

NO. S-1510120  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT,  
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF THE PLAN OF COMPROMISE AND ARRANGEMENT  
OF WALTER ENERGY CANADA HOLDINGS, INC., AND THE OTHER PETITIONERS  
LISTED ON SCHEDULE "A"

PETITIONERS

**ORDER MADE AFTER APPLICATION**

BEFORE THE HONOURABLE  
MADAM JUSTICE FITZPATRICK

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TUESDAY, THE 16<sup>TH</sup> DAY OF  
AUGUST, 2016

ON THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 15<sup>th</sup> and 16<sup>th</sup> day of August, 2016; AND ON HEARING Mary I.A. Buttery, H. Lance Williams, Marc Wasserman and Patrick Riesterer, counsel for the Petitioners and the Partnerships listed on **Schedule "A"** hereto (collectively, the "**Walter Canada Group**"), Peter Reardon and Wael Rostom, counsel for KPMG Inc. and those other counsel listed on **Schedule "B"** hereto; AND UPON READING the material filed, including the Third Affidavit of William E. Aziz sworn August 9, 2016 (the "**Affidavit**") and the Fourth Report of the Monitor dated August 11, 2016;

THIS COURT ORDERS AND DECLARES THAT:

**DEFINITIONS**

1. Any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Order of this Honourable Court granted on December 7, 2015 in these CCAA proceedings (the "**Initial Order**").

**STAY EXTENSION**

2. The Stay Period, as defined in paragraph 18 of the Initial Order, is hereby further extended up to and including January 17, 2017.

### AMENDMENT TO FINANCIAL ADVISOR ENGAGEMENT LETTER

3. The amendment to the FA Engagement Letter (as defined in the Order of this Honourable Court granted on January 5, 2016), and as contained in Exhibit "C" to the Affidavit, is hereby ratified and approved.

### ENHANCED MONITOR POWERS

4. The expansion of the Monitor's powers as set forth below is hereby authorized and approved on the terms and conditions set out herein. Nothing in this Order shall derogate from the powers and duties of the Monitor as provided for in the CCAA, the Initial Order or other Orders granted by this Court in these CCAA proceedings.

5. In addition to the Monitor's powers as contained in the Initial Order and any further Order of this Honourable Court, the Monitor is hereby authorized and empowered to:

- (a) Receive, collect and take possession of all monies and accounts now owed or hereafter owing to any member of the Walter Canada Group, including without limitation refunds, management fees, dividends, distributions, rents, proceeds payable pursuant to a sale of any Property, and any other amounts payable to any member of the Walter Canada Group;

- (b) Take control of any and all accounts of any member of the Walter Canada Group, including changing the signing authority on such accounts to such persons as the Monitor, in its sole discretion, deems appropriate, or, if deemed necessary by the Monitor, open one or more new accounts with any financial institution in the Monitor's own name (collectively, the "**Monitor's Accounts**") and receive third party funds into the Monitor's Accounts or transfer into the Monitor's Accounts such funds of the Walter Canada Group as the Monitor, in its sole discretion, deems necessary or appropriate to assist with the exercise of the Monitor's powers and duties as set out herein; and

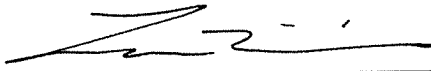
- (c) commence a claims process in accordance with terms of a Claims Process Order granted by this Honourable Court.

### GENERAL

6. Endorsement of this Order by counsel appearing, other than counsel for the Petitioners, is hereby dispensed with.

THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunals, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Walter Canada Group and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Walter Canada Group and the Monitor and their respective agents in carrying out the terms of this Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

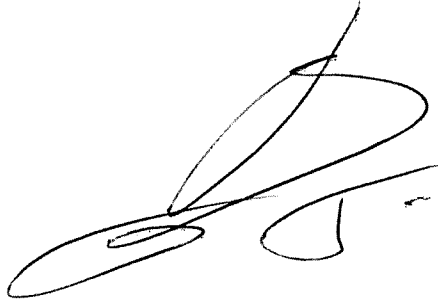


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Lawyers for the Petitioners

DLA Piper (Canada) LLP  
(Mary I.A. Buttery and H. Lance Williams)

and

Osler, Hoskin & Harcourt LLP  
(Marc Wasserman and Patrick Riesterer)



BY THE COURT



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REGISTRAR

## SCHEDULE "A"

### Petitioners

1. Walter Energy Canada Holdings, Inc.
2. Walter Canadian Coal ULC
3. Brule Coal ULC
4. Willow Creek Coal ULC
5. Wolverine Coal ULC
6. Cambrian Energybuild Holdings ULC
7. Pine Valley Coal Ltd.
8. 0541237 B.C. Ltd.

### Partnerships

9. Walter Canadian Coal Partnership
10. Brule Coal Partnership
11. Willow Creek Coal Partnership
12. Wolverine Coal Partnership

SCHEDULE "B"

<b>Counsel List</b>	
<b>Name</b>	<b>Party Represented</b>
Kathryn Esaw Angela Crimeni	Canadian Counsel for Morgan Stanley Senior Funding, Inc., as Administrative Agent and Collateral Agent under the First Lien Credit Facility
John Sandrelli Tevia Jeffries	UMWA 1974 Pension Plan and Trust
Heather L. Jones	Kevin James
Aaron Welch	Her Majesty the Queen in right of British Columbia
Craig Bavis Stephanie Drake	USW, Local 1-424
Kieran Siddall	Pine Valley Mining Corporation
David Wachowich Leanne Krawchuck (by phone)	Conuma Coal Resources Limited

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INC., AND THOSE PARTIES LISTED ON SCHEDULE "A"

PETITIONERS

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**ORDER MADE AFTER APPLICATION**

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Client Matter No. 15375-00001

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