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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Clerk's Stamp

APPLICATION BEFORE THE HONOURABLE JUSTICE LITTLE
NOVEMBER 25, 2026, AT 2:00 P.M. (MT) ON THE EDMONTON COMMERCIAL LIST

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PART 1 - INTRODUCTION

1. This Brief is filed on behalf of Canacol Energy Ltd. ("**Canacol**"), 2654044 Alberta Ltd., Canacol Energy ULC, 2498003 Alberta ULC, Cantana Energy GmbH ("**Cantana Switzerland**"), CNE Oil & Gas S.R.L, Canacol Energy Colombia S.A.S., Shona Holding GmbH ("**Shona Switzerland**"), CNE Energy S.A.S., and CNE Oil & Gas S.A.S. (collectively, the "**Applicants**" or the "**Canacol Group**").

2. In their Application, the Applicants seek from this Honourable Court an approval and amending order (the "**Approval and Amending Order**") pursuant to the CCAA, which amends certain provisions of the fifth amended and restated initial order granted on September 25, 2026 (the "**Fifth ARIO**") and includes the following relief[1]:

   (a) declaring that the time for service of the notice of Application for this order is hereby abridged and deemed good and sufficient, that the Application is properly returnable, and that further service of the Application is dispensed with;

   (b) extending the stay of proceedings under the Fifth ARIO to and including January 29, 2027 (the "**Extended Stay Period**");

   (c) approving, *nunc pro tunc* to its execution, the Applicants' entry into the third amending agreement dated and effective as of November 18, 2026 (the "**Third AR DIP Amending Agreement**"), to the third amended and restated Canacol DIP loan commitment letter dated April 14, 2026 (as amended from time to time, the "**Third AR DIP Commitment Letter**"), between, among others, the Applicants, the guarantor parties thereto and the lenders thereunder (collectively, the "**DIP Lenders**");

   (d) approving the eleventh report of KPMG Inc., in its capacity as Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**"), to be filed in connection with the November 25, 2026 hearing (the "**Eleventh Report**"), and the actions, conduct and activities of the Monitor described therein; and

   (e) sealing Confidential Exhibit "A" to the Bednar Affidavit #13, containing an unredacted copy of the executed Third AR DIP Amending Agreement, including the signature pages thereto, such that the fully executed Third AR DIP Amending Agreement does not form part of the public record, until the earlier of one year after the termination of these CCAA proceedings or pending further order of this Court; and

[1] Affidavit #13 of Jason Bednar affirmed November 19, 2026 ("**Bednar Affidavit #13**") at para 4.

(f) such further and other relief as counsel may advise and this Honourable Court may deem just.

PART 2 - FACTS

3. The facts relevant to this Application are set out in the Affidavit #13 of Jason Bednar affirmed November 19, 2026 (the "**Bednar Affidavit #13**") and are only summarized here as necessary. Unless otherwise stated, capitalized terms used in this Bench Brief are defined in the Bednar Affidavit #13 or the Fifth ARIO.

Overview of CCAA Proceedings

4. On November 18, 2025, the Honourable Justice B.B. Johnston of this Court granted an initial order (the "**Initial Order**"), which, among other things, appointed the Monitor, granted a stay of proceedings (as subsequently extended, the "**Stay Period**"), and authorized the Monitor to act as foreign representative of the Applicants (in such capacity, the "**Foreign Representative**").[2] On November 28, 2025, the Honourable Justice Bourque granted an amended and restated initial order which, among other things, extended the Stay Period.[3]

5. On December 11, 2025, the Honourable Justice D. Mah granted a second amended and restated initial order (the "**Second ARIO**") authorizing debtor-in-possession financing (the "**DIP Financing**" or "**DIP Facility**") with aggregate principal commitments of up to US$67 million and granting the DIP Lenders' Charge.[4]

6. On January 26, 2026, the Honourable Justice Bourque granted an order (the "**SISP Approval Order**") approving a sale and investment solicitation process in respect of the Canacol Group's business and assets (the "**SISP**") and the engagement of Moelis & Company LLC as sale advisor (the "**Sale Advisor**").[5]

7. On March 26, 2026, the Honourable Justice D. Mah granted a third amended and restated initial order (the "**Third ARIO**") which, among other things, approved further amendments to the DIP Financing, approved the KERP and KEIP, granted the KERP/KEIP Charge, and approved the Applicants' engagement of Breakpoint Advisory Partners LLC as chief restructuring officer (the "**CRO**").[6]

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[2] Bednar Affidavit #13 at para 7.
[3] Bednar Affidavit #13 at para 8.
[4] Bednar Affidavit #13 at para 9.
[5] Bednar Affidavit #13 at para 10.
[6] Bednar Affidavit #13 at para 11.

8. On April 24, 2026, the Honourable Justice A.G. Kuntz granted a fourth amended and restated initial order (the "**Fourth ARIO**") which, among other things, approved the Applicants' entry into the Third AR DIP Commitment Letter and increased the maximum principal commitments under the DIP Facility to US$112 million.[7]

9. On June 24, 2026, following a contested hearing on May 21, 2026, the Honourable Justice Feasby issued reasons and granted five orders permitting the disclaimer of certain natural gas supply, transportation and related agreements (collectively, the "**Disclaimer Orders**" and the "**Subject Agreements**", respectively).[8] Certain counterparties to the Subject Agreements applied to the Court of Appeal of Alberta for leave to appeal certain of the Disclaimer Orders (the "**Leave to Appeal Applications**").[9] The Leave to Appeal Applications were heard on October 21, 2026, and no decision has been released yet.[10]

10. On September 25, 2026, the Honourable Justice D. Mah granted the Fifth ARIO which, among other things, extended the Stay Period to November 30, 2026, approved the first and second amendments to the Third AR DIP Commitment Letter, and expanded the Applicants' authority to establish, amend, replace or supplement arrangements securing, supporting or satisfying present or future financial security requirements of the Colombian Agencia Nacional de Hidrocarburos (the "**ANH**") under or in connection with an E&P Contract (such arrangements, the "**ANH Security Arrangements**").[11]

Update on the Implementation of the SISP

11. The Applicants continue to conduct the SISP under the supervision of the Monitor and with the assistance of the Sale Advisor and the CRO.[12] The SISP is in its second phase, during which qualified participants have been provided further due diligence opportunities to develop binding proposals for a sale of, investment in, or restructuring of the Canacol Group's business and assets.[13]

12. Six parties initially participated in the second phase, the deadline to submit final proposals was extended to May 4, 2026, and the Sale Advisor subsequently invited new or revised proposals by June 10, 2026.[14] Since July 2026, additional parties have submitted unsolicited bids and been permitted to commence technical diligence through the exercise

[7] Bednar Affidavit #13 at para 12.
[8] Bednar Affidavit #13 at para 13.
[9] Bednar Affidavit #13 at para 15.
[10] Bednar Affidavit #13 at para 15.
[11] Bednar Affidavit #13 at para 16.
[12] Bednar Affidavit #13 at para 20.
[13] Bednar Affidavit #13 at para 20.
[14] Bednar Affidavit #13 at paras 22-23.

of discretions provided to the Applicants under the SISP with the approval of the Monitor and the Ad Hoc Committee.[15]

13. In accordance with the terms of the SISP, the deadline for determining whether proposals constitute Phase 2 Qualified Bids has been extended on several occasions, most recently to December 4, 2026.[16]

14. SISP bidders have identified that the Applicants' operations are not viable under the current terms of the Subject Agreements.[17] The absence of recognition of the Disclaimer Orders in Colombia has materially delayed the progress of the SISP.[18] The Applicants have not selected a Successful Bid, and the SISP remains ongoing.[19]

Update on the Colombian Recognition Proceedings

15. The Superintendency of Companies in Colombia (the "**Colombian Court**") recognized these CCAA proceedings as a foreign main proceeding on December 17, 2025, and has since recognized the Second ARIO, the SISP Approval Order, the Third ARIO and the Fourth ARIO.[20]

16. On July 15, 2026, the Foreign Representative applied to the Colombian Court for recognition of the Disclaimer Orders (the "**Colombian Disclaimer Recognition Proceedings**").[21] The Disclaimer Orders have not yet been recognized by the Colombian Court.[22] The Colombian Disclaimer Recognition Proceedings have been opposed by Subject Agreement counterparties and have involved submissions from Colombian governmental and regulatory authorities.[23] On September 18, 2026, the Foreign Representative requested that the Colombian Disclaimer Recognition Proceedings be scheduled on a priority basis. No hearing has been scheduled to date.[24]

17. On October 28, 2026, the Colombian Court issued an order (the "**Colombian Writ**") requiring information concerning the use of DIP proceeds, amounts disbursed and remaining under the DIP Financing, and the status of the SISP.[25] The relevant Applicants,

[15] Bednar Affidavit #13 at para 23.
[16] Bednar Affidavit #13 at para 24.
[17] Bednar Affidavit #13 at para 26.
[18] Bednar Affidavit #13 at para 26.
[19] Bednar Affidavit #13 at para 27.
[20] Bednar Affidavit #13 at para 29.
[21] Bednar Affidavit #13 at para 30.
[22] Bednar Affidavit #13 at para 30.
[23] Bednar Affidavit #13 at paras 32-33.
[24] Bednar Affidavit #13 at para 34.
[25] Bednar Affidavit #13 at para 37.

the CRO and the Foreign Representative submitted a joint response on November 4, 2026.[26]

18. Recognition of the Fifth ARIO in Colombia (the "**Colombian Fifth ARIO Recognition Proceedings**") is required to establish and fund the contemplated Colombian trust and cash-collateral arrangements for the benefit of the ANH.[27] The Foreign Representative applied to the Colombian Court for recognition of the Fifth ARIO, which recognition remains outstanding, and those arrangements have not been completed.[28]

Update on the ANH Security Requirements and the Swiss Moratorium Proceedings

19. Since the Fifth ARIO was granted, the ANH has made further requests to extend letters of credit and guarantees maintained in connection with the Abandonment Fund Security Requirements and the Performance Security Requirements and has commenced further contractual default proceedings concerning alleged deficiencies in abandonment fund security under certain E&P Contracts.[29] The Applicants are working to establish a cash-funded trust to satisfy outstanding Abandonment Fund Security Requirements, but the ANH has not agreed to the Applicants' request for additional time pending recognition of the Fifth ARIO.[30] The ANH has also issued three default decisions imposing fines on certain Applicants, none of which terminates the relevant E&P Contract.[31]

20. Cantana Switzerland and Shona Switzerland (collectively, the "**Swiss Applicants**") obtained provisional composition moratoria from the District Court of Lucerne (the "**Swiss Moratorium Proceedings**").[32] By separate orders dated August 28, 2026, those moratoria were extended to December 30, 2026 and January 1, 2027, respectively.[33]

Extension of the Stay Period

21. The Applicants are seeking the Extended Stay Period to preserve their operations, continue to advance the SISP, pursue the outstanding Colombian recognition matters and implement the necessary ANH Security Arrangements under the supervision of the Monitor.[34] The Extended Stay Period falls within the Applicants' cash flow forecast for the period from

[26] Bednar Affidavit #13 at para 37.
[27] Bednar Affidavit #13 at para 39.
[28] Bednar Affidavit #13 at para 39.
[29] Bednar Affidavit #13 at para 47.
[30] Bednar Affidavit #13 at para 48.
[31] Bednar Affidavit #13 at para 49.
[32] Bednar Affidavit #13 at paras 51, 53.
[33] Bednar Affidavit #13 at para 54.
[34] Bednar Affidavit #13 at para 56.

the week ending November 14, 2026 through the week ending January 30, 2027 (the "**Revised Cash Flow Forecast**").[35]

Approval of the Third AR DIP Amending Agreement

22. The Fourth ARIO approved the Third AR DIP Commitment Letter and increased approved DIP Financing commitments to the maximum principal amount of US$112 million.[36] The advances available under the Third AR DIP Commitment Letter comprised a US$45 million delayed-draw cash tranche (the "**Tranche A-1 Sub-Facility**"), a further US$45 million delayed-draw cash tranche (the "**Tranche A-2 Sub-Facility**"), and up to US$22 million of letter-of-credit support.[37]

23. On June 30, 2026, the Applicants and the DIP Lenders entered into a first amending agreement to the Third AR DIP Commitment Letter (the "**First AR DIP Amending Agreement**"), which extended the maturity date from June 30, 2026 to September 30, 2026, in consideration of extension fees totalling US$1.8 million.[38] On September 15, 2026, the Applicants and the DIP Lenders entered into a second amending agreement to the Third AR DIP Commitment Letter (the "**Second AR DIP Amending Agreement**"), which extended the maturity date to November 30, 2026 and divided the Fifth Subsequent Advance into two advances of up to US$7.5 million each (the "**Fifth Subsequent Advance Part 1**" and the "**Fifth Subsequent Advance Part 2**"), in consideration of further extension fees totalling US$1.8 million.[39]

24. The Fifth Subsequent Advance Part 1 and the Sixth Subsequent Advance were funded on September 18 and October 14, 2026, respectively, following waivers of the then-unsatisfied funding conditions for the purposes of these two specific advances.[40] The Applicants anticipate drawing the final US$7.5 million Fifth Subsequent Advance Part 2 during the week ending December 19, 2026, subject to satisfaction of certain funding conditions or, if provided, waivers by the DIP Lenders.[41]

25. The existing DIP Loan maturity date of November 30, 2026 does not provide sufficient time to complete the remaining SISP steps and pursue approval and implementation of a

[35] Bednar Affidavit #13 at para 57.
[36] Bednar Affidavit #13 at para 62.
[37] Bednar Affidavit #13 at para 63 (a)-(d).
[38] Bednar Affidavit #13 at paras 65-66.
[39] Bednar Affidavit #13 at paras 67-68.
[40] Bednar Affidavit #13 at para 70.
[41] Bednar Affidavit #13 at para 70.

transaction.[42] The Applicants have therefore negotiated the Third AR DIP Amending Agreement with the DIP Lenders, in consultation with the CRO and the Monitor.[43]

26. The Third AR DIP Amending Agreement extends the maturity date from November 30, 2026 to January 29, 2027, and extends to the same date (i) the milestone for completing a transaction under the SISP or, if the SISP is terminated, the milestone for implementing a transaction acceptable to the DIP Lenders, and (ii) the outside closing date referenced in assessing material adverse changes affecting the SISP.[44] It also provides that letters of credit under the DIP Facility must expire, or be subject to termination or non-renewal by the issuing bank on notice to the beneficiary, on or before January 29, 2027.[45]

27. As consideration for the extensions made thereunder, the Third AR DIP Amending Agreement requires the Applicants to pay in kind additional extension fees totalling US$1,800,000 (collectively, the "**Extension Fees**"), representing 2% of the maximum commitments of the consenting DIP Lenders under the Tranche A-1 Sub-Facility and the Tranche A-2 Sub-Facility.[46]

28. The Extension Fees are fully earned upon execution and delivery of the Third AR DIP Amending Agreement. Upon Court approval of the proposed Approval and Amending Order, if granted, the Extension Fees will be paid in kind, effective as of November 18, 2026, by adding the Extension Fees to the outstanding principal under the respective sub-facilities, rather than being paid in cash.[47]

Sealing Order

29. The signature pages to the Third AR DIP Amending Agreement are proposed to be filed with the Court on a confidential basis, as the identity of the participant DIP Lenders and their respective commitment amounts are subject to confidentiality undertakings.[48]

Approval of the Eleventh Report and the Activities described therein

30. The Monitor is preparing and will file the Eleventh Report with the Court to provide an update on the status of these CCAA proceedings in advance of the November 25, 2026 hearing.[49] The Monitor has acted honestly, in good faith, and in accordance with its Court-

[42] Bednar Affidavit #13 at para 71.
[43] Bednar Affidavit #13 at para 71.
[44] Bednar Affidavit #13 at paras 74-75.
[45] Bednar Affidavit #13 at para 75.
[46] Bednar Affidavit #13 at para 79.
[47] Bednar Affidavit #13 at para 80.
[48] Bednar Affidavit #13 at para 84.
[49] Bednar Affidavit #13 at para 85.

ordered and statutory duties prior to, and throughout the duration of these CCAA proceedings to date.[50]

Next Steps and Potential KERP Amendments

31. The Applicants have been working in consultation with the CRO and the DIP Lenders to develop and finalize certain proposed amendments to the Applicants' KERP. Should these efforts result in agreement, the Applicants will seek approval of any resulting amended KERP terms.[51]

PART 3 - ISSUES

32. The issues to be determined by this Honourable Court are as follows:

(a) Should this Court deem the time for service of the notice of Application and related materials good and sufficient?

(b) Should the stay of proceedings be extended from November 30, 2026, to January 29, 2027?

(c) Should the Applicants' entry into the Third AR DIP Amending Agreement be approved, *nunc pro tunc*?

(d) Should this Honourable Court seal Confidential Exhibit "A" to the Bednar Affidavit #13?

(e) Should the Eleventh Report of KPMG Inc. in its capacity as Monitor be approved, and the activities and conduct of the Monitor referenced therein be approved?

PART 4 - LAW AND ARGUMENT

A. Service Should be Deemed Good and Sufficient

33. Rule 6.3(3) of the *Alberta Rules of Court* ("***Rules of Court***") requires that an applicant file and serve on all parties and every other person affected by the application 5 days or more before the application is scheduled to be heard or considered.[52] Rule 13.5(2)(a) of the *Rules of Court* provides the Court the authority to abridge the time for service of this application.[53]

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[50] Bednar Affidavit #13 at para 86.
[51] Bednar Affidavit #13 at para 87.
[52] *Alberta Rules of Court*, Alta Reg 124/2010, Rule 6.3(3) **[TAB 1]**.
[53] *Alberta Rules of Court*, Alta Reg 124/2010, Rule 13.5(2)(a) **[TAB 1]**.

34. On November 9, 2026, the Applicants wrote to the Court requesting an extension of time to November 18, 2026, to file their court materials.

35. On November 9, 2026, the Court provided an extension for the Applicants to file their materials following the Commercial Court practice directive filing deadline of November 16, 2026, such that the Applicants were permitted to file their court materials by or before November 18, 2026.

36. On November 18, 2026, the Applicants wrote to the Court requesting an extension of time to November 19, 2026, to file their court materials. On the same day, the Court provided an extension such that the Applicants were permitted to file their court materials on November 19, 2026.

37. On November 19, 2026, the Applicants served their Application (with form of Order) and the Bednar Affidavit #13 on the service list.[54]

38. 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 Stay Period Should be Extended

39. The Applicants seek an extension of the stay of proceedings from November 30, 2026, to January 29, 2027, to preserve their operations, continue to advance the SISP, pursue the outstanding Colombian recognition matters and implement the necessary ANH Security Arrangements under the supervision of the Monitor.[55]

40. Under s. 11.02 of the CCAA, a court may grant extensions of the stay of proceedings where the court is satisfied that (i) circumstances exist that make the order appropriate; and (ii) the debtor has acted, and is continuing to act, in good faith and with due diligence.[56]

41. A key purpose of the CCAA is to maintain the *status quo* to allow a debtor company the breathing room to deal with its liquidity issues, consult with stakeholders, and develop a viable restructuring plan with a view to continuing operations for the benefit of all stakeholders. The interests to be considered include those of employees, directors, and even other parties doing business with the insolvent company.[57]

42. Courts have further noted that a stay of proceedings is appropriate:

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[54] Affidavit of Service of Arriane Tano.
[55] Bednar Affidavit #13 at para 56.
[56] *Companies Creditors Arrangement Act*, RSC 1985, c C-36, ss 11.02 (2), 11.02(3) [*CCAA*] **[TAB 2]**.
[57] *Century Services Inc. v Canada (Attorney General)*, 2010 SCC 60 at para 60 **[TAB 3]**.

a) to allow the debtor to stabilize its operations and reorganize as a going concern to maximize value for stakeholders;[58]

b) to stabilize the activities and operations of the applicant while a sales process was underway and stabilization via the stay was necessary to maximize the chances of recovery for stakeholders;[59] and

c) where the remedial purposes of the CCAA are being met.[60]

43. Since the granting of the Fifth ARIO, the Applicants, with the assistance of the CRO and the Monitor, have been working in good faith and with due diligence to, among other things:

(a) maintain natural gas production and sales in Colombia, manage working capital, and preserve the assets and operations of the Applicants on which a restructuring transaction will depend;[61]

(b) communicate with the Canacol Group's creditors regarding these CCAA proceedings, and work with the Monitor and legal counsel to respond to numerous creditor and stakeholder inquiries;[62]

(c) work with Colombian counsel and the Foreign Representative to pursue recognition of the Disclaimer Orders and the Fifth ARIO before the Colombian Court, including seeking hearing dates;[63]

(d) communicate, through counsel, the CRO and the Monitor, with Colombian governmental and regulatory authorities concerning the Applicants' operations, the Disclaimer Orders and the Colombian Disclaimer Recognition Proceedings;[64]

(e) prepare for and attend, through Canadian legal counsel, the hearings of the Leave to Appeal Applications;[65]

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[58] *Target Canada Co, Re*, 2015 ONSC 303 at para 8 **[TAB 4]**.
[59] *Re Hudson's Bay Company*, 2025 ONSC 1897 at para 19 **[TAB 5]**.
[60] *Delta 9 Cannabis Inc (Re)*, 2025 ABKB 52 at para 42 **[TAB 6]**.
[61] Bednar Affidavit #13 at para 19(a).
[62] Bednar Affidavit #13 at para 19(b).
[63] Bednar Affidavit #13 at para 19(c).
[64] Bednar Affidavit #13 at para 19(d).
[65] Bednar Affidavit #13 at para 19(e).

(f) engage with the ANH concerning the ANH Security Requirements, and with issuing banks, prospective trustees and other financial institutions concerning the renewal, replacement or establishment of required financial security;[66]

(g) through the CRO and the Sale Advisor, consult with bidders participating in the second phase of the SISP and evaluate their proposals in consultation with the Monitor, the Ad Hoc Committee, Macquarie and the RCF Lenders;[67]

(h) respond, jointly with the Foreign Representative and the CRO, to the Colombian Writ issued by the Colombian Court concerning DIP Financing disbursements and the status of the SISP;[68]

(i) coordinate with the Applicants' Swiss counsel concerning the Swiss Moratorium Proceedings affecting Cantana Switzerland and Shona Switzerland;[69]

(j) assess, in coordination with the CRO and the Monitor, the retention arrangements required to maintain key personnel supporting operations and the Applicants' restructuring, and negotiate proposed amendments to the existing KERP;[70]

(k) negotiate the terms of the Third AR DIP Amending Agreement with the DIP Lenders, in consultation with the CRO and the Monitor;[71] and

(l) work closely with the Monitor and the DIP Lenders to prepare the Revised Cash Flow Forecast for the period from the week ending November 14, 2026 to the week ending January 30, 2027.[72]

44. The Applicants have acted, and continue to act, in good faith and with due diligence during these CCAA proceedings. The requested extension is necessary and appropriate to provide the Applicants with the time required, under the supervision of the Monitor, to:[73]

(a) continue the evaluation and negotiation of proposals under the SISP and, if a Successful Bid is selected, seek Court approval of a going-concern transaction through the SISP and take the steps required to complete such transaction;

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[66] Bednar Affidavit #13 at para 19(f).
[67] Bednar Affidavit #13 at para 19(g).
[68] Bednar Affidavit #13 at para 19(h).
[69] Bednar Affidavit #13 at para 19(i).
[70] Bednar Affidavit #13 at para 19(j).
[71] Bednar Affidavit #13 at para 19(k).
[72] Bednar Affidavit #13 at para 19(l).
[73] Bednar Affidavit #13 at para 61.

(b) pursue, in coordination with the Foreign Representative, the Colombian Disclaimer Recognition Proceedings;

(c) take the necessary steps to continue creditor protection for the Swiss Applicants in Switzerland;

(d) pursue, in coordination with the Foreign Representative, the Colombian Fifth ARIO Recognition Proceedings, and complete ANH Security Arrangements needed to satisfy or resolve the ANH Security Requirements and preserve the Applicants' E&P Contracts with the ANH;

(e) continue engagement with counterparties to the Subject Agreements, regulators and other stakeholders; and

(f) if a going-concern transaction cannot be achieved, develop and implement an orderly and value-maximizing realization process.[74]

45. Based on the Revised Cash Flow Forecast, and subject to receipt of the forecasted Fifth Subsequent Advance Part 2 and tax proceeds and the other assumptions set out therein, the Applicants will have sufficient liquidity to maintain their operations and continue their restructuring efforts during the Extended Stay Period.[75]

46. The continued operation of the Applicants' business is expected to preserve substantially more value for stakeholders than an immediate cessation of operations. It will also preserve employment, the Applicants' exploration and production assets and contracts, and the continued supply of natural gas to customers in Colombia while the Applicants pursue a restructuring outcome.[76]

47. The Applicants anticipate that the Monitor will support the extension of the Stay Period until January 29, 2027.

48. In the circumstances, it is appropriate that the Applicants be granted a further extension of the Stay Period to January 29, 2027.

C. The Third AR DIP Amending Agreement Should be Approved

49. The Applicants are seeking Court approval, *nunc pro tunc* to its execution, of the Applicants' entry into the Third AR DIP Amending Agreement.

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[74] Bednar Affidavit #13 at para 61 (a)-(f).
[75] Bednar Affidavit #13 at para 59.
[76] Bednar Affidavit #13 at para 60.

50. Section 11.2 of the CCAA authorizes the Court to approve interim financing, having regard to the non-exhaustive factors in section 11.2(4), including the expected length of the proceedings, how the company's business and financial affairs are to be managed during the proceedings, creditor confidence, the prospects of a viable plan, the nature and value of the debtor's property, any material prejudice to creditors, and the Monitor's report.[77]

51. The existing November 30, 2026 maturity date does not provide sufficient time to complete the remaining SISP steps and pursue approval and implementation of a transaction.[78]

52. The approval of the Applicants' entry into the Third AR DIP Amending Agreement is necessary to maintain the financing arrangements on which the Canacol Group's continued operations and restructuring efforts depend.[79] If approved, the Third AR DIP Amending Agreement is expected to provide the liquidity required to maintain operations, continue the SISP and any alternative transaction process, continue to advance the Colombian Disclaimer Recognition Proceedings and the Colombian Fifth ARIO Recognition Proceedings, and address the outstanding ANH Security Requirements while the Applicants pursue a restructuring transaction.[80]

53. It is the Applicants' view that the Third AR DIP Amending Agreement is reasonable in the circumstances. It aligns the advance date for the Fifth Subsequent Advance Part 2 and other restructuring milestones with the Applicants' revised liquidity requirements. Payment of the Extension Fees in kind preserves cash for operations and restructuring, while increasing the Applicants' interest-bearing indebtedness. The Applicants have weighed that cost against the consequences of the DIP Facility maturing before the restructuring can be completed.[81]

54. Accordingly, the Applicants believe that the Extension Fees payable are both reasonable and are justified by the opportunity to preserve operations and pursue a value-maximizing transaction, rather than risk an immediate disruption of operations and the potential loss of going-concern value.[82]

D. The Third AR DIP Amending Agreement Should Be Sealed

55. The Applicants are seeking an order sealing Confidential Exhibit "A" to the Bednar Affidavit #13, which contains an unredacted copy of the executed Third AR DIP Amending Agreement, including the signature pages thereto, such that it does not form part of the

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[77] CCAA, ss 11.2, 11.2(4) [**TAB 2**].
[78] Bednar Affidavit #13 at para 71.
[79] Bednar Affidavit #13 at para 81.
[80] Bednar Affidavit #13 at para 82.
[81] Bednar Affidavit #13 at para 83.
[82] Bednar Affidavit #13 at para 83.

public record, until the earlier of one year after the termination of these CCAA proceedings or pending further order of this Court.[83]

56. In the prior leading authority of *Sierra Club of Canada v. Canada (Minister of Finance)*, the Supreme Court of Canada held that a sealing order may be granted where (a) such an order is necessary to prevent a serious risk to an important interest, including a commercial interest, in the context of litigation because reasonably alternative measures will not prevent the risk; and (b) the salutary effects of the confidentiality order, including the effects on the right of civil litigants to a fair trial, outweigh its deleterious effects, including the effects on the right to free expression, which includes the public interest in open and accessible court proceedings.[84]

57. The Supreme Court of Canada, in *Sherman Estate v. Donovan* refined the two-part test from Sierra Club into three parts to help clarify the prerequisites "without altering its essence".[85] As clarified, the applicant must establish that:

(a) Court openness poses a serious risk to an important public interest;

(b) The order sought is necessary to prevent this serious risk to the identified interest because reasonable alternative measures will not prevent this risk; and

(c) As a matter of proportionality, the benefits of the order outweigh its negative effects[86].

58. The signature pages to the Third AR DIP Amending Agreement are being filed with the Court on a confidential basis as both the identity of the participant DIP Lenders and their respective commitment amounts (shown on the signature pages) are subject to confidentiality undertakings.[87]

59. Public disclosure of that information would result in a breach of those undertakings and could impair the Applicants' relationship with the DIP Lenders at a time when the Applicants are seeking their continued financing support.[88]

60. Sealing the signatories' identities and specific commitment amounts of each signatory towards the aggregate DIP Financing is necessary to prevent a serious risk to their commercial interests and no alternative measures would prevent the risk. The positive

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[83] Bednar Affidavit #13 at para 4(d).
[84] *Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC 41 at para 53 [*Sierra Club*] [**TAB 7**].
[85] *Sherman Estate v. Donovan*, 2021 SCC 25 at para 38. [**TAB 8**].
[86] *Sherman Estate v. Donovan*, 2021 SCC 25 at para 38. [**TAB 8**].
[87] Bednar Affidavit #13 at para 84.
[88] Bednar Affidavit #13 at para 84.

effects of sealing outweigh the negative effects, including the public interest in open court proceedings.

61. The signature pages to the Original DIP Commitment Letter, the Second AR DIP Commitment Letter, the Third AR DIP Commitment Letter, the First AR DIP Amending Agreement and the Second AR DIP Amending Agreement are already subject to sealing orders made on December 11, 2025, March 26, 2026, April 24, 2026, July 13, 2026, and September 25, 2026, respectively.[89]

E. The Eleventh Report and the Activities Described Therein Should be Approved

62. In connection with this application, KPMG Inc. in its capacity as the Monitor, will file the Eleventh Report. The Eleventh Report will describe the actions, activities, and conduct of the Monitor in detail.[90]

63. The Applicants are seeking the approval of the Eleventh 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.[91]

PART 5 - CONCLUSION AND RELIEF SOUGHT

64. For the reasons set out in this Brief, the Applicants submit that the Approval and Amending Order should be granted.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 19th day of November 2026.

GOWLING WLG (CANADA) LLP

Per: _____
Counsel for the Applicants

[89] Bednar Affidavit #13 at para 84.
[90] Bednar Affidavit #13 at para 85.
[91] Bednar Affidavit #13 at para 86.

TABLE OF AUTHORITIES

Tab	Authority
1.	*Alberta Rules of Court*, Alta Reg 124/2010.
2.	*Companies' Creditors Arrangement Act*, RSC 1985, c C-36.
3.	*Century Services Inc. v Canada (Attorney General)*, 2010 SCC 60
4.	*Target Canada Co, Re*, 2015 ONSC 303
5.	*Re Hudson's Bay Company*, 2025 ONSC 1897
6.	*Delta 9 Cannabis Inc (Re)*, 2025 ABKB 52
7.	*Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC 41
8.	*Sherman Estate v. Donovan*, 2021 SCC 25