; and
 - (f) the position of the monitor.³⁴

³¹ Bednar Affidavit 6, at para 24.

³² [CCAA](#), sections [11.51](#) and [11.52](#). [TAB 3]

³³ [Canwest Publishing Inc. / Publications Canwest Inc., Re 2010 ONSC 222](#) at [para 55](#). [*Canwest*] [TAB 4]; [Re Just Energy Corp., 2021 ONSC 1793 \(CanLII\)](#) at paras [113](#) and [126](#) [TAB 5]

³⁴ *Canwest* at para [54](#) [TAB 4].

37. The quantum of the Sale Advisor Charge has been developed and negotiated in consultation with the Sale Advisor and the Monitor and represents the amount necessary to ensure payment of the Sale Advisor's minimum fee pursuant to the Moelis Engagement Letter.³⁵
38. The granting of the Sale Advisor Charge is both necessary and appropriate in the circumstances to ensure that the Sale Advisor has the same protections with regard to the payment of its fees as those afforded to other professionals assisting the Applicants in these proceedings.³⁶ The Sale Advisor Charge has repeatedly requested that the Applicants seek the Sale Advisor Charge, and absent this relief being granted, may elect to terminate the Moelis Engagement Letter and the Sale Advisor's ongoing engagement in relation to the SISP on five days notice.³⁷
39. The DIP Lenders have consented to the quantum and the granting of the Sale Advisor Charge.³⁸
40. Macquarie has previously stated on the record in the Appeal Hearing that they support the SISP proceeding.³⁹ Macquarie will be served prior to the hearing and will not be prejudiced by the granting of the Sale Advisor Charge given the value of the Applicants' assets as found by the Court.⁴⁰
41. As a result of the foregoing, the Applicant submits that it is appropriate for this Court to grant the Sale Advisor Charge.

C. The Administration Charge Should be Increased

42. The Applicants are seeking to increase the Administration Charge to secure the fees and expenses of the professionals directly involved in these proceedings to US\$3,000,000.

³⁵ Bednar Affidavit 6, at para 25.

³⁶ Bednar Affidavit 6, at para 25.

³⁷ Bednar Affidavit 6 at para 24.

³⁸ Bednar Affidavit 6, at para 26.

³⁹ Bednar Affidavit 6, at para 10 – Exhibit F [Leave to Appeal Hearing Transcript], pg. 22, lines 2 to 3.

⁴⁰ Bednar Affidavit 6, at paras 31-32.

43. Pursuant to section 11.52 of the CCAA⁴¹, on notice to secured creditors who are likely to be affected, courts will grant a charge declaring that all or part of the property of a debtor company is subject to a security or charge, as security for the fees and expenses of financial, legal and other advisors or experts acting in a proceeding. This will be based on consideration of the following non-exhaustive factors: (a) the size and complexity of the business being restructured; (b) the proposed role of the beneficiaries of the charge; (c) whether there is an unwarranted duplication of roles; (d) whether the quantum of the proposed charge appears to be fair and reasonable; (e) the position of the secured creditors likely to be affected by the charge, and (f) the position of the Monitor.⁴²
44. The above-noted factors weigh in favour of increasing the Administration Charge from US\$1,500,000 to US\$3,000,000 and granting the charge in priority to secured creditors.
45. The expertise, knowledge and continuing participation of the proposed beneficiaries of the Administration Charge are essential to the Canacol Group's ability to complete a successful restructuring.⁴³ Since the commencement of these proceedings, amounts accrued and accruing for professional fees have, at times, been in excess of the quantum of the current Administration Charge; the proceedings have required material time spent responding to contested relief and appellate steps, preparing additional court materials and undertaking enhanced cross-border coordination.⁴⁴
46. The quantum of the proposed increase to the Administration Charge has been developed in consultation with the Monitor and is appropriate in the circumstances, particularly in light of the fact that it is needed in order to provide security for the fees and disbursements of the work being done by at least eight professional firms (the Applicants' Canadian, Colombian, U.S. and Swiss counsel, the Monitor and the Monitor's Canadian, Colombian and U.S. counsel).⁴⁵

⁴¹ [CCAA, s 11.52 \[TAB 2\]](#).

⁴² [Canwest at para 54 \[TAB 4\]](#); see also [Springer Aerospace Holdings Limited, 2022 ONSC 6581. at paras 18–19 \[TAB 6\]](#).

⁴³ Bednar Affidavit 6, at para 29.

⁴⁴ Bednar Affidavit 6, at para 28.

⁴⁵ Bednar Affidavit 6, at para 29.

47. Macquarie will be served prior to the hearing and will not be prejudiced by the granting of an order increasing the Administration Charge given the value of the Applicants' assets as found by the Court.⁴⁶

D. The D&O Indemnity Should be Amended to Include the fees of D&O Counsel

48. The Applicants are seeking an amendment to paragraph 22 of the SARIO to extend the scope of the D&O Indemnity to all obligations and liabilities that may be incurred by the Canacol's directors and officers in respect of any and all fees and disbursements of D&O Counsel.

49. The Court has broad discretion under section 11 of the CCAA to make any order it considers appropriate in the circumstances.⁴⁷ In the circumstances, the expansion of the scope of the D&O Indemnity to include obligations incurred in respect of the fees and disbursements of D&O Counsel is necessary and appropriate as it provides reasonable protection to the directors and officers to be able to continue to seek and retain legal counsel in a complex cross-border insolvency proceeding. The requested amendment does not expand protection beyond the statutory limits provided under section 11.51 of the CCAA.⁴⁸ The proposed amendment to the SARIO will not result in any prejudice to stakeholders, as the Applicants are not seeking any increase to the Directors' Charge at this time.⁴⁹

E. Relief from Columbian Securities Law Obligations

50. The Applicants are seeking authorization to amend and extend the provisions of the SARIO (at paragraphs 50-51 specifically) such that, in addition to being exempt from Canadian securities and exchange requirements, the Applicants also be exempt from the Colombian Securities Reporting Requirements and any related requirements administered or enforced by any Colombian securities regulator or self-regulatory organization. This amendment is intended to clarify that Canacol is not required, during the Stay Period, to incur further

⁴⁶ Bednar Affidavit 6, at paras 31- 32.

⁴⁷ [CCAA, s. 11](#) [TAB 3].

⁴⁸ [CCAA, s. 11.51](#) [TAB 3].

⁴⁹ Bednar Affidavit 6, at para 35.

expenses to prepare or make the Colombian Securities Reporting Requirements that would otherwise be required as a consequence of Canacol being registered in the RNVE.⁵⁰

51. In the circumstances of these CCAA proceedings, continued compliance with the Colombian Securities Reporting Requirements is unduly onerous and potentially impossible for the Applicants. Specifically, the professional fees and internal management burden associated with completing an audit and related filings during the Stay Period would materially divert scarce resources from stabilization and the Canacol Group's restructuring efforts.⁵¹ Separately, auditors may be unwilling to accept an engagement given the Applicants' ongoing CCAA proceedings.⁵² The relief sought is therefore necessary and appropriate to preserve the Applicants' liquidity and restructuring prospects, and is within this Court's broad authority under section 11 of the CCAA, while expressly preserving the jurisdiction of Colombian securities authorities and self-regulatory organizations to take regulatory actions of the nature described in section 11.1(2) of the CCAA (or otherwise available under applicable Colombian law).⁵³
52. The Applicants' limited liquidity and management time must be prioritized and preserved. The time and costs to be incurred by continued compliance with the Colombian Securities Reporting Requirements will detract from a successful restructuring of the Canacol Group.⁵⁴ The request for exemption from the Colombian Securities Reporting Requirements will not result in prejudice to stakeholders given the level of financial information regarding the Applicants and their restructuring that is and will continue to be available through the materials filed in these proceedings.⁵⁵
53. Following the granting of an Order, the Applicants shall seek recognition of the order in Colombia, and the Superintendency of Companies of Colombia will have the unfettered authority to determine whether to recognize the order, as previously found by Justice Mah

⁵⁰ Bednar Affidavit 6, at para 39.

⁵¹ Bednar Affidavit 6, at para 40.

⁵² Bednar Affidavit 6, at para 40.

⁵³ [CCAA, s. 11](#), s. [11.1\(2\)](#) [TAB 3].

⁵⁴ Bednar Affidavit 6, at para 40.

⁵⁵ Bednar Affidavit 6, at para 40.

with respect to Colombian recognition of the debtor-in-possession charge order granted as a component of the SARIO.⁵⁶

F. The Fourth Report and the Activities Described therein Should be Approved

54. In connection with this application, KPMG Inc. in its capacity as the Monitor, will file the Fourth Report. The Fourth Report will describe the actions, activities and conduct of the Monitor in detail.

55. The Applicants are seeking the approval of the Fourth Report, and the actions, activities and conduct of the Monitor set out therein. The Monitor has acted honestly, in good faith, and in accordance with its Court-ordered and statutory duties prior to, and throughout the duration of these CCAA Proceedings to date.⁵⁷

PART 5 - CONCLUSION AND RELIEF SOUGHT

56. For the reasons above, the Applicants' requests the Approval and Amending Order be granted.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 25th day of February, 2026.

GOWLING WLG (CANADA) LLP

Per: 

Counsel for the Applicants

⁵⁶ Bednar Affidavit 6, at para 32 – Exhibit L [December 11 Decision Transcript], pg. 10, lines 9 to 16.

⁵⁷ Bednar Affidavit 6, at para 42.

TABLE OF AUTHORITIES

Tab	Authority
1.	<u>Alberta Rules of Court, Alta Reg 124/2010.</u>
2.	<u>Walter Energy Canada Holdings, Inc. (Re), 2016 BCSC 107 (CanLII)</u>
3.	<u>Companies' Creditors Arrangement Act, RSC 1985, c C-36.</u>
4.	<u>Canwest Publishing Inc. / Publications Canwest Inc., Re 2010 ONSC 222</u>
5.	<u>Re Just Energy Corp., 2021 ONSC 1793 (CanLII)</u>
6.	<u>Springer Aerospace Holdings Limited, 2022 ONSC 6581.</u>