

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
(Commercial Division)

Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, RSC
1985, c. C-36)

N°: 500-11-065700-250

**IN THE MATTER OF THE PLAN OF
ARRANGEMENT OR COMPROMISE OF:**

ENERKEM ALBERTA BIOFUELS G.P. INC.

9546-7049 QUÉBEC INC. (ResidualCo 1)

9546-7064 QUÉBEC INC. (ResidualCo 2)

9390-1783 QUÉBEC INC.

Residual Debtors

-and-

ENERKEM ALBERTA BIOFUELS L.P.

Mise-en-cause

-and-

DELOITTE RESTRUCTURING INC.

Monitor/Applicant

APPLICATION FOR A STAY EXTENSION

(Section 11.02(2) of the *Companies' Creditors Arrangement Act*, RSC 1985, c
C-36)

**TO THE HONOURABLE JUSTICE CÉLINE LEGENDRE J.S.C. OF THE SUPERIOR
COURT, SITTING IN COMMERCIAL DIVISION, IN AND FOR THE JUDICIAL
DISTRICT OF MONTRÉAL, DELOITTE RESTRUCTURING INC., IN ITS CAPACITY
AS MONITOR, RESPECTFULLY SUBMITS THE FOLLOWING:**

I. INTRODUCTION

1. By the present *Application for a Stay Extension* (the “**Application**”) Deloitte Restructuring Inc., in its capacity as court-appointed monitor (the “**Monitor**”) hereby seeks the issuance of an order substantially in the form of the draft order communicated herewith as **Exhibit R-1** (the “**Stay Extension Order**”), providing, *inter alia*, for an extension of a stay of proceedings until and including September 30, 2026, the whole as more amply set out herein.
2. The Monitor has prepared a report in support of this Application (the “**Monitor’s Fifth Report**”), which is disclosed in support hereof as Exhibit R-2.

II. BACKGROUND AND THE CCAA PROCEEDINGS

3. Enerkem Inc., Enerkem Alberta Biofuels G.P. Inc., Enerkem Limited (UK), Enerkem Corporation (Delaware), Enerkem Spain Holdings, Sociedad Limitada (Spain) and 9390-1783 Québec Inc. (the “**Initial Applicants**”) operated in the field of converting heterogeneous waste and biomass materials into a diverse range of clean fuels and circular chemicals, using proprietary patent technology.
4. In recent years, the Initial Applicants faced increasing financial challenges and setbacks in connection with their main projects and revenue sources.
5. On May 12, 2025, this Court granted the Initial Applicant’s *Application for the issuance of an initial order, an amended and restated initial order, and an order approving a sale and investment solicitation process* and issued an initial order under the *Companies’ Creditors Arrangement Act* (“**CCAA**”) valid until May 22, 2025 (the “**Initial Order**” and the “**Stay Period**”) providing for, *inter alia*, the appointment of Deloitte Restructuring Inc. as Monitor, as appears from the Court record.
6. The Initial Order also provided for a Sale and Investment Solicitation Process Order (the “**SISP Order**”), which approved, *inter alia*, the conduct of a sale and investment solicitation process in respect of the Initial Applicants’ business and property (the “**SISP**”) in accordance with the procedures set out in the annex appended to the draft SISP Order.
7. On May 22, 2025, this Court issued an Amended and Restated Initial Order, which provided for, *inter alia*, the following relief:
 - (i) an extension of the Stay Period until August 22, 2025;
 - (ii) an increase to the Administration Charge to a total amount of up to \$1 million for work performed and to be performed by the Professionals in connection with these CCAA proceedings; and
 - (iii) an increase to the D&O Charge to a total amount of up to \$2 million.

8. On July 30, 2025, further to the results of the SISP, this Court issued an Approval and Reverse Vesting Order (the “**RVO**”) approving the transactions (the “**Transactions**”) contemplated by a subscription agreement dated July 22, 2025, entered into by and among Enerkem Inc. (the “**Issuer**”) and Repsol Quimica, S.A. (“**Repsol**”), Monarch Alternative Capital LP (“**Monarch**”) and ESC Sustainable Solutions Fund, L.P. (together with Repsol and Monarch, the “**Investors**”).
9. On that same date, this Court extended the Stay Period until November 17, 2025.
10. The reverse vesting structure of the Transactions allowed the Issuer and Enerkem UK, Enerkem Delaware and Enerkem Spain (collectively, the “**Retained Entities**”), to maintain their existing intellectual property, licenses, permits, certifications, regulatory approvals and other requirements essential to their operations, as well as preserving their tax attributes which would have otherwise been adversely impacted through an asset purchase structure.
11. Pursuant to the RVO, 9546-7049 Québec Inc. (“**ResidualCo 1**”) and of 9546-7064 Québec Inc. (“**ResidualCo 2**”) (collectively, the “**ResidualCos**”, and together with Enerkem Alberta Biofuels G.P. Inc., the “**Residual Debtors**”) were added as parties to these CCAA proceedings and the Issuer and the Retained Entities ceased to be parties thereto.
12. The Transactions contemplated in the RVO closed on September 2, 2025.
13. As a result of the Transactions and of the RVO, the only tangible assets remaining for the purpose of these CCAA Proceedings are those of Enerkem Alberta Biofuels G.P. Inc. and Enerkem Alberta Biofuels L.P. (collectively, “**EAB**”).
14. EAB previously operated a commercial-scale demonstration biorefinery in Edmonton (the “**Alberta Plant**”), which was retired as of January 20, 2024, and prepared to undergo physical removal of equipment, among other final decommissioning steps.
15. Concurrently with the closing of the Transactions, the powers of the Monitor were expanded in order to allow the Monitor to conduct the wind down of the Residual Debtors and their assets.
16. The SISP also involved the solicitation of liquidation proposals for the Alberta Plant. As previously reported to the Court, the Monitor received several proposals and related deposits from bidders for the dismantlement of the Alberta Plant and the liquidation thereof (the “**EAB Proposal(s)**”).
17. On November 17, 2025, this Court issued an *Order Extending the Stay of Proceedings* thereby extending the Stay Period until May 15, 2026 (the “**2025 Stay Extension Order**”).

III. ACTIVITIES OF THE MONITOR SINCE NOVEMBER 2025

18. Since the issuance of the 2025 Stay Extension Order, the Monitor engaged Stantec Consulting Ltd. to prepare the Phase II Environmental Site Assessment (the “**Phase II**”) and various related environmental reports in respect of the Alberta Plant (the “**Reports**”), the whole in compliance with EAB’s obligations towards Alberta Environment and Protected Areas (“**AEPA**”).
19. The Phase II was received on or around May 1, 2026.
20. The Reports are expected to be received by May 8, 2026.
21. The Monitor shared the Phase II with the City of Edmonton and with AEPA, and continued discussions with said stakeholders with respect to the obligations of EAB under applicable environmental laws in relation to the Alberta Plant.
22. Moreover, the Monitor has maintained communications with the Initial Applicants, the Investors, and its remaining secured creditor, Fiera Private Debt Fund IV LP (“**Fiera**”), as to the remaining steps needed to monetize the Alberta Plant, wind down the Residual Debtors and terminate the CCAA proceedings.
23. In parallel, and pending the receipt and analysis of the Phase II and the Reports, the Monitor has continued discussions with the bidders having submitted an EAB Proposal regarding the dismantlement of the Alberta Plant and the liquidation thereof.
24. The advancement of the selection of a EAB Proposal is contingent on the analysis of the Phase II and the Reports. Consequently, the Monitor is currently considering same and will make a determination in respect of the EAB Proposals, with the consent of Fiera, in due course.

IV. RELIEF SOUGHT

A. Issuance of a Stay Extension Order

25. With the present Application, the Monitor is hereby seeking an extension of the Stay Period, which currently expires on May 15, 2026, for approximately six (6) months, until September 30, 2026.
26. The requested extension of the Stay Period is notably necessary to allow the Monitor to continue and finalize the discussions with the City of Edmonton and AEPA regarding the potential environmental liabilities associated with the Alberta Plant following the receipt and analysis of the Phase II and the Reports.
27. As set out above, the Monitor will only be able to advance the selection of the successful bidder under the EAB Proposals after considering the results of the Phase II and the Reports and engaging with various stakeholders.

28. Consequently, the Monitor requires additional time to accomplish certain remaining actions with a view of advancing towards the potential decommissioning and reclamation of the Alberta Plant.
29. Subsequently, the Monitor will be well positioned to effectuate the orderly wind-down of the Residual Debtors' affairs and terminate the CCAA proceedings, the whole in the best interest of all stakeholders.
30. Accordingly, the Monitor submits that the requested Stay Period extension up to and until September 30, 2026, is appropriate and necessary in the circumstances.
31. Based on the projections and assumptions which will be set out in a schedule to the Monitor's Fifth Report, the Monitor expects to have sufficient funding and liquidity to cover anticipated expenses during the extended Stay Period.
32. The Monitor has acted and continues to act in good faith and with diligence throughout these CCAA proceedings, and the requested extension is appropriate in the circumstances.

V. CONCLUSION

33. For the reasons set forth above, the Monitor submits that it is both appropriate and necessary that the relief sought herein be granted. With such relief, the Monitor will be able to pursue the restructuring initiatives for the benefit of all stakeholders.

FOR THESE REASONS, MAY IT PLEASE THIS HONOURABLE COURT TO:

GRANT the present *Application for a Stay Extension*.

RENDER the Stay Extension Order substantially in the form of the draft order communicated herewith as **Exhibit R-1**.

THE WHOLE without costs, save and except in the event of contestation.

MONTREAL, May 7, 2026

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Our file: 1268210

SWORN STATEMENT OF JEAN-FRANÇOIS NADON

I, the undersigned, Jean-François Nadon, having my professional address at 1190 Avenue des Canadiens-de-Montréal, suite 500, Montréal, Québec, H3M 0M7, in the city and judicial district of Montréal, do solemnly affirm that:

1. I am a duly authorized representative of Deloitte Restructuring Inc., acting in its capacity as court-appointed Monitor of the CCAA Parties.
2. All the factual allegations contained in the Application are true.

AND I HAVE SIGNED:



Jean-François Nadon

SOLEMNLY AFFIRMED before me by
technological means in Montréal, Québec
this 7th day of May 2026.



Suzanne Langlois
Commissioner for Oaths
for the Province of Québec



**NOTICE OF PRESENTATION
COMMERCIAL DIVISION**

TO: **SERVICE LIST**

PRESENTATION OF THE PROCEEDING

You are hereby notified of the attached Application for a Stay Extension (Section 11.02(2) of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36.)

TAKE NOTICE the Court has advised the Monitor that it is prepared to extend the Stay Period until September 30, 2026, without a hearing on the basis of the evidence in the Court record, provided that no party objects to such proposed extension.

Should you wish to object to the extension of the Stay Period until September 30, 2026, you are required to serve a written Notice of Objection on the Service List no later than May 13, 2026 at 12:30.

PLEASE GOVERN YOURSELF ACCORDINGLY.

MONTREAL, May 7, 2026

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Our file: 1268210

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
(Commercial Division)

Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, RSC
1985, c. C-36)

N°: 500-11-065700-250

**IN THE MATTER OF THE PLAN OF
ARRANGEMENT OR COMPROMISE OF:**

ENERKEM ALBERTA BIOFUELS G.P. INC.

9546-7049 QUÉBEC INC. (ResidualCo 1)

9546-7064 QUÉBEC INC. (ResidualCo 2)

9390-1783 QUÉBEC INC.

Applicants/Residual Debtors

-and-

ENERKEM ALBERTA BIOFUELS L.P.

Mise-en-cause

-and-

DELOITTE RESTRUCTURING INC.

Monitor

LIST OF EXHIBITS

Exhibit R-1	Draft Stay Extension Order
Exhibit R-2	Fifth Report to the Court submitted by Deloitte Restructuring Inc. in its capacity as Monitor dated May 8 th , 2026.

MONTREAL, May 7, 2026

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Our file: 1268210

EXHIBIT R-1

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No.: 500-11-065700-250

DATE: May 15, 2026

BEFORE THE HONOURABLE CÉLINE LEGENDRE, J.S.C.

IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF:

**ENERKEM ALBERTA BIOFUELS G.P. INC.
9546-7049 QUÉBEC INC. (ResidualCo 1)
9546-7064 QUÉBEC INC. (ResidualCo 2)
9390-1783 QUÉBEC INC.**

Residual Debtors

-and-

ENERKEM ALBERTA BIOFUELS L.P.

Mise-en-cause

-and-

DELOITTE RESTRUCTURING INC.

Monitor/Applicant

ORDER EXTENDING THE STAY OF PROCEEDINGS

- [1] **CONSIDERING** the Monitor's *Application for a Stay Extension* dated May 8, 2026 (the "**Application**");
- [2] **CONSIDERING** the Monitor's Fifth Report dated May 8, 2026;
- [3] **CONSIDERING** the Initial Order issued by this Court on May 12, 2025, as amended and restated from time to time, including on July 30, 2025 (the "**Initial Order**");
- [4] **CONSIDERING** that the Stay Period (as defined in the Initial Order), currently expires on May 15, 2026;
- [5] **CONSIDERING** that it is appropriate and economical to extend the Stay Period (as defined in the Initial Order) until September 30, 2026.
- [6] **CONSIDERING** the Service List (as defined in the Initial Order) was notified the Application, advised of the proposed extension and invited to submit any objections thereto prior to May 13, 2026 at 16:30 ("**Objection Deadline**");
- [7] **CONSIDERING** the absence of any contestation or objection to the proposed extension prior to the Objection Deadline;
- [8] **CONSIDERING** that it is appropriate to issue the order sought in the Application without a hearing;
- [9] **GIVEN** the provisions of the *Companies' Creditors Arrangement Act*, RSC, 1985, c. C-36 (the "**CCAA**");

THE COURT HEREBY:

- [10] **GRANTS** the Application.
- [11] **EXTENDS** the Stay Period (as defined in the Initial Order, as amended and restated from time to time, including on July 30, 2025), up to and including September 30, 2026.
- [12] **DECLARES** that this Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada.
- [13] **THE WHOLE WITHOUT COSTS.**

CÉLINE LEGENDRE, J.S.C.

MTRE SANDRA ABITAN
MTRE ILIA KRAVTSOV
MTRE JACK M. LITTLE
(OSLER HOSKIN & HARCOURT LLP)
COUNSEL TO THE MONITOR

EXHIBIT R-2



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CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
COURT. No.: 500-11-065700-250

SUPERIOR COURT
Commercial Division

**IN THE MATTER OF A PLAN OF
ARRANGEMENT OR COMPROMISE OF:**

ENERKEM ALBERTA BIOFUELS G.P. INC.,
-and-
9546-7049 QUÉBEC INC. (ResidualCo 1),
-and-
9546-7064 QUÉBEC INC. (ResidualCo 2),
-and-
9390-1783 QUÉBEC INC.,
Residual Debtors
-and-
ENERKEM ALBERTA BIOFUELS L.P.
Montreal, Quebec.
Mise-en-cause
-and-
DELOITTE RESTRUCTURING INC.
Monitor/Applicant

**FIFTH REPORT TO THE COURT
SUBMITTED BY DELOITTE RESTRUCTURING INC.
IN ITS CAPACITY AS MONITOR**

(Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended)

INTRODUCTION

1. On May 11, 2025, Enerkem Inc. ("**Enerkem Canada**"), Enerkem Alberta Biofuels Inc. ("**EAB**"), Enerkem Limited UK ("**Enerkem UK**"), Enerkem Corporation (Delaware) ("**Enerkem Delaware**"), Enerkem Spain Holdings, Sociedad Limitada (Spain) ("**Enerkem Spain**") (collectively, "**Enerkem**", the "**Company**" or the "**Applicants**") filed an *Application for the Issuance of an Initial Order, an Amended and Restated Initial Order and an Order Approving a Sale and Investment Solicitation Process* (the "**Initial Application**") under the *Companies' Creditors Arrangement Act* (the "**CCAA**"), before the Superior Court of Quebec (the "**Court**") seeking the appointment of Deloitte Restructuring Inc. ("**Deloitte**") as the CCAA monitor in these proceedings (in such capacity the "**Proposed Monitor**") and various other reliefs.
2. On that same date, Deloitte, then in its capacity as Proposed Monitor, issued its first report to the Court (the "**First Report**"). The purpose of the First Report was to provide information to the Court with respect to i) Deloitte's qualifications to act as Monitor, ii) the business, financial affairs and financial results of Enerkem, iii) the proposed restructuring process, iv) the Sale and Investment Solicitations process ("**SISP**"), v) the Key Employee Retention Plan ("**KERP**"), vi) Enerkem's cash flow forecast, vii) the Interim Facility, viii) the charges sought

in the Proposed First Day Initial Order and the Proposed Initial Order, and ix) the Proposed Monitor's conclusions and recommendations regarding the relief requested.

3. On May 12, 2025, the Court granted the Initial Application and issued a First Day Initial Order (the "**First Day Order**") which provided for, *inter alia*, i) a stay of proceedings in favour of Enerkem until May 22, 2025 (the "**Stay Period**"), ii) a stay of proceedings in favour of the directors and officers, iii) the appointment of Deloitte as the Monitor under the CCAA (in such capacity the "**Monitor**"), iv) the approval of the Interim Facility of \$12.5M, and v) the granting of various charges including an Administration Charge of \$0.2M, a D&O Charge of \$1.4M, an Interim Lender Charge of \$15M, and a KERP Charge of \$850K (as each of these defined terms are defined in the First Day Order).
4. On May 12, 2025, the Court also granted a SISP order (the "**SISP Order**") which provided for, *inter alia*, the approval of the SISP and the SISP Procedures (as this term is defined in the SISP Order) attached thereto.
5. On May 21, 2025, Deloitte, then in its capacity as Monitor, issued its second report to the Court (the "**Second Report**") as part of the Debtors' CCAA proceedings (the "**CCAA Proceedings**"). The purpose of the Second Report was to provide information to the Court with respect to i) Enerkem's communications to stakeholders and operations, ii) the Monitor's activities since the First Report, iii) the status of the SISP, iv) the modifications sought in the proposed Amended and Restated Initial Order ("**ARIO**"), v) the Cash Flow results for the two-week period ended May 18, 2025, vi) the Cash Flow Projections until August 22, 2025, vii) the request for an extension of the Stay Period, and viii) the Monitor's conclusions and recommendations regarding the relief requested.
6. On May 22, 2025, the Court granted the ARIO, which, *inter alia*, i) extended the Stay Period until August 22, 2025, ii) increased the Administration Charge to \$1M, and iii) increased the D&O Charge to \$2M. The Interim Lender Charge and the KERP Charge were not increased and were maintained in the amounts of \$15M and \$850K, respectively.
7. On July 23, 2025, the Company filed an Application for the Issuance of an Approval and Reverse Vesting Order (the "**RVO Application**"), seeking:
 - (i) an Approval and Reverse Vesting Order providing, *inter alia*, the following relief:
 - i) the approval of subscription agreement dated July 22, 2025, executed by Enerkem Canada with Repsol Quimica, S.A., Monarch Alternative Capital LP and ESC Sustainable Solutions Fund, L.P. (collectively, the "**Investors**") (the "**Subscription Agreement**" and the "**Proposed Transaction**") and transactions contemplated thereunder (the "**Transactions**"), including the transfer and vesting to new "residual" corporations to be incorporated (collectively, the "**ResidualCos**") of the excluded assets, excluded contracts and excluded liabilities, as contemplated in the Subscription Agreement, and iii) releases in favour of Enerkem Canada, the Retained Entities¹ and the Investors, as well as certain releases in favour of Enerkem Canada's and the Retained Entities' present and former Directors and Officers;
 - (ii) an Order for the cancellation of security registrations; and
 - (iii) an Order: i) extending the Stay Period until November 14, 2025, ii) releasing, terminating and discharging certain of the charges granted in these CCAA Proceedings, and iii) providing for the enhancement of certain powers of the Monitor with respect to the ResidualCos, and iv) granting certain ancillary relief.

¹ The term "Retained Entities" is defined in the Subscription Agreement to include Enerkem UK, Enerkem Delaware and Enerkem Spain.

8. On July 30, 2025, the Court granted the Approval and Reverse Versing Order, the Order Extending the Stay Period until November 17, 2025, Expanding the Powers of the Monitor and releasing, Terminating and Discharging Certain CCAA Charges as well as the *Ordonnance d'Annulation et de Radiation*.
9. Pursuant to the Transactions, 9546-7049 Québec Inc. ("**ResidualCo 1**") and of 9546-7064 Québec Inc. ("**ResidualCo 2**") (collectively, the "**ResidualCos**", and together with Enerkem Alberta Biofuels G.P. Inc., the "**Residual Debtors**") were added as parties to these CCAA proceedings and the Enerkem Canada and the Retained Entities ceased to be parties thereto.
10. On November 12, 2025, the Monitor filed the Application for a Stay Extension.
11. On November 17, 2025, the Court granted the Order Extending the Stay of Proceedings until May 15, 2026.
12. Concurrently with the issuance of this fifth report of the Monitor (the "**Fifth Report**"), the Monitor filed the Application for a Stay Extension.
13. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars. Capitalized terms not otherwise defined in this report are as defined in the previous reports of the Monitor or the Application.

PURPOSE OF THIS REPORT

14. The purpose of the Fifth Report is to update the Court with respect to:
 - (i) The Monitor's activities since the Fourth Report;
 - (ii) The progress in view of dismantling the Alberta Plant (as defined hereafter);
 - (iii) The Cash Flow results for the 6-month period ended April 30, 2026;
 - (iv) The Cash Flow Projections;
 - (v) The request for an extension of the Stay Period; and,
 - (vi) The Monitor's conclusions and recommendations.
15. In preparing the Fifth Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, Enerkem's books and records and financial information prepared by Enerkem and discussions with management ("**Management**") of Enerkem (collectively, the "**Information**"). Except as described in this Fifth Report in respect of the Applicants' Cash Flow Statement (as defined below):
 - (i) The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and,
 - (ii) Some of the information referred to in this Fifth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in Chartered Professional Accountants Canada Handbook, has not been performed.

16. Future oriented financial information referred to in this Fifth Report was prepared based on estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
17. Unless otherwise indicated, the Monitor's understanding of factual matters expressed in the Fifth Report concerning Energem and their business is based on the Information, and not independent factual determinations made by the Monitor.

I. THE MONITOR'S ACTIVITIES SINCE THE FOURTH REPORT

18. Since the granting of the ARIO and following the closing of the Transactions, the Monitor has had various communications with the Company's suppliers and other key stakeholders to explain the situation and the next steps relating to the CCAA Proceedings and the Company's restructuring (the "**Restructuring**").
19. The Monitor maintained communication with Energem and the remaining secured creditor, Fiera, as to the remaining steps needed to monetize the commercial-scale demonstration biorefinery in Edmonton (the "**Alberta Plant**"), the wind down the Residual Debtors and terminate the CCAA proceedings.
20. The Monitor has been proactive in responding to the different stakeholders' inquiries relating to the CCAA Proceedings and the Restructuring.
21. The Monitor has had various communications with the City of Edmonton and Alberta Environment and Protected Areas (the "**AEPA**") with respect to the Alberta Plant previously operated by Energem Alberta Biofuels G.P. Inc. and Energem Alberta Biofuels L.P. (collectively, "**EAB**"), as more fully detailed below.
22. The Monitor has carefully and diligently managed liquidity and sought to limit costs whenever possible and justified.
23. Pursuant to the First Day Order, the Residual Debtors have paid all post-filing obligations in the normal course of business.
24. To the Monitor's knowledge, the Residual Debtors have complied and continues to comply with the provisions of the First Day Order, the ARIO and the provisions of the CCAA.
25. The Monitor has been managing the receipts and disbursements transacted through the Monitor's bank accounts in respect of the Residual Debtors' operations.
26. Since the commencement of the CCAA Proceedings, the Monitor has continued to monitor the Residual Debtors' activities with a view to reporting its observations and recommendations to the Court.

II. PROGRESS IN VIEW OF DISMANTLING THE ALBERTA PLANT

The EAB Environmental Incident

27. As of the date of the Fourth Report, following a potential environmental release incident reported by the City of Edmonton to the AEPA, the Monitor had commissioned expert reports in order to determine the subsequent steps for the disposal of the potential contaminants.

28. These reports were obtained on November 21, 2025, and it was determined that the accumulated water on the site of the Edmonton Plant should be disposed in accordance with applicable regulations. On November 28, 2025, a specialized waste management firm mandated by the Monitor disposed of the majority of the accumulated water. However, due to freezing temperatures in Edmonton, a minimal portion of the accumulated water had frozen. The Monitor is in continuous discussion with the specialized firm and will reassess the position of said water once it has thawed. As of the date of this report, the accumulated water is still partially frozen.
29. The Monitor has managed the potential environmental release incident with celerity and due diligence, and in communication with the City of Edmonton and the AEPA. The Monitor considers that the management of this potential environmental release incident is now completed, subject to the reassessment explained above.

The EAB Site Monitoring

30. As mentioned in the Fourth Report, the Monitor proactively retained a specialized waste management firm to conduct weekly monitoring of the EAB site to prevent environmental incidents.
31. There has not been any major environmental incident during the reporting period that has not been addressed by the Monitor. As of the date of the Fifth Report, the Monitor has not been made aware of any issues that would necessitate immediate actions other than the one described above.

The Phase II Environmental Site Assessment

32. Since the closing of the transaction, the Monitor has been in ongoing discussions with the City of Edmonton and its legal counsel, and the AEPA with respect to the obligations of EAB under applicable environmental laws in relation to the Alberta Plant.
33. Following the closing of the EAB site, discussions occurred between the Company and the AEPA regarding Energem's obligations related to the decommissioning work and environmental promises of the tenant.
34. As part of these obligations, a phase II environmental site assessment (the "**Phase II Assessment**") as well as other environmental reports were requested before October 31, 2025.
35. The Monitor and its legal counsel confirmed to AEPA on October 27, 2025, that the timelines agreed upon with the Company, following the extension request as set out in AEPA's letter of authorization, would not be met.
36. The Monitor retained Stantec as a specialized environmental services firm to provide a quote related to performing the Phase II Assessment on November 3, 2025, with the aim of providing the reports to AEPA.
37. Over the past several months, Stantec has conducted its work and has delivered the following reports:

ENERKEM ALBERTA BIOFUELS
Summary of Environmental Reports

<u>Report's Name</u>	<u>Date of Issuance</u>
Annual Waste Management Summary Report	2026-03-17
Phase II report	2026-05-01
Groundwater Monitoring Report	<i>Expected on May 8, 2026</i>
Soil Monitoring Program Report	<i>Expected on May 8, 2026</i>

38. The foregoing reports have been shared with Fiera, the AEPA and the city of Edmonton.
39. The Monitor is continuing its review of the reports obtained and is considering the impact of same on these CCAA proceedings.

The dismantling

40. As mentioned in previous report, the Monitor conducted the EAB SISP to solicit interest in the specific assets of EAB and received multiple proposals prior to the Phase I Bid Deadline. Following several calls with the Bidders to obtain certain clarifications, the Monitor received amended proposals.
41. The Monitor, in consultation with the secured creditor, Fiera, selected a bidder, with whom discussions are currently ongoing to reach an agreement.
42. The Monitor is still assessing, in consultation with Fiera, the possibility of proceeding with the dismantling of the EAB assets. The decision will be based on the results of the Phase II Assessment and the associated costs to rehabilitate the Alberta Plant. If deemed beneficial, an agreement will then be concluded with the eventual selected bidder and submitted to the Court for approval.

EAB Sales Tax Refund

43. As mentioned in previous reports, EAB collected a sales tax refund totaling \$1M (the "**Sales Tax Refund**"). The Monitor collected a total of approximately \$1.1M from EAB's bank account. These assets were both considered excluded assets as part of the Transactions.
44. As mentioned in the Application for the issuance of an approval and reverse vesting order, the Investors, as well as Fiera, reserved their rights with respect whether the Sales Tax Refund of EAB are the assets and property of EAB or Enerkem.
45. As of the date of this report, no agreement has been reached with respect to the property of said Sales Tax Refund. In addition, Fiera has advised the Monitor that it reserves its rights with respect to the allocation of costs and professional fees between the Applicants.

III. THE CASH FLOW RESULTS FOR THE 6-MONTH PERIOD ENDED APRIL 30, 2026

46. The highlights of Enerkem's financial performance for the 6-month period commencing on November 10, 2025, and ending April 30, 2026 ("**Initial Cash Flow Period**"), are presented in the Actual Cash Flow annexed hereto as **Appendix A**.

47. The table below provides an overview of the cash balances and cash variances during the Initial Cash Flow Period:

Cash Variation	
For the 6-month period ended April 30, 2026	
<i>in \$000's CAD</i>	
EAB	
Beginning Cash - Nov 9, 2025	1 117
Net Cash Variation	(389)
Ending Cash - April 30, 2026	728
Administration Expense Reserve	
Beginning Cash - Nov 9, 2025	400
Net Cash Variation	(40)
Ending Cash - April 30, 2026	360

EAB

48. The Monitor's comments on the financial performance of EAB during the Initial Cash Flow Period are set out below:

- (i) Compared with the statement of projected cash flow presented to the Court in the Fourth Report dated November 13, 2025 (the "**Cash Flow Statement**"), EAB experienced a favorable variance of approximately \$17K with respect to the cash inflows. This variance is primarily attributable to interest on bank balance.
- (ii) Compared with the Cash Flow Statement, Enerkem experienced a favorable variance of \$223K in respect of the outflows. The variance is primarily attributable to:
 - i. An unfavorable variance of \$63K in Phase 2 Site Assessment mainly due to additional work required as part of the Phase 2 site assessment;
 - ii. A favorable variance of \$40K in Site Maintenance as the level of maintenance required was less than budgeted; and
 - iii. A favorable variance of \$104K in professional fees. This variance is primarily due to the delay in the implementation of the dismantling process.
- (iii) In summary, compared with the Cash Flow Statement, EAB experienced a net favorable variance of approximately \$240K.

Administration Expense Reserve

49. As mentioned in the Fourth Report, the Administration Expense Reserve represents an amount retained and held by the Monitor to pay the administrative expense costs for so long as may be reasonably required to wind down and/or dissolve and/or bankrupt the ResidualCos and the Excluded Entities, as applicable. Any unused portion of the Administrative Expense Reserve after payment or reservation for all administrative expense costs shall be transferred by the Monitor to the Company upon the termination of the CCAA Proceedings and the discharge of the Monitor.

50. Compared with the Cash Flow Statement, the Monitor experienced a favorable variance of approximately \$285K. This favorable variance in professional fees is mainly explained by the delay in winding down the ResidualCos.

IV. THE CASH FLOW PROJECTIONS

51. The Monitor prepared the statement of projected cash flow (the "**5-month Cash Flow Statement**") for the 5-month period starting May 1, 2026, to September 30, 2026 (the "**5-Month Cash Flow Period**") for the purpose of forecasting the estimated liquidity needs during the Cash Flow Period. A copy of the Cash Flow Statement is provided in **Appendix B** of this Fifth Report.
52. The Cash Flow Statement has been prepared by the Monitor using probable and hypothetical assumptions set out in the notes to the Cash Flow Statement.
53. Based on the Monitor's work and the foregoing qualifications and limitations, nothing has come to its attention that causes it to believe that, in all material respects:
- (i) The hypothetical assumptions are not consistent with the purpose of the 5-Month Cash Flow Statement;
 - (ii) As at the date of the Fifth Report, the probable assumptions are not suitably supported and consistent with the plans of Energem or do not provide a reasonable basis for the 5-Month Cash Flow Statement, given the hypothetical assumptions; or,
 - (iii) The 5-Month Cash Flow Statement does not reflect the probable and hypothetical assumptions.
54. Since the 5-Month Cash Flow Statement 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, the Monitor expresses no opinion as to whether the projections in the 5-month Cash Flow Statement will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.
55. The 5-Month Cash Flow Statement has been prepared solely for the purpose described in the Notes to the 5-Month Cash Flow Statement, and readers are cautioned that the Cash Flow Statement may not be appropriate for other purposes.
56. The key assumptions used in the 5-Month Cash Flow Statement are based on the current status of Energem and the projected level of operations for the coming months.
57. The 5-Month Cash Flow Statement reflects the cash flow activities of the remaining Applicants during the wind down phase being.

V. THE REQUEST FOR AN EXTENSION OF THE STAY PERIOD

58. The current Stay Period expires on May 15, 2026, and the Monitor is requesting an extension of the Stay Period up to and including September 30, 2026.
59. The Monitor is seeking an extension of the Stay Period until September 30, 2026, to allow the Monitor sufficient time to bring the Restructuring to completion, including proceeding with the dismantling of the Alberta Plant.
60. The Monitor is of the opinion that the Residual Debtors have acted in good faith and continue to act in good faith in these CCAA Proceedings.

61. As described in this Fifth Report, the Cash Flow Statement indicates that the Residual Debtors should have sufficient liquidity to continue to meet their obligations in the ordinary course of business up to September 30, 2026.

VI. THE MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

62. Considering the foregoing, the Monitor is of the view that the extension of the Stay Period up to September 30, 2026, is required to proceed with the dismantling of the Alberta Plant.

63. It is the Monitor's view that the continuation of the CCAA Proceedings is beneficial to Energem's creditors and stakeholders.

64. The Monitor respectfully submits to the Court its Fifth Report.

DATED AT MONTREAL, this 8th day of May 2026.

DELOITTE RESTRUCTURING INC.

In its capacity as Court-Appointed Monitor of the
Applicants



Benoit Clouâtre, CPA, CIRP, LIT
Senior Vice President



Jean-François Nadon, CPA, CIRP, LIT
President

APPENDIX A

Energem Alberta Biofuels ("EAB")
Budget-to-Actual Analysis for the period ended
April 30, 2026
In 000's CAD

For the 6-month period ended April 30, 2026					
	Actual	Budget [1]	Var. (\$)	Var. (%)	Notes
<u>Receipts</u>					
Revenue from dismantling	-	-	-	0%	
Other receipts	17	-	17	0%	Note 1
Total receipts	17	-	17	100%	
<u>Disbursements</u>					
Environmental fees:					
Phase 2 site assessment	(213)	(150)	(63)	-42%	Note 2
Site maintenance	(13)	(53)	40	76%	Note 3
Weekly monitoring	(14)	(14)	0	0%	
Utilities	-	(24)	24	100%	
Insurance	(14)	(12)	(2)	-18%	
Professional fees	(151)	(255)	104	41%	Note 4
Contingency	-	(120)	120	100%	
Total Disbursements	(405)	(628)	223	35%	
Net cash flow	(389)	(628)	240	38%	
Net cash (Shortfall) - Beginning	1 117	1 117	-	0%	
Net cash (Shortfall) - End	728	489	240	49%	
<u>Administration Expense Reserve</u>					
Net Cash - Beginning	400	400	-	0%	
Professional fees	(40)	(325)	285	88%	Note 5
Net Cash - End	360	75	285	380%	

Note 1 - Other Receipts: The favorable variance of \$17K in other receipts is explained by interests on the bank balance.

Note 2 - Phase 2 Site Assessment: The unfavorable variance of \$63K is due to additional work required as part of the Phase 2 site assessment.

Note 3 - Site Maintenance: The permanent favorable variance of \$40K for the 6-month period is due to site maintenance costs being lower than budgeted.

Note 4 - Professional Fees: The favorable variance of \$104K in professional fees is mainly explained by the fact that the implementation of the dismantling was delayed.

Note 5 - Admin. Expense Reserve - Professional Fees: The Admin. Reserve represents an amount retained and held by the Monitor to pay the administrative expense costs for so long as may be reasonably required to wind down and/or dissolve and/or bankrupt the ResidualCos and the Excluded Entities, as applicable. Any unused portion of the Administrative Expense Reserve after payment or reservation for all administrative expense costs shall be transferred by the Monitor to the Company upon the termination of the CCAA Proceedings and the discharge of the Monitor. The favorable variance of \$285K in professional fees is mainly explained by the delay in winding down the ResidualCos.

APPENDIX B

Enerkem Alberta Biofuels ("EAB")

Cash flow for the 5-month period ending September 30, 2026

in \$000 CAD

	May 2026	June 2026	July 2026	August 2026	September 2026	Total 5-Month
Inflows						
Revenue from dismantling [1]	-	-	-	-	-	-
Total inflows	-	-	-	-	-	-
Outflows						
Environmental fees:						
Phase 2 site assessment	(20)	-	-	-	-	(20)
Site maintenance	(15)	-	-	-	-	(15)
Weekly monitoring	(3)	(3)	(3)	(3)	(3)	(15)
Insurance	(4)	(2)	(2)	(2)	(2)	(12)
Professional fees	(50)	(50)	(50)	(50)	(50)	(250)
Contingency	(20)	(20)	(20)	(20)	(20)	(100)
Total outflows	(112)	(75)	(75)	(75)	(75)	(412)
Net cash flow	(112)	(75)	(75)	(75)	(75)	(412)
Net cash (Shortfall) - Beginning	728	616	541	466	391	728
Net cash (Shortfall) - End	616	541	466	391	316	316

Administration Expense Reserve [2]

Net cash - Beginning	360	335	310	285	260	360
Professional fees	(25)	(25)	(25)	(25)	(25)	(125)
Net cash - End	335	310	285	260	235	235

Note 1: As no agreement has been finalized, the current budget assumes no inflows from dismantling proceeds.

Note 2: Amount retained and held by the Monitor to pay the administrative expense costs for so long as may be reasonably required to wind down and/or dissolve and/or bankrupt the ResidualCos and the Excluded Entities, as applicable. Any unused portion of the Administrative Expense Reserve after payment or reservation for all administrative expense costs shall be transferred by the Monitor to the Company upon the termination of the CCAA Proceedings and the discharge of the Monitor.

NOTES TO THE CASH FLOW STATEMENT

NOTE A – PURPOSE

The purpose of these cash flow projections is to determine the liquidity requirements of Enerkem during the CCAA proceedings until September 30, 2026.

NOTE B

The Cash Flow Statement has been prepared by the Monitor using probable and hypothetical assumptions set out in the notes to the Cash Flow Statement.

NOTE C - DEFINITIONS

(1) CASH FLOW STATEMENT:

In respect of a company, means a statement indicating, on a weekly basis (or such other basis as is appropriate in the circumstances), the projected cash-flow of the company as defined in section 2(1) of the Act based on Probable and Hypothetical Assumptions that reflect the company's planned course of action for the period covered.

(2) HYPOTHETICAL ASSUMPTIONS:

Means assumptions with respect to a set of economic conditions or courses of action that are not necessarily the most probable in the company's judgment but are consistent with the purpose of the Cash Flow Statement.

(3) PROBABLE ASSUMPTIONS:

Means assumptions that:

- (i) The company believes reflect the most probable set of economic conditions and planned courses of action, **Suitably Supported** that are consistent with the plans of the company; and
- (ii) Provide a reasonable basis for the Cash Flow Statement.

(4) SUITABLY SUPPORTED:

Means that the Assumptions are based on either one or more of the following factors:

- (i) The past performance of the company;
- (ii) The performance of other industries/market participants engaged in similar activities as the company;
- (iii) Feasibility studies;
- (iv) Marketing studies; or
- (v) Any other reliable source of information that provides objective corroboration of the reasonableness of the Assumptions.

The extent of detailed information supporting each Assumption, and an assessment as to the reasonableness of each Assumption, will vary according to circumstances and will be influenced by factors such as the significance of the Assumption and the availability and quality of the supporting information.

NOTE C – ASSUMPTIONS

Assumptions	Source	Probable Assumption	Hypothetical Assumption
EAB's CF ASSUMPTIONS			
<u>Opening Cash Balance</u>	Based on current bank balances	X	
<u>Forecasted Cash Disbursements:</u>			
Phase 2 site assessment	Based on the information received		X
Site maintenance	Based on quote received and on the expected level of work require		X
Weekly monitoring	Based on quote received and on the expected level of work require		X
Insurance	Based on the Company's historical costs and actual contracts for commercial insurance	X	
Professional fees	Based on estimate of professional fees related to dismantling to be incurred in the following weeks. The level of professional fees to be incurred could vary depending on the negotiation around the work to be performed for the dismantling and the dismantling agreement.		X
Contingency	Contingency of \$20K per month		X

No: 500-11-065700-250

SUPERIOR COURT
(Commercial Division)
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act,
RSC 1985, c. C-36)
DISTRICT OF MONTRÉAL

**IN THE MATTER OF THE PLAN OF ARRANGEMENT OR
COMPROMISE OF:**

ENERKEM ALBERTA BIOFUELS G.P. INC. ET ALS.

Applicant/Residual Debtors

-and-

ENERKEM ALBERTA BIOFUELS L.P.

Impleaded Parties

-and-

DELOITTE RESTRUCTURING INC.

Monitor

**APPLICATION FOR A STAY EXTENTION, AFFIDAVIT,
NOTICE OF PRESENTATION, LIST OF EXHIBITS,
EXHIBITS (Section 11.02(2) of the *Companies'*
Creditors Arrangement Act, RSC 1985, c C-36)**

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