With respect, Justice, you know, CoreX submits that that's just not the case, right? We understand the importance of financing to CCAA proceedings. Of course we do. But that doesn't mean that a DIP financier or a company or a Monitor can approve a procedure that is completely contrary to statute, regulation or ordinary, you know, processes of fairness which they seem to be suggesting again and again and again.

CoreX submits that, you know, once it actually received these materials on that Tuesday night, it very promptly tried to engage Canadian counsel. There was a holiday in Colombia on Friday. Counsel reached out on the Sunday to counsel to the Monitor and counsel to the Canacol Group to say this is a very significant issue, please grant an adjournment. We just want the 15 days that are, you know, legislatively afforded to a party that's going to have their contract disclaimed. They said no. And so that led to CoreX being required to draft written submissions and provide them to -- to this Court to try to protect its interests.

The parties keep saying that 15 days, you know, once we get to next Friday, is sufficient. Well, with respect, even if we go back to last Tuesday when the applicants' materials were filed, 15 days is the time period to allow us to respond, not to have the matter heard. We don't get there if the hearing is next Friday. If we go from the date that the Monitor actually served its materials, we are way outside the 15th. Any adjournment until the next -- until next week does not comply with statutes, does not comply with regulation; and, you know, quite frankly, some sort of expedited litigation schedule for a hearing next Friday just doesn't work.

You would have seen from our materials and from the submissions of our friend just before this hearing started that there are very, very serious questions about the materials that were filed, the affidavit evidence, you know, possible rights for cross-examination and the catastrophic, to borrow the phrase from counsel to the Monitor and counsel to the applicants, the catastrophic consequences that will flow to CoreX and the other contract counterparties.

In the circumstances, there -- there should be no universe where this hearing moves ahead over the next five business days. The parties did not provide notice, and they did not comply with the statute. And so in the circumstances, we would submit -- you know, in the first instance -- and you would have seen this from our brief -- that the Court doesn't even have jurisdiction to grant this order or this application. They're asking this Court to create a brand new process. They should issue the Form 4. They should require with -- you know, comply with the statute.

Even if that's wrong, you know, it would not be appropriate in the circumstances to have this heard next week for all the reasons I've already said. And there seems to be some undue weight placed on the interim financier and what they want in this process. Well, in our brief

we cited the *Inca* case where Justice Fitzpatrick just a year or two ago said what interim financers, what creditors want obviously is important, but they cannot be allowed to fundamentally change or alter the process as required by statute.

That is exactly what is trying to be done here. There was many, many other situation -- or not situations, but opportunities available to the Canacol Group to try to disclaim these contracts. And we lay those out in our brief. They filed their materials for the fourth ARIO over a month ago. They could have issued the disclaimers a month ago and followed a very simple process. They could have then tried to get Court approval of that process. They didn't do that.

They could have filed their materials and said, Hey, everybody, here's our materials. We know this is a little bit different than what the statute prescribes, but we're going to give you your 15 days and then we can have a hearing on the merits. They didn't do that. When they found out Canadian counsel was retained to address with these issues on Sunday, four days ago, and an adjournment was requested, they denied it. They said, No, we're moving ahead.

And so not only have they not granted the parties, you know, basic procedural rights granted by statute, they haven't treated the parties fairly. They had every opportunity to issue disclaimer notices. They could have issued them yesterday. They could have issued them on Monday when we raised the issue. They chose not to. And so granting any sort of adjournment until next week which again does not comply with statute, just -- it shouldn't be undertaken.

And so the final point, barring any questions, you know, that, Justice, you have, is that it's typically rare in CCAA proceedings that costs get awarded against parties. We talk about this in our brief. And when they do get awarded, it's often because some party has engaged in, you know, unusual, unreasonable, you know, wholly unnecessary processes or step. We submit to you that every single one of those are present here. They're trying to get the benefit of section 32 without complying with its basic terms. That's unusual.

It's unreasonable because they've tried to serve on very, very short notice parties in Colombia with application materials that (1) not only did not comply with Canadian law, but are in English. These parties speak Spanish. Engaging counsel and being able to respond to this, they -- like, they're trying to just jam this through. It's not fair.

And the last point is that it's wholly unnecessary. And again, section 32 is not difficult. It's one of two options. The Monitor either approves of a disclaimer or it doesn't. If it does, you file a one-page form; and that starts the process where the parties can request more information, for example, under section 32(5) or they can file an application. Going

through the motions of, you know, serving late-filing materials does not comply with the statute. It was unnecessary. Without granting an adjournment, they have forced CoreX to on very, very urgent timelines -- two days -- to file a brief to explain why this Court doesn't have jurisdiction to do what they are asking it to do.

So in all of the circumstances, we would say the application outright should be denied and, you know, in the alternative, some sort of litigation schedule should be established to ensure that the parties do have and receive procedural fairness. That's what Parliament directed. That's what this Court should require.

THE COURT: What kind of schedule are you looking for?

MR. KELIHER: So it's -- it's unclear, right? And so my -- my friends and I spoke about this earlier today when we were looking at, you know, what is a reasonable time frame to respond. And just -- you asked about two weeks, and that seemed to be kind of what we thought might be reasonable. Two weeks is approximately that 15 days. When we look at the time frame to respond, the volume of the materials, we were looking at kind of the last week of May as being realistic to give all of the parties an opportunity to review the application, review prior evidence offered in these proceedings, speak with their clients, many of whom are native Spanish speakers, to get evidence before this Court to talk about the catastrophic consequences.

I don't know what the right time frame is. I know next week is not it. And I think -- I'm not as close to this as perhaps some of my friends are and they might be able to speak to this, there doesn't appear to be as much urgency in terms of the cash flow as maybe might have been suggested. I think the last report that was issued said that the company might have or should have sufficient cash until the end of the month or close to the end of the month before the next 15 million deposit is actually required.

And so perhaps if some of my other friends were closer to the cash flow or counsel to the Monitor can speak to that.

THE COURT: Okay. Thank you.

MR. BENCHETRIT: Your Honour, I can go next I suppose.

THE COURT: Okay. Go ahead. Thank you.

Submissions by Mr. Benchetrit

MR. BENCHETRIT: Your Honour, George Benchetrit with Chaitons,

counsel for three of the direct contract counterparties that are affected by the disclaimer motion. Hopefully you saw the letter that we sent. It was attached to an affidavit that was filed today, and also thank you for your indulgence in allowing us to appear here and to file that affidavit today.

But we represent three parties known as Atinkana, GEAM and Gas Hub. And, you know, I think it's important right now because what we're really discussing right now is when this motion should be heard and whether it is even possible realistically given the importance of the issues that we have to deal with that I will take you through quickly, whether we can do this in 90 minutes next week.

In the case of our clients, we've been working with the Canacol companies since the beginning of the year as a result of their financial difficulties to accommodate them by doing a number of things. We entered into a framework agreement with them to accept and acknowledge reductions in the quantities of gas that they would supply without taking the position that we would enforce the rights and remedies that we have arising from the contracts that we have with them. We suspended a number of rights that we have to demand payment for compensation, penalties, et cetera during that period, again in order to accommodate Canacol. And we talk about in our letter about other forbearance arrangements I'll call them broadly that we've been working with. So that's been in place for some time.

And our clients were blind-sided when the company all of a sudden at the end of April turned around, you know, having worked with the company for many months and both sides were operating under those circumstances, the company turns around at the end of April and takes the position that they're just going to seek an order on what is really roughly a week's notice without engaging in the procedure that is mandated by the statute that we say is unprecedented. My friends had fully -- the applicants had briefed this case in their package, and they have not shown you one case anywhere in Canada where the relief sought that they're seeking today has ever been done so that these rights would be abrogated. We're talking about the codification of the disclaimer procedure in section 32. So they're asking you to make new law, and that's something that we'll debate with them at the hearing of the motion on the merits.

We also talk about the nature of and scope of the potential liability that our clients will be facing as a result of the contract disclaimers (a) as buyers and then (b) as sellers of the gas to their own clients. And we're talking about very significant financial harm as well as evidence that we would like to file -- that we talk about in our letter on three fronts. Number 1, the evidence of direct economic harm to our clients, the exposure to compensation and penalty claims from their own customers as well, evidence of the lack of capacity available in the national primary market in Colombia to contract equivalence replacement volumes

here within the current gas year leading out to about November of this year; and then we also want to file evidence regarding the lack of available imported LNG which we say is the only large-scale alternative here to fill a deficit caused by the cessation of supply that would arise if, in fact, these contracts are terminated in short order.

What we've asked for is a reasonable timetable to -- to deal with this and to file evidence. And so the issues are going to be, you know, the Court's jurisdiction to do this. We say it's never been done in Canada before. My friend Ms. Gurofsky will also tell you that she intends to argue -- and I think we probably all do -- that these contracts are eligible financial contracts, so we would have to take you through that. And if we can satisfy the Court that they are, then -- then the disclaimer motions we say would be rejected.

And under the test under section 32, there would be an argument around whether or not these disclaimers are necessary for -- in order to enhance the prospects of a viable compromise or arrangement, a viable plan. And the Court would also be considering the financial hardship. So my -- the applicants in their materials say -- and take the position that confuses the contract counterparties that there is no financial hardship arising from these contract disclaimers. So it appears that that will be evidence that will be filed and hotly contested.

In terms of the practicalities here, there's two things that you heard in support of a timetable that goes for eight days leading to a 90-minute hearing next week. Number 1, the company's need for cash -- and we've only been involved in this case for, you know, about 48 hours, 72 hours. The evidence of that that we've looked for would have been in a cash flow projection; and the cash flow projection that we saw -- and we stand to be corrected -- was in the Sixth Report of the Monitor, and it sounds like, Your Honour, that this was already brought to your attention in maybe some prior hearing. But the way we read it -- and I don't know if you have it handy, Justice --

THE COURT: I am just pulling it up.

MR. BENCHETRIT: So the one I have is attached to the Sixth Report of the Monitor and takes us from April 11 week to June 27 week.

THE COURT: Yes, hang on. Let me just get to it. I have got the right document, I just need to get to the exhibit.

MR. BENCHETRIT: Yes.

THE COURT: Okay. Go ahead.

MR. BENCHETRIT: So the $15 million that the applicants talk about being tied to the disclaimer orders having been issued is the $15 million that you see being objected in this cash flow forecast on May 9. Do you see that?

THE COURT: Yes.

MR. BENCHETRIT: Okay. But if you look at -- if you actually look at the company's cash needs, it looks like that $15 million -- you see the company continues to be in a surplus position to the tune of over $22 million through the end of next week, and then -- through May 16 that is -- and then a cash surplus again of over $18 million through the week of May 23. And so according to this, the cash flow forecast, the need for cash doesn't arise this week and doesn't arise next week, and it doesn't arise the week after. And I know we're talking about -- you know, these are cash flow forecasts; but in terms of the evidence that we have before the Court, this is it.

THE COURT: M-hm.

MR. BENCHETRIT: The other point I wanted to address was the suggestion that you heard from the applicant and counsel for the Monitor that the urgency to have this hearing take place next week is somehow tied to the SISP. And I have looked at the Monitor's report, and I have looked at the affidavit filed in support of this motion, and I don't see that in evidence.

So getting to the nub of the issue here which is what we are suggesting should happen in terms of a litigation timetable, we are asking that this take place, that we book court time -- and I understand that court time is at a premium in this court and that time would have to be found and -- but we're looking at what we think is going to be -- it's hard to understand how this hearing, first of all, could take place in 90 minutes. You are hearing from a number of counterparties to contracts, all of which are different.

And each one of the financial circumstances underpinning both the evidence for the arguments of these parties and the facts are going to be different. And you have Ms. Gurofsky's client, Mr. Keliher's client, you have the -- Mr. Laity's client. There's another counterparty that has filed material both in English and in Spanish, and they don't even have Canadian counsel yet. I apologize, I don't know their name. And there may be others coming out of the woodwork as well. I don't have a handle on that.

THE COURT: M-hm.

MR. BENCHETRIT: But you are talking about at least five parties that have come out of the woodwork so far and --

THE COURT: This supports your point -- and I have not made up my mind, but just for everybody -- I mean the other issue, too, is if we go ahead next Friday and you have this expedited litigation schedule with all these parties and affidavits and briefs, so when does the Court get it? You know, when I do get it, you know, Thursday at midnight and then we have an hour and a half hearing and you need the decision by the 15th because of the DIP financing? I mean if that is, you know, how it is, it is how it is; but it is another concern just as far as properly considering things. So go ahead.

MR. BENCHETRIT: Thank you. It's not realistic. It's not realistic. It's -- we can all say that we will drop everything else and spend nothing but the next seven days to try to get that accomplished. But we're dealing with companies that are out of the country where English is not their primary language; and we're dealing with evidentiary issues, legal issues. And again apart from the fact that it's just not realistic, the amount of time has to be discussed in terms of how much time it's going to take to argue this. This looks to me like a full-day hearing. I don't see how it could be less than that. But I guess we can deal with that if and when there's a decision made on how long this should get put over to.

So we think that the proper date to have this for properly -- given the very many legal issues and the importance to the clients, et cetera, is the beginning of the week of the 25th or at the very earliest, the end of the week of the 18th being either the 21st or the 22nd of May.

THE COURT: Okay.

MR. BENCHETRIT: Thank you.

THE COURT: Thank you very much.

Submissions by Ms. Gurofsky

MS. GUROFSKY: Justice, if I could just make a few additional points; and for the record, it's Gurofsky, first initial 'R'; and I act for Petromil Gas. They effectively sell Canacol's gas to a retailer who then distributes it to residential end users.

I will try not to repeat what my friends have said. I agree with all of their submissions. My client has also indicated a willingness to discuss a commercial solution. In fact, there was a proposal by Canacol to have a call today. We agreed, and then it didn't happen; and this may very well be a situation in which it is in everyone's best to reach a commercial solution.

But if I understand my friend Mr. Prophet correctly, if we don't get there in the next three

to five days which is -- will be a feat in and of itself, we have to litigate this issue. And as my friends have outlined and as we outlined in our letter, these -- this application raises significant procedural and substantive legal issues that requires sufficient time to be properly briefed with evidence that my friend has outlined and we've outlined in our letter; and evidence should be tested where appropriate, again from clients who are in a different continent who don't speak English as their first language.

And what we're doing here, what the effect of this application is, is to affect the power supply to a country. So the implications of the application aside from the irregularities let's call them under the CCAA, the practical implications are significant. A one-and-a-half-hour application won't be sufficient. We're not asking for weeks on end. We're asking for approximately one and a half additional weeks to properly brief this issue when we're all available.

And if we did not have a DIP lender who appears to be imposing arbitrary deadlines, we'd frankly likely be asking for longer. My friend took you through the cash flow forecast. We don't see any reason or any prejudice to the companies or the DIP lender, frankly, if the next advance is delayed until the outcome of this hearing.

I am very sensitive to the commercial realities the company says they're facing. That's -- this is real-time litigation. We all know that. But we don't need to impose arbitrary deadlines, and there's no evidence that I can see before the Court to suggest that the 15th is the last-ditch date that this could possibly be heard, given the significant ramifications to the broader stakeholder group.

I also want to clarify for the Court's benefit how section 32 actually works from a procedural perspective. That 15-day period that my friend keeps referring to is not the period within which a hearing on the merits of the disclaimer is determined. It is the timeline within which an application is filed in objection. Now, in my experience -- and I expect there are many experienced counsel on this call and at this hearing -- I have never seen a disclaimer application heard and determined in two weeks, particularly when there's no clear reason or requirement to do so.

What typically happens is the objection is tendered within that 15-day period often on day 15, and then the parties set a litigation schedule. And that's typically what happens, especially in the case of a complex legal issue where someone is attempting to disclaim a contract that appears on its face to be an EFC.

I don't need to go into any more details, Justice. My friends have addressed the arguments; and if you have any questions, I would be happy to answer them. But I would submit the 25th, 26th or at the earliest the 22nd is abundantly appropriate in the circumstances.

THE COURT: Thank you for that. Is there anybody else from a respondent that is going to speak?

(NO AUDIBLE RESPONSE)

THE COURT: Okay. So let us hear -- is there a -- sorry, Mr. Laity, are you -- you just came on.

MR. LAITY: I don't need to taking up any more of the Court's time other than to emphasize that I agree with my -- my friends' fellow respondents. We can all see how many people are on or are attending today, and I just don't see how it's feasible to get through all of that in 90 minutes.

THE COURT: M-hm. Okay. Thank you.

MR. PROPHET: A brief reply --

THE COURT: All right. Yes, go ahead.

Submissions by Mr. Prophet (Reply)

MR. PROPHET: -- if you will, Justice. So I would like to begin with my friend for CoreX's submissions and what he says are critical process faults. I first begin with this, and this is in -- this is in our brief. I don't want to get into the merits, and we are going to argue this, and it's going to be argued in -- in full, and we will argue it as efficiently as possible. But the notion that the only way in a CCAA for an order disclaiming a contract to be obtained is to follow section 32 exclusively and that you do not have jurisdiction under section 11 would upset all of the jurisprudence which has decided that you can provide third party releases. Or if you go back to the ABCP case, you can -- you can release the -- you can release directors, for example -- and that's *Allied Van* as well -- or matters that may or may not be in section 5.1 and section 5.2.

The jurisdiction under section 11 is supplementary. If you satisfy a restructuring purpose and if it is consistent with the objectives of the CCAA, if it is not prohibited under the statute and we meet the first two criteria I just described, then you can make the order. And I say in the circumstances of this cross-border CCAA where recognition will be required in Colombia, the only way to proceed with any certainty is to seek an order under section 11. And that does not then attract the procedure that my respondent friends are wrapping themselves in with the notice and objection and then hearing approach. We are asking you to assert residual jurisdiction, and we are doing so in the unique circumstances of this case.

So my friends' statement that this is somehow procedurally offensive to the highest degree is unfounded given the way in which we are asking for the relief.

I just want to make one more point on that subject --

THE COURT: Okay.

MR. PROPHET: -- and this is a point that's been raised in this case already. In *Sun Indalex*, the Supreme Court of Canada -- it's filed with one of my prior briefs -- made it very clear and Justice Mah accepted this when we were having argument about the approval of the first -- the first DIP in fact, and it's in his reasons -- but in the *Sun Indalex* case, the Supreme Court of Canada told restructuring lawyers that procedural rights will be compromised in CCAA proceedings in favour of substantive outcomes. I am paraphrasing there, but that's exactly what happened in *Sun Indalex* when people were complaining about being primed with no notice at the time as the statute existed under -- with a DIP. The justices of the Supreme Court of Canada have clearly stated that it is up to the supervising judge to make what orders are necessary and consistent with true restructuring purposes, and standing on the rights that you might otherwise assert in a normal civil proceeding is inappropriate. And that's what Justice Mah has already found in this case, I say more than appropriately.

So my friend's emphasis for CoreX, my friend for CoreX's emphasis on process throws the baby out with the bath water potentially if this enterprise doesn't continue because we aren't able to achieve an effective restructuring or -- and/or because we aren't able to continue to avail ourselves of the essential interim financing.

I would like to then move on to Mr. Benchetrit's submissions on the cash flow. You heard those same submissions from counsel from Macquarie when they were objecting to the approval of the third amended and restated DIP commitment letter, and you ruled against those submissions properly because you said it was just too close.

Now, I appreciate my friend Mr. Benchetrit wasn't here for that hearing, and I don't fault him for that at all. The transcript of your reasons from that hearing -- and I have the reference here for you somewhere --

THE COURT: M-hm.

MR. PROPHET: -- I will leave it with you --

THE COURT: I recall that, and I guess -- I do not know, tell

me -- is there a bit of a distinction here because on that hearing, of course, you were looking at the full agreement, right? And I appreciate there was an analysis of the cash flow at this point in time and a determination about the need for the $15 million. But it was also in the context of approving the entire agreement. And so you could not have just -- you could not push off the DIP for this month with -- without giving up the remaining. So we were setting up a waterfall effect that was not going to work for the company at that time.

You know, here, you know, I understand their procedural issue with section 32 and I understand your argument -- like, let us not get too hung up on that, and there is law that supports that this is a flexible process. You know, but they are also saying, Look, we are going to lose our shirts if we do not get a chance at least to have this addressed properly and maybe will anyway depending on whatever order comes out of it.

So I just -- I am seeing it as a little different. And then maybe they are saying also, Look, you are the author of your own issues here because of the timing of -- because of this condition in the DIP financing. I will get Ms. Meyer to go through the cash flow again with me, and you can, too, obviously if you want just so I make sure I really understand it. But I do not know that I can just (INDISCERNIBLE) what I said previously to this situation. You know, you can tell me that I am wrong and explain it to me differently, but that is a little bit where I am struggling.

MR. PROPHET: Well, it's never helpful to tell you that you're wrong. I may tell you that there are other things I would like you to consider, Justice. So I will start with that one. But I would -- just going to the cash flow -- and this is why you decided in the context of the whole DIP approval, but this is why you --

THE COURT: Right.

MR. PROPHET: -- decided last time that it was just too close. And that is that if you look at it, it's not $25 million of surplus or $22 million of surplus. If you back out the DIP, it's -- really, it's more like -- in the week of the 16th, it's --

THE COURT: M-hm.

MR. PROPHET: -- more like maximum 7 million going down through the week; and the week of the 23rd, it's 3 million when you back out 15 million. It's -- your analysis -- and I take the comments you made about the context for your holding there; but your analysis that it was just too close was based on the submissions that you heard there which were that this company's production had not been predictable. It would be very easy for this company to run out of money. And that was an important part of your reasons, and I know you will remember that. I just want to take you back there.

THE COURT: Yes, that is helpful. Thank you.

MR. PROPHET: So those are what I have to say about Mr. Benchetrit's comments on the cash flow.

So I would like to then move on to the comments about length of time and complexity. Every disclaimer application under the CCAA represents a direct collision between the interests of the counterparty whose contract is sought to be disclaimed and the interests of the company. So talking to me about individual economic harm even of multiple stakeholders, that is the debate every time. And you will see in my brief the *Laurentian University* case where it was strenuously argued by I think it was Thorneloe University, by an affiliated educational institution with *Laurentian University*, that if Laurentian was able to disclaim the arrangement they had with that affiliated educational institution, then the educational institution would go bankrupt and be -- and end. And it was only one contract as opposed to all of the contracts.

And it was further argued in that case that Laurentian didn't really -- it wasn't mission-critical. They didn't really need to disclaim this arrangement with the affiliated educational institution. The Court nevertheless ruled that the consequences on that counterparty if it was important -- and I say these contracts and their disclaimer or amendment, they're not important, they are mission-critical at this stage in this restructuring. And if the Court in *Laurentian* could find that the bankruptcy and effective debt of an affiliated educational institution was an acceptable outcome in that disclaimer, surely economic consequences to the stakeholders -- and I don't say they won't occur -- but surely that is something that the Court can countenance.

So that the catastrophes that my friend speak of are (1) not to the extent they say; (2) to the extent economic harm is suffered, it is inevitable in these sorts of disclaimer proceedings whereas there is no guarantee there will even be an enterprise if we can't get through these contracts. And as I'm saying, my friend said well, there's no evidence about SISP and its outcome. I can't give you evidence about that currently because it's highly confidential and very much in flux. All I can do is rely on (INDISCERNIBLE), and I would like to have evidence that I could give to you on that. I can't give it to you.

But I can tell you -- and the Monitor is here in court, Ms. Meyer is here -- I can tell you that the connection between SISP outcomes and an expeditious capable resolution on these contracts is a close one and goes to the heart of whether this enterprise will continue properly as a stable enterprise. And if it doesn't, then not only will these contracts not be performed, even if the lots of these counterparties might obtain their (INDISCERNIBLE) without imposing penalties from Canacol or obtain their gas at a higher price from Canacol,

they won't have that opportunity because there will be a larger interruption if we can't get some relief here because this does go to the heart of the enterprise. It's been a problem for some time, but it's become acute. I wish I could give you more on that, and I ask the Monitor to speak to that.

So I -- I just want to leave you then I guess lastly with what we heard from all of my friends put together, and that is that there is time here. There just isn't. We will accommodate the best we can any reasonable request to reach a hearing on this short order. Those are my submissions, Justice.

THE COURT: Okay. Thank you.

Submissions by Ms. Meyer (Reply)

MS. MEYER: Good afternoon, Justice Kuntz. Kelsey Meyer on behalf of the Monitor again with some reply comments. A couple of points, one in relation to Mr. Keliher's comments about service of the Monitor's report. The Seventh Report of the Monitor was served upon the service list on April 30th in accordance with the timeline for delivery to you. That is confirmed by an affidavit of service of Jeannie Wong (phonetic) which was filed on May 4th. However, after -- and I should note as well that it was then posted to the Monitor's website immediately after that.

However, we then realized that due to an oversight, certain contractual counterparties had not been served with the Monitor's report; and so that was rectified on May 3rd. So Mr. Keliher is correct that his client did not get served with the Monitor's Seventh Report until May 3rd. It was on the Monitor's website prior to that, and that is all addressed in the affidavit of service of Ms. Wong. So just to clarify that.

With respect to the cash flow forecast, if you could turn to the Sixth Report Appendix "C" Justice Kuntz, I would like to point out what I think is a really critical point there. It's page 86 of 171 of the pdf.

THE COURT: Okay, I am with you.

MS. MEYER: All right. So my friend Mr. Keliher has said there doesn't appear to be as much urgency with respect to the cash flow forecast as has been suggested to the Court, and others have made similar comments in that regard. Mr. Prophet, of course, has just addressed that. Keep in mind that the oil and gas industry, particularly right now, is an extremely volatile industry and we've seen that volatility play out in the course of the Canacol CCAA proceedings themselves. As you may recall from the previous hearing, there was a dry well earlier this year that really threw the entire cash flow

into -- well, it required revision then, and that's why we were before you at the last hearing.

The other thing to keep in mind though is as you will see and as Mr. Prophet has pointed out in the cash flow forecast at Appendix "C" of the Sixth Report that if you back out the DIP draws -- and I am looking at the column for the forecast for the week of May 9th.

THE COURT: M-hm.

MS. MEYER: So based on as you've heard earlier the timelines under the third amended and restated DIP loan commitment letter, a DIP draw of $15 million is intended to come in if certain criteria are met by May 9th. So if you back out that $15 million on the basis that the disclaimer order application is not dealt with this week and is not dealt with until next week, then what you have got there for ending cash is $15 million less. So that takes you down to $10,455,000 as of that week.

The really critical point to note though aside from the fact that this is an incredibly volatile industry is that part of that cash is restricted, and this is specifically addressed -- and I recognize a number of my friends who have spoken to the cash flow forecasts wouldn't have necessarily this background -- if you look in the report at -- it's page 26 of the pdf --

THE COURT: Okay, I remember this. I am going there, yes. I am with you.

MS. MEYER: Yeah, yeah, so we talked about this at the last hearing. It's the end of paragraph 67. And so it says there: (as read)

> At the end of the Forecast Period, ending cash is projected to be approximately $11.7 million which includes funds held in the Promigas Trust and estimated unrestricted cash of approximately $5 million.

Now, I recognize -- and in fact I think in future cash flow forecasts we're going to make this clearer -- but effectively what it comes down to is when you look at the ending cash amounts in that cash flow forecast, 6.7 million of that all the way across is restricted cash held in trust pursuant to the Promigas Trust.

And so going back then to the cash flow forecast --

THE COURT: M-hm.

MS. MEYER: -- on page 86 of that Sixth Report, keep in mind

then when you're looking at the ending cash from the period of May 9th forward, not only are we backing out $15 million from the period from May 9th and then again from the period of June 6th going forward if the DIP is not advanced, but you are also backing out on the sense that it's restricted $6.7 million, so a total of $21.7 million being backed out.

When you consider it from that perspective, you will see that the ending cash then ends up in actually negative cash flow in the week of the May 30th forecast and -- well, you know, so backing that out along the way, it's actually in the week of the May 23rd and the May 30th forecasts, that's actually negative cash flow then at that point.

THE COURT: M-hm.

MS. MEYER: So this is a real liquidity crisis without the DIP funds coming in. And so again recognizing that my friends on behalf of the contractual counterparties wouldn't necessarily have appreciated that previously, I do think that's important to know then it was -- as you have already recalled -- part of the discussion we had at the hearing before you last time.

So I think that goes then to the comment about deadlines being arbitrary.

THE COURT: M-hm.

MS. MEYER: I submit that that is not the case. These aren't arbitrary deadlines. There really is a cash flow crisis here that requires the DIP funding.

The other thing to note is that the way the draft forms of order for disclaimer work is that if the disclaimer order were granted, that the disclaimer effective date is May 28th, 2026. And so I did want to note as well as if this application proceeds on May 15th as is requested and then if the disclaimer orders were granted on that date, there would be an additional period of time before that actually comes into effect.

I believe those are all of my submissions in the way of reply. I am just taking a quick look at my notes --

THE COURT: M-hm.

MS. MEYER: -- to make sure that's right. Subject to any questions you may have, Justice Kuntz, those are my submissions. Thank you.

Ruling Reserved

THE COURT: Thank you. That was very helpful. Okay. I think that I have heard from everyone now. I am going to want to think about this overnight, so can we just set a time tomorrow to come back. Can the parties -- any objection to come back at noon Mountain Standard tomorrow?

(NO AUDIBLE RESPONSE)

THE COURT: It looks like that is okay. I have not heard any objections. Thank you. Master clerk, you will book us in?

THE COURT CLERK: I will seize you.

MR. PROPHET: Sorry, I will make that work I think. Sorry, I just want to answer your question. I had a computer problem there.

THE COURT: Yes, okay.

MR. PROPHET: Noon Mountain Time, 2 PM Eastern Time.

THE COURT: Yes. If there was some major problem, I can move it by a half an hour or -- either way, but --

MR. PROPHET: No, no, Justice, that's fine.

THE COURT: Okay. Okay. Okay, great. Thank you, everyone. I will see you tomorrow at noon.

MR. PROPHET: Thank you, Justice.

UNIDENTIFIED SPEAKER: Thank you, Justice.

UNIDENTIFIED SPEAKER: Thank you, Justice.

MS. MEYER: Thank you, Justice.

PROCEEDINGS ADJOURNED UNTIL 12:00 PM, MAY 8, 2026

Certificate of Record

I, John Stopforth, certify that this recording is the record made of the evidence in the proceedings in the Court of King's Bench held in courtroom 1702 at Calgary, Alberta on the 7th day of May, 2026, and that I was the court official in charge of the sound-recording machine during the proceedings.

Certificate of Transcript

I, Charlene Hodge, 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.

Charlene Hodge, Transcriber
Order Number: TDS-1110154
Dated: May 10, 2026

Exhibit "C" to the Reply Affidavit of
Jason Bednar
Affirmed before me this 16th day of
May 2026

A Commissioner for Oaths in
and for the Province of Alberta

Nicole Furlan
Student-at-Law

Action No.: 2501-18462
E-File Name: CVK26CANACOL
Appeal No.:———————————

IN THE COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE OF 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, et al

---

P R O C E E D I N G S

Calgary, Alberta
May 8, 2026

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Proceedings taken in the Court of King's Bench of Alberta, Courthouse, Calgary, Alberta

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May 8, 2026	Afternoon Session
The Honourable Justice A.G. Kuntz (remote appearance)	Court of King's Bench of Alberta
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.
S.A. 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.
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.
R.S. Sahni (remote appearance)	For the Monitor KPMG Inc.
K.J. Meyer (remote appearance)	For the Monitor KPMG Inc.
C.K. Brown (remote appearance)	For the Monitor KPMG Inc.
R.J. Chadwick (remote appearance)	For Macquarie Bank Ltd.
J. Pasquariello (remote appearance)	For Macquarie Bank Ltd.
E. Axell (remote appearance)	For Macquarie Bank Ltd.
J.L. Oliver (remote appearance)	For the DIP Lenders and the Ad Hoc Committee of Canacol Senior Note Holders
M. Nowina (remote appearance)	For Nabors Drilling International Ltd.
R. Gurofsky (remote appearance)	For Petromil Gas S.A.S. E.S.P.
J. Ezekiel (remote appearance) (Student-at-Law)	For Petromil Gas S.A.S. E.S.P.
C. Keliher (remote appearance)	For CoreX Energy S.A.S. E.S.P.
J. Willis (remote appearance)	For the Revolving Credit Facility Lenders
R.M. Laity (remote appearance)	For Promigas, S.A. E.S.P., Surtigas, S.A. E.S.P., Gases del Caribe S.A. E.S.P. and Gases de la

	Guajira S.A. E.S.P.
A. Shafey (remote appearance)	For QMax Solutions Colombia
G. Benchetrit (remote appearance)	For Atinkana S.A.S. E.S.P., GEAM and Gas Hub
G.H. Finlayson (remote appearance)	For the Board of Directors of Canacol Energy Ltd.
S. Hawkins	Court Clerk

Ruling

THE COURT: Thank you. Good afternoon, everyone. So what I am going to do is lead with my conclusion, give you the next steps, and then I will put a few reasons on the record, okay?

So I am going to grant the adjournment. I appreciate the urgency to the debtor, so the hearing is going to be moved to May 21st at 2 PM. We will schedule that for two hours, and it is going to be in front of Justice Feasby. The parties should work out the particulars of the litigation schedule and let Justice Feasby know when he can expect the materials, and he will have access to what has already been filed. Okay? So with that, I will put some reasons on the record.

So yesterday I heard a contested application for a short adjournment of Canacol's disclaimer application set for May 15th, 2026. Canacol served notice of the application on April 28th seeking, among other things, an order authorizing the applicants without the necessity of issuing a notice pursuant to section 32 of the CCAA to disclaim and cease to perform certain agreements effective May 28th, 2026.

The Monitor's Seventh Report in respect of the application was served on April 30th and posted on the Monitor's website the same day. Some parties were inadvertently excluded from the service list, but they were served by May 3rd.

Initially, Canacol sought to have its disclaimer application heard on May 7th but adjourned the application to May 15th in light of objections made by several counterparties to the contracts that are the subject of the disclaimer application. Canacol seeks to proceed on the 15th while the objecting parties are seeking a short adjournment.

Canacol submits that it is imperative that the disclaimer application proceed on May 15th first because the company is in desire financial straits and the next $15 million in DIP financing is contingent on having the disclaimer orders in place and not subject to stays or appeals by May 15th, 2026.

Second, the bid process will be significantly impacted by the outcome of the disclaimer application, so it needs to be decided as soon as possible.

Third, given the cross-border nature of the proceeding, it may be difficult to enforce a section 32 notice in Colombia without a court order.

Canacol and the DIP lenders also argue that the objecting parties will not be prejudiced if the matter proceeds on May 15th because as of that date, they will have had 15 days' notice of the application and because everyone has very sophisticated counsel who can handle the demands of real-time litigation. They argue that if the application does not proceed and ultimately if they are not successful, the restructuring will fail and harm all stakeholders.

The objecting parties state that Canacol must comply exactly with section 32 before proceeding with the disclaimer application and that the Court does not have jurisdiction to hear the application without exact compliance because while it has broad powers under section 11 of the Act, those powers are as stated in section 11 "subject to the restrictions set out in the Act".

I disagree with that submission. The language in section 32 is not so proscriptive as to prohibit a variation under section 11. It does not use, for example, the word shall or say the Court must. The process in section 32 does, however, suggest that the rights of the counterparties should be considered and that they are entitled to procedural fairness. Given the nature of CCAA proceedings and the Court's powers under section 11, the procedural fairness dictated by section 32 might look different in different situations.

The objecting parties argue that disclaimer applications are never heard within 15 days of notice being given. The objecting parties argue they need only a short adjournment because the contracts in issue are significant, are important to the power supply in Colombia as attested to throughout this proceeding by the debtor and because English is not their first language.

While in some situations it may be possible to hear a disclaimer application within 15 days of notice, I agree with the objecting parties that it is not possible to do so in this case even with everyone's best efforts. The proposed timeline would force the parties and the Court to proceed at an unrealistic pace and assumes the Court's decision would effectively be given from the bench. This would not be fair to the parties or allow for proper consideration of the issues, depending on the nature of the evidence from the objecting parties yet to be filed.

Further, while this may not also be -- this may not always be an impossible hurdle to overcome, the debtor has been aware of the disclaimer -- sorry, been aware that the

disclaimer order was a requirement for the next round of DIP financing for quite some time. They could have served the notices on the proper timeline regardless of the fact that there were ongoing negotiations with the counterparties. I considered the cash flow statement and appreciate the findings I made in respect of the company's financial situation when authorizing the last round of DIP financing. But this is a different context, and the company is going to have to adjust for the short adjournment.

Further, that finding cannot be used as a blanket override for the procedural rights of others. I do not accept the argument that the debtor did not serve the notices because of the cross-border nature of the proceeding. The proceeding has been recognized in Colombia. If the debtor serves notice and the counterparties do not respond, that is likely at their peril in this court. Further, the fact that there may be issues with notice does not mean notice should not be given.

In any event, we are here now and all stakeholders are aware of the debtor's intention to seek a disclaimer order. So in this situation, I find that the interested parties now have sufficient notice of the debtor's intention to seek a disclaimer order and that there is no need for the debtor to comply strictly with section 32(2) -- (1).

So with that, for all these reasons, the adjournment is granted; and the application will proceed on May 21st. Okay? Anything from anyone?

MR. PROPHET: Thank you, Justice, quite clear.

THE COURT: Okay. All right. Thank you, everyone.

UNIDENTIFIED SPEAKER: Thank you, Justice.

MS. MEYER: Thank you, My Lady.

PROCEEDINGS ADJOURNED UNTIL 2:00 PM, MAY 21, 2026

Certificate of Record

I, Sharon Hawkins, certify this recording is the record made of the evidence in Court of King's Bench in Calgary, Alberta in courtroom 1702 on May 8th, 2026, and that I was the official clerk in charge of the sound-recording machine during these proceedings.

Certificate of Transcript

I, Charlene Hodge, 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.

Charlene Hodge, Transcriber
Order Number: TDS-1110153
Dated: May 10, 2026

Exhibit "D" to the Reply Affidavit of
Jason Bednar
Affirmed before me this 16th day of
May 2026

A Commissioner for Oaths in
and for the Province of Alberta

Nicole Furlan
Student-at-Law

Yurkovich, Kate

From: Gabor, Sam
Sent: May 14, 2026 1:16 PM
To: 'Laity, Ryan'; 'Gabor, Sam'; 'Christopher Keliher'; 'george@chaitons.com'; 'harvey@chaitons.com'; 'Pepper, Jennifer'; 'rgurofsky@fasken.com'; 'kpicard@fasken.com'; 'gasesdeloriente@gasesdeloriente.com.co'; 'claguado@gasesdeloriente.com.co'; 'jlizarazo@gasesdeloriente.com.co'; 'anmoreno@gasesdeloriente.com.co'; 'Paola Ramirez'; 'walter.diago@enel.com'; 'hilari.romero@enel.com'; 'jesus.cabrera@enel.com'; 'McEachern, Sarah'; 'Pepper, Jennifer'; 'canaven.gerencia@gmail.com'; 'canaven.presidencia@gmail.com'; 'Sromero@avalfiduciaria.com_'
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Subject: RE: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction [BLG-DOCUMENTS.FID20523324]
Attachments: LTR to Justice Feasby providing Litgation Schedule (May 14, 2026).pdf

Please see attached our letter which has now been sent to the court.

We would suggest that materials be delivered to the court upon service so that the judge has staggered time to review the materials prior to the hearing and is not overloaded with materials the day before.

Best regards,

Sam Gabor
Partner
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My Assistant: Arriane Tano
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From: Gabor, Sam
Sent: May 14, 2026 10:34 AM
To: Laity, Ryan <RLaity@blg.com>; Gabor, Sam <Sam.Gabor@gowlingwlg.com>; Christopher Keliher <christopher.keliher@mcmillan.ca>; george@chaitons.com; harvey@chaitons.com; Pepper, Jennifer <JPepper@blg.com>; rgurofsky@fasken.com; kpicard@fasken.com; gasesdeloriente@gasesdeloriente.com.co;

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Subject: RE: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction [BLG-DOCUMENTS.FID20523324]

Counsel and Counterparties,

We have now heard back from all counsel. We confirm that any and all cross-examinations will occur on May 18. Any cross-examinations, including of Mr. Bednar, will need to occur virtually based on the compressed schedule. Our office has arranged a court reporter and an interpreter. Further details with links for cross-exams will be circulated following the deadline for advising on cross-examinations tomorrow.

We will now be sending our letter to the court advising Justice Feasby of the schedule agreed upon. We will forward our letter to this group thereafter.

Best regards,

Sam Gabor
Partner
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My Assistant: Arriane Tano
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From: Laity, Ryan <RLaity@blg.com>
Sent: May 13, 2026 6:52 PM
To: Gabor, Sam <Sam.Gabor@gowlingwlg.com>; Christopher Keliher <christopher.keliher@mcmillan.ca>; george@chaitons.com; harvey@chaitons.com; Pepper, Jennifer <JPepper@blg.com>; rgurofsky@fasken.com; kpicard@fasken.com; gasesdeloriente@gasesdeloriente.com.co; claguado@gasesdeloriente.com.co; jlizarazo@gasesdeloriente.com.co; anmoreno@gasesdeloriente.com.co; Paola Ramirez <Paola.Ramirez@mcmillan.ca>; walter.diago@enel.com; hilari.romero@enel.com; jesus.cabrera@enel.com; McEachern, Sarah <SMcEachern@blg.com>; Pepper, Jennifer <JPepper@blg.com>; canaven.gerencia@gmail.com; canaven.presidencia@gmail.com; Sromero@avalfiduciaria.com_
Cc: Prophet, Clifton <Clifton.Prophet@ca.gowlingwlg.com>; Kelsey Meyer <meyerk@bennettjones.com>; Yurkovich, Kate <Kate.Yurkovich@ca.gowlingwlg.com>; Oliver, Jeffrey <joliver@cassels.com>; alberto.maradey@petromil.com; alfredo.chamat@petromil.com; nominacionmail@surtigas.com.co; adolfo.tirado@surtigas.co; mfranco@gascaribe.com; notificacionesjuridicas@gascaribe.com; zamir.centanaro@corexenergy.co; jorge.aruachan@corexenergy.co;

gashubnominaciones@gmail.com; gerencia@geamenergy.com; nominaciones@geamenergy.com; ccabello@gasguajira.com; gerencia@atinkanaesp.com; vanessa.nader@promigas.com; Sromero@avalfiduciaria.com
Subject: RE: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction [BLG-DOCUMENTS.FID20523324]

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Hi Sam,

Thanks for your note. Further to below, I am still trying to confirm availability for potential cross-examination on May 18, but so far have not received confirmation. I hope to have update tomorrow.

Ryan

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he/him/his
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From: Gabor, Sam <Sam.Gabor@gowlingwlg.com>
Sent: May 13, 2026 11:32 AM
To: Laity, Ryan <RLaity@blg.com>; Gabor, Sam <Sam.Gabor@gowlingwlg.com>; Christopher Keliher <christopher.keliher@mcmillan.ca>; george@chaitons.com; harvey@chaitons.com; Pepper, Jennifer <JPepper@blg.com>; rgurofsky@fasken.com; kpicard@fasken.com; gasesdeloriente@gasesdeloriente.com.co; claguado@gasesdeloriente.com.co; jlizarazo@gasesdeloriente.com.co; anmoreno@gasesdeloriente.com.co; Paola Ramirez <Paola.Ramirez@mcmillan.ca>; walter.diago@enel.com; hilari.romero@enel.com; jesus.cabrera@enel.com; McEachern, Sarah <SMcEachern@blg.com>; Pepper, Jennifer <JPepper@blg.com>; canaven.gerencia@gmail.com; canaven.presidencia@gmail.com; Sromero@avalfiduciaria.com
Cc: Prophet, Clifton <Clifton.Prophet@gowlingwlg.com>; Kelsey Meyer <meyerk@bennettjones.com>; Yurkovich, Kate <Kate.Yurkovich@gowlingwlg.com>; Oliver, Jeffrey <joliver@cassels.com>; alberto.maradey@petromil.com; alfredo.chamat@petromil.com; nominacionmail@surtigas.com.co; adolfo.tirado@surtigas.co; mfranco@gascaribe.com; notificacionesjuridicas@gascaribe.com; zamir.centanaro@corexenergy.co; jorge.aruachan@corexenergy.co; gashubnominaciones@gmail.com; gerencia@geamenergy.com; nominaciones@geamenergy.com; ccabello@gasguajira.com; gerencia@atinkanaesp.com; vanessa.nader@promigas.com; Sromero@avalfiduciaria.com
Subject: RE: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction [BLG-DOCUMENTS.FID20523324]

Hi Ryan,

I have my letter prepared to send to the court on the schedule.

Our client's affiant is making himself available for cross-exams on the Monday. It is also a national holiday in Canada, so we're all on the same position. If you could please confirm back that your affiant will be available for cross-exams on Monday, that would be appreciated. Given the short schedule, there is no other realistic time for examinations to get examinations done otherwise.

Best regards,

Sam Gabor
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From: Laity, Ryan <RLaity@blg.com>
Sent: May 11, 2026 2:27 PM
To: Gabor, Sam <Sam.Gabor@gowlingwlg.com>; Christopher Keliher <christopher.keliher@mcmillan.ca>; george@chaitons.com; harvey@chaitons.com; Pepper, Jennifer <JPepper@blg.com>; rgurofsky@fasken.com; kpicard@fasken.com; gasesdeloriente@gasesdeloriente.com.co; claguado@gasesdeloriente.com.co; jlizarazo@gasesdeloriente.com.co; anmoreno@gasesdeloriente.com.co; Paola Ramirez <Paola.Ramirez@mcmillan.ca>; walter.diago@enel.com; hilari.romero@enel.com; jesus.cabrera@enel.com; McEachern, Sarah <SMcEachern@blg.com>; Pepper, Jennifer <JPepper@blg.com>; canaven.gerencia@gmail.com; canaven.presidencia@gmail.com; Sromero@avalfiduciaria.com_
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Subject: RE: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction [BLG-DOCUMENTS.FID20523324]

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Hi Sam,

The timeframes generally work, though I am so far not able to commit to having affiants available for any cross-examination on the Monday May 18 (noting the short notice, and fact it's a national holiday in Colombia).

Ryan

Ryan Laity
he/him/his
Partner
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From: Gabor, Sam <Sam.Gabor@gowlingwlg.com>
Sent: May 11, 2026 1:08 PM
To: Christopher Keliher <christopher.keliher@mcmillan.ca>; Gabor, Sam <Sam.Gabor@gowlingwlg.com>; george@chaitons.com; harvey@chaitons.com; Laity, Ryan <RLaity@blg.com>; Pepper, Jennifer <JPepper@blg.com>; rgurofsky@fasken.com; kpicard@fasken.com; gasesdeloriente@gasesdeloriente.com.co; claguado@gasesdeloriente.com.co; jlizarazo@gasesdeloriente.com.co; anmoreno@gasesdeloriente.com.co; Paola Ramirez <Paola.Ramirez@mcmillan.ca>; walter.diago@enel.com; hilari.romero@enel.com; jesus.cabrera@enel.com; Laity, Ryan <RLaity@blg.com>; McEachern, Sarah <SMcEachern@blg.com>; Pepper, Jennifer <JPepper@blg.com>; canaven.gerencia@gmail.com; canaven.presidencia@gmail.com; Sromero@avalfiduciaria.com_
Cc: Prophet, Clifton <Clifton.Prophet@gowlingwlg.com>; Kelsey Meyer <meyerk@bennettjones.com>; Yurkovich, Kate <Kate.Yurkovich@gowlingwlg.com>; Oliver, Jeffrey <joliver@cassels.com>; alberto.maradey@petromil.com; alfredo.chamat@petromil.com; nominacionmail@surtigas.com.co; adolfo.tirado@surtigas.co; mfranco@gascaribe.com; notificacionesjuridicas@gascaribe.com; zamir.centanaro@corexenergy.co; jorge.aruachan@corexenergy.co; gashubnominaciones@gmail.com; gerencia@geamenergy.com; nominaciones@geamenergy.com; ccabello@gasguajira.com; gerencia@atinkanaesp.com; vanessa.nader@promigas.com; Sromero@avalfiduciaria.com
Subject: RE: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction

Chris,

These timeframes are acceptable.

Ryan Laity, can you please confirm same back?

For the cross-examinations logistics, we'll consider and revert back.

Best regards,

Sam Gabor
Partner
T +1 403 298 1946
sam.gabor@gowlingwlg.com

My Assistant: Arriane Tano
T +1 403 298 1077
arriane.tano@gowlingwlg.com



From: Christopher Keliher <christopher.keliher@mcmillan.ca>
Sent: May 11, 2026 12:57 PM
To: Gabor, Sam <Sam.Gabor@gowlingwlg.com>; george@chaitons.com; harvey@chaitons.com; rlaity@blg.com; jpepper@blg.com; rgurofsky@fasken.com; kpicard@fasken.com; gasesdeloriente@gasesdeloriente.com.co; claguado@gasesdeloriente.com.co; jlizarazo@gasesdeloriente.com.co; anmoreno@gasesdeloriente.com.co; Paola Ramirez <Paola.Ramirez@mcmillan.ca>; walter.diago@enel.com; hilari.romero@enel.com; jesus.cabrera@enel.com; rlaity@blg.com; smceachern@blg.com; jpepper@blg.com; canaven.gerencia@gmail.com; canaven.presidencia@gmail.com; Sromero@avalfiduciaria.com_
Cc: Prophet, Clifton <Clifton.Prophet@gowlingwlg.com>; Kelsey Meyer <meyerk@bennettjones.com>; Yurkovich, Kate <Kate.Yurkovich@ca.gowlingwlg.com>; Oliver, Jeffrey <joliver@cassels.com>; alberto.maradey@petromil.com; alfredo.chamat@petromil.com; nominacionmail@surtigas.com.co; adolfo.tirado@surtigas.co; mfranco@gascaribe.com; notificacionesjuridicas@gascaribe.com; zamir.centanaro@corexenergy.co; jorge.aruachan@corexenergy.co; gashubnominaciones@gmail.com; gerencia@geamenergy.com; nominaciones@geamenergy.com; ccabello@gasguajira.com; gerencia@atinkanaesp.com; vanessa.nader@promigas.com; Sromero@avalfiduciaria.com
Subject: RE: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction

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Hi Sam,

Subject to two further minor proposed changes (below in red), McMillan, Chaitons, and Fasken are signed-off on the following proposed schedule:

1. Counterparties' evidence to be served by 9 AM MT on May 14.
2. Parties to indicate in writing whether they intend to cross-examine by 4 PM MT on May 15. The parties will coordinate a transcription service for the 18th.
3. Any reply affidavit evidence from the Canacol Group to be served by **4PM MT on** May 16.
4. **Counterparties to indicate in writing whether they intend to cross-examine on any reply affidavit evidence by 12PM MT on May 17.**
5. All cross-examinations to be conducted on May 18, 2026. We are cognizant that May 18 is a holiday in Canada. Our affiant and our office will make ourselves available for cross-examination that day, if necessary.
6. Counterparties' bench briefs to be served by 9 AM MT on May 19, 2026.
7. Canacol Group's and other supporting parties reply bench brief(s) to be served by 4 PM MT on May 20, 2026.
8. Monitor's supplementary report to be served 4 PM MT on May 20, 2026.

I understand that BLG (acting on behalf of Promigas, SA, ESP and Surtigas, SA, ESP) is still seeking instruction from its clients. Please connect with BLG (Ryan Laity) directly on the above noted schedule.

In respect of the cross-examinations, will Canacol be arranging for there to be a translator at the examinations? We are still working through the evidence, but I understand that English may not be the first language of some of the affiants. We obviously do not need to decide this right now, but we wanted to put this on your radar ASAP to avoid any hiccups given the condensed schedule.

Chris

mcmillan

Christopher Keliher
Partner
d 403.531.4724
christopher.keliher@mcmillan.ca

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From: Christopher Keliher
Sent: Sunday, May 10, 2026 4:32 PM
To: 'Gabor, Sam' <Sam.Gabor@gowlingwlg.com>; george@chaitons.com; harvey@chaitons.com; rlaity@blg.com; jpepper@blg.com; rgurofsky@fasken.com; kpicard@fasken.com; gasesdeloriente@gasesdeloriente.com.co; claguado@gasesdeloriente.com.co; jlizarazo@gasesdeloriente.com.co; anmoreno@gasesdeloriente.com.co; Paola Ramirez <Paola.Ramirez@mcmillan.ca>; walter.diago@enel.com; hilari.romero@enel.com; jesus.cabrera@enel.com; rlaity@blg.com; smceachern@blg.com; jpepper@blg.com; canaven.gerencia@gmail.com; canaven.presidencia@gmail.com; Sromero@avalfiduciaria.com_
Cc: Prophet, Clifton <Clifton.Prophet@gowlingwlg.com>; Kelsey Meyer <meyerk@bennettjones.com>; Yurkovich, Kate <Kate.Yurkovich@gowlingwlg.com>; Oliver, Jeffrey <joliver@cassels.com>; alberto.maradey@petromil.com; alfredo.chamat@petromil.com; nominacionmail@surtigas.com.co; adolfo.tirado@surtigas.co; mfranco@gascaribe.com; notificacionesjuridicas@gascaribe.com; zamir.centanaro@corexenergy.co; jorge.aruachan@corexenergy.co; gashubnominaciones@gmail.com; gerencia@geamenergy.com; nominaciones@geamenergy.com; ccabello@gasguajira.com; gerencia@atinkanaesp.com; vanessa.nader@promigas.com; Sromero@avalfiduciaria.com
Subject: RE: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction

Hi Sam,

The Canadian respondents are still working collectively to find a schedule that works for everyone. For example, we now understand that May 18 is *also* a national holiday in Colombia, and we are trying to confirm that any cross-examination scheduled for that day can go ahead as planned.

We expect to be able to provide a definitive response on the proposed schedule tomorrow.

Thank you for the indulgence.

Chris

mcmillan

Christopher Keliher
Partner
d 403.531.4724
christopher.keliher@mcmillan.ca

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From: Gabor, Sam <Sam.Gabor@gowlingwlg.com>
Sent: Saturday, May 9, 2026 9:40 AM
To: Christopher Keliher <christopher.keliher@mcmillan.ca>; Gabor, Sam <Sam.Gabor@gowlingwlg.com>; george@chaitons.com; harvey@chaitons.com; rlaity@blg.com; jpepper@blg.com; rgurofsky@fasken.com; kpicard@fasken.com; gasesdeloriente@gasesdeloriente.com.co; claguado@gasesdeloriente.com.co; jlizarazo@gasesdeloriente.com.co; anmoreno@gasesdeloriente.com.co; Paola Ramirez <Paola.Ramirez@mcmillan.ca>; walter.diago@enel.com; hilari.romero@enel.com; jesus.cabrera@enel.com; rlaity@blg.com; smceachern@blg.com; jpepper@blg.com; canaven.gerencia@gmail.com; canaven.presidencia@gmail.com; Sromero@avalfiduciaria.com_
Cc: Prophet, Clifton <Clifton.Prophet@gowlingwlg.com>; Kelsey Meyer <meyerk@bennettjones.com>; Yurkovich, Kate <Kate.Yurkovich@gowlingwlg.com>; Oliver, Jeffrey <joliver@cassels.com>; alberto.maradey@petromil.com; alfredo.chamat@petromil.com; nominacionmail@surtigas.com.co; adolfo.tirado@surtigas.co; mfranco@gascaribe.com; notificacionesjuridicas@gascaribe.com; zamir.centanaro@corexenergy.co; jorge.aruachan@corexenergy.co; gashubnominaciones@gmail.com; gerencia@geamenergy.com; nominaciones@geamenergy.com; ccabello@gasguajira.com; gerencia@atinkanaesp.com; vanessa.nader@promigas.com; Sromero@avalfiduciaria.com
Subject: RE: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction

Chris,

The timeframe for service of the Counterparties evidence is too late as we need sometime to review the evidence during the business week with numerous persons, including in Colombia, and stakeholders to be able to properly reply, and in particular with the May long weekend that week. The Counterparties will have had approximately 2 weeks from April 28th to file evidence based on the timeframe below. The timetable below is workable for us and fair to all parties. Please confirm it is agreeable and we'll write to the court.

1. Counterparties' evidence to be served by **9 AM MT on May 14**
2. Parties to indicate in writing whether they intend to cross-examine by **4 PM MT on May 15. The parties will coordinate a transcription service for the 18th.**
3. Any reply affidavit evidence from the Canacol Group to be served by **May 16.**
4. All cross-examinations to be conducted on **May 18**, 2026. We are cognizant that May 18 is a holiday in Canada. Our affiant and our office will make ourselves available for cross-examination that day, if necessary.
5. Counterparties' bench briefs to be served by 9 AM MT on May 19, 2026.
6. Canacol Group's and other supporting parties reply bench brief(s) to be served by 4 PM MT on May 20, 2026.
7. Monitor's supplementary report to be served 4 PM MT on May 20, 2026.

Best regards,

Sam Gabor
Partner
T +1 403 298 1946
sam.gabor@gowlingwlg.com

My Assistant: Arriane Tano
T +1 403 298 1077
arriane.tano@gowlingwlg.com

GOWLING WLG

From: Christopher Keliher <christopher.keliher@mcmillan.ca>
Sent: May 8, 2026 9:14 PM
To: Gabor, Sam <Sam.Gabor@gowlingwlg.com>; george@chaitons.com; harvey@chaitons.com; rlaity@blg.com; jpepper@blg.com; rgurofsky@fasken.com; kpicard@fasken.com; gasesdeloriente@gasesdeloriente.com.co; claguado@gasesdeloriente.com.co; jlizarazo@gasesdeloriente.com.co; anmoreno@gasesdeloriente.com.co; Paola Ramirez <Paola.Ramirez@mcmillan.ca>; walter.diago@enel.com; hilari.romero@enel.com; jesus.cabrera@enel.com; rlaity@blg.com; smceachern@blg.com; jpepper@blg.com; canaven.gerencia@gmail.com; canaven.presidencia@gmail.com; Sromero@avalfiduciaria.com
Cc: Prophet, Clifton <Clifton.Prophet@gowlingwlg.com>; Kelsey Meyer <meyerk@bennettjones.com>; Yurkovich, Kate <Kate.Yurkovich@ca.gowlingwlg.com>; Oliver, Jeffrey <joliver@cassels.com>; alberto.maradey@petromil.com; alfredo.chamat@petromil.com; nominacionmail@surtigas.com.co; adolfo.tirado@surtigas.co; mfranco@gascaribe.com; notificacionesjuridicas@gascaribe.com; zamir.centanaro@corexenergy.co; jorge.aruachan@corexenergy.co; gashubnominaciones@gmail.com; gerencia@geamenergy.com; nominaciones@geamenergy.com; ccabello@gasguajira.com; gerencia@atinkanaesp.com; vanessa.nader@promigas.com; Sromero@avalfiduciaria.com
Subject: RE: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction

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Hi Sam,

Thanks for your e-mail.

Canadian counsel to the respondents (McMillan, Fasken, Chaitons, and BLG) have connected to discuss the proposed schedule.

While we are generally aligned, due to language barriers and the volume of information that will need to be produced, we propose pushing out some of the earlier deadlines by a few days. Our proposed revisions to the schedule are in **red** below:

1. Counterparties' evidence to be served by ~~4 PM MT on May 12, 2026~~. **4PM MT on May 15**
2. Any reply affidavit evidence from the Canacol Group to be served by ~~4 PM MT on May 14, 2026~~ **4 PM MT on May 17**
3. Parties to indicate in writing whether they intend to cross-examine by ~~4 PM MT on May 14, 2026~~.**4 PM MT on May 17**
4. All cross-examinations to be conducted on ~~either May 15 or~~ **May 18**, 2026, and completed by no later than May 18, 2026. We are cognizant that May 18 is a holiday in Canada. Our affiant and our office will make ourselves available for cross-examination that day, if necessary.
5. Counterparties' bench briefs to be served by 9 AM MT on May 19, 2026.
6. Canacol Group's and other supporting parties reply bench brief(s) to be served by 4 PM MT on May 20, 2026.
7. Monitor's supplementary report to be served 4 PM MT on May 20, 2026.

Please let us know if you have any questions.

Chris

mcmillan

Christopher Keliher
Partner
d 403.531.4724
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From: Gabor, Sam <Sam.Gabor@gowlingwlg.com>
Sent: Friday, May 8, 2026 2:45 PM
To: george@chaitons.com; harvey@chaitons.com; rlaity@blg.com; jpepper@blg.com; rgurofsky@fasken.com; kpicard@fasken.com; gasesdeloriente@gasesdeloriente.com.co; claguado@gasesdeloriente.com.co; jlizarazo@gasesdeloriente.com.co; anmoreno@gasesdeloriente.com.co; Christopher Keliher <christopher.keliher@mcmillan.ca>; Paola Ramirez <Paola.Ramirez@mcmillan.ca>; walter.diago@enel.com; hilari.romero@enel.com; jesus.cabrera@enel.com; rlaity@blg.com; smceachern@blg.com; jpepper@blg.com; canaven.gerencia@gmail.com; canaven.presidencia@gmail.com; Sromero@avalfiduciaria.com
Cc: Prophet, Clifton <Clifton.Prophet@gowlingwlg.com>; Kelsey Meyer <meyerk@bennettjones.com>; Yurkovich, Kate <Kate.Yurkovich@gowlingwlg.com>; Oliver, Jeffrey <joliver@cassels.com>; alberto.maradey@petromil.com; alfredo.chamat@petromil.com; nominacionmail@surtigas.com.co; adolfo.tirado@surtigas.co; mfranco@gascaribe.com; notificacionesjuridicas@gascaribe.com; zamir.centanaro@corexenergy.co; jorge.aruachan@corexenergy.co; gashubnominaciones@gmail.com; gerencia@geamenergy.com; nominaciones@geamenergy.com; ccabello@gasguajira.com; gerencia@atinkanaesp.com; vanessa.nader@promigas.com; Sromero@avalfiduciaria.com
Subject: Canacol - Proposed Litigation Schedule Following Justice Kuntz's Direction

Counsel and other contractual counterparties ("Counterparties"),

Further to the scheduling direction of Justice Kuntz at the hearing on May 8, 2026, we are writing to propose the following litigation schedule for your consideration:

1. Counterparties' evidence to be served by 4 PM MT on May 12, 2026.
2. Any reply affidavit evidence from the Canacol Group to be served by 4 PM MT on May 14, 2026.
3. Parties to indicate in writing whether they intend to cross-examine by 4 PM MT on May 14, 2026.
4. All cross-examinations to be conducted on either May 15 or 18, 2026, and completed by no later than May 18, 2026. We are cognizant that May 18 is a holiday in Canada. Our affiant and our office will make ourselves available for cross-examination that day, if necessary.
5. Counterparties' bench briefs to be served by 9 AM MT on May 19, 2026.
6. Canacol Group's and other supporting parties reply bench brief(s) to be served by 4 PM MT on May 20, 2026.
7. Monitor's supplementary report to be served 4 PM MT on May 20, 2026.

We would ask that all of the Counterparties review these dates together and return a single consolidated position as soon as possible given the number of Counterparties. Please provide a single response to us as soon as possible.

Once we have a schedule agreed upon, we intend on writing to Justice Feasby, cc'ing you, advising him of the proposed agreed upon schedule, and seeking permission to deliver materials to him as they are prepared so he receives the materials in batches, and is not overloaded with materials the night before the hearing.

Best regards,

Sam Gabor
Partner
T +1 403 298 1946
sam.gabor@gowlingwlg.com

My Assistant: Arriane Tano
T +1 403 298 1077
arriane.tano@gowlingwlg.com

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Exhibit "E" to the Reply Affidavit of
Jason Bednar
Affirmed before me this 16th day of
May 2026

A Commissioner for Oaths in
and for the Province of Alberta

Nicole Furlan
Student-at-Law

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Clifton.Prophet@gowlingwlg.com
File no. G10088627

May 14, 2026

VIA EMAIL TO COMMERCIAL COORDINATOR

Court of King's Bench of Alberta
601 - 5th Street SW
Calgary, Alberta T2P 5P7

Attention: The Honourable Justice C. Feasby

Dear Justice Feasby:

Re: In the Matter of Canacol Energy Ltd. et al. pursuant to the *Companies' Creditors Arrangement Act*
Court File No. 2501-18462
May 21, 2026 before the Honourable Justice C. Feasby (2:00 pm MT) via WebEx

We are counsel to the Applicants, Canacol Energy Ltd. and its affiliated entities (collectively the "**Canacol Group**"), in the above-noted matter. Further to the direction of the Honourable Justice Kuntz on May 7, 2026, the Canacol Group's application to disclaim various agreements of contractual counterparties ("**Counterparties**") is now scheduled before your Lordship on Thursday, May 21, 2026, at 2:00 pm (MT) (the "**Application**"). In advance of the Application and at the direction of Justice Kuntz, please find below the proposed litigation schedule which has been agreed upon by the relevant parties for the hearing of this matter:

1. Counterparties' evidence to be served by 9 A.M. MT on May 14, 2026.

2. Parties to indicate in writing whether they intend to cross-examine on affidavits by 4 P.M. MT on May 15, 2026.

3. Any reply affidavit evidence from the Canacol Group to be served by 4.P.M. MT on May 16, 2026.

4. Counterparties to indicate in writing whether they intend to cross-examine on any reply affidavit evidence by 12 P.M. MT on May 17, 2026.

5. All cross-examinations to be conducted on May 18, 2026.

6. Counterparties' bench briefs to be served by 9 A.M. MT on May 19, 2026.

7. Canacol Group's and other supporting parties reply bench brief(s) to be served by 4 P.M. MT on May 20, 2026.

8. Monitor's supplementary report to be served 4 P.M. MT on May 20, 2026.

Can you please confirm that the schedule is acceptable to the court?

We have also suggested that the parties provide individual materials to the Court upon service so that your Lordship has staggered time to review the materials and doesn't receive all of the materials at the same time prior to the

hearing. However, should you have any questions or concerns, or would like the materials delivered in a different fashion, please do not hesitate to contact our office.

Our office will be forwarding this letter to the Counterparties, including those represented by Canadian counsel. We can also advise that our office will attend the hearing in person on May 21.

Yours truly,

Gowling WLG (Canada) LLP



Sam Gabor

c.c. Kelsey Meyer – Counsel for the Monitor – KPMG Inc.

Exhibit "F" to the Reply Affidavit of
Jason Bednar
Affirmed before me this 16th day of
May 2026

A Commissioner for Oaths in
and for the Province of Albe
Nicole Furlan
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

Edmonton, Alberta
December 11, 2025

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Proceedings taken in the Court of King's Bench of Alberta, Courthouse, Edmonton, Alberta

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December 11, 2025	Afternoon Session
The Honourable Justice D. Mah (remote appearance)	Court of King's Bench of Alberta
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.
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.
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.
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.
E.S. Dushenski (remote appearance)	For Citibank, National Association
A.C. Maerov (remote appearance)	For Citibank, National Association
J. Levine (remote appearance)	For Citibank, National Association
J.L. Oliver (remote appearance)	For the Ad Hoc Committee of Senior Noteholders
K.J. Bourassa (remote appearance)	For Agents on the Revolving Credit Facility
J. Willis (remote appearance)	For Agents on the Revolving Credit Facility
G.H. Finlayson (remote appearance)	For the Board of Directors of Canacol Energy Ltd.

M. Cressatti (remote appearance)	For the Board of Directors of Canacol Energy Ltd.
J. Pasquariello (remote appearance)	For Macquarie Bank Ltd.
E. Axell (remote appearance)	For Macquarie Bank Ltd.
R. Chadwick (remote appearance)	For Macquarie Bank Ltd.
R.I. Thornton (remote appearance)	For NG Energy
G.F. Body (remote appearance)	For Justice Canada, Canada Revenue Agency
R.S. Sahni (remote appearance)	For the Monitors, KPMG Inc.
K. Forbes (remote appearance)	For the Monitors, KPMG Inc.
K.J. Meyer (remote appearance)	For the Monitors, KPMG Inc.
E. Buhendwa	Court Clerk
Z. Wong	Court Clerk

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

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

Is there someone here from Cassels?

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

THE COURT: Mr. Oliver, okay.

MR. PROPHET: Thank you.

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

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

THE COURT: Yes.

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

THE COURT: Okay.

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

THE COURT: Thank you.

MS. MEYER: Thank you.

Decision (Stay Extension and DIP Loan)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Discussion

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

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

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

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

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

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

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

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

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

THE COURT: The document itself.

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

THE COURT: Okay.

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

THE COURT: I am in the Word document.

MR. PROPHET: Very good.

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

MR. PROPHET: Yes.

THE COURT:` 91710284/5.

MR. PROPHET: That is -- that is the correct -- that is the correct number and that is the correct order with one change --

THE COURT: Okay.

MR. PROPHET: -- which I can take you to.

THE COURT: Okay.

MR. PROPHET: And I can just highlight the evolutionary changes, but let's go to the one change that was made subsequent to that email, it's in paragraph 34, it's semantic only, but it's worth looking it.

If you go to 34 --

THE COURT: Yes, I am there.

MR. PROPHET: So the words after the parenthetical in the second last line of the 34, beginning: (as read)

> Including without limitation as a result of any new parties joining as lenders thereunder …

THE COURT: Right.

MR. PROPHET: That should be moved into the brackets, to be inserted after: (as read)

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

THE COURT: Okay. So just --

MR. PROPHET: It's just a --

THE COURT: -- just moved the closed bracket -- just move the

closed bracket --

MR. PROPHET: Correct.

THE COURT: -- I can do that.

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

THE COURT: Oh I see. Okay.

MR. PROPHET: (as read)

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

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

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

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

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

THE COURT: Yes, that is --

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

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

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

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

MR. PROPHET: Very good.

THE COURT: Okay.

Submissions by Mr. Prophet (Sealing Order)

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

THE COURT: Okay, I am there, yes.

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

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

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

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

the names of the people providing those commitments.

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

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

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

MR. PROPHET: Yes.

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

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

THE COURT: All right.

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

THE COURT: Ms. Meyer, anything?

Submissions by Ms. Meyer (Sealing Order)

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

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

THE COURT: All right.

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

THE COURT: No questions.

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

THE COURT: Go ahead.

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

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

Submissions by Mr. Pasquariello (Sealing Order)

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

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

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

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

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

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

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

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

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

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

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

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

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

THE COURT: Okay.

Any other counsel?

Submissions by Mr. Prophet (Sealing Order) (Reply)

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

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

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

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

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

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

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

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

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

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

So those are my comments in reply, Sir.

THE COURT: Okay.

MS. MEYER: Justice Mah?

THE COURT: Yes.

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

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

THE COURT: Okay. Go ahead.

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

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

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

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

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

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

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

Submissions by Mr. Oliver (Sealing Order)

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

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

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

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

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

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

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

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

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

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

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

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

PROCEEDINGS CONCLUDED

Certificate of Record

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.

Certificate of Transcript

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.

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Dated: December 15, 2025

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DOCUMENT	**SEVENTH REPORT OF THE MONITOR** **APRIL 30, 2026**

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CONFIDENTIAL APPENDICES

CONFIDENTIAL APPENDIX "1" – Unredacted Pre-Filing Critical Vendor Payments Listing

I. INTRODUCTION

1. On November 18, 2025 (the "**Filing Date**"), Canacol Energy Ltd. ("**Canacol**") and its subsidiaries 2654044 Alberta Ltd., Canacol Energy ULC**,** 2498003 Alberta ULC, Cantana Energy GmbH ("**Cantana Switzerland**"**)**, CNE Oil & Gas S.R.L. ("**CNE Panama**"), Canacol Energy Colombia S.A.S. ("**Canacol Colombia**"), Shona Holding GmbH, CNE Energy S.A.S., and CNE Oil & Gas S.A.S. ("**CNE O&G Colombia**" and collectively, the "**Applicants**", the "**Canacol Group**" or the "**Company**") were granted relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") by Order (the "**Initial Order**") of the Court of the King's Bench of Alberta (the "**Court**"). The relief granted under the Initial Order included, among other things:

   (a) granting a stay of proceedings in favour of the Applicants from November 18, 2025, to November 28, 2025 (the "**Stay Period**");

   (b) appointing KPMG Inc. as Monitor ("**KPMG**" or the "**Monitor**");

   (c) authorizing the Applicants to make payment of certain obligations incurred prior to the commencement of the Applicants' CCAA proceedings (the "**CCAA Proceedings**");

   (d) authorizing the Monitor to act as foreign representative (the "**Foreign Representative**") for the purpose of having the CCAA Proceedings recognized in any jurisdiction outside Canada including, without limitation, the United States of America (the "**United States**", or the "**US**"), the Republic of Colombia ("**Colombia**"), the Republic of Panama, and/or Switzerland; and

   (e) granting the Administration Charge.

2. KPMG, in its then capacity as proposed Monitor, provided this Court its report dated November 17, 2025 (the "**Pre-Filing Report**") in connection with the Applicants' application for the Initial Order.

3. On November 28, 2025, this Court granted an Order amending and restating the Initial Order (the "**ARIO**"), among other things:

(a) granting an extension of the Stay Period to December 18, 2025;

(b) approving an increase to the maximum amount of the Administration Charge to $1.5 million and granting a Directors' Charge (as defined in the ARIO) to a maximum amount of $1.0 million, with priority ranking granted to each of those charges;

(c) authorizing the Applicants to make pre-filing payments to critical vendors up to the amount of $5.5 million subject to the prior approval of the Monitor (the "**Pre-Filing Critical Vendor Payments**"), and certain other pre-filing royalty and tax payments to Agencia Nacional de Hidrocarburos ("**ANH**") and other Colombian governmental and taxation authorities;

(d) granting relief from certain securities reporting obligations under federal, provincial and other applicable law until further order of the Court; and

(e) approving the Pre-Filing Report and the first report of the Monitor dated November 24, 2025, filed in connection with the Applicants' application for the ARIO (the "**First Report**"), and the actions, conduct and activities of the Monitor set out therein.

4. On December 11, 2025, the Court granted an Order amending and restating the ARIO (the "**SARIO**"), among other things:

(a) granting an extension of the Stay Period to February 6, 2026;

(b) authorizing the Applicants to enter into a commitment letter dated December 2, 2025 (as amended, the "**DIP Loan Agreement**"), to obtain interim debtor-in-possession financing of up to $67 million (the "**DIP Financing**"), and granting a corresponding priority charge (the "**DIP Lenders' Charge**") over the Applicants' Property (as defined in the ARIO) in favour of the DIP Lenders (as defined herein);

(c) increasing the authorized sum of the Pre-Filing Critical Vendor Payments to $15.5 million in aggregate, subject to the prior approval of the Monitor and the DIP Lenders; and

(d) approving the second report of the Monitor dated December 9, 2025**,** and the actions, conduct and activities of the Monitor set out therein.

5. On December 11, 2025, the Court granted a further Order granting the sealing of the Confidential Appendices to the Second Report containing an unredacted copy of the DIP Loan Agreement and an unredacted copy of the first amendment to the DIP Loan Agreement.

6. On January 26, 2026, the Court granted an Order (the "**SISP Approval Order**"), among other things:

(a) granting an extension of the Stay Period to June 27, 2026;

(b) approving the sale and investment solicitation process (the "**SISP**") in respect of the Applicants' business and assets, and the engagement of Moelis & Company LLC ("**Moelis**"), as the Applicants' financial advisor (the "**Sale Advisor**") in respect of the SISP and approving the engagement letter between the Applicants and Moelis dated January 3, 2026; and

(c) approving the third report of the Monitor dated January 13, 2026, and the actions, conduct and activities of the Monitor set out therein.

7. On March 5, 2026, the Court granted an Order (the "**Approval and Amending Order**"), among other things:

(a) approving an increase to the maximum amount of the Administration Charge to $3.0 million and granting a Sale Advisor Charge to a maximum amount of $3.5 million with priority ranking granted to the Sale Advisor Charge;

(b) 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 following the date of the Initial Order to include but not be limited to any and all fees and disbursements of legal counsel to the directors, unless the obligation was incurred due to the director's or officer's gross negligence or wilful misconduct;

(c) granting relief from certain securities reporting obligations under applicable Colombian laws until further order of the Court; and

(d) approving the fourth report of the Monitor dated February 27, 2026 (the "**Fourth Report**"), and the actions, conduct and activities of the Monitor set out herein.

8. On March 26, 2026, the Court granted an Order amending and restating the SARIO (the **"TARIO"**), among other things:

(a) approving *nunc pro tunc*, the amendments to the Amended and Restated DIP Loan Agreement (as defined herein) dated March 9, 2026 (the "**Second AR DIP Loan Agreement**");

(b) approving the proposed key employee retention plan ("**KERP**") and the proposed key employee incentive plan (the "**KEIP**"), and granting a corresponding priority charge (the "**KERP/KEIP Charge**") over the Applicants' Property to secure the retention and incentive payments that may become payable under the KERP and KEIP, up to the maximum aggregate amount of $3,744,000;

(c) approving, *nunc pro tunc*, the Applicants' engagement of Breakpoint Advisory Partners LLC ("**Breakpoint**") as chief restructuring officer (the "**CRO**") pursuant to the terms of the engagement letter between the Applicants and the CRO dated as of March 17, 2026 and authorizing the Applicants to pay the CRO its monthly fees, costs and disbursements, in accordance with the terms of Breakpoint's engagement letter;

(d) extending the scope of the Administration Charge to secure the fees and expenses of the CRO, and extending the scope of the indemnity in favour of the Applicants' directors and officers and the Directors' Charge to include the CRO, in respect of any indemnity granted by the Applicants to the CRO in connection with the CRO's activities and services provided pursuant to its engagement letter with the Applicants;

(e) granting a priority charge over the Applicants' Property in favour of Breakpoint in its capacity as CRO as security for the CRO Restructuring Fee (as defined in the TARIO), up to the maximum aggregate amount of $3,000,000; and

(f) approving the fifth report of the Monitor dated March 22, 2026 (the "**Fifth Report**"), and the actions, conduct and activities of the Monitor set out therein.

9. On March 26, 2026, the Court granted a further Order granting the sealing of the unredacted copies of the economic terms of the KERP and KEIP, and the Second AR DIP Loan Agreement, included as confidential exhibits to the supplementary affidavit of Mr. Jason Bednar dated March 18, 2026.

10. On April 24, 2026, the Court granted an Order (the "**Fourth ARIO**") amending and restating the TARIO, among other things:

(a) approving the Third Amended and Restated DIP Commitment Letter dated April 14, 2026 (the "**Third AR DIP Loan Agreement**") and increasing the maximum principal amount of DIP Financing that the Applicants are authorized to borrow under the Third AR DIP Loan Agreement to $112,000,000, with all obligations under the Third AR DIP Loan Agreement to be secured under the DIP Lenders' Charge;

(b) authorizing an increase in the maximum aggregate amount of Pre-Filing Critical Vendor Payments permitted from $15.5 million to $17.0 million, subject to the Monitor's and DIP Lenders' prior approval;

(c) approving the Bid Protections (as defined in the Sixth Report) and granting a charge over the cash proceeds of any sale or investment transaction implemented in accordance with and pursuant to the SISP in favour of a Phase 2 Qualified Bidder (as defined in the SISP) that is selected and designated by the Applicants, with the consent of the Monitor and the Ad Hoc Committee, in accordance with the SISP, to be a stalking horse bidder (if so designated, the "**Stalking Horse Bidder**"), to the extent that such Stalking Horse Bidder becomes entitled to payment of the Bid Protections; and

(d) approving the Sixth Report (as defined herein), and the actions, conduct and activities of the Monitor set out therein.

11. On April 24, 2026, the Court also granted an Order (the **"April 24th Sealing Order"**) granting the sealing of the summary of the non-binding letters of intent received in Phase 1 of the SISP and an executed and unredacted copy of the Third AR DIP Loan Agreement, each included as exhibits to the supplementary affidavit of Mr. Bednar affirmed on April 14, 2026.

12. The Monitor provided this Court with its report dated April 16, 2026 (the "**Sixth Report**") in connection with the Applicants' application for the Fourth ARIO and the April 24th Sealing Order. A copy of the Sixth Report (without appendices) is attached hereto as **Appendix "A"**.

13. Copies of materials and documents filed in connection with these CCAA Proceedings are available on the Monitor's website at https://kpmg.com/ca/canacol (the "**Monitor's Website**"). In addition, the Monitor has arranged for a toll-free hotline 1-833-724-5456 and an email address at: canacol@kpmg.ca, through which creditors of the Applicants or other interested parties can make inquiries with the Monitor related to these CCAA Proceedings.

II. PURPOSE OF REPORT

14. The purpose of this report (the "**Seventh Report**") is to provide this Court with information pertaining to:

(a) developments in the proceedings brought by the Foreign Representative under chapter 15 of title 11 of the United States Code (such proceedings being the "**Chapter 15 Proceedings**") and proceedings in Colombia (the "**Colombian Recognition Proceedings**"), each recognizing these CCAA Proceedings;

(b) the status of the DIP Financing (as defined herein);

(c) correspondence from Global Oil & Energy Services S.A.S. (**"Global Oil"**) served on the service list;

(d) the Applicants' application for five (5) Orders (each a "**Disclaimer Order**", and collectively the **"Disclaimer Orders"**) which include, among other things, the following relief:

(i) authorizing the Applicants, without the necessity of issuing a notice pursuant to section 32 of the CCAA, to disclaim, resiliate, terminate and cease to perform each of the agreements identified in Schedule "A" to the applicable Disclaimer Order effective as of May 28, 2026 (the "**Disclaimer Effective Date**");

(ii) deeming that the applicable Disclaimer Order, and service of the notice of application for the Disclaimer Orders, on each of the counterparty(ies) to a Subject Agreement (as defined below) (collectively, the "**Counterparties**" and each a "**Counterparty**") constitutes good and sufficient notice to each Counterparty of the disclaimer, resiliation and termination of its applicable Subject Agreement effective as of the Disclaimer Effective Date; and

(iii) preserving any claim that a Counterparty may have in relation to the applicable Subject Agreement (as defined below), including any claim for damages or other monetary relief and including, without limitation, any penalties, entitlements, charges, arrears, shortfalls, interest, fines, costs, liquidated damages, early termination claims, termination damages, and special, punitive or exemplary damages, whether or not reduced to judgment, liquidated or unliquidated, fixed or contingent, accrued or unaccrued, matured or unmatured, disputed or undisputed, legal or equitable, present or future, known or unknown, up to and including the Disclaimer Effective Date, as a provable unsecured or secured claim (as the case may be), to be advanced in accordance with any claims procedure established in these CCAA Proceedings;

(e) the Applicants' application for an Order (the "**Ancillary Relief Order**"), among other things:

(i) sealing the following confidential exhibits such that those materials do not form part of the public record, until the earlier of one (1) year after the termination of these CCAA Proceedings or pending further order of this Court:

(A) the confidential exhibits to Mr. Bednar's supplementary affidavit containing confidential exhibits attaching original copies and certified translations of each of the Promigas Agreements and the Canaven Agreement (each as defined below), and any amendments thereto (the "**First Supplementary Confidential Affidavit**");

(B) the confidential exhibits to Mr. Bednar's further supplementary affidavit containing confidential exhibits attaching original copies and certified translations of each of the Consumer Offtake Agreements, the Commercial Offtake Agreements, the Dual Category Offtake Agreements (each as defined below), and any amendments thereto (the "**Second Supplementary Confidential Affidavit**", together with the First Supplementary Confidential Affidavit, the "**Supplementary Affidavits**"); and

(ii) approving this Seventh Report and the actions, conduct and activities of the Monitor set out herein;

(f) the Applicants' application for an Order (the "**Sealing Order – Critical Vendors**") sealing **Confidential Appendix "1"** attached to this Seventh Report summarizing certain payments made to pre-filing critical vendors by the Canacol Group in accordance with the terms of the Fourth ARIO.

III. TERMS OF REFERENCE

15. Capitalized terms used but not defined in the Seventh Report are as defined in the Sixth Report and the Fourth ARIO. The Applicants filed the Affidavit of Mr. Jason Bednar ("**Mr. Bednar**") affirmed on April 28, 2026 (the "**Ninth Bednar Affidavit**") and the Supplementary Affidavits in support of their application for the Disclaimer Orders and the Ancillary Relief Order. This Seventh Report should be read in conjunction with the Sixth Report, the Ninth Bednar Affidavit, and the Supplementary Affidavits, as certain information contained therein has not been included in this Seventh Report to avoid unnecessary duplication.

16. In preparing this Seventh Report, KPMG has relied solely on information and documents provided to it by the Applicants and their respective advisors, including unaudited, draft and/or internal financial information, financial projections prepared by the Applicants, discussions with management of the Applicants, and the affidavits of the Applicants' executive (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in this Seventh Report, KPMG has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, KPMG has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards pursuant to the *Chartered Professional Accountants of Canada Handbook* and, as such, KPMG expresses no opinion or other form of assurance contemplated under such Generally Accepted Auditing Standards in respect of the Information.

17. Unless otherwise stated, all monetary amounts noted herein are expressed in United States dollars.

IV. UPDATE ON THE FOREIGN PROCEEDINGS

Chapter 15 Proceedings

18. Since the date of the Sixth Report, on April 27, 2026, the United States Bankruptcy Court for the Southern District of New York granted an Order, among other things, recognizing

and enforcing the Fourth ARIO, including the approval of the Third AR DIP Loan Agreement.

Colombian Recognition Proceedings

19. On December 11, 2025, the Superintendency of Companies of Colombia (the "**Superintendency**") issued an Order (the "**Provisional Colombian Recognition Order**") granting preliminary measures included in the ARIO, including the stay of proceedings against Canacol Colombia, CNE O&G Colombia, Cantana Colombia (Sucursal of Cantana Switzerland) and CNEOG Colombia (Sucursal of CNE Panama) (collectively, the "**Colombian Debtors**"), preservation of certain operational bank accounts, restrictions on terminating essential contracts, and granting priority with respect to professional fees of the Foreign Representative and counsel. The Superintendency did not address relief requested concerning certain bank accounts of the Colombian Debtors that are subject to Macquarie's security.

20. On December 17, 2025, the Superintendency granted an Order (the "**Colombian Recognition Order**") among other things recognizing the CCAA Proceedings as the principal foreign proceeding, recognizing KPMG as the Monitor and the Foreign Representative, and extending preliminary measures granted by the Provisional Colombian Recognition Order.

21. On February 6, 2026, the Superintendency issued an Order (the "**Colombian DIP Recognition Order**"), among other things:

    (a) recognizing the SARIO, including granting a first priority security interest in favour of the DIP Lenders;

    (b) authorizing a priming lien in favour of the DIP Lenders over the Colombian Debtors' assets located in Colombia; and

    (c) directing Macquarie and Credicorp Capital Fiduciaria S.A. (as local administrative agent) to amend the Colombian collateral registry to reflect that their priority ranking is subordinate to that of the DIP Lenders, and to file the updated registration with the

Superintendency. On February 16, 2026, Macquarie informed the Superintendency that it had complied with its obligations under the DIP Recognition Order.

22. On February 27, 2026, Valora Inversiones S.A.S., as a creditor of the Applicants, requested authorization from the Superintendency to receive payment of its claim, invoking Colombian legal provisions which permit a debtor to pay prepetition claims upon the Superintendency's approval. On March 17, 2026, the Foreign Representative, through its counsel in Colombia, Philippi Prietocarrizosa Ferrero DU & Uría ("**PPU**") responded to the petition, requesting its denial on the basis that the Applicants' insolvency proceeding is being conducted under the CCAA, and not under Colombian insolvency law. The Foreign Representative further noted that such a request under Colombian insolvency law may only be initiated by the debtor – and not by a creditor – and that the statutory requirements for granting the authorization were not satisfied. As detailed below, the Superintendency dismissed this and others' requests on April 14, 2026, through the Creditors' Request Order (as defined below).

23. Megambientales S.A. ("**Megambientales**"), a vendor to the Applicants, filed a constitutional action (*tutela*) against Canacol Colombia, the Superintendency, and the Foreign Representative, seeking protection of its fundamental rights to due process, equal treatment, and access to justice. Megambientales argued that such rights were disregarded as a result of: (i) alleged bad faith conduct and concealment of the initiation of the Colombian Recognition Proceedings by a lack of notice; (ii) omission of Megambientales as a creditor in the disclosed list of creditors, allegedly prioritizing non-Colombian creditors over Colombian creditors; and (iii) failure to respond to Megambientales' request to be included in the Applicants' list of creditors.

24. On March 6, 2026, the Foreign Representative, through PPU, informed the Superintendency about the extension of the SISP dates.

25. On March 11, 2026, notice of the constitutional action filed by Megambientales was served on all involved parties, who were granted one day to respond by the Superintendency. The Monitor, as Foreign Representative, and the Colombian Debtors' counsel submitted its separate responses on March 12, 2026, asserting that the action was inadmissible and

should therefore be dismissed, on the grounds that no violation of rights had occurred in Colombian Recognition Proceedings. The constitutional action was dismissed on March 20, 2026. On April 13, 2026, notice was served on all the parties involved with respect to a challenge filed by Megambientales against the action dismissal. On April 14, 2026, a second instance ruling was issued confirming the first instance decision of dismissal of the action.

26. On March 24, 2026, the Superior Court of the Judicial District of Bogotá admitted another constitutional action (a *tutela* claim) filed by Colombian counsel to Macquarie, which asserted that the Superintendency had infringed on Macquarie's constitutional rights by issuing the Colombian DIP Recognition Order, which displaced it as a first priority secured creditor, principally on the grounds of due process breaches. On March 25, 2026, the legal representative of the Colombian Debtors, counsel to the Monitor, and counsel to the DIP Lenders filed briefs opposing Macquarie's action. On April 8, 2026, the Superior Court of the Judicial District of Bogotá denied the constitutional injunction (the "**April 8 Judgment**").

27. Also on March 24, 2026, the Foreign Representative, through PPU, filed a petition with the Superintendency seeking recognition of the Approval and Amending Order, and specifically the provisions of that Order granting the Applicants relief in respect of the "*Colombian Securities Law Exemptions*".

28. The Foreign Representative has received certain communications from vendors requesting to be included in the Monitor's distribution list, submitting their claims and requesting to be included in the list of creditors as of the commencement of the CCAA Proceedings. The Foreign Representative has responded to such communications, clarifying that any submission of claims must be made within the CCAA Proceedings, and at the appropriate procedural stage.

29. On April 14, 2026, the Superintendency issued an order deciding the requests filed by Petroseismic Services S.A., Petroseismic Services S.A., National Oilwell Varco de Colombia, VP Ingeniería S.A.S., the National Environmental Authority ("**ANLA**",

according to its initials in Spanish), Andrea Martínez Giraldo, Valora Inversiones S.A.S., Finamco S.A.S. (the "**Creditors' Request Order**").

30. The Creditors' Request Order (i) dismissed all creditors' requests seeking inclusion or exclusion of liabilities, recognition or payment of claims, constitution of collateral, segregation of funds, advance payments, or any other relief of a substantive nature; (ii) indicated that the Foreign Representative does not act as a procedural agent, legal counsel, or representative of individual creditors, and is not required to submit claims or applications on creditors' behalves before this Court; (iii) ordered the Foreign Representative to file with the Superintendency (a) a description of the communication channels available to creditors and interested parties for purposes of the Colombian Recognition Proceedings, (b) identification of the means by which Colombian creditors may submit filings and requests before this Court, (c) a detailed report of all payments made to local and foreign creditors under authorization granted by the SARIO in respect of Pre-Filing Critical Vendor Payments, and (d) an updated report on the status and outcomes of the SISP; (iv) requested that once the CCAA Proceedings reach the stage at which a claims process or plan of arrangement is approved by this Court, the Foreign Representative must immediately file such information before the Superintendency to ensure proper notice to local creditors; and (v) urged the Colombian Debtors to submit information previously requested by the ANLA. Colombian counsel for the Applicants responded to the ANLA. A brief with the information requested of the Foreign Representative was filed by PPU, on its behalf, on April 27, 2026.

31. On April 17, 2026, the appeal filed by Macquarie against the April 8 Judgment was granted by the second instance court. Macquarie's appeal challenged the denial of its *tutela* action in connection with the recognition of the DIP Financing and the DIP Lenders' Charge priority. On April 29, 2026, PPU filed arguments related to the appeal reiterating its initial position.

32. On April 24, 2026, a *tutela* action filed by Rodatech S.A.S., Global Oil, EC Energy S.A.S., and Serenico Drilling S.A. against the Superintendency was admitted. The *tutela* argued their constitutional rights with respect to due process, access to justice, and equality have

been violated. The petitioners seek urgent interim relief suspending any action by the Superintendency to recognize or enforce in Colombia an Alberta Court order approving a sale of Canacol's Colombian assets, require formal recognition of the petitioners as interested third parties with full standing, a ruling on creditor protection and on prior petitions, resolve inconsistencies regarding Petropolar Sucursal Colombia's creditor status, and direct Colombian authorities to report on the status of the relevant E&P Contracts (as defined herein) and related regulatory actions. On April 28, 2026, PPU filed a response on behalf of the Foreign Representative arguing that the *tutela* action is inadmissible.

33. On April 29, 2026, PPU filed an application with the Superintendency seeking Colombian recognition of the Fourth ARIO and the TARIO.

34. Should this Court see fit to grant the Disclaimer Orders, the Ancillary Relief Order and the Sealing Order – Critical Vendors, the Monitor as Foreign Representative intends to seek recognition of same in the Colombian Recognition Proceedings.

V. DIP FINANCING

35. As noted above, the SARIO approved the DIP Financing pursuant to the DIP Loan Agreement between the Borrowers and Guarantors, and certain of the holders of Canacol's $495,000,000 of 5.75% senior unsecured notes due in 2028 (the "**Senior Unsecured Notes**", and the holders in such capacity, the "**DIP Lenders**") and granted the priority DIP Lenders' Charge in favour of the DIP Lenders, which was recognized by the US Court pursuant to the US DIP Recognition Order and the Colombian Court pursuant to the Colombian DIP Recognition Order.

36. As noted in the Sixth Report, on January 7, 2026, the DIP Lenders and the Borrowers and Guarantors, Fronting Lender and the DIP Agent entered into an amendment to the DIP Loan Agreement (the "**Amended and Restated DIP Loan Agreement**"), which among other things, amended provisions to the DIP Loan Agreement with respect to the events of default, reporting requirements, capital expenditure restrictions and restructuring milestones.

37. Also as noted in the Sixth Report, on March 9, 2026, the DIP Lenders and the Borrowers and Guarantors, Fronting Lender and the DIP Agent entered into the Second AR DIP Loan Agreement. The primary effect of the Second AR DIP Loan Agreement was to amend certain provisions to the Amended and Restated DIP Loan Agreement to permit funding of the Subsequent Advance in parts.

38. As more fully described in the Sixth Report, on April 14, 2026, the DIP Lenders and the Borrowers and Guarantors, Fronting Lender and the DIP Agent entered into the Third AR DIP Loan Agreement. Among other things, the Third AR DIP Loan Agreement contemplates a $45 million increase to the DIP Facility ("**Tranche A-2 Sub-Facility**") to be funded in up to three advances as follows:

(a) *Fourth Subsequent Advance*: maximum of $15,000,000, must be advanced by April 28, 2026;

(b) *Fifth Subsequent Advance*: maximum of $15,000,000 (and may be increased at sole and absolute discretion of the DIP Lenders), must be advanced within 5 days following the Phase 2 Bid Deadline; and

(c) *Sixth Subsequent Advance*: the remaining balance available under Tranche A-2 (maximum availability: $45,000,000) must be advanced by June 15, 2026.

39. The Fourth Subsequent Advance was subject to certain conditions precedent, including that the Fourth ARIO be approved by this Court and recognized by the US Court (each granted, as noted above), and that the Applicants shall have filed an application for the Disclaimer Orders. The Monitor understands that the remaining conditions precedent to the Fourth Subsequent Advance were met and that such advance was funded on April 29, 2026.

VI. DISCLAIMER OF SUBJECT AGREEMENTS

40. The Monitor understands that the Applicants are seeking to disclaim the Consumer Offtake Agreements, Commercial Offtake Agreements, Dual Category Offtake Agreements, the Promigas Agreements (each as defined herein) and the long-term liquid natural gas ("**LNG**") transportation, storage and regasification agreement (as amended, the "**Canaven**

Agreement"), between CNE O&G Colombia and Canaven Transportes De Colombia S.A.S. ("**Canaven**"), collectively defined herein as the "**Subject Agreements**" effective as of the Disclaimer Effective Date of May 28, 2026, pursuant to the proposed Disclaimer Orders. Copies of each of the Disclaimer Orders are attached at **Exhibit "C"** through **Exhibit "G"** of the Ninth Bednar Affidavit.

41. As detailed in the Fourth Report and the Fifth Report, the Applicants' natural gas production declined starting in January 2026, which decline became more pronounced in recent months. The production decline is expected to continue through June 2026, primarily as a result of the lack of economic viability of the Monstera well, delays in drilling and workover rigs, and certain wells producing below the baseline levels initially projected.

42. The decline in natural gas production had a material negative impact on the Applicants' forecast revenue and cash receipts initially projected in the cashflow projections filed with the Court as an appendix to the Monitor's third report dated January 13, 2026. Accordingly, additional DIP Financing was required to address the projected cash shortfall to June 27, 2026, which financing was secured by the Applicants pursuant to the Third AR DIP Loan Agreement.

43. The Monitor understands that, as detailed in the Ninth Bednar Affidavit, the decline in natural gas production has also impacted the Applicants' ability to comply with their contractual obligations under the Subject Agreements. As a result, the Applicants have become exposed to significant contractual penalties and charges, among other consequences, and are therefore seeking the proposed Disclaimer Orders in respect of the Subject Agreements.

Off-Take Agreements

44. The Applicants sell most of their natural gas under long-term offtake agreements (the "**Offtake Agreements**") with customers in Colombia under which a Canacol Group entity (each a "**Canacol Seller**") that holds rights under an applicable exploration and production contract with ANH ("**E&P Contract**") agrees to deliver gas meeting required quality

specifications at agreed delivery points for distribution to residential and commercial end users.

45. The Offtake Agreements are composed of the following types of agreements:

(a) agreements that support supply to residential and small business end-users, also known as the essential market (the "**Consumer Offtake Agreements**");

(b) agreements that support large-load supply to commercial users in the non-essential market (the "**Commercial Offtake Agreements**"); and

(c) agreements that support both (i) supply into the essential market and (ii) large-load supply to commercial users in the non-essential market (the "**Dual Category Offtake Agreements**").

46. The Offtake Agreements operate as firm "take-or-pay" contracts pursuant to which the Canacol Seller is required to make available a maximum fixed daily quantity of natural gas (the "**Daily Firm Gas Quantity**") and to physically deliver the quantity nominated and accepted by the customer (the "**Requested and Accepted Daily Quantity**"), up to that Daily Firm Gas Quantity, through a daily nomination process. The Offtake Agreements provide a minimum revenue guarantee for the Canacol Seller if the required gas is available but also impose minimum delivery obligations on the Canacol Seller.

47. Pricing under the Offtake Agreements varies between contracts and is fixed on a monthly basis for the term of each contract (the "**Monthly Contract Price**"), denominated in United States dollars per million British thermal units delivered or committed to be delivered, and adjusted annually based on a contractually-agreed price index. The Monthly Contract Price is not benchmarked to market pricing.

48. The Monitor understands that the Applicants are unable to satisfy the Daily Firm Gas Quantity and the Requested and Accepted Daily Quantity required under each of the Offtake Agreements. Further, the Applicants are unable to pursue exploration and exploitation efforts by way of additional capital expenditures to increase production levels due to liquidity constraints and restrictions imposed by the Third AR DIP Loan Agreement.

Accordingly, the Applicants are expected to continue to be unable satisfy their delivery obligations under the Offtake Agreements.

49. As detailed further in the Ninth Bednar Affidavit, the Applicants are exposed to significant potential penalties under the Offtake Agreements as follows:

(a) a Canacol Seller must pay monthly compensation (the "**Monthly Penalties**") if it is unable to accept the delivery nominations up to the Daily Firm Gas Quantity, or fails to deliver the Requested and Accepted Daily Quantity, subject to specific limited exceptions including force majeure, fortuitous events and transportation-related events (the "**Shortfall Exceptions**"). The Monthly Penalties are mandated under the Offtake Agreements and/or tariff regulations (as applicable), with the calculation methodology prescribed by the corresponding regulations. The applicable compensation methodology varies depending on whether the production shortfall interrupts service to the essential market or the non-essential market (each as described above), with higher penalties applying to interruption of services to the essential market. The Monitor understands that the Applicants have a potential exposure of approximately $33.7 million in Monthly Penalties as of March 31, 2026 and a further exposure of up to $59.4 million may arise between April 1 and June 30, 2026, should the Offtake Agreements remain effective through that period, and that the Shortfall Exceptions do not apply to production issues experienced by the Applicants. The compensation calculations are more fully described in the Ninth Bednar Affidavit and not included herein to avoid unnecessary duplication; and

(b) should a counterparty to an Offtake Agreement terminate the agreement as a result of the applicable Canacol Seller's failure to deliver the Requested and Accepted Daily Quantity, the non-breaching party is entitled to a payment of a contractual penalty (the "**Offtake Early Termination Penalty**"), the conditions and calculation of which are further detailed in the Ninth Bednar Affidavit. The Offtake Early Termination Penalty is the maximum amount assumed by the defaulting party, with no further claims for damages as a result of termination. The Monitor understands that the Offtake Early Termination Penalties in aggregate for the Offtake Agreements are

estimated at approximately $287.3 million, assuming a termination date of June 30, 2026.

Promigas Agreements

50. The Applicants are a party to a number of agreements with Promigas S.A. E.S.P. ("**Promigas**") for the transport of a portion of the Applicants' natural gas through its network of pipelines (the "**Promigas Agreements**"). The Counterparties to the Promigas Trust Agreement are Promigas, as beneficiary, and Fiduciaria de Occidente S.A., as trustee (the "**Trustee**").

51. The Promigas Agreements consist of:

(a) a "**High Volume SoP Agreement**" between Promigas and CNE O&G Colombia;

(b) a trust agreement applicable to the High Volume SoP Agreement among CNE O&G Colombia, Canacol Colombia, Promigas and the Trustee (the "**Promigas Trust Agreement**"), pursuant to which revenues from gas transported through the Promigas pipelines are collected and applied, first, to amounts owing to Promigas and, thereafter, the remaining balance is released from the trust to CNE O&G Colombia; and

(c) a "**Low Volume SoP Agreement**" (together with the High Volume SoP Agreement, the "**SoP Agreements**") between Promigas and CNE O&G Colombia, for which there is a letter of credit guarantee structure in favour of Promigas, but no related Promigas Trust Agreement. On April 13, 2026, Promigas drew on this letter of credit in the amount of $3.95 million.

52. The SoP Agreements are long-term firm "ship-or-pay" transportation contracts under which CNE O&G Colombia can transport fixed daily natural gas volumes across specified Promigas pipeline segments for the contract term. In exchange, CNE O&G Colombia must pay fixed monthly transportation tariffs for the contracted capacity regardless of actual production levels or utilization of pipeline capacity; and

53. The Monitor understands that the SoP agreements can be terminated prior to expiry subject to payment of a contractual early termination amount (the "**SoP Early Termination Penalty**") which is a pre-agreed damages amount intended to compensate the non-terminating party for the value of the remaining unexpired transportation commitment. The SoP Early Termination Penalty is payable within 30 days of notice of the early termination.

54. The Promigas Trust Agreement also subjects the Applicants to additional termination exposure by requiring the CNE O&G Colombia to maintain a special reserve account within the trust. The balance of the special reserve account may be released to Promigas if the High Volume SoP Agreement is terminated early without just cause by CNE O&G Colombia, or by Promigas for cause attributable to CNE O&G Colombia, and certain contractual release conditions (described in the Ninth Bednar Affidavit) have not been satisfied.

55. Notwithstanding the decline in the Applicants' natural gas production, the Applicants are required to pay substantial fixed transportation charges based on contracted capacity (as opposed to the capacity utilized), which has placed a burden on the Applicants' cash flows (as discussed below). Furthermore, the Promigas Trust captures and controls a substantial portion of the Applicants' revenues which are first applied to transport obligations and reserve requirements, requiring immediate top-up by the Applicants if there is any shortfall in trust funds.

56. The Monitor understands that the SoP Early Termination Penalty is estimated at approximately $348.3 million as of May 15, 2026, should the Disclaimer Order be granted. If the SoP Agreements are terminated as at June 30, 2026, the SoP Early Termination Penalty is estimated to be reduced to $337.7 million.

Canaven Agreement

57. The Canaven Agreement is a long-term LNG logistics services contract pursuant to which Canaven transports LNG to Gases del Oriente S.A.S. E.S.P ("**GdO**") under the Canacol Group's Offtake Agreements with GdO (the "**GdO Consumer Offtake Agreements**"). Unlike the SoP Agreements, the Canaven Agreement is not a "ship-or-pay" contract,

instead it is an operating services agreement under which CNE O&G Colombia pays Canaven a service fee for gas delivered. The Monitor understands that the Canaven Agreement exists solely to support certain GdO Consumer Offtake Agreements, which are among the Consumer Offtake Agreements proposed to be disclaimed, and accordingly has no meaningful standalone commercial purpose if those supply agreements are disclaimed.

58. The Monitor understands that while the Canaven Agreement does not contain a fixed early termination penalty, it requires continued operational coordination and service payments, exposing the Applicants to ongoing working capital demands, accrued service fees, default interest, and potential damages and other monetary relief related to the disclaimer, termination or non-payment.

Monitor's Recommendation

59. The Monitor understands that the Applicants are seeking to disclaim the Subject Agreements for, *inter alia*, the following reasons:

(a) to avoid further Monthly Penalties accruing under the Offtake Agreements as a consequence of the applicable Canacol Sellers not meeting their natural gas minimum delivery obligations;

(b) as noted above, pricing under the Offtake Agreements is fixed and updated yearly using a contractually-agreed price index that is not settled against a market index. The Monitor understands that the contractual pricing under the Offtake Agreements is materially below current market prices for natural gas. These factors make the Offtake Agreements uneconomical for the Applicants, and in the Monitor's view, potentially impair the value of the Applicants' business. It is the Monitor's view that the disclaimer of the Offtake Agreements, absent successful renegotiations with counterparties, will enhance the Applicants' ability to successfully restructure;

(c) as previously noted, the Applicants continue to incur and pay largely fixed transportation costs despite not using the full contracted capacity which has imposed a liquidity burden on the Applicants. Based on the Revised Cash Flow Forecast attached at **Appendix "C"** to the Sixth Report, the Applicants forecast net operating cash

outflows of approximately $27.7 million over the remaining eight-week period ending June 27, 2026, including $16.2 million in transportation payments to Promigas. Of the $16.2 million in transportation payments, the Monitor understands that approximately $10.4 million relates to excess transportation costs attributable to the under-utilized contracted capacity pursuant to the SoP Agreements. Over the eight-week period, this $10.4 million represents approximately 64% of forecast net operating cash outflows, or approximately 48% of the gross receipts. The net cash outflow associated with these excess Promigas payments is expected to increase materially in future months as production and shipment volumes continue to decline. In the Monitor's view, the disclaimer of the Promigas Agreements will improve the Applicants' liquidity. Further, if the Promigas Agreements are not disclaimed, their burdensome and inflexible terms may impair the value of the Applicants' business;

(d) to avoid the continued funding of the LNG transportation, storage, and regasification chain contemplated by the Canaven Agreement. Further, if the GdO Consumer Offtake Agreements are disclaimed but the Canaven Agreement remains in place, the Applicants would be left with a standalone logistics contract that no longer serves an ongoing commercial purpose and could continue to give rise to payment disputes claims;

(e) the Monitor understands that the Applicants have been engaged in continuing negotiations with the counterparties to the Subject Agreements and have not yet reached any amendments to the Subject Agreements as at the date of this Seventh Report; and

(f) the Monitor understands that the counterparties to the Subject Agreement were served notice of the Applicants' application for the Disclaimer Orders on April 28, 2026, being 30 days prior to the proposed Disclaimer Effective Date in accordance with section 32(5) of the CCAA.

60. Further, the conditions precedent to the Tranche A-2 Sub-Facility advances require that the Applicants shall have delivered evidence that the Loan Parties have agreed in writing with contract counterparties for each contract (particularly the Subject Agreements) requested by the Required Lenders, in each case satisfactory to the Required Lenders in their sole discretion, to modified terms and conditions, failing which: the application(s) for the

Disclaimer Order shall have been heard and determined, in the case of the Fifth Subsequent Advance; and the Disclaimer Order be recognized in Colombia by the Superintendency, in the case of the Sixth Subsequent Advance. The Monitor understands that the Disclaimer Orders in respect of the Subject Agreements would meet said conditions for the purposes of the Fifth Subsequent Advance (projected in the Revised Cash Flow Forecast to be drawn in the week ending May 9, 2026), and the Sixth Subsequent Advance (projected in the Revised Cash Flow Forecast to be drawn in the week ending June 6, 2026) upon the Disclaimer Orders (if granted by this Court) being recognized by the Superintendency.

61. Pursuant to section 32(1) of the CCAA, the Applicants may disclaim or resiliate the Subject Agreements, on notice in prescribed form and manner, to the counterparties to the Subject Agreements and to the Monitor, provided that the Monitor has approved said disclaimers. The Monitor is supportive of the disclaimer of the Subject Agreements for the foregoing reasons and would have approved notices of the same in accordance with the CCAA.

62. The Monitor understands that the counterparties to the Subject Agreements are based in Colombia, and that the Applicants are seeking Disclaimer Orders for, among other reasons, the purposes of seeking recognition (through the Monitor as Foreign Representative) of same in the Colombian Recognition Proceedings in order to enforce the disclaimers in Colombia. As noted in the Ninth Bednar Affidavit, the Applicants are of the view that should the Applicants deliver a notice to the counterparties of the Subject Agreements pursuant to section 32(1) of the CCAA, the notice may be difficult to enforce in Colombia without a court order.

63. The confidential exhibits to the Supplementary Affidavits contain original copies and the certified translations of the Subject Agreements. The Applicants are seeking a sealing order in respect of those confidential exhibits pursuant to the Ancillary Relief Order, as they contain confidentiality provisions and sensitive pricing information, which, if disclosed, could adversely impact the Applicants' restructuring efforts and any future negotiations of the Counterparties. Accordingly, the Monitor supports the sealing of the confidential exhibits to the Supplementary Affidavits on the time-limited terms proposed by the Applicants.

VII. OTHER MATTERS

Global Oil

64. On April 27, 2026, Global Oil submitted correspondence (the "**Global Oil Correspondence**") to the service list in these CCAA Proceedings, among other things, raising concerns with this Court with respect to its status as a purported creditor and KPMG's prior role as external auditor of the Applicants. A copy of the correspondence is attached hereto as **Appendix "B"**.

65. The Monitor worked with PPU to review information provided by the Company and its counsel and investigate Global Oil's allegations and address Global Oil's requests to the Monitor. Attached hereto as **Appendix "C"** is correspondence from PPU to Global Oil dated April 29, 2026 in response to the Global Oil Correspondence (in Spanish) as well as an official English translation thereof. As explained in further detail in that correspondence, the Monitor understands that Global Oil is not in fact a creditor of any of the Applicants.

66. It was asserted in the Global Oil Correspondence that Global Oil had not received substantive responses to its previous outreach to the Monitor. In addition to the correspondence from PPU dated April 29, 2026, attached hereto at **Appendix "D"**, are copies of the Monitor's and its counsel's previous reply correspondence to Global Oil stating, among other things, that:

(a) the listing of known creditors on the Monitor's website is a preliminary listing; the Monitor will update its records as more information becomes available;

(b) Global Oil has been added to the Service List and will receive any communications that are provided to creditors of the Canacol Group;

(c) all court-filed materials are available on the Monitor's website at https://kpmg.com/ca/canacol; and

(d) there is no claims process in the CCAA proceedings at present and accordingly, creditors are not required to file a proof of claim at this time. Parties on the service list will receive notice of any claims process, which will also be posted to its website.

67. In the interim, the Monitor notes that Global Oil's assertion that KPMG has a potential conflict of interest in the CCAA Proceedings arising from its prior role as the Applicants' auditor is incorrect and unfounded. For completeness and transparency, KPMG LLP did act as auditor for the Applicants for a period of time beginning in October 2019, which ended effective August 14, 2023.[1] KPMG was appointed by this Honourable Court as Monitor and Foreign Representative of the Applicants pursuant to the Initial Order granted November 18, 2025. KPMG's qualifications to act as Monitor were set out in paragraphs 9 through 11 of the Monitor's pre-filing report dated November 17, 2025 and KPMG met, and continues to meet, all statutory requirements to act as a "monitor" under section 11.7 of the CCAA, including having not acted as auditor of the Applicants at any time during the two-year period preceding its appointment. This Court confirmed that KPMG satisfied the applicable legal requirements and is duly authorized to act in such capacity pursuant to section 11.7 of the CCAA.

Sealing of Pre-filing Critical Vendor Payments

68. As noted, the Superintendency requested that the Foreign Representative disclose details of the Pre-Filing Critical Vendor Payments. In response, the Foreign Representative provided a listing of the Pre-Filing Critical Vendor Payments made as of April 18, 2026, with the vendor names redacted, in order to comply with the Superintendency's information requests (a copy of which is attached hereto as **Appendix "E"**). An unredacted listing of the Pre-Filing Critical Vendor Payments has been provided to this Court on a confidential basis as **Confidential Appendix "1"** to this Seventh Report, due to the commercially sensitive nature of the identities of the recipients and amounts of the Pre-Filing Critical Vendor Payments.

69. The Applicants are seeking to seal **Confidential Appendix "1"** until the earlier of (i) completion of the CCAA Proceedings, or (ii) further Order of this Court, pursuant to the Sealing Order – Critical Vendors.

[1] This is referenced in the Affidavit of Jason Bednar sworn November 16, 2025, Exhibit "D", page 53 (which is the Applicants' Annual Information Form dated December 2024).

70. Based on advice of its legal counsel, the Monitor is of the view that disclosure of **Confidential Appendix "1"** would give rise to a serious risk to important commercial interests of the Applicants, as contemplated by *Sierra Club of Canada v Canada (Minister of Finance)*, 2002 SCC 41 and *Sherman Estate v Donovan*, 2021 SCC 25. In particular, the identification of specific vendors as critical reflects the Applicants' internal assessment of their operational requirements and restructuring strategy going forward, including which counterparties are essential to the continuity of operations and preservation of enterprise value. Public disclosure of this information could reasonably be expected to prejudice the Applicants' commercial relationships and negotiating position with both existing and prospective vendors.

71. In addition, disclosure of the identities of the recipients of the Pre-Filing Critical Vendor Payments would reasonably be expected to generate disputes and competing claims from other pre-filing vendors who have not received payment, including assertions that such vendors ought to have been similarly designated as critical. In the Monitor's view, this would risk increasing stakeholder conflict, complicate the administration of these CCAA Proceedings, and risk undermining the orderly and efficient progression of the restructuring.

72. The Monitor is also of the view that the proposed Sealing Order – Critical Vendors is necessary and narrowly tailored, as there is no reasonable alternative that would sufficiently protect against the identified risks while preserving the confidentiality of the Applicants' commercially sensitive information. The proposed sealing on **Confidential Appendix "1"** in the Sealing Order – Critical Vendors is limited to the identities of the recipients of the Pre-Filing Critical Vendor Payments and does not restrict disclosure of the existence or amounts of such payments or the process by which they were authorized.

73. In the circumstances, the Monitor is satisfied that the salutary effects of the proposed Sealing Order – Critical Vendors, in respect of sealing **Confidential Appendix "1"**, greatly outweigh the deleterious effects of doing so. Accordingly, the Monitor supports the granting of the Sealing Order – Critical Vendors in respect of sealing **Confidential Appendix "1"**.

VIII. CONCLUSION AND RECOMMENDATIONS

74. For the reasons set out in this Seventh Report, the Monitor respectfully recommends that this Court approve the relief sought by the Applicants in the proposed Disclaimer Orders, the Ancillary Relief Order and the Sealing Order – Critical Vendors.

All of which is respectfully submitted this 30th day of April, 2026.

KPMG Inc.
in its capacity as Monitor 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.
and not in its personal or corporate capacity

Per:



Paul van Eyk
CPA, CA-IFA, CIRP, LIT, Fellow of INSOL
President



Katherine Forbes
CPA, CA, CIRP, LIT
Senior Vice President

Appendix “A”

COURT FILE NUMBER	**2501-18462**
COURT	**COURT OF KING'S BENCH OF ALBERTA**
JUDICIAL CENTRE	**CALGARY**
APPLICANTS	**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.**
DOCUMENT	**SIXTH REPORT OF THE MONITOR** **APRIL 16, 2026**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:	**MONITOR** KPMG Inc. Bay Adelaide Centre 333 Bay Street, Suite 4600 Toronto, ON Paul van Eyk / Katherine Forbes / Duncan Lau Tel: (416) 777-8281 / (416) 777-8107 / (416) 476-2184 Email: pvaneyk@kpmg.ca, katherineforbes@kpmg.ca, duncanlau@kpmg.ca **MONITOR'S COUNSEL** Bennett Jones LLP 4500 Bankers Hall East 855 – 2nd Street SW Calgary, AB T2P 4K7 Raj S. Sahni / Kelsey Meyer / Chyna Brown Tel: (416) 777-4804 / (403) 298-3323 / (403) 298-3244 Email: sahnir@bennettjones.com, meyerk@bennettjones.com, brownc@bennettjones.com

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I. INTRODUCTION

1. On November 18, 2025 (the "**Filing Date**"), Canacol Energy Ltd. ("**Canacol**") and its subsidiaries 2654044 Alberta Ltd., Canacol Energy ULC**,** 2498003 Alberta ULC, Cantana Energy GmbH ("**Cantana Switzerland**"**)**, CNE Oil & Gas S.R.L. ("**CNE Panama**"), Canacol Energy Colombia S.A.S. ("**Canacol Colombia**"), Shona Holding GmbH, CNE Energy S.A.S., and CNE Oil & Gas S.A.S. ("**CNE O&G Colombia**" and collectively, the "**Applicants**", the "**Canacol Group**" or the "**Company**") were granted relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") by Order (the "**Initial Order**") of the Court of the King's Bench of Alberta (the "**Court**"). The relief granted under the Initial Order included, among other things:

   (a) granting a stay of proceedings in favour of the Applicants from November 18, 2025, to November 28, 2025 (the "**Stay Period**");

   (b) appointing KPMG Inc. as Monitor ("**KPMG**" or the "**Monitor**");

   (c) authorizing the Applicants to:

      (i) continue to use the Cash Management System; and

      (ii) make payment of certain obligations incurred prior to the commencement of the Applicants' CCAA proceedings (the "**CCAA Proceedings**");

   (d) authorizing the Monitor to act as foreign representative (the "**Foreign Representative**") for the purpose of having the CCAA Proceedings recognized in any jurisdiction outside Canada including, without limitation, the United States of America (the "**United States**", or the "**US**"), the Republic of Colombia ("**Colombia**"), the Republic of Panama, and/or Switzerland; and

   (e) granting the Administration Charge.

2. KPMG, in its then capacity as proposed Monitor, provided this Court its report dated November 17, 2025 (the "**Pre-Filing Report**") in connection with the Applicants' application for the Initial Order.

3. On November 28, 2025, this Court granted an Order amending and restating the Initial Order (the "**ARIO**"), among other things:

   (a) granting an extension of the Stay Period to December 18, 2025;

   (b) approving an increase to the maximum amount of the Administration Charge to $1.5 million and granting a Directors' Charge (as defined in the ARIO) to a maximum amount of $1.0 million, with priority ranking granted to each of those charges;

   (c) authorizing the Applicants to make pre-filing payments to critical vendors up to the amount of $5.5 million subject to the prior approval of the Monitor (the "**Pre-Filing Critical Vendor Payments**"), and certain other pre-filing royalty and tax payments to Agencia Nacional de Hidrocarburos ("**ANH**") and other Colombian governmental and taxation authorities;

   (d) granting relief from certain securities reporting obligations under federal, provincial and other applicable law until further order of the Court; and

   (e) approving the Pre-Filing Report and the first report of the Monitor dated November 24, 2025, filed in connection with the Applicants' application for the ARIO (the "**First Report**"), and the actions, conduct and activities of the Monitor set out therein.

4. On December 11, 2025, the Court granted an Order amending and restating the ARIO (the "**SARIO**"), among other things:

   (a) granting an extension of the Stay Period to February 6, 2026;

   (b) authorizing the Applicants to enter into a commitment letter dated December 2, 2025 (as amended, the "**DIP Loan Agreement**"), to obtain interim debtor-in-possession financing of up to $67 million (the "**DIP Financing**"), and granting a corresponding priority charge (the "**DIP Lenders' Charge**") over the Applicants' Property (as defined in the ARIO) in favour of the DIP Lenders (as defined herein);

(c) increasing the authorized sum of the Pre-Filing Critical Vendor Payments to $15.5 million in aggregate, subject to the prior approval of the Monitor and the DIP Lenders (as defined herein);

(d) authorizing Canacol to post cash collateral in the approximate amount of $5,200,000 to its United States bank account with Citibank, N.A. as security for Citibank N.A. to issue a letter of credit for the ultimate benefit of ANH as security for CNE O&G Colombia's obligations to ANH; and

(e) approving the second report of the Monitor dated December 9, 2025**,** and the actions, conduct and activities of the Monitor set out therein.

5. On December 11, 2025, the Court granted a further Order (the "**December 11th Sealing Order**") granting the sealing of the Confidential Appendices to the Second Report containing an unredacted copy of the DIP Loan Agreement and an unredacted copy of the first amendment to the DIP Loan Agreement.

6. On January 26, 2026, the Court granted an Order (the "**SISP Approval Order**"), among other things:

(a) granting an extension of the Stay Period to June 27, 2026;

(b) approving the sale and investment solicitation process (the "**SISP**") in respect of the Applicants' business and assets, and the engagement of Moelis & Company LLC ("**Moelis**"), as the Applicants' financial advisor (the "**Sale Advisor**") in respect of the SISP and approving the engagement letter between the Applicants and Moelis dated January 3, 2026; and

(c) approving the third report of the Monitor dated January 13, 2026, and the actions, conduct and activities of the Monitor set out therein.

7. On March 5, 2026, the Court granted an Order (the "**Approval and Amending Order**"), among other things:

(a) approving an increase to the maximum amount of the Administration Charge to $3.0 million and granting a Sale Advisor Charge to a maximum amount of $3.5 million with priority ranking granted to the Sale Advisor Charge;

(b) 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 following the date of the Initial Order to include but not be limited to any and all fees and disbursements of legal counsel to the directors, unless the obligation was incurred due to the director's or officer's gross negligence or wilful misconduct;

(c) granting relief from certain securities reporting obligations under applicable Colombian laws until further order of the Court; and

(d) approving the fourth report of the Monitor dated February 27, 2026 (the "**Fourth Report**"), and the actions, conduct and activities of the Monitor set out herein.

8. On March 26, 2026, the Court granted an Order amending and restating the SARIO (the **"TARIO"**), among other things:

(a) approving *nunc pro tunc*, the amendments to the Amended and Restated DIP Loan Agreement (as defined herein) dated March 9, 2026 (the "**Second AR DIP Loan Agreement**");

(b) approving the proposed key employee retention plan ("**KERP**") and the proposed key employee incentive plan (the "**KEIP**"), and granting a corresponding priority charge (the "**KERP/KEIP Charge**") over the Applicant's Property (as defined in the SARIO) to secure the retention and incentive payments that may become payable under the KERP and KEIP, up to the maximum aggregate amount of the Canadian dollar equivalent of US$3,744,000;

(c) approving, *nunc pro tunc*, the Applicants' engagement of Breakpoint Advisory Partners LLC ("**Breakpoint**") as chief restructuring officer (the "**CRO**") pursuant to the terms of the engagement letter between the Applicants and the CRO dated as of

March 17, 2026 and authorizing the Applicants to pay the CRO its monthly fees, costs and disbursements, in accordance with the terms of Breakpoint's engagement letter;

(d) extending the scope of the Administration Charge to secure the fees and expenses of the CRO, and extending the scope of the indemnity in favour of the Applicants' directors and officers and the Directors' Charge to include the CRO, in respect of any indemnity granted by the Applicants to the CRO in connection with the CRO's activities and services provided pursuant to the Breakpoint Engagement Letter;

(e) granting a priority charge (the "**CRO Restructuring Fee Charge**") over the Applicants' Property in favour of Breakpoint in its capacity as CRO as security for the CRO Restructuring Fee (as defined in the TARIO), up to the maximum aggregate amount of the Canadian dollar equivalent of US$3,000,000; and

(f) approving the Fifth Report (as defined herein), and the actions, conduct and activities of the Monitor set out therein.

9. On March 26, 2026, the Court granted a further Order (the "**March 26th Sealing Order**") granting the sealing of the unredacted copies of the economic terms of the KERP and KEIP, and the Second AR DIP Loan Agreement, included as exhibits to the supplementary affidavit of Mr. Jason Bednar dated March 18, 2026 (the "**Bednar Supplementary Affidavit**").

10. The Monitor provided this Court with its report dated March 22, 2026 (the "**Fifth Report**") in connection with the Applicants' application for the TARIO and the March 26th Sealing Order. A copy of the Fifth Report (without appendices) is attached hereto as **Appendix "A"**.

11. Copies of materials and documents filed in connection with these CCAA Proceedings are available on the Monitor's website at https://kpmg.com/ca/canacol (the "**Monitor's Website**"). In addition, the Monitor has arranged for a toll-free hotline 1-833-724-5456 and an email address at: canacol@kpmg.ca, through which creditors of the Applicants or

other interested parties can make inquiries with the Monitor related to these CCAA Proceedings.

II. PURPOSE OF REPORT

12. The purpose of this report (the "**Sixth Report**") is to provide this Court with information pertaining to:

(a) the activities of the Applicants and the Monitor, respectively, since the date of the Fifth Report;

(b) developments in the proceedings brought by the Foreign Representative under chapter 15 of title 11 of the United States Code (such proceedings being the "**Chapter 15 Proceedings**") and proceedings in Colombia (the "**Colombian Recognition Proceedings**"), each recognizing these CCAA Proceedings;

(c) the status of the SISP;

(d) the status of, and proposed increase to, the DIP Financing and an overview of the Third Amended and Restated DIP Commitment Letter dated April 14, 2026 (the "**Third AR DIP Loan Agreement**");

(e) the Applicants' application for a fourth amended and restated initial order (the **"Fourth ARIO"**) which continues the provisions of the TARIO and includes, among other things, the following relief:

(i) approving, *nunc pro tunc*, the Third AR DIP Loan Agreement and increasing the maximum principal amount of DIP Financing that the Applicants are authorized to borrow under the Third AR DIP Loan Agreement to $112,000,000, with all obligations under the Third AR DIP Loan Agreement to be secured under the DIP Lenders' Charge;

(ii) authorizing an increase in the maximum aggregate amount of Pre-Filing Critical Vendor Payments permitted from $15.5 million to $17.0 million, subject to the Monitor's and DIP Lenders' prior approval;

(iii) approving the Bid Protections (as defined below) and granting a charge (the "**Bid Protections Charge**") over the cash proceeds of any sale or investment transaction implemented in accordance with and pursuant to the SISP (as defined below) (the "**Transaction Proceeds**") in favour of a Phase 2 Qualified Bidder that is selected and designated by the Applicants, with the consent of the Monitor and the Ad Hoc Committee, in accordance with the SISP, to be a stalking horse bidder (if so designated, the "**Stalking Horse Bidder**"), to the extent that such Stalking Horse Bidder becomes entitled to payment of the Bid Protections; and

(iv) approving this Sixth Report, and the actions, conduct and activities of the Monitor set out herein; and

(f) the Applicants' application for an Order (the "**Sealing Order**"), among other things, sealing the summary of LOIs (as defined herein) received in Phase 1 of the SISP and an executed and unredacted copy of the Third AR DIP Loan Agreement, each included as exhibits to the Bednar Second Supplementary Affidavit (as defined below).

III. TERMS OF REFERENCE

13. Capitalized terms used but not defined in the Sixth Report are as defined in the Fifth Report and the TARIO. The Applicants filed the Affidavit of Mr. Jason Bednar ("**Mr. Bednar**") affirmed on April 14, 2026 (the "**Eighth Bednar Affidavit**"), and the supplementary affidavit of Mr. Bednar affirmed on April 14, 2026 (the "**Bednar Second Supplementary Affidavit**") in support of their application for the Fourth ARIO and the Sealing Order. This Sixth Report should be read in conjunction with the Fifth Report, the Eighth Bednar Affidavit, and the Bednar Second Supplementary Affidavit, as certain information contained therein has not been included in this Sixth Report to avoid unnecessary duplication.

14. In preparing this Sixth Report, KPMG has relied solely on information and documents provided to it by the Applicants and their respective advisors, including unaudited, draft

and/or internal financial information, financial projections prepared by the Applicants, discussions with management of the Applicants, and the affidavits of the Applicants' executive (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in this Sixth Report, KPMG has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, KPMG has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards pursuant to the *Chartered Professional Accountants of Canada Handbook* and, as such, KPMG expresses no opinion or other form of assurance contemplated under such Generally Accepted Auditing Standards in respect of the Information.

15. Unless otherwise stated, all monetary amounts noted herein are expressed in United States dollars.

IV. ACTIVITIES OF THE APPLICANTS

16. Since the date of the Fifth Report, the Applicants have been managing their operations and working to stabilize the business within the CCAA Proceedings, to address their liquidity requirements, and to advance their restructuring through the conduct of the SISP, with the assistance of their advisors and the Monitor.

17. The activities of the Applicants since the date of the Fifth Report have included:

(a) maintaining the Applicants' business and operations, and managing their cash;

(b) communicating with, providing information to, and addressing inquiries of creditors, employees and other stakeholders regarding the CCAA Proceedings;

(c) managing key relationships with customers and suppliers, and working diligently to operate the business;

(d) working with and corresponding regularly with representatives of the Monitor regarding numerous matters in the CCAA Proceedings;

(e) working with its legal counsel, the Monitor, the Sale Advisor and the CRO to continue the implementation of the SISP, as described in further detail below;

(f) preparing the Bid Process Letter (as defined below) in consultation with legal counsel, the Monitor the CRO and Sale Advisor setting out guidelines for the provision of binding offers for the benefit of Phase 2 Qualified Bidders;

(g) negotiating and entering into the Third AR DIP Loan Agreement (subject to Court approval);

(h) working closely with the Monitor and the DIP Lenders to prepare the Revised Cash Flow (as defined below);

(i) preparing and sending letters setting out the terms of the KERP and KEIP to each of the KERP/KEIP beneficiaries;

(j) continuing discussions with certain of the Applicants' suppliers, including Nabors Drilling International Ltda., Qmax Solutions Colombia, and Enerflex Ltd. and Enerflex Compression Services Colombia S.A.S., who have asserted claims for the payment of post-filing amounts, and engaging with these suppliers to understand and reconcile these claims;

(k) engaging in discussions and negotiating an agreement with Kodiak Service International Inc. ("**Kodiak**") regarding the payment of certain pre-filing claims for workover services supplied to the Canacol Group and go-forward payment terms for post-filing services to be provided by Kodiak;

(l) work closely with Canadian and Colombian legal counsel and the Canacol Group's Colombian auditors, PwC Contadores y Auditores S.A.S., to respond to requests made by the Superintendency of Companies of Colombia (the "**Superintendency**"); and

(m) working with legal counsel in Colombia and the Monitor, as Foreign Representative, in connection with the Colombian Recognition Proceedings, as further discussed herein.

V. ACTIVITIES OF THE MONITOR

18. Since the date of the Fifth Report, the Monitor's activities have included:

(a) monitoring the Applicants' cash receipts and disbursements with the same scrutiny as described in the Fifth Report;

(b) engaging with counsel to the Monitor in Colombia, Philippi Prietocarrizosa Ferrero DU & Uría ("**PPU**") in connection with the Colombian Recognition Proceedings;

(c) engaging with counsel to the Monitor in the United States, Pachulski Stang Ziehl & Jones LLP regarding the Chapter 15 Proceedings;

(d) assisting the Applicants with their communications with stakeholders including employees, vendors, lenders, and key trade partners;

(e) attending various teleconferences and virtual meetings with representatives of the Applicants and the Applicants' counsel and advisors, the CRO, and the Monitor's counsel, respectively, in respect of the Canacol Group's cash flows and liquidity requirements, operations, the Third AR DIP Loan Agreement, the SISP, the Colombian Recognition Proceedings, and these CCAA Proceedings, generally;

(f) working with the Applicants and their advisors on the development of the Revised Cash Flow Forecast approved by the DIP Lenders for the purposes of the Fourth Subsequent Advance (as defined below);

(g) responding to inquiries from creditors and other stakeholders in connection with the Overdue Post-Filing Obligations and these CCAA Proceedings;

(h) maintaining the Service List and the Monitor's Website;

(i) reviewing materials served by the Applicants in connection with the relief requested in the proposed Fourth ARIO and Sealing Order; and

(j) preparing this Sixth Report.

VI. UPDATE ON THE FOREIGN PROCEEDINGS

Chapter 15 Proceedings

19. As at the date of this Sixth Report, no relief in these CCAA Proceeding has been sought or recognized by the United States Bankruptcy Court for the Southern District of New York (the "**US Court**") since the date of the Third Report. As further discussed herein, it is anticipated that recognition of the Third AR DIP Loan Agreement by the US Court will be sought should this Court grant the Fourth ARIO.

Colombian Recognition Proceedings

20. On December 11, 2025, the Superintendency issued an Order (the "**Provisional Colombian Recognition Order**") granting preliminary measures included in the ARIO, including the stay of proceedings against Canacol Colombia, CNE O&G Colombia, Cantana Colombia (Sucursal of Cantana Switzerland) and CNEOG Colombia (Sucursal of CNE Panama) (collectively, the "**Colombian Debtors**"), preservation of certain operational bank accounts, restrictions on terminating essential contracts, and granting priority with respect to professional fees of the Foreign Representative and counsel. The Superintendency did not address relief requested concerning certain bank accounts of the Colombian Debtors that are subject to Macquarie's security.

21. On December 17, 2025, the Superintendency granted an Order (the "**Colombian Recognition Order**") among other things recognizing the CCAA Proceedings as the principal foreign proceeding, recognizing KPMG as the Monitor and the Foreign Representative, and extending preliminary measures granted by the Provisional Colombian Recognition Order.

22. On February 6, 2026, the Superintendency issued an Order (the "**Colombian DIP Recognition Order**"), among other things:

    (a) recognizing the SARIO, including granting a first priority security interest in favour of the DIP Lenders;

(b) authorizing a priming lien in favour of the DIP Lenders over the Colombian Debtors' assets located in Colombia; and

(c) directing Macquarie and Credicorp Capital Fiduciaria S.A. (as local administrative agent) to amend the Colombian collateral registry to reflect that their priority ranking is subordinate to that of the DIP Lenders, and to file the updated registration with the Superintendency. On February 16, 2026, Macquarie informed the Superintendency that it had complied with its obligations under the DIP Recognition Order.

23. On February 26, 2026, the Superintendency issued an Order (the "**Colombian SISP Recognition Order**") recognizing the SISP Approval Order and ruled on a motion filed by Macquarie on February 5, 2026, in which Macquarie argued that the SISP Approval Order was not subject to recognition under Colombian law. The Superintendency dismissed all such arguments.

24. Also on February 26, 2026, the Superintendency issued an Order (the "**Colombian Financial Reporting Order**") requiring the Foreign Representative and the Colombian Debtors to deliver to the Superintendency, by March 10, 2026, (i) a creditor list reflecting, among other things, amounts owing as of the date of the Initial Order, the identification of each creditor, and payments made to date; (ii) a report from the Colombian Debtors' statutory auditor regarding their financial statements for the period of January 31, 2024 to November 30, 2025 and (iii) an inventory of assets and liabilities as of December 31, 2025 from the Colombian Debtors (collectively, the "**March 10 Financial Reporting**"). On March 10, 2026, the Foreign Representative and the Colombian Debtors, through Colombian counsel, filed the March 10 Financial Reporting with the Superintendency.

25. The Colombian Financial Reporting Order further required that the Foreign Representative and the Colombian Debtors provide to the Superintendency standalone (for each of the Colombian Debtors) and combined financial statements as of December 31, 2025, by March 31, 2026 (the "**March 31 Financial Reporting**"). The Foreign Representative and the Colombian Debtors, through Colombian counsel, filed the March 31 Financial Reporting on March 31, 2026.

26. On February 27, 2026, Valora Inversiones S.A.S., as a creditor of the Applicants, requested authorization from the Superintendency to receive payment of its claim, invoking Colombian legal provisions which permit a debtor to pay prepetition claims upon the Superintendency's approval. On March 17, 2026, the Foreign Representative responded to the petition, requesting its denial on the basis that the Applicants' insolvency proceeding is being conducted under the CCAA, and not under Colombian insolvency law. The Foreign Representative further noted that such a request under Colombian insolvency law may only be initiated by the debtor – and not by a creditor – and that the statutory requirements for granting the authorization were not satisfied. As detailed below, the Superintendency dismissed this and others' requests on April 14, 2026, through the Creditors' Request Order (as defined below).

27. Megambientales S.A., a vendor to the Applicants, filed a constitutional action (*tutela*) against Canacol Colombia, the Superintendency, and the Foreign Representative, seeking protection of its fundamental rights to due process, equal treatment, and access to justice. Megambientales S.A. argued that such rights were disregarded as a result of: (i) alleged bad faith conduct and concealment of the initiation of the Colombian Recognition Proceedings by a lack of notice; (ii) omission of Megambientales S.A. as a creditor in the disclosed list of creditors, allegedly prioritizing non-Colombian creditors over Colombian creditors; and (iii) failure to respond to Megambientales S.A.'s request to be included in the Applicants' list of creditors.

28. On March 6, 2026, the Foreign Representative, through PPU, informed the Superintendency about the extension of the SISP dates.

29. On March 11, 2026, notice of the constitutional injunction was served on all involved parties, who were granted one day to respond by the Superintendency. The Monitor, as Foreign Representative, and the Colombian Debtors' counsel submitted its separate responses on March 12, 2026, asserting that the action was inadmissible and should therefore be dismissed, on the grounds that no violation of rights had occurred in Colombian Recognition Proceedings. The constitutional injunction was dismissed on

March 20, 2026. On April 13, 2026, notice was served on all the parties involved with respect to a challenge filed by Megambientales S.A. against the injunction action dismissal.

30. On March 24, 2026, the Superior Court of the Judicial District of Bogotá admitted a constitutional injunction (a *tutela* claim) filed by Colombian counsel to Macquarie, which asserted that the Superintendency had infringed on Macquarie's constitutional rights by issuing the Colombian DIP Recognition Order, which displaced it as a first priority secured creditor, principally on the grounds of due process breaches. On March 25, 2026, the legal representative of the Colombian Debtors, counsel to the Monitor, and counsel to the DIP Lenders filed briefs opposing Macquarie's injunction. On April 8, 2026, the Superior Court of the Judicial District of Bogotá denied the constitutional injunction.

31. Also on March 24, 2026, the Foreign Representative, through PPU, filed a petition with the Superintendency seeking recognition of the Approval and Amending Order, and specifically the provisions of that order granting the Applicants relief in respect of the "*Colombian Securities Law Exemptions*".

32. The Foreign Representative has received certain communications from vendors requesting to be included in the Monitor's distribution list, submitting their claims and requesting to be included in the list of creditors as of the commencement of the CCAA Proceedings. The Foreign Representative has responded to such communications, clarifying that any submission of claims must be made within the CCAA Proceedings, and at the appropriate procedural stage.

33. On April 14, 2026, the Superintendency issued an order deciding the requests filed by Petroseismic Services S.A., Petroseismic Services S.A., National Oilwell Varco de Colombia, VP Ingeniería S.A.S., the National Environmental Authority ("**ANLA**", according to its initials in Spanish), Andrea Martínez Giraldo, Valora Inversiones S.A.S., Finamco S.A.S. (the "**Creditors' Request Order**").

34. The Creditors' Request Order (i) dismissed all creditors' requests seeking inclusion or exclusion of liabilities, recognition or payment of claims, constitution of collateral, segregation of funds, advance payments, or any other relief of a substantive nature; (ii)

indicated that the Foreign Representative does not act as a procedural agent, legal counsel, or representative of individual creditors, and is not required to submit claims or applications on creditors' behalf before this Court; (iii) ordered the Foreign Representative to file with the Superintendency (a) a description of the communication channels available to creditors and interested parties for purposes of the Colombian Recognition Proceedings, (b) identification of the means by which Colombian creditors may submit filings and requests before this Court, (c) a detailed report of all payments made to local and foreign creditors pursuant to this Court order dated December 11, 2025, and (d) an updated report on the status and outcomes of the SISP; (iv) requested that once the CCAA Proceedings reach the stage in which a claims process or plan of arrangement is approved by this Court, the Foreign Representative must immediately file such information before the Superintendency to ensure proper notice to local creditors; and (v) urged the Colombian Debtors to submit information previously requested by the ANLA.

35. Colombian recognition of the Fourth ARIO will be sought by the Foreign Representative, along with the Third ARIO, should the Fourth ARIO be granted by this Court, considering that the request for recognition of the Third ARIO has not yet been granted.

VII. STATUS OF THE SISP

36. As detailed in the Fifth Report, the SISP is being conducted by Canacol through the Sale Advisor and under the supervision of the Monitor, subject to certain consultation and/or consent rights of an ad hoc committee of holders of the Senior Unsecured Notes (as defined herein) whose members comprise the DIP Lenders (the "**Ad Hoc Committee**").

37. The SISP is designed to solicit interest in and opportunities for the sale of all, or substantially all, of the Property of the Canacol Group and/or an investment in the Canacol Group's Business as a going concern including by way of a plan of compromise or arrangement pursuant to the CCAA. A copy of the SISP is attached as Appendix "D" to the Third Report.

38. As noted above, on January 26, 2026, the Court issued the SISP Approval Order, among other things, approving the SISP and the engagement of the Sale Advisor. The progress of

the SISP up to the date of the Fifth Report is detailed in the Fourth Report and the Fifth Report.

39. A summary of key updates in respect of the SISP since the date of the Fifth Report is provided below:

(a) as noted in the Fifth Report, on March 16, 2026 (the "**Phase 1 Bid Deadline**"), ten (10) non-binding letters of intent (the "**LOIs**") were received by the Sale Advisor and the Monitor. In accordance with the requirements of the SISP, the Applicants, in consultation with the Sale Advisor, the Monitor, the CRO, the Ad Hoc Committee, and other parties permitted under the SISP reviewed the LOIs. Multiple of the Phase 1 Qualified Bidders that submitted LOIs were ultimately deemed to be Phase 2 Qualified Bidders (each as defined in the SISP);

(b) at the request of certain Phase 2 Qualified Bidders and as permitted under the SISP, the Applicants extended the **"Phase 2 Bid Deadline"** from 5:00 PM (MT) on April 13, 2026, to 5:00 PM (MT) on May 4, 2026. The Monitor understands that notice of Phase 2 Bid Deadline extension was circulated to the Service List and to SISP participants on April 8, 2026, pursuant to paragraph 39 of the SISP; and

(c) Phase 2 Qualified Bidders are currently conducting Phase 2 due diligence. Prior to Phase 2, the Sale Advisor, in consultation with the Applicants, the CRO, the Monitor and the DIP Lenders, prepared and distributed a bid process letter for Phase 2 (the "**Bid Process Letter**") in accordance with the terms of the SISP.

Bid Protections and Bid Protections Charge

40. The terms of the SISP, and specifically paragraph 16, contemplated the possibility of designating a Stalking Horse Bidder following the Phase 1 Bid Deadline and providing the Stalking Horse Bidder bid protections on customary terms. However, the SISP did not detail the terms or quantum of such bid protections.

41. As communicated to SISP participants in the Bid Process Letter, the Applicants are seeking the approval of (i) a break-up fee equal to up to 3% of the cash purchase price or cash

investment consideration, as applicable; and (ii) an expense reimbursement in an amount not to exceed $250,000 (collectively, the "**Bid Protections**"), for the benefit of a Phase 2 Qualified Bidder that is selected and designated by the Applicants, with the consent of the Monitor and the Ad Hoc Committee, in accordance with the SISP, to be the Stalking Horse Bidder. The proposed Bid Protections are contingent and would become payable upon satisfaction of both the following conditions:

(a) a Phase 2 Qualified Bidder is selected and designated as the Stalking Horse Bidder in accordance with the SISP; and

(b) the bid submitted by the Stalking Horse Bidder is not ultimately selected as the Successful Bid under the SISP.

42. The Monitor understands that the Bid Protections are conditional upon a Successful Transaction and would be payable only from the Transaction Proceeds.

43. The Applicants are also seeking approval of the Bid Protections Charge over the Transaction Proceeds, up to the maximum amount of the Bid Protections, to rank in priority to all other Encumbrances of any Person, save and except for (i) the beneficiaries of the Charges, (ii) the CRO Restructuring Fee Charge; (iii) the LC Collateral (as defined in the TARIO), and (iv) the proven secured claims of Macquarie in respect of the Property over which Macquarie has valid and secured claims.

44. The Monitor is supportive of the proposed Bid Protections. As set out in the Bednar Affidavit, the Applicants have consulted extensively with the Sale Advisor, the Monitor, the CRO and the Ad Hoc Committee on process strategies to maximize value. The Monitor understands that the Applicants, the Sale Advisor and the CRO are of the view that preserving the optionality to select a Phase 2 Qualified Bidder as a Stalking Horse Bidder in preparation for an auction will help maximize value for stakeholders. The Applicants further note that the Bid Protections are necessary to entice Phase 2 Qualified Bidders to agree to act as a stalking horse bidder because they will have incurred significant diligence costs, and costs to negotiate and enter into a definitive transaction document by that time and would be exposing their bid to other bidders as the "floor price". The Monitor agrees

with these views and supports the use of a stalking horse bid as a customary and commercially reasonable feature of a sale process that is intended to enhance the effectiveness of the SISP.

45. The Monitor has reviewed break fees approved in stalking horse sale processes in insolvency proceedings in Canada, and notes that the majority of break fees are approved in the range of 1%-5% of transaction value, although certain higher break fees (as a percentage of transaction value) were also approved. A copy of the break fee analysis reviewed by the Monitor is attached hereto as **Appendix "B"**.

46. The Monitor is further of the view that it is appropriate for a Stalking Horse Bidder (if selected) to have the benefit of the Bid Protections Charge. Because the Bid Protections Charge attaches only to Transaction Proceeds rather than to Canacol's existing Property, it would only become payable if the Stalking Horse Bidder is ultimately outbid, thereby generating incremental value through the SISP and mitigating potential prejudice to existing secured creditors. Without the Bid Protections Charge, prospective stalking horse bidders would lack assurance that approved Bid Protections will be recoverable if earned, and the Applicants may be unable to attract a stalking horse bid on acceptable terms.

VIII. REPORTED CASH RECEIPTS AND DISBURSEMENTS

47. The Applicants' consolidated cash flow projection for the period from March 15, 2026 to April 18, 2026 (the **"March 15 Short-Term Cash Flow Forecast"**) was filed with the Court as an appendix to the Fifth Report.

48. Since the date of the Fifth Report, the Applicants have continued to provide the Monitor with their cooperation and access to their books and records. The Monitor has worked with the Applicants to prepare analyses of their reported weekly cash flows as compared to the March 15 Short-Term Cash Flow Forecast.

49. A comparison of the Applicants' reported cash receipts and disbursements for the 3-week period ended April 4, 2026 (the **"Reporting Period"**), as compared to the March 15 Short-Term Cash Flow Forecast, is summarized below.

The Canacol Group Summary of Reported Receipts and Disbursements For the 3-week period from March 15, 2026 to April 4, 2026 In USD ($000's); unaudited			
	Actual	**Forecast**	**Variance**
Receipts			
Receipts	16,192	18,026	(1,834)
Total receipts	**16,192**	**18,026**	**(1,834)**
Operating disbursements			
Pre-filing expenses	(60)	(387)	327
Transportation	(5,955)	(7,991)	2,036
Operating expenses	(3,822)	(3,738)	(83)
Royalties	(3,086)	(5,770)	2,684
Payroll	(1,337)	(1,788)	452
Capital expenditures	(4,773)	(6,894)	2,122
Tax payable	(2,848)	(2,789)	(59)
DIP fees and interest	(321)	(344)	23
Professional fees	(4,017)	(4,296)	279
FX movement	62	-	62
Total operating disbursements	**(26,156)**	**(33,999)**	**7,843**
Net cash flow	**(9,964)**	**(15,973)**	**6,009**
Opening cash	17,459	17,459	-
Net cash flow	(9,964)	(15,973)	6,009
Interim financing	15,000	15,000	-
Ending cash	**22,495**	**16,486**	**6,009**

50. As reflected in the summary table above, the Applicants reported a cumulative net cash outflow of approximately $10.0 million for the three (3) weeks ended April 4, 2026. As at April 4, 2026, the Applicants reported a cash balance of approximately $22.5 million ($6.0 million higher than forecast), including approximately $6.0 million held in the Promigas Trust (which cannot be accessed by the Applicants) and unrestricted cash of approximately $16.5 million.

51. The Monitor understands that the favourable April 4, 2026, ending cash variance of approximately $6.0 million, can be summarized as follows:

(a) a $7.8 million net favourable variance in operating disbursements, due to lower than projected: (i) transportation disbursements of $2.0 million, (ii) royalties of $2.7 million, and (iii) capital expenditures of $2.1 million, primarily resulting from

timing, which are expected to reverse during the Forecast Period (as defined herein); and

(b) partially offset by a $1.8 million unfavourable variance in cash receipts in the Reporting Period as prepayments received from a customer for the month of April were approximately $1.0 million lower than forecast due to the customer having an unused advance balance carried forward from prior months which was not contemplated in the forecast. The remaining $0.8 million unfavourable variance related to timing and is expected to be collected during the Forecast Period.

Unpaid Overdue Post-Filing Amounts

52. As discussed in the Fifth Report, the Monitor understood that as at March 14, 2026, approximately $13.4 million in post-filing obligations to vendors and restructuring professionals were outstanding which were either due or overdue (the "**Overdue Post-Filing Obligations**"). A further approximately $8.0 million of post-filing payables became due over the Reporting Period, including an estimated $3.6 million in professional fees.

53. The Monitor has received communications from certain of the Applicants' suppliers raising concerns regarding pre-filing and overdue post-filing obligations owed to them. The Monitor has been in contact with the Applicants and their counsel and understands that the Applicants have had ongoing discussions with these suppliers to address their claims and payment arrangements as applicable.

54. During the Reporting Period, approximately $7.8 million of Overdue Post-Filing Obligations were paid, including payments of $4.0 million in professional fees. Accordingly, the Monitor understands that Overdue Post-Filing Obligations as at April 4, 2026, are estimated to be $13.6 million.

55. The Monitor further understands that intra-month accounts payable reporting may not include all invoices owed by the Company as at April 4, 2026, as accounting procedures are only performed at month-end.

IX. REVISED CASH FLOW FORECAST

Increase to the DIP Facility

56. As noted in the Fourth Report, the Applicants' consolidated cash flow projection (the "**January 4 Cash Flow Forecast**") for the period from January 4, 2026, to June 27, 2026 (the "**Prior Forecast Period**") was filed with the Court as an appendix to the Third Report. The January 4 Cash Flow Forecast contemplated that the Subsequent Advance in the amount of $30 million (as per the Amended and Restated DIP Loan Agreement) would be funded in the week ended February 14, 2026.

57. Also as noted in the Fourth Report, lower than anticipated production levels beginning in March were expected to have a material impact on the Applicants' forecast revenue and cash receipts.

58. Accordingly, the DIP Lenders were advised of the need for additional interim (DIP) financing to address the cash flow shortfall to the end of the Prior Forecast Period. The DIP Lenders required time to review the Applicants' request to increase the amount available under the DIP Facility. The DIP Lenders worked closely with the Applicants and the Monitor, in good faith, to evaluate various capital expenditure and production forecast scenarios, address the Applicants' liquidity issues and negotiate further amendments to the Amended and Restated DIP Loan Agreement.

59. While the DIP Lenders reviewed the request to increase the DIP Facility, the Applicants' imminent liquidity constraints posed a risk to production continuity. The Applicants and the DIP Lenders, with the support of the Monitor, negotiated funding of a portion of the Subsequent Advance, in the amount of $15 million (the "**First Subsequent Advance**", as was ultimately memorialized in the Second AR DIP Loan Agreement), in the interim to maintain operations. The First Subsequent Advance was conditional on, among other things, a cash flow forecast detailing the proposed use of proceeds be agreed between the Applicants and the DIP Lenders.

60. Accordingly, with the assistance of the Monitor, the Company prepared a short-term cash flow forecast for the three-week period ending March 21, 2026 (the **"March 1 Short-Term**

Cash Flow Forecast"). This forecast reflected, among other things, revised cash receipts resulting from lower production and revised disbursements (including payment of overdue amounts owing to critical vendors) particularly relating to completion and workover activities of the Applicants. The March 1 Short-Term Cash Flow Forecast was submitted to the DIP Lenders and formed the support for the First Subsequent Advance of $15 million received on March 9, 2026, which provided sufficient liquidity to the Company for the three-week period to March 21, 2026.

61. The Applicants also provided the DIP Lenders with a further short-term cash-flow forecast, the March 15 Short-Term Cash Flow Forecast to support a Second Subsequent Advance (as defined in the Fifth Report) in the amount of $15 million (the maximum remaining advance amount permitted under the Second AR DIP Loan Agreement), which was received on March 27, 2026, and intended to provide sufficient liquidity to the Company for the four-week period to April 18, 2026. The cash flow results as compared to the March 15 Short-Term Cash Flow Forecast are reported in the prior section.

62. Subsequently, the DIP Lenders have worked closely with the Applicants and the Monitor to complete its review of the production forecast and liquidity needs. The DIP Lenders and the Applicants, with the assistance of the Monitor, agreed on the Revised Cash Flow Forecast in support of the additional interim (DIP) financing of $45 million intended to provide sufficient liquidity to the Company to the end of the Stay Period (to June 27, 2026).

Revised Cash Flow Forecast

63. The Applicant's revised cash flow forecast for the period from April 5, 2026, to June 27, 2026 (the "**Revised Cash Flow Forecast**", and such period being the "**Forecast Period**") is attached hereto as **Appendix "C"** and a summary thereof is set out in the table below:

The Canacol Group 12-Week Cash Flow Forecast In USD ($000's); unaudited	
Receipts	
Receipts	32,022
Total receipts	**32,022**
Operating disbursements	
Pre-filing expenses	(1,827)
Transportation	(25,926)
Operating expenses	(9,750)
Royalties	(7,104)
Payroll	(6,412)
Capital expenditures	(16,641)
Tax payable	(7,123)
DIP fees and interest	(2,292)
Professional fees	(10,728)
Total operating disbursements	**(87,804)**
Net cash flow	**(55,782)**
Opening cash	22,495
Net cash flow	(55,782)
DIP draw	45,000
Ending cash	**11,713**

64. Forecast operating cash receipts over the Forecast Period total approximately $32.0 million, primarily related to collections of monthly payments from customers in connection with sales through the long-term fixed price contracts to residential and commercial end users. The Monitor understands that the Revised Cash Flow Forecast reflects reduced forecast cash receipts in line with lower anticipated production.

65. Forecast operating disbursements over the Forecast Period total approximately $87.8 million and primarily consist of:

(a) transportation ($25.9 million), including costs paid to Promigas S.A. E.S.P, the Company's pipeline transportation provider;

(b) capital expenditures ($16.6 million), including costs of completion and workovers, compression and other activities for the purpose of producing natural gas and crude oil for sale;

(c) operating expenses ($9.8 million), inclusive of general and administrative expenses;

(d) professional fees ($10.7 million), which include fees and disbursements of Canadian, U.S. and Colombian advisors and counsel for the Applicants, the Monitor and the DIP Lenders, and of the Monitor; and

(e) royalty payments ($7.1 million) and tax payments ($7.1 million); and

(f) pre-filing expenses ($1.8 million), conservatively representing the maximum remaining available balance, as at April 4, 2026, of the $17 million Pre-Filing Critical Vendor Payments sought in the Fourth ARIO, as further discussed below.

66. The Monitor understands that forecast operating disbursements include payments of the Overdue Post-Filing Obligations such that a significant portion of the Company's accounts payable balance will be paid by the end of the Forecast Period.

67. Net cash outflows of approximately $55.8 million are forecast over the Forecast Period, before projected draws under the DIP Facility. The Revised Cash Flow Forecast projects further borrowings under the DIP Facility in the amount of $45 million over the Forecast Period, which will be drawn in three advances of $15 million each in the weeks ending April 25, 2026, May 16, 2026, and June 13, 2026, should the Third AR DIP Loan Agreement be approved by this Honourable Court. At the end of the Forecast Period, ending cash is projected to be approximately $11.7 million which includes funds held in the Promigas Trust and estimated unrestricted cash of approximately $5 million.

X. DIP FINANCING

68. As noted above, the SARIO approved the DIP Financing pursuant to the DIP Loan Agreement between the Borrowers and Guarantors, and certain of the holders of Canacol's $495,000,000 of 5.75% senior unsecured notes due in 2028 (the "**Senior Unsecured Notes**", and the holders in such capacity, the "**DIP Lenders**") and granted the priority DIP Lenders' Charge in favour of the DIP Lenders, which was recognized by the US Court pursuant to the US DIP Recognition Order and the Colombian Court pursuant to the Colombian DIP Recognition Order.

69. As noted in the Fifth Report, on January 7, 2026, the DIP Lenders and the Borrowers and Guarantors, Fronting Lender and the DIP Agent entered into an amendment to the DIP Loan Agreement (the "**Amended and Restated DIP Loan Agreement**"), which among other things, amended provisions to the DIP Loan Agreement with respect to the events of default, reporting requirements, capital expenditure restrictions and restructuring milestones.

70. The key terms of the DIP Loan Agreement are detailed in the Second Report. A summary overview of the terms of the Amended and Restated DIP Loan Agreement, which has since been amended and restated as described below, is set out at **Appendix "D"**.

Second AR DIP Loan Agreement

71. Also as noted in the Fifth Report, on March 9, 2026, the DIP Lenders and the Borrowers and Guarantors, Fronting Lender and the DIP Agent entered into the Second AR DIP Loan Agreement, a redacted copy of which is attached hereto as **Appendix "C"** to the Fifth Report. An unredacted copy of the Second AR DIP Loan Agreement is attached as confidential **Exhibit "B"** to the Bednar Supplementary Affidavit. The primary effect of the Second AR DIP Loan Agreement is to amend certain provisions to the Amended and Restated DIP Loan Agreement to permit funding of the Subsequent Advance in parts. A summary overview of the amendments in the Second AR DIP Loan Agreement is set out at **Appendix "E"**.

72. As of the date of this Sixth Report, the Tranche A Sub-Facility (as defined in **Appendix "D"**) was fully drawn in the principal amount of $45 million.

Third AR DIP Loan Agreement

73. On April 14, 2026, the DIP Lenders and the Borrowers and Guarantors, Fronting Lender and the DIP Agent entered into the Third AR DIP Loan Agreement, a redacted copy of which is attached hereto as **Appendix "F"**. An unredacted copy of the Third AR DIP Loan Agreement is attached as confidential **Exhibit "B"** to the Bednar Second Supplementary Affidavit. The Third AR DIP Loan Agreement contemplates a $45 million increase to the DIP Facility and amends the following key provisions to the Second AR DIP Loan Agreement (terms not defined in this section of the Sixth Report are as defined in the Third AR DIP Loan Agreement):

(a) Facility Amount: increased to $112,000,000, by way of amendment of the Tranche A Sub-Facility.

(b) Sub-Facilities / Tranches:

(i) *Tranche A-1* or the *Tranche A-1 Sub-Facility*: new money delayed-draw term loan sub-facility of $45,000,000. As noted above, as of March 27, 2026, Tranche A-1 was fully drawn;

(ii) *Tranche A-2* or the *Tranche A-2 Sub-Facility*: new money delayed-draw term loan sub-facility of $45,000,000 added to the DIP Facility in the Third AR DIP Loan Agreement, funded according to the timelines – and subject to the conditions – detailed below;

(iii) *Tranche B* or the *Tranche B Sub-Facility*: letter of credit sub-facility to renew and/or replace Pre-CCAA Filing Letters of Credit $20,000,000; and

(iv) *Tranche C* or the *Tranche C Sub-Facility*: letter of credit sub-facility for new letters of credit to be issued $2,000,000;

(c) Tranche A-2 Advances:

(i) *Fourth Subsequent Advance*: maximum of $15,000,000, must be advanced by April 28, 2026, and shall be made available, among other things, not less than 3 Business Days after the Fourth ARIO is approved;

(ii) *Fifth Subsequent Advance*: maximum of $15,000,000 (and may be increased at sole and absolute discretion of the DIP Lenders), must be advanced within 5 days following the Phase 2 Bid Deadline;

(iii) *Sixth Subsequent Advance*: the remaining balance available under Tranche A-2 (maximum availability: $45,000,000) must be advanced by June 15, 2026; and

(iv) if any of the advances are not made by the respective outside date, the Third AR DIP Loan Agreement provides that the unadvanced portion of Tranche A-2 may be terminated by the DIP Lenders in their sole discretion.

(d) Interest and Fees:

(i) *Tranche A-1 Commitment Fee*: 5% of the Tranche A-1 Sub-Facility, consistent with the Second AR DIP Loan Agreement and already paid from Initial Advance proceeds;

(ii) *Tranche A-2 Commitment Fee*: 5% of the new Tranche A-2 Sub-Facility, fully earned upon execution/delivery of this Third AR DIP Loan Agreement, and payable to DIP Agent for the participating lenders. After the issuance of the Fourth ARIO (if granted), and retroactive to the date of the Second AR DIP Loan Agreement, the A-2 Commitment Fee is to be added to the principal, and secured under the DIP Lenders' Charge;

(iii) *Exit Fee*: 1.5% of aggregate Tranche A commitments, payable upon any Exit Event;

(iv) Interest Rate has been increased from 13% to 15% per annum on outstanding Tranche A principal, paid monthly, first payment May 1, 2026; and

(v) Default interest: +2.0% interest on all Obligations after an Event of Default (payable in cash on demand).

(e) DIP Charge and DIP Security:

(i) Obligations secured by a super-priority court ordered DIP Charge over all present and after acquired property, including share pledges, subject only to specified Charges:

(A) Administration Charge $3,000,000

(B) Sale Advisor Charge $3,500,000

(C) KERP/KEIP Charge $3,744,000

(f) Conditions Precedent: The Conditions Precedent for the Tranche A-2 Subsequent Advances contains the same language as Tranche A-1 Subsequent Advances (previously defined as Subsequent Advances in Second AR DIP Loan Agreement), as well as the following:

(i) an updated cashflow forecast showing the use of the proceeds of each Tranche A-2 Subsequent Advance is to be agreed to between the Borrowers and the Lenders. As noted above, the DIP Lenders have agreed to the Revised Cash Flow Forecast for the purposes of the Fourth Subsequent Advance;

(ii) since the Phase 1 Bid Deadline, there has been no material adverse change in: (i) the bidder participation in the SISP, (ii) the ability to meet the milestones and other requirements set out in the SISP, or (iii) the ability of the Borrowers or any bidder to close a Successful Bid by June 30, 2026, in

each case, as determined by the Required Lenders in their sole and absolute discretion;

(iii) the Court has issued the Fourth ARIO authorizing and approving the Bid Protections Charge, as may be applicable in accordance with the SISP, and the Third AR DIP Loan Agreement, and DIP Lenders' Charge;

(iv) issuance of US Court Restructuring Court Order recognizing the Fourth ARIO;

(v) consistent with the Second AR DIP Loan Agreement, the Loan Parties shall have agreed in writing with contract counterparties for each contract requested by the Required Lenders to modified terms and conditions, in each case satisfactory to the Required Lenders in their sole discretion, failing which the Borrowers shall have filed application(s) with the Court seeking Order(s) disclaiming such contracts (the "**Disclaimer Order**");

(i) Conditions Precedent particular to the Fifth Subsequent Advance (projected to be drawn in the week ending May 9, 2026):

(A) Borrowers have designated bids received by the Phase 2 Bid Deadline as Phase 2 Qualified Bids in accordance with the terms of the SISP;

(B) Borrowers shall have delivered evidence that the Loan Parties have agreed in writing with contract counterparties for each contract requested by the Required Lenders to modified terms and conditions, failing which the application(s) for the Disclaimer Order shall have been heard and determined; and

(C) issuance of Colombian Court Restructuring Court Order recognizing the Fourth ARIO.

(ii) Conditions Precedent particular to the Sixth Subsequent Advance (projected to be drawn in the week ending June 6, 2026):

(A) Borrowers have delivered evidence that the Loan Parties have agreed in writing with contract counterparties for each contract requested by the Required Lenders to modified terms and conditions, failing which the Colombian Court shall have issued a Restructuring Court Order recognizing the Disclaimer Order.

(B) a Successful Bid shall have been selected in accordance with the terms of the SISP;

(C) issuance of Successful Bid Approval Order;

(D) issuance of US Court Restructuring Court Order recognizing the Successful Bid Approval Order; and

(E) issuance of the Colombian Court Restructuring Court Order recognizing the Successful Bid Approval Order.

(g) Affirmative Covenants: Amended to include the following:

(i) the Panamanian DIP Security Process must be completed by April 27, 2026;

(ii) within 10 Business Days after the Colombian Third Restated DIP Commitment Recognition Order, amend the Colombian DIP Security Documents and corresponding Lien filings to reflect the increased Tranche A Obligations (arising from the Amendment and Waiver Fee and Tranche A-2 Sub-Facility), in form and substance satisfactory to the Local Collateral Agent (acting at the direction of the DIP Agent, at the direction of the Required Lenders);

(iii) cause all Loan Parties to diligently pursue and promptly agree in writing with contract counterparties for each contract requested by the Required Lenders to modify such contract's terms and conditions, in each case satisfactory to the Required Lenders in their sole discretion, or failing which, to disclaim such contract in a manner acceptable to the Required Lenders;

(iv) consult with the Tranche A Lenders and their advisors regarding any regulatory approvals required for a Successful Bid, including by providing timely updates and a reasonable opportunity to review and comment on related applications prior to submission;

(v) if a new letter of credit provider joins the DIP Facility (via a Joinder Agreement under Tranche B or Tranche C), the Loan Parties must deliver a Colombian Promissory Note to that lender within 15 days, evidencing the Colombian Loan Parties' obligations to the new lender under Colombian law; and

(vi) deliver weekly reports to the Lenders comparing actual vs. budgeted workover capital expenditures and actual vs. forecast workover production (with variances and explanations) and implement changes to capital expenditure plans (including cancellation of planned workovers) as required by the Required Lenders in their sole discretion, even if such workovers were contemplated in the Cash Flow Forecast.

(h) Negative Covenants: Amended to include that the Borrowers shall not:

(i) select a Stalking Horse Bidder or otherwise agree to any Bid Protections without the prior written consent of the DIP Lenders;

(ii) agree to extend any closing dates or related deadlines in connection with a Successful Bid without the prior written consent of the DIP Lenders;

(iii) agree to any material amendments to any transaction agreements with a Successful Bidder without the prior written consent of the DIP Lenders;

(iv) grant any consent or waive any condition, default or material covenants in any transaction agreements with a Successful Bidder without the prior written consent of the DIP Lenders; and

(v) consent to or allow any unsecured claim or claims in the CCAA Proceedings in excess of $1,000,000.00 (or the equivalent amount thereof in any other

currency) without the prior written consent of the DIP Lenders or pursuant to a Court Order.

Monitor's Recommendation

74. The Applicants are seeking this Court's approval of the Third AR DIP Loan Agreement. As noted above, the Monitor is of the view that the Fourth Subsequent Advance, in the amount of $15 million, is urgently required and is critical to the Applicants' ability to continue operating, and the Monitor understands that the terms of the Third AR DIP Loan Agreement have been negotiated to permit this. Furthermore, the Monitor is of the view that the rest of the Tranche A-2 Advances (the Fifth and Sixth Subsequent Advances) are also necessary and critical to the Applicants' ability to continue operating and carrying on these CCAA proceedings during the Forecast Period.

75. The Monitor is of the view that the increased DIP financing under the Third AR DIP Loan Agreement is necessary, and the terms are within the range of comparable DIP financing reviewed by the Monitor (as discussed below), given the increase to the DIP Financing secured against the same Canacol Group assets and the increased lender risk from lower than anticipated production levels. Further, the Revised Cash Flow Forecast demonstrates that without this financing, the Canacol Group lacks liquidity to continue operations through to the completion of the SISP and is not expected to be able to repay the existing DIP borrowings until a successful SISP transaction closes, further contributing to risk factors to be considered in evaluating the terms of the Third AR DIP Loan Agreement.

76. Taking into consideration the above, the Monitor supports the Third AR DIP Loan Agreement for the following reasons:

    (a) the Applicants have a critical and immediate need for interim financing in the amount of $15 million, without which, based on the Updated Cash Flow Forecast, the Applicants will be unable to maintain their oil and gas production operations in Colombia and advance the SISP and the restructuring process during the Forecast Period. Further, based on the Updated Cash Flow Forecast, the Applicants are projected to require a further $30 million in monthly draws of $15 million during the

Forecast Period, which period aligns with the contemplated Outside Date under the SISP;

(b) as set out in the Eighth Bednar Affidavit, failure to obtain financing immediately would add uncertainty to the SISP and materially impair the Canacol Group's ability to sustain its critical natural gas supply to the Colombian power grid. This would result in immediate revenue loss, asset value deterioration, potential safety and environmental risks, and a cascading negative effect on bidder confidence and going concern operations;

(c) the DIP Facility will allow the Applicants to continue to operate, including funding transportation, operating expenses, royalties, payroll, capital expenditures, taxes payable, and the costs of these CCAA Proceedings. The DIP Facility is intended to provide adequate funding to the Applicants for their liquidity needs up to and including June 30, 2026, subject to the consummation of a potential transaction pursuant to the SISP;

(d) the Monitor understands that the Third AR DIP Loan Agreement, including the fees and interest rates therein, was the result of significant negotiation between the Applicants, the CRO, and the DIP Lenders and reflects the severe liquidity stress and operational risk of the Applicants;

(e) the Monitor believes that approval of the DIP Financing is in the best interests of the Applicants' stakeholders and will advance the Applicants' restructuring process, including completing the SISP. Creditors will also benefit from the approval of the DIP Financing, as it will allow the business of the Applicants to continue to operate, which will enhance value versus the alternative, being a likely discontinuation of operations and the potential liquidation of the Applicants' assets;

(f) the conditions precedent to the Tranche A-2 Advances are, in the Monitor's view, reasonable in the circumstances, while reflecting the risk profile underlying each advance, and are consistent with conditions to prior advances under the DIP Financing. The Monitor understands that the funding conditions are structured to

align with key milestones in the SISP and include requirements that certain contracts identified by the DIP Lenders be either amended on terms satisfactory to them or disclaimed pursuant to Disclaimer Orders obtained from the Court (and, in the case of the Sixth Subsequent Advance, recognized by the Superintendency in Colombia). The Monitor is of the view that these conditions appropriately balance the DIP Lenders' need for assurance that the restructuring is progressing with the Applicants' need for reliable funding to continue operations through the SISP;

(g) as noted in the Second Report, the Monitor reviewed the fee and interest terms of DIP facilities in amounts greater than CAD$20 million and approved by the Canadian courts in CCAA proceedings. As the precedents in CCAA proceedings for interim financing in the range of the amount of this DIP Facility are limited, the Monitor also reviewed a selection of DIP facilities approved by U.S. Bankruptcy Courts in Chapter 11 proceedings. A schedule summarizing the Canadian DIP market terms reviewed (updated for new DIP financing since the approval of the Amended and Restated DIP Loan Agreement) is attached hereto as **Appendix "G"**, and a schedule summarizing select U.S. DIP market terms reviewed is attached hereto as **Appendix "H"**; and

(h) based on the Monitor's review of the DIP financing market in Canada and the United States, the interest rates stipulated in the Third AR DIP Loan Agreement are within the ranges of similar facilities approved by the Canadian courts in CCAA proceedings and in Chapter 11 proceedings in the United States, albeit at the higher end of the range. Given that the structure of the Canacol Group's DIP financing facility is larger and more complex than the majority of DIP facilities approved in CCAA proceedings reviewed above, the Monitor is satisfied that the interest terms are justified.

77. Also as noted in the Second Report, the commitment fees in the Amended DIP Loan Agreement were higher than the DIP financing facilities reviewed in the Canadian market. The Monitor understands that the Commitment Fee, Exit Fee, and the Lender's Fees and Expenses are driven by the Company's risk profile based on current production levels, the Company's urgent liquidity needs, the highly compressed timeframe in which to address those liquidity needs due to factors at least in part outside of the Company's control, the

multi-tranche nature of the DIP Facility, the large number of participating lenders, the prior Events of Default, and the increase in the DIP Facility itself. In reviewing the U.S. DIP market terms at **Appendix "H"** the fees included in the Third AR DIP Loan Agreement appear to be within the range of those approved by courts in the United States. For these reasons, the Monitor is of the view that the Third AR DIP Loan Agreement should be approved.

78. The Monitor understands that, due to the confidential nature of the identity of the DIP Lenders and their respective share in the DIP Facility, the Applicants are seeking a Sealing Order in respect of the confidential exhibits to the Bednar Second Supplementary Affidavit, including that **Exhibit "B"** thereof be kept confidential until further order of this Court. The Monitor is supportive of the proposed Sealing Order as it relates to the unredacted Third AR DIP Loan Agreement. The Monitor notes that this Court granted similar relief in respect of the DIP Loan Agreement and the Second AR DIP Loan Agreement, in granting the December 11th Sealing Order, and the March 26th Sealing Order, respectively.

Court-Ordered Charges

79. The terms of the Third AR DIP Loan Agreement require that the DIP Lenders' Charge continue to rank in priority to all other encumbrances, except for the Administration Charge, the Sale Advisor Charge, and the KERP/KEIP Charge.

80. A summary of the priority and amounts of the respective Charges as approved by prior Orders of this Court, and should the Fourth ARIO be approved, is provided below, all of which are subordinate to the LC Collateral:

(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 KERP/KEIP Charge (up to a maximum amount of the Canadian Dollar equivalent of US$3,744,000);

(d) Fourth – the DIP Lenders' Charge (up to a maximum amount of all amounts due and owing under the Third AR DIP Loan Agreement);

(e) Fifth – the Directors' Charge (up to a maximum amount of the Canadian dollar equivalent of US$1,000,000);

(f) subordinate to the secured claims of Macquarie:

(i) Sixth – the CRO Restructuring Fee Charge (up to a maximum amount of the Canadian Dollar equivalent of US$3,000,000); and

(ii) Seventh – the Bid Protections Charge (over the Transaction Proceeds only, up to the maximum amount of the Canadian Dollar equivalent of 3% of the cash purchase price or cash investment consideration set forth in the Stalking Horse Bid plus a reimbursement amount for expenses incurred up to the maximum amount of US$250,000).

81. Since the existing DIP Lenders' Charge is not limited in amount, no specific amendment to the DIP Lenders' Charge is required or being sought as part of the Applicants' motion. However, the effect of the Court approving the Third AR DIP Loan Agreement and the requested Fourth ARIO will be that the amount secured by the existing DIP Charge will be increased to the amount of indebtedness owed pursuant to the Third AR DIP Loan Agreement. For the reasons cited above with respect to the necessity and appropriateness of approving the Third AR DIP Loan Agreement, the Monitor is of the view that the DIP Lenders' Charge should secure the indebtedness owed pursuant to the Third AR DIP Loan Agreement.

XI. PRE-FILING CRITICAL VENDOR PAYMENTS

82. Pursuant to the TARIO, the Applicants were authorized to make Pre-Filing Critical Vendor Payments up to an aggregate maximum amount of $15.5 million, with the prior approval of the Monitor and the DIP Lenders.

83. As further discussed in the Fourth Report, the Applicants made payments of approximately $11.0 million relating to the period prior to the Filing Date (the "Pre-Filing Period")

without prior approval by the Monitor or the DIP Lenders, of which $9.6 million were, in the Monitor's view, Pre-Filing Critical Vendor Payments (the "Unapproved Critical Vendor Payments"). As at the date of this Sixth Report, the Canacol Group has made Pre-Filing Critical Vendor Payments to certain critical suppliers in the aggregate amount of approximately $15,173,000, including the Unapproved Critical Vendor Payments.

84. The Applicants, in consultation with the Monitor, have determined that additional Pre-Filing Critical Vendor Payments in the aggregate amount of $1,500,000 over and above the maximum permitted amount of $15.5 million are required in the short term. As a result, the Applicants are seeking approval in the Fourth ARIO to increase the maximum aggregate amount permitted for Pre-Filing Critical Vendor Payments from $15.5 million to $17.0 million.

85. The additional Pre-Filing Critical Vendor Payments of $1.5 million are proposed to be paid to the Company's critical vendors, including Kodiak in Colombia, who are not easily replaceable and are essential, and provide specialized workover services on the Applicants' oil and natural gas wells in Colombia. In particular, the Monitor understands that these critical vendors provide intervention and maintenance services on existing wells to address mechanical issues, restore well integrity, and return shut-in or underperforming wells to stable production. Continued support of these critical vendors is required to maintain safe, continuous operations in Colombia's oil and gas fields, and are therefore critical to the Applicants being able to continue in business.

86. The Monitor understands that these critical vendors have indicated that they will withhold services absent payment of outstanding Pre-Filing Critical Vendor Payments, notwithstanding the granting of the TARIO, and that this may continue to be the case in Colombia even despite recognition of the TARIO pursuant to the Colombian Recognition Proceedings.

87. The Monitor supports the relief being requested by the Applicants in this regard, for the following reasons:

(a) the Monitor understands that the Pre-Filing Critical Vendor Payments are intended to be reserved for targeted vendors which are essential to avoiding business disruptions and safety and environmental risks, and to maintaining stable workover operations to provide for supply continuity and to maximize stakeholder value. Delays or suspensions in workover services may result in the shut-down of affected wells leading to accelerated production declines. As noted in the Eighth Bednar Affidavit, this would result in the Applicants suffering immediate revenue loss and deterioration in asset value, may increase safety and environmental risk, and would likely have a cascading negative effect on bidder confidence during the ongoing implementation of the SISP;

(b) the Monitor understands that there is approximately $30 million of amounts payable to Colombian vendors and suppliers of the Canacol Group relating to the Pre-Filing Period. The Monitor and the Company have spent significant time reviewing and considering those vendors which are deemed critical and in evaluating the Company's alternatives for maintaining operations, and have determined that an increase of $1.5 million to the permitted Pre-Filing Critical Vendor Payments is appropriate, and is significantly less than the approximate $30 million pre-filing amount owing to Colombian vendors and suppliers; and

(c) consistent with the TARIO, the Pre-Filing Critical Vendor Payments are only sought to be made with the prior approval of the Monitor and the DIP Lenders.

XII. MONITOR'S CONCLUSION AND RECOMMENDATIONS

88. For the reasons set out in this Sixth Report, the Monitor respectfully recommends that this Court approve the relief sought by the Applicants in the proposed Fourth ARIO and Sealing Order.

All of which is respectfully submitted this 16th day of April, 2026.

KPMG Inc.
in its capacity as Monitor 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.
and not in its personal or corporate capacity

Per:



Paul van Eyk
CPA, CA-IFA, CIRP, LIT, Fellow of INSOL
President



Katherine Forbes
CPA, CA, CIRP, LIT
Senior Vice President

Appendix “B”

From:	Andres Olarte
To:	clifton.prophet@gowlingwlg.com; david.cohen@gowlingwlg.com; sam.gabor@gowlingwlg.com; asim.iqbal@gowlingwlg.com; kate.yurkovich@gowlingwlg.com; Cameron.brunet@gowlingwlg.com; mariah.meston@gowlingwlg.com; canacol@kpmg.ca; pvaneyk@kpmg.ca; katherineforbes@kpmg.ca; duncanlau@kpmg.ca; tahreemfatima@kpmg.ca; Raj Sahni; Kelsey Meyer; Chyna Brown; Shawn Kirkman; Jeanie Wong; gsanclemente68@gmail.com; mrgomez@col-law.com; nicolas.tirado@ppulegal.com; sandra.manrique@ppulegal.com; laura.grisales@ppulegal.com; anasofia.estrada@ppulegal.com; george.pavlenishvili@nelsonmullins.com; lee.hart@nelsonmullins.com; ashlynn.dobbs@nelsonmullins.com; ljones@pszjlaw.com; sgolden@pszjlaw.com; mcaloway@pszjlaw.com; hdaniels@pszjlaw.com; osbccaa-laccbsf@ised-isde.gc.ca
Cc:	catalina.hayata@macquarie.com; tales.fontes@macquarie.com; Daniel.Feit@macquarie.com; Darsha.Kumar@macquarie.com; Kieran.May@macquarie.com; cgmcmfcommodityfina@macquarie.com; jpasquariello@goodmans.ca; rchadwick@goodmans.ca; eaxell@goodmans.ca; gfinlayson@millerthomson.com; gazeff@millerthomson.com; mcressatti@millerthomson.com; jwreid@millerthomson.com; mceko@millerthomson.com; sgarrafa@millerthomson.com
Subject:	Service of Creditor Correspondence and Request to be Heard – Canacol CCAA – Court File No. 2501-18462
Date:	Monday, April 27, 2026 1:11:00 PM
Attachments:	2501-18462-Submitted-2026-04-27-Creditor-Correspondence-and-Request-to-be-Heard.pdf 2501-18462-Submitted-2026-04-27-Exhibit-A-First-Unanswered-Correspondence.pdf 2501-18462-Submitted-2026-04-27-Exhibit-B-Second-Unanswered-Correspondence.pdf 2501-18462-Submitted-2026-04-27-Exhibit-C-Proof-of-Prior-Correspondence-and-No-Substantive-Response.pdf 2501-18462-Submitted-2026-04-27-Exhibit-D-Corporate-Authority-and-Officer-Statement.pdf 2501-18462-Submitted-2026-04-27-Exhibit-E-Colombian-Creditor-Background.pdf

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Dear Sirs,

Please find attached Creditor Correspondence and Request to be Heard / Request for Directions submitted by Henry Andrés Olarte Cortés, legal representative/officer of Global Oil & Energy Services S.A.S., an affected Colombian creditor/stakeholder, in connection with the Canacol Energy Ltd. CCAA proceedings, Court File No. 2501-18462.

The materials have been submitted to the Court of King's Bench of Alberta, Judicial Centre of Calgary, and are served on the principal parties for notice.

This correspondence follows two prior written communications sent to KPMG Inc., the Applicants' counsel, and counsel to the Monitor, to which no substantive response has been received.

Global Oil respectfully requests that the Monitor and the relevant parties address the matters raised, including Colombia-related creditor issues, Petropolar-related rights, Venezuelan-related corporate opportunity concerns, and KPMG's prior auditor role during the relevant historical period.

Nothing herein shall be construed as a waiver of any rights, claims, remedies, objections, or procedural positions available to Global Oil & Energy Services S.A.S. or its representatives in any jurisdiction.

Respectfully,

Henry Andrés Olarte Cortés
Legal Representative / Officer
Global Oil & Energy Services S.A.S.
Colombia
Tel: +57 317 383 5668
Email: aolarte@goss.com.co

COURT FILE NUMBER	**2501-18462**
COURT	**COURT OF KING'S BENCH OF ALBERTA**
JUDICIAL CENTRE	**CALGARY**

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 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.

CREDITOR CORRESPONDENCE AND REQUEST TO BE HEARD / REQUEST FOR DIRECTIONS

Submitted by Henry Andres Olarte Cortes, legal representative/officer of Global Oil & Energy Services S.A.S., an affected Colombian creditor/stakeholder

Submitting Party	Henry Andres Olarte Cortes, Legal Representative / Officer, Global Oil & Energy Services S.A.S.
Contact	aolarte@goss.com.co | +57 317 383 5668
Date	April 27, 2026
Place	Bogota, Colombia

I. Respectful introductory statement

I, Henry Andres Olarte Cortes, submit this correspondence respectfully as the legal representative/officer of Global Oil & Energy Services S.A.S. ("Global Oil"), a Colombian creditor and affected stakeholder in matters connected to the Canacol Group, Petropolar Sucursal Colombia, Canacol Energy Colombia S.A.S., and CNE Oil & Gas S.A.S.

I am not a Canadian lawyer and I do not purport to act as Canadian counsel. I write as a foreign creditor representative seeking to bring creditor-protection, disclosure, and cross-border transparency concerns to the attention of the Court, the Monitor, and the parties on the Service List.

To the extent leave, procedural direction, or permission of the Court is required for me to be heard on behalf of Global Oil, I respectfully request such leave or direction.

If the Court determines that this correspondence is not procedurally sufficient for formal relief, I respectfully request that it be treated as creditor correspondence and that the Monitor be directed, or at minimum requested, to address the matters raised herein in its next report or by written response to Global Oil and the Service List.

II. Purpose of this correspondence

This correspondence is submitted because Global Oil previously sent two formal communications to KPMG Inc., in its capacity as Court-appointed Monitor and Foreign Representative, and to counsel involved in these CCAA proceedings, raising serious Colombia-related disclosure and creditor-protection concerns.

No substantive response has been received from KPMG Inc., the Applicants, the Applicants' counsel, or counsel to the Monitor.

The purpose of this submission is not to ask the Court to make findings of misconduct on an incomplete record. Rather, it is to request that the Court, or the Monitor under the Court's supervision, address unresolved matters that may be relevant to creditor transparency, estate value, asset preservation, related-party issues, cross-border consistency, and the integrity of information being relied upon in Canada and Colombia.

III. Creditor status and affected interest

Global Oil is a Colombian oilfield services company that performed services connected to operations involving Petropolar Sucursal Colombia, Canacol Energy Colombia S.A.S., and CNE Oil & Gas S.A.S.

Global Oil has pursued claims and proceedings in Colombia arising from unpaid services, related damages, and alleged inconsistencies regarding credits, receivables, and economic rights involving Petropolar and Canacol-related Colombian entities.

The Canacol Group CCAA proceedings affect Global Oil because the Canadian process, the Colombian recognition proceedings, the DIP financing, the SISP, and the stay of proceedings may directly or indirectly affect Colombian creditors, Colombian assets, Colombian operating entities, Colombian receivables, and rights connected to Petropolar-related claims.

KPMG's Notice to Creditors confirms that KPMG Inc. was appointed as Monitor in the Canacol Group CCAA proceedings and that the stay of proceedings restricts creditor remedies except with consent or leave of the Court. The same notice states that no claims procedure had yet been approved at that time and that creditors could contact the Monitor by email.

KPMG's Monitor reports also state that KPMG was authorized to act as Foreign Representative for recognition of the CCAA proceedings outside Canada, including in Colombia.

Accordingly, Global Oil has a legitimate interest in ensuring that Colombia-related information affecting creditor rights, estate value, claims treatment, and asset preservation is accurately and transparently addressed in the Canadian proceeding.

IV. Prior unanswered communications

Global Oil sent two written communications to KPMG Inc. and relevant counsel raising, among other things:

a. Petropolar-related credits, receivables, balances, offsets, reconciliations, or economic rights potentially connected to Canacol Energy Colombia S.A.S. and/or CNE Oil & Gas S.A.S.;

b. Statements made in Colombian proceedings denying the existence of credits in favour of Petropolar, which Global Oil believes may be inconsistent with other records;

c. Potential Colombian creditor prejudice if such matters are not examined before restructuring, sale, investment, DIP-related, or recognition-related steps proceed;

d. Venezuelan-related corporate opportunity concerns involving reported references to Colven Business & Corp and Venecol Oil & Gas;

e. KPMG's prior role as external auditor of Canacol during the period in which certain relevant events allegedly occurred; and

f. Whether the Monitor had investigated, intended to investigate, or intended to report these matters to the Court or Colombian authorities.

No substantive response was received.

Global Oil respectfully submits that, given the Court-supervised nature of the CCAA process and the Monitor's role as a court officer, the absence of a response to serious creditor concerns is itself a matter that should be addressed in a transparent way.

V. Colombia is central to value and creditor impact

The CCAA proceedings are Canadian proceedings, but the economic substance of the Canacol Group appears materially connected to Colombia.

The Monitor's reports identify Canacol Energy Colombia S.A.S. and CNE Oil & Gas S.A.S. among the CCAA Applicants and refer to recognition proceedings in Colombia.

The SISP materials describe a process intended to solicit interest in a sale, restructuring, recapitalization, investment, or other transaction involving all or substantially all of the property, assets, undertakings, and/or business operations of Canacol and its direct and indirect subsidiaries and affiliates.

The SISP also states that substantive modifications to the SISP procedures are to be advised to the Service List and that parties may seek intervention of the Court, as appropriate.

In the December 10, 2025 hearing transcript, submissions were made that Canacol's core business involves development, production, and sale of natural gas in Colombia, that main operating assets are in Colombia, that customers are Colombian, and that the vast majority of employees are in Colombia.

These circumstances make Colombia-related transparency essential. Colombian creditors may be materially affected by decisions made in the Canadian proceeding, especially where the Canadian process interfaces with Colombian recognition, Colombian assets, Colombian operating cash flow, and Colombian stakeholders.

VI. Petropolar-related concerns requiring attention

Global Oil respectfully requests that the Monitor address whether it has reviewed or will review the following matters:

a. Whether Canacol Energy Colombia S.A.S., CNE Oil & Gas S.A.S., or any Canacol Group entity held, owed, administered, offset, reconciled, transferred, or disputed any credits, receivables, balances, contractual rights, holdbacks, or economic rights involving Petropolar Sucursal Colombia;

b. Whether any such rights or balances were recognized, denied, impaired, offset, transferred, or otherwise treated in the Canacol Group's accounting, restructuring materials, creditor schedules, SISP materials, or Colombian recognition materials;

c. Whether statements made in Colombian court proceedings denying the existence of credits in favour of Petropolar are consistent with the Canacol Group's internal accounting, contractual, operational, and restructuring records;

d. Whether any Petropolar-related rights could constitute assets, claims, setoffs, contingent liabilities, related-party issues, creditor recoveries, or matters relevant to Colombian creditors; and

e. Whether these issues have been disclosed to the Court, to Colombian authorities, and to affected creditors.

Global Oil does not ask the Court at this stage to accept Global Oil's position as proven. Global Oil asks that these matters be addressed by the Monitor in a transparent manner, because they may affect creditor treatment and the integrity of cross-border information.

VII. Venezuelan-related corporate opportunity concerns

Global Oil also respectfully requests that the Monitor address whether it has reviewed or will review public reporting and related materials concerning alleged Venezuelan-related business opportunities involving persons reportedly connected to Canacol and third-party vehicles identified in public sources as Colven Business & Corp and Venecol Oil & Gas.

The concern is not merely reputational. If a business opportunity, contract, economic right, or value-generating opportunity initially pursued by or through Canacol was later transferred, externalized, diverted, or structured through third-party vehicles, that may be relevant to creditors and to the estate.

Global Oil respectfully requests that the Monitor clarify whether it has investigated:

a. Whether Canacol or any Canacol Group entity had any direct or indirect interest, right, expectation, contractual relationship, beneficial interest, receivable, or contingent claim connected to such Venezuelan-related opportunities;

b. Whether any current or former officer, director, executive, representative, employee, or related person of Canacol acted for, registered, represented, owned, controlled, or economically benefited from any such third-party vehicle;

c. Whether any such opportunity was disclosed, valued, impaired, excluded, transferred, or otherwise treated in Canacol's records;

d. Whether any related-party, diverted corporate opportunity, off-balance-sheet, contingent asset, contingent liability, sanctions, compliance, impairment, or disclosure issue was considered; and

e. Whether the Monitor intends to report any findings or limitations of review to the Court.

Global Oil understands that the Court should not make conclusions based solely on public reporting. The request is for the Monitor to clarify whether the issue has been reviewed, whether it is material, and whether further disclosure is warranted.

VIII. KPMG's prior auditor role and present Monitor role

Global Oil respectfully raises a further issue: KPMG's prior role as external auditor of Canacol during part of the relevant historical period.

This issue is not raised to make a personal or professional allegation in this correspondence. It is raised because the Monitor's neutrality and the completeness of its review are central to creditor confidence in a CCAA proceeding.

Where a court-appointed Monitor previously served as external auditor during a period in which later creditor concerns arose, creditors may reasonably ask whether the Monitor has considered and disclosed any limitations, independence issues, prior knowledge, prior access to records, audit-related awareness, or need for independent review of matters arising during that

historical period.

Global Oil respectfully requests that the Monitor address:

a. Whether it has disclosed to the Court and creditors the scope and timing of KPMG's prior audit role with Canacol;

b. Whether any of the Petropolar-related or Venezuelan-related concerns fall within periods during which KPMG acted as auditor;

c. Whether the Monitor has considered whether independent review is appropriate for matters arising during KPMG's audit tenure;

d. Whether any wall, conflict review, independence analysis, or limitation of role has been considered; and

e. Whether the Monitor believes it can investigate and report on those historical matters without an independent third-party review, and if so, why.

Global Oil respectfully submits that these are fair process questions in a court-supervised restructuring involving cross-border creditors.

IX. Why Court attention is requested

Global Oil has attempted to raise these matters directly with the Monitor and relevant counsel.

No substantive response has been received.

The CCAA process is continuing, including DIP financing, SISP activity, recognition proceedings, creditor-impacting decisions, and potential transactions involving assets and business operations. The Monitor has stated that the SISP is intended to maximize creditor and stakeholder value.

If Colombia-related rights, claims, receivables, disputes, contingent liabilities, or corporate opportunity issues are not examined before critical restructuring steps occur, affected creditors may suffer prejudice or lose practical remedies.

For that reason, Global Oil respectfully asks that the Court not treat this as a private complaint, but as a creditor transparency and court-supervision issue.

X. Relief or directions respectfully requested

Global Oil respectfully requests one or more of the following directions, or such other directions as the Court considers appropriate:

a. That this correspondence be accepted for filing or otherwise brought to the attention of the supervising Justice;

b. That Global Oil be permitted to be heard, either personally through Henry Andres Olarte Cortes as its legal representative/officer, or through counsel if the Court determines counsel is required;

c. That the Monitor be directed or requested to provide a written response to Global Oil's prior communications and to the issues summarized herein;

d. That the Monitor be directed or requested to address, in its next report to the Court, whether it has investigated or intends to investigate the Petropolar-related and Venezuelan-related matters described above;

e. That the Monitor be directed or requested to disclose whether KPMG's prior audit role creates any limitation, independence issue, prior knowledge issue, or need for independent review in relation to the matters described herein;

f. That the Monitor be directed or requested to preserve all records, emails, management representations, audit-related materials, board materials, accounting records, contracts, legal memoranda, communications, and transaction records relevant to Petropolar, Colven Business & Corp, Venecol Oil & Gas, Venezuelan-related opportunities, and Colombian creditor claims;

g. That no final SISP transaction, distribution, release, claims process, or creditor-affecting step proceed without adequate consideration of Colombia-related creditor issues and unresolved Petropolar-related rights, to the extent they are material; and

h. Such further and other relief, procedural guidance, or direction as the Court deems appropriate.

XI. Reservation of rights

Nothing in this correspondence should be interpreted as a waiver of Global Oil's rights, claims, remedies, objections, complaints, or procedural positions in Colombia, Canada, or any other jurisdiction.

Global Oil expressly reserves all rights to seek further directions, file a formal application, retain Canadian counsel, participate in any claims process, make submissions in Colombian recognition proceedings, or pursue any civil, insolvency, regulatory, criminal, or professional-conduct remedy available under applicable law.

XII. Contact information and signature

Submitted respectfully,

Signature: 

Henry Andres Olarte Cortes

Legal Representative / Officer

Global Oil & Energy Services S.A.S.

Colombia

Tel: +57 317 383 5668

Email: aolarte@goss.com.co

Date: April 27, 2026

Place: Bogota, Colombia

COURT FILE NUMBER: 2501-18462
COURT: COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE: CALGARY

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANACOL ENERGY LTD. ET AL.

EXHIBIT A

EXHIBIT A
First unanswered correspondence to the Monitor and counsel - Venezuelan-related corporate opportunity concerns

EMAIL HEADER / TRANSMISSION DETAILS

From: Andres Olarte <aolarte@goss.com.co>
To: canacol@kpmg.ca; duncanlau@kpmg.ca; katherineforbes@kpmg.ca; pvaneyk@kpmg.ca
Cc: clifton.prophet@gowlingwlg.com; sam.gabor@gowlingwlg.com; kate.yurkovich@gowlingwlg.com; Asim Iqbal <asim.iqbal@gowlingwlg.com>; cameron.brunet@gowlingwlg.com; mariah.meston@gowlingwlg.com; sahnir@bennettjones.com; meyerk@bennettjones.com; brownc@bennettjones.com
Date: April 5, 2026, 8:43 p.m. COT
Subject: Request for Information and Investigation - Potential Undisclosed Relationships and Value Diversion (Canacol Energy Ltd. - CCAA Proceedings)

EMAIL BODY

Dear Sirs,

We write in connection with the ongoing proceedings under the Companies' Creditors Arrangement Act (CCAA) concerning Canacol Energy Ltd. (the "Company"), in which KPMG Inc. acts as Court-appointed Monitor.

The purpose of this communication is to formally request clarification and, if necessary, investigation into certain facts that may be relevant to the completeness and transparency of the information available to creditors and the Court.

1. Background

Recent investigative reporting by reputable sources (including La Silla Vacia and Armando.info) has disclosed that representatives and senior executives of the Company participated in meetings held in Caracas, Venezuela, in or around October 2022, involving:

- Venezuelan state-owned entities, including PDVSA
- Military-linked entities such as Camimpeg
- Private counterparties linked to potential hydrocarbon commercialization arrangements

It is reported that such participation included senior representatives of Canacol Energy Ltd.

2. Emergence of Third-Party Vehicles

The same sources indicate that, following these initial engagements, certain business opportunities appear to have been pursued or structured through third-party entities, including:

- Colven Business & Corp
- Venecol Oil & Gas

Publicly available information suggests that individuals linked to the Company may have had involvement in the incorporation, representation, or execution of activities through such entities.

3. Potential Relevance to the CCAA Proceedings

In light of the above, the following issues arise which may be material to creditors:

- Whether the Company had any direct or indirect economic interest in the referenced opportunities
- Whether any corporate opportunities initially pursued by the Company were subsequently transferred or diverted to third-party entities
- Whether any such arrangements could constitute a transfer of value outside the estate available to creditors
- Whether these matters have been fully disclosed to the Monitor and the Court

4. Requests

Accordingly, we respectfully request that the Monitor:

1. Confirm whether Canacol Energy Ltd. has had any direct or indirect relationship (contractual, beneficial, operational, or otherwise) with:
- Colven Business & Corp
- Venecol Oil & Gas

2. Clarify whether any officers, directors, or representatives of the Company have acted on behalf of, or held interests in, such entities

3. Indicate whether the Monitor has:
- Investigated these matters
- Considered their relevance to the Company's financial position and disclosures

4. Confirm whether any findings related to the above have been reported, or are intended to be reported, to the Court

5. Reservation of Rights

For the avoidance of doubt, we expressly reserve all rights to bring these matters before the Court, including by way of formal application, should the responses provided be insufficient or should further concerns arise.

We appreciate your prompt attention to this matter and look forward to your response. And I hope that the fact that you (KPMG) were the Revisor Fiscal of Canacol Energy during the time this happened and during the time Canacol did something very similar with Petropolar, issues that are being criminally investigated by the Fiscalia General de la Nacion in Colombia, criminal process in which you are probably going to be syndicated, doesnt affect your focus and judgement in terms of evaluating all the information that has been given to you and if you decide or not to share it with the court..

Yours faithfully,
[Henry Andres Olarte]
[General Manager]
[Global Oil & Energy Services]

COURT FILE NUMBER: 2501-18462
COURT: COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE: CALGARY

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANACOL ENERGY LTD. ET AL.

EXHIBIT B

EXHIBIT B
Second unanswered correspondence to the Monitor and counsel - KPMG audit-period, Petropolar and Venezuelan-related concerns

EMAIL HEADER / TRANSMISSION DETAILS

From: Andres Olarte <aolarte@goss.com.co>
To: pvaneyk@kpmg.ca; katherineforbes@kpmg.ca; duncanlau@kpmg.ca; tahreenfatima@kpmg.ca; canacol@kpmg.ca
Cc: sahnir@bennettjones.com; meyerk@bennettjones.com; brownc@bennettjones.com; clifton.prophet@gowlingwlg.com; sam.gabor@gowlingwlg.com; kate.yurkovich@gowlingwlg.com; david.cohen@gowlingwlg.com; gsanclemente@gmail.com; mrgomez@col-law.com
Date: April 5, 2026, 9:16 p.m. COT
Subject: Canacol CCAA - Formal Demand Regarding KPMG's Prior Audit-Period Knowledge, Petropolar Contradictions, and Venecol / Venezuelan-Related Matters

EMAIL BODY

Dear Sirs,

We write to KPMG Inc., in its capacity as Court-Appointed Monitor and Foreign Representative of the Canacol Group, regarding serious concerns that can no longer be treated as routine creditor inquiries.

This is a formal demand for immediate clarification concerning KPMG's prior knowledge, present disclosure obligations, and institutional position in circumstances where KPMG is not a newly arrived insolvency officer, but the former external auditor of Canacol during the very period in which the relevant Petropolar and Venezuelan-related events occurred.

KPMG was Canacol's auditor during the period in which:
(i) the Petropolar-related financial, accounting and court representation issues arose; and
(ii) the Venezuelan-related meetings and business structuring publicly reported in connection with Canacol, Colven Business & Corp, and Venecol Oil & Gas took place.

KPMG therefore cannot credibly portray itself as a wholly detached observer of historical events while simultaneously acting as Monitor and Foreign Representative in proceedings that now depend on full transparency, neutrality, and complete disclosure to creditors, courts, and authorities in multiple jurisdictions.

The concern is immediate and serious.

The record in our possession shows that on March 21, 2023, Petropolar's statutory auditor alerted Canacol executives, including senior personnel, that he was being denied access to accounting records, supporting documentation, and financial statements, thereby preventing him from carrying out his work. Yet, on September 1, 2023, Andres Valenzuela Pachon represented to the Juzgado 12 Civil del Circuito de Bogota that no credits existed in favor of Petropolar that would allow retention. This is irreconcilable with other materials reflecting balances and economic rights in favor of Petropolar.

This raises a direct and unavoidable question: if KPMG was Canacol's external auditor throughout that period, what exactly did KPMG know, review, test, escalate, or fail to escalate concerning Petropolar-related balances, accounting treatment, withheld information, restricted access to records, contradictory court statements, or contingent liabilities?

That issue becomes even more serious when viewed together with the separate Venezuelan-related matter.

Public reporting states that in October 2022 individuals acting in connection with Canacol participated in meetings in Caracas with Venezuelan state and military-linked counterparties, and that the business opportunity later moved through vehicles identified as Colven Business & Corp and Venecol Oil & Gas. The same reporting indicates that Anthony Zaidi, a Canacol executive, signed on behalf of Venecol Oil & Gas, and that Andres Valenzuela registered that company. These events also occurred while KPMG was still Canacol's auditor.

Accordingly, KPMG must answer plainly and without evasion:

1. During KPMG's tenure as Canacol's auditor, did KPMG become aware of any dispute, balance, payable, contingent liability, offset, holdback, reconciliation issue, or accounting treatment involving Petropolar Sucursal Colombia?

2. Did KPMG review or test any records, emails, management representations, or supporting documentation concerning the inability of Petropolar's statutory auditor to access accounting records and financial statements in March 2023?

3. Did KPMG identify, consider, or document any inconsistency between records reflecting balances or rights in favor of Petropolar and the later statements made before Colombian courts denying the existence of such credits?

4. Has KPMG, in its present role as Monitor, specifically investigated that contradiction?

5. If so, when did that investigation begin, what records were reviewed, what findings were reached, and why have those findings not been expressly disclosed to affected creditors and authorities?

6. During KPMG's audit tenure, did KPMG review any documents, correspondence, accounting treatment, board materials, legal memoranda, or management representations concerning Venecol Oil & Gas, Colven Business & Corp, or Venezuelan counterparties?

7. Did KPMG assess whether any Venezuelan-related business opportunity initially pursued through Canacol was subsequently transferred, diverted, externalized, or shifted to third-party vehicles?

8. Did KPMG consider whether such matters gave rise to any disclosure obligation, contingent asset, contingent liability, related-party issue, diverted corporate opportunity issue, off-balance-sheet exposure, or impairment/risk issue in Canacol's audited reporting?

9. Has KPMG, in its current role as Monitor and Foreign Representative, disclosed to the

Canadian Court and to Colombian authorities that KPMG itself was the company's external auditor during the very period now giving rise to these concerns?

10. Does KPMG take the position that it can act today as a fully neutral Monitor in relation to matters that arose during KPMG's own audit tenure without expressly addressing whether it knew, should have known, detected, failed to detect, escalated, or failed to escalate the underlying facts?

This is no longer merely a question of Canacol's inconsistent positions.

It is now a question of KPMG's credibility, disclosure integrity, and professional posture, first as auditor and now as Monitor.

If KPMG intends to continue presenting itself as a neutral court officer acting in the interests of creditors, then KPMG must immediately explain whether it is now investigating matters that arose during its own audit tenure and whether it previously failed to detect, escalate, disclose, or report facts that are now plainly material.

Any incomplete, evasive, or formulaic response will be taken as further evidence that this matter must be escalated before the relevant Canadian and Colombian authorities, including the Court, the Superintendencia de Sociedades, and any other competent body with jurisdiction over insolvency supervision, disclosure obligations, professional conduct, and creditor protection.

Nothing in this communication shall be understood as a waiver of rights, actions, objections, complaints, or remedies, all of which are expressly reserved.

Sincerely,

Henry Andres Olarte Cortes
GLOBAL OIL & ENERGY SERVICES S.A.S.
+57 3173835668

$4pt]IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c.C-36, AS AMENDED 4pt]AND IN THE MATTER OF A$

EXHIBIT C

EXHIBIT C
Proof of prior correspondence and absence of identified substantive response

This exhibit summarizes the prior correspondence sent by Henry Andres Olarte Cortes / Global Oil & Energy Services S.A.S. to KPMG Inc. and relevant counsel. It is intended to support the Creditor Correspondence and Request to be Heard / Request for Directions.

SUMMARY OF AVAILABLE GMAIL RECORDS

1. First correspondence:
Sent April 5, 2026 at approximately 8:43 p.m. COT from aolarte@goss.com.co to KPMG Monitor contacts and copied to Gowling WLG and Bennett Jones counsel.

2. Second correspondence:
Sent April 5, 2026 at approximately 9:16 p.m. COT from aolarte@goss.com.co to KPMG Monitor contacts and copied to Bennett Jones, Gowling WLG and Colombian counsel.

3. Automatic response located:
Gmail search located an automatic reply from Kate Yurkovich dated April 6, 2026 regarding the first correspondence. This is not a substantive response to the issues raised.

4. Subsequent emails located:
Subsequent service-list/TitanFile emails concerning the Canacol CCAA matter were located, including April 8, April 14-17 and April 23-24, 2026 items. These appear to be service-list or procedural notifications and not substantive responses to Global Oil's two communications.

5. Substantive response:
No substantive response from KPMG Inc., the Monitor, Applicants' counsel, or counsel to the Monitor specifically answering the two communications has been identified in the available Gmail search results reviewed for this package.

IMPORTANT FILING NOTE

If available before filing, attach the native Gmail print/PDF export of each sent email, including full headers, behind Exhibits A and B, and attach screenshots or exports showing no substantive reply behind this Exhibit C. This summary is not a replacement for official email header exports if the Court requests stricter proof of service or delivery.

$4pt]IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c.C-36, AS AMENDED 4pt]AND IN THE MATTER OF A$

EXHIBIT D

EXHIBIT D
Corporate authority / officer statement of Henry Andres Olarte Cortes

This exhibit is prepared as a signable officer statement. If available, attach the current Colombian certificate of existence and legal representation for Global Oil & Energy Services S.A.S. immediately after this page.

OFFICER STATEMENT

I, Henry Andres Olarte Cortes, state for purposes of the Creditor Correspondence and Request to be Heard / Request for Directions in Court File No. 2501-18462 as follows:

1. I am a legal representative/officer of Global Oil & Energy Services S.A.S., a Colombian company and affected creditor/stakeholder in matters connected to Canacol Energy Colombia S.A.S., CNE Oil & Gas S.A.S. and Petropolar Sucursal Colombia.

2. I am not a Canadian lawyer and do not purport to act as Canadian counsel. I submit the creditor correspondence as the company's representative/officer and respectfully request leave or procedural direction to be heard to the extent required.

3. Global Oil & Energy Services S.A.S. has an interest in the Canacol CCAA proceedings because the proceeding, the Colombian recognition process, the stay, the DIP financing, the SISP and creditor-impacting steps may affect Colombian creditors, Colombian assets, Colombian operating entities, and Petropolar-related rights or claims.

4. The two communications included as Exhibits A and B were sent by me or under my authority to the Monitor and relevant counsel.

5. To the best of my knowledge, no substantive response answering the concerns raised in those communications has been received.

6. I reserve all rights of Global Oil & Energy Services S.A.S. and its representatives in Colombia, Canada and any other applicable jurisdiction.

DATED at Bogota, Colombia, this ____ day of _____, 2026.

Henry Andres Olarte Cortes
Legal Representative / Officer
Global Oil & Energy Services S.A.S.
Telephone: +57 317 383 5668
Email: _____

COURT FILE NUMBER: 2501-18462
COURT: COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE: CALGARY

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANACOL ENERGY LTD. ET AL.

EXHIBIT E

EXHIBIT E
Colombian creditor background and supporting-document index

This exhibit provides a concise background summary for the Court and the Service List. It does not replace the underlying Colombian evidence or pleadings.

CONCISE BACKGROUND SUMMARY

Affected party:
Global Oil & Energy Services S.A.S., Colombian oilfield services company.

Relevant Colombian entities:
Petropolar Sucursal Colombia; Canacol Energy Colombia S.A.S.; CNE Oil & Gas S.A.S.

Nature of creditor background:
Services allegedly performed in Colombian operations connected to Petropolar and Canacol-related entities; unpaid invoices, damages and related disputes have given rise to Colombian judicial and administrative proceedings.

Petropolar / Canacol issue:
Global Oil has raised concerns that Petropolar-related credits, receivables, balances, offsets, holdbacks, economic rights or liabilities may not have been transparently reconciled across Colombian court positions and the Canadian CCAA record.

Colombian proceedings referenced:
Civil proceedings, administrative/insolvency-related submissions before Colombian authorities, and criminal complaint materials have been referenced in prior communications. Originals should be attached if requested by the Court or Monitor.

Purpose of this exhibit:
To provide a concise background for why Global Oil is an affected Colombian creditor/stakeholder seeking court-supervised clarification or Monitor reporting.

SUPPORTING-DOCUMENT INDEX

Potential supporting documents to attach later if required:

1. Colombian certificate of existence and legal representation of Global Oil & Energy Services S.A.S.
2. Relevant invoices / account statements supporting Global Oil's creditor position.
3. Colombian civil demand / subsanation materials involving Global Oil, Petropolar, Canacol Energy Colombia S.A.S. and CNE Oil & Gas S.A.S.
4. Colombian court filings or evidence concerning Petropolar credits, receivables or alleged statements denying credits.
5. Criminal complaint or investigative materials referenced in the prior correspondence, only if counsel determines appropriate.
6. Superintendencia de Sociedades / Colombian recognition proceeding submissions relevant to the Canacol CCAA process.
7. Public reporting materials relied upon for the Venezuelan-related corporate opportunity concerns, if the Court requires the underlying sources.

This background exhibit is intentionally concise to avoid overwhelming the Court with large evidentiary volumes at the initial correspondence/request-to-be-heard stage.

Appendix “C”

Philippi
Prietocarrizosa
Ferrero DU
&Uría

Bogotá D.C., 29 de abril de 2026

Señores
Global Oil & Energy Services S.A.S.
Atención: Henry Andrés Olarte Cortés
Gerente general

Ref.: Respuesta a los dos correos electrónicos recibidos el 5 de abril de 2026

Nicolás Tirado Tirado, mayor de edad, domiciliado en la ciudad de Bogotá D.C., identificado como aparece al pie de mi firma, actuando en mi calidad de apoderado especial de KPMG INC., quien actúa a su vez, en calidad de representante extranjero (el "**Representante Extranjero**") del proceso de reorganización principal adelantado en Canadá por Canacol Energy Ltd., y sus subsidiarias: 2654044 Alberta Ltd., Canacol Energy ULC, 2498003 Alberta ULC, Cantana Energy GMBH, CNE Oil & Gas S.R.L., Shona Holding GMBH, Canacol Energy Colombia S.A.S., CNE Energy S.A.S., y CNE Oil & Gas S.A.S., (en conjunto, las "**Deudoras**") me dirijo a ustedes con el fin de pronunciarme sobre dos correos electrónicos recibidos el 5 de abril de 2026.

De manera preliminar, el Representante Extranjero entiende que no existe relación jurídica ni contractual directa entre Global Oil & Energy Services S.A.S. ("**Global Oil**") y las Deudoras, por lo cual, Global Oil no es acreedora de las Deudoras. De acuerdo con el entendimiento del Representante Extranjero, Global Oil es acreedora de Petropolar Sucursal Colombia ("**Petropolar**"), una entidad sin recursos para cumplir con sus obligaciones, que tuvo una relación jurídica con las Deudoras.

Lo anterior fue tomando como base lo explicado en detalle por las Deudoras mediante memorial del 28 de enero de 2026 remitido a Global Oil y a la Superintendencia de Sociedades[1].

No obstante esto, entendemos que Global Oil ha promovido acciones judiciales contra algunas de las Deudoras. Según el entendimiento del Representante Extranjero, las Deudoras presentaron una solicitud para que se declare el desistimiento tácito de dichas acciones, derivado del incumplimiento de las cargas procesales de Global Oil. La solicitud está pendiente de respuesta[2].

Lo anterior quiere decir que según el leal saber y entender del Representante Extranjero, Global Oil no tiene relación jurídica con las Deudoras que lo haga parte del proceso de insolvencia que

[1] Radicado No. 2026-01-032419 del 29 de enero de 2026.

[2] Sobre este punto, debe tenerse en cuenta que toda acción judicial en contra de las Deudoras se encuentra suspendida en virtud de las órdenes dictadas por la Corte de Alberta, Canadá, en el marco del proceso de insolvencia iniciado por las Deudoras en Canadá el 18 de noviembre de 2025. Dichas órdenes, incluida la suspensión de acciones judiciales en contra de las Deudoras, fueron reconocidas en Colombia por parte de la Superintendencia de Sociedades desde el 11 de diciembre de 2025.

adelantan las Deudoras en Canadá en calidad de acreedor y, de igual manera, las acciones que ha iniciado en su contra se encuentran suspendidas por efecto de dicho proceso y el reconocimiento de las órdenes en Colombia por la Superintendencia de Sociedades.

Ahora bien, en el primer correo electrónico, Global Oil solicitó al Representante Extranjero aclarar e investigar la existencia de supuestas relaciones directas o indirectas entre las Deudoras y Colven Business & Corp y Venecol Oil & Gas, vehículos societarios supuestamente vinculados a oportunidades de negocio con contrapartes venezolanas estatales y militares.

Al respecto, el Representante Extranjero pone de presente que es un funcionario designado por la Corte de Alberta, Canadá, y sus funciones, facultades, cargas y deberes derivan de la ley de Canadá y las órdenes emitidas por dicha Corte. Por lo anterior que la solicitud de Global Oil excede el alcance, mandato y facultades del Representante Extranjero en el marco del proceso de insolvencia en Canadá.

En consecuencia, el Representante Extranjero no tiene ni capacidad ni competencia para llevar a cabo las investigaciones solicitadas por Global Oil, pues el Representante Extranjero está obligado a cumplir únicamente con las órdenes de la Corte de Alberta, Canadá, como funcionario designado por ésta, quien no le ha encomendado realizar este tipo de actividad. En todo caso y en el hipotético caso en el cual el Representante Extranjero realizase dichas investigaciones, tampoco estaría facultado para reportar los resultados a Global Oil.

En el segundo correo electrónico, Global Oil realizó ciertas preguntas al Representante Extranjero en relación con un conocimiento específico que pudo o no haber tenido durante su mandato como revisor fiscal de las Deudoras. En particular, cuestionó ciertos aspectos relacionados con Petropolar y operaciones venezolanas canalizadas a través de Colven Business & Corp y Venecol Oil & Gas. De igual manera, dicha comunicación cuestiona la capacidad del Representante Extranjero para actuar como monitor neutral respecto de hechos ocurridos durante su propio período de auditoría.

Al respecto, el Representante Extranjero no comenta sobre la relación que tuvo o tiene Global Oil con Petropolar, y pone de presente que KPMG LLP actuó como revisor fiscal de las Deudoras hasta agosto de 2023, es decir, hasta más de tres años antes del inicio del procedimiento de insolvencia ante la Corte de Alberta, Canadá el 18 de noviembre de 2025.

Al respecto, debe decirse que la designación de KPMG Inc. como monitor y representante extranjero de las Deudoras fue reconocida por la Corte de Alberta, Canadá, quien verificó que el Representante Extranjero cumplía con los requisitos legales y se encuentra habilitada para actuar en tal calidad, de conformidad con lo dispuesto en la Sección 11.7 del *Companies Creditors Arrangement Act* (CCAA) de Canadá.

En particular, KPMG Inc. cumple con los requisitos de la definición de *monitor* dispuestos en dicha sección, en la medida que no ha actuado como revisor fiscal de las Deudoras en ningún momento durante los dos años previos a su nombramiento como monitor.

De acuerdo con lo anterior, el Representante Extranjero no está incurso en un conflicto de interés para actuar como monitor y representante extranjero de las Deudoras.

Adicionalmente, se pone de presente que la información financiera de las Deudoras de la que tuvo conocimiento KPMG S.A.S. como revisor fiscal está sujeta a confidencialidad, por lo cual, KPMG S.A.S., no podía ni puede compartirla con Global Oil. En consecuencia, no es posible dar respuesta a ninguna de las preguntas planteadas por Global Oil, mucho menos considerando que no existe relación con las Deudoras.

Considerando las manifestaciones anteriores, el Representante Extranjero no puede acceder a ninguna de las solicitudes presentadas por Global Oil en los correos electrónicos.

****

Cordialmente,



Nicolás Alfonso Tirado Tirado
C.C No. 79.988.885 de Bogotá
T.P. No. 136.542 del C. S. de la J.

ENRIQUE SANTOS URZOLA
Traductor Oficial / Certified Translator
Certificado de Idoneidad No. 587 de septiembre del 2023
Bogotá, Colombia

OFFICIAL TRANSLATION No. LG-28

I, Enrique Santos Urzola, hereby certify that I am a professional translator, duly authorized by the Government of Colombia and competent in the Spanish and English languages.

I further certify that I have translated into English the document indicated below, this translation being a faithful and accurate version in English of the text that was electronically provided to me in Spanish:

Response letter dated April 29, 2026, addressed to Global Oil & Energy Services S.A.S., issued by special counsel for KPMG INC. in its capacity as Foreign Representative of the insolvency proceeding of Canacol Energy Ltd. and its subsidiaries under the Companies' Creditors Arrangement Act (CCAA) of Canada

The undersigned translator assumes no liability whatsoever with respect to the content, accuracy, authenticity or integrity of the electronic documents submitted for translation.

In witness whereof I sign and seal the present in Bogotá, on the thirtieth (30) day of the month of April of two thousand and twenty-six (2026).

Enrique Santos Urzola
Traductor e Intérprete Oficial
INGLES ___ ESPAÑOL ___ INGLES
Certificado de Idoneidad No. 587 del 7 de Septiembre de 2023

Bogotá D.C., April 29, 2026

Messrs.
Global Oil & Energy Services S.A.S.
Attention: Henry Andrés Olarte Cortés
Chief Executive Officer

Re.: Response to the two emails received on April 5, 2026

Nicolás Tirado Tirado, of legal age, domiciled in the city of Bogotá D.C., identified as shown below my signature, acting in my capacity as special counsel for KPMG INC., which acts in turn as the foreign representative (the "**Foreign Representative**") of the main restructuring proceeding carried out in Canada by Canacol Energy Ltd., and its subsidiaries: 2654044 Alberta Ltd., Canacol Energy ULC, 2498003 Alberta ULC, Cantana Energy GMBH, CNE Oil & Gas S.R.L., Shona Holding GMBH, Canacol Energy Colombia S.A.S., CNE Energy S.A.S., and CNE Oil & Gas S.A.S., (collectively, the "**Debtors**"), hereby address you for the purpose of responding to two emails received on April 5, 2026.

As a preliminary matter, the Foreign Representative understands that there is no direct legal or contractual relationship between Global Oil & Energy Services S.A.S. ("**Global Oil**") and the Debtors, and therefore Global Oil is not a creditor of the Debtors. According to the Foreign Representative's understanding, Global Oil is a creditor of Petropolar Sucursal Colombia ("**Petropolar**"), an entity without resources to meet its obligations, which had a legal relationship with the Debtors.

The foregoing was based on the detailed explanation provided by the Debtors in the written submission of January 28, 2026, addressed to Global Oil and to the Superintendency of Companies.[1]

Notwithstanding the above, we understand that Global Oil has initiated judicial actions against some of the Debtors. According to the Foreign Representative's understanding, the Debtors filed a request for the implied withdrawal of such actions to be declared, arising from Global Oil's failure to fulfill its procedural obligations. The request remains pending a response.[2]

The foregoing means that, to the best knowledge and understanding of the Foreign Representative, Global Oil has no legal relationship with the Debtors that would make it a party to the insolvency proceeding being carried out by the Debtors in Canada as a creditor, and, likewise, the actions it has initiated against them are stayed by virtue of such proceeding and the recognition of the orders in Colombia by the Superintendency of Companies.

Now, in the first email, Global Oil requested that the Foreign Representative clarify and investigate the existence of alleged direct or indirect relationships between the Debtors and Colven Business & Corp and Venecol Oil & Gas, corporate vehicles allegedly linked to business opportunities with Venezuelan state and military counterparties.

In this regard, the Foreign Representative notes that it is a court-appointed officer of the Court of Alberta, Canada, and that its functions, powers, obligations, and duties derive from Canadian law and the orders issued by that Court.

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1 Case No. 2026-01-032419 of January 29, 2026.

2 On this point, it must be noted that all judicial actions against the Debtors are stayed pursuant to the orders issued by the Court of Alberta, Canada, within the framework of the insolvency proceeding initiated by the Debtors in Canada on November 18, 2025. Such orders, including the stay of judicial actions against the Debtors, were recognized in Colombia by the Superintendency of Companies as of December 11, 2025.

Accordingly, Global Oil's request exceeds the scope, mandate, and powers of the Foreign Representative within the framework of the insolvency proceeding in Canada.

Consequently, the Foreign Representative has neither the authority nor the jurisdiction to conduct the investigations requested by Global Oil, as the Foreign Representative is bound to comply exclusively with the orders of the Court of Alberta, Canada, as a court-appointed officer thereof, which has not tasked it with carrying out this type of activity. In any event, and in the hypothetical scenario in which the Foreign Representative were to conduct such investigations, it would also not be authorized to report the results to Global Oil.

In the second email, Global Oil posed certain questions to the Foreign Representative regarding specific knowledge it may or may not have had during its tenure as statutory auditor of the Debtors. In particular, it raised certain matters related to Petropolar and Venezuelan operations channeled through Colven Business & Corp and Venecol Oil & Gas. Likewise, said communication questions the Foreign Representative's ability to act as a neutral monitor with respect to events that occurred during its own audit period.

In this regard, the Foreign Representative makes no comment on the relationship that Global Oil had or has with Petropolar, and notes that KPMG LLP acted as statutory auditor of the Debtors until August 2023, that is, more than three years before the commencement of the insolvency proceeding before the Court of Alberta, Canada on November 18, 2025.

In this regard, it must be noted that the appointment of KPMG Inc. as monitor and foreign representative of the Debtors was recognized by the Court of Alberta, Canada, which verified that the Foreign Representative met the legal requirements and is authorized to act in such capacity, in accordance with the provisions of Section 11.7 of the *Companies' Creditors Arrangement Act* (CCAA) of Canada.

In particular, KPMG Inc. meets the requirements of the definition of *monitor* set forth in that section, insofar as it has not acted as statutory auditor of the Debtors at any point during the two years prior to its appointment as monitor.

In accordance with the foregoing, the Foreign Representative is not subject to a conflict of interest in acting as monitor and foreign representative of the Debtors.

Additionally, it is noted that the financial information of the Debtors of which KPMG S.A.S. became aware in its capacity as statutory auditor is subject to confidentiality, and therefore KPMG S.A.S. could not and cannot share it with Global Oil. Consequently, it is not possible to respond to any of the questions raised by Global Oil, particularly considering that no legal relationship with the Debtors exists.

In light of the foregoing, the Foreign Representative cannot grant any of the requests submitted by Global Oil in the emails.

****

Sincerely,

[Handwritten signature]
Nicolás Alfonso Tirado Tirado
National ID No. 79.988.885, Bogotá
Bar Card No. 136.542 issued by the Superior Council of the Judicature

Appendix “D”



From: van Eyk, Paul <pvaneyk@kpmg.ca>
Sent: Wednesday, November 26, 2025 1:37 PM
To: aolarte@goss.com.co
Cc: Raj Sahni <sahnir@bennettjones.com>; Kelsey Meyer <meyerk@bennettjones.com>; Forbes, Katherine J <katherineforbes@kpmg.ca>
Subject: Canacol Energy CCAA

Henry,

Thank you for your email dated November 26, 2025 and your request to be added to the service list. Copied on email is counsel to KPMG Inc., who will add you to the service list. At this time no claims process has been approved by the respective Courts.

Kind regards,

Paul

This email was sent to you by **KPMG** (https://info.kpmg.ca). To sign up to receive event invitations and other communications from us (we have some informative publications that may be of interest to you), or to stop receiving electronic messages sent by KPMG, visit the **KPMG Online Subscription Centre** (https://subscribe.kpmg.ca).

At KPMG we are passionate about earning your trust and building a long-term relationship through service excellence. This extends to our communications with you.

Our lawyers have recommended that we provide certain disclaimer language with our messages. Rather than including them here, we're drawing your attention to the following links where the full legal wording appears.

- **Disclaimer concerning confidential and privileged information/unintended recipient** (https://disclaimer.kpmg.ca).
- **Disclaimer concerning tax advice** (https://taxdisclaimer.kpmg.ca).

If you are unable to access the links above, please cut and paste the URL that follows the link into your browser.

From:	CA-FM Canacol Energy Ltd
To:	Andres Olarte; kbfiling-calgary@justice.gc.ca
Cc:	CA-FM Canacol Energy Ltd
Subject:	RE: Creditor Informational Filing – Global Oil & Energy Services S.A.S. & Henry Andrés Olarte – Omitted Claim Notice [EXTERNAL]

Hello Andres,

On November 18, 2025 the Court of King's Bench of Alberta (the **"Court"**) in Canada issued an order pursuant to the Companies' Creditors Arrangement Act. This order provided for certain relief, including a *stay of proceedings* against the Canacol Group. The Monitor has also initiated proceedings in Colombia for a stay of proceedings and for Colombian recognition of the relief granted in the Canadian proceedings pursuant to the Companies' Creditors Arrangement Act.

Please note that the listing of known creditors on the Monitor's website is a *preliminary* listing. The Monitor will update our records as more information becomes available. Accordingly, we have included Global Oil & Energy Services S.A.S on our creditors' listing and you will received any go-forward communications that are provided to the creditors of Canacol Group.

Please also note that to date, no claims procedure has been approved by the Court, and accordingly creditors are not required to file a proof of claim at this time. Should there be a claims procedure approved by the Court, you will be notified at that time.

Thank you,

KPMG INC.
In its capacity as Monitor of
The Canacol Group
And not in its personal or corporate capacity

From: Andres Olarte <aolarte@goss.com.co>
Sent: Wednesday, November 26, 2025 12:23 PM
To: kbfiling-calgary@justice.gc.ca
Cc: CA-FM Canacol Energy Ltd <canacol@kpmg.ca>; canacolccaa@torys.com
Subject: Creditor Informational Filing – Global Oil & Energy Services S.A.S. & Henry Andrés Olarte – Omitted Claim Notice [EXTERNAL]

Descargar archivo adjunto
Disponible hasta el dic 26, 2025

CAUTION: This Email is from an EXTERNAL source. Ensure you trust this sender before clicking on any links or attachments.

Dear Clerk of the Court,

Please receive this Creditor Informational Filing submitted jointly by

(ii) Global Oil & Energy Services S.A.S. (“GOES”) (corporate creditor),

in connection with the ongoing CCAA proceedings of The Canacol Group.

This filing is respectfully submitted to notify the Court of:

1. The existence of a material creditor claim that was omitted from the Petitioners’ “List of Known Creditors” filed on November 25, 2025;
2. Active judicial proceedings in Colombia directly related to this claim, including an Ordinary Civil Action, Executive Proceedings with embargo orders, and a Criminal Complaint for fraud and procedural misrepresentation;
3. A liquidated claim in the amount of USD 1,073,844.06, corresponding to unpaid invoices arising from services performed under contracts CNE-029-2022 and CEC-029-2022 at wells operated by the Canacol Group;
4. An unliquidated damages claim totaling COP 31,546,336,823, supported by expert economic reports and sworn statements submitted before Colombian courts;
5. Evidence of material nondisclosure and misrepresentation by Canacol Energy Colombia S.A.S. and CNE Oil & Gas S.A.S. before Colombian judicial authorities;
6. Judicial embargoes already issued in Colombia on credits payable to Petropolar, directly affecting the Canacol Group’s financial

position

Attached to this email are:

- A Court-Ready PDF containing the full Informational Filing;
- A structured ZIP package containing supporting documents, including:
    - The Ordinary Civil Action (Subsanación),
    - The Expert Economic Report (Peritaje),
    - The invoice list supporting the USD 1,073,844.06 claim,
    - The Criminal Complaint,
    - The Power of Representation,
    - The Procuraduría communication,
    - The KPMG Notice to Creditors, and
    - The Petitioners' "Known Creditors List," which omitted our claims

We respectfully request that the Court:

- Take judicial notice of this filing;
- Ensure that both creditor claims (liquidated and unliquidated) are recognized and incorporated in the CCAA proceedings;
- Instruct the Monitor to review and include these claims in the official claims database;
- Consider the evidence of nondisclosure and the ongoing judicial proceedings in Colombia when evaluating future steps in these proceedings.

Please confirm receipt of this filing at your earliest convenience.

Should the Court or the Monitor require any additional information, documents, or sworn statements, we remain fully available to provide them without delay.

Respectfully submitted,

Henry Andrés Olarte Cortés

Representative of Global Oil & Energy Services S.A.S.

Bogotá, Colombia

[aolarte@goss.com.co]

[+57-3173835668

]

Hacer clic para descargar

GOES_KPMG_Package_Complete 2.zip

0 bytes

From: Kelsey Meyer
To: Andres Olarte
Cc: canacol@kpmg.ca; pvaneyk@kpmg.ca; katherineforbes@kpmg.ca; Raj Sahni; Chyna Brown
Subject: RE: Information Provided to the Monitor - Potential Relevance to Legal Assessment
Date: Thursday, December 4, 2025 11:08:16 AM
Attachments: image001.png

Hello Mr. Olarte Cortés,

The Monitor has received a number of emails from you, including the information in your email below. The Monitor is looking into this information. In the meantime, we note that:

- We have added you to the Service List, so you will receive notice of proceedings in this matter;
- All court-filed materials are available on the Monitor's website at https://kpmg.com/ca/canacol so you can also check the website for information and updates;
- There is no claims process in the CCAA proceedings at present. Parties on the service list will receive notice of any claims process, which will also be posted to its website.

Thank you,

Kelsey

Kelsey Meyer
Partner, Bennett Jones LLP
4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7
T. 403 298 3323 | F. 403 265 7219
BennettJones.com

Bennett Jones

From: Andres Olarte <aolarte@goss.com.co>
Sent: Thursday, December 4, 2025 6:45 AM
To: Raj Sahni <SahniR@bennettjones.com>; Kelsey Meyer <MEYERK@bennettjones.com>; Chyna Brown <brownc@bennettjones.com>
Cc: canacol@kpmg.ca; pvaneyk@kpmg.ca; katherineforbes@kpmg.ca
Subject: Information Provided to the Monitor - Potential Relevance to Legal Assessment

Dear Counsel,

I hope this message finds you well.

My name is Henry Andrés Olarte Cortés, legal representative of Global Oil & Energy Services S.A.S., a creditor participating in the Canacol Group CCAA proceedings.

In the interest of transparency and cooperation, I wish to inform Bennett Jones, in its role as legal counsel to the Monitor, that earlier today I submitted a Technical Memorandum to the Monitor (KPMG Inc.).

The memorandum contains information originating from Colombia which may be relevant to the Monitor's evaluation of:

- the Applicants' disclosure obligations,
- the timeline and foreseeability of certain liabilities, and
- potential inconsistencies between statements made in Colombian judicial proceedings and those made within the CCAA filings.

The information relates specifically to communications issued by the Statutory Auditor of Petropolar Sucursal Colombia in March 2023, prior to the emergence of several liabilities now reflected in creditor claims.

We understand that this context may be material to the Monitor's broader assessment of pre-filing circumstances.

For contextual purposes only — and without alleging any wrongdoing — the memorandum also notes that KPMG LLP acted as external auditor of Canacol during this period, which may assist in understanding the information available to management at the relevant time.

I am reaching out to Bennett Jones only to ensure that the legal counsel supporting the Monitor is aware of the submission, should it be pertinent to the Monitor's analysis or future reporting to the Court.

Should you or the Monitor require any supporting documentation, including the Statutory Auditor's communications or Colombian court records, we remain ready to assist.

Thank you for your attention, and please do not hesitate to contact me if further information would be helpful.

Kind regards,

Henry Andrés Olarte Cortés

Legal Representative

Global Oil & Energy Services S.A.S.

aolarte@goss.com.co

+57 317 383 5668

Bogotá, Colombia

Appendix “E”

Canacol Energy Ltd.
Pagos Pre-Admisión
Con corte al 18 de abril de 2026

Proveedor	Créditos Pre-Admisión Pagados (COP)	Créditos Pre-Admisión Pagados (USD)
Proveedor 1	14,216,039,694	3,999,963.45
Proveedor 2	3,388,209,111	953,339.53
Proveedor 3	2,690,342,785	756,981.06
Proveedor 4	2,468,271,568	694,496.94
Proveedor 5	2,270,688,103	638,902.93
Proveedor 6	2,147,463,175	604,231.16
Proveedor 7	1,518,046,137	427,132.25
Proveedor 8	1,490,062,671	419,258.55
Proveedor 9	1,457,225,622	410,019.20
Proveedor 10	1,224,325,235	344,488.08
Proveedor 11	1,129,560,881	317,824.26
Proveedor 12	1,037,159,906	291,825.42
Proveedor 13	1,022,408,756	287,674.89
Proveedor 14	880,218,814	247,666.94
Proveedor 15	868,535,319	244,379.56
Proveedor 16	786,622,185	221,331.68
Proveedor 17	781,519,339	219,895.90
Proveedor 18	740,019,231	208,219.02
Proveedor 19	730,735,566	205,606.88
Proveedor 20	700,335,338	197,053.17

Canacol Energy Ltd. **Pagos Pre-Admisión** **Con corte al 18 de abril de 2026**		
Proveedor 21	656,256,703	184,650.78
Proveedor 22	507,904,825	142,909.05
Proveedor 23	472,188,070	132,859.44
Proveedor 24	449,281,818	126,414.31
Proveedor 25	447,207,321	125,830.61
Proveedor 26	415,996,702	117,048.89
Proveedor 27	405,520,076	114,101.08
Proveedor 28	331,387,683	93,242.47
Proveedor 29	322,515,897	90,746.22
Proveedor 30	308,492,801	86,800.54
Proveedor 31	301770074.6	84,908.97
Proveedor 32	267,607,862	75,296.76
Proveedor 33	257,598,942	72,480.55
Proveedor 34	256,103,657	72,059.82
Proveedor 35	247,583,623	69,662.54
Proveedor 36	213,760,387	60,145.71
Proveedor 37	212290060.6	59,732.00
Proveedor 38	211,156,812	59,413.14
Proveedor 39	200,545,976	56,427.57
Proveedor 40	198,993,292	55,990.69
Proveedor 41	195,071,722	54,887.28
Proveedor 42	193,557,185	54,461.14

Canacol Energy Ltd. Pagos Pre-Admisión Con corte al 18 de abril de 2026		
Proveedor 43	187,035,853	52,626.23
Proveedor 44	185,767,012	52,269.22
Proveedor 45	178,294,070	50,166.56
Proveedor 46	177,726,998	50,007.00
Proveedor 47	173,827,689	48,909.85
Proveedor 48	170,060,010	47,849.74
Proveedor 49	166,577,680	46,869.92
Proveedor 50	165,708,595	46,625.39
Proveedor 51	164,698,472	46,341.17
Proveedor 52	163,190,076	45,916.75
Proveedor 53	161,692,932	45,495.50
Proveedor 54	161,477,902	45,435.00
Proveedor 55	161,177,195	45,350.39
Proveedor 56	156,506,596	44,036.22
Proveedor 57	145,937,729	41,062.46
Proveedor 58	143,966,119	40,507.71
Proveedor 59	125,365,284	35,274.00
Proveedor 60	119,643,162	33,663.97
Proveedor 61	114,497,126	32,216.03
Proveedor 62	107,588,610	30,272.18
Proveedor 63	103,834,892	29,216.00
Proveedor 64	98,946,783	27,840.63

Canacol Energy Ltd. Pagos Pre-Admisión Con corte al 18 de abril de 2026		
Proveedor 65	98,550,042	27,729.00
Proveedor 66	97,738,647	27,500.70
Proveedor 67	95072767.76	26,750.60
Proveedor 68	87,021,629	24,485.25
Proveedor 69	81,834,305	23,025.70
Proveedor 70	74,190,859	20,875.06
Proveedor 71	72,861,521	20,501.03
Proveedor 72	71,350,367	20,075.83
Proveedor 73	65,335,786	18,383.51
Proveedor 74	62,266,264	17,519.84
Proveedor 75	60,708,688	17,081.59
Proveedor 76	57,226,567	16,101.82
Proveedor 77	56,592,868	15,923.52
Proveedor 78	53,273,721	14,989.61
Proveedor 79	53,206,298	14,970.64
Proveedor 80	52,251,700	14,702.05
Proveedor 81	49,763,287	14,001.88
Proveedor 82	47,308,802	13,311.27
Proveedor 83	47,148,409	13,266.14
Proveedor 84	46,415,548	13,059.93
Proveedor 85	44,109,885	12,411.19
Proveedor 86	41,507,902	11,679.07

Canacol Energy Ltd. **Pagos Pre-Admisión** **Con corte al 18 de abril de 2026**		
Proveedor 87	41,314,296	11,624.59
Proveedor 88	40,531,680	11,404.39
Proveedor 89	40,351,396	11,353.66
Proveedor 90	38,206,668	10,750.20
Proveedor 91	34,903,680	9,820.84
Proveedor 92	34,775,961	9,784.90
Proveedor 93	33,746,260	9,495.18
Proveedor 94	31,972,578	8,996.12
Proveedor 95	30,972,897	8,714.84
Proveedor 96	30,142,716	8,481.25
Proveedor 97	29,601,335	8,328.92
Proveedor 98	28,898,914	8,131.28
Proveedor 99	28,271,197	7,954.66
Proveedor 100	28,091,899	7,904.21
Proveedor 101	25,719,759	7,236.76
Proveedor 102	24,939,795	7,017.30
Proveedor 103	24,593,838	6,919.96
Proveedor 104	23,249,209	6,541.62
Proveedor 105	22,614,109	6,362.93
Proveedor 106	21,539,497	6,060.56
Proveedor 107	19,652,097	5,529.51
Proveedor 108	17,860,317	5,025.35

Canacol Energy Ltd. Pagos Pre-Admisión Con corte al 18 de abril de 2026		
Proveedor 109	14,904,381	4,193.64
Proveedor 110	14,057,925	3,955.47
Proveedor 111	13,421,544	3,776.42
Proveedor 112	13,166,024	3,704.52
Proveedor 113	12,319,790	3,466.42
Proveedor 114	10,972,773	3,087.41
Proveedor 115	10,701,967	3,011.21
Proveedor 116	10,542,636	2,966.38
Proveedor 117	10,288,268	2,894.81
Proveedor 118	10,028,476	2,821.71
Proveedor 119	9,996,205	2,812.63
Proveedor 120	9,184,410	2,584.22
Proveedor 121	9,132,431	2,569.59
Proveedor 122	9,012,578	2,535.87
Proveedor 123	8,571,033	2,411.63
Proveedor 124	7,877,515	2,216.49
Proveedor 125	7,394,700	2,080.64
Proveedor 126	7,213,703	2,029.72
Proveedor 127	7,185,932	2,021.90
Proveedor 128	6,843,258	1,925.49
Proveedor 129	6,136,061	1,726.50
Proveedor 130	5,763,234	1,621.60

Canacol Energy Ltd. Pagos Pre-Admisión Con corte al 18 de abril de 2026		
Proveedor 131	5,463,296	1,537.21
Proveedor 132	5,281,495	1,486.05
Proveedor 133	5,122,172	1,441.22
Proveedor 134	4,788,791	1,347.42
Proveedor 135	4,448,988	1,251.81
Proveedor 136	4,088,297	1,150.32
Proveedor 137	3,907,817	1,099.54
Proveedor 138	3,576,543	1,006.33
Proveedor 139	3,245,171	913.09
Proveedor 140	3,201,178	900.71
Proveedor 141	3,036,662	854.42
Proveedor 142	2,884,305	811.56
Proveedor 143	2,691,832	757.40
Proveedor 144	2,668,049	750.71
Proveedor 145	2,545,139	716.13
Proveedor 146	2,479,339	697.61
Proveedor 147	2,479,339	697.61
Proveedor 148	2,364,931	665.42
Proveedor 149	2,349,174	660.99
Proveedor 150	2,053,549	577.81
Proveedor 151	1,928,905	542.74
Proveedor 152	1,912,042	537.99

Canacol Energy Ltd. **Pagos Pre-Admisión** **Con corte al 18 de abril de 2026**		
Proveedor 153	1,861,764	523.84
Proveedor 154	1,660,433	467.20
Proveedor 155	1,258,052	353.98
Proveedor 156	1,152,960	324.41
Proveedor 157	1,007,637	283.52
Proveedor 158	938,167	263.97
Proveedor 159	828,485	233.11
Proveedor 160	680,136	191.37
Proveedor 161	430,157	121.03
Proveedor 162	429,823	120.94
Proveedor 163	407,540	114.67
Proveedor 164	224,864	63.27
Proveedor 165	223,703	62.94
Proveedor 166	200,140	56.31
Proveedor 167	156,574	44.06
Proveedor 168	156,388	44.00
Proveedor 169	99,372	27.96
Total	**54,320,735,724**	**15,284,212**

Tab

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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.
DOCUMENT	**REPLY BENCH BRIEF OF LAW**

Clerk's Stamp

JUDICIAL CENTRE OF CALGARY
FILED DIGITALLY
2501 18462
May 20, 2026
4:29 PM
CLERK OF THE COURT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Gowling WLG (Canada) LLP
1 First Canadian Place
100 King Street West, Suite 1600
Toronto ON M5X 1G5

Attn: Clifton Prophet/ Sam Gabor/ Katherine Yurkovich

Telephone (416) 862-3509/ (403) 298-1946/ (416) 862-4342
Facsimile (416) 862-7661
Email: clifton.prophet@gowlingwlg.com / sam.gabor@gowlingwlg.com / kate.yurkovich@gowlingwlg.com

File No. G10088627

APPLICATION BEFORE THE HONOURABLE JUSTICE FEASBY
MAY 21, 2026, AT 2:00 P.M. (MDT) ON THE CALGARY COMMERCIAL LIST

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PART 1 - INTRODUCTION AND OVERVIEW

1. This Reply 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. ("**CNEOG**") (collectively, the "**Applicants**", the "**Company**", or the "**Canacol Group**").

2. The Applicants rely on their Bench Brief dated May 1, 2026 (the "**Bench Brief**"), the Affidavit of Jason Bednar #9 affirmed April 28, 2026 (the "**Bednar Affidavit #9**"), the Confidential Supplementary Affidavit(s) of Jason Bednar placing the Subject Agreements before the Court, and the Reply Affidavit of Jason Bednar affirmed May 16, 2026 (the **"Bednar Reply Affidavit**"). This Reply Brief responds to certain issues and objections advanced by the Respondents, including in the brief(s) of law and evidence (collectively, the "**Responding Materials**") filed on behalf of Petromil Gas S.A.S. E.S.P. ("**Petromil**"), Corex Energy S.A.S. E.S.P. (formerly South32 Energy S.A.S. E.S.P.) ("**CoreX**"), Gas Hub S.A.S. E.S.P. ("**Gas Hub**"), Group Energético de las Américas S.A.S. E.S.P. ("**GEAM**"), Atinkana S.A.S. E.S.P. ("**Atinkana**"), Surtigas S.A. E.S.P. ("**Surtigas**"), Gases del Caribe S.A. E.S.P. ("**GdC**"), Gases de la Guajira S.A. E.S.P. ("**GdlG**"), Promigas S.A. E.S.P. ("**Promigas**"), Enel Colombia S.A. E.S.P. ("**Enel**"), Gases del Oriente S.A. E.S.P. ("**GdO**") and Canaven Transportes de Colombia S.A.S. ("**Canaven**") (collectively, the "**Respondents**" or the "**Counterparties**").

3. Unless otherwise stated, capitalized terms used in this Reply Brief are defined in the Bednar Affidavit #9 and the Bednar Reply Affidavit, as applicable.

4. Contrary to the positions being taken by the Counterparties, if the terms of the Subject Agreements which govern the transportation and sale of Canacol Group's natural gas are not changed to make them substantially less burdensome for Canacol Group, the Applicants will not be able to carry on as a going concern and will likely be required to

transition to a liquidation plan in the short-term. Given the failure to date to obtain Counterparty agreement to workable amendments to the Subject Agreements,[1] this has left Canacol Group with no option but to seek the Disclaimer Orders.

5. By requesting the disclaimer of the Subject Agreements, Canacol Group is seeking to avoid a transition to liquidation. Disclaiming the Subject Agreements does not mean terminating sale and supply of natural gas to Canacol Group's customers. Should this Court grant the Disclaimer Orders, all it will do is reset the commercial relationships between Canacol Group and the Counterparties, allowing new commercial relationships and contracts to be established, on workable terms less burdensome to Canacol. In circumstances where the Canacol Group's Offtake Agreement Counterparties say that natural gas is in short supply in Colombia and that replacement costs are substantially higher than the fixed prices they currently pay to Canacol Group, it is contrary to all commercially reasonable norms to argue, as the Respondents do, that new agreements with Canacol Group will not or cannot be reached following disclaimer.

6. Without changes to the Subject Agreements to provide for less burdensome terms to the Company, the liquidation of Canacol Groups' property is the likely outcome because:

   (a) the Canacol Group will not be able to satisfy a key condition precedent (acceptable amendment or disclaimer of the Subject Agreements) to the advance of the next tranche of its essential DIP Financing, and it will run out of money to operate in the short-term;

   (b) bid participants in Canacol Groups' ongoing SISP will not complete a transaction permitting the business to transition out of CCAA; and

[1] The Applicant's note that one Counterparty, Petromil, has entered into workable amendments to its offtake agreement with Canacol Group, subject to the satisfaction of conditions relating to board approval and agreement by a counterparty to whom Petromil says it has natural gas supply obligations.

(c) no acquiror or investor will provide the injections of new capital needed to fund the exploration and development required to restore production and allow the business to resume its supply of gas at previously committed volumes and to succeed.[2]

7. As it has done throughout these proceedings, in seeking the Disclaimer Orders, the Canacol Group is continuing its efforts to maintain the supply of natural gas to Colombian customers. Contrary to the arguments of the Counterparties, the most certain path to a disruption in supply of natural gas to customers is if the Disclaimer Orders are not made and amendments to the Subject Agreements making them less burdensome are also either not made or become the subject of protracted further discussions. Any assumptions by the Counterparties that Canacol Group can afford to "hold on" over weeks is profoundly mistaken. In the absence of further financing, and based on the Company's existing cash flows, the Canacol Group will need to halt work-over activities focussed on restoring production and begin its transition towards an orderly liquidation in the near term. Simply stated the Canacol Group will have run out of cash and runway. The Applicants' DIP Lenders have been very clear that they will not fund further amounts under the DIP Facility unless the relief being sought is granted or favourable changes are otherwise made to the Subject Agreements.

8. Despite all of these challenges, the Canacol Group remains fully prepared to negotiate in good faith consensual improvements to the Subject Agreements that will allow it to be viable, both in its current circumstances and in the long term. As the Canacol Group has communicated to the Counterparties, the required changes to the relevant Subject Agreements at a high level, are as follows:

(a) moving pricing under the Offtake Agreements from below market fixed prices to relevant market pricing for customers in the nonregulated market;

(b) the waiver of accrued and accruing penalties and minimum payment obligations related to Canacol Group's current and projected inability to ship minimum

[2] Bendar Reply Affidavit at paras 7-9, 14-15.

contracted volumes under its "take or pay" Offtake Agreements and ship or pay transport agreements, on acceptable terms and for a reasonable period; and

(c) reduction in the term/duration of existing Offtake Agreements providing for supply to customers in the regulated market.[3]

9. These changes are what is required to ensure that Canacol Group remains a viable and operating business, continues to be able to supply natural gas to customers in Colombia, and maximizes the value of its enterprise for the benefit of all stakeholders. These are the ultimate objectives of the Canacol Group's restructuring.

PART 2 - FACTS

10. The facts relating to the Company's application are set out in detail in the Bednar Affidavit #9 and the Bednar Reply Affidavit and are only summarized here as necessary.

11. The Canacol Group is a Colombian-based natural gas producer. Since the commencement of these CCAA proceedings, production has been adversely affected by natural reservoir depletion and development timing. The Canacol Group's current production levels are materially below the volumes required to satisfy the Subject Agreements. The Canacol Group does not have the capital, within the existing DIP Facility and cash-flow framework, to restore contract-compliant production levels during these CCAA proceedings.[4]

12. The Subject Agreements fall into three functional categories:

(a) First, the **Offtake Agreements** are physical natural gas supply contracts. They require nomination, physical delivery, measurement, invoicing, payment, transfer of title, and operational coordination. The Offtake Agreements include the Consumer Offtake Agreements, Commercial Offtake Agreements, and Dual Category Offtake Agreements.[5]

[3] Bednar Reply Affidavit, at para 24.
[4] Bednar Affidavit #9 at paras 9-16, 25, 56-59; Bednar Reply Affidavit at paras 56-67; Transcript of Questioning of Jason Michael Bednar by G. Benchetrit ("**Bednar Transcript**"), p. 8, line 9, to p. 11, line 16.
[5] Bednar Affidavit #9 at paras 18-24; Bednar Reply Affidavit at paras 21-24.

(b) Second, the **Promigas Agreements** are firm transportation and related trust arrangements. They impose ship-or-pay transportation obligations and, in the case of the Promigas Trust, channel gas-sale proceeds through a waterfall that applies those receipts first to Promigas related obligations and reserve requirements before payment of net proceeds to the Canacol Group.[6]

(c) Third, the **Canaven Agreement** is an LNG transportation, storage, regasification and delivery services contract that was entered into to support the GdO Consumer Offtake Agreements. If the GdO Offtake Agreements are disclaimed, the Canaven Agreement has no independent commercial utility for the Applicants but continues to create payment and claim exposure.[7]

13. The financial consequences of leaving the Subject Agreements in place are severe. The Canacol Group faces substantial accrued and accruing Monthly Penalties under the Offtake Agreements, substantial early termination exposure under the Offtake Agreements, aggregate ship or pay early termination exposure, ongoing Promigas minimum volume transportation obligations, and ongoing Canaven services-chain exposure.

14. The Applicants' DIP Facility makes the present Application critical. The Third AR DIP Commitment Letter increased the DIP Facility by adding a delayed-draw Tranche A-2 sub-facility. The Tranche A-2 advances are subject to conditions tied to the amendment, disclaimer, and Colombian recognition of the Subject Agreements. Those advances are required to fund ongoing operations, preserve the SISP, and maintain the possibility of a going-concern transaction.[8]

15. As described in detail in the Bednar Reply Affidavit, Phase 2 bidders identified the existing terms of the Subject Agreements as a principal impediment to a transaction, including below-market pricing for non-regulated demand, accrued and accruing penalties,

[6] Bednar Affidavit #9 at paras 34-43, 53-54.
[7] Bednar Affidavit #9 at paras 44-49, 55.
[8] Bednar Affidavit #9 at paras 56-59; Third AR DIP Commitment Letter.

compensation obligations, ship-or-pay charges, and mandatory firm delivery obligations that current production cannot satisfy.[9]

16. The Responding Materials raise a number of broad objections to the Disclaimer Application:

(a) First, several Respondents say that the Applicants have not complied with the requirements of section 32 of the CCAA because they failed to deliver disclaimer notices in accordance with the strict terms of section 32;

(b) Second, the Offtake Agreements Counterparties assert that certain of the Offtake Agreements are eligible financial contracts ("**EFCs**"), and are therefore exempt from being disclaimed;

(c) Third, the Respondents claim that the disclaimer of the Subject Agreements will cause each applicable Counterparty financial hardship;

(d) Fourth, the Respondents assert that alleged public-interest, market, and supply disruption consequences are relevant to the Court's analysis of whether the Subject Agreements can and should be disclaimed; and

(e) Finally, the Respondents assert that Colombian regulatory law or forum considerations should prevent this CCAA court from granting the relief sought in respect of the Disclaimer Application.

PART 3 - ISSUES

17. The issue to be determined by this Honourable Court is whether it should grant the Disclaimer Orders. The Respondents' objections to this Application raise the following questions:

[9] Bednar Reply Affidavit at paras 10-14.

(a) Whether the Applicants may proceed by application for Court-approved Disclaimer Orders rather than by the delivery of unilateral notices contemplated by section 32(1) of the CCAA;

(b) Whether any of the Subject Agreements are properly characterized as an EFC and are therefore exempt from disclaimer under section 32(9) of the CCAA;

(c) Whether the factors prescribed under section 32(4) of the CCAA favour granting the Disclaimer Orders; and

(d) Whether Colombian regulatory, forum, or downstream impact arguments provide any basis for this Court to refuse the relief being sought.

PART 4 - LAW AND ARGUMENT

A. *The Applicants are not Obligated to Deliver a Notice Pursuant to s.32 of the CCAA*

18. The Applicants seek the Disclaimer Orders under the Court's broad jurisdiction pursuant to section 11 of the CCAA, and by reference to the factors set out in section 32(4) of the CCAA.

19. In the circumstances, the Applicants submit that the Court should consider whether the proposed relief is: (1) appropriate in the circumstances, (2) advances a restructuring purpose, and (3) in furtherance of the remedial purposes of the CCAA.[10]

20. Objections raised to the procedure by which the Applicants are seeking the disclaimer of the Subject Agreements, namely, by Court order rather than through the delivery of the statutory notice prescribed under section 32(1) of the CCAA, should be rejected. This issue has already been determined by the Honourable Justice Kuntz in her oral decision rendered May 8, 2026.

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[10] *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, Part -1, s 11, 32 **[Tab 1]**; *9354-9186 Québec inc. V Callidus Capital Corp.*, 2020 SCC 10 (CanLII) at paras 48—49 **[Tab 2]**; *Canada v Canada North Group Inc.*, 2021 SCC 30 (CanLII) at para 21 **[Tab 3].**

21. Specifically, Justice Kuntz held that "the language in section 32 of the CCAA is not so prescriptive as to prohibit a variation under section 11", and that the process prescribed under section 32, while informing the entitlement of counterparties to procedural fairness, may operate differently in different CCAA circumstances given the Court's powers under section 11 of the CCAA. This decision answers the Respondents' threshold procedural objections.[11]

22. As submitted to Justice Kuntz, there is a practical cross-border reason for the manner in which the Applicants have brought this Application. The attempted disclaimer of the Subject Agreements through the delivery of unilateral section 32(1) CCAA notice(s) may be difficult to enforce in Colombia because the notices do not constitute a court order that can be recognized by the Colombian court. The Colombian recognition framework addresses foreign insolvency proceedings and foreign judicial decisions through applications for recognition by the Monitor, in its capacity as Foreign Representative. As the Subject Agreements deal with property in Colombia, recognition in Colombia is required for any disclaimer to be effective. Accordingly, the Applicants are seeking the granting of the Disclaimer Orders to make recognition of any disclaimer relief granted an effective and orderly process in Colombia.

23. In any event, concerns raised by the Respondents regarding procedural fairness have been addressed and satisfied. In that regard:

    (a) The Canacol Group's Application was served on April 28, 2026 to all Counterparties or their respective counsel. By May 21, 2026, the return date for this Application, 28 days will have lapsed since this Application was served;

    (b) The original return date for a hearing of this Application was adjourned from May 7, 2026 to May 21, 2026, providing all Counterparties with an additional 14 days to review all materials filed by the Applicants in support of this Application, file responding evidence, cross examine Mr. Bednar on the Bednar Affidavit #9 and the Bednar Reply Affidavit, and serve responding brief(s), in accordance with the

[11] Kuntz Oral Reasons, May 8, 2026, p 3 l 13-p 4 l 18.

litigation schedule which was agreed upon by the relevant parties in advance of the Application and at the direction of Justice Kuntz; and

(c) The Counterparties and the Applicants agreed to a timely litigation schedule, which has been adhered to. Real time litigation has been implemented in the circumstances of this case.

24. The Respondents have had a full opportunity to be heard. The Respondents have not identified any further procedural prejudice that would justify refusing the Disclaimer Order relief that is otherwise necessary to preserve the Canacol Group's restructuring.[12]

B. ***The Statutory Exceptions to Disclaimer are not Applicable in the Circumstances – None of the Subject Agreements are Eligible Financial Contracts***

25. With respect to any arguments advanced by the Respondents that the Subject Agreements constitute EFCs, the Applicants adopt and rely on the bench brief of law filed by the DIP Lenders May 20, 2026. In addition, the Applicants make the submissions set out immediately following.

26. Sub-section 32(9) of the CCAA excludes four types of agreement from disclaimer. The only category of excluded agreement of even arguable application in this application is that addressing EFCs. For the purposes of section 32(9) and disclaimer applications, the EFC Regulations enacted pursuant to the CCAA prescribe specific classes of financial agreements, including derivatives agreements, as EFCs.

27. If accepted by the Court, the arguments of certain of the Respondents that their Subject Agreements are EFCs would have the legal effect of converting ordinary long-term physical commodity contracts that have no financial purpose into EFCs, merely because they contain fixed prices, firm volumes, stipulated damages, guarantees, set off provisions or price-indexing language. This interpretation does not accord with the definition and interpretation of EFCs under statute and in jurisprudence, and could have unintended

[12] Bednar Reply Affidavit, paras 4-6 and Exhibits B-E; Kuntz Oral Reasons, May 8, 2026.

precedential effects on the broader interpretation and application of Canadian insolvency law going forward.[13]

28. The Applicants submit that the characterization of any of the Subject Agreements as an EFC would undermine the CCAA's restructuring purpose and turn a narrow provision intended to protect capital-market agreements into broad immunity for routine, physical supply, transportation and service contracts.

(A) *The Offtake Agreements are not EFCs*

29. The Subject Agreements do not serve a financial purpose. The Offtake Agreements are physical gas supply contracts. Their commercial objective is the delivery and sale of natural gas. They require nomination, physical delivery, measurement, invoicing, payment, transfer of title, and operational coordination. They do not provide for cash settlement against a commodity index in lieu of gas delivery.[14]

30. The Responding Materials rely on *Bellatrix* and *Blue Range* for the assertion that certain Offtake Agreements are EFCs. These authorities do not stand for the proposition that every physically-settled, fixed-price commodity supply contract is an EFC. Reliance on these authorities requires a contextual analysis of an agreement's specific legal and commercial characteristics.

31. In the circumstances, the Canacol Group entered into the Offtake Agreements to sell and deliver physical Colombian natural gas in the ordinary course of the primary gas market, not to manage financial risk, trade price exposure, cash settle market differentials, or provide a financial hedge.[15]

32. CoreX argues that this Court is bound by its decision in *Bellatrix* based on horizontal *stare decisis*. Respectfully, the factual matrix of *Bellatrix* was materially different from the facts

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[13] CCAA, ss 2(1), 32(9)(a) **[Tab 1]**; *Eligible Financial Contract Regulations (Companies' Creditors Arrangement Act)*, SOR/2007-257 **(EFC Regulations)**, ss 1—2 **[Tab 4]**;.
[14] Bednar Affidavit #9, paras 18-24; Bednar Reply Affidavit, paras 21-22.
[15] *Bellatrix Exploration Ltd. (Re)*, 2020 CarswellAlta 350 [*Bellatrix*] at paras 124—139, 170—173**[Tab 5]**; *Enron Capital & Trade Resources Canada Corp. v Blue Range Resource Corp.*, 2000 ABCA 239 (CanLII) **[Tab 6]** at paras 49—55; Bednar Reply Affidavit, para 21.

in the present circumstances and the Subject Agreements in question are entirely different commercial arrangements. The Applicants submit that horizontal *stare decisis* does not bind this Court to characterize every long-term natural gas supply contract as an EFC. Horizontal *stare decisis* guards against the re-litigation of law and promotes consistency in materially similar cases; it does not eliminate the Court's obligation to interpret and properly characterize the commercial agreements, the subject of this Application and the specific factual matrix before it.[16]

33. The Responding Materials submitted by GEAM, Gas Hub and Atinkana (collectively, the "**Commercializer Parties**") further illustrate this overreach. The Commercializer Parties argue that their applicable Offtake Agreements are EFCs because they contain fixed pricing, fixed terms, determinable volumes, and financial consequences for non-delivery. Those features are common in long term physical commodity contracts. If the presence of these characteristics alone amounted to an agreement being characterized as an EFC, the exception found under section 32(9) of the CCAA would immunize broad and sweeping categories of ordinary commercial supply contracts from the restructuring tools provided under the CCAA.[17]

34. Mr. Zuniga's testimony for GEAM on cross examination confirms this point. Specifically, Mr. Zuniga accepted that only GEAM used the fixed-price component of the Offtake Agreements to hedge against pricing fluctuations. When asked, Mr. Zuniga admitted that he had no evidence regarding whether the GEAM Offtake Agreements operated as a financial hedge for the Canacol Group, because he was unaware of Canacol's other sales or variable-price exposure.[18] The unilateral and subjective statements of one party concerning its intentions do not govern a contract's interpretation.

35. Mr. Zuniga also accepted that the contractual penalty clause under the GEAM Offtake Agreement is not tied to replacement cost, market price, or the actual price of natural gas

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[16] Brief of Law of Corex Energy S.A.S. E.S.P. filed on May 6, 2026 ("**Corex Brief**"), paras 57-66; *R. v Sullivan*, 2022 SCC 19 at paras 56—57, 66, 68 **[Tab 7].**

[17] Affidavit of Diego Rosado Zuniga sworn on May 13, 2026, paras 37-44 (**GEAM Affidavit**); Affidavit of Felipe Trujillo Ferreira sworn on May 13, 2026, paras 37-44 (**GAS HUB Affidavit**); Affidavit of Humberto Botero Garcia sworn on May 13, 2026, paras 39-46 ("**Atikana Affidavit**); CCAA, s 32(9)(a); EFC Regulations, ss 1—2.

[18] Transcript of Questioning of Diego Luis Rosado Zuniga ("**Zuniga Transcript**"), p. 6, line 17, to p. 7, line 24, p. 20 line 10, to p. 22, line 22.

in Colombia at the time of any proposed termination. Rather, Mr. Zuniga confirmed that the applicable penalty clause is calculated by reference to the Monthly Contract Price and a multiplier of 120 days. This particular provision is a stipulated and specific contractual remedy, not derivatives-market netting or the cash settlement of a financial instrument.[19]

36. The alleged set-off and netting terms also do not change the characterization of the Offtake Agreements and bear no relationship to the netting terms found in actual EFCs. Ordinary billing-dispute provisions, invoice adjustments, payment guarantees, or stipulated damages clauses are not netting provisions of the kind employed in the derivatives market (which in contrast contemplate netting or set off based on prevailing market prices). They are ordinary commercial terms in a long-term physical supply contract. Regard must be had to the contract as a whole and its commercial context to determine its character.[20]

(B) *The Promigas Agreements and the Canaven Agreement*

37. The Promigas Agreements and the Canaven Agreement are even further removed from EFC status. The Promigas Agreements reflect transportation and trust/payment arrangements. The Canaven Agreement is an operating services contract for LNG transportation, storage, regassification and delivery. Neither the Promigas Agreements nor the Canaven Agreement is a derivative agreement or other prescribed EFC.[21]

C. *The Factors Prescribed under section 32 of the CCAA Favour Granting the Disclaimer Orders*

38. In determining whether an agreement should be disclaimed, the Court will consider, among other things, the following factors prescribed by section 32(4) of the CCAA:

(a) whether the monitor approved the proposed disclaimer or resiliation;

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[19] Zuniga Transcript, p. 11 line 8, to p. 12, line 23; Bednar Reply Affidavit, paras 21-24.
[20] Bednar Reply Affidavit, para 22; *Bellatrix* at para 52**[Tab 5]**; *Androscoggin Energy LLC (Bankruptcy), Re,* 2005 CanLII 3581 (ON CA) at para 15 **[Tab 8]**;
[21] Bednar Affidavit #9, paras 34-49; EFC Regulations, ss 1-2.

(b) whether the disclaimer or resiliation would enhance the prospects of a viable compromise or arrangement being made in respect of the company; and

(c) whether the disclaimer or resiliation would likely cause significant financial hardship to a party to the agreement.

39. A consideration of the s. 32(4) factors above requires a balancing of interests. The disclaimer of a contract must be fair, appropriate and reasonable in all the circumstances. Ultimately, it is a discretionary decision to determine whether the disclaimer should be upheld. This discretion is exercised by weighing the competing interests and prejudice to the parties and assessing whether the disclaimer or resiliation is fair and reasonable.[22]

40. The Applicants submit that granting the Disclaimer Orders is fair and reasonable in the circumstances, considering the competing interests at stake, for the following reasons.

(i) The Monitor Approves of the Disclaimer of the Subject Agreements

41. The Monitor previously approved the Disclaimer of the Subject Agreements, as reported in the Seventh Report of the Monitor filed in this proceeding. The Applicants' understand that the Monitor will be filing a supplemental report, and that the Monitor's position in respect of the disclaimer of the Subject Agreements remains unchanged. Significant weight should be accorded to the Monitor's recommendation.[23] As the Court recognized in *Laurentian* and *Quest University*, the expertise of a court-appointed monitor in matters of this kind must be acknowledged and given appropriate deference.[24]

(ii) The Disclaimer of the Subject Agreements Will Enhance/Enable a Viable Restructuring

42. As noted, since workable changes to the Subject Agreements have not been agreed upon to date, an Order from this court exercising its authority under s. 11 of the CCAA to provide

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[22] *Laurentian University of Sudbury*, 2021 ONSC 3272 (CanLII) at para 44 **[Tab 9].**
[23] *Nortel Networks Corporation (Re)*, 2018 ONSC 6257 (CanLII) at para 27**[Tab 10]**; *Aralez Pharmaceuticals Inc., Re*, 2018 ONSC 6980 at para 36**[Tab 11]**; *Aveos Fleet Performance Inc.*, 2012 QCCS 4074 at para. 50(f) **[Tab 12].**
[24] *Laurentian University of Sudbury*, 2021 ONSC 3272 (CanLII) at para 39**[Tab 9]**; *Quest University Canada (Re)*, 2020 BCSC 1883 at paras 103—104**[Tab 13].**

for the disclaimer of the Subject Agreements and to permit prompt renegotiation is the Applicants' only path forward.

43. Under the Third AR DIP Commitment Letter, it is a true condition precedent to the making of the Fifth Subsequent Advance, among other things, that the Subject Agreements have been amended on terms satisfactory to the DIP Lenders or that the Disclaimer Orders have been made.[25]

44. Based on the Revised Cash Flow Forecast,[26] the Applicants' immediately require the US$15 million constituting the Fifth Subsequent Advance to pay expenses due and projected expenses falling due. Without this funding the Canacol Group will not be able to meet its liabilities and will need to scale back and significantly reduce expenditures relating to its ongoing operations. In those circumstances, the Applicants may have no practical alternative but to shut down operations and proceed towards piecemeal liquidation. This would result in impairment of the continuity of gas supply to Canacol Group's customers.[27]

45. In addition to the immediate liquidity and knock-on effects of a failure to obtain a disclaimer of the Subject Agreements and more favourable renegotiated terms, the Canacol Group remains unable to secure a transaction from bidder participants in its ongoing SISP if the Subject Agreements cannot be disclaimed and/or renegotiated.[28]

46. The Applicants have submitted cogent evidence to the Court received from the Sale Advisor that Phase 2 bidders view the Subject Agreements on their current terms as material impediments to the completion of a transaction for the sale of Canacol's assets because:

(a) pricing under the Offtake Agreements is materially below current market pricing;[29]

[25] Bednar Affidavit #9, Exhibit "A", PDF p. 33-34.
[26] Monitor's Seventh Report, para. 60.
[27] Bednar Reply Affidavit, para. 15.
[28] Bednar Replied Affidavit, paras. 11 and 14.
[29] Bednar Reply Affidavit, para 12.

(b) the Canacol Group has accrued, and will continue to accrue, significant penalties, compensation obligations, ship-or-pay charges, and other monetary claims under the Subject Agreements; and

(c) current production levels are not sufficient to satisfy mandatory delivery volumes under the Offtake Agreements (and resulting penalties accruing after a transaction cannot be sustained) or the fixed transportation obligations under the Promigas Agreements.[30]

47. The Applicants have determined, acting reasonably, that based on this feedback, absent the Subject Agreements being disclaimed (or otherwise renegotiated on terms satisfactory to the Applicants, the DIP Lenders and participating bidders), there is a real and substantial risk that the SISP will not result in any going concern transaction[31]. Without a disclaimer or acceptable renegotiation of the Subject Agreements, there will be no ability for the Applicants' business, no matter who owns it, to secure the significant new capital needed to fund necessary expenditures to increase gas production and ultimately achieve volume levels that will help satisfy downstream customer demand. Unless the Subject Agreements are disclaimed or renegotiated on terms acceptable to the Applicants and the DIP Lenders, and considered acceptable to prospective bidders, the Applicants expect the SISP to fail. If the SISP fails, the Applicants will lose access to further advances under the DIP Facility and may have no practical alternative but to pursue a liquidation of their assets. That outcome would create precisely the supply disruption that the Counterparties say they seek to avoid.[32]

48. Unless a transaction emerges from the SISP, there is no certainty that the Canacol Group business can be sustained in the medium term. For commercially understandable reasons, the DIP Lenders have not made an open-ended commitment to funding losses incurred by Canacol Group indefinitely. In particular, the final advance under the Third Amended and Restated Commitment Letter is due no later than June 15, 2026 and no further funding is

[30] Bednar Reply Affidavit, para 12.
[31] Bednar Affidavit #9, para 14.
[32] Bednar Reply Affidavit, para 7-9.

contemplated.[33] In these circumstances, the Canacol Group would not be able to continue ongoing operations unless another restructuring option arose.

49. Failing to obtain a disclaimer of the Subject Agreements and more favourable renegotiated terms will also, separately, prevent the Canacol Group from being able to attract the capital investment required to restore production levels. This will not only prevent the Canacol Group from being able to resume satisfaction of the gas volumes sought by the Counterparties (both for transport and sale), but will also prevent the business from returning to longer-term viability as a financially successful enterprise.[34]

50. Certain of the Respondents have taken issue with the information in the Bednar Reply Affidavit concerning Phase 2 bidder issues raised with the Subject Agreements. These Respondents argue that this evidence is hearsay and should not be given weight. Canacol rejects this position.

51. *In JBuck and Sons Inc v Resource Land Fund V, LP*, the Alberta Court of King's Bench referenced the law that reporting provided to the Court by a court appointed office will be recognized as admissible evidence in a proceeding because the evidence meets the evidentiary requirements of necessity and reliability.[35]

52. It is common in insolvency proceedings that professional advisors will support debtors and court officers, such as monitors, on providing information to the Court on the status of sales processes and that value has been maximized for the sale of assets.[36] In this case, the Sales Advisor was retained by the Applicants, including to assist in reviewing and analyzing bids received, and structuring and negotiating any potential transaction.[37] Its role as Sale Advisor was previously approved by this Honourable Court.[38] The information conveyed by the Sale Advisor to the Applicants regarding bidder feedback is one key piece of information that should be considered by the Court to asses if the Applicants can

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[33] The DIP Loan also matures on June 30, 2026.
[34] Bednar Reply Affidavit, para. 33.
[35] *JBuck and Sons Inc v Resource Land Fund V, LP*, 2023 ABKB 308 at para 30 **[Tab 14].**
[36] *Target Canada Co. (Re)*, 2015 ONSC 1487 (CanLII) at paras 1, 18-20**[Tab 15]**
[37] Affidavit of Jason Bednar #5 sworn January 9, 2026, para 32.
[38] Sale Process Approval and Other Relief Order, dated January 26, 2026.

reasonably sell their business as a going concern. This information presented by the Sale Advisor to the Applicants is reliable and has strong probative value given the Sales Advisor's previous appointment by the Court and that the sales process is being overseen by the Monitor. The information regarding bidder feedback evidences a principal impediment that the Canacol Group faces to complete a successful transaction, and the evidence should be given significant weight by the Court.

53. Taking account of all of the foregoing, disclaimers of the Subject Agreements constitute the only way to a viable restructuring, and a viable restructuring is the only way to ensure that Colombian customers have continuity of gas supply. The alternative, leaving the Subject Agreements as they are, will have the exact opposite effect.

(iii) The Respondents Have Not Shown Financial Hardship Sufficient to Disallow the Disclaimer of the Subject Agreements

54. The third statutory factor asks whether a disclaimer would likely cause significant financial hardship to a party to the agreement. The threshold onus to establish "significant financial hardship" of the Counterparties in opposing the disclaimers is high. There must be specific evidence of financial hardship. Mere loss or damage is not sufficient, and it must be likely that the hardship is caused by the disclaimer.[39]

55. This factor does not ask whether the counterparty will have a claim or lose the economic benefit of its bargain. Loss of a commercial bargain is inherent in contract disclaimers. The issue is whether the evidence shows likely significant financial hardship to the contracting party, assessed against the restructuring benefit and the consequences to the estate if relief is refused.

56. The Responding Materials do not provide evidence sufficient to establish significant financial hardship meriting a rejection of the Disclaimer Orders. As noted, to establish significant financial hardship, a counterparty has the onus of providing specific evidence of financial hardship. The test to establish "significant financial hardship" is subjective and

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[39] *Laurentian University of Sudbury*, 2021 ONSC 3272 (CanLII) at para 46(c) **[Tab 9]**; citing *Target Canada Co. Re*, 2015 ONSC 1028 at para 26 **[Tab 15].**

depends on an examination of the individual characteristics and circumstances of the counterparty.[40]

57. The Responding Materials assert generalized descriptions of replacement cost exposure, downstream claims, tariff impacts, regulatory risk, public market, macro and micro economic consequences as evidence of financial hardship. Generally speaking, the Responding Materials lack the necessary evidentiary record (financial statements, liquidity evidence, solvency evidence and other expert evidence) to establish significant financial hardship. Significantly, and unlike the circumstance of the objecting counterparty in *Laurentian*, none of the Counterparties have alleged or provided any evidence that disclaimer will lead to their insolvency or the failure of their business.

(A) ***Promigas***

58. Promigas argues that a disclaimer of the Promigas Agreements would impair its revenue, profitability, financing, role as a public utility service provider, and the value of its existing transportation infrastructure. Promigas goes on to state that the Promigas Agreements are indispensable to Canacol and any bidder that is participating in the SISP. The objections raised by Promigas do not address or provide an answer to the Canacol Group's evidence that the Promigas Agreements are and will continue to impose ongoing ship-or-pay charges, trust funding and top-up obligations, and early termination exposure that the restructuring cannot support.[41]

59. Promigas has not established that the disclaimer or termination of the existing Promigas Agreements will result in significant financial hardship to Promigas within the meaning of section 32(4)(c) of the CCAA. Promigas has merely asserted the effects on revenue and on business that will result from the relief being sought. Promigas has not provided specific liquidity or solvency evidence that is sufficient to outweigh the restructuring harm that would result from maintaining the Promigas Agreements in the circumstances.[42] In

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[40] *Laurentian University of Sudbury*, 2021 ONSC 3272 (CanLII) at para 46(d) **[Tab 9]**

[41] Brief of Law of Promigas S.A. E.S.P. filed on May 6, 2026 ("**Promigas Brief**"), paras 4, 17-23; Bednar Reply Affidavit, paras 53-54, 63-67.

[42] Promigas Brief, paras 17-23; CCAA, s 32(4)(c) **[Tab 1].**

addition, Promigas is a significant public utility with a range of other clients, of which the Canacol Group is but one.

(A) ***Surtigas/ Gases Del Caribe / Gases De La Guajira***

60. Surtigas, GdC and GdlG (collectively, the "**Distributors**") rely on the size and vulnerability of their customer bases and on alleged tariff, regulatory and public-interest consequences that would allegedly result from a disclaimer. This is not evidence that any of the Distributors themselves will suffer significant financial hardship as a contracting party.

61. The objections put forward by the Distributors are derivative of the assumption that Canacol will cease supplying gas should the Disclaimer Orders be granted and the applicable Subject Agreements be terminated.[43]

62. As noted, that assumption is inconsistent with both the Canacol Group's evidence, and with the commercial reality that post-disclaimer arrangements remain available if Counterparties agree to accept operationally and financially viable terms.[44] The Applicants have been clear that they intend to continue supply at volumes they can achieve under viable arrangements. In the circumstances, the way to avoid customer disruption is to preserve the producer as a going concern, not to compel it to perform contracts that its current production and financing cannot support.[45]

63. In respect of Surtigas, on cross examination, Ms Alvarado accepted that, depending on the terms, Surtigas might agree to keep buying gas from Canacol following a disclaimer or termination of the Surtigas Consumer Offtake Agreement recognized in Colombia. The broader economic evidence put forward by Ms Alvarado regarding financial hardship was not expert evidence. Ms Alvarado confirmed on the record that she has no formal training

[43] Joint Brief of Law of Surtigas S.A. E.S.P., Gases Del Caribe S.A. E.S.P. and Gases de la Guajira S.A. E.S.P. ("**Colombian Distributors Brief**"), paras 5-16, 32-40.
[44] Bednar Reply Affidavit, paras 16-20.
[45] Bednar Reply Affidavit, paras 17-20, 63-67; Bednar Cross-Examination by Ramirez, p 60 l 15-p 61 l 2.

as an economist, and that her evidence relied on her experience, internal materials and general public reports.[46]

(B) ***CoreX***

64. CoreX and CNEOG entered into an agreement in February 22, 2021, wherein CNEOG is required to supply CoreX with 16,000 MBTU per day of natural gas ("**SE Agreement**"), which is then resold by CoreX to the Cerra Matoso mine in Colombia (the "**Cerra Matoso**" or the "**Mine**"). CoreX has not met its onus that it will suffer significant financial hardship that would justify refusal of a disclaimer order. CoreX is a subsidiary of its ultimate parent corporation, CoreX Holding B.V. ("**CoreX Holding**") and part of a multinational conglomerate of companies (the "**CoreX Group of Companies**") that provides numerous services worldwide. The CoreX Group of Companies operates in 10 sectors, including metals and mining, ports and terminals, green energy, Maritime transport and logistics, infrastructure and construction, petroleum and gas, chemicals, international trade, financial investments and venture capital. Corex Holding has its financial headquarters in the Netherlands and operational headquarters in Turkey, is active in 55 countries on 5 continents, employing more than 20,000 people worldwide.[47] During its first year of operations, the CoreX Group of Companies made close to 2 billion USD of investments.[48]

65. Cerro Mataso S.A. is also part of the Corex Group of Companies, having been purchased in 2025 by a subsidiary of CoreX Holding.[49]

66. CoreX's business activities includes supplying electricity for other parties.[50] It has several corporate purposes, and its corporate purpose is <u>not</u> solely the supply of natural gas to the Mine,[51] which CoreX's affidavit evidence implies. CoreX's primary and secondary businesses as reported by it to the corporate registry service in Colombia both relate to the

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[46] Transcript of Questioning of Jackeline Del Carmen Puente Alvarado ("**Alvarado Transcript**"), p. 18, line 22, to page 20, line 27, p. 21 line 5 to p. 22, line 16.
[47] Transcript of Questioning of Zamir Centanaro, sworn May 13, 2026 ("**Centanaro Transcript**"), p. 32, paras 22-27, pg. 33, paras 1-13; Exhibit 6 to Centanaro Transcript – CoreX website, Who We Are page; Exhibit 7 to Centarao Transcript – CoreX annual report 2025.
[48] Centanaro Transcript, Exhibit 7 (Core Annual Report 2025), p. 9.
[49] Centanaro Transcript, p. 37, lines 1-7.
[50] Centaro Transcript, p. 13, lines 10-20; p. 17, lines 20, 25; Centanaro Affidavit, Exhibit A.
[51] Centaro Transcript, p. 13, lines 2-9.

supply and generation of electricity, not the supply of natural gas.[52] CoreX has several long term electricity purchase contracts and a long term electricity contract from January 1, 2023 to December 31, 2029 with a company called Enerco S.A. E.S.P and another contract with the Mine.[53] CoreX's website states that it provides several different services: (a) Electricity marketing electrical energy; (b) Natural gas marketing; (c) Energy consultancies; and (d) Commercial representation of electricity generation projects.[54]

67. CoreX's primary source of revenue in 2025 as reported by it to the Colombia corporate registry service is derived from "electricity commercialization marketing", not natural gas sales to the Mine.[55]

68. Based on the evidence, if the SE Agreement is disclaimed, CoreX can continue its electricity related division, which is the primary revenue generating side of its business. No evidence is before the Court which states that CoreX would fail as a business or even its electricity division would fail from a disclaimer of the SE Agreement. A reasonable inference can also be drawn it could receive support from the CoreX Group of Companies if it required financial support given the size of the international conglomerate.

69. CoreX's witness further testified that if the Applicants' business fails: (a) no natural gas supplier (not just the Canacol Group) will be able to supply gas to the Mine for 6-12 months for the current price under the SE Agreement;[56] (b) CoreX would need to purchase natural gas from the Colombian national transportation system at a price 3-4 times higher than it is paying now from the Applicants under the SE Agreement;[57] and (c) CoreX would still need to seek natural gas from another source for the Mine, if the Cerro Matoso chose to continue to buy gas.[58]

70. CoreX's entire evidentiary case provides that the Mine must purchase natural gas to continue to operate. Thus, the conclusion derived from the testimony of Mr. Centanaro is

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[52] Affidavit of Zamir Centanaro, sworn May 13, 2026 ("**Centanaro Affidavit**"), Exhibit A.
[53] Exhibit B for Identification (Answer to Undertaking) Centanaro Transcript – p. 33 and 34.
[54] Centanaro Transcript, p. 2, line 7, to p. 23, line 27.
[55] Centanaro Transcript, p. 21, lines 7-17; Exhibit 6 to Centanaro Transcript.
[56] Centanaro Transcript, p. 40, lines 16-27; p. 41, line 1.
[57] Centanaro Transcript, p. 45, lines 23-27; p. 46, lines 1-19.
[58] Centanaro Transcript, p. 44, lines 6-12

that Cerro Matoso will need to seek natural gas at a higher price regardless if the disclaimer of the SE Agreement is granted by the Court or if the Applicants' business fails. It is in the same position in either scenario. CoreX will then continue its business of seeking natural gas for the Mine under its current contract with the Mine.

71. Finally, the Affidavit evidence of Mr. Centanaro assumed that Canacol would not sell the Mine any natural gas if the SE Agreement is disclaimed by the Court.[59] This is not the case. As stated above, the Applicants intend on continuing to sell natural gas to their purchasers, including CoreX, but require improved contractual terms with them to successfully restructure.

72. CoreX makes speculative arguments that the application for the Disclaimer Orders have been brought for an improper purpose. The purpose and reason for the disclaimers, including for the SE Agreement, is referenced throughout this Applicants' Bench Briefs and in the Applicants' evidence.

73. CoreX finally argues on the macro economic effects which will occur in Colombia if the SE Agreement is disclaimed. Such evidence relied upon is speculative and should be given no weight as it is not supported by expert evidence.[60] Further, the Mine is part of the CoreX Group of Companies, which could provide the Mine financial assistance in its purchase natural gas greater than the price under the terms of the SE Agreement.

(C) *GEAM/ Gas Hub/ Atinkana*

74. The Responding Materials submitted by the Commercializer Parties are the clearest examples of ordinary commercial loss being inaccurately reframed as a basis upon which to object to contract disclaimer. Each of these parties rely heavily on modelled replacement cost-exposure, downstream customer claims, regulatory penalties and asserted termination claims as a basis of showing financial hardship. The Commercializer Parties' Responding Materials all rely on the same economic theory, namely, that their fixed price purchase

[59] Centanaro Transcript, p. 38, lines 14-23; page 39, lines 1-27
[60] *CNOOC Petroleum North America ULC v 801 Seventh Inc*, 2021 ABQB 81 (CanLII) at para 51 **[Tab 16].**

contracts provide them with a hedge against market prices, and that losing that bargain exposes them to higher-cost replacement procurement.[61]

75. The theory advanced by each of the Commercializer Parties is not sufficient to establish financial hardship on the contracting parties. None of these Counterparties provide financial statements, liquidity evidence, or solvency analysis establishing that disclaimer is likely to cause significant financial hardship. Rather, the figures presented by the Commercializer Parties in the Responding Materials are modelled on potential replacement price and exposure and damages without any context.[62]

76. On cross examination, Mr. Zuniga confirmed that GEAM's position is that it *wants* to contract with Canacol on the same terms as currently exist. Mr. Zuniga's evidence on cross examination did not establish that entering into new Offtake Agreement(s) with the Canacol Group would be *impossible*, or even a significant hardship.[63]

77. Mr. Zuniga confirmed on cross examination that the downstream harm claimed by GEAM is avoidable through commercial compromise. In that regard, Mr. Zuniga accepted that supply-replacement problems would only arise if GEAM and Canacol could not enter into a new agreement after termination. His evidence did not establish that a new arrangement was impossible. Evidence that GEAM wishes to preserve its existing bargain does not equate to evidence of significant financial hardship in the circumstances.[64]

(D) ***Petromil***

78. Petromil asserts that "La Lucha" (Petromil's natural gas processing and distribution facility) supports Colombian municipalities, and that it will be difficult for Petromil to find replacement supply should the applicable Subject Agreement be terminated. Even if those assertions were accepted at face value, they do not amount to significant financial hardship to Petromil itself. Petromil has failed to provide financial statements, liquidity evidence or

[61] GEAM Affidavit, paras 25-27, 51; Gas Hub Affidavit, paras 25-27, 50-51; Atinkana Affidavit, paras 27-29, 52..
[62] GEAM Affidavit, paras 25-31; Gas Hub Affidavit, paras 24-30; Atinkana Affidavit, paras 26-32
[63] Zuniga Transcript, p. 25, line 15, to p. 26, line 20.
[64] Zuniga Transcript, p. 27, line 11 to p. 30, line 12.

solvency analysis showing that a disclaimer of its Subject Agreement would likely cause significant financial hardship to Petromil as a Counterparty.[65]

79. The substance of Petromil's evidence is public-interest and supply-chain prejudice, not financial hardship of the kind contemplated by section 32(4)(c) of the CCAA.

80. Petromil's evidence and submissions also assume that disclaimer necessarily produces or results in supply disruption. As noted, that assumption is inconsistent with the Applicants' evidence. If Petromil or its downstream customers require gas, and the parties can reach a new agreement with viable terms, nothing in the proposed Disclaimer Orders prevents post-disclaimer supply.[66]

(E) ***ENEL / Gases Del Oriente / Canaven***

81. Enel, GdO and Canaven rely principally on letters, translations, or materials that are not properly sworn evidence in the form required for this Application. Those materials are not admissible and should be given no weight. [67]

D. *Colombian Regulatory and Contract-Amendment Arguments do not Defeat Disclaimer Orders*

82. A number of the Respondents raised objections that this CCAA Court is not the appropriate forum for the relief being sought in connection with the disclaimer application, on the basis that each of the Subject Agreements is governed by Colombian law, is performed in Colombia, and involves Colombian Counterparties.[68] These objections are without merit and ought to be rejected.

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[65] Affidavit of Cindy Paola Cotes Murgas sowrn on May 14, 2026, paras 5-17; Brief of Petromil GAS S.A.S. E.S.P. (**Petromil Brief**) at paras 9-17, 44-49

[66] Petromil Brief, paras 44-49; Bednar Reply Affidavit, paras 17-20; Bednar Cross-Examination by Ramirez, p 60 l 15-p 61 l 2

[67] *Financial Asset Management Services Ltd. v. Panther*, 2003 BCCA 346 at para 13 **[Tab 17]**; *Singh v. Canada (Citizenship and Immigration)*, 2025 FC 1846 at para 30 **[Tab 18].**

[68] Bednar Reply Affidavit, para 28.

83. The Applicants are not asking this Court to decide the scope or final effect of Colombian law in respect of the Disclaimer Order, rather, they are asking this Court to exercise its CCAA jurisdiction over the Applicants and their restructuring.[69]

84. Each of the Canacol Group entities that is a party to a Subject Agreement is an Applicant in these proceedings.[70] The Superintendency has recognized these CCAA proceedings as a foreign main proceeding and has recognized KPMG Inc. as the Monitor and Foreign Representative.[71] The Colombian court has already accepted the supervisory jurisdiction of this Court over the Applicants, their property and their restructuring.

85. Should this Court grant the Disclaimer Orders, the Foreign Representative will seek recognition of those orders before the Superintendency, and any objections to such recognition based on Colombian law can be property addressed in that forum and considered by the Superintendency.

86. Furthermore, objections based on this Court's authority based on Colombian law have been previously made in these proceedings and dismissed. For example, at the hearing before the Honourable Justice Mah on December 10, 2025, a party raised substantially the same argument: that this Court could not grant relief (in that instance, approval of the DIP Financing facility and a Court-ordered charge) because doing so would be contrary to Colombian law. The Honourable Justice Mah, in an oral decision rendered on December 11, 2025, rejected these arguments, noting that it was up to the Superintendency to consider the application of Colombian law in a recognition hearing and whether Canadian court orders should be recognized.[72] The same reasoning applies with equal force to the Disclaimer Orders sought here.

87. Certain of the Respondents further suggest that Colombian regulation renders renegotiation impossible or the disclaimers ineffective. These arguments are equally unavailing. The CCAA grants this Court broad jurisdiction to approve the disclaimer or resiliation of

[69] Bednar Reply Affidavit, para 29.
[70] Bednar Reply Affidavit, para 29.
[71] Bednar Reply Affidavit, para 29.
[72] Bednar Reply Affidavit, para 30.

agreements to which a debtor company is a party, and the exercise of that jurisdiction is not contingent upon the governing law of the contract in question.

88. This is consistent with the single proceedings model of insolvency, the determination made in Colombia by the Superintendent that these CCAA proceedings are "main proceedings" and the UNCITRAL Model Law.[73] The question before this Court is whether the disclaimers are appropriate in the context of the Applicants' restructuring, having regard to the statutory criteria under section 32 of the CCAA. The question of what effect, if any, Colombian regulatory requirements may have on the implementation of a disclaimer order is a matter for the Superintendency to assess on a recognition application, and does not deprive this Court of jurisdiction to make the order in the first instance.

89. While certain of the Subject Agreements are subject to Colombian regulatory requirements that may necessitate government approval for amendments to their terms, these requirements do not render renegotiation impossible. This is borne out in practice: the Applicants have already reached an agreement in principle with Petromil, a regulated offtaker, demonstrating that meaningful renegotiation of the Subject Agreements remains both legally and practically achievable notwithstanding the Colombian regulatory regime.

90. In the case of the Promigas Agreements, to the extent that there is any restriction imposed on the entry of new transportation agreements between producers like Canacol Group and Promigas, the Canacol Group expects that all Offtake Agreement Counterparties would be able to enter into transport arrangements of their own and as part of renegotiated arrangements with the Applicants. As the Applicants understand, as will be set out in correspondence from Colombian counsel to the Monitor appended to the Monitor's Supplementary Report, since the prices currently charged by the Company to its customers "pass through" transportation charges and since the Company understands that if the Promigas Agreements are disclaimed, Promigas will be obligated to offer capacity allocated to the Company to any Offtake Counterparties that request it. Accordingly, commercial arrangements for the continued shipment of the Company's gas can and should

[73] UNCITRAL Model Law on Cross Border Insolvency with Guide to Enactment and Interpretation, 2014.

be made between offtakers and Promigas following disclaimer of the Promigas Agreements.

91. The existence of Colombian regulatory requirements does not furnish a basis for refusing the Disclaimer Orders. These are matters of implementation, not jurisdiction, and they do not diminish this Court's authority to grant the relief sought by the Applicants.

CONCLUSION AND RELIEF SOUGHT

92. For the reasons set out in this Reply Brief, the Applicants submit that the Disclaimer Orders should be granted.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 20th day of May, 2026.

GOWLING WLG (CANADA) LLP



Per: _____
Counsel for the Applicants

TABLE OF AUTHORITIES

Tab	Authority
1.	*Companies' Creditors Arrangement Act*, RSC 1985, c C-36, Part -1
2.	*9354-9186 Québec inc. V Callidus Capital Corp.*, 2020 SCC 10 (CanLII)
3.	*Canada v Canada North Group Inc.*, 2021 SCC 30
4.	*Eligible Financial Contract Regulations (Companies' Creditors Arrangement Act)*, SOR/2007-257
5.	*Bellatrix Exploration Ltd. (Re)*, 2020 CarswellAlta 350
6.	*Enron Capital & Trade Resources Canada Corp. v. Blue Range Resource Corp.*, 2000 ABCA 239 (CanLII)
7.	*R. v Sullivan*, 2022 SCC 19
8.	*Androscoggin Energy LLC (Bankruptcy), Re*, 2005 CanLII 3581 (ON CA)
9.	*Laurentian University of Sudbury*, 2021 ONSC 3272 (CanLII)
10.	*Nortel Networks Corporation (Re)*, 2018 ONSC 6257 (CanLII)
11.	*Aralez Pharmaceuticals Inc., Re*, 2018 ONSC 6980 at
12.	*Aveos Fleet Performance Inc.*, 2012 QCCS 4074
13.	*Quest University Canada (Re)*, 2020 BCSC 1883
14.	*JBuck and Sons Inc v Resource Land Fund V, LP*, 2023 ABKB 308
15.	*Target Canada Co. (Re)*, 2015 ONSC 1487 (CanLII)
16.	*CNOOC Petroleum North America ULC v 801 Seventh Inc*, 2021 ABQB 81 (CanLII)
17.	*Financial Asset Management Services Ltd. v. Panther*, 2003 BCCA 346

18. *Singh v. Canada (Citizenship and Immigration)*, 2025 FC 1846

Tab

6

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 FEASBY
MAY 21, 2026, AT 2:00 P.M. (MDT) ON THE CALGARY COMMERCIAL LIST

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PART 1 - INTRODUCTION AND OVERVIEW

1. This Reply Brief is filed on behalf of the Applicants (collectively, the "**Canacol Group**") in reply to the responding brief of law and argument of Gases Del Oriente S.A. E.S.P ("**GOC**") dated May 27, 2026 (the "**GOC Brief**"). The Applicants rely on their prior materials filed in connect with this Application.[1] Capitalized terms used in this Reply Brief are defined in the Bednar Affidavit #9 and the Bednar Reply Affidavit, as applicable.

2. GOC opposes the disclaimer of two Consumer Offtake Agreements with certain Canacol Group entities (the "**GOC Offtake Agreements**")[2] on two principal grounds: (a) first, they are "eligible financial contracts" ("**EFCs**") exempt from disclaimer; and (b) second, that disclaimer would cause significant financial hardship.[3]

3. Both objections should be dismissed. The GOC Offtake Agreements are not EFCs. They are ordinary long-term physical natural gas supply contracts. They require nomination, physical delivery, measurement, invoicing, payment, transfer of title, and operational coordination. They do not provide for cash settlement in lieu of delivery, are not settled against a market index or benchmark, and are not part of a hedge, derivatives program, market-diversification strategy, or financial-risk-management structure.[4]

4. The Court need not decide whether a physically settled natural gas contract can ever be characterized as an EFC. *Bellatrix*[5] and *Blue Range*[6] confirm that it can. The issue is rather whether the GOC Offtake Agreements, considered in their commercial and evidentiary context, are financial agreements serving an important financial purpose. They are not.

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[1] Applicants' Bench Brief dated May 1, 2026 (the "**Bench Brief**"); Applicants' Reply Bench Brief dated May 20, 2026 (the "**First Reply Brief**"); Affidavit of Jason Bednar #9 affirmed April 28, 2026 (the "**Bednar Affidavit #9**"); First Supplementary Confidential Affidavit of Jason Bednar affirmed April 29, 2026; Second Supplementary Confidential Affidavit of Jason Bednar affirmed May 1, 2026 (the "**Second Supplementary Bednar Affidavit**"); Reply Affidavit of Jason Bednar affirmed May 16, 2026 (the "**Bednar Reply Affidavit**").
[2] Second Supplementary Bednar Affidavit, Exhibit "N" (Contract CNE-CF-GDO-01-2025), Exhibit "N-1" (Certified English Translation of Contract CNE-CF-GDO-01-2025), Exhibit "O" (Contract CNE-CF-CDO-15-2024), Exhibit "O-1" (Certified English Translation of Contract CNE-CF-CDO-15-2024).
[3] GOC brief, at paras 4, 11-20
[4] Bednar Reply Affidavit, at paras 21–22
[5] *Bellatrix Exploration Ltd. (Re)*, 2020 CarswellAlta 350 [*Bellatrix*] [**TAB 1**].
[6] *Enron Capital & Trade Resources Canada Corp. v Blue Range Resource Corp.*, 2000 ABCA 239 [*Blue Range*] [**TAB 2**].

5. GOC's own evidence confirms the physical, public-utility character of the GOC Offtake Agreements. GOC does not describe itself as a hedge counterparty, financial intermediary, derivatives-market participant, or risk-management trading desk. GOC serves regulated residential public utility demand in Colombia. The GOC Offtake Agreements are tied to the continuity of an essential public service. Those facts explain why GOC wishes to preserve the agreements. They do not transform physical gas supply contracts into EFCs.

6. Similarly, the unchallenged evidence of the Canacol Group proves that none of the Offtake Agreements were entered into as a financial tool. The Canacol Group was not looking to diversify its pricing or to protect against exposure to any market variables. The fixed price and long-term characteristics of the GOC Offtake Agreements were merely the terms available for the Canacol Group to sell its gas to GOC.[7]

7. GOC's assertion that the GOC Offtake Agreements are EFCs expands the EFC exception to disclaimer under the CCAA beyond its statutory purpose. If accepted, every long-term commodity supply contract with fixed pricing, fixed volumes, a delivery point, and breach remedies would be insulated from disclaimer.

8. The EFC exception[8] is intended to protect financial markets, derivatives-market certainty, and true financial risk management arrangements. It does not remove ordinary supply contracts from the restructuring tools available under section 32 of the CCAA.

9. The section 32(4) factors also favour disclaimer. The Disclaimer Orders are tied directly to the Canacol Group's access to further DIP advances, continuation of the SISP, and avoidance of liquidation. GOC has not met the high, evidence-based burden of proving "significant financial hardship" to GOC itself. It relies on asserted public-service impacts, replacement cost pressure, and potential pass-through costs, but has not shown that GOC would be unable to continue operating should the Consumer Disclaimer Order be granted.[9]

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[7] Bednar Reply Affidavit, at para 21.
[8] *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 [CCAA] at s 32(9)(a). **[TAB 3].**
[9] GOC Brief, at paras 19–23; *Target Canada Co., Re*, 2015 ONSC 1028 at paras 26-27 **[TAB 4]**; *Timminco Limited, Re*, 2012 ONSC 4471 at para 60 **[TAB 5]**; *Laurentian University of Sudbury*, 2021 ONSC 3272 [*Laurentian*] at para 46 **[TAB 6].**

10. GOC's submissions ignore the real risk that if disclaimer is not granted, the SISP is expected to fail, further DIP advances may be unavailable, and the Applicants may have no practical alternative but liquidation. That outcome would create the supply disruption GOC says it seeks to avoid. The Disclaimer Orders are contractual relief intended to preserve operations under new and viable agreements; they are not an order to shut down gas production.

PART 2 - FACTS

11. The facts relating to the Disclaimer Application are set out in the Bednar Affidavit #9, the Bednar Reply Affidavit, the Bench Brief and First Reply Brief. Only necessary facts are summarized here.

12. The Canacol Group sells most of its natural gas under long-term Offtake Agreements with customers in Colombia. The Consumer Offtake Agreements, including the GOC Offtake Agreements, support supply into the essential market. They apply to gas destined for residential and small-business end users, subject to the CREG tariff framework.[10] They are fixed-price, U.S. dollar-denominated delivery contracts under which a Canacol Seller holding rights under an exploration and production contract agrees to deliver gas meeting required specifications at agreed delivery points for onward distribution.[11]

13. The GOC Offtake Agreements provide for the same physical supply as the only means of performance. GOC identifies their key terms as fixed pricing indexed annually to the U.S. Producer Price Index ("**US PPI**"), daily supply obligations, fixed terms, delivery point, transfer of ownership, termination rights, termination penalty, and billing-dispute withholding.[12]

14. Those terms do not establish a financial agreement. Their features are basic operational provisions inherent to the physical supply of gas.[13]

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[10] Bednar Affidavit #9, at para 20(a)
[11] Bednar Affidavit #9, at para 18.
[12] GOC Brief, at para 10; Second Supplementary Confidential Affidavit, Exhibits "N-1" and "O-1", clauses 4 (Term), 5.1 (Daily Natural Gas Quantity), 6 (Price), 7.2 (Point of Delivery and Transfer of Ownership), 8.4 (Billing Disputes), 9.1 (Early Termination), 9.2 (Penalty Clause).
[13] Bednar Reply Affidavit, at paras 21–22

15. Pricing is a fixed supply price updated annually using an agreed inflationary index (US PPI), not a financial settlement mechanism. The agreements do not provide for payment of a cash price differential instead of physical delivery.[14]

16. The Applicants cannot perform the Offtake Agreements on their existing terms. Production has been affected by reservoir depletion, development timing issues, and new supply delays. Current production is insufficient to satisfy mandatory firm delivery obligations under the Offtake Agreements, and significant penalties and damages have accrued.[15]

17. The Applicants do not have the capital required to restore production during these CCAA proceedings and meet delivery obligations. Using DIP proceeds for that purpose is not permitted under the DIP Financing arrangements.[16]

PART 3 - ISSUES

18. GOC's opposition to this Application raises two issues: (a) whether the GOC Offtake Agreements are EFCs exempt from disclaimer under section 32(9) of the CCAA; and (b) whether the factors prescribed under section 32(4) of the CCAA favour granting the Disclaimer Orders.

PART 4 - LAW AND ARGUMENT

A. *The Exception to Disclaimer for EFCs is not Applicable in the Circumstances*

(i) The GOC Offtake Agreements are not Prescribed Financial Agreements

19. Section 32(9) of the CCAA provides that the disclaimer regime does not apply to an EFC. The CCAA defines an EFC as an agreement of a prescribed kind. The EFC Regulations prescribe, among other things, certain "derivatives agreements" that are traded on a futures or options exchange or other regulated market or are the subject of recurrent dealings in the derivatives market or over-the-counter securities or commodities market.[17]

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[14] Bednar Affidavit #9, at para 22.
[15] Bednar Affidavit #9, at paras 9–10, 13-16.
[16] Bednar Affidavit #9, at para 14; Seventh Report, at para 48
[17] *CCAA*, s 2(1), s 32(9). **[TAB 3]** "eligible financial contract"; Eligible Financial Contract Regulations (Companies' Creditors Arrangement Act), SOR/2007-257 [EFC Regulations] ss 1-2 **[TAB 7].**

20. A derivatives agreement must first be a financial agreement. In *Bellatrix*, Justice Jones held that a "financial agreement" is "one which serves an important financial purpose."[18] This is a threshold question. The presence of a commodity, future delivery, fixed price, fixed term, or physical settlement only become relevant criteria if the contract has a financial purpose. The Court cannot consider a contract in isolation from the contracting party's other activities. The Court must consider the agreement as a whole, in its broader factual matrix, and determine whether it serves an important financial purpose.[19]

21. This threshold question gives effect to the purpose of the EFC exception. The exception from disclaimer protects true derivatives and forward commodity arrangements used for financial risk-management. It does not protect ordinary supply contracts simply because they concern commodities, future delivery, fixed pricing, or invoice set-off.

(ii) Bellatrix is Factually Distinguishable

22. GOC relies on *Bellatrix* for the proposition that physically settled natural gas contracts may be EFCs. That proposition is not disputed. The question is whether the GOC Offtake Agreements, in the context of the Canacol Group's business and commercial activities, are financial agreements serving an important financial purpose.[20]

23. In *Bellatrix,* the agreements in question were entered into as part of Bellatrix's strategy to diversify exposure away from AECO (the Canadian natural gas pricing index) pricing and operated in combination with fixed-price hedges. Applying the Court of Appeal's decision in *Blue Range*, the Court correctly addressed the preliminary factual question of whether the agreements served an important financial purpose for the parties. Only after reaching the threshold conclusion that the *Bellatrix* contracts served such a purpose did the Court test them against the statutory EFC criteria. Based on the Court's analysis, it would have dismissed the argument that the *Bellatrix* contracts were EFCs, without going further, had it come to a different conclusion concerning their financial purpose.[21]

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[18] *Bellatrix*, at paras 121–125 **[TAB 1]**.
[19] *Bellatrix*, at paras 129 **[TAB 1]**; *Androscoggin Energy LLC, Re*, 2005 CanLII 3581 (ON CA) at para 15 **[TAB 8]**.
[20] *Bellatrix*, at paras 124–125, 129 **[TAB 1]**.
[21] *Bellatrix*, at paras 66-68, 127-140 **[TAB 1]**.

24. In *Bellatrix,* the contracts served an important financial purpose because they were part of Bellatrix's long-term price-diversification and hedging strategy. The evidence considered included a Bellatrix press release tying physical sales contracts to downstream pricing hubs and stating that the "market diversification sales and fixed price hedges" formed part of Bellatrix's hedging program and overall risk-management strategy.[22] The Court's conclusion turned on that evidence.

25. No analogous evidence exists here. GOC identifies no Canacol hedge book, offsetting derivative contracts, treasury risk-management strategy, or financial-risk-management program tying the Offtake Agreements to price diversification, hedge accounting, cash-flow hedging, or capital-budgeting objectives.[23] The evidence supports the opposite conclusion.[24] The GOC Offtake Agreements are fixed-price, physical delivery contracts supporting regulated residential gas demand.[25] As demonstrated and described by Mr. Bednar's uncontroverted evidence in the Bednar Reply Affidavit:

> The applicable Canacol Seller entered into each Offtake Agreement to sell and deliver natural gas produced from Colombian fields. The Canacol Group did not enter into those agreements to trade or diversify price exposure, settle financial differences, or provide a financial hedge. In my experience, and based on my understanding of the highly standardized Colombian natural gas market (which certain of the Responding Materials confirm), long-term fixed-price or indexed-price supply contracts are ordinary commercial arrangements for producer-marketers selling gas in the Colombian primary market. The Canacol Group did not enter into forward offtake contracts as a speculative trading strategy or to diversify price. Rather, the Offtake Agreements reflect the ordinary manner in which the applicable Canacol Seller has contracted for the physical sale and delivery of available gas to customers in Colombia. The Canacol Group has not historically sold significant volumes of gas on an interruptible or spot-market basis. The Offtake Agreements were entered into to support the sale of physical production, not to create financial instruments.[26]

26. The GOC Offtake Agreements are also unlike the *Bellatrix* contracts in their settlement mechanics. They do not permit cash settlement in lieu of physical delivery, are not settled against a market index or benchmark, do not mark outstanding transactions to market, and

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[22] *Bellatrix*, at paras 66–68, 121–140 **[TAB 1]**.
[23] GOC Brief, at paras 14–18.
[24] Bednar Reply Affidavit, at paras 21–25.
[25] GOC Brief, at paras 6–10; Bednar Affidavit #9, at paras 18–21; Bednar Reply Affidavit, at paras 21–25
[26] Bednar Reply Affidavit, at paras 21.

do not contain a derivatives-style close-out mechanism that crystallizes the market value of future transactions.[27]

27. *Blue Range* is also distinguishable. It confirms physical delivery does not automatically preclude EFC status, but not every forward physical gas sale is an EFC. *Blue Range* concerned forward commodity contracts in a financial-risk-management context where market certainty, set-off, and netting mattered. Read with *Bellatrix*, the question remains whether the GOC Offtake Agreements serve an important financial purpose. They do not.[28]

(iii) The GOC Offtake Agreement Terms are Ordinary Commercial Supply Terms

28. As noted, GOC points to fixed price, volume and term, daily supply obligations, termination rights, damages, and billing-dispute withholding provisions as indicia of EFC status.[29] Those are ordinary commercial terms in long-term physical supply agreements.[30] Specifically:

(a) A fixed price allocates commercial pricing risk in a supply contract. It does not, without more, create a financial agreement. It is not a cash settlement amount tied to the difference between a contract price and a market price;[31]

(b) Take-or-pay obligations allocate performance and supply risk. They do not transform the Offtake Agreements into derivatives. The Canacol Seller must have gas available and deliver requested accepted quantities, while the buyer must pay the minimum amount even if it does not take all gas, subject to limited exceptions;[32]

(c) Contractual formula-driven termination penalties under the Offtake Agreements are damages provisions. They are distinct from a market close-out amount calculated

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[27] Bednar Reply Affidavit, at paras 21-22; Second Supplementary Bednar Affidavit, Exhibits "N-1" and "O-1", Chapter 5 and clauses 6, 7.1, 7.2, 8.4, 9.2; *Bellatrix,* at paras 52-53 [**TAB 1**].
[28] *Blue Range*, at paras 34-36, 49, 52-55 [**TAB 2**]; *Bellatrix*, at paras 121-140 [**TAB 1**].
[29] GOC Brief, para 10.
[30] Bednar Reply Affidavit, at paras 21-22.
[31] Bednar Reply Affidavit, at para 22; Second Supplementary Confidential Affidavit, Exhibits "N-1" and "O-1", clause 6 (Price).
[32] Bednar Affidavit #9, at para 21; Second Supplementary Confidential Affidavit, Exhibits "N-1" and "O-1", clauses 5.1 (Daily Natural Gas Quantity), 5.2 (Obligation and Responsibility of the Seller), 5.3 (Payment Obligation and Responsibility of the Buyer).

by reference to the replacement value of all outstanding transactions;[33] and

(d) A billing-dispute clause permitting withholding of disputed amounts while paying undisputed invoice amounts is an ordinary dispute resolution mechanism, not a derivatives-market netting provision.[34]

29. GOC's own evidence defeats its EFC characterization. GOC frames the Offtake Agreements as public-service supply contracts and emphasizes continuity of natural gas service, its regulated public-utility role, residential demand, and consequences to end users if supply is interrupted.[35] That evidence may be relevant to the discretionary balancing exercise, but it confirms that the contracts function as part of a physical and regulated natural gas supply chain, not as instruments serving a financial purpose.

30. The Applicants respectfully submit that the GOC Offtake Agreements are not EFCs.

B. ***The Section 32(4) Factors Favor a Disclaimer***

31. Section 32(4) requires the Court to consider, among other things, whether the Monitor approved the disclaimer, whether disclaimer would enhance the prospects of a viable compromise or arrangement, and whether disclaimer would likely cause significant financial hardship to a contracting party. These factors are not exhaustive. The Court must determine whether disclaimer is fair, appropriate and reasonable in the circumstances.[36]

32. The Canacol Group relies on its Bench Brief and First Reply Brief concerning the Monitor's support for disclaimer, the balancing of stakeholder interests, and the requirement that the Offtake Agreements, including the GOC Offtake Agreements be disclaimed or renegotiated if there is to be a viable restructuring in this case.

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[33] GOC Brief, at para 10(g); Second Supplementary Confidential Affidavit, Exhibits "N-1" and "O-1", clause 9.2 (Penalty Clause); Bednar Affidavit #9, at para 31
[34] GOC Brief, at para 10(h); Second Supplementary Confidential Affidavit, Exhibits "N-1" and "O-1", clause 8.4 (Billing Disputes)
[35] GOC Brief, at paras 6–8, 19–20; Hussein Affidavit, Exhibit "A", Escalante Affidavit, at paras. 1–4, 81–82, 93, 95
[36] CCAA, s 32(4) **[TAB 3]**; *Laurentian* at para 44 **[TAB 6]**; *Quest University Canada (Re)*, 2020 BCSC 1883 at paras 96, 111–113 **[TAB 9]**.

(i) GOC has not Proven Significant Financial Hardship

33. The burden to establish significant financial hardship is high and evidence based. The test is subjective and requires clear evidence of a counterparty's individual financial position. Mere loss, damage, or a less favourable commercial position is insufficient.[37]

34. GOC has not met that burden. It asserts that disclaimer would expose it to increased supply costs of 30-35%, including monthly operating cost overruns.[38] It has not provided audited financial statements, cash-flow forecasts, liquidity analysis, solvency analysis, or evidence that GOC itself would be unable to continue operating if disclaimer is granted.[39]

35. Much of GOC's asserted financial hardship is alleged public, operational, or end-user hardship. GOC emphasizes continuity of an essential public service and potential consequences to residential users. Those matters may be relevant to overall balancing, but they are not "significant financial hardship" to GOC as a party to the GOC Offtake Agreements.[40]

(ii) Any Hardship is Outweighed by the Prejudice of Refusing Disclaimer

36. Even if GOC establishes some hardship, the balance favours disclaimer. The Court must weigh GOC's alleged hardship against the prejudice to the Applicants, creditors, the SISP, DIP financing, Colombian stakeholders, and the public interest in avoiding liquidation.[41]

37. The prejudice of refusing the disclaimer of the Subject Agreements is severe. The Applicants face escalating Monthly Penalties, early termination exposure, transportation obligations, and liquidity constraints, and cannot fund capital expenditures required to restore production to contract-compliant levels under the current DIP financing structure.[42]

38. Absent the Disclaimer Orders or acceptable amendments being granted or made, the

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[37] *Target Canada Co., Re*, 2015 ONSC 1028 at para 26 **[TAB 4]**; *Timminco Limited, Re*, 2012 ONSC 4471 at para 60 **[TAB 5]**; *Quest University Canada (Re)*, 2020 BCSC 1883 at paras 96, 111–113 **[TAB 9]**.
[38] GOC Brief, para 20
[39] GOC Brief, at paras. 19–20; Hussein Affidavit, Exhibit "A", Escalante Affidavit, at paras. 1–4, 23–32
[40] GOC Brief, at paras. 6–8, 19–20; Hussein Affidavit, Exhibit "A", Escalante Affidavit, at paras. 1–4, 29–32
[41] *Laurentian*, at para 44 **[TAB 6]**.
[42] Bednar Affidavit #9, at paras 22–34; Seventh Report, at paras. 41–49, 59–61.

Applicants risk losing further DIP advances, failing the SISP, and liquidating.[43] That outcome would be worse for GOC, and would create the very supply disruption GOC seeks to avoid. Liquidation would not preserve performance under the GOC Offtake Agreements. It would materially impair or cease the Applicants' ability to produce, sell and deliver gas.[44]

(iii) The Public Interest Supports a Viable Restructuring, not Liquidation

39. GOC frames the public interest as requiring continued performance of the GOC Offtake Agreements.[45] The Applicants submit that the public interest is better understood as continuity of gas production and supply under a viable operating structure.

40. The Disclaimer Orders do not require an operational shutdown. Rather, they remove contractual obligations the Canacol Group cannot perform and that impede a going concern transaction. GOC's position would preserve a contract structure that the evidence shows cannot be performed and that threatens the Canacol Group's ongoing existence. That result is not in GOC's interest, the Canacol Group's interest, or the public interest.

CONCLUSION AND RELIEF SOUGHT

41. For the reasons set out in this Reply Brief, the Applicants submit that GOC's opposition should be dismissed and that the Consumer Offtake Disclaimer Order should be granted.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 29th day of May, 2026.

GOWLING WLG (CANADA) LLP



Per: _____
Counsel for the Applicants

[43] Bednar Reply Affidavit, at para 19; Seventh Report, at paras. 59–61; Sixth Report, at paras. 74–76.
[44] Bednar Reply Affidavit, at paras 9, 15–20.
[45] GOC Brief, at para 23

TABLE OF AUTHORITIES

Tab	Authority
1.	*Bellatrix Exploration Ltd. (Re)*, 2020 CarswellAlta 350
2.	*Enron Capital & Trade Resources Canada Corp. v. Blue Range Resource Corp.*, 2000 ABCA 239 (CanLII)
3.	*Companies' Creditors Arrangement Act*, RSC 1985, c C-36, Part -1
4.	*Target Canada Co. (Re)*, 2015 ONSC 1487 (CanLII)
5.	*Timminco Limited, Re*, 2012 ONSC 4471
6.	*Laurentian University of Sudbury*, 2021 ONSC 3272 (CanLII)
7.	*Eligible Financial Contract Regulations (Companies' Creditors Arrangement Act)*, SOR/2007-257
8.	*Androscoggin Energy LLC (Bankruptcy), Re*, 2005 CanLII 3581 (ON CA)
9.	*Quest University Canada (Re)*, 2020 BCSC 1883

Tab

7

Clerk's Stamp:

QUESTIONING OF ZAMIR CENTANARO

MONTERIA, COLOMBIA

BY S. GABOR

AFFIDAVIT SWORN MAY 13, 2026

HELD MAY 18, 2026

VIA REMOTE VIDEO

COURT FILE NUMBER	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
DOCUMENT	QUESTIONING ON AFFIDAVIT

Taken before J. Norris, Official Court Reporter, pursuant to Rules 5.26, 6.20, and 13.46 of the Court of King's Bench of Alberta.

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_____

Answers designated by "A" are given through the Interpreter
Answers designated by "THE WITNESS" are given by the Witness without the assistance of the Interpreter

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(PROCEEDINGS COMMENCED AT 4:12 PM)
ALEX ZISMAN, Affirmed as an Interpreter in the Spanish Language
ZAMIR CENTANARO, Affirmed Through Interpreter, Questioned by S. Gabor, Testifies Through Interpreter

THE COURT REPORTER: Can you please state your full name for the record.

THE INTERPRETER: Interpreter requests whether the reporter would like that spelled out.

A Z-A-M-I-R C-E-N-T-A-N-A-R-O O-L-A-S-C-O-A-G-A.

THE COURT REPORTER: Thank you.

I'm ready to begin.

S. GABOR: Okay. Thank you.

Q S. GABOR: My name is Sam Gabor. I just want to introduce myself. Is it okay if I call you "Zamir" for short?

A That's fine.

Q And I just want to confirm from your affidavit you're the general manager and registered legal

representative of CoreX Energy S.A.S. E.S.P.; correct?

THE INTERPRETER: Sorry. What were the -- acronyms after?

S. GABOR: CoreX Energy S.A.S. E.S.P.

A Yes, that's the case.

Q S. GABOR: And you swore an affidavit in this proceeding dated May 13th, 2026; correct?

A Yes. That's right.

Q And I presume you helped prepare the affidavit, and you reviewed it before swearing; correct?

A Yes. That's the case.

Q And you were authorized to swear the affidavit on behalf of CoreX Energy S.A.S. E.S.P.? I'm just going to call that "CoreX" for short during the examination.

A CoreX Energy. That's right.

Q Do you read English, Zamir?

A Yes.

Q Yes. And can you speak English, Zamir?

A Yes.

Q And you understand that -- you'd agree that all the evidence that's in your affidavit is truthful, and you're bound to tell the truth in this examination; correct?

A Yes. That's right.
Q And you'd agree that in your affidavit you've included the most helpful evidence as possible to the Canadian Court to make its decision in the dispute that exists between Canacol and CoreX; correct?
THE INTERPRETER: Sorry. The interpreter would like you to break --
S. GABOR: Sure. Sure. Okay.
Q S. GABOR: You would agree that you've included the most helpful evidence for the Court in your affidavit; correct?
A Everything that's up to me, yes.
S. GABOR: I'm not sure what has happened in the other cross-examinations, but if we can just mark his affidavit as Exhibit 1, that would be great, based on the numbering.
A Is that a question to me?
S. GABOR: Maybe it's a question for counsel. You're fine with marking --
P. RAMIREZ: Yeah, I'm fine with that. Yeah.
S. GABOR: -- marking his exhibit -- his affidavit.
Okay. So we'll mark Mr. Cetanaro's affidavit as Exhibit 1.
EXHIBIT 1 - Affidavit of Zamir

Centanaro dated May 13, 2026

Q S. GABOR: So the first thing I would like to do is if we can go to Exhibit A of your affidavit, and that is -- and that's the document that's in English that says "Certificate of Existence and Legal".

S. GABOR: I could go through the Spanish version or the English, what is ever preferred to the witness.

A In Spanish, please.

Q S. GABOR: Okay. So this would be -- okay. So this starts at paragraph -- or page 19 of the PDF of your affidavit.

P. RAMIREZ: Zamir, he's talking from the PDF. There should be a total of 92 pages.

(OTHER LANGUAGE SPOKEN)

A I'm looking -- trying to find it.

I found it.

Q S. GABOR: Okay. So this is "Certificate of Existence and Legal" for CoreX Energy; correct?

A Yes. That's right.

Q And, to the best of your knowledge, the information in the -- what I'm going to call it -- a "corporate search" is accurate; correct?

A Yes.

Q And on page 1 it states that the date of issue is April 2nd, 2026; correct?
P. RAMIREZ: Counsel, where do you see that?
S. GABOR: It's right at the top of the page on the English version. It says "Date of Issue".
P. RAMIREZ: (OTHER LANGUAGE SPOKEN)
A I think it may be February 4th. I don't know whether the first number is the date or the month.
Q S. GABOR: That's fine. So it's either February 4th or April 2nd.
A That's right.
Q So the document and the information would be accurate as of either April 4th or February 2026 based on the document; correct?
A Yes.
Q So if you can scroll to the next page. There's a heading that says "Corporate Purpose".
P. RAMIREZ: (OTHER LANGUAGE SPOKEN)
Q S. GABOR: Do you see that?
THE WITNESS: (OTHER LANGUAGE SPOKEN)
THE COURT REPORTER: (INDISCERNIBLE - OVERLAPPING SPEAKERS) of the witness's answer --
A "Corporate Purpose".

THE COURT REPORTER: Okay. Can we go off the record for a moment.
(DISCUSSION OFF THE RECORD)
Q S. GABOR: Let me just go back. So on page 2, do you see the heading "Corporate Purpose"?
A Yes. That's right.
Q And there are three types of corporate purposes listed on the document, if you take a look at it; correct?
A On page 2, I see more.
Q So I -- I can go through them. So under -- the first line says: (as read)

> The corporate purpose is (a) the generation, marketing, and distribution of electrical energy.

Correct?
THE WITNESS: Yes.
THE INTERPRETER: Let me --

> Counsel, could you repeat the question.

S. GABOR: Okay. I'm going to -- I think the easiest thing to do is I'm going to read all three corporate purposes, and then I'll ask the witness just to -- whether he agrees with me.
THE INTERPRETER: Okay.
S. GABOR: Okay?

Q S. GABOR: So the corporate purposes listed on the document are: (as read)

(a) the generation, marketing, and distribution of electrical energy;

(b), the exploration, exploitation, and production of all kinds or hydrocarbons and minerals and the marketing of same; and (c) any other lawful activity that is not legally or physically impossible, taking into consideration the aforementioned ones.

THE INTERPRETER: Okay. The interpreter wants to know whether the witness is following those in the Spanish translation or --

P. RAMIREZ: If I may, I -- do you think it would be helpful to pull up his affidavit -- or he has his affidavit. He could just read -- just for efficiency, he can see the -- the three purposes you've just outlined.

S. GABOR: Okay. Like, share my screen?

P. RAMIREZ: Yeah. Or I can do it. I have it open. It's up to you.

S. GABOR: I can do it. That's fine. Okay. Maybe I'll just share my screen going forward. That might just be easier.

Q S. GABOR: Okay. So I'm at the page

now, and on the cursor, the three purposes -- and I'll speak slowly for the translator -- are: (as read)

The generation, marketing, and distribution of electrical energy.

It says that; correct?

You need to say "yes" or "no".

A Yes.

Q (as read)

(b) the exploration, exploitation, and production of all kinds of hydrocarbons or minerals and the marketing of same.

A Yes.

Q Okay. And: (as read)

Any other lawful activity that is not legally or physically possible, taking into consideration the aforementioned ones.

A Yes.

Q And Corex's sole natural gas -- sorry. One second.

A CoreX has sold natural gas, yes. When I say "sold", I mean marketed natural gas.

Q And paragraph 7 of your affidavit says that Corex's sole natural gas customer is Cerro Matoso; correct?

THE WITNESS: (OTHER LANGUAGE SPOKEN)
Q S. GABOR: So would you agree that it's a fair statement to make that based on the corporate purposes in the document we just went through, CoreX has more corporate purposes besides just the supply of natural gas to Cerro Matoso?
A Yes. Although its only client natural gas is Cerro Matoso.
Q Now, if we go back to the document I'm scrolling through, there are two activity codes on the page. Do you see those? A principal and a secondary code.
A Yes.
Q And the first code is D3514?
A Yes.
Q And the second is D3511?
A Yes.
Q And there are no other codes listed; correct?
A Yes.
Q Okay. So what I'm going to do now is I'm going to put a document to you. This was provided to your counsel earlier today. And I'm going to -- I'd like to mark this as Exhibit 2.
P. RAMIREZ: Zamir, have you seen this document before today?
A No, I haven't managed to see it.

P. RAMIREZ: And this is -- document is a 630 -- I can't really see your screen, but it appears to be a 683-page document.

Did you have a chance to read this document?

THE WITNESS: No.

A No.

S. GABOR: Okay. Well --

P. RAMIREZ: Counsel, I'll just ask that if you have specific -- I don't really know --

S. GABOR: I'm going to take him to --

(SIMULTANEOUS CROSS-TALK)

S. GABOR: Yeah. I'm going to take him through it, and we can -- let's take it one step at a time, and if you have --

P. RAMIREZ: Sure.

S. GABOR: -- any objections then we'll (INDISCERNIBLE - OVERLAPPING SPEAKERS).

P. RAMIREZ: If you are going to mark this as an exhibit, can you confirm where this document came from?

S. GABOR: I received this -- I received this from Canacol's Colombian counsel.

P. RAMIREZ: And do you know where they got this from? Like, I'm just trying to

identify the source of the document.
S. GABOR: It's from -- can we just go off the record for a moment.
P. RAMIREZ: Sure.
(DISCUSSION OFF THE RECORD)
Q S. GABOR: So if you look at the top of the document, it says "Dane Informacion Para Todos". Do you see that?
A Yes.
Q Okay. And then the next page says: (as read)
Departamento Administrativo Nacional
De Estadistica Dane.
A Yes.
Q I understand that this is the document that the corporate registry office uses to list this [sic] classification codes using the corporate search. Do you have any reason to dispute this?
P. RAMIREZ: I think that's an unfair question. He hasn't had a chance to read the document. It's the first time that he sees it, so unless you can point him to a specific page, I think it would be unfair for him to make a statement when he hasn't --
S. GABOR: Well, that's -- well, that's what I'm doing right now. I'll take him to the page.

Q S. GABOR: So I'm going to go to page 411. And do you see where it says "Section D"?
A Yes.
Q And what -- what does the top -- what does the sentence at the top of the page read?
THE INTERPRETER: (as read)
Uniform international industrial classification of all the economic activities.
Q S. GABOR: And you'd agree as short form for that -- an acronym for that is CIIU? It's the same as in the corporate search; correct?
A No. I -- I do not know. I'm -- I'm --
Q Okay. Let's go back to the document. The code -- there's an activity code that says "CIIU" and then a number; correct?
A Yes.
Q Okay. And that would be that same acronym for that entity that created this document; correct?
A I would think so, but I'm not familiar with the document.
Q Okay. That's okay.
THE COURT REPORTER: Counsel, you just need to wait for -- there can't be cross-talk, or I

can't hear you. Thank you.
S. GABOR: Sure.
Q S. GABOR: So can you read what Section D says that I'm cursing over?
A (as read)
Supply of electricity, gas, papers, and air conditioning.
Q If we go to Code 3514 --
P. RAMIREZ: Sorry, Counsel, what page? You're going a bit too fast.
S. GABOR: 413. You can just -- I've got it on my screen.
P. RAMIREZ: It's a bit small for me to read, but I'm --
S. GABOR: Oh, okay. I can make it a bit bigger. Is that better?
P. RAMIREZ: Yeah. That's much better. Thank you.
S. GABOR: Yeah. No problem.
Q S. GABOR: Code 3514 is "Electricity Commercialization Marketing"; correct?
A Yes.
Q Okay. And then if I go back up, Code 3511 is "Electricity Generation"; correct?
A Yes.
Q And then if we go to Code 3520, this is -- this is: (as read)

Gas Production, Distribution of Gases, Fuels Through Mains.

A Yes.

Q Okay.

S. GABOR: I'd like to confirm that this is getting marked as Exhibit 2.

P. RAMIREZ: I have no issue with that, just with the caveat that, you know, this is not a document that the witness has seen, and he's not authenticating or certifying any of the contents.

S. GABOR: That's fine.

THE COURT REPORTER: Counsel, can you please put a description of the document on the record.

S. GABOR: Okay. This document is the "Clasificacion Industrial Internacional", with a 'C', "Uniforme", with an 'E'.

P. RAMIREZ: But I do think that we need to put "Revision 4 adapted for Colombia 2022". This is a 2022 document.

EXHIBIT 2 - Clasificacion Industrial Internacional Revision 4 adapted for Colombia 2022

THE INTERPRETER: The interpreter --

C. PROPHET: Okay. Yeah. That's fine. That's what the document says.

THE INTERPRETER: The interpreter would like to add that it's produced by the national administry department of cities [phonetic].
S. GABOR: Are we ready to go?
P. RAMIREZ: Yeah.
S. GABOR: Okay. And what I would like to do is -- this is an English translation of the pages that we just went through, Paola. I would like to mark this as an exhibit so the Court can see in English what the document says from a translation perspective. You don't have to agree that the contents are correct, and this is more -- this, the certified translation, but I would like to just get this marked as an exhibit.
P. RAMIREZ: I would object. This is an AI translation. I haven't had a chance -- we have nowhere to certify that this is indeed, like, an accurate translation of what the document says, and so -- I haven't had a chance to look at the document, and so I --
S. GABOR: Well, to be fair, we sent the documents early this morning, and we're not -- all we're doing is marking it. You could argue in court that the Court shouldn't accept it. I would just like to get it marked --

P. RAMIREZ: I guess we can just marked it as an AI uncertified translation document.

S. GABOR: That's fine.

P. RAMIREZ: Yeah.

S. GABOR: That's fine.

EXHIBIT 3 - AI uncertified translation document of Clasificacion Industrial Internacional Revision 4 adapted for Colombia 2022

Q S. GABOR: Okay. So if we go back to the corporate search, there's a line I'm cursing over, and it says: (as read)

Revenue generated from ordinary activities in 2025 was 7,466,344,000 [dollar sign].

Correct?

A It's pesos. Colombian pesos.

Q Right. Well, that's fine. I just said the dollar symbol. Okay. It's the same symbol. Pesos. That's fine.

A Yes.

Q You agree that's what the -- that's what the document says? It's also in the official English translation provided; correct?

A Yes.

Q Okay. And then the line underneath says:

(as read)

Economic activity from which the highest revenue was obtained during the period D3514.

Correct?

A Yes.

Q So based on the codes we just went through and based on this document, the corporate search, the largest contributor of revenue that CoreX identified in the corporate search would be from electricity commercialization marketing?

A Yes.

Q And not the supply of natural gas to the Cerro Matoso mine; correct?

A Yes. The marketing of -- of electricity is higher.

Q Thank you.

So now we're going to go to Exhibit B of your affidavit. I'll go to it in Spanish. And it says that, "CoreX provides electricity as a service". Do you see that?

A Yes.

Q And then it provides "marketing and generation" as a sub-notation here; correct?

A Yes.

Q And then the document also says "gas through networks" with a sub-notation of "marketing"?

A Yes.
Q So based on this, CoreX provides multiple services besides the supply of gas to the mine at Cerro Matoso; correct?
A Electricity and gas -- and natural gas to Cerro Matoso. Those two.
Q Okay. So I'm going to go to Corex's website now. This -- I'm going to go to Corex's website. Do you see the -- where I'm hovering over? It says "Informacion De Interes" --
A Yes.
Q So I clicked on it, and now I'm going to a notice that says -- I'm just going to pull up the English. Sorry.

I'm clicking on a press release now, and I'm going to go to the PDF of it that I sent your counsel today. And this is a press release that says: (as read)

South32 Energy becomes CoreX Energy.

I turned to the Spanish version, and it's dated March 5th, 2026; correct?
A Yes.
Q And it says that the services provided by CoreX are -- there's four listed -- electricity marketing, electrical energy, natural gas marketing --

THE INTERPRETER: Oops. I already

translated.
Q S. GABOR: -- energy consultancies, commercial representation of electricity generation projects.
So you would agree that CoreX provides multiple services besides the supply of the gas to the mine, based on its own website; correct?
A Yeah. I -- I do not agree. I just want to indicate the -- the revision of the -- the last two revisions are related to the marketing of electricity and natural gas, and they are not --
Q Okay.
A -- separate services. They are --
Q Okay. That's fine.
I think the big question -- the -- the point is that the website indicates CoreX provides multiple services besides the supply of natural gas to the mine; correct?
A Yeah. We -- that we could do it -- it may be the case, but we do not have any other agreements except for the mine of Cerro Matoso.
Q But that's not my question, though. That's -- that's just for gas. CoreX provides other services besides gas to the mine; correct?
A Yes. We focus on electricity and natural gas.
Q Great. Thank you.

S. GABOR: I want to just mark the PDF we're on as Exhibit 4.

P. RAMIREZ: That's no problem, Counsel, but I just want to -- I do have a commitment -- I can stay a little bit, just a few minutes longer. I had understood it would be a much shorter examination. And I know that we're running a little bit behind time, but just wanted to bring that to your attention. I don't really know how much long you're going to need.

S. GABOR: Yeah. I'm going to need a little bit longer. We just went so late with the other exams.

P. RAMIREZ: I know, but this witness -- like, we were ready to start, and just based on that commitment, I do have an urgent matter to attend to. So I'm going to try to stay as long as I can, but I did not anticipate to stay until this late. So if you can be brief without -- I -- I understand, but --

S. GABOR: I know. I -- but -- yeah. I understand as well too. We do have to get the examination done today. So let's go as quickly as we can. Okay. So --

THE COURT REPORTER: Sorry. I need a

description of the exhibit that you're proposing to mark on the record.

S. GABOR: It's a CoreX Energy -- it's a CoreX Energy press release in Spanish dated March 5, 2026.

THE COURT REPORTER: Thank you.

EXHIBIT 4 - CoreX Energy press release in Spanish dated March 5, 2026

S. GABOR: Okay. And I also want to mark the English version as well too so that the Court can see it. This is the English version. Both documents were pulled by myself from the internet. This is just the English version that was pulled. So if we can mark this as Exhibit 5.

P. RAMIREZ: And I think we can mark it no problem, just with the caveat that it's an AI-translated version.

S. GABOR: Well, it's -- yeah, it's Google translated. That's fine.

EXHIBIT 5 - Google-translated English version of CoreX Energy press release dated March 5, 2026

Q S. GABOR: Okay. Can we go to paragraph 6 of your affidavit.

A Yes.

Q Okay. So you say on the fourth line down: (as read)

CoreX Energy's business --

THE INTERPRETER: Counsel, could you put it on the screen.

Okay. Thank you.

Q S. GABOR: (as read)

CoreX Energy's business is centred on the procurement and supply of natural gas and energy to industrial consumers in Colombia through long-term supply arrangements.

Do you see that?

THE INTERPRETER: Yeah.

THE COURT REPORTER: Sorry. The response from the witness?

THE INTERPRETER: Yes.

THE COURT REPORTER: Thank you.

Q S. GABOR: And would you agree that based on all of the information we went through, a fair statement would be CoreX Energy's primary business is centred on the procurement and supply of electricity in Colombia through long-term supply contracts?

A The main business of CoreX is electricity and gas. Those are the main topics.

Q Electricity and gas?

A That's right.
Q So CoreX -- CoreX's -- sorry. Just to be clear, though, CoreX doesn't supply electricity to Cerro Matoso; correct?
A To make it clear, CoreX markets the electricity supplied to Cerro Matoso.
Q But CoreX supplies electricity to other parties; correct?
A CoreX has a -- a small amount of electricity service they send to an agent, not to final consumers.
Q Okay. You have not put in your affidavit any contract between CoreX and Cerro Matoso regarding electricity; correct?
A I did not include any electricity contracts.
Q And you make no mention in your affidavit of supplying electricity to Cerro Matoso; correct?
A Indirectly, yes, in paragraph 6, where I said centred on industrial consumers of Cerro Matoso.
Q It's -- that's not what the document says. The document says "Industrial consumers in Colombia"; correct?
P. RAMIREZ: Which document are you referring to? Sorry.
C. PROPHET: His affidavit at paragraph 6.

THE INTERPRETER: Can you --
A Yeah. The statement is in general terms, but currently my only industrial consumer is Cerro Matoso.
Q S. GABOR: For natural gas; correct?
A My only final user for both of the gas and the electricity is Cerro Matoso.
Q But that's not what you said. You just said you also supply electricity to other consumers (INDISCERNIBLE - OVERLAPPING SPEAKERS)
A General focus is that I could do it, but currently my only final user is Cerro Matoso.
Q Okay. So CoreX is still in the business of supplying electricity to other parties. That's a fair statement; correct?
A Yes.
Q Okay. Okay. Thank you.
Okay. The parent company of CoreX is a company called Polynick [sic] Colombia Holding B.V.; correct?
THE INTERPRETER: Could you repeat the name, Counsel. Interpreter request counsel repeat the name of the --
S. GABOR: Polynick Colombia Holding B.V.
A Polynickel. Yes.

Q S. GABOR: And that company's registered in the Netherlands; correct?
A I'm not sure that -- the company's secretary is in charge of that. I don't have the specific details.
Q I can take you to the corporate search.
THE WITNESS: Okay.
Q S. GABOR: The corporate search says -- this is the company here, Polynick Colombia Holding B.V., and it says --
(SIMULTANEOUS CROSS-TALK)
THE COURT REPORTER: I didn't hear the question, Counsel.
Q S. GABOR: I can just ask the question. The parent company of CoreX Energy is registered in the Netherlands; correct?
A Yes.
Q What is the purpose of the parent company?
P. RAMIREZ: Interpreter, I'll let you finish. Sorry.
I'm going to object to the question. I don't think that's a proper question for this witness.
(OBJECTION)
S. GABOR: Why?
P. RAMIREZ: You're asking what is the corporate objective of Polynickel Colombia?

S. GABOR: Yes.
P. RAMIREZ: I don't think you've established whether that is within his knowledge or not.
Q S. GABOR: Okay. Let me ask this: Do you know if the revenues of CoreX Energy flow up to its parent corporation?
A No. The money that we have now is barely enough to run our local business there. There has not been any dividends or utilities that we ship to this new shareholder or the previous one.
S. GABOR: I would like an undertaking to provide the 2025 or the most recent year-end financial statements for CoreX Energy, please.
P. RAMIREZ: I think you should already have them. I think they were attached in the affidavit.
S. GABOR: I don't think -- no, they're not.
P. RAMIREZ: And if the 2025 are not -- we'll take a look and see if they're finalized or not. I would suspect that's not why we attached them, but I'll take a look and confirm.
S. GABOR: Okay. But I'd like the

most recent ones if you don't have the 2025 or twenty --

P. RAMIREZ: Yeah. I think we added the --

S. GABOR: They're not in the affidavit.

P. RAMIREZ: Not on his affidavit. But you should have them. We put forward evidence from Freddy, who is the CFO, and the financial --

S. GABOR: We have -- we have -- we have affidavits for -- I believe, mine --

P. RAMIREZ: No. You should have an affidavit for Freddy too.

S. GABOR: Okay. Well, if -- can I just get an undertaking to provide them if they haven't already been provided in the prior affidavits.

P. RAMIREZ: Sure. And just so that I'm clear. What year?

S. GABOR: The most recent ones that have been filed --

P. RAMIREZ: The most recent?

S. GABOR: -- with the corporate registry.

P. RAMIREZ: Of CoreX Energy?

S. GABOR: Correct.

P. RAMIREZ: I'm going to take that under advisement.

S. GABOR: Okay. They're clearly relevant to what we're arguing in court in terms of financial prejudice, so I would expect that they would be provided.

UNDERTAKING 1 - To provide the 2025 or the most recent year-end financial statements for CoreX Energy (Taken Under Advisement)

Q S. GABOR: Okay. CoreX is part of the larger CoreX holding group of companies; correct?

A Yeah. As far as I know, as an employee in Colombia, is that CoreX Energy is part of Polynickel, and Polynickel is part of CoreX Holdings.

Q Okay. So I'm going to go back to CoreX's website. This is CoreX Energy's website -- correct -- that I'm on?

THE WITNESS: Yes.

Q S. GABOR: And the website on its page says: (as read)

Our parent company is the multinational CoreX Holding BV, which operates in ten sectors, including metals and mining, ports and

terminals, green energy, [and then a series of others]. The company, with its financial headquarters in the Netherlands and operational headquarters in Turkey, is active in 55 countries across 5 continents, employing more than 20,000 people worldwide.

I've gone to the Spanish one, so you have a second to look at it too.

And you'd clearly agree that the website's statement is correct?

A Yes. I confirm that. Yeah. CoreX Energy has a shareholder that's called Polynickel that's part of CoreX Holding.

Q And I'm going to go to CoreX Holdings' website -- or -- sorry. Let's just go back.

S. GABOR: This is the extract that I just went through in English. This is -- I just want to mark this as an exhibit.

You're on mute, Paola.

P. RAMIREZ: Oh, sorry. That is fine with me.

S. GABOR: Okay. So this will be Exhibit 7 [sic].

THE COURT REPORTER: A description, please, Counsel.

S. GABOR: Okay. This would be CoreX Energy website, "Who We Are" page.

EXHIBIT 6 - CoreX Energy website, "Who We Are" page

Q S. GABOR: Okay. I'm going to go to CoreX Holdings' website now. And it makes a similar statement -- I'll go to the Spanish version -- here as in the CoreX Energy site; correct?

A Yes.

Q Okay.

S. GABOR: So I want to mark -- I'm going to mark the CoreX website that we just went through, the English version, as Exhibit A. This is a print screen that I took of the -- of the website, so you can see that it's got the little (INDISCERNIBLE) on the bottom. This was the Spanish.

P. RAMIREZ: Sure. That's no problem with me.

EXHIBIT A FOR IDENTIFICATION - Print screen for CoreX's website

P. RAMIREZ: But I just do want to note for the record it's almost 5:15. I'm not trying to give you a hard time. I really do have a commitment -- urgent commitment at 7, and I've tried to stay a little bit past just

to give you some type to wrap up. And I know we're trying to do the best to abide by the schedule, but you mentioned it would be a very brief examination, and I do need to attend to this urgent commitment.

C. PROPHET: Counsel --

P. RAMIREZ: Do you have much longer? Yeah?

C. PROPHET: So I'm going to come on because I conducted the prior examinations.

P. RAMIREZ: M-hm.

C. PROPHET: And Mr. Bednar's examination ran a bit -- a bit long, although you guys did fairly well on that.

Madam Reporter, this can be on the record, so apologies. Clifton Prophet, co-counsel here.

So -- and then the examination of Ms. Puente Alvarado and Mr. Medina also ran long. The interpreter has been doing a wonderful job, but the very best efforts have been put forward by all counsel to make this go. We also had technological delays for another counsel.

So I'm just putting that on the record to indicate that we had marched straight through these witnesses. I understand that -- not

trying to inconvenience you with your -- with your day, but we need to get through these, and we are doing our very best. So if you let Mr. Gabor go on for a little longer, we would appreciate it, and we apologize. And it's the best we can do, and we need to get through this.

P. RAMIREZ: And I'm not trying to be difficult. I just do want to note for the record that, you know, this examination was scheduled for 3, got pushed to 3:45, and so I think we've been going about an hour and 20 minutes now. And I am very grateful for the indulgence you granted me this morning, but I believe, you know, we kept to the time that we indicated we would, and we were only over for about ten minutes.

And so I don't want to waste more time if we just need to, but I did have --

S. GABOR: Let --

P. RAMIREZ: -- you know --

S. GABOR: Let me see if I can get through my questions quickly.

P. RAMIREZ: Thank you. I appreciate it.

S. GABOR: I don't necessarily have to put more --

Q S. GABOR: Zamir, is Cerro Matoso part of the CoreX group of companies?
A Yes.
Q Okay. And CoreX purchased Cerro Matoso in 2025; correct?
A It's been the owner of Cerro Matoso from December 1st, 2025.
Q And do you know which corporate subsidiary owns Cerro Matoso in the CoreX group of companies?
A No, I don't know.
S. GABOR: Can I get an undertaking to provide that information.
P. RAMIREZ: I'll take it under advisement. And can you explain the relevancy just so that I'm --
S. GABOR: It's part of the notion of -- Cerro Matoso is part of the larger corporate group. Just want to know who actually owns it.
P. RAMIREZ: Okay. I'll take it under advisement.

UNDERTAKING 2 - To advise which corporate subsidiary owns Cerro Matoso in the CoreX group of companies (Taken Under Advisement)

Q S. GABOR: Okay. And you'd agree that nowhere in your affidavit it states that

Cerro Matoso is part of the CoreX group; correct?

A No. Yeah. We operate as two independent companies in Colombia. My affidavit was for CoreX Energy.

Q Okay. Okay. I'm going to move on now.

Okay. In your affidavit at paragraph 26, you say: (as read)

> It would take 6 to 12 months for CoreX to replace gas if the SE agreement were terminated.

Do you see that?

A (NO VERBAL RESPONSE)

Q So when you made that statement, I presume that you assumed that Canacol wouldn't be able to sell any gas at all to CoreX if the contract was terminated by the Court in Canada?

A I assume that -- yeah. I assume that Canacol would be able to provide us the total volume of -- of gas, and that would result that the -- yeah -- that would result that they would not be able to provide gas directly to Cerro Matoso.

Q Okay. But it appears you were presuming in your question that they wouldn't provide any gas at all; is that correct?

THE INTERPRETER: The interpreter would

like the witness to break down his answer.
A I assume today that Canacol is not providing gas directly in the -- on the gas pipeline to Cerro Matoso, and that would have some limitations in having access to the gas through the national transportation system.

So we have to do some work -- physical work to be able to secure the provision of gas from the national transportation system into Cerro Matoso to obtain the capacity that we have under contract to Cerro Matoso with Canacol.

Q S. GABOR: Okay. So maybe let me just -- based on your affidavit, were you believing that if the Court in Canada terminates the contract, Canacol would provide zero gas for Cerro Matoso after?
A I assumed that -- that if Canacol were to stop providing gas to Cerro Matoso, then we'll have 6 to 12 months to get the national transport system supply gas to Cerro Matoso.
Q Okay. But that's -- that's not my question.

My question is: Does -- does -- do you think that if the contract is terminated Canacol will not give any gas whatsoever after?
A Yes. Because the -- the only regulation in Colombia is that you can only provide gas through contracts.

Q Okay. But you'd agree that gas could be shipped by Canacol in a new contract that's either agreed before it's terminated or if the Court terminates the current contract? The parties can enter into a new contract, and Canacol can keep shipping gas?
A Under Colombian regulations, the contracts to supply gas have a regulation that limits the access to the industrial sector. If Canacol is going to place new gas to the market, it has to assign it first to the essential demand.

It doesn't -- it doesn't necessarily mean that you have to sign a new contract with Cerro Matoso or CoreX Energy.
Q Okay. I'm going to move on.

So would you agree that if Canacol shuts down and goes out of business, based on your affidavit, no supplier could ship to CoreX within 12 -- 6 to 12 months, in any event?
A Could you repeat the question again, Interpreter?

For the amount under contract, yes.
Q Yes, no one would be able to supply? That's what you mean?
A Under the conditions under Colombian regulations, considering the amounts under contract, no, I cannot -- I do not see that

happening.
Q Okay. And at paragraph 14 of your affidavit, you say Canacol is averaging about 9,700 MBTUD during the insolvency? And -- yes?
THE WITNESS: Yes.
A Yes.
Q S. GABOR: Okay. And the mine is contracted for 16,000 MBTUD with Canacol; correct?
S. GABOR: Can we go off the record for a sec.
(DISCUSSION OFF THE RECORD)
(ADJOURNMENT)
Q S. GABOR: Okay. So we left off -- I just want to go to paragraph 28 of your affidavit. And you say that: (as read)

> Replacing the SE agreement with LNG at current market prices is not a long-term solution.

Do you see that?
A Yes.
Q And the Cerro Matoso mine has worked in the past with Canacol's other offtake purchasers through supply swaps to maintain value; correct -- or volume; correct?
A Before twenty -- 12 years (INDISCERNIBLE - AWAY FROM THE MICROPHONE) --

THE COURT REPORTER: Sorry, Mr. Interpreter, you're quiet again. Can you please repeat that.

THE INTERPRETER: Prior to 2012, yes. But there was excess -- there was excess supply in the market.

Q S. GABOR: Okay. So there hasn't been any recent supply swaps with Canacol's other offtake purchasers more recently?

A Could you specify what you mean by "recently".

Q In the last six months.

A No. In the last six months, I -- I do not recall doing an operational swap.

Q Okay.

S. GABOR: Can I just get an undertaking to confirm -- to review and confirm whether there's been any swaps with Canacol's other offtakers in the last six months for natural gas supply.

P. RAMIREZ: Yes, we can do that.

S. GABOR: Okay. Thank you.

UNDERTAKING 3 - To review and confirm whether there have been any swaps with Canacol's other offtakers in the last six months for natural gas supply

Q S. GABOR: So you talk about the

long term at paragraph 28. Would you say it's fair that in the short term, at least during Canacol's restructuring, the mine could continue to get alternative supplies of natural gas to remain operational in the short term?

A Yeah. Not completely, and what I've been told that currently Cerro Matoso did not pay the high current prices -- current market prices.

Q But it's currently paying those prices to purchase gas; correct?

A No.

Q So it's just -- so the mine is just receiving gas under its current supply arrangements?

A Yeah. Cerro Matoso will probably be able to get the gas assigned to Canacol with the established prices for another months and we -- the other contract that it has.

Q But there's nothing stopping it from purchasing natural gas on open market; correct?

A As I indicated, there are physical restraints to get the -- the supply. And, furthermore, Cerro Matoso did not pay -- pay the higher gas prices because that's not sustainable, and it -- it creates losses.

Q I'm going to ask another question. Would you say it's fair that if Canacol's business fails, it goes out of business, CoreX would need to

continue to seek other sources of gas to the mine regardless?

A That's something that the Cerro Matoso board must decide, whether they continue paying the higher prices. It's not my decision.

Q Okay. But if they decide that they want natural gas from CoreX, CoreX is still going to need to seek gas from somebody else; correct?

A Yeah. If they decide to work at a loss, then probably I'll have to seek other ways of getting gas from the national transportation system.

Q Okay. So if we go to paragraph 29, you talk about how it would create liability for CoreX to Cerro Matoso if it can't provide gas; correct? That's what the -- that's what the affidavit says?

A For CoreX -- yeah. As -- we -- as a marketer, we do not assume responsibilities, and there are some liabilities in the contract. They're the same ones that are assumed by CoreX -- yeah. Yeah. The contracts between CoreX and Canacol mirrors the contract between CoreX and Cerro Matoso, and all the responsibilities and liabilities and -- are exactly the same in both contracts.

Q So Cerro Matoso and CoreX, they're -- they're

all part of the same corporate group. We've already established that. Do you think, honestly, that Cerro Matoso is going to file a lawsuit against CoreX for not supplying when they're all part of the same corporate group?

P. RAMIREZ: Sorry. I'm going to object to that question. It's just speculation about things that he may or may not know, and so I don't think it's a proper question.

(OBJECTION)

THE INTERPRETER: Do you need that?

S. GABOR: That's fine.

Q S. GABOR: Okay. So let's go to paragraph 30. So you say that the cost of gas would be three to four times the price in the SE agreement for -- for liquefied -- for -- for a different supply of gas. Would you say it's fair that if Canacol goes out of business, then CoreX is going to need to pay three to four times the price contracted under the SE agreement with another party, in any event, if it's going to continue to supply Cerro Matoso?

A Yeah. What I'm saying is that the price of gas would be three to four times higher if Cerro Matoso were to look for it at this moment.

Q Right. Okay. But the question -- so just -- the question is: If Canacol goes out of

business, they're going to have to find gas at that price regardless; right?

A If Cerro Matoso decides to get gas if Canacol doesn't provide, I'll have to look at the national transportation system with the prices that I've indicated in my affidavit.

And I want to extend my question to the -- if that -- having the certainty of being able to get the gas molecule necessary for Cerro Matoso.

Q Okay. I think I -- what I took from that answer is you're going to have to look to the national transportation board for pricing at that rate regardless if Canacol goes out of business?

A Yeah. There are no sources connected to the -- to the gas pipeline -- to the Cerro Matoso gas pipeline to be able to provide the -- the gas necessary -- required by Cerro Matoso.

S. GABOR: Okay. I need just two minutes just to look at my notes and make sure there's nothing else I missed. If I could just have two minutes.

P. RAMIREZ: Yeah. No problem. Thank you.

S. GABOR: Great. Thanks.

(ADJOURNMENT)

S. GABOR: I just want to make sure -- so we did look at the affidavits that we had discussed earlier. There's -- the Cerro Matoso year-end financial statements are in evidence. It's the -- I need the CoreX year-end financial statements.

P. RAMIREZ: Yes. And I do apologize. That was my mistake. So, yes, we will provide recent financial statements for CoreX.

(UNDERTAKING PREVIOUSLY REQUESTED)

S. GABOR: Okay. And then I have one more document I need to share and get marked as an exhibit.

Q S. GABOR: So this is the CoreX annual -- see it says CoreX Annual Report, Zamir?

A Yes, I've seen it. Yes.

P. RAMIREZ: Have you seen this document before, Zamir?

A Yeah. This was sent today. I just blast through it. I did not --

Q S. GABOR: Okay. So I just want to go -- page 27. This is the Cerro Matoso mine; correct?

A Yes. That's a picture of Cerro Matoso mine.

Q Okay.

S. GABOR: I just want to mark this

as an exhibit as well.

P. RAMIREZ: That's fine.

S. GABOR: Okay. So this will be the CoreX annual report 2025.

EXHIBIT 7 - CoreX annual report 2025

S. GABOR: Let me just -- I don't have any other questions.

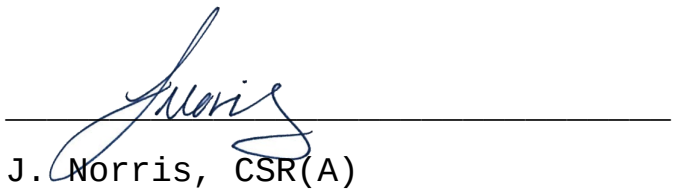
P. RAMIREZ: I'm not going to do any re-exam, but if -- I do want to confirm the under advisements and undertakings, and we can do that off record.

(WHICH WAS ALL THE EVIDENCE TAKEN AT 6:04 PM)

CERTIFICATE OF TRANSCRIPT:

I, J. Norris, certify that the foregoing pages are a complete and accurate transcript of the proceedings taken down by me in shorthand and transcribed from my shorthand notes to the best of my skill and ability.

Dated at the City of Calgary, Province of Alberta, this 18th day of May 2026.



J. Norris, CSR(A)
Official Court Reporter
Commissioner for Oaths Appointee No. 0767022
ASRA Membership No. 588

EXHIBITS ENTERED IN THE QUESTIONING OF
ZAMIR CENTANARO
MAY 18, 2026

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EXHIBIT D FOR IDENTIFICATION - CoreX Energy - CMSA

OBJECTIONS ENTERED IN THE QUESTIONING OF

ZAMIR CENTANARO

MAY 18, 2026

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UNDERTAKINGS GIVEN IN THE QUESTIONING OF

ZAMIR CENTANARO

MAY 18, 2026

Undertakings are inserted and indexed as a courtesy service to be utilized at the discretion of counsel. They are interpretations by the court reporter, and it is requested counsel refer to the appropriate page to ensure accuracy.

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JUDICIAL CENTRE	**CALGARY**
APPLICANTS	**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.**
DOCUMENT	**TENTH REPORT OF THE MONITOR** **SEPTEMBER 21, 2026**

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I. INTRODUCTION

1. On November 18, 2025 (the "**Filing Date**"), Canacol Energy Ltd. ("**Canacol**") and its subsidiaries 2654044 Alberta Ltd., Canacol Energy ULC**,** 2498003 Alberta ULC, Cantana Energy GmbH ("**Cantana Switzerland**"**)**, CNE Oil & Gas S.R.L. ("**CNE Panama**"), Canacol Energy Colombia S.A.S. ("**Canacol Colombia**"), Shona Holding GmbH, CNE Energy S.A.S., and CNE Oil & Gas S.A.S. ("**CNE O&G Colombia**" and collectively, the "**Applicants**", the "**Canacol Group**" or the "**Company**") were granted relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") by Order (the "**Initial Order**") of the Court of the King's Bench of Alberta (the "**Court**"). The relief granted under the Initial Order included, among other things:

   (a) granting a stay of proceedings in favour of the Applicants from November 18, 2025, to November 28, 2025 (the "**Stay Period**");

   (b) appointing KPMG Inc. as Monitor ("**KPMG**" or the "**Monitor**");

   (c) authorizing the Applicants to make payment of certain obligations incurred prior to the commencement of the Applicants' CCAA proceedings (the "**CCAA Proceedings**");

   (d) authorizing the Monitor to act as foreign representative (the "**Foreign Representative**") for the purpose of having the CCAA Proceedings recognized in any jurisdiction outside Canada including, without limitation, the United States of America (the "**United States**"), the Republic of Colombia ("**Colombia**"), the Republic of Panama, and/or Switzerland; and

   (e) granting the Administration Charge.

2. KPMG, in its then capacity as proposed Monitor, provided this Court with its report dated November 17, 2025 (the "**Pre-Filing Report**") in connection with the Applicants' application for the Initial Order.

3. On November 28, 2025, this Court granted an Order amending and restating the Initial Order (the "**ARIO**"), among other things:

   (a) granting an extension of the Stay Period to December 18, 2025;

   (b) approving an increase in the maximum amount of the Administration Charge to $1.5 million and granting a Directors' Charge (as defined in the ARIO) to a maximum amount of $1.0 million, with priority ranking granted to each of those charges;

   (c) authorizing the Applicants to make pre-filing payments to critical vendors up to the amount of $5.5 million subject to the prior approval of the Monitor (the "**Pre-Filing Critical Vendor Payments**"), and certain other pre-filing royalty and tax payments to Agencia Nacional de Hidrocarburos (the "**ANH**") and other Colombian governmental and taxation authorities;

   (d) granting relief from certain securities reporting obligations under federal, provincial and other applicable law until further order of the Court; and

   (e) approving the Pre-Filing Report and the first report of the Monitor dated November 24, 2025, filed in connection with the Applicants' application for the ARIO, and the actions, conduct and activities of the Monitor set out therein.

4. On December 11, 2025, the Court granted an Order amending and restating the ARIO (the "**Second ARIO**"), among other things:

   (a) granting an extension of the Stay Period to February 6, 2026;

   (b) authorizing the Applicants to enter into a commitment letter dated December 2, 2025 (as amended, the "**DIP Loan Agreement**"), to obtain interim debtor-in-possession financing of up to $67 million (the "**DIP Financing**"), and granting a corresponding priority charge (the "**DIP Lenders' Charge**") over the Applicants' Property (as defined in the ARIO) in favour of the DIP Lenders (as defined herein);

(c) increasing the authorized sum of the Pre-Filing Critical Vendor Payments to $15.5 million in aggregate, subject to the prior approval of the Monitor and the DIP Lenders; and

(d) approving the second report of the Monitor dated December 9, 2025, and the actions, conduct and activities of the Monitor set out therein.

5. On December 11, 2025, the Court granted a further Order granting the sealing of the confidential appendices to the Second Report containing an unredacted copy of the DIP Loan Agreement and an unredacted copy of the first amendment to the DIP Loan Agreement.

6. On January 26, 2026, the Court granted an Order (the "**SISP Approval Order**"), among other things:

(a) granting an extension of the Stay Period to June 27, 2026;

(b) approving the sale and investment solicitation process (the "**SISP**") in respect of the Applicants' business and assets, and the engagement of Moelis & Company LLC ("**Moelis**"), as the Applicants' financial advisor (the "**Sale Advisor**") in respect of the SISP and approving the engagement letter between the Applicants and Moelis dated January 3, 2026; and

(c) approving the third report of the Monitor dated January 13, 2026, and the actions, conduct and activities of the Monitor set out therein.

7. On March 5, 2026, the Court granted an Order (the "**Approval and Amending Order**"), among other things:

(a) approving an increase to the maximum amount of the Administration Charge to $3.0 million and granting a Sale Advisor Charge to a maximum amount of $3.5 million with priority ranking granted to the Sale Advisor Charge;

(b) amending paragraph 22 of the Second ARIO 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 following the date of the Initial Order to include but not be limited to any and all fees and disbursements of legal counsel to the directors, unless the obligation was incurred due to the director's or officer's gross negligence or wilful misconduct;

(c) granting relief from certain securities reporting obligations under applicable Colombian laws until further order of the Court; and

(d) approving the fourth report of the Monitor dated February 27, 2026.

8. On March 26, 2026, the Court granted an Order amending and restating the Second ARIO (the "**Third ARIO**"), among other things:

(a) approving *nunc pro tunc*, the amendments to the DIP Loan Agreement dated March 9, 2026 (the "**Second AR DIP Loan Agreement**");

(b) approving the proposed key employee retention plan ("**KERP**") and the proposed key employee incentive plan (the "**KEIP**"), and granting a corresponding priority charge over the Applicants' Property to secure the retention and incentive payments that may become payable under the KERP and KEIP, up to the maximum aggregate amount of $3,744,000;

(c) approving, *nunc pro tunc*, the Applicants' engagement of Breakpoint Advisory Partners LLC ("**Breakpoint**") as chief restructuring officer (the "**CRO**") pursuant to the terms of the engagement letter between the Applicants and the CRO dated as of March 17, 2026, and authorizing the Applicants to pay the CRO its monthly fees, costs and disbursements, in accordance with the terms of Breakpoint's engagement letter;

(d) extending the scope of the Administration Charge to secure the fees and expenses of the CRO, and extending the scope of the indemnity in favour of the Applicants' directors and officers and the Directors' Charge to include the CRO, in respect of any indemnity granted by the Applicants to the CRO in connection with the CRO's activities and services provided pursuant to its engagement letter with the Applicants;

(e) granting a priority charge over the Applicants' Property in favour of Breakpoint in its capacity as CRO as security for the CRO Restructuring Fee (as defined in the Third ARIO), up to the maximum aggregate amount of $3,000,000; and

(f) approving the fifth report of the Monitor dated March 22, 2026, and the actions, conduct and activities of the Monitor set out therein.

9. On March 26, 2026, the Court granted a further Order granting the sealing of the unredacted copies of the economic terms of the KERP and KEIP, and the Second AR DIP Loan Agreement, included as confidential exhibits to the supplementary affidavit of Mr. Jason Bednar ("**Mr. Bednar**") dated March 18, 2026.

10. On April 24, 2026, the Court granted an Order (the "**Fourth ARIO**") amending and restating the Third ARIO, among other things:

(a) approving the Third Amended and Restated DIP Commitment Letter dated April 14, 2026 (the "**Third AR DIP Loan Agreement**") and increasing the maximum principal amount of DIP Financing that the Applicants are authorized to borrow under the Third AR DIP Loan Agreement to $112,000,000, with all obligations under the Third AR DIP Loan Agreement to be secured under the DIP Lenders' Charge;

(b) authorizing an increase in the maximum aggregate amount of Pre-Filing Critical Vendor Payments permitted from $15.5 million to $17.0 million, subject to the Monitor's and DIP Lenders' prior approval;

(c) approving the Bid Protections and granting a charge over the cash proceeds of any sale or investment transaction implemented in accordance with and pursuant to the SISP in favour of a Phase 2 Qualified Bidder (each as defined in the SISP) that is selected and designated by the Applicants, with the consent of the Monitor and the Ad Hoc Committee (as defined herein), in accordance with the SISP, to be a stalking horse bidder (if so designated, the "**Stalking Horse Bidder**"), to the extent that such Stalking Horse Bidder becomes entitled to payment of the Bid Protections; and

(d) approving the sixth report of the Monitor dated April 16, 2026, and the actions, conduct and activities of the Monitor set out therein.

11. On April 24, 2026, the Court also granted an Order (the "**April 24th Sealing Order**") granting the sealing of the summary of the non-binding letters of intent received in Phase 1 of the SISP and an executed and unredacted copy of the Third AR DIP Loan Agreement, each included as exhibits to the supplementary affidavit of Mr. Bednar affirmed on April 14, 2026.

12. On May 21, 2026, the Court heard an application made by the Applicants to disclaim the Subject Agreements (as defined in the report of the Monitor dated April 30, 2026 (the "**Seventh Report**")) between the Applicants and contractual counterparties to the Subject Agreements (the "**Subject Agreement Counterparties**"). On June 24, 2026, the Court released the reasons for its decision granting the disclaimer orders (the "**Disclaimer Decision**"), subject to the forms of orders being revised to require the Canacol Group to maintain existing pricing for counterparties serving Colombia's regulated market and deferring consideration of the priority of damages claims following disclaimer (the **"Revised Disclaimer Orders"**). The Revised Disclaimer Orders were filed with the Court on July 14, 2026.

13. On June 17, 2026, the Court granted an Order (the "**June Stay Extension Order**"), among other things, approving the eighth report of the Monitor dated June 15, 2026, and extending the Stay Period to July 10, 2026.

14. On July 9, 2026, the Court granted an Order (the "**July Stay Extension Order"**), among other things, extending the Stay Period to September 30, 2026.

15. On July 13, 2026, the Court granted Orders, among other things:

(a) granting the sealing of the executed and unredacted Third AR Amending Agreement (as defined in the Ninth Report); and

(b) approving the Seventh Report and the supplement to the Seventh Report, and the actions, conduct and activities of the Monitor set out therein.

16. The Monitor provided this Court with its report dated July 6, 2026 (the "**Ninth Report**") in connection with the Applicants' application for the July Stay Extension Order, a copy of which (without appendices) is attached hereto as **Appendix "A"**.

17. On September 15, 2026, the Court released the reasons for its decision to grant approval of the Ninth Report, and the actions, conduct and activities of the Monitor set out therein. The order reflecting same is in process.

18. Copies of materials and documents filed in connection with these CCAA Proceedings are available on the Monitor's website at https://kpmg.com/ca/canacol (the "**Monitor's Website**"). In addition, the Monitor maintains a toll-free hotline 1-833-724-5456 and an email address at: canacol@kpmg.ca, through which creditors of the Applicants or other interested parties can make inquiries with the Monitor related to these CCAA Proceedings.

II. PURPOSE OF REPORT

19. The purpose of this report (the "**Tenth Report**") is to provide this Court with information pertaining to:

(a) the activities of the Applicants and the Monitor, respectively, since the date of the Ninth Report;

(b) developments in the proceedings brought by the Foreign Representative in Colombia (the "**Colombian Recognition Proceedings**") recognizing these CCAA Proceedings;

(c) the status of the Subject Agreements in connection with the Revised Disclaimer Orders and the related Leave to Appeal Applications (as defined herein);

(d) the status of the SISP;

(e) the amendment and extension of the term of the Third AR DIP Loan Agreement pursuant to a second amending agreement dated as of September 15, 2026 (the "**Second AR DIP Amending Agreement**", and such amended agreement being the

"**DIP Commitment Letter**") between, among others, the Applicants, the guarantor parties thereto and the DIP Lenders;

(f) the Applicants' reported cash receipts and cash disbursements;

(g) the Applicants' cash flow forecast (the "**Revised Cash Flow Forecast**") for the period from August 30, 2026, to November 28, 2026 (the "**Forecast Period**"); and

(h) the Applicants' application for certain amendments to the Fourth ARIO (the "**Fifth ARIO**"), among other things:

(i) extending the Stay Period to November 30, 2026 (the "**Extended Stay Period**");

(ii) approving, *nunc pro tunc*, the Applicants' entry into the Second AR DIP Amending Agreement, a redacted copy of which is attached as **Exhibit "B"** to the Twelfth Bednar Affidavit;

(iii) subject to the terms of the DIP Commitment Letter and the Definitive Documents (as defined in the proposed Fifth ARIO):

(A) removing the existing aggregate monetary limit on cash collateral that the Applicants may post and authorizing the Applicants, in each case, to establish and maintain cash-collateralized letters of credit, trusts and other financial security arrangements acceptable to the ANH (each an "**ANH Trust**") in connection with present or future obligations under exploration and production contracts and exploration and exploitation contracts (the "**E&P Contracts**") with the ANH (collectively, the "**ANH Security Arrangements**"), provided that same is contemplated in the Revised Cash Flow Forecast or subsequent cash flow forecasts approved pursuant to the DIP Commitment Letter;

(B) permitting cash to be held in one or more trusts or other fiduciary arrangements established by an Applicant for the benefit of a

participating bank or financial institution or, where applicable, the ANH;

(C) expanding the definition of LC Collateral (as defined in the Fourth ARIO) to include cash, interest and related proceeds held under ANH Security Arrangements, and permitting such collateral to be applied following a draw, demand or other entitlement to payment; and

(D) confirming that the court-ordered Charges rank subordinate only to the cash, interest and related proceeds held under the applicable ANH Security Arrangement;

(iv) approving this Tenth Report, and the actions, conduct and activities of the Monitor set out therein; and

(i) the Applicants' application for an Order (the "**Sealing Order**") sealing the executed and unredacted Second AR DIP Amending Agreement which includes the signature pages thereto, such that this document 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.

III. TERMS OF REFERENCE

20. Capitalized terms used but not defined in the Tenth Report are as defined in the Eighth Report and the Fourth ARIO. The Applicants filed the Affidavit of Mr. Bednar affirmed on September 17, 2026 (the "**Twelfth Bednar Affidavit**") in support of their application for the Fifth ARIO. This Tenth Report should be read in conjunction with the Ninth Report and the Twelfth Bednar Affidavit, as certain information contained therein has not been included in this Tenth Report to avoid unnecessary duplication.

21. In preparing this Tenth Report, KPMG has relied solely on information and documents provided to it by the Applicants and their respective advisors, including unaudited, draft and/or internal financial information, financial projections prepared by the Applicants,

discussions with management of the Applicants, and the affidavits of the Applicants' executives (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in this Tenth Report, KPMG has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, KPMG has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards pursuant to the *Chartered Professional Accountants of Canada Handbook* and, as such, KPMG expresses no opinion or other form of assurance contemplated under such Generally Accepted Auditing Standards in respect of the Information.

22. Unless otherwise stated, all monetary amounts noted herein are expressed in United States dollars.

IV. ACTIVITIES OF THE APPLICANTS

23. Since the date of the Ninth Report, the Applicants have been managing their operations in the normal course and pursuant to the terms of the Orders granted by this Court, and working to stabilize the business within the CCAA Proceedings, address their liquidity requirements, and advance their restructuring, with the assistance of their advisors and the Monitor.

24. The activities of the Applicants since the date of the Ninth Report have included:

(a) maintaining the Applicants' business and operations, and managing their cash;

(b) communicating with the Canacol Group's creditors regarding the CCAA Proceedings and working with the Monitor and legal counsel to respond to creditor and stakeholder inquiries;

(c) through the CRO and counsel, continuing negotiations with counterparties to the Subject Agreements in an effort to reach consensual amendments while recognition of the Revised Disclaimer Orders remains pending in Colombia;

(d) participating, through the Monitor in its capacity as Foreign Representative, in the Conciliation Meetings directed by the Superintendency of Companies (each as defined herein) with the counterparties to the Subject Agreements;

(e) working with Colombian legal counsel and the Monitor, in its capacity as Foreign Representative, to advance recognition of the Revised Disclaimer Orders in the Colombian Recognition Proceedings, including seeking to have a hearing date set by the Superintendency of Companies;

(f) communicating, through counsel, the CRO and the Monitor, with Colombian governmental and regulatory authorities concerning the Applicants' operations, the Revised Disclaimer Orders and the Colombian Recognition Proceedings;

(g) reviewing and preparing responding materials, with the assistance of legal counsel, in connection with the Leave to Appeal Applications;

(h) reviewing and responding, with the assistance of Colombian counsel, to the Abandonment Fund Communications and Default Notices (each as defined herein) received from the ANH, and engaging with the ANH, existing and prospective letters of credit providers, other financial institutions and potential trustees regarding the renewal, replacement or establishment of financial security required by the ANH (as further discussed herein);

(i) through the CRO and the Sale Advisor, consulting with bidders remaining in the second phase of the SISP and evaluating their proposals in consultation with the Monitor, the Ad Hoc Committee (as defined herein), Macquarie and the RCF Lenders (as defined in the SISP);

(j) negotiating the Second AR DIP Amending Agreement with the DIP Lenders, in consultation with the CRO and the Monitor;

(k) working closely with legal counsel, the Monitor, the Sale Advisor and the CRO to continue implementing the SISP; and

(l) working closely with the Monitor and the DIP Lenders to prepare the Revised Cash Flow Forecast.

V. ACTIVITIES OF THE MONITOR

25. Since the date of the Ninth Report, the Monitor's activities have included:

(a) monitoring the Applicants' cash receipts and disbursements;

(b) engaging with counsel to the Monitor in Colombia, Philippi Prietocarrizosa Ferrero DU & Uría ("**PPU**") and other stakeholders in connection with the Colombian Recognition Proceedings;

(c) assisting the Applicants with their communications with stakeholders including employees, vendors, lenders, and key trade partners;

(d) attending various teleconferences and virtual meetings with representatives of the Applicants and the Applicants' counsel and advisors, the CRO, and the Monitor's counsel, respectively, in respect of the Canacol Group's cash flows and liquidity requirements, operations, the SISP, the Colombian Recognition Proceedings, and these CCAA Proceedings, generally;

(e) attending further meetings with the Colombian Authority Respondents (as defined and further discussed herein);

(f) attending meetings with the Subject Agreement Counterparties (as defined and discussed herein);

(g) working with the Applicants and their advisors to assess various cash flow scenarios relating to the timing and scope of drilling and workover activities, including the resulting impact on the Applicants' production volumes;

(h) working with the Applicants and the DIP Lenders and their respective advisors on the development of the Revised Cash Flow Forecast;

(i) consulting with the Applicants and DIP Lenders on the Third AR Amending Agreement and the Second AR DIP Amending Agreement;

(j) responding to inquiries from creditors and other stakeholders in connection with these CCAA Proceedings;

(k) maintaining the Service List and the Monitor's Website; and

(l) preparing this Tenth Report.

VI. UPDATE ON THE COLOMBIAN RECOGNITION PROCEEDINGS

Background

26. On December 11, 2025, the Superintendency of Companies of Colombia (the "**Superintendency of Companies**") issued an Order (the "**Provisional Colombian Recognition Order**") granting preliminary measures included in the ARIO, including the stay of proceedings against Canacol Colombia, CNE O&G Colombia, Cantana Colombia (Sucursal of Cantana Switzerland) and CNEOG Colombia (Sucursal of CNE Panama) (collectively, the "**Colombian Debtors**"), preservation of certain operational bank accounts, restrictions on terminating essential contracts, and granting priority with respect to professional fees of the Foreign Representative and counsel. The Superintendency of Companies did not address relief requested concerning certain bank accounts of the Colombian Debtors that are subject to Macquarie Bank Ltd.'s ("**Macquarie**") security.

27. On December 17, 2025, the Superintendency of Companies granted an Order (the "**Colombian Recognition Order**") among other things recognizing the CCAA Proceedings as the principal foreign proceeding, recognizing KPMG as the Monitor and the Foreign Representative, and extending preliminary measures granted by the Provisional Colombian Recognition Order.

28. On February 6, 2026, the Superintendency of Companies issued an Order (the "**Colombian DIP Recognition Order**"), among other things:

(a) recognizing the Second ARIO, including granting a first priority security interest in favour of the DIP Lenders;

(b) authorizing a priming lien in favour of the DIP Lenders over the Colombian Debtors' assets located in Colombia; and

(c) directing Macquarie and Credicorp Capital Fiduciaria S.A. (as local administrative agent) to amend the Colombian collateral registry to reflect that their priority ranking is subordinate to that of the DIP Lenders, and to file the updated registration with the Superintendency of Companies. On February 16, 2026, Macquarie informed the Superintendency of Companies that it had complied with its obligations under the DIP Recognition Order.

29. On March 24, 2026, the Superior Court of the Judicial District of Bogotá admitted another constitutional action (a *tutela* claim) filed by Colombian counsel to Macquarie, which asserted that the Superintendency of Companies had infringed on Macquarie's constitutional rights by issuing the Colombian DIP Recognition Order, which displaced it as a first priority secured creditor, principally on the grounds of due process breaches. On March 25, 2026, the legal representative of the Colombian Debtors, counsel to the Monitor, and counsel to the DIP Lenders filed briefs opposing Macquarie's action. On April 8, 2026, the Superior Court of the Judicial District of Bogotá denied the constitutional injunction (the "**April 8 Judgment**").

30. Also on March 24, 2026, the Foreign Representative, through PPU, filed a petition with the Superintendency of Companies seeking recognition of the Approval and Amending Order, and specifically the provisions of that Order granting the Applicants relief in respect of the "*Colombian Securities Law Exemptions*".

31. On April 17, 2026, the second instance court granted the admission of the appeal filed by Macquarie against the April 8 Judgment. Macquarie's appeal challenged the denial of its *tutela* action in connection with the recognition of the DIP Financing and the DIP Lenders' Charge priority. On April 29, 2026, PPU filed arguments related to the appeal reiterating its initial position.

32. On May 14, 2026, the Superintendency of Companies recognized an Order issued on March 5, 2026 within the CCAA Proceedings exempting Canacol from securities reporting requirements before the Finance Superintendency of Colombia, the Colombia Stock Exchange, and any issuer reporting system in Colombia.

33. On May 20, 2026, the Supreme Court of Justice of Colombia resolved the appeal filed by Macquarie against the April 8 Judgment that denied the constitutional protection (*tutela*) requested in relation to the DIP Lenders' Charge. This judgment confirmed the first instance decision that denied the relief sought by Macquarie.

34. On May 28, 2026, the Superintendency of Companies approved an order recognizing the Third ARIO and Fourth ARIO, and all of the court-ordered charges therein. Counsel to Macquarie, Global Oil & Energy Services and Finamco S.A.S. made reconsideration motions that were objected to by counsel to the Monitor, Canacol Group and the DIP Lenders. The Superintendency of Companies rejected the reconsideration motions and confirmed its orders in all respects.

35. On June 3, 2026, Colombian counsel for Cerro Matoso S.A.S. and for CoreX filed a petition with the Superintendency of Companies requesting that it refrain from processing in any manner any petition for recognition of the disclaimer order that the Foreign Representative might submit, including an express petition not to summon a hearing, pending a determination of an application for leave to appeal the Disclaimer Decision.

36. On June 4, 2026, the Monitor, as Foreign Representative, reported on the amendment to the deadline for the Sale Advisor to notify each bidder whether its bid constitutes a Phase 2 Qualified Bid, with such deadline being set for June 10, 2026.

37. On June 23, 2026, the Monitor, as Foreign Representative, reported on the amendment to the deadline for the Sale Advisor to notify each bidder whether its bid constitutes a Phase 2 Qualified Bid, with such deadline being set for July 6, 2026 (as discussed below).

38. On June 25, 2026, the Monitor, as Foreign Representative, reported to the Superintendency of Companies on the June 17, 2026 hearing before this Court, at which the Stay Period was extended until July 10, 2026.

39. The Monitor has responded to certain requests received from the following creditors in connection with the CCAA Proceedings: GTM Colombia, Megambientales, Integratur S.A.S., Equipos y Controles Industriales S.A.S., and Anker Logística y Carga S.A.S.

Status Update

40. On July 15, 2026, the Monitor in its capacity as Foreign Representative, filed a petition with the Superintendency of Companies to seek recognition of the Revised Disclaimer Orders following the issuance of the Disclaimer Decision.

41. On July 24, 2026, the Superintendency of Companies issued a ruling summoning conciliation meetings (collectively, the **"Conciliation Meetings"**) between each of the Subject Agreement Counterparties and the Company, the Monitor as Foreign Representative, and representatives from the Ministry of Mines and Energy, the ANH and the Superintendency of Public Utilities (the "**SSPD**"). The intention of the Conciliation Meetings was to promote voluntary agreements between the various parties with respect to the contract disclaimer with the Superintendency acting as a conciliator. The Conciliation Meetings occurred on August 4, 2026, and August 5, 2026.

42. On July 30, 2026, Colombian counsel for Gases del Oriente S.A. E.S.P. ("**Gases del Oriente**") filed with the Superintendency of Companies a support motion for the petition previously filed by Cerro Matoso S.A.S. and CoreX. In the motion, Gases del Oriente requested that the Superintendency of Companies refrain from summoning a hearing or otherwise processing the petition for recognition of the Revised Disclaimer Orders until the pending Leave to Appeal Applications filed by Gases del Oriente and CoreX before the Court of Appeal of Alberta are resolved. The motion further requested that the Superintendency of Companies summon several additional public entities in Colombia.

43. On August 1 and 3, 2026, respectively, Gases de la Guajira S.A. E.S.P. and Gases del Caribe S.A. E.S.P. filed written oppositions to the recognition of the Revised Disclaimer Orders with the Superintendency of Companies. Both oppositions argue that recognition of the Revised Disclaimer Orders in Colombia would be manifestly contrary to Colombian public policy, on the basis that the termination of the Subject Agreements would

compromise constitutional guarantees. Both filings advocated for a negotiated solution and requested that the Superintendency of Companies exercise its conciliatory powers.

44. During each of the Conciliation Meetings, proposals were discussed. A recess was ordered to allow for parties to review the proposals, and further Conciliation Meetings were scheduled for August 11, 2026, and August 12, 2026, which were ultimately rescheduled to August 28, 2026 (the "**August 28 Conciliation Meeting**").

45. On or around August 18, 2026, the Superintendency of Companies sent requests to the Ministry of Mines and Energy, the Energy and Gas Regulatory Commission ("**CREG**"), the ANH and the SSPD (collectively, the "**Colombian Authority Respondents**"), seeking their technical and regulatory views on the scope, effects, and implications of recognizing the Revised Disclaimer Orders in Colombia.

46. On August 24, 2026, the Monitor, in its capacity as Foreign Representative, sent a communication to each of the Colombian Authority Respondents to ensure that such entities, when formulating their respective responses to the Superintendency of Companies, had the full and accurate context regarding the CCAA Proceedings and the principal objectives thereof, including the preservation of the Applicants' business as a going concern and the completion of the SISP with a view to securing significant new capital commitments for gas exploration and production in Colombia. The communication was also filed with the Superintendency of Companies.

47. The Superintendency of Companies subsequently received responses from each of the Colombian Authority Respondents, as well as from the Gas Market Manager, which had been separately requested by the Ministry of Mines and Energy to file a report. The Colombian Authority Respondents expressed concerns regarding the potential effects of disclaiming the Subject Agreements, which responses are summarized in the paragraphs that follow.

48. CREG advised that, under the applicable Colombian regulatory framework, breaches of gas supply agreements require mandatory compensation payments to be made to affected counterparties. CREG further expressed that termination of the Subject Agreements would

be contrary to the efficient provision of public services because the respective agreements serve essential demand, including residential, small commercial and vehicular natural gas users (the "**Essential Market**"). CREG also noted that alternative short-term contracting mechanisms depend on the availability of physical gas supply and transportation capacity, both of which are constrained.

49. The SSPD advised the Superintendency of Companies that, based on the information available, the proposed termination of the Subject Agreements was not attributable exclusively to a generalized physical shortage of gas. In particular, the SSPD referred to gas supplied by Canacol to Celsia Colombia S.A. E.S.P. during July and August 2026 under contracts that include interruptible and purchase-option modalities, even though the mechanisms required to trigger the exercise of those purchase options had not been activated. The SSPD stated that further consideration should be given to the criteria used to allocate available gas and the conditions under which other contractual commitments were being performed. The SSPD recommended that these matters be considered by the Superintendency of Companies when determining whether to recognize the Revised Disclaimer Orders, given the potential consequences for buyers serving residential, commercial and industrial demand, and the broader Colombian gas market.

50. The Ministry of Mines and Energy expressed concern that termination of the Subject Agreements could result in supply shortages or increased tariffs for essential-market customers, particularly on Colombia's Caribbean Coast, and could affect gas supply to thermal power plants supporting the Colombian electricity system. The Ministry also noted the difference between Canacol's declared production potential and actual production and contractual deliveries during 2026. The Ministry recommended that conditions be placed on the termination of the Subject Agreements that allow for a reasonable transition period or include a plan to substitute source of supply in order to protect continuity of service and avoid greater social, economic, and public-order consequences, including generalized social unrest.

51. In its response, the ANH identified that several of Canacol's exploration and production contracts have pending exploration commitments and active production phases. The ANH

noted that termination of the Subject Agreements would affect the commerciality and classification of Canacol's gas reserves, reduce royalty and other governmental revenues, could reduce production, result in temporary well closures, and affect Canacol's performance of its exploration and production commitments. The ANH requested that any decision in the Colombian Recognition Proceedings seek the preservation of the existing exploration and production contracts and promote the efficient use of Colombia's natural gas resources.

52. The Gas Market Manager reported that between January and August 2026, Canacol's gas deliveries represented only a fraction of its total contracted volumes, and a materially lower proportion of its firm contracted volumes. The Gas Market Manager further traced the gas through the secondary market and identified that a number of end-buyers ultimately hold supply rights originating from the Subject Agreements. With respect to the potential re-commercialization of released gas supply, the Gas Market Manager observed that, if the Subject Agreements were terminated, Canacol would be unable to negotiate new firm supply contracts within the current regulatory window because the applicable declaration deadline had already passed, and that new long-term firm negotiations could only commence at the next available regulatory window. In the interim, only short-term or interruptible contracts could be negotiated, subject to availability and regulatory constraints.

53. On August 28, 2026, the Superintendency of Companies cancelled the August 28 Conciliation Meeting, citing internal administrative matters. As at the date of this Tenth Report, the Monitor understands that no further conciliation meeting has been scheduled and the Superintendency of Companies has not issued a decision regarding the recognition of the Revised Disclaimer Orders.

54. Between September 15-17, 2026, certain Subject Agreement Counterparties and counterparties to the transportation agreements, the Applicants, the CRO, the Monitor and respective legal counsels participated in negotiations in Miami, Florida. Although discussions were constructive, no consensual resolutions were reached after two days of negotiations.

55. The Monitor has responded to certain requests received from the following creditors in connection with the CCAA Proceedings: Betty Del Socorro Merlano Fernández and Víctor Andrés Hernández Urzola; Francisco Vásquez Fernández; Telemática S.A.S. and Luz Stella Merlano Fernández.

VII. COMMUNICATIONS WITH COLOMBIAN GOVERNMENTAL AUTHORITIES

56. The Ninth Report summarized the Monitor's communications (including in its capacity as Foreign Representative) with Colombian Governmental Authorities up to the date of the Ninth Report (July 6, 2026). This section summarizes communications with Colombian Governmental Authorities from and after the date of the Ninth Report and should be referred to together with the Ninth Report for completeness.

57. Between September 2 and September 4, 2026, the Monitor and Canacol representatives attended in-person meetings in Colombia with various Colombian Governmental authorities following the change of Colombian Government officials after the recent elections. Meetings were held with the Superintendency for Public Utilities, the ANH, the Energy Vice-Minister, the Superintendency of Companies, and the Interim Bankruptcy Judge at the Superintendency of Companies in order to update the Colombian Government officials on the status of the Applicants' restructuring and status of the Subject Agreements (as summarized above) and to request the Colombian authorities' ongoing assistance with the Applicants' restructuring proceedings.

58. On September 18, 2026, the Monitor, in its capacity as Foreign Representative, through its Colombian counsel PPU, submitted a letter to the Superintendency of Companies (the "**September 18th Letter**") requesting that a hearing be scheduled on a priority basis to determine the application for recognition of the Revised Disclaimer Orders. In the letter, the Foreign Representative advised that it had actively participated in negotiations with the Subject Agreement Counterparties and counterparties to the transportation agreements but did not believe that material agreements were likely to be reached in the near term. The Foreign Representative further advised that a hearing is necessary to address the outstanding issues relating to the cross-border restructuring and that the timing of a hearing may impact the Applicants' ability to satisfy certain conditions associated with the Second

AR DIP Amending Agreement and the availability of future advances thereunder. A copy of the September 18th Letter is appended hereto as **Appendix "B"**.

VIII. LEAVE TO APPEAL APPLICATIONS

59. Following the granting of the Revised Disclaimed Orders by the Court, certain contractual counterparties to the Subject Agreements submitted applications for permission to appeal the Revised Disclaimer Orders (the "**Leave to Appeal Applications**") in the Alberta Court of Appeal. Leave to Appeal Applications were filed by CoreX Energy SAS ESP, Promigas S.A. E.S.P., Surtigas S.A. E.S.P., Gases del Caribe S.A. E.S.P., Gases de La Guajira S.A. E.S.P., and Gases del Oriente S.A. E.S.P. (each a "**Leave to Appeal Applicant**").

60. On August 19, 2026, the DIP Lenders made an application to be added as a party to each of the Leave to Appeal Applications, which status has been opposed by certain of the Leave to Appeal Applicants.

61. The Alberta Court of Appeal has scheduled the Leave to Appeal Applications to be heard on October 21, 2026. The DIP Lenders' application to intervene in the Leave to Appeal Applications will also be heard on that date.

62. As discussed above, since the issuance of the Disclaimer Decision on June 24, 2026, the Subject Agreement Counterparties, the Applicants, the CRO, and the Monitor have been participating in negotiations on the terms of supply and transportation agreements, however no agreements have been reached.

IX. SISP UPDATE

Background

63. As discussed in the Eighth Report, the SISP is being conducted by Canacol through the Sale Advisor and under the supervision of the Monitor, subject to certain consultation and/or consent rights of the Ad Hoc Committee and consultation rights of Macquarie and the RCF Lenders.

64. On March 16, 2026, ten (10) non-binding letters of intent (the "**LOIs**") were received by the Sale Advisor and the Monitor. Multiple of the Phase 1 Qualified Bidders (as defined in the SISP) that submitted LOIs were invited to participate in the second phase of the SISP.

65. Pursuant to the terms of the SISP, the deadline for the submission of binding qualified bids was May 4, 2026 (the "**Phase 2 Bid Deadline**").

66. Following the Phase 2 Bid Deadline, the Monitor understands from the Applicants that various discussions took place between the Applicants, the Sale Advisor and the second phase bidders and other interested parties with respect to the bid proposals received by the Phase 2 Bid Deadline. As noted above, to allow time to engage with the bidders in efforts aimed at developing the Phase 2 Qualified Bids, the Applicants extended the date for notifying the bidders whether their bids constitute a **"Phase 2 Qualified Bid"** under the SISP numerous times and most recently to September 30, 2026.

Status Update

67. The Applicants, the CRO, the Sale Advisor and the Monitor are continuing to review the bids, in consultation with the Ad Hoc Committee, ahead of the September 30, 2026, extended deadline for identifying Phase 2 Qualified Bids and a Successful Bid(s) under the SISP.

68. As further described in the Twelfth Bednar Affidavit, the Monitor also understands that the Applicants, the CRO and the Sale Advisor have continued to engage with second phase bidders, facilitate diligence requests, and engage in discussions with the Subject Agreement Counterparties (as further discussed above).

69. The Monitor understands that if a Successful Bid(s) is not identified by the Applicants pursuant to the terms of the SISP and the SISP is terminated as a result, the Applicants continue to consider next steps to either pursue an alternative transaction as further discussed below, to the extent possible, or to proceed with an orderly liquidation of their assets.

X. AMENDMENT TO THE THIRD AR DIP LOAN AGREEMENT

Background

70. As noted herein, on April 14, 2026, the Applicants entered into the Third AR DIP Loan Agreement with the lender signatories thereto (the "**DIP Lenders**") who are holders of Canacol's $495,000,000 of 5.75% senior unsecured notes due in 2028 and participants in an ad hoc committee of the senior unsecured notes (the "**Ad Hoc Committee**"), which was approved pursuant to the Fourth ARIO. As described in further detail in the Twelfth Bednar Affidavit, the Third AR DIP Loan Agreement increased the maximum principal amount of DIP Financing available thereunder to the aggregate maximum amount of $112 million by adding a new delayed-draw term loan tranche in the maximum amount of $45 million (the "**Tranche A-2 Sub-Facility**").

71. The Third AR DIP Loan Agreement contemplated a maturity date of the earlier of: (i) June 30, 2026; (ii) the effective date of (a) the sale of all or substantially all of the assets, property or business of the Applicants, or (b) a plan of arrangement; (iii) the consummation of a transaction pursuant to the SISP; (iv) the termination of the CCAA Proceedings; or (v) the occurrence of an event of default thereunder (the "**Maturity Date**").

72. Subject to the satisfaction or waiver of certain conditions, the Third AR DIP Loan Agreement allowed the Borrowers to extend the Maturity Date of the tranches thereunder by a period of three months to September 30, 2026.

73. On June 30, 2026, the Applicants and the DIP Lenders entered into an agreement amending the Third AR DIP Loan Agreement (the "**First AR DIP Amending Agreement**") providing for, among other things, an extension of the Maturity Date to September 30, 2026.

74. The First AR DIP Amending Agreement contemplated an extension fee payable by the Applicants in the amount of $1.8 million, which the Monitor understands was paid on July 2, 2026.

75. As the extension of the Maturity Date in the First AR DIP Amending Agreement was contemplated in the terms of the Third AR DIP Loan Agreement approved by the Court pursuant to the Fourth ARIO, the Applicants did not seek approval of the First AR DIP Amending Agreement. Further background on the Third AR DIP Loan Agreement is provided in the Twelfth Bednar Affidavit and is not repeated herein to avoid unnecessary duplication.

Second AR DIP Amending Agreement

76. As noted above, the Applicants and the DIP Lenders entered into the Second AR DIP Amending Agreement effective September 15, 2026. As at the effective date of the Second AR DIP Amending Agreement, $30 million remained unadvanced under the Tranche A-2 Sub-Facility.

77. Pursuant to the terms of the Second AR DIP Amending Agreement, the remaining $30 million available under the Tranche A-2 Sub-Facility is to be funded, subject to the satisfaction or waiver of the applicable conditions precedent, as follows (all defined terms not otherwise defined herein shall have the meaning attributed to them in the Second AR DIP Amending Agreement):

(a) a "**Fifth Subsequent Advance – Part 1**" of up to $7.5 million, to be advanced on or before September 23, 2026. As noted below, the Monitor understands that the Fifth Subsequent Advance – Part 1 was funded on September 18, 2026;

(b) a "**Sixth Subsequent Advance**" of up to $15 million, to be advanced on or before October 14, 2026; and

(c) a "**Fifth Subsequent Advance – Part 2**" of up to $7.5 million, to be advanced on or before October 28, 2026.

78. The Monitor understands that the remaining advances are intended to support the completion of a Successful Bid under the SISP or, if the SISP is terminated, another binding transaction acceptable to the applicable DIP Lenders (a "**Satisfactory Alternative Transaction**"). The Second AR DIP Amending Agreement does not increase the

maximum amount available under the Tranche A-2 Sub-Facility or other sub-facilities under the DIP Financing.

79. Each of the remaining advances is subject to, among other things, the satisfaction or waiver of conditions precedent relating to:

(a) the designation of one or more Phase 2 Qualified Bids or the termination of the SISP and entry into a binding agreement for a Satisfactory Alternative Transaction;

(b) the selection of a Successful Bid or the termination of the SISP and entry into a binding agreement for a Satisfactory Alternative Transaction; and

(c) the Subject Agreements having been amended on terms satisfactory to the DIP Lenders or the Disclaimer Orders having become final and effective, including, where applicable, recognition of the Disclaimer Orders by the Colombian Court without any outstanding challenge.

80. The Monitor understands that the DIP Lenders funded $6.8 million to the Applicants on September 18, 2026, representing the Fifth Subsequent Advance – Part 1, net of certain professional fees of the DIP Lenders' advisors.

81. In addition to the funding conditions precedent described above, and subject to waiver by the applicable DIP Lenders, the Sixth Subsequent Advance requires, among other things:

(a) the proposed Fifth ARIO to have been granted, become final and remain in full force and effect, with the period for seeking permission to appeal having expired without an application being filed;

(b) this Court to have granted an order approving the Successful Bid or Satisfactory Alternative Transaction, as applicable (the "**Transaction Approval Order**");

(c) the Transaction Approval Order to have become final and remain in full force and effect, with the period for seeking permission to appeal having expired without an application being filed; and

(d) recognition of the Transaction Approval Order in the United States and Colombia, with the applicable recognition orders remaining in full force and effect and no outstanding challenge having been made.

82. In addition to the foregoing conditions, and subject to waiver by the applicable DIP Lenders, the Fifth Subsequent Advance – Part 2 requires the Fifth ARIO to have been granted, become final and remain in full force and effect, without having been vacated, stayed, revised, modified or amended, and without any leave to appeal, appeal, recourse or request for reconsideration having been filed or sought. The Sixth Subsequent Advance is subject to the same requirements and, in addition, requires that the period for seeking leave to appeal the Fifth ARIO have expired without any leave application having been filed, and that the Revised Disclaimer Orders be recognized pursuant to the Colombian Recognition Proceedings by September 30, 2026; notwithstanding that a hearing has been requested by that date (including in the September 18th Letter), no hearing date has been set as at the date of this Tenth Report.

83. The Second AR DIP Amending Agreement extends the Maturity Date from September 30, 2026, to November 30, 2026, subject to the earlier occurrence of, among other things:

(a) the effective date of a sale of all or substantially all of the Applicants' assets, property or business, a plan of arrangement, or the consummation of a transaction pursuant to the SISP;

(b) the termination of these CCAA Proceedings; or

(c) the occurrence of an event of default.

84. The Second AR DIP Amending Agreement is subject to, among other things, delivery of the Revised Cash Flow Forecast, approved by the Monitor and satisfactory to the DIP Lenders. The Monitor understands that the Revised Cash Flow Forecast is acceptable to the DIP Lenders.

85. Other key terms of the Second AR DIP Amending Agreement include:

(a) no waiver of any past, existing or future default or event of default;

(b) in consideration for the extension of the Maturity Date, payment of extension fees totalling $1.8 million (the "**Extension Fees**"), comprising $900,000 in respect of each of the Tranche A-1 Sub-Facility and the Tranche A-2 Sub-Facility (i.e., 2% of the Tranche A commitment). The Extension Fees charged in connection with the Second AR DIP Amending Agreement are consistent with those paid on July 2, 2026, in connection with the First AR DIP Amending Agreement; and

(c) a requirement that the Applicants obtain the Fifth ARIO by September 30, 2026; failure to do so would constitute an immediate event of default, resulting in the automatic termination of the DIP Financing and all related obligations becoming immediately due and payable.

(d) extension of the following to November 30, 2026:

(i) the date used to assess whether there has been a material adverse change in the SISP or the ability to close a Successful Bid; and

(ii) the restructuring milestone for completion of a Successful Bid or, following termination of the SISP, implementation of a plan of compromise or arrangement acceptable to the DIP Lenders.

86. The Applicants are seeking this Court's approval of the Second AR DIP Amending Agreement. The Monitor is of the view that the Fifth Subsequent Advance – Part 1, in the amount of $7.5 million, was required and that the balance of the available DIP Financing is critical to the Applicants' ability to continue operating and progressing their restructuring. The Monitor understands that the terms of the Second AR DIP Amending Agreement have been negotiated to permit this to continue. Furthermore, the Monitor is of the view that the rest of the Tranche A-2 Advances (the Fifth and Sixth Subsequent Advances) are also necessary and critical to the Applicants' ability to continue operating and carrying on these CCAA Proceedings during the proposed Stay Extension Period.

87. The Monitor is of the view that the available DIP Financing under the Second AR DIP Amending Agreement is necessary and appropriate in the circumstances. The Revised Cash Flow Forecast demonstrates that without this financing, the Canacol Group lacks liquidity

to continue operations through to the completion of the SISP (or an alternative path, as previously noted).

88. Taking into consideration the above, the Monitor supports the Second AR DIP Amending Agreement for the following reasons:

(a) the Applicants have a critical need for interim financing in the amount of $30 million (of which $7.5 million has been funded), without which, based on the Revised Cash Flow Forecast, the Applicants will be unable to maintain their oil and gas production operations in Colombia and advance the SISP and the restructuring process during the proposed Extended Stay Period;

(b) as set out in the Twelfth Bednar Affidavit, the Maturity Date and timelines previously set in the Third AR DIP Loan Agreement (as amended) have either passed or are no longer workable given the delays in SISP, primarily driven by delays in the disclaimers of the Subject Agreements and their recognition in the Colombian Recognition Proceedings;

(c) an inability to continue to access the DIP Financing would add uncertainty to the SISP and materially impair the Canacol Group's ability to sustain its critical natural gas supply to the Colombian power grid. This would result in immediate revenue loss, asset value deterioration, potential safety and environmental risks, and a cascading negative effect on bidder confidence and going concern operations;

(d) the DIP Financing will allow the Applicants to continue to operate, including funding transportation, operating expenses, royalties, payroll, capital expenditures, taxes payable, and the costs of these CCAA Proceedings. The DIP Financing is intended to provide adequate funding to the Applicants for their liquidity needs up to and including November 30, 2026, being the proposed Extended Stay Period;

(e) as discussed in the Twelfth Bednar Affidavit, the Monitor understands that the Second AR DIP Amending Agreement, including the Extension Fees contemplated, was the result of significant negotiation between the Applicants, the CRO, and the DIP Lenders

and reflects the restructuring delays experienced and the ANH Security Arrangements required by the Applicants; and

(f) the Monitor believes that approval of the Second AR DIP Amending Agreement is in the best interests of the Applicants' stakeholders and will provide the Applicants with time to advance their restructuring process, including the SISP, and will allow the business of the Applicants to continue to operate, which will enhance value versus the alternative, being a likely discontinuation of operations and the potential liquidation of the Applicants' assets.

89. For these reasons, the Monitor is of the view that the Second AR DIP Amending Agreement should be approved.

90. The Monitor understands that, due to the confidential nature of the identity of the DIP Lenders and their respective share in the DIP Financing, the Applicants are seeking a Sealing Order in respect of the unredacted copy of the Second AR DIP Amending Agreement to be kept confidential until further order of this Court. The Monitor is supportive of the proposed Sealing Order as it relates to the unredacted Second AR DIP Amending Agreement. The Monitor notes that this Court granted similar relief in respect of the DIP Commitment Letter and related amendments, in granting several sealing orders including the April 24th Sealing Order most recently.

XI. THE ANH SECURITY ARRANGEMENTS

91. As described in the Twelfth Bednar Affidavit, the Applicants have received communications from the ANH requiring that certain existing standby letters of credit expiring on September 30, 2026, be extended to September 30, 2027, without interruption and that additional abandonment fund security be provided in connection with certain of the Applicants' E&P Contracts (the "**Abandonment Fund Communications**"). The Monitor understands that in aggregate, the Applicants have been directed to provide approximately $10.5 million of new or incremental abandonment-related security (the "**Abandonment Fund Security Requirements**"). The Monitor further understands that compliance with the Abandonment Fund Security Requirements forms part of the

Applicants' ongoing obligations under the applicable E&P Contracts and that a failure to provide, extend or maintain the required security may result in contractual default processes, draws on existing letters of credit, fines or other enforcement actions, and could ultimately place the "**Affected E&P Contracts**" (as listed at **Exhibit "C"** of the Twelfth Bednar Affidavit) at risk. The Monitor understands that the Affected E&P Contracts accounted for approximately 98% of the Canacol Group's natural gas production in August 2026 and that preserving those contracts is important to maintaining enterprise value and facilitating a successful outcome under the SISP.

92. Also as detailed in the Twelfth Bednar Affidavit, the Monitor further understands that the Applicants received further notices from the ANH dated September 10 and 14, 2026 (the "**Default Notices**") commencing contractual default proceedings in respect of the VIM-21, VMM-53 and VMM 10-1 E&P Contracts. The Default Notices concern alleged failures to satisfy separate performance security requirements relating to exploration, investment and exclusivity obligations under those contracts (the "**Performance Security Requirements**"). The Monitor understands that the Default Notices are not final determinations of default, but rather commence contractual processes through which the ANH may seek remedies available under the applicable contracts.

93. Together with the Abandonment Fund Security Requirements, the Performance Security Requirements form part of the Applicants' broader replacement and renewal security requirements in respect of the Affected E&P Contracts (the "**Replacement Security Requirements**"). The Monitor understands that the final security and collateral requirements may change as the Applicants continue their discussions with the ANH and prospective LC Providers and trustees.

94. The Monitor understands that the requested ANH Security Arrangements relief is intended to permit the Applicants to satisfy the Replacement Security Requirements and other present or future security obligations arising under the Affected E&P Contracts through letters of credit, trusts or other financial security arrangements acceptable to the ANH. The Monitor further understands that the flexibility to implement and maintain such arrangements is necessary given the evolving nature of the Applicants' security

requirements and ongoing discussions with the ANH, prospective LC Providers (as defined in the Twelfth Bednar Affidavit) and trustees.

95. As detailed in the Twelfth Bednar Affidavit, the purpose of paragraph 6(e) of the Fourth ARIO was to facilitate a specific letter of credit replacement transaction. The Monitor understands that the authority provided by paragraph 6(e) is not sufficient to address the Applicants' current Replacement Security Requirements. In particular, the existing authority is subject to an aggregate monetary limit of approximately $5.2 million, applies only to a specific form of security arrangement and is limited to obligations of CNE O&G Colombia. The Monitor understands that the Applicants now require broader authority to establish and maintain ANH Security Arrangements in connection with present and future obligations under the Affected E&P Contracts.

96. The Monitor understands that the Applicants have experienced difficulty identifying a financial institution willing to issue all of the required letters of credit, even if full cash collateral were to be provided. The Monitor further understands that the structure used for each ANH Security Arrangement will depend on, among other things, the requirements and acceptance of the ANH, the willingness and documentation requirements of participating LC Providers and trustees, applicable Colombian banking and trust requirements, the location of the cash collateral and the cost and timing of the available alternatives. Accordingly, the Monitor understands that the requested relief would provide the Applicants with the flexibility to use or move between direct, back-to-back or confirmed letters of credit, ANH Trusts, other fiduciary arrangements or another structure acceptable to the ANH, without requiring further Court approval.

97. The Monitor understands that the proposed amendments are also intended to provide the legal certainty likely to be required by prospective LC Providers, trustees and the ANH. In particular, the relief would permit specifically designated cash to be held for an LC Provider or the ANH and following a draw, demand or other entitlement to payment, applied or distributed in accordance with the applicable ANH Security Arrangement. Based on the terms of the proposed Fifth ARIO, the priority afforded to an LC Provider, trustee or the ANH would be limited to the cash segregated or held under the applicable ANH

Security Arrangement, any interest credited to that cash and its related proceeds, and would not confer rights against the Applicants' other Property.

98. The Monitor has considered the liquidity implications of the proposed ANH Security Arrangements. The Monitor understands that the Applicants intend to fund the arrangements from available cash and/or advances under the DIP Financing, subject to the terms of the DIP Commitment Letter. The Revised Cash Flow Forecast includes funding for the ANH Security Arrangements in the aggregate amount of approximately $10 million. The Monitor understands that the Applicants, in consultation with the DIP Lenders (and with the Monitor), have concluded that this use of liquidity is necessary to preserve the Affected E&P Contracts and the operations, revenues and enterprise value associated with them. The Monitor further understands that the funding of the ANH Security Arrangements contemplated in the Revised Cash Flow Forecast differs from the aggregate amount of the Replacement Security Requirements as set out in the Abandonment Fund Communications and the Default Notices, as the Applicants are actively disputing certain Replacement Security Requirement Amounts with the ANH. The Monitor understands that the Applicants and the DIP Lenders understand that an updated cash flow forecast will need to be agreed to should, following a final determination of the Replacement Security Requirements between the Applicants and the ANH, such amounts exceed the amounts currently contemplated in respect of the ANH Security Arrangements in the Revised Cash Flow Forecast.

99. If the Replacement Security Requirements are not satisfied or otherwise resolved, the Applicants may be exposed to letter of credit ("**LC**") draws, contractual default proceedings, fines and the potential termination of one or more Affected E&P Contracts. As noted above, the Affected E&P Contracts are material to the Applicants' operations and restructuring efforts; a default, draw or threatened termination could interrupt operations, reduce revenue, create uncertainty for prospective purchasers and investors, diminish transaction value or prevent a viable transaction from closing.

100. For the reasons set out above, the Monitor is of the view that the requested ANH Security Arrangements relief is reasonable, appropriate and necessary in the circumstances. The

proposed amendments to the Fifth ARIO would provide the Applicants with the flexibility required to satisfy the Replacement Security Requirements and other present or future security obligations arising under the Affected E&P Contracts through commercially viable arrangements acceptable to the ANH and participating LC Providers or trustees. The Monitor further understands that preserving the Affected E&P Contracts is critical to maintaining the Applicants' operations, cash flow and enterprise value and mitigating the risk that contractual defaults, LC draws or contract terminations materially impair the SISP and the Applicants' restructuring efforts.

REPORTED CASH RECEIPTS AND DISBURSEMENTS

101. The Applicants' revised cash flow forecast for the period from June 28, 2026, to October 3, 2026 (the "**June 28 Cash Flow Forecast**") was filed with the Court as an appendix to the Ninth Report.

102. Since the date of the Ninth Report, the Applicants have continued to provide the Monitor with their cooperation and access to their books and records. The Monitor has worked with the Applicants to prepare analyses of their reported weekly cash flows as compared to the June 28 Cash Flow Forecast.

103. A comparison of the Applicants' reported cash receipts and disbursements for the 9-week period ended August 29, 2026 (the "**Reporting Period**"), as compared to the June 28 Cash Flow Forecast, is summarized below:

The Canacol Group Summary of Reported Receipts and Disbursements For the 9-week period from June 28, 2026 to August 29, 2026 In USD ($000's); unaudited			
	Actual	**Forecast**	**Variance**
Total receipts	**35,372**	**34,338**	**1,034**
Operating disbursements			
Pre-filing expenses	-	-	-
Transportation	(13,987)	(20,335)	6,348
Operating expenses	(7,265)	(6,495)	(770)
Royalties	(4,208)	(3,980)	(228)
Payroll	(4,432)	(3,681)	(750)
Capital expenditures	(6,370)	(16,052)	9,681
Letters of credit	(81)	-	(81)
Tax payable	(4,565)	(4,476)	(89)
DIP fees and interest	(3,564)	(3,581)	17
Professional fees	(5,411)	(8,249)	2,838
FX movement	1,265	-	1,265
Total operating disbursements	**(48,617)**	**(66,850)**	**18,233**
Net cash flow	**(13,245)**	**(32,511)**	**19,266**
Opening cash	27,234	27,234	-
Net cash flow	(13,245)	(32,511)	19,266
Interim financing	-	15,000	(15,000)
Ending cash	**13,988**	**9,722**	**4,266**
Cash excluding Promigas	5,290	3,022	2,268

104. As reflected in the summary table above, the Applicants reported cumulative negative net cash flow of approximately $13.2 million for the Reporting Period. As at August 29, 2026, the Applicants reported a cash balance of approximately $14.0 million ($4.3 million higher than forecast), including the amounts held in the Promigas Trust (which cannot be accessed by the Applicants) and unrestricted cash of approximately $5.3 million.

105. The Monitor understands that the favourable August 29, 2026 ending cash variance of approximately $4.3 million, can be summarized as follows:

(a) An unfavourable variance of $15.0 million as a result of lower than forecast DIP draws, largely offset by:

(i) an $18.2 million net favourable variance in operating disbursements, due to:

(A) lower than projected capital expenditures ($9.7 million), primarily attributable to (i) delays in completing workovers and (ii) vendors continuing to provide the Canacol Group with payment terms that extend beyond those assumed in the June 28 Cash Flow Forecast;

(B) lower than projected transportation cost ($6.3 million) due to timing differences as the August transportation invoices were paid the week following the Reporting Period;

(C) lower than projected professional fees ($2.8 million); and

(D) favourable foreign exchange differences ($1.3 million), primarily due to a stronger Colombian peso compared to forecast.

XII. REVISED CASH FLOW FORECAST

106. The Applicants' Revised Cash Flow Forecast for the period from August 30, 2026, to November 28, 2026, is attached hereto as **Appendix "C"** and a summary thereof is set out in the table below:

The Canacol Group 13-Week Cash Flow Forecast In USD ($000's); unaudited	
Week Ending	**Total**
Total receipts	**48,966**
Operating disbursements	
Transportation	(22,176)
Operating expenses	(9,589)
Royalties	(7,383)
Payroll	(6,767)
Capital expenditures	(11,485)
Letters of credit	(9,950)
Tax payable	(3,473)
DIP fees and interest	(4,482)
Professional fees	(8,700)
Total operating disbursements	**(84,005)**
Net cash flow	
Opening cash	13,988
Net cash flow	(35,038)
DIP draw	30,000
Ending cash	**8,950**
Cash excluding Promigas	*2,250*

107. Forecast operating cash receipts over the Forecast Period total approximately $49.0 million, primarily related to collections of monthly payments from customers in connection with sales through the long-term fixed price contracts to residential and commercial end users. Cash receipts also include an approximately $8.3 million of proceeds from the sale of tax refund securities ("**TIDIS**") issued by the Colombian government in respect of tax refunds owing to the Company.

108. The Monitor understands that the TIDIS are securities issued by the Colombian government in lieu of cash in respect of tax refunds. TIDIS are issued where the tax refunds exceed a certain threshold as set by the Colombian national tax and customs authority. The Monitor further understands that the holder of TIDIS may apply the securities towards its own Colombian tax obligations or sell them in the secondary securities market, in which case the purchaser may apply the TIDIS to their own tax obligations.

109. On or around August 27, 2026, the Company received TIDIS with a face value of approximately $10.7 million, the majority of which will be subsequently sold, resulting in net cash proceeds to the Company of approximately $8.3 million. The Monitor understands that a projected TIDIS balance of approximately $2.4 million will remain with the

Company and is expected to be applied toward the ongoing withholding tax and value-added tax obligations of the Canacol Group.

110. Forecast operating disbursements over the Forecast Period total approximately $84.0 million and primarily consist of:

(a) transportation ($22.2 million), including costs paid to Promigas S.A. E.S.P. ("**Promigas**"). In light of the current production levels and ongoing discussions between the Applicants and Promigas, the forecast assumes only the transportation payments in connection with the High Volume SOP Agreement (as defined in the Seventh Report) are paid;

(b) capital expenditures ($11.5 million), including costs of completion and workovers, compression and other activities for the purpose of producing natural gas and crude oil for sale;

(c) letters of credit ($10.0 million), which relate to funding for the ANH Security Arrangements as indicated above;

(d) professional fees ($8.7 million), which include fees and disbursements of Canadian, U.S. and Colombian advisors and counsel for the Applicants, the Monitor and the DIP Lenders, and the fees and disbursements of the Monitor; and

(e) DIP fees and interest ($4.5 million) which include payment of the Extension Fees of $1.8 million, projected to be paid from the Sixth Subsequent Advance.

111. Net cash outflows of approximately $35.0 million are projected over the Forecast Period, before projected DIP Financing draws. The Revised Cash Flow Forecast projects further borrowings under the DIP Financing in the amount of $30.0 million over the Forecast Period, which are expected to be drawn in three advances of $7.5 million in the week ended September 19, 2026 (which occurred, as noted above), $15.0 million in the week ending October 10, 2026 and $7.5 million in the week ending October 24, 2026. At the end of the Forecast Period, ending cash is projected to be approximately $9.0 million which includes

funds held in the Promigas Trust (estimated at approximately $6.7 million), leaving approximately $2.3 million of estimated unrestricted ending cash.

112. As discussed in detail in the Seventh Report, the Applicants sell most of their natural gas under long-term offtake agreements with customers in Colombia. Certain of these offtake agreements support supply to the Essential Market.

113. Over the past several months, the Company has not undertaken any drilling activities, and capital expenditures have been limited primarily to completion and work over activities associated with existing wells. The Monitor understands that only a limited number of workovers remain available. Accordingly, in the absence of additional drilling activity, production volumes are forecast to decline over the coming months. By December 2026, volumes are expected to approach the minimum threshold required to satisfy demand under the offtake agreements supporting supply to the Essential Market.

114. As noted above, certain conditions precedent to the remaining advances under the Tranche A-2 Sub-Facility remain unsatisfied, including conditions relating to the Subject Agreements and the Colombian recognition proceedings. The Revised Cash Flow Forecast assumes that the remaining advances will be funded in accordance with the terms of the Second AR DIP Amending Agreement. Should the applicable conditions precedent not be satisfied or otherwise waived or extended by the DIP Lenders, the Applicants may not have access to the remaining advances contemplated by the Revised Cash Flow Forecast, starting with the Sixth Subsequent Advance projected to be required in the week ending October 10, 2026, in order to maintain adequate liquidity.

XIII. STAY EXTENSION

115. The current Stay Period expires on September 30, 2026. The Applicants are seeking the Extended Stay Period through to November 30, 2026, which the Monitor understands is intended to provide the Company with time and breathing room to continue pursuing a going concern transaction, an alternative transaction or to commence an orderly liquidation of the Applicants' assets should an acceptable transaction not be possible.

116. Should any circumstances arise during the Extended Stay Period (if approved by this Court) that cause the Monitor to be of the view that further direction from or reporting to the Court is required, the Monitor will seek and/or report on the same.

117. While the Forecast Period is only through November 28, 2026, the Monitor understands based on the Applicants' liquidity requirements through the proposed Extended Stay Period to November 30, 2026 (i.e., one (1) additional business day), the Applicants are expected to have adequate liquidity through the proposed Extended Stay Period.

118. The Monitor supports the Applicants' request for an extension of the stay of proceedings to November 30, 2026, for the following reasons:

(a) the Applicants are acting in good faith and with due diligence and circumstances exist that make an extension of the stay appropriate, as set out herein;

(b) the granting of the extension of the Stay Period should not materially prejudice any creditor of the Applicants as the Revised Cash Flow Forecast reflects that the Applicants are projected to have sufficient funding to continue to operate in the normal course through the proposed Extended Stay Period, provided that the DIP Lenders ultimately waive or amend the conditions precedent to funding, to allow the release of Sixth Subsequent Advance by October 10, 2026, and the Fifth Subsequent Advance – Part 2 by October 24, 2026 (as projected in the Revised Cash Flow Forecast); and

(c) the extension of the Stay Period is anticipated to provide sufficient time for the Applicants to determine whether to pursue a going concern transaction, alternative transaction or to commence an orderly liquidation, whichever option proves to be viable.

XIV. CONCLUSION AND RECOMMENDATIONS

119. For the reasons set out in this Tenth Report, the Monitor respectfully recommends that this Court approve the relief sought by the Applicants in the proposed Fifth ARIO and Sealing Order.

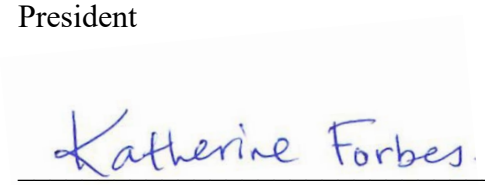
All of which is respectfully submitted this 21st day of September, 2026.

KPMG Inc.
in its capacity as Monitor 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.
and not in its personal or corporate capacity

Per:



Paul van Eyk
CPA, CA-IFA, CIRP, LIT, Fellow of INSOL
President



Katherine Forbes
CPA, CA, CIRP, LIT
Senior Vice President

Appendix “A”

COURT FILE NUMBER	**2501-18462**
COURT	**COURT OF KING'S BENCH OF ALBERTA**
JUDICIAL CENTRE	**CALGARY**
APPLICANTS	**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.**
DOCUMENT	**NINTH REPORT OF THE MONITOR** **JULY 6, 2026**
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APPENDICES

APPENDIX "A" – Eighth Report of the Monitor dated June 15, 2026 (without appendices)

APPENDIX "B" – Letter from Cerro Matoso S.A. to Superintendency of Public Utilities dated July 2, 2026

APPENDIX "C" – Cerro Matoso S.A. media articles

APPENDIX "D" – Letter from KPMG Inc. to Superintendency of Public Utilities dated July 5, 2026

APPENDIX "E" – Third AR DIP Loan Agreement (redacted)

APPENDIX "F" – Third AR Amending Agreement (redacted)

APPENDIX "G" – Cash Flow Forecast for the period from June 28, 2026, to October 3, 2026

I. INTRODUCTION

1. On November 18, 2025 (the "**Filing Date**"), Canacol Energy Ltd. ("**Canacol**") and its subsidiaries 2654044 Alberta Ltd., Canacol Energy ULC**,** 2498003 Alberta ULC, Cantana Energy GmbH ("**Cantana Switzerland**"**)**, CNE Oil & Gas S.R.L. ("**CNE Panama**"), Canacol Energy Colombia S.A.S. ("**Canacol Colombia**"), Shona Holding GmbH, CNE Energy S.A.S., and CNE Oil & Gas S.A.S. ("**CNE O&G Colombia**" and collectively, the "**Applicants**", the "**Canacol Group**" or the "**Company**") were granted relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") by Order (the "**Initial Order**") of the Court of the King's Bench of Alberta (the "**Court**"). The relief granted under the Initial Order included, among other things:

   (a) granting a stay of proceedings in favour of the Applicants from November 18, 2025, to November 28, 2025 (the "**Stay Period**");

   (b) appointing KPMG Inc. as Monitor ("**KPMG**" or the "**Monitor**");

   (c) authorizing the Applicants to make payment of certain obligations incurred prior to the commencement of the Applicants' CCAA proceedings (the "**CCAA Proceedings**");

   (d) authorizing the Monitor to act as foreign representative (the "**Foreign Representative**") for the purpose of having the CCAA Proceedings recognized in any jurisdiction outside Canada including, without limitation, the United States of America (the "**United States**", or the "**US**"), the Republic of Colombia ("**Colombia**"), the Republic of Panama, and/or Switzerland; and

   (e) granting the Administration Charge.

2. KPMG, in its then capacity as proposed Monitor, provided this Court with its report dated November 17, 2025 (the "**Pre-Filing Report**") in connection with the Applicants' application for the Initial Order.

3. On November 28, 2025, this Court granted an Order amending and restating the Initial Order (the "**ARIO**"), among other things:

   (a) granting an extension of the Stay Period to December 18, 2025;

   (b) approving an increase to the maximum amount of the Administration Charge to $1.5 million and granting a Directors' Charge (as defined in the ARIO) to a maximum amount of $1.0 million, with priority ranking granted to each of those charges;

   (c) authorizing the Applicants to make pre-filing payments to critical vendors up to the amount of $5.5 million subject to the prior approval of the Monitor (the "**Pre-Filing Critical Vendor Payments**"), and certain other pre-filing royalty and tax payments to Agencia Nacional de Hidrocarburos ("**ANH**") and other Colombian governmental and taxation authorities;

   (d) granting relief from certain securities reporting obligations under federal, provincial and other applicable law until further order of the Court; and

   (e) approving the Pre-Filing Report and the first report of the Monitor dated November 24, 2025, filed in connection with the Applicants' application for the ARIO (the "**First Report**"), and the actions, conduct and activities of the Monitor set out therein.

4. On December 11, 2025, the Court granted an Order amending and restating the ARIO (the "**Second ARIO**"), among other things:

   (a) granting an extension of the Stay Period to February 6, 2026;

   (b) authorizing the Applicants to enter into a commitment letter dated December 2, 2025 (as amended, the "**DIP Loan Agreement**"), to obtain interim debtor-in-possession financing of up to $67 million (the "**DIP Financing**"), and granting a corresponding priority charge (the "**DIP Lenders' Charge**") over the Applicants' Property (as defined in the ARIO) in favour of the DIP Lenders;

(c) increasing the authorized sum of the Pre-Filing Critical Vendor Payments to $15.5 million in aggregate, subject to the prior approval of the Monitor and the DIP Lenders; and

(d) approving the second report of the Monitor dated December 9, 2025**,** and the actions, conduct and activities of the Monitor set out therein.

5. On December 11, 2025, the Court granted a further Order granting the sealing of the confidential appendices to the Second Report containing an unredacted copy of the DIP Loan Agreement and an unredacted copy of the first amendment to the DIP Loan Agreement.

6. On January 26, 2026, the Court granted an Order (the "**SISP Approval Order**"), among other things:

(a) granting an extension of the Stay Period to June 27, 2026;

(b) approving the sale and investment solicitation process (the "**SISP**") in respect of the Applicants' business and assets, and the engagement of Moelis & Company LLC ("**Moelis**"), as the Applicants' financial advisor (the "**Sale Advisor**") in respect of the SISP and approving the engagement letter between the Applicants and Moelis dated January 3, 2026; and

(c) approving the third report of the Monitor dated January 13, 2026, and the actions, conduct and activities of the Monitor set out therein.

7. On March 5, 2026, the Court granted an Order (the "**Approval and Amending Order**"), among other things:

(a) approving an increase to the maximum amount of the Administration Charge to $3.0 million and granting a Sale Advisor Charge to a maximum amount of $3.5 million with priority ranking granted to the Sale Advisor Charge;

(b) amending paragraph 22 of the Second ARIO 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 following the date of the Initial Order to include but not be limited to any and all fees and disbursements of legal counsel to the directors, unless the obligation was incurred due to the director's or officer's gross negligence or wilful misconduct;

(c) granting relief from certain securities reporting obligations under applicable Colombian laws until further order of the Court; and

(d) approving the fourth report of the Monitor dated February 27, 2026 (the "**Fourth Report**").

8. On March 26, 2026, the Court granted an Order amending and restating the Second ARIO (the **"Third ARIO"**), among other things:

(a) approving *nunc pro tunc*, the amendments to the Amended and Restated DIP Loan Agreement (as defined herein) dated March 9, 2026 (the "**Second AR DIP Loan Agreement**");

(b) approving the proposed key employee retention plan ("**KERP**") and the proposed key employee incentive plan (the "**KEIP**"), and granting a corresponding priority charge (the "**KERP/KEIP Charge**") over the Applicants' Property to secure the retention and incentive payments that may become payable under the KERP and KEIP, up to the maximum aggregate amount of $3,744,000;

(c) approving, *nunc pro tunc*, the Applicants' engagement of Breakpoint Advisory Partners LLC ("**Breakpoint**") as chief restructuring officer (the "**CRO**") pursuant to the terms of the engagement letter between the Applicants and the CRO dated as of March 17, 2026 and authorizing the Applicants to pay the CRO its monthly fees, costs and disbursements, in accordance with the terms of Breakpoint's engagement letter;

(d) extending the scope of the Administration Charge to secure the fees and expenses of the CRO, and extending the scope of the indemnity in favour of the Applicants' directors and officers and the Directors' Charge to include the CRO, in respect of any

indemnity granted by the Applicants to the CRO in connection with the CRO's activities and services provided pursuant to its engagement letter with the Applicants;

(e) granting a priority charge over the Applicants' Property in favour of Breakpoint in its capacity as CRO as security for the CRO Restructuring Fee (as defined in the Third ARIO), up to the maximum aggregate amount of $3,000,000; and

(f) approving the fifth report of the Monitor dated March 22, 2026 (the "**Fifth Report**"), and the actions, conduct and activities of the Monitor set out therein.

9. On March 26, 2026, the Court granted a further Order granting the sealing of the unredacted copies of the economic terms of the KERP and KEIP, and the Second AR DIP Loan Agreement, included as confidential exhibits to the supplementary affidavit of Mr. Jason Bednar ("**Mr. Bednar**") dated March 18, 2026.

10. On April 24, 2026, the Court granted an Order (the "**Fourth ARIO**") amending and restating the Third ARIO, among other things:

(a) approving the Third Amended and Restated DIP Commitment Letter dated April 14, 2026 (the "**Third AR DIP Loan Agreement**") and increasing the maximum principal amount of DIP Financing that the Applicants are authorized to borrow under the Third AR DIP Loan Agreement to $112,000,000, with all obligations under the Third AR DIP Loan Agreement to be secured under the DIP Lenders' Charge;

(b) authorizing an increase in the maximum aggregate amount of Pre-Filing Critical Vendor Payments permitted from $15.5 million to $17.0 million, subject to the Monitor's and DIP Lenders' prior approval;

(c) approving the Bid Protections and granting a charge over the cash proceeds of any sale or investment transaction implemented in accordance with and pursuant to the SISP in favour of a Phase 2 Qualified Bidder (as defined in the SISP) that is selected and designated by the Applicants, with the consent of the Monitor and the Ad Hoc Committee, in accordance with the SISP, to be a stalking horse bidder (if so

designated, the "**Stalking Horse Bidder**"), to the extent that such Stalking Horse Bidder becomes entitled to payment of the Bid Protections; and

(d) approving the sixth report of the Monitor dated April 16, 2026 (the "**Sixth Report**"), and the actions, conduct and activities of the Monitor set out therein.

11. On April 24, 2026, the Court also granted an Order (the "**April 24th Sealing Order**") granting the sealing of the summary of the non-binding letters of intent received in Phase 1 of the SISP and an executed and unredacted copy of the Third AR DIP Loan Agreement, each included as exhibits to the supplementary affidavit of Mr. Bednar affirmed on April 14, 2026.

12. On May 21, 2026, the Court heard an application made by the Applicants to disclaim the Subject Agreements (as defined in the seventh report of the Monitor dated April 30, 2026 (the **"Seventh Report"**)) between the Applicants and certain contractual counterparties to the Subject Agreements. On June 24, 2026, the Court released its reasons for decision (the "**Disclaimer Decision**") granting the disclaimer orders subject to the forms of orders being revised to require the Canacol Group to maintain existing pricing for counterparties serving Colombia's regulated market and deferring consideration of the priority of damages claims following disclaimer (the **"Revised Disclaimer Orders"**).

13. On June 17, 2026, the Court granted an Order (the "**June Stay Extension Order**"), among other things, extending the Stay Period to July 10, 2026.

14. The Monitor provided this Court with its report dated June 15, 2026 (the "**Eighth Report**") in connection with the Applicants' application for the June Stay Extension Order, a copy of which (without appendices) is attached hereto as **Appendix "A"**.

15. Copies of materials and documents filed in connection with these CCAA Proceedings are available on the Monitor's website at https://kpmg.com/ca/canacol (the "**Monitor's Website**"). In addition, the Monitor has arranged for a toll-free hotline 1-833-724-5456 and an email address at: canacol@kpmg.ca, through which creditors of the Applicants or other interested parties can make inquiries with the Monitor related to these CCAA Proceedings.

II. PURPOSE OF REPORT

16. The purpose of this report (the "**Ninth Report**") is to provide this Court with information pertaining to:

(a) the activities of the Applicants and the Monitor, respectively, since the date of the Eighth Report;

(b) developments in the proceedings brought by the Foreign Representative in Colombia (the "**Colombian Recognition Proceedings**") recognizing these CCAA Proceedings;

(c) the Applicants' cash flow forecast (the "**Revised Cash Flow Forecast**") for the period from June 28, 2026, to October 3, 2026 (the "**Forecast Period**");

(d) the status of the SISP;

(e) the amendment and extension of the term of the Third AR DIP Loan Agreement; and

(f) the Applicants' application for an Order (the "**Stay Extension Order**"), among other things:

(i) extending the Stay Period to September 30, 2026 (the "**Extended Stay Period**");

(ii) sealing the executed and unredacted Third AR Amending Agreement (as defined herein) which includes the signature pages thereto, such that this document 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

(iii) approving this Ninth Report, and the actions, conduct and activities of the Monitor set out therein.

III. TERMS OF REFERENCE

17. Capitalized terms used but not defined in the Ninth Report are as defined in the Eighth Report and the Fourth ARIO. The Applicants filed the Affidavit of Mr. Bednar affirmed on July 2, 2026 (the "**Eleventh Bednar Affidavit**") in support of their application for the Stay Extension Order. This Ninth Report should be read in conjunction with the Eighth Report and the Eleventh Bednar Affidavit, as certain information contained therein has not been included in this Ninth Report to avoid unnecessary duplication.

18. In preparing this Ninth Report, KPMG has relied solely on information and documents provided to it by the Applicants and their respective advisors, including unaudited, draft and/or internal financial information, financial projections prepared by the Applicants, discussions with management of the Applicants, and the affidavits of the Applicants' executives (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in this Ninth Report, KPMG has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, KPMG has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards pursuant to the *Chartered Professional Accountants of Canada Handbook* and, as such, KPMG expresses no opinion or other form of assurance contemplated under such Generally Accepted Auditing Standards in respect of the Information.

19. Unless otherwise stated, all monetary amounts noted herein are expressed in United States dollars.

IV. ACTIVITIES OF THE APPLICANTS

20. Since the date of the Eighth Report, the Applicants have been managing their operations in the normal course and pursuant to the terms of the Orders granted by this Court, and working to stabilize the business within the CCAA Proceedings, to address their liquidity requirements, and to advance their restructuring, with the assistance of their advisors and the Monitor.

21. The activities of the Applicants since the date of the Eighth Report have included:

(a) maintaining the Applicants' business and operations, and managing their cash;

(b) communicating with, providing information to, and addressing inquiries of creditors, employees and other stakeholders regarding the CCAA Proceedings;

(c) managing key relationships with customers and suppliers, and working diligently to operate the business;

(d) working with and corresponding regularly with representatives of the Monitor regarding numerous matters in the CCAA Proceedings;

(e) working with their legal counsel, the Monitor, the Sale Advisor and the CRO to continue the implementation of the SISP, as described in further detail below;

(f) working with letter of credit providers to extend the maturity dates of the various outstanding letters of credit issued, predominantly in favour of the ANH in connection with the Canacol Group's exploration and production operations;

(g) through the Sale Advisor and the CRO, consulting with Phase 2 Qualified Bidders (as defined in the SISP) in connection with their bids and evaluating bids in consultation with the Monitor, the Ad Hoc Committee, Macquarie and the RCF Lenders (each as defined in the SISP);

(h) through the CRO and counsel, continuing efforts to negotiate with the contractual counterparties to the Subject Agreements that are addressed by the Disclaimer Decision, in an attempt to conclude acceptable amendments to those agreements;

(i) reviewing the Disclaimer Decision;

(j) as further discussed herein, entering into the Third AR Amending Agreement (as defined herein) with the DIP Lenders; and

(k) working closely with the Monitor and the DIP Lenders to prepare the Revised Cash Flow Forecast.

V. ACTIVITIES OF THE MONITOR

22. Since the date of the Eighth Report, the Monitor's activities have included:

(a) monitoring the Applicants' cash receipts and disbursements;

(b) engaging with counsel to the Monitor in Colombia, Philippi Prietocarrizosa Ferrero DU & Uría ("**PPU**") and other stakeholders in connection with the Colombian Recognition Proceedings;

(c) assisting the Applicants with their communications with stakeholders including employees, vendors, lenders, and key trade partners;

(d) attending various teleconferences and virtual meetings with representatives of the Applicants and the Applicants' counsel and advisors, the CRO, and the Monitor's counsel, respectively, in respect of the Canacol Group's cash flows and liquidity requirements, operations, the SISP, the Colombian Recognition Proceedings, and these CCAA Proceedings, generally;

(e) attending further meetings with the Colombian Authorities (as defined herein) following the issuance of the Disclaimer Decision;

(f) working with the Applicants and their advisors on the development of the Revised Cash Flow Forecast;

(g) responding to inquiries from creditors and other stakeholders in connection with these CCAA Proceedings;

(h) maintaining the Service List and the Monitor's Website;

(i) reviewing the Disclaimer Decision; and

(j) preparing this Ninth Report.

VI. UPDATE ON THE COLOMBIAN RECOGNITION PROCEEDINGS

Background

23. On December 11, 2025, the Superintendency of Companies of Colombia (the "**Superintendency**") issued an Order (the "**Provisional Colombian Recognition Order**") granting preliminary measures included in the ARIO, including the stay of proceedings against Canacol Colombia, CNE O&G Colombia, Cantana Colombia (Sucursal of Cantana Switzerland) and CNEOG Colombia (Sucursal of CNE Panama) (collectively, the "**Colombian Debtors**"), preservation of certain operational bank accounts, restrictions on terminating essential contracts, and granting priority with respect to professional fees of the Foreign Representative and counsel. The Superintendency did not address relief requested concerning certain bank accounts of the Colombian Debtors that are subject to Macquarie Bank Ltd.'s ("**Macquarie**") security.

24. On December 17, 2025, the Superintendency granted an Order (the "**Colombian Recognition Order**") among other things recognizing the CCAA Proceedings as the principal foreign proceeding, recognizing KPMG as the Monitor and the Foreign Representative, and extending preliminary measures granted by the Provisional Colombian Recognition Order.

25. On February 6, 2026, the Superintendency issued an Order (the "**Colombian DIP Recognition Order**"), among other things:

(a) recognizing the Second ARIO, including granting a first priority security interest in favour of the DIP Lenders;

(b) authorizing a priming lien in favour of the DIP Lenders over the Colombian Debtors' assets located in Colombia; and

(c) directing Macquarie and Credicorp Capital Fiduciaria S.A. (as local administrative agent) to amend the Colombian collateral registry to reflect that their priority ranking is subordinate to that of the DIP Lenders, and to file the updated registration with the Superintendency. On February 16, 2026, Macquarie informed the Superintendency that it had complied with its obligations under the DIP Recognition Order.

26. On March 24, 2026, the Superior Court of the Judicial District of Bogotá admitted another constitutional action (a *tutela* claim) filed by Colombian counsel to Macquarie, which asserted that the Superintendency had infringed on Macquarie's constitutional rights by issuing the Colombian DIP Recognition Order, which displaced it as a first priority secured creditor, principally on the grounds of due process breaches. On March 25, 2026, the legal representative of the Colombian Debtors, counsel to the Monitor, and counsel to the DIP Lenders filed briefs opposing Macquarie's action. On April 8, 2026, the Superior Court of the Judicial District of Bogotá denied the constitutional injunction (the "**April 8 Judgment**").

27. Also on March 24, 2026, the Foreign Representative, through PPU, filed a petition with the Superintendency seeking recognition of the Approval and Amending Order, and specifically the provisions of that Order granting the Applicants relief in respect of the "*Colombian Securities Law Exemptions*".

28. On April 17, 2026, the second instance court granted the admission of the appeal filed by Macquarie against the April 8 Judgment. Macquarie's appeal challenged the denial of its *tutela* action in connection with the recognition of the DIP Financing and the DIP Lenders' Charge priority. On April 29, 2026, PPU filed arguments related to the appeal reiterating its initial position.

29. On May 14, 2026, the Superintendency recognized an Order issued on March 5, 2026 within the CCAA Proceedings exempting Canacol from securities reporting requirements

before the Finance Superintendency of Colombia, the Colombia Stock Exchange, and any issuer reporting system in Colombia.

30. On May 20, 2026, the Supreme Court of Justice of Colombia resolved the appeal filed by Macquarie against the April 8 Judgment that denied the constitutional protection (*tutela*) requested in relation to the DIP Lenders' Charge. This judgment confirmed the first instance decision that denied the relief sought by Macquarie.

31. On May 28, 2026, the Superintendency approved an order recognizing the Third ARIO and Fourth ARIO, and all of the court-ordered charges therein. Counsel to Macquarie, Global Oil & Energy Services and Finamco S.A.S. made reconsideration motions that were objected to by counsel to the Monitor, Canacol Group and the DIP Lenders. The Superintendency rejected the reconsideration motions and confirmed its orders in all respects.

32. On June 4, 2026, the Monitor, as Foreign Representative, reported on the amendment to the deadline for the Sale Advisor to notify each bidder whether its bid constitutes a Phase 2 Qualified Bid, with such deadline being set for June 10, 2026.

Status Update

33. On June 23, 2026, the Monitor, as Foreign Representative, reported on the amendment to the deadline for the Sale Advisor to notify each bidder whether its bid constitutes a Phase 2 Qualified Bid, with such deadline being set for July 6, 2026 (as discussed below).

34. On June 25, 2026, the Monitor, as Foreign Representative, reported to the Superintendency on the June 17, 2026 hearing before the Canadian Court, at which the stay of proceedings was extended until July 10, 2026.

35. The Monitor has responded to certain requests received from the following creditors in connection with the CCAA Proceedings: GTM Colombia, Megambientales, Integratur S.A.S., Equipos y Controles Industriales S.A.S., and Anker Logística y Carga S.A.S.

36. On Friday, June 3, 2026, Colombian counsel for Cerro Matoso S.A.S. and for CoreX filed a petition with the Superintendency requesting that it refrain from processing in any manner

any petition for recognition of the disclaimer order that the Foreign Representative might submit, including an express petition not to summon a hearing, pending a determination of an application for leave to appeal the Disclaimer Decision. The Foreign Representative intends to respond to the same.

37. Upon the issuance of the Revised Disclaimer Orders by the Canadian Court, the Monitor, in its capacity as Foreign Representative, intends to file a petition with the Superintendency seeking recognition thereof.

VII. COMMUNICATIONS WITH COLOMBIAN GOVERNMENTAL AUTHORITIES

38. As noted in the Eighth Report, on May 12, 2026, the Monitor and its counsel, together with representatives of Canacol and its counsel attended a meeting in Colombia with representatives of the Superintendency. At that meeting, the Monitor and Canacol's counsel provided the Superintendency with an update on the CCAA Proceedings and explained the necessity for the disclaimer or substantial revision of the contracts from Canacol's perspective.

39. Later on May 12, 2026, the Monitor and its counsel, together with representatives of Canacol and its counsel attended a meeting in Colombia with key representatives of the Ministry of Mines and Energy, Superintendency of Public Utilities, the National Hydrocarbons Agency (collectively, the "**Colombian Authorities**"), with the CRO participating by videoconference. During the meeting, the CRO provided an update on Canacol's operations and the SISP, and explained the need for the disclaimer or renegotiation of the contracts from Canacol's perspective to support its restructuring and potential transaction. The Monitor also outlined its roles in the CCAA Proceedings and the Colombian Recognition Proceedings, and sought the Minister's assistance in encouraging contract amendments, while offering to keep the Colombian Authorities informed of negotiations and the anticipated disclaimer motion. The Monitor believes that the meetings held in Colombia were important in helping to address the key questions and concerns that the Colombian Authorities had regarding Canacol's restructuring and these CCAA Proceedings.

40. Also as noted in the Eighth Report, on May 20, 2026, the Monitor's Colombian counsel PPU updated the Minister of Mines and Energy to inform him that despite ongoing efforts to negotiate the necessary amendments to the contracts, Canacol and the counterparties could not reach a resolution and that the disclaimer motion would therefore be proceeding before the Canadian Court. PPU on behalf of the Monitor also requested the Minister's assistance in supporting a negotiation.

41. On June 17, 2026, the Monitor, together with its counsel and the CRO, attended a meeting with the Colombian Authorities, held in a hybrid format by videoconference and in person. During the meeting, the Monitor and the CRO provided an update on the CCAA Proceedings, the status of the Applicants' production, and the SISP. In addition, in light of the then-forthcoming disclaimer order, the Monitor and the CRO provided an update on the status of negotiations with the offtakers. The Monitor reiterated its commitment to keeping the Colombian Authorities apprised of developments in the CCAA Proceedings.

42. As noted above, the Disclaimer Decision was issued on June 24, 2026.

43. The Monitor understands that, on July 2, 2026, Cerro Matoso S.A. ("**Cerro Matoso**") and certain other parties submitted a letter to the Superintendent of Public Utilities (the **"July 2nd Letter"**) alleging, among other things, that the Applicants have restricted and reduced gas deliveries to Cerro Matoso in a discriminatory manner, and requesting that the Superintendency of Public Utilities take possession of the Applicants on the basis of those allegations. A copy of the July 2, 2026 letter from Cerro Matoso and an unofficial English translation thereof are attached hereto as **Appendix "B"**.

44. Cerro Matoso's position has been widely publicized in Colombian media, including through a press conference given by the President of Cerro Matoso, Ricardo Garviria Jansa, on July 2, 2026, wherein he requested that the Superintendency of Public Utilities intervene in Canacol's operations, asserting that such action would facilitate the resumption of discussions amongst Canacol, its offtake counterparties, and relevant Colombian governmental authorities, and in an interview given by him to by Colombian media. Links to those media articles and unofficial English translations thereof are attached hereto as **Appendix "C".**

45. On July 5, 2026, the Foreign Representative submitted a letter to the Superintendency of Public Utilities (the "**July 5th Letter**", a copy of which is attached hereto as **Appendix "D"**), among other things, providing its independent opinion that the assertions regarding undue or discriminatory restrictions or reductions towards Cerro Matoso are not supported by the facts. The July 5th Letter includes a copy of the Disclaimer Decision and a Spanish translation thereof, at Exhibit D thereto.

46. As previously discussed in the Monitor's Fourth Report, Fifth Report, and Sixth Report, the Applicants' natural gas production began to decline relative to anticipated levels in January 2026, with the decline becoming more pronounced from March 2026 onward. This decline was attributable to, among other things, the lack of economic viability of the Monstera well, delays in securing drilling and workover rigs, production from certain wells falling below the baseline levels initially projected, and the Applicants' own insolvency situation, in the circumstances where the Applicants' post-filing operations are principally funded through the DIP financing approved by this Court and recognized by the Superintendency.

47. As noted in the July 5th Letter, the Monitor understands that in light of the declining production levels, the Applicants have ensured consistent and equitable application of the applicable proration methodology to available gas supply, on equal terms to its customers (plus additional volumes to Cerro Matoso pursuant to make-up gas entitlements pursuant to the terms of the Applicants' agreement with Cerro Matoso), and have acted in good faith in efforts to maintain going concern operations for continued natural gas supply to its customers.

48. As further discussed herein, the Applicants continue to pursue a going-concern transaction which is considered the fastest way to secure financing for the capital expenditure requirements of the Company and to avoid any disruption or cessation of the supply of natural gas to its customers.

49. The Monitor further understands that discussions are ongoing between Cerro Matoso and the Applicants, including the CRO, regarding the economics of the Cerro Matoso supply agreement. Additional meetings are expected to take place in the coming days. As noted in

the July 5th Letter, the Monitor, in its capacity as Foreign Representative, has continued to encourage all the Applicants and all parties involved in the supply agreements with the Applicants to continue commercial discussions aimed at reaching terms that (a) adequately recognize the production costs associated with the Applicants' operations, and (b) enable the funding of the capital expenditure requirements to ensure future supply and address the needs of Colombian consumers, both regulated and non-regulated.

50. In light of the foregoing, the Foreign Representative concluded in its letter that Cerro Matoso's request that the Superintendent of Public Utilities take possession of the Applicants is unnecessary and inconsistent with the Court-supervised restructuring proceedings in Canada, which have received the full cooperation of the Canadian Court, the U.S. Court and the Superintendency in Colombia. Additionally, as noted above, completing a going-concern transaction will provide the fastest way for the Company to procure the funds required for capital expenditure investment.

VIII. SISP UPDATE

Background

51. As discussed in the Eighth Report, the SISP is being conducted by Canacol through the Sale Advisor and under the supervision of the Monitor, subject to certain consultation and/or consent rights of the Ad Hoc Committee and consultation rights of Macquarie and the RCF Lenders.

52. On March 16, 2026, ten (10) non-binding letters of intent (the "**LOIs**") were received by the Sale Advisor and the Monitor. Multiple of the Phase 1 Qualified Bidders that submitted LOIs were ultimately deemed to be Phase 2 Qualified Bidders (each as defined in the SISP).

53. Pursuant to the terms of the SISP, the deadline for the submission of binding qualified bids was May 4, 2026 (the "**Phase 2 Bid Deadline**").

54. Following the Phase 2 Bid Deadline, the Monitor understands from the Applicants that various discussions took place between the Applicants, the Sale Advisor and the Phase 2 Qualified Bidders and other interested parties with respect to the bid proposals received by

the Phase 2 Bid Deadline. As noted above, to allow time to engage with the bidders in efforts aimed at developing the Phase 2 Qualified Bids, the Applicants extended the date for notifying the bidders whether their bids constitute a **"Phase 2 Qualified Bid"** under the SISP to June 10, 2026, and then again to June 22, 2026, and then to July 6, 2026.

Status Update

55. The Applicants, the CRO, the Sale Advisor and the Monitor are continuing to review the bids, in consultation with the Ad Hoc Committee, ahead of the July 6, 2026, extended deadline for identifying Phase 2 Qualified Bids and a Successful Bid(s) under the SISP.

56. The Monitor understands that if a Successful Bid(s) is not identified by the Applicants pursuant to the terms of the SISP and the SISP is terminated as a result, the Applicants intend to either pursue an alternative transaction with their existing creditors, to the extent possible, or to proceed with an orderly liquidation of their assets.

IX. AMENDMENT TO THE THIRD AR DIP LOAN AGREEMENT

57. On April 14, 2026, the Applicants entered into the Third AR DIP Loan Agreement, a redacted copy of which is attached hereto as **Appendix "E"**. The Third AR DIP Loan Agreement increased the maximum principal amount of DIP Financing available thereunder to the aggregate maximum amount of $112 million by adding a new delayed-draw term loan tranche in the maximum amount of $45 million (the **"Tranche A-2 Sub-Facility"**).

58. The Tranche A-2 Sub-Facility was to be funded in up to three tranches as follows (terms not defined in this section of the Ninth Report are as defined in the Third AR DIP Loan Agreement):

(a) a Fourth Subsequent Advance of a maximum of $15,000,000, which was funded by the DIP Lenders on April 29, 2026;

(b) a Fifth Subsequent Advance of a maximum of $15,000,000 (and may be increased at the sole and absolute discretion of the DIP Lenders), to be advanced within 5 days

following the Phase 2 Bid Deadline, the conditions precedent to which included, among other things, the following:

(i) the borrowers shall have designated bids received by the Phase 2 Bid Deadline as Phase 2 Qualified Bids in accordance with the terms of the SISP; and

(ii) for each contract requested by the Required Lenders, the borrowers shall have delivered evidence that the Loan Parties have agreed in writing with contract counterparties to modified terms and conditions, failing which the application(s) for the Disclaimer Order shall have been heard and determined; and

(c) a Sixth Subsequent Advance of the remaining balance available under the Tranche A-2 Sub-Facility (maximum availability of $45,000,000) must be advanced by June 15, 2026, the conditions precedent to which included, among other things, the following:

(i) for each contract requested by the Required Lenders, borrowers shall have delivered evidence that the Loan Parties have agreed in writing with contract counterparties to modified terms and conditions, failing which the Colombian Court shall have issued a Restructuring Court Order recognizing the Disclaimer Order;

(ii) a Successful Bid (as defined in the SISP) shall have been selected in accordance with the terms of the SISP; and

(iii) issuance of a Successful Bid Approval Order and the issuance of both the US Court Restructuring Order and the Colombian Court Restructuring Order recognizing the Successful Bid Approval Order.

59. The Third AR DIP Loan Agreement contemplated a maturity date of the earlier of: (i) June 30, 2026; (ii) the effective date of (a) the sale of all or substantially all of the assets, property or business of the Applicants, or (b) a plan of arrangement; (iii) the consummation of a

transaction pursuant to the SISP; (iv) the termination of the CCAA Proceedings; or (v) the occurrence of an event of default thereunder (the "**Maturity Date**").

60. Subject to the satisfaction or waiver of the following conditions, the Third AR DIP Loan Agreement allows the Borrowers to extend the Maturity Date of the tranches thereunder by a period of three months to September 30, 2026:

(a) the Borrowers deliver a written extension request to the DIP Agent not less than ten (10) days prior to the original Maturity Date (which request was duly delivered on June 19, 2026);

(b) no Default or Event of Default exists on the original Maturity Date;

(c) the Borrowers pay, on the original Maturity Date, an extension fee equal to two percent (2%) of the applicable Sub-Facility amounts, payable to the DIP Agent on behalf of the respective Lenders on a pro rata basis (the "**Extension Fee**");

(d) the Borrowers are party to a binding agreement in respect of a sale of substantially all assets or other transaction pursuant to the SISP that is acceptable to the Required Lenders (an "**Acceptable Transaction**"); and

(e) the Borrowers provide to the DIP Agent and the Lenders an updated Cash Flow Forecast, as approved by the Monitor, in form and substance satisfactory to the DIP Agent at the direction of the Lenders, covering the period through and including the date to which the original Maturity Date is extended.

61. The DIP Lenders have entered into an agreement amending the Third AR DIP Loan Agreement (the "**Third AR Amending Agreement**", a redacted copy of which is attached hereto as **Appendix "F"**) providing for the following, among other things:

(a) a waiver of certain of the above-noted conditions to extending the Maturity Date, including the requirement to i) have entered into an Acceptable Transaction, and ii) that no Event of Default exists at the original Maturity Date;

(b) a waiver of the requirement to provide an updated cash flow forecast to the DIP Agent and the Lenders. As at the date of the Ninth Report, the Revised Cash Flow Forecast remains under review by the DIP Agent and the Lenders and has not yet been approved; and

(c) an extension of the Maturity Date to September 30, 2026.

62. Subject to the Lenders' approval of the Revised Cash Flow Forecast, a further amendment to the Third AR DIP Loan Agreement may be required to reflect updated time-based deadlines which were conditions precedent to the Fifth Subsequent Advance and the Sixth Subsequent Advance.

63. The Monitor understands that the Applicants have paid the Extension Fee of $1.8 million on July 2, 2026.

64. The Monitor further understands that while certain conditions to the Fifth Subsequent Advance and the Sixth Subsequent Advance have not yet been satisfied, the Applicants and the DIP Lenders are working in good faith to make the required funding available to the Applicants.

65. As the extension of the Maturity Date contemplated by the Third AR Amending Agreement is in accordance with the terms of the Third AR DIP Loan Agreement approved by the Court pursuant to the Fourth ARIO, the Applicants are not seeking approval of the Third AR Amending Agreement.

66. The Monitor understands that, due to the confidential nature of the identity of the DIP Lenders and their respective share in the DIP Facility, the Applicants are seeking a Sealing Order in respect of the unredacted copy of the Third AR Amending Agreement to be kept confidential until further order of this Court. The Monitor is supportive of the proposed Sealing Order as it relates to the unredacted Third AR Amending Agreement. The Monitor notes that this Court granted similar relief in respect of the DIP Loan Agreement, the Second AR DIP Loan Agreement and the Third AR DIP Loan Agreement, in granting the December 11th Sealing Order, the March 26th Sealing Order, and the April 24 Sealing Order, respectively.

X. REPORTED CASH RECEIPTS AND DISBURSEMENTS

67. The Applicants' revised cash flow forecast for the period from June 7, 2026 to June 27, 2026 (the "**June 7 Cash Flow Forecast**") was filed with the Court as an appendix to the Eighth Report.

68. Since the date of the Eighth Report, the Applicants have continued to provide the Monitor with their cooperation and access to their books and records. The Monitor has worked with the Applicants to prepare analyses of their reported weekly cash flows as compared to the June 7 Cash Flow Forecast.

69. A comparison of the Applicants' reported cash receipts and disbursements for the 3-week period ended June 27, 2026 (the "**Reporting Period**"), as compared to the June 7 Cash Flow Forecast, is summarized below:

The Canacol Group **Summary of Reported Receipts and Disbursements** **For the 3-week period from June 7, 2026 to June 27, 2026** **In USD ($000's); unaudited**			
	Actual	**Forecast**	**Variance**
Total receipts	**15,506**	**7,734**	**7,772**
Operating disbursements			
Pre-filing expenses	-	-	-
Transportation	-	(6,101)	6,101
Operating expenses	(2,962)	(2,667)	(295)
Royalties	(1,262)	-	(1,262)
Payroll	(2,186)	(2,042)	(144)
Capital expenditures	(2,167)	(6,942)	4,775
Letters of credit	-	-	-
Tax payable	(983)	(1,668)	684
DIP fees and interest	-	(5)	5
Professional fees	(2,378)	(3,045)	667
FX movement	340	-	340
Total operating disbursements	**(11,598)**	**(22,470)**	**10,871**
Net cash flow	**3,908**	**(14,735)**	**18,643**
Opening cash	23,327	23,327	(0)
Net cash flow	3,908	(14,735)	18,643
Ending cash	**27,234**	**8,591**	**18,643**
Cash excluding Promigas	*16,541*	*1,891*	*14,650*

70. As reflected in the summary table above, the Applicants reported cumulative net cash flow of approximately $3.9 million for the Reporting Period. As at June 27, 2026, the Applicants reported a cash balance of approximately $27.2 million ($18.6 million higher than forecast), including approximately $10.7 million held in the Promigas Trust (which cannot be accessed by the Applicants) and unrestricted cash of approximately $16.5 million.

71. The Monitor understands that the favourable June 27, 2026, ending cash variance of approximately $18.6 million, can be summarized as follows:

(a) a $7.8 million net favourable variance in cash receipts, primarily due to timing as certain July prepayments were received one week earlier than forecast. This variance is expected to reverse during the Forecast Period; and

(b) a $10.9 million net favourable variance in operating disbursements, due to:

(i) lower than projected transportation ($6.1 million) costs, which were paid one week after the end of the Reporting Period;

(ii) capital expenditures ($4.8 million), resulting largely from timing differences which are projected to reverse during the Forecast Period; partially offset by

(iii) royalties ($1.3 million), which were paid one week earlier than forecast.

XI. REVISED CASH FLOW FORECAST

72. The Applicants' Revised Cash Flow Forecast for the period from June 28, 2026, to October 3, 2026, is attached hereto as **Appendix "G"** and a summary thereof is set out in the table below:

The Canacol Group 14- Week Cash Flow Forecast In USD ($000's); unaudited	
Week Ending	**Total**
Total receipts	**50,200**
Operating disbursements	
Transportation	(27,195)
Operating expenses	(10,115)
Royalties	(5,389)
Payroll	(5,478)
Capital expenditures	(21,917)
Tax payable	(6,700)
DIP fees and interest	(5,662)
Professional fees	(11,449)
Total operating disbursements	**(93,905)**
Net cash flow	**(43,705)**
Opening cash	27,234
Net cash flow	(43,705)
DIP draw	30,000
Ending cash	**13,529**
Cash excluding Promigas	*6,829*

73. Forecast operating cash receipts over the Forecast Period total approximately $50.2 million, primarily related to collections of monthly payments from customers in connection with sales through the long-term fixed price contracts to residential and commercial end users.

74. Forecast operating disbursements over the Forecast Period total approximately $93.9 million and primarily consist of:

(a) transportation ($27.2 million), including costs paid to Promigas S.A. E.S.P. (**"Promigas"**). In light of the current production levels and ongoing discussions between the Applicants and Promigas, the forecast assumes only the transportation payments in connection with the High Volume SOP Agreement (as defined in the Seventh Report) are paid;

(b) capital expenditures ($21.9 million), including costs of completion and workovers, compression and other activities for the purpose of producing natural gas and crude oil for sale;

(c) professional fees ($11.4 million), which include fees and disbursements of Canadian, U.S. and Colombian advisors and counsel for the Applicants, the Monitor and the DIP Lenders, and the fees and disbursements of the Monitor;

(d) operating expenses ($10.1 million), inclusive of general and administrative expenses; and

(e) DIP fees and interest ($5.7 million) which include payment of the Extension Fee of $1.8 million.

75. Net cash outflows of approximately $43.7 million are forecast over the Forecast Period, before projected DIP Financing draws. The Revised Cash Flow Forecast projects further borrowings under the DIP facility in the amount of $30 million over the Forecast Period, which are expected to be drawn in two advances of $15 million each in the weeks ending July 18, 2026, and September 12, 2026. At the end of the Forecast Period, ending cash is projected to be approximately $13.5 million which includes funds held in the Promigas Trust (estimated at approximately $6.7 million), leaving approximately $6.8 million of estimated unrestricted ending cash.

76. As noted previously, certain conditions precedent to the Fifth Subsequent Advance and the Sixth Subsequent Advance remain unsatisfied. However, the Monitor understands the Applicants are of the view that it is reasonable to assume, based on the DIP Lenders' support for the Applicants' restructuring efforts to date and their agreement to extend the Maturity Date by way of the Third AR Amending Agreement, that the DIP Lenders will advance the Fifth and Sixth Subsequent Advances, barring material changes in the Applicants' circumstances. The Monitor notes that the Revised Cash Flow Forecast contemplates the advance of the Fifth Subsequent Advance during the week ending July 18, 2026, failing which the Applicants will have exhausted their liquidity by that time.

XII. STAY EXTENSION

77. The current Stay Period expires on July 10, 2026. The Applicants are seeking an Extended Stay Period through to September 30, 2026, which the Monitor understands is intended to provide the Company with time and breathing room to continue pursuing a going concern

transaction, an alternative transaction or to commence an orderly liquidation of the Applicants' assets should an acceptable transaction not be possible.

78. Should any circumstances arise during the Extended Stay Period (if approved by this Court) that cause the Monitor to be of the view that further direction from or reporting to the Court is required, the Monitor will seek and/or report on the same.

79. The Monitor supports the Applicants' request for an extension of the stay of proceedings to September 30, 2026, for the following reasons:

(a) the Applicants are acting in good faith and with due diligence and circumstances exist that make an extension of the stay appropriate, as set out herein;

(b) the granting of the extension of the Stay Period should not materially prejudice any creditor of the Applicants as the Revised Cash Flow Forecast reflects that the Applicants are projected to have sufficient funding to continue to operate in the normal course through the proposed Extended Stay Period, provided that the DIP Lenders ultimately waive or amend the conditions precedent to funding, to allow the release of Fifth Advance by July 18, 2026, and the Sixth Advance by September 12, 2026 (as projected in the Revised Cash Flow Forecast); and

(c) the extension of the Stay Period is anticipated to provide sufficient time for the Applicants to determine whether to pursue a going concern transaction, alternative transaction or to commence an orderly liquidation, whichever option proves to be viable.

XIII. CONCLUSION AND RECOMMENDATIONS

80. For the reasons set out in this Ninth Report, the Monitor respectfully recommends that this Court approve the relief sought by the Applicants in the proposed Stay Extension Order.

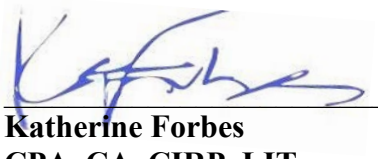
All of which is respectfully submitted this 6th day of July, 2026.

KPMG Inc.
in its capacity as Monitor 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.
and not in its personal or corporate capacity

Per:



Paul van Eyk
CPA, CA-IFA, CIRP, LIT, Fellow of INSOL
President



Katherine Forbes
CPA, CA, CIRP, LIT
Senior Vice President

Appendix “B”

Bogotá D.C., 18 de septiembre de 2026

Señores
Superintendencia de Sociedades
Atn.
Superintendente Delegado para Procedimientos de Insolvencia

Referencia: Reconocimiento de Proceso Extranjero Grupo de Empresas Canacol

Canacol Energy Colombia S.A.S.
NIT 830.095.563-3

CNE Oil & Gas S.A.S.
NIT 900.713.658-0

Cantana Energy Sucursal Colombia.
NIT 900.449.100-1

CNEOG Colombia Sucursal Colombia.
NIT 900.276.770-2

Asunto: Impulso procesal || Solicitud de programación de la audiencia para resolver la solicitud de reconocimiento de las órdenes de terminación de contratos

Nicolás Tirado Tirado, mayor de edad, domiciliado en la ciudad de Bogotá D.C., identificado como aparece al pie de mi firma, actuando en mi calidad de apoderado especial de KPMG Inc., quien actúa, a su vez en calidad de Monitor y Representante Extranjero del proceso de reorganización principal adelantado en Canadá (el "**Representante Extranjero**") respecto de Canacol Energy Ltd. y sus subsidiarias: 2654044 Alberta Ltd., Canacol Energy ULC, 2498003 Alberta ULC, Cantana Energy GMBH, CNE Oil & Gas S.R.L., Shona Holding GMBH, Canacol Energy Colombia S.A.S., CNE Energy S.A.S. y CNE Oil & Gas S.A.S. (en conjunto, las "**Deudoras**") respetuosamente solicito a la Superintendencia de

Bogotá D.C., September 18, 2026

Messrs
Superintendency of Companies
Att. Deputy Superintendent of Insolvency Proceedings

Reference: Recognition of Foreign Insolvency Proceeding of the Canacol Group of Companies

Subject: Motion to advance proceedings || Request for scheduling of the hearing to resolve the application for recognition of the disclaimer orders

Nicolás Tirado Tirado, of legal age, domiciled in the city of Bogotá D.C., identified as shown at the foot of my signature, acting in my capacity as special attorney-in-fact of KPMG Inc., which acts, in turn, as Monitor and Foreign Representative of the main reorganization proceedings carried out in Canada (the "**Foreign Representative**") with respect to Canacol Energy Ltd. and its subsidiaries: 2654044 Alberta Ltd., Canacol Energy ULC, 2498003 Alberta ULC, Cantana Energy GMBH, CNE Oil & Gas S.R.L., Shona Holding GMBH, Canacol Energy Colombia S.A.S., CNE Energy S.A.S. and CNE Oil & Gas S.A.S. (collectively, the "**Debtors**"), hereby respectfully request that the Superintendency of Companies give priority to

Sociedades que programe de forma prioritaria la fecha de la audiencia en la que se conocerá de la solicitud de terminación de contratos aprobada en Canadá por la Corte de Alberta el 24 de junio de 2026.

scheduling the date of the hearing at which the application for disclaimer of contracts, approved in Canada by the Alberta Court on June 24, 2026, will be heard.

Se informa al Despacho que el Representante Extranjero ha participado activamente en todas las negociaciones adelantadas por las Deudoras con los titulares de contratos de compraventa y de transporte, y deja constancia de las discusiones de buena fe sostenidas por todas las partes involucradas en dichas negociaciones, tanto de manera presencial como mediante videoconferencia.

The Court is advised that the Foreign Representative has actively participated in all of the Debtors' negotiations with off-take and transportation contract holders and furthermore the Foreign Representative notes the good faith discussions taken by all of the parties participating in these negotiations either in-person or by video-conference.

Dicho lo anterior, y con el fin de preservar el proceso de venta que tiene lugar en el proceso principal (SISP por sus siglas en inglés)[1], mantener las negociaciones con potenciales adquirentes, garantizar la continuidad del suministro de inventarios críticos de gas al mercado colombiano y proteger el empleo de 359 trabajadores en Colombia, el Representante Extranjero solicita formalmente que la Superintendencia de Sociedades fije una fecha para decidir en relación con la solicitud de terminación aprobada por los tribunales canadienses y respaldada por el Representante Extranjero.

That said, and in order to preserve the sale process taking place in the main proceedings (SISP) [2], negotiations with potential purchasers, continue to supply critical gas inventory to the Colombian market and the employment of 359 employees in Colombia, the Foreign Representative is formally requesting that a date be set by the Superintendency of Companies to decide on the disclaimer orders approved by the Canadian courts and supported by the Foreign Representative.

Aunque las negociaciones pueden continuar, el Representante Extranjero no considera probable que se vayan a alcanzar acuerdos materiales en el corto plazo, por lo que resulta necesario fijar una fecha de audiencia para abordar los aspectos pendientes de la reestructuración transfronteriza de Canacol.

Although negotiations may continue, the Foreign Representative does not believe that material agreements will be reached in the short-term and a court date is necessary to address the on-going cross-border restructuring of Canacol.

[1] Reconocido por el despacho durante la audiencia del 26 de febrero de 2026, la cual consta en el acta con radicado No. 2026-01-087531 del 3 de marzo de 2026.

[2] As recognized in the hearing that took place on February 26, 2026, as appears in decision 2026-01-087531 issued March 3, 2026.

En este contexto, el Representante Extranjero adicionalmente le pone de presente al Despacho que la liquidez adecuada para operar de las Deudoras está sujeta a que la financiación DIP sea prorrogada y que los fondos derivados de la misma continúen disponibles, considerando los límites previamente aprobados por la Corte de Alberta, Canadá y reconocidos por la Superintendencia de Sociedades.

Additionally, the Foreign Representative advises the Court that the Debtors' adequate liquidity to operate is subject to the DIP loan being extended and the funds derived therefrom continuing to be available, considering the limits previously approved by the Canadian Court and recognized by the Superintendency of Companies.

Los financiadores DIP han acordado prorrogar el préstamo vigente, sujeto a ciertas condiciones, las más importantes de las cuales siendo que: (i) se hayan celebrado enmiendas a los contratos objeto de las órdenes de terminación, en términos satisfactorios para los financiadores DIP, o (ii) las órdenes de terminación se encuentren en firme y no se encuentren suspendidas ni sujetas a una solicitud de autorización para apelar o a una apelación; incluyendo que la audiencia para el reconocimiento de dichas órdenes de terminación de los contratos ante la Superintendencia de Sociedades se lleve a cabo a más tardar el 30 de septiembre de 2026.

The DIP lenders have agreed to extend the current DIP loan, subject to certain conditions, most importantly, that either: (i) amendments to the contracts subject to the disclaimer orders have been entered into on terms satisfactory to the DIP lenders, or (ii) the disclaimer orders are final and not stayed or subject to an application for permission to appeal or an appeal; including that the hearing for the recognition of said disclaimer orders before the Superintendency of Companies will occur by no later than September 30, 2026.

Salvo que se cumplan las condiciones para la prórroga de la financiación DIP y para la obtención de nuevos desembolsos, las Deudoras no contarán con liquidez suficiente para continuar sus operaciones más allá del corto plazo.

Unless the conditions for extending the DIP loan and for obtaining further DIP advances are met, the Debtors will not have sufficient liquidity to continue their operations beyond the near term.

En atención de lo anterior, el Representante Extranjero considera que la programación de la audiencia para resolver sobre el reconocimiento de las órdenes de terminación de los contratos es urgente, pues de ello depende que las Deudoras puedan recibir los recursos adicionales necesarios para mantener su liquidez.

In view of the foregoing, the Foreign Representative considers that scheduling the hearing to decide on the recognition of the disclaimer orders is urgent, as the Debtors' ability to receive the additional funds necessary to maintain their liquidity depends on it.

Asimismo, se informa al Despacho que el Representante Extranjero presentará una actualización al tribunal canadiense el 25 de septiembre de 2026 y pondrá a disposición, a través

The Colombian Court is also advised that the Foreign Representative will be updating the Canadian court on September 25, 2026 and will make a report available on its website prior to that

de su sitio web, un informe antes de dicha fecha. Igualmente, el Representante Extranjero se asegurará de que una copia del informe más reciente, junto con los modelos de flujo de caja actualizados, sea puesta a disposición de este Despacho.

date. Likewise, the Foreign Representative will ensure that a copy of the latest report, and updated cash-flow models, will be made available to this Court.

Atentamente,

Sincerely,



Nicolás Tirado Tirado
C.C. No. 79.988.885 de Bogotá D.C.
T.P. No. 136.542 del C.S. de la J.

Appendix “C”

Alberta
COURT OF KING'S BENCH OF ALBERTA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C.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.

(collectively the "Canacol Group" or the "Applicants")

MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)

The attached statement of projected cash flow of the Applicants prepared as of the 17th day of September 2026, consisting of the period from August 30, 2026 to November 28, 2026 (the "**Revised Cash Flow Forecast**"), has been prepared by management of the Applicants, in consultation with the Monitor for the purpose described in Note 1, using the probable and hypothetical assumptions set out in the notes to the Revised Cash Flow Forecast.

Our review and consultation consisted of inquiries, analytical procedures and discussions related to information supplied by management and employees of the Applicants. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Revised Cash Flow Forecast. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Revised Cash Flow Forecast.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

a) the hypothetical assumptions are not consistent with the purpose of the Revised Cash Flow Forecast;
b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Revised Cash Flow Forecast, given the hypothetical assumptions; or
c) the Revised Cash Flow Forecast does not reflect the probable and hypothetical assumptions.

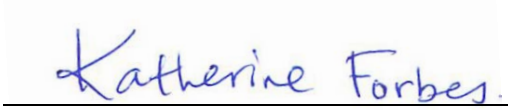
Since the Revised Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Revised Cash Flow Forecast will be achieved.

The Revised Cash Flow Forecast has been prepared solely for the purpose described in the notes thereto and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, in the Province of Ontario, this 18th day of September 2026.

KPMG Inc.
In its capacity as Proposed Monitor 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.

And not in its personal or corporate capacity



Katherine Forbes
CPA, CA, CIRP, LIT

Alberta
COURT OF KING'S BENCH OF ALBERTA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C.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. (collectively the "Applicants")

MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)

The management of the Canacol Group have developed the assumptions and prepared the attached statement of projected cash flow as of the 17th day of September 2026, consisting of the period from August 30, 2026 to November 28, 2026 (the "**Revised Cash Flow Forecast**").

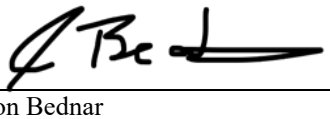
The hypothetical assumptions are reasonable and consistent with the purpose of the Revised Cash Flow Forecast described in the notes therein, and the probable assumptions are suitably supported and consistent with the plans of the Applicants and provide a reasonable basis for the Revised Cash Flow Forecast. All such assumptions are disclosed in the notes therein.

Since the Revised Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The Revised Cash Flow Forecast has been prepared solely for the purpose described in the notes therein, using the probable and hypothetical assumptions set out therein. Consequently, readers are cautioned that the Revised Cash Flow Forecast may not be appropriate for other purposes.

Dated at Calgary, in the Province of Alberta, this 18th day of September 2026.

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.



Jason Bednar
Chief Financial Officer

The Canacol Group
Cash Flow Forecast
In USD ($000's); unaudited

Week Ending	Notes	Forecast 5-Sep-26	Forecast 12-Sep-26	Forecast 19-Sep-26	Forecast 26-Sep-26	Forecast 3-Oct-26	Forecast 10-Oct-26	Forecast 17-Oct-26	Forecast 24-Oct-26	Forecast 31-Oct-26	Forecast 7-Nov-26	Forecast 14-Nov-26	Forecast 21-Nov-26	Forecast 28-Nov-26	Total
	1														
Receipts															
Receipts	2	11,094	240	-	824	8,218	8,126	232	254	8,683	7,626	240	254	3,175	48,966
Total receipts		**11,094**	**240**	**-**	**824**	**8,218**	**8,126**	**232**	**254**	**8,683**	**7,626**	**240**	**254**	**3,175**	**48,966**
Operating disbursements															
Transportation	3	(7,461)	-	-	(9)	(7,427)	-	-	(9)	(7,263)	-	-	(8)	-	(22,176)
Operating expenses	4	(1,543)	(1,065)	(230)	(387)	(1,201)	(393)	(655)	(410)	(1,098)	(496)	(664)	(408)	(1,040)	(9,589)
Royalties	5	(1,000)	-	(2,008)	-	-	-	-	(2,300)	-	-	-	(2,075)	-	(7,383)
Payroll	6	(144)	(152)	(307)	(958)	(784)	(2)	(454)	(1,003)	(783)	(1)	(457)	(958)	(762)	(6,767)
Capital expenditures	7	(80)	(623)	(745)	(1,891)	(1,220)	(624)	(1,090)	(284)	(1,373)	(1,384)	(720)	(564)	(888)	(11,485)
Letters of credit	8	-	-	-	-	-	(9,950)	-	-	-	-	-	-	-	(9,950)
Tax payable	9	-	-	-	-	-	(2,253)	-	-	(1,220)	-	-	-	-	(3,473)
DIP fees and interest	10	(782)	-	-	-	(872)	(1,800)	-	-	-	(1,028)	-	-	-	(4,482)
Professional fees	11	(300)	(600)	(600)	(600)	(600)	(750)	(750)	(750)	(750)	(750)	(750)	(750)	(750)	(8,700)
Total operating disbursements		**(11,310)**	**(2,440)**	**(3,889)**	**(3,844)**	**(12,104)**	**(15,772)**	**(2,949)**	**(4,756)**	**(12,486)**	**(3,659)**	**(2,591)**	**(4,764)**	**(3,440)**	**(84,005)**
Net cash flow		**(216)**	**(2,200)**	**(3,889)**	**(3,021)**	**(3,885)**	**(7,646)**	**(2,716)**	**(4,503)**	**(3,803)**	**3,967**	**(2,351)**	**(4,510)**	**(265)**	**(35,038)**
Opening cash	12	13,988	13,772	11,572	15,184	12,163	8,278	15,632	12,915	15,913	12,109	16,076	13,725	9,215	13,988
Net cash flow		(216)	(2,200)	(3,889)	(3,021)	(3,885)	(7,646)	(2,716)	(4,503)	(3,803)	3,967	(2,351)	(4,510)	(265)	(35,038)
DIP draw	13	-	-	7,500	-	-	15,000	-	7,500	-	-	-	-	-	30,000
Ending cash	14	**13,772**	**11,572**	**15,184**	**12,163**	**8,278**	**15,632**	**12,915**	**15,913**	**12,109**	**16,076**	**13,725**	**9,215**	**8,950**	**8,950**
Cash excluding Promigas		7,072	4,872	8,484	5,463	1,578	8,932	6,215	9,213	5,409	9,376	7,025	2,515	2,250	2,250

The Canacol Group

13-Week Cash Flow Forecast
Notes and Summary of Assumptions

In the Matter of the CCAA Proceedings 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")

Disclaimer

In preparing this cash flow forecast (the **"Revised Cash Flow Forecast**"), the Applicants have relied upon unaudited financial information and have not attempted to further verify the accuracy or completeness of such information. Since the Revised Cash Flow Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Revised Cash Flow Forecast period will vary from the Revised Cash Flow forecast, even if the assumptions materialize, and such variations may be material. There is no representation, warranty, or other assurance that any of the estimates, forecasts or projections will be realized.

The Revised Cash Flow Forecast is presented in US dollars. All defined terms that are not otherwise defined herein are to have the same meaning ascribed to them in the tenth report of the Monitor dated September 21st, 2026 (the "**Tenth Report**").

Note 1 **Purpose of the Revised Cash Flow Forecast**
The purpose of the Revised Cash Flow Forecast is to present the estimated cash receipts and disbursements of the Applicants for the period from August 30, 2026 to November 28, 2026, in respect of its proceedings under the CCAA. The Revised Cash Flow Forecast has been prepared by management of the Canacol Group, in consultation with the Monitor based on available financial information at the date of the Tenth Report. Readers are cautioned that this information may not be appropriate or relied upon for any other purpose.

Note 2 **Receipts**
The majority of the Applicants' receipts are generated through the sale of natural gas through long-term, fixed price contracts to residential and commercial end users. Customer receipts are forecast based on contracted volumes and are primarily received on a prepaid basis from their customers.

Receipts are projected net of amounts withheld of approximately 2.5% by customers on behalf of Canacol for remittance to the Colombian government.

Note 3 **Transportation costs**
These disbursements primarily relate to transportation costs paid to Promigas S.A. E.S.P (**"Promigas"**), the Applicants' pipeline transportation provider.

Note 4 **Operating Expenses**
Operating expenses are composed of expenses related to producing, treating, and delivering natural gas and general business expenses, including maintenance, insurance, utilities, equipment rental, and general and administrative costs.

Note 5 **Royalties**
Royalties are paid to ANH at the end of each month for the production of natural gas based on the monthly production volumes of the Canacol Group 60 days prior.

Note 6 **Payroll**

Payroll expenses include salaries and wages, payroll taxes and remittances, employee benefits, and vacation pay paid to the Applicants' employees and contractors. Payroll expenses are forecasted based on current headcount levels and are paid bi-weekly in Canada, and monthly in Colombia.

Note 7 **Capital Expenditures**

Capital expenditures include amounts for drilling, completion and workovers, compression, and other costs for the purpose of producing natural gas and crude oil for sale. Capital expenditures also include payment of overdue amounts to vendors for services provided after the Filing Date.

Note 8 **Letters of Credit**

Letters of credit disbursements include projected cash collateralization to replace expiring letters of credit. The Applicants have projected funding of the ANH Security Arrangements in the amount of approximately $9.95 million during the Forecast Period.

Note 9 **Tax Payable**

Tax remittances include withholding taxes paid to the Colombian government on receipts and on vendor disbursements for the previous month.

Note 10 **DIP Fees and Interest**

DIP fees and interest include the monthly interest payments on amounts advanced under the DIP Facility.

Note 11 **Professional Fees**

Professional fees include payments to the Applicants' legal counsel in Canada, the US, and Colombia, the Monitor, the Monitor's legal counsel in Canada, the US and Colombia, Breakpoint and the DIP Lenders' financial and legal advisors.

Note 12 **Opening Cash**

Opening cash balance includes amounts held in the Applicants' bank accounts, including in the trust held for Promigas.

Note 13 **Debtor-in-possession (DIP) Financing**

The Revised Cash Flow Forecast reflects advances under the DIP Facility in the Forecast Period of $30 million, reflecting the remaining subsequent advances under Tranche A-2 Sub-Facility.

Note 14 **Ending Cash**

Weekly ending cash balance includes amounts held in trust for Promigas, estimated at approximately $6.7 million.