COURT FILE NUMBER	1601-06131
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANTS	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c.C-36, AS AMENDED AND IN THE MATTER OF CONNACHER OIL AND GAS LIMITED
DOCUMENT	THIRTEENTH REPORT OF THE MONITOR January 25, 2018
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<u>MONITOR</u> ERNST & YOUNG INC. Calgary City Centre 2200, 215 - 2nd Street SW Calgary, Alberta T2P 1M4 Attention: Neil Narfason / Peter Chisholm Telephone: (403) 206-5067 / (403) 206-5061 Fax: (403) 206-5075 Email: neil.narfason@ca.ey.com/ peter.chisholm@ca.ey.com <u>COUNSEL</u> McCarthy Tétrault LLP Suite 4000, 421 7th Avenue SW Calgary, Alberta T2P 4K9 Attn: Sean Collins Walker MacLeod Telephone: 403-260-3531 403-460-3710 Email: scollins@mccarthy.ca wmacleod@mccarthy.ca

CLERK OF THE COURT
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JAN 25 2018
JUDICIAL CENTRE OF CALGARY

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APPENDICES

INTRODUCTION

1. On May 17, 2016 (the "Filing Date"), Connacher Oil and Gas Limited (the "Company" or "Connacher"), sought and obtained protection pursuant to the *Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36*, as amended (the "CCAA") pursuant to an Order of this Honourable Court (the "Initial Order").

2. Ernst & Young Inc. was appointed as Monitor (the "Monitor") of the Company pursuant to the terms of the Initial Order.

3. The purpose of this thirteenth report of the Monitor (the "Thirteenth Report") is to provide this Honourable Court with the Monitor's comments with respect to:

    a) the Company's forecast to actual cash flow results for the period June 10, 2017 to January 12, 2018 (the "Reporting Period");

    b) the Company's cash flow projection (the "Cash Flow Projection") for the period January 13, 2018 to June 30, 2018 (the "Forecast Period");

    c) the Company's request for an extension of the stay period to June 29, 2018 (the "Stay Extension");

    d) the Company's request for approval and authorization to enter into the royalty agreement (the "BEH Royalty Agreement") between the Company and Burgess Energy Holdings, L.L.C. ("BEH") pursuant to a vesting order and for the Company to grant the Lien (as defined in the BEH Royalty Agreement) to BEH;

    e) sealing Confidential Exhibit "1" to the affidavit of Merle Johnson dated January 22, 2018 (the "Johnson Affidavit No. 10") containing an unredacted version of the BEH Royalty Agreement on the Court file; and

    f) the Company's request for authorization and direction to repay all of its obligations to the Interim Financing Agent (as defined in the Initial Order) with the Consideration (as defined in the BEH Royalty Agreement) to be received by the Company under the BEH Royalty Agreement; and

    g) the Monitor's recommendations.

4. All references to dollars are in Canadian currency unless otherwise noted.

5. Capitalized terms not defined herein are as defined in the Initial Order and Johnson Affidavit No. 10.

BACKGROUND

6. Additional background information on Connacher and these CCAA proceedings is available on the Monitor's website at www.ey.com/ca/connacheroilandgas.

TERMS OF REFERENCE AND DISCLAIMER

7. In preparing this Thirteenth Report, the Monitor has relied upon unaudited financial information, Company records and discussions with management of the Company. The Monitor has not performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants Handbook has not been performed. Future orientated financial information relied upon in this report is based on management's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.

UPDATE ON CCAA PROCEEDINGS

8. Connacher has maintained stable operations throughout these CCAA proceedings (producing approximately 12,500 bbls per day of bitumen) and continues to implement cost-cutting initiatives. In addition, Connacher has been able to continue successfully hedging a significant portion of its production to reduce exposure to commodity price volatility. As a result of the forgoing, Connacher has not been required to make any further draws under the Interim Financing since the week of December 12, 2016.

9. Connacher, with the assistance of the Monitor, has engaged in discussions with its key lenders on a proposed SISP to be undertaken by Connacher and back-stopped by a stalking horse credit bid from its first lien lenders. Connacher expects to settle the terms of the renewed SISP and seek this Honourable Court's approval of the SISP in the short-term.

CASH FLOW PROJECTION - FORECAST TO ACTUAL

10. The forecast to actual analysis presented at Appendix "A" contains the actual cash receipts and disbursements for the Reporting Period as compared to the cash flow forecast presented in the ninth report of the Monitor dated June 21, 2017 (the "Ninth Report").

11. A summary budget to actual analysis is provided in the table below:

Connacher Oil and Gas Limited Forecast to Actual *CAD $000's*			Exhibit 1.0
	Jun-10-17 to Jan-12-18		
Cash flow	Actual	Forecast	Variance
Receipts	139,653	126,144	13,509
Disbursements	114,977	121,964	6,988
Net change in cash	24,676	4,179	20,496
Opening cash	7,347	7,347	-
Ending cash	32,023	11,526	20,496
Restricted cash	7,200	7,200	-
Cash (including restricted cash)	39,223	18,726	20,496
Interim financing borrowings			
Opening borrowings	21,637	21,637	-
Draws	-	-	-
Ending borrowings	21,637	21,637	-

12. As set out in the table above, Connacher's total receipts for the Reporting Period were approximately $140 million, which is $13.5 million higher than the forecast contained in the Monitor's Ninth Report. This variance is attributable, primarily, to higher than forecast production; actual production averaged 12,500 bbls per day as compared to forecast production of 12,000 bbls per day. Higher production was due to better than anticipated well performance from wells that were shut-in in 2016.

13. Connacher's total disbursements for the Reporting Period were $115.0 million, which is $7.0 million lower than the Ninth Report Forecast. The favorable disbursement variance results primarily from:

a) Oil sands operating costs were $6.3 million lower than forecast, primarily due to favorable natural gas prices as compared to forecast;

b) Capital expenditures were $3.0 million lower than forecast due to fewer wells requiring work-overs during the period;

c) Diluent expenses were approximately $5.6 million higher than forecast due to an increase in diluent prices during the Reporting Period; and

d) General and administrative expenses were $1.6 million lower than forecast due to cost saving initiatives implemented by Connacher during the Reporting Period.

14. Connacher has funded and continues to hold $7.2 million in a segregated bank account to be held as restricted cash for shut-in costs, as described in the Proposed Monitor's Report dated May 16, 2016 and directed in the Initial Order.

15. The ending net cash balance, as described above, as at January 12, 2018 was $39.2 million including $7.2 million of restricted cash.

CASH FLOW PROJECTION - FORECAST

16. The Company, with the assistance of the Monitor, has prepared the Cash Flow Projection for the Forecast Period. Management has prepared the Cash Flow Projection based on the most current information available.

Connacher Oil and Gas Limited — Exhibit 2.0
Revised Consolidated 34 Week Cash Flow
For the period of January 13, 2018 to June 29, 2018
CAD $000's

	Notes	
Opening available cash		32,023
Restricted cash		7,200
Opening cash (including restricted)		39,223
Cash receipts	a	96,490
Cash disbursements		(113,788)
Net change in cash		(17,299)
Ending available cash	b	14,724
Restricted cash		7,100
Ending cash (including restricted cash)	b	21,824
Interim Financing Borrowings		
Opening borrowings		(20,623)
Draws (Repayment)	c	20,623
Ending borrowings		-

Notes:

a - Cash receipts exclude Consideration from BEH Royalty Agreement as quantum is considered commercially sensitive

b - Ending available cash excludes Consideration from BEH Royalty Agreement, net of Interim Financing repayment

c - Interim financing forecast to be repaid with Consideration from BEH Royalty Agreement

17. As summarized above, Connacher is projecting $96.5 million in cash receipts, excluding consideration forecast to be received by Connacher from the BEH Royalty Agreement, and cash disbursements of $113.8 million over the Forecast Period, excluding full repayment of Connacher's borrowings of $20.6 million under the Interim Financing Agreement (as defined in the Initial Order), resulting in a projected net decrease in cash of $17.3 million during the Forecast Period.

18. Connacher's actual forecast cash balance, as at June 29, 2018, is projected to be higher than $14.7 million as cash receipts above excludes the cash proceeds (the

"Consideration") to be received by Connacher under the BEH Royalty Agreement, net of repaying the Interim Financing Credit Facility.

19. The significant assumptions used by Connacher's management to prepare the Cash Flow Projections are generally consistent with the Monitor's Ninth Report and have been updated for adjustments for the timing of receipts and disbursements and forecast oil prices, production volume estimates, pricing based on current contract rates, operating costs and general and administrative costs.

20. Oil prices, including WTI and the price differential that Canadian oil production sells at relative to WTI, continue to experience increased volatility. Connacher has mitigated some of its risk exposure by implementing hedges on a portion of its production, which will remain in place through the remainder of 2018.

21. The Monitor has reviewed the assumptions supporting the Cash Flow Projection and believes the assumptions to be reasonable.

THE COMPANY'S REQUEST FOR AN EXTENSION OF THE STAY PERIOD

22. Pursuant to an Order of this Honourable Court dated June 27, 2017, the stay period expires on January 31, 2018. Connacher is seeking a Stay Extension to extend the stay period up to and including June 29, 2018.

23. Connacher, with the assistance of the Monitor, has been in discussions its key lenders on the terms of a renewed SISP to be undertaken by Connacher and back-stopped by a stalking horse credit-bid from its first lien lenders. It is the Monitor's view that the Stay Extension is necessary to allow Connacher to settle the proposed terms of the renewed SISP and seek its approval from this Honourable Court.

24. The Monitor understands that the Interim Financing Agent and the First Lien Agent support the proposed Stay Extension.

25. Connacher is forecast to have sufficient liquidity to operate during the period covered under the proposed Stay Extension.

26. In the Monitor's view, Connacher is acting in good faith and with due diligence.

BEH ROYALTY AGREEMENT

27. Throughout these CCAA proceedings, Connacher has continually been assessing opportunities to enhance stakeholder recoveries, including raising capital through a royalty transaction.

28. In the fall of 2017, Connacher, with the assistance of an internal consultant, contacted multiple parties that it identified as potentially being interested in pursuing a royalty transaction, including BEH. BEH was known to Connacher because Athabasca Oil Corporation, a publicly traded exploration and production company developing light and thermal oil resource plays in the Western Canadian Sedimentary Basin, had previously entered into three variable rate royalty transactions with BEH.

29. Following a period of due diligence and negotiations, Connacher and BEH agreed upon the terms of the BEH Royalty Agreement. Connacher consulted with the Interim Lenders, the Monitor and the Special Committee of the Board of Connacher prior to agreeing to the terms of the BEH Royalty Agreement.

30. Connacher is requesting approval from this Honourable Court to enter into the BEH Royalty Agreement and to vest its interest in the Royalty (as defined in the BEH Royalty Agreement) to BEH.

Key Terms of the BEH Royalty Agreement

31. Pursuant to the BEH Royalty Agreement, Connacher is granting the Royalty to BEH. The Royalty is a gross overriding royalty on production from the lands (the "Royalty Lands") that Connacher holds a working interest in; the Royalty Lands are comprised of Connacher's Great Divide Oil Sands Project. The Royalty is considered an interest in land, is intended to and will run with the Royalty Lands.

32. Connacher is granting BEH a Lien to be registered against the Royalty Lands which will secure the Royalty on gross bitumen production from the Royalty Lands. The Monitor understands that all parties that have a potential security interest (including Charge beneficiaries) in the Royalty Lands were served with a copy of Connacher's Application.

33. Vesting of the Royalty to BEH is to be effective upon the Monitor delivering a certificate to BEH confirming (i) payment of the Consideration, (ii) that the parties have executed

the BEH Royalty Agreement and it has become effective, and (iii) the royalty transaction under the BEH Royalty Agreement has been completed to the satisfaction of the Monitor.

34. The Royalty is calculated on a sliding scale range based upon the Benchmark Reference Price (as defined in the BEH Royalty Agreement). The Royalty is not payable to BEH until the Benchmark Reference Price reaches US$60.00/bbl for Connacher's Producing Royalty Lands (or US$70.00/bbl for Non-Producing Royalty Lands).

35. It is the view of Connacher and the Monitor that certain terms set-out in the BEH Royalty Agreement, including the quantum of the Consideration, are commercially sensitive information which if disclosed could be harmful to Connacher and BEH's commercial interests. Therefore, a redacted version of the BEH Royalty Agreement is attached as Exhibit "A" to the Johnson Affidavit No. 10.

36. An unredacted version of the BEH Royalty Agreement is attached as Confidential Exhibit "1" ("Confidential Exhibit 1") to the Johnson Affidavit No. 10 for this Honourable Court. Connacher is seeking an order sealing Confidential Exhibit 1 and the Monitor supports granting of the sealing order for the reasons set out in Johnson Affidavit No. 10 and Connacher's Notice of Application.

Monitor's Analysis of the BEH Royalty Agreement

37. The Monitor is of the view that approval of the BEH Royalty Agreement is in the best interest of all stakeholders for the following reasons:

a) The Royalty is not payable to BEH until the Benchmark Reference Price reaches US$60.00/bbl for Connacher's Producing Royalty Lands (or US$70.00/bbl for Non-Producing Royalty Lands). Currently, the Benchmark Reference Price is approximately US$42.00/bbl and, based upon current third party forecasts, is not forecast to exceed US$60.00/bbl for two to three years;

b) The Consideration to be received by Connacher under the BEH Royalty Agreement is to be fully satisfied in cash and will be sufficient to fully repay Connacher's Interim Financing Credit Facility (as defined in the Initial Order). The principal balance outstanding under the Interim Financing Credit Facility is approximately US$16.5 million. The Interim Financing Credit Facility is set to mature on January 31, 2018, should the repayment of the Interim Financing not occur prior to maturity, the Interim Lender has agreed to extend the maturity until February 28, 2018;

c) The transaction to be entered into pursuant to the BEH Royalty Agreement is a unique funding structure and there is a limited market of counterparties that would consider entering into such a transaction. The majority of the counterparties that Connacher contacted to solicit interest in a royalty transaction declined due to Connacher's ongoing proceedings under the CCAA. In the Monitor's view, the process was fair, appropriate and reasonable under the circumstances. Neither the Monitor nor Connacher has acted improvidently in connection with the process;

d) Entry into the BEH Royalty Agreement yields a better result than a bankruptcy sale at this time because the BEH Royalty Agreement allows Connacher to continue its reorganization proceedings and work towards a successful exit from CCAA protection that includes an operating business;

e) The Monitor understands that BEH is an arm's length party to Connacher and that the form of the BEH Royalty Agreement is consistent with similar royalty transactions; and

f) The BEH Royalty Agreement was negotiated in consultation with and is supported by the Monitor, the Interim Lenders, the Interim Financing Agent, and the First Lien Agent.

REPAYMENT OF INTERIM FINANCING

38. The Interim Lenders Charge and Interim Financing Credit Facility were approved pursuant to the Initial Order dated May 17, 2016. As at the date of this Thirteenth Report, Connacher had principal borrowings outstanding under the Interim Financing Credit Facility of approximately $20.6 million (US$16.5 million).

39. The Interim Financing Credit Facility is scheduled to mature on January 31, 2018 and the Interim Lenders have approved the BEH Royalty Agreement, subject to Connacher fully repaying its borrowings under the Interim Financing Agreement.

40. Connacher is requesting authorization and approval from this Honourable Court to fully repay the Interim Financing Credit Facility.

41. The Monitor is supportive of the repayment of the Interim Financing Credit Facility, as:

a) The full repayment of the Interim Financing Credit Facility was a condition of the Interim Lenders approving to the BEH Royalty Agreement;

b) As identified in the Cash-flow Projections attached hereto as Appendix “B”, Connacher is forecast to have sufficient liquidity, after repayment of the Interim Financing Credit Facility, to continue to operate in the normal course through the Stay Extension; and

c) The repayment of the Interim Financing Credit Facility will reduce Connacher’s future interest and financing fees and administrative burdens associated with reporting to the Interim Lenders.

RECOMMENDATIONS

42. The Monitor respectfully recommends that this Honourable Court approve:

a) the Stay Extension;

b) the BEH Royalty Agreement, the related vesting order and the grant of the Lien to BEH;

c) the sealing of Confidential Exhibit 1; and

d) the repayment of the Interim Financing.

Dated at Calgary, this 25th day of January, 2018.

ERNST & YOUNG INC.
in its capacity as the Monitor
of Connacher Oil and Gas Limited

Neil Narfason, CPA, CA, CIRP, LIT, CBV
Senior Vice-President

Peter Chisholm CPA, CA, CIRP, LIT
Vice-President

APPENDIX A

BUDGET TO ACTUAL

Connacher Oil and Gas Limited APPENDIX A

Comparison of Forecast to Actual Cash Flows for the period of June 10, 2017 to January 12, 2018

CAD $ 000's

	Forecast Jun-10-17 to Jan-12-18	Actual Jun-10-17 to Jan-12-18	Variance $	*Notes*
Receipts				
Crude Sales	126,142	139,065	12,924	Note 1
Other	2	587	585	
Total Receipts	126,144	139,653	13,509	
Disbursements				
Royalties	661	860	(199)	
Oilsands operating expenses	53,346	47,086	6,260	Note 2
Diluent/Transportation expenses	50,429	56,032	(5,603)	
General and administrative costs	7,081	4,844	2,237	Note 3
Capital Expenditures	5,569	2,557	3,012	Note 4
Key Employee Retention Plan/LTIP	385	704	(319)	
Interim Financing - Interest and Fees	2,393	1,656	737	Note 5
Unrealized Foreign Exchange (Gains) and Losses	-	1,014	(1,014)	
Total Disbursements	119,864	114,753	5,111	
CASH FLOW FROM OPERATIONS	6,279	24,900	18,620	
Restructuring costs	2,100	724	1,376	Note 6
Release of Retainers	-	(500)		Note 6
NET CHANGE IN CASH	4,179	24,676	20,496	
Opening cash	7,347	7,347	-	
Interim Financing Borrowings	-	-	-	
Ending Cash	11,526	32,023	20,496	
INTERIM FINANCING				
Opening borrowings	(21,637)	(21,637)	-	
Borrowings	-	-	-	
Ending borrowings	(21,637)	(21,637)	-	
RESTRICTED CASH				
Shut-down Costs	7,100	7,100	-	
BCOGC	100	100	-	
Total Restricted Cash	7,200	7,200	-	

Notes

Note 1- Actual crude sales during the Forecast Period were $12.9 million higher than the forecast due to higher than forecast production, actual production averaged approximately 12,500 bbls per day as compared to forecast production of 12,000 bbls per day as a result of better than anticipated well performance from wells that were shut-in in 2016.

Note 2- Lower than forecast operating costs due to favorable natural gas prices over the Reporting Period.

Note 3 - Lower general and administrative expenses were due to continued implementation of cost savings initiatives.

Note 4 - Lower capital expenditures were driven by fewer downhole pump changes during the Reporting Period as compared to Ninth Report's forecast.

Note 5 - Connacher paid $700,000 less in interest on the Interim Financing Credit Facilty during the Reporting Period as compared to the forecast in the Monitor's Ninth Report. This was due to a timing difference as the Company had forecast an additional 3 month period of interest which was paid in the previous period.

Note 6 - Professional fees associated with these CCAA proceedings were $1.4 million lower than forecast during the Reporting Period. The positive variance resulted from lower than anticipated legal advisory costs due low activity levels in the CCAA process. Furthermore, Connacher collected the return of a portion of it retainer with its US legal counsel in the amount of $500,000.

APPENDIX B

24 WEEK CASH FLOW FORECAST

Connacher Oil and Gas Limited
Consolidated 24 Week Cash Flow Forecast
CAD $ 000's

		Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11
WEEK ENDED	*Note*	19-Jan-18	26-Jan-18	02-Feb-18	09-Feb-18	16-Feb-18	23-Feb-18	02-Mar-18	09-Mar-18	16-Mar-18	23-Mar-18	30-Mar-18
Receipts												
Crude Sales		-	20,529	-	-	-	-	15,212	-	-	-	11,589
Other	Note 1	445	150	-	-	-	-	-	-	-	-	-
Total Receipts		445	20,679	-	-	-	-	15,212	-	-	-	11,589
Disbursements												
Royalties		-	-	408	-	-	-	254	-	-	-	155
Oilsands operating expenses		727	727	2,435	969	969	969	2,859	948	948	948	2,625
Diluent/Transportation expenses		1,443	-	6,675	-	1,396	-	7,052	-	1,228	-	6,915
General and administrative costs		75	75	358	93	377	93	377	82	366	82	366
Capital Expenditures		2,587	2,587	2,587	1,327	1,327	1,327	1,327	621	621	621	621
DIP interest		-	-	189	-	-	-	-	-	-	-	-
Total Disbursements		4,832	3,388	12,651	2,389	4,069	2,389	11,870	1,652	3,163	1,652	10,682
CASH FLOW FROM OPERATIONS		(4,387)	17,290	(12,651)	(2,389)	(4,069)	(2,389)	3,342	(1,652)	(3,163)	(1,652)	907
Restructuring costs		213	-	-	-	688	-	-	-	213	-	-
NET CHANGE IN CASH		(4,599)	17,290	(12,651)	(2,389)	(4,757)	(2,389)	3,342	(1,652)	(3,376)	(1,652)	907
Opening cash		32,023	27,424	44,714	32,062	29,673	24,917	22,527	25,869	24,218	20,842	19,190
Ending Cash	Note 1	27,424	44,714	32,062	29,673	24,917	22,527	25,869	24,218	20,842	19,190	20,097
DIP FINANCING												
Opening borrowings		(20,623)	(20,623)	(20,623)	-	-	-	-	-	-	-	-
Borrowings		-	-	20,623	-	-	-	-	-	-	-	-
Ending borrowings	Note 2	(20,623)	(20,623)	-	-	-	-	-	-	-	-	-
RESTRICTED CASH												
Shut-down Costs		7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100
BCOGC		100	0	0	0	0	0	0	0	0	0	0
Total Restricted Cash		7,200	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100

Notes

Management of Connacher have prepared this forecasted cash flow statement based on probable and hypothetical assumptions detailed in the notes below.

The forecast has been prepared solely for the Company's CCAA filing to determine liquidity requirements. Since the projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. Consequently, readers are cautioned that it may not be

Note 1 - Cash receipts and ending cash balance exclude Consideration forecast to be received from the BEH Royalty Agreement as this is considered commercially sensitive information and disclosure could be harmful to the commercial interests of Connacher and BEH.

Note 2 - A portion of the Consideration forecast to be received from the BEH Royalty Agreement will be used to fully repay Connacher's borrowings under the Interim Financing Credit Facility.

Connacher Oil and Gas Limited
Consolidated 24 Week Cash Flow Forecast
CAD $ 000's

		Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18	Week 19	Week 20	Week 21	Week 22
WEEK ENDED	*Note*	06-Apr-18	13-Apr-18	20-Apr-18	27-Apr-18	04-May-18	11-May-18	18-May-18	25-May-18	01-Jun-18	08-Jun-18	15-Jun-18
Receipts												
Crude Sales		-	-	-	12,818	-	-	-	16,606	-	-	-
Other	Note 1	-	-	-	-	-	-	-	-	-	-	-
Total Receipts		-	-	-	12,818	-	-	-	16,606	-	-	-
Disbursements												
Royalties		-	-	-	174	-	-	-	-	319	-	-
Oilsands operating expenses		952	952	952	3,684	1,022	1,022	1,022	1,022	2,560	883	883
Diluent/Transportation expenses		-	-	1,367	-	7,407	-	1,363	-	7,274	-	1,503
General and administrative costs		59	343	59	343	53	337	53	337	56	56	340
Capital Expenditures		515	515	515	515	249	249	249	249	249	186	186
DIP interest		-	-	-	-	-	-	-	-	-	-	-
Total Disbursements		1,526	1,809	2,892	4,716	8,731	1,607	2,686	1,607	10,458	1,125	2,912
CASH FLOW FROM OPERATIONS		(1,526)	(1,809)	(2,892)	8,102	(8,731)	(1,607)	(2,686)	14,999	(10,458)	(1,125)	(2,912)
Restructuring costs		-	-	213	-	-	-	213	-	-	-	-
NET CHANGE IN CASH		(1,526)	(1,809)	(3,105)	8,102	(8,731)	(1,607)	(2,899)	14,999	(10,458)	(1,125)	(2,912)
Opening cash		20,097	18,572	16,762	13,658	21,760	13,030	11,423	8,524	23,523	13,065	11,940
Ending Cash	Note 1	18,572	16,762	13,658	21,760	13,030	11,423	8,524	23,523	13,065	11,940	9,028
DIP FINANCING												
Opening borrowings		-	-	-	-	-	-	-	-	-	-	-
Borrowings		-	-	-	-	-	-	-	-	-	-	-
Ending borrowings	Note 2	-	-	-	-	-	-	-	-	-	-	-
RESTRICTED CASH												
Shut-down Costs		7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100
BCOGC		0	0	0	0	0	0	0	0	0	0	0
Total Restricted Cash		7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100

Connacher Oil and Gas Limited
Consolidated 24 Week Cash Flow Forecast
CAD $ 000's

		Week 23	Week 24	
WEEK ENDED	*Note*	22-Jun-18	29-Jun-18	Total
Receipts				
Crude Sales		-	19,142	95,895
Other	Note 1	-	-	595
Total Receipts		-	19,142	96,490
Disbursements				
Royalties		-	388	1,698
Oilsands operating expenses		883	2,955	33,913
Diluent/Transportation expenses		-	7,493	51,117
General and administrative costs		56	986	5,423
Capital Expenditures		186	186	19,598
DIP interest		-	-	189
Total Disbursements		1,125	12,008	111,938
CASH FLOW FROM OPERATIONS		(1,125)	7,134	(15,449)
Restructuring costs		213	-	1,750
NET CHANGE IN CASH		(1,338)	7,134	(17,199)
Opening cash		9,028	7,690	32,023
Ending Cash	Note 1	7,690	14,824	14,824
DIP FINANCING				
Opening borrowings		-	-	(20,623)
Borrowings		-	-	20,623
Ending borrowings	Note 2	-	-	-
RESTRICTED CASH				
Shut-down Costs		7,100	7,100	7,100
BCOGC		0	0	0
Total Restricted Cash		7,100	7,100	7,100