



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 NEW WALTER
ENERGY CANADA HOLDINGS, INC., NEW WALTER CANADIAN COAL CORP., NEW BRULE COAL
CORP., NEW WILLOW CREEK COAL CORP., NEW WOLVERINE COAL CORP. AND CAMBRIAN
ENERGYBUILD HOLDINGS ULC

PETITIONERS

**ORDER MADE AFTER APPLICATION
(Stay Extension, Discharge, and CCAA Termination)**

BEFORE THE HONOURABLE)
MADAM JUSTICE FITZPATRICK) TUESDAY, THE 25TH DAY OF
) FEBRUARY, 2020

ON THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 25th day of February, 2020; AND ON HEARING Marc Wasserman and Mary Paterson, counsel for the Petitioners, Vicki Tickle, counsel for KPMG Inc. and those other counsel listed on **Schedule "A"** hereto; AND UPON READING the material filed, including the 30th Affidavit of William E. Aziz sworn February 12, 2020, and the 25th Report of KPMG Inc. in its capacity as Monitor dated February 19, 2020;

THIS COURT ORDERS AND DECLARES THAT:

DEFINITIONS

1. All capitalized terms not otherwise defined in this Order shall have the meanings ascribed to them in the Initial Order in these proceedings dated December 7, 2015 (the "**Initial Order**"), the Sanction Order in these proceedings dated July 3, 2018 (the "**Sanction Order**"), or the Amended and Restated CCAA Plan of Compromise and Arrangement dated June 22, 2018 (the "**CCAA Plan**").

STAY EXTENSION

2. The Stay Period, as defined in paragraph 18 of the Initial Order, is hereby further extended up to and including the date on which these CCAA proceedings are terminated in accordance with this Order.

BANKRUPTCY APPLICATION

3. Each of the Petitioners are authorized but not directed to make an assignment in bankruptcy at such time as the Petitioners determine that it is necessary or advisable to do so, and the CRO is authorized to execute any assignments in bankruptcy and related documents.

TERMINATION OF CCAA PROCEEDING

4. Effective upon the Petitioners making an assignment into bankruptcy (the "**CCAA Termination Time**") this proceeding under the CCAA shall be terminated and all of the Charges shall be discharged, terminated and released as against any and all of the Property.
5. Forthwith after the CCAA Termination Time, the Monitor shall file a certificate substantially in the form attached hereto as **Schedule "B"** (the "**Monitor's Certificate**") notifying the Court that all the Petitioners have made an assignment into bankruptcy such that the CCAA Termination Time has occurred.
6. Effective upon the CCAA Termination Time, KPMG Inc. shall be discharged as Monitor and shall have no further duties or responsibilities as Monitor, provided, however, that, notwithstanding its discharge and the termination of these CCAA proceedings:
 - (a) the Monitor shall remain Monitor for the performance of the following duties:
 - (i) reissuing to Affected Creditors cheques in respect of distributions where the original distribution cheque was undeliverable or uncashed, in accordance with Section 6.10 of the CCAA Plan;
 - (ii) making the distribution to Warrior contemplated by paragraph 11 hereof; and
 - (iii) such incidental and ancillary duties as may be required,(collectively, the "**Post-Discharge Duties**"); and

- (b) the Monitor shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approval, protections and stays of proceedings in favour of the Monitor.
7. Effective upon the CCAA Termination Time, the appointment of BlueTree Advisors Inc. ("**BlueTree**") to provide the services of William E. Aziz to act as chief restructuring officer in these CCAA proceedings (the "**CRO**") shall be terminated, and neither BlueTree nor the CRO shall have any further duties or responsibilities as CRO of the Petitioners provided, however, that, notwithstanding their discharge and the termination of these CCAA proceedings, BlueTree and the CRO:
- (a) shall remain CRO for the purpose of, at the request of the Trustee in Bankruptcy but in the CRO's sole discretion, executing documents on behalf of the Petitioners in the context of the bankruptcy proceedings and attending to other matters in the bankruptcy proceedings (collectively, the "**CRO Post-Discharge Duties**"); and
- (b) shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approval, protections and stays of proceedings in favour of BlueTree and the CRO.
8. Without in any way limiting the releases set out in Article 9 of the CCAA Plan or paragraphs 19 and 20 of the Sanction Order, upon the CCAA Termination Time, the Petitioners, the Monitor, KPMG Inc. and its affiliates, the CRO, the Financial Advisor (solely with respect to its activities in respect of the Sale and Investor Solicitation Process conducted in connection with the SISP Order), Philip L. Evans Jr., in his capacity as consultant to the Petitioners and the Walter Canada Group, the Directors and the Officers, each and every present and former Employee who filed or could have filed an indemnity claim against the Walter Canada Group or the Petitioners, each and every affiliate, subsidiary, partner, member (including members of any committee or governance council) and legal counsel thereof and any Person claiming to be liable derivatively through any or all of the foregoing Persons (the "**Releasees**") shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, executions and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to assert, including any and all claims in respect of the payment and receipt of proceeds and statutory liabilities of Directors, Officers and Employees and any alleged fiduciary or other duty (whether acting as a Director, Officer, member or Employee or acting in any other capacity in connection with the Walter Canada Group's business, the Petitioners' business, an individual member of the Walter Canada Group or an individual Petitioner), whether known or unknown, matured or unmatured, direct, indirect or

derivative, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the CCAA Termination Time that are in any way related to, or arising out of or in connection with the Claims, the Walter Canada Group's business and affairs whenever or however conducted, the Petitioners' business and affairs whenever or however conducted, the CCAA Plan and the CCAA Proceedings, and all claims arising out of such actions or omissions shall be forever waived and released (the "**Released Claims**"), except that nothing in this Order shall release or discharge any Releasee, other than the Petitioners and any present and former employees who filed or could have filed indemnity claims against the Old Walter Canada Group or the New Walter Canada Group, from liability for gross negligence or willful misconduct.

BOOKS AND RECORDS

9. Subject to any statutory provisions relating to the retention of books and records, the Monitor is hereby authorized to make any arrangements that it deems necessary in its sole discretion for the retention and destruction of the Petitioners' books and records following the CCAA Termination Time, and is hereby authorized and directed to pay any costs associated with such retention and destruction (the "**Records Costs**").

HOLDBACK AND DISTRIBUTION OF FUNDS

10. Notwithstanding any other order in these CCAA proceedings, the Monitor is hereby directed and authorized to withhold from one distribution from the Deemed Interest Claim Distribution Cash Pool:
 - (a) an amount to be used to fund the costs of and associated with the Petitioners' bankruptcy proceedings, including any costs associated with the CRO Post-Discharge Duties (the "**Bankruptcy Costs**");
 - (b) an amount on account of the fees and cost incurred by the Monitor and its counsel and advisors in connection with the Post-Discharge Duties (the "**Administration Costs**");
 - (c) an amount on account of uncashed cheques for distributions pursuant to the CCAA Plan (the "**Uncashed Cheques Fund**"); and
 - (b) such amount as the Monitor considers necessary or appropriate on account of the Records Costs,(collectively, the "**Holdback Amounts**").

11. Following the completion of the Post-Discharge Duties and the payment of the Bankruptcy Costs, the Administration Costs, the Uncashed Cheques Fund and the Records Costs from the Holdback Amounts, the Monitor is hereby directed and authorized to pay any remaining balance of the Holdback Amounts to Warrior.

GENERAL

12. 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 Petitioners 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 Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

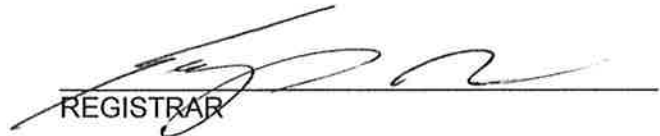
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Mary Paterson
Counsel for the Petitioners



BY THE COURT



REGISTRAR

SCHEDULE "B"

Monitor's Certificate

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WALTER ENERGY CANADA HOLDINGS, INC., NEW WALTER CANADIAN COAL CORP.,
NEW BRULE COAL CORP., NEW WILLOW CREEK COAL CORP., NEW WOLVERINE COAL
CORP. AND CAMBRIAN ENERGYBUILD HOLDINGS ULC

PETITIONERS

MONITOR'S CERTIFICATE

By Order made December 7, 2015, this Court appointed KPMG Inc. as monitor (the "**Monitor**") of the Petitioners pursuant to the *Companies' Creditors Arrangement Act* ("**CCAA**").

By Order made on February 25, 2020, this Court authorized each of the Petitioners to make an assignment in bankruptcy, and declared that effective upon the making of an assignment into bankruptcy (the "**CCAA Termination Time**") this CCAA proceeding shall be terminated.

The Monitor hereby confirms that on [date], 2020: (a) the Petitioners each made an assignment in bankruptcy; (b) the CCAA Termination Time has occurred; and (c) this CCAA proceeding is terminated.

DATED at the City of Vancouver, in the Province of British Columbia, this ____ day of _____, 2020.

KPMG INC.

in its capacity as Monitor of the Petitioners and not in its personal capacity

Per: _____

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PETITIONERS

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