

New Walter Energy Canada Holdings, Inc. et al.

Amended Updated CCAA Cash Flow Forecast for the 18-Week Period Ending November 30, 2019⁽¹⁾

<i>(in CAD \$000's)</i>																	
<i>Foreign Exchange Rate Assumptions:</i>																	
<i>USD/CAD 1.28</i>																	
Week No.		1	2	3	4	5	6	7	8	9	10	11	12	13	5 Weeks Ending	18-Week Total	
Week Ending	Notes	8/3/19	8/10/19	8/17/19	8/24/19	8/31/19	9/7/19	9/14/19	9/21/19	9/28/19	10/5/19	10/12/19	10/19/19	10/26/19	11/30/19		
OPERATING CASH FLOW																	
Operating Receipts																	
	Other Receipts	2	31	-	-	-	25	-	-	-	-	25	-	-	-	10	91
	Total Operating Receipts		31	-	-	-	25	-	-	-	-	25	-	-	-	10	91
Operating Disbursements																	
	Director's Fees	3	(11)	-	-	-	(11)	-	-	-	-	(11)	-	-	-	(11)	(44)
	Insurance	4	-	-	-	-	-	-	-	-	-	(78)	-	-	-	-	(78)
	Total Operating Disbursements		(11)	-	-	-	(11)	-	-	-	-	(89)	-	-	-	(11)	(122)
Non-Operating Disbursements																	
	CRO and Restructuring Advisor Fees	5	(84)	-	-	-	(300)	-	-	-	-	(127)	-	-	-	(221)	(732)
	Distribution to Warrior	6	-	-	(7,000)	-	-	-	-	-	-	-	-	-	-	-	(7,000)
	Payment of Proven Claims	7	-	-	-	-	-	-	-	-	-	(9,702)	-	-	-	-	(9,702)
	Total Non-Operating Disbursements		(84)	-	(7,000)	-	(300)	-	-	-	-	(9,829)	-	-	-	(221)	(17,434)
	TOTAL NET CASH FLOW		(64)	-	(7,000)	-	(286)	-	-	-	-	(9,893)	-	-	-	(222)	(17,465)
BEGINNING CASH (FX Effected)																	
	Net Cash Flow		20,520	20,456	20,456	13,456	13,456	13,170	13,170	13,170	13,170	13,170	3,277	3,277	3,277	3,277	20,520
			(64)	-	(7,000)	-	(286)	-	-	-	-	(9,893)	-	-	-	(222)	(17,465)
	ENDING CASH (FX Effected)		20,456	20,456	13,456	13,456	13,170	13,170	13,170	13,170	13,170	3,277	3,277	3,277	3,277	3,055	3,055

UNAUDITED CASH FLOW FORECAST PREPARED BY MANAGEMENT, MUST BE READ IN CONJUNCTION WITH THE NOTES AND ASSUMPTIONS

New Walter Energy Canada Holdings, Inc. et al (“Walter Canada”)

Notes to the Amended and Unaudited Updated CCAA Cash Flow Forecast for the 18-Week Period Ending November 30, 2019

Unless otherwise noted, the Amended Updated CCAA Cash Flow Forecast is presented in Canadian Dollars using an exchange rate of US\$1.00/CDN\$1.28 for conversion of any U.S. Dollar amounts.

1. Purpose

The Amended Updated CCAA Cash Flow Forecast has been prepared solely for the purpose of reflecting Management’s best estimate of the cash flow of Walter Canada during its CCAA proceedings, and readers are cautioned that it may not be appropriate for other purposes.

Receipts

2. Other Receipts

Amounts forecast include approximately \$131,000 of interest income which is expected to be earned on Walter Canada’s cash holdings.

Operating Disbursements

3. Director’s Fees

Fees include monthly compensation costs for Walter Canada’s sole director over the course of the forecast period.

4. Insurance

Walter Canada’s current insurance coverage expires on September 30, 2019. Costs related to the renewal have been forecast at the same rate as the expiring policy.

Non-Operating Disbursements

5. CRO and Restructuring Advisor Fees

Forecast disbursements for professional fees specific to Walter Canada’s restructuring efforts, including the fees and disbursements of Walter Canada’s counsel, the Monitor and its counsel and the Chief Restructuring Officer. Anticipated activities in respect of these fees during the forecast period include further dealings with Service Canada and completing the Employee Distribution, supporting the liquidation of the Remaining UK Entities, and preparing for the termination of the Walter Canada CCAA proceedings.

6. Distribution to Warrior

The Monitor has determined, in consultation with the Walter Canada and Warrior, that there are funds in the Administrative Costs Reserve and the Wind-Down Reserve sufficiently in excess of the amount of all costs payable from such reserves. Pursuant to the Plan, these excess

funds will be transferred to the Deemed Interest Claim Distribution Cash Pool and distributed to Warrior.

7. Payment of Proven Claims

Payment of Proven Claims are expected to total approximately \$9.7 million, consisting entirely of distributions to former employees of Walter Canada and Service Canada, net of the Employment Insurance, Canada Pension Plan and income tax remittances paid to the CRA on April 24, 2019.