

**File 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

SIXTEENTH REPORT OF THE MONITOR, KPMG INC.

February 23, 2018

TABLE OF CONTENTS

INTRODUCTION AND PURPOSE OF THE MONITOR'S REPORT	1
REPORT RESTRICTIONS AND SCOPE LIMITATIONS	4
UPDATE ON STATUS OF UK OFFER LETTER.....	5
ACTUAL RECEIPTS AND DISBURSEMENTS COMPARED TO FORECAST.....	6
UPDATED CCAA CASH FLOW FORECAST	7
OTHER MATTERS.....	10
THE MONITOR'S OBSERVATIONS AND RECOMMENDATIONS	11

INDEX TO SCHEDULES

Schedule A	Updated CCAA Cash Flow Forecast for the Nine-Week Period Ending April 21, 2018
------------	--

INTRODUCTION AND PURPOSE OF THE MONITOR'S REPORT

1. KPMG Inc. (“**KPMG**” or the “**Monitor**”) was appointed as Monitor pursuant to the order (the “**Initial Order**”) issued by this Honourable Court on December 7, 2015 (the “**Filing Date**”) in respect of the petition (the “**Application**”) filed by Walter Energy Canada Holdings, Inc. (“**WECH**”), Walter Canadian Coal ULC, Wolverine Coal ULC, Brule Coal ULC, Cambrian Energybuild Holdings ULC (“**Cambrian**”), Willow Creek Coal ULC, Pine Valley Coal Ltd. and 0541237 B.C. Ltd. (collectively, the “**Original Petitioners**”) under the *Companies’ Creditors Arrangement Act*, R.S.C 1985, c. C-36, as amended (the “**CCAA**”) granting, *inter alia*, a stay of proceedings (the “**Stay**”) until January 6, 2016. The proceedings brought by the Original Petitioners under the CCAA will be referred to herein as the “**CCAA Proceedings**”.
2. Pursuant to the Initial Order, the Stay and certain other relief was extended to certain of the Original Petitioners’ partnerships (collectively with the Original Petitioners, “**Old Walter Canada**”):
 - i) Walter Canadian Coal Partnership;
 - ii) Wolverine Coal Partnership;
 - iii) Brule Coal Partnership; and
 - iv) Willow Creek Coal Partnership.
3. On December 28, 2016, pursuant to orders of this Honourable Court which were granted on December 7, 2016 and December 21, 2016, as well as bankruptcy and proposal proceedings which were initiated by Old Walter Canada under the *Bankruptcy and Insolvency Act* (the “**BIA**”) during December 2016, the CCAA Proceedings in respect of all of the Old Walter Canada entities, except for Cambrian, were terminated and the CCAA Proceedings were continued with respect to Cambrian and the following new entities which were formed and became petitioners in the CCAA Proceedings on December 8, 2016 (the “**New Walter Entities**” which, collectively with Cambrian, are referred to herein as “**Walter Canada**”):

- i) New Walter Energy Canada Holdings, Inc.;
 - ii) New Walter Canadian Coal Corp.;
 - iii) New Brule Coal Corp.;
 - iv) New Willow Creek Coal Corp.; and
 - v) New Wolverine Coal Corp.
4. The Monitor has issued fifteen previous reports since the Initial Order was granted, and those reports are referred to herein, collectively, as the “**Previous Reports**”. Terms not specifically defined herein shall have the meanings as defined in the Previous Reports or the Claims Process Order.
 5. The Monitor maintains a website at www.kpmg.com/ca/walterenergycanada (the “**Monitor’s Website**”) on which copies of the Previous Reports (with the exception of those which are confidential pursuant to certain sealing orders granted by this Honourable Court) as well as additional information regarding these CCAA Proceedings can be found.
 6. On December 7, 2017, KPMG filed the Fourteenth Report of the Monitor (the “**Fourteenth Report**”) in which the Monitor, among other things, discussed the draft offer letter (the “**UK Offer Letter**”) which Walter Canada received from Specialty Carbons Limited (“**Specialty Carbons**”), provided its observations in respect of Walter Canada’s request for authorization from this Honourable Court to provide additional advances to Walter UK, and provided an update on the Claims Process and the Unresolved Claim of Mr. Kevin James (the “**James Claim**”) as well as information regarding Walter Canada’s actual receipts and disbursements against forecast and its updated cash flow forecast for the 13-week period ending March 3, 2018.
 7. On December 13, 2017, this Honourable Court granted the following Orders:
 - a) an Order (the “**Stay Extension and Energybuild Order**”) authorizing Walter Canada to direct its indirect subsidiary to enter into the UK Offer Letter and advance, on a secured basis, up to an additional £200,000 to Walter UK and extending the Stay to February 28, 2018;

- b) an Order sealing the Confidential Seventeenth Affidavit of William E. Aziz sworn on December 7, 2017 (the “**Confidential Seventeenth Aziz Affidavit**”); and
 - c) an Order (the “**James Claim Confidentiality Order**”) sealing certain confidential information that was expected to be filed in respect of the litigation of the James Claim, including a confidential Monitor’s report.
8. On December 13, 2017, following the granting of the James Claim Confidentiality Order by this Honourable Court, KPMG filed the Confidential Special-Purpose Fifteenth Report of the Monitor to which was appended certain confidential information for use by the experts of both Walter Canada and Mr. James in the litigation of the James Claim.
9. The purpose of this Sixteenth Report of the Monitor is to provide this Honourable Court with information regarding the following:
- a) A progress update to the discussion in the Fourteenth Report regarding the proposed sale of certain members of Walter UK to Specialty Carbons;
 - b) Walter Canada’s actual cash flow results for the eleven-week period ended February 17, 2018 as compared to the previous forecast which was filed with the Fourteenth Report for the 13-week period ending March 3, 2018 (the “**Previous CCAA Cash Flow Forecast**”);
 - c) Walter Canada’s updated cash flow forecast for the nine-week period ending April 21, 2018 (the “**Updated CCAA Cash Flow Forecast**”);
 - d) A discussion in respect of certain other matters, including an update on the status of Walter Canada’s development of a plan of compromise and arrangement (the “**Plan**”) and the status of the litigation of the James Claim; and
 - e) The Monitor’s observations and recommendations in respect of Walter Canada’s motion returnable February 27, 2018 (the “**February 27 Application**”) seeking an extension of the Stay to April 16, 2018 (the “**Extended Stay Period**”) and certain other relief.

REPORT RESTRICTIONS AND SCOPE LIMITATIONS

10. In preparing this report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records and financial information prepared by Old Walter Canada, Walter Canada and/or certain of their respective affiliates, discussions with counsel for Walter Canada, and management and the CRO (collectively, “**Management**”) and information from other public third-party sources (collectively, the “**Information**”). Except as described in this report in respect of the Previous CCAA Cash Flow Forecast and the Updated CCAA Cash Flow Forecast:
 - a) 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 the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of the Information; and
 - b) Some of the information referred to in this report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the *Chartered Professional Accountants Canada Handbook*, has not been performed.
11. Future oriented financial information referred to in this report was prepared based on Management’s 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 material.
12. The information contained in this report is not intended to be relied upon by any prospective purchaser or investor in any transaction with Walter Canada.
13. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

UPDATE ON STATUS OF UK OFFER LETTER

14. On December 14, 2017, in accordance with the Stay Extension and Energybuild Order, Walter Canada caused Energybuild Holdings Limited (“**Energybuild Holdings**”) to enter into the UK Offer Letter provided by Specialty Carbons, substantially in the form that was attached to the Confidential Seventeenth Aziz Affidavit. Effective on the date of execution of the UK Offer Letter, Specialty Carbons was provided a relatively short period of exclusivity until no later than February 28, 2018 (the “**Exclusivity Period**”) to continue its due diligence activities.
15. Since that date, Walter Canada has been working with Specialty Carbons to negotiate the form of share sale agreement (the “**SSA**”) that was contemplated by the UK Offer Letter. As at the time of filing this report, a final form of the SSA has not been agreed upon as between Walter Canada and Specialty Carbons; however, negotiations are sufficiently progressed such that Walter Canada is hopeful that the SSA can be finalized in time for Walter Canada to, as part of its February 27 Application, seek an order from this Honourable Court authorizing Cambrian to direct Energybuild Holdings to enter into and consummate the transactions that will be set out in the SSA, with a view to completing the proposed transaction in early March 2018.
16. In the event that Walter Canada does file materials with this Honourable Court prior to the hearing of the February 27 Application seeking approval of the proposed Walter UK transaction, the Monitor intends to file a supplemental report to provide this Honourable Court with its observations and recommendations in respect of that application.
17. Subsequent to Energybuild Holdings entering into the UK Offer Letter and providing the Exclusivity Period to Specialty Carbons, two parties contacted Walter Canada and the Monitor during December 2017 expressing interest in potentially acquiring some or all of the Walter UK assets. One of those parties was the Joint Administrator of Glyncastle plc (the “**Glyncastle Administrator**”), which indirectly owns a mine located near Walter UK’s anthracite coal mine in South Wales. The Glyncastle Administrator had not previously participated in the sale process. As agent for Glyncastle plc, the Glyncastle Administrator presented an unsolicited offer to purchase the share capital of the Energybuild Companies from Energybuild Holdings on similar terms to those which were

set out in the UK Offer Letter but at a higher offer price than in the UK Offer Letter. The other contact was in the form of a phone call to the Monitor from counsel for an undisclosed interested party inquiring whether they could engage in discussions for the purchase of Walter UK's anthracite coal mine in South Wales notwithstanding the Exclusivity Period. Both of these parties were informed that no such discussions or negotiations could commence until after expiry of the Exclusivity Period.

ACTUAL RECEIPTS AND DISBURSEMENTS COMPARED TO FORECAST

18. Walter Canada's actual cash receipts and disbursements for the eleven-week period ended February 17, 2018 (the "**Reporting Period**"), as compared with the Previous CCAA Cash Flow Forecast, are summarized in the table below:

Walter Canada Summary of Actual versus Forecast Cash Flow			
For the Eleven-Week Period from December 3, 2017 to February 17, 2018 ⁽¹⁾			
Prepared on a Consolidated Basis			
Unaudited (CAD \$000)	Actual	Forecast	Variance
Cash Inflow			
Other Receipts	637	33	604
Total Cash Inflow	637	33	604
Cash Outflow - Operating Disbursements			
Director's Fees	(21)	(22)	1
Consulting	(23)	(30)	7
Information Technology	(2)	(3)	1
Total Cash Outflows - Operating Disbursements	(46)	(55)	9
Cash Outflow - Non-Operating Disbursements			
CRO and Restructuring Advisor Fees	(1,374)	(1,350)	(24)
Walter U.K. Funding	(445)	(510)	65
Total Cash Outflows - Non-Operating Disbursements	(1,819)	(1,860)	41
Net Cash Flow	(1,228)	(1,882)	654
Cash, beginning of period (December 3, 2017)²	64,750	64,750	-
Effect of Foreign Exchange translation	(224)	-	(224)
Cash, end of period (February 17, 2018)²	63,298	62,868	430
Note 1: Readers are cautioned to read the "Report Restrictions and Scope Limitations" section of this report.			
Note 2: The cash position noted above excludes approximately US\$270K that was received upon closing of Walter Canada's previous account network at the Bank of Nova Scotia. This amount is excluded as discussions as to whether these funds belong to Walter Canada or Warrior are ongoing.			

19. During the Reporting Period, there was a \$430,000 net favourable cash flow variance. The following is a summary of the more significant variances during the Reporting Period:
- a) The \$604,000 favourable variance for Other Receipts was primarily the result of the receipt of GST refunds in the amount of \$244,000, which had not been expected to be received during the Reporting Period, as well as the collection of interest in the aggregate amount of approximately \$355,000 upon maturity of certain short-term investments which had not been provided for in the Previous CCAA Cash Flow Forecast.
 - b) The \$65,000 favourable variance for Walter UK Funding relates to an expected £39,000 advance, representing the balance of the maximum amount of advances which were authorized pursuant to the Stay Extension and Energybuild Order, not having been required to be made. This variance may become a permanent difference if the proposed transaction with Specialty Carbons closes by early March 2018.
 - c) The \$224,000 unrealized loss arising from the translation of Walter Canada's US dollar cash holdings to Canadian dollars at the end of the Reporting Period was the result of the strengthening of the Canadian dollar against the US dollar between December 3, 2017 and the end of the Reporting Period. This was an unrealized loss as Walter Canada has no intention in the short term of converting its US dollar cash balances to Canadian dollars.

UPDATED CCAA CASH FLOW FORECAST

20. The Updated CCAA Cash Flow Forecast has been prepared by Walter Canada, with the assistance of the Monitor, on a consolidated basis for the nine-week period ending April 21, 2018 (the "**Updated Cash Flow Period**") to correspond with the Extended Stay Period being sought by Walter Canada, and reflects certain updated assumptions of Management based on developments to date during the course of these CCAA Proceedings. A copy of the Updated CCAA Cash Flow Forecast is attached hereto as Schedule "**A**" and is summarized in the table below:

Walter Canada Summary of the Updated CCAA Cash Flow Forecast For the Nine-Week Period from February 18, 2018 to April 21, 2018 ⁽¹⁾ Prepared on a Consolidated Basis Unaudited (CAD \$000)	
Cash Inflow	
Other Receipts	685
Total Cash Inflow	685
Cash Outflow - Operating Disbursements	
Director's Fees	(22)
Consulting	(10)
Information Technology	(2)
Total Cash Outflows - Operating Disbursements	(34)
Cash Outflow - Non-Operating Disbursements	
CRO and Restructuring Advisor Fees	(772)
Walter UK Funding	-
Total Cash Outflows - Non-Operating Disbursements	(772)
Net Cash Flow	(121)
Cash, beginning of period (February 18, 2018)	63,298
Cash, end of period (April 21, 2018)	63,177
Note 1: Readers are cautioned to read the "Report Restrictions and Scope Limitations" section of this report.	

21. Net cash outflows during the Updated Cash Flow Period are expected to total approximately \$121,000, which Walter Canada will fund from its current cash resources on hand, and Walter Canada expects to have approximately \$63.2 million of combined cash resources remaining at the end of the Updated Cash Flow Period. Note that the Updated CCAA Cash Flow Forecast does not include any receipts from the expected closing of the proposed transaction with Specialty Carbons in early March 2018 to preserve confidentiality of certain information contained in the unredacted UK Offer Letter that was attached to the Confidential Seventeenth Aziz Affidavit.
22. The following is a summary of the more significant components of the Updated CCAA Cash Flow Forecast:
- a) Other Receipts consist of interest income in the estimated amount of approximately \$28,000 which is expected to be earned on Walter Canada's cash holdings during the Updated Cash Flow Period, as well as expected GST refunds in the estimated amount of approximately \$657,000, including approximately \$50,000 which was received during the week ending February 24, 2018. The precise timing and

quantum of the estimated \$607,000 balance of expected GST refunds is uncertain, and it is possible that some or all of those refunds may not be received until after the end of the Updated Cash Flow Period.

- b) Director's fees totaling \$22,000 relate to the monthly payments to Walter Canada's sole director.
 - c) Consulting fees totaling \$10,000 reflect an expected reduction, as compared to previous periods, of the costs relating to the external consultant hired by Walter Canada to manage the Walter UK operations until a transaction is closed, and include estimated costs for his continued assistance in the litigation of the James Claim.
 - d) Payments to Walter Canada's counsel, the Monitor and its counsel, and the CRO are forecast to be approximately \$772,000 during the Updated Cash Flow Period. Professional fee costs will primarily relate to working to complete the proposed transaction with Specialty Carbons, prepare the Plan and litigate the James Claim.
 - e) As Walter Canada currently anticipates that the proposed transaction with Specialty Carbons will close by early March 2018, it does not contemplate making any additional advances to Walter UK during the Updated Cash Flow Period.
 - f) As discussed in certain of the Previous Reports, approximately US\$270,000 has been excluded from the Updated CCAA Cash Flow Forecast in relation to the amount received by Walter Canada from BNS when Walter Canada's account network was closed. The Monitor will provide an update to this Honourable Court once it has determined whether those funds belong to Warrior or Walter Canada.
23. The Updated CCAA Cash Flow Forecast indicates that Walter Canada has the necessary liquidity to fund its expected cash requirements to the end of the Updated Cash Flow Period.

OTHER MATTERS

24. Further to discussion provided in the Fourteenth Report, Walter Canada, in consultation with its legal counsel and tax advisors as well as with input from the Monitor, is continuing to work through certain aspects of the BIA Proposal which Walter Canada completed in December 2016 and which need to be resolved before the Plan can be finalized and presented to this Honourable Court. Walter Canada anticipates seeking to file the Plan before the end of the Extended Stay Period.

25. Since the date of our last update in the Fourteenth Report, the litigation of the James Claim has progressed as follows: the Confidential Evans Affidavit sworn on December 14, 2017 and the affidavit of Steven Collia, one of Walter Canada's experts, sworn on December 15, 2017, were filed under seal (pursuant to the James Claim Confidentiality Order) on December 15, 2017 and December 21, 2017, respectively, and Walter Canada's counsel and Mr. James' counsel have corresponded regarding certain evidentiary matters. As at the date of this report, no rebuttal report or other response materials, which were contemplated in the James Claim Confidentiality Order, have been filed by Mr. James and, accordingly, no dates have been set with this Honourable Court for adjudicating the James Claim.

THE MONITOR'S OBSERVATIONS AND RECOMMENDATIONS

26. In the Monitor's opinion, Walter Canada is continuing to act in good faith and with due diligence in furthering its restructuring efforts, including working to conclude the disposition of Walter UK as well as resolving the James Claim and developing the Plan.
27. The Monitor is of the view that it would be reasonable for this Honourable Court to grant Walter Canada's request for an order extending the Stay to April 16, 2018 in order to provide it with a short period of additional time for Walter Canada to seek to complete the proposed Walter UK transaction and develop the Plan to present to this Honourable Court at a later date for approval, as well as to further the litigation of the James Claim.

All of which is respectfully submitted this 23rd day of February, 2018.

**KPMG INC., in its sole capacity as
Monitor of New Walter Energy Canada Holdings, Inc. et al**



Per: Anthony Tillman
Senior Vice President

Schedule “A”

**Updated CCAA Cash Flow Forecast for
the Nine-Week Period Ending April 21, 2018**

New Walter Energy Canada Holdings, Inc. et al.

Updated CCAA Cash Flow Forecast for the Nine-Week Period Ending April 21, 2018⁽¹⁾

<i>(in CAD \$000's)</i>										
<i>Foreign Exchange Rate Assumptions - (USD/CAD) 1.27 and (GBP/CAD) 1.77</i>										
Week No.	1	2	3	4	5	6	7	8	9	9-Week Total
Week Ending	2/24/18	3/3/18	3/10/18	3/17/18	3/24/18	3/31/18	4/7/18	4/14/18	4/21/18	
Notes										
OPERATING CASH FLOW										
Operating Receipts										
Other Receipts	50	-	14	-	-	-	-	621	-	685
Total Operating Receipts	50	-	14	-	-	-	-	621	-	685
Operating Disbursements										
Director's Fees	-	(11)	-	-	-	(11)	-	-	-	(22)
Consulting	-	-	(5)	-	-	-	(5)	-	-	(10)
Information Technology	-	(1)	-	-	-	(1)	-	-	-	(2)
Total Operating Disbursements	-	(12)	(5)	-	-	(12)	(5)	-	-	(34)
Non-Operating Disbursements										
CRO and Restructuring Advisor Fees	-	(288)	-	-	-	(484)	-	-	-	(772)
Walter U.K. Funding	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Disbursements	-	(288)	-	-	-	(484)	-	-	-	(772)
TOTAL NET CASH FLOW	50	(300)	9	-	-	(496)	(5)	621	-	(121)
BEGINNING CASH (FX Effected)	63,298	63,348	63,048	63,057	63,057	63,057	62,561	62,556	63,177	63,298
Net Cash Flow	50	(300)	9	-	-	(496)	(5)	621	-	(121)
ENDING CASH (FX Effected)	63,348	63,048	63,057	63,057	63,057	62,561	62,556	63,177	63,177	63,177

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 Unaudited Updated CCAA Cash Flow Forecast for the Nine-Week Period Ending April 21, 2018

Unless otherwise noted, the Updated CCAA Cash Flow Forecast is presented in Canadian Dollars using an exchange rate of US\$1.00/CDN\$1.27 for conversion of any U.S. Dollar amounts and an exchange rate of GBP£1.00/CDN\$1.77 for conversion of any British Pound amounts.

1. Purpose

The 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.

No receipts from the expected closing of the transaction with Specialty Carbons Limited in respect of Walter UK (the “**Walter UK Transaction**”) are included in the Updated CCAA Cash Flow Forecast as the transaction remains subject to obtaining Court approval and the confidentiality of certain transaction terms, including the purchase price, is being preserved.

The Updated CCAA Cash Flow Forecast does not contemplate any distributions to creditors as the timing for doing so is subject to the filing of a plan of compromise and arrangement and obtaining approval thereof from both this Honourable Court and Walter Canada’s creditors, which may occur sometime prior to the end of the forecast period.

Receipts

2. Other Receipts

Amounts forecast represent interest income in the amount of \$28,000 which is expected to be earned on various short-term investments during the forecast period, as well as GST refunds that are expected to be collected in the total amount of approximately \$657,000 of which approximately \$50,000 was collected during the first week of the forecast period. The precise timing for receipt of the estimated \$607,000 balance of GST refunds is uncertain and it is possible that those collections may not occur until after the end of the forecast period.

The Canada Revenue Agency has indicated that a further \$390,000 may be refunded to Walter Canada relating to filed GST returns but the amount is subject to an audit review. Given the uncertainties surrounding the timing and final quantum of this GST refund, it has not been included in the Updated CCAA Cash Flow Forecast.

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. Consulting

These disbursements relate to the expected costs during the forecast period relating to the external consultant engaged to perform consulting in respect of both Walter UK and the litigation of the disputed Claim of Kevin James. The forecast amounts reflect an anticipated reduction in costs compared with previous periods on account of the expected completion of the Walter UK Transaction.

5. Information Technology

Forecast payments represent expected costs to maintain use of an electronic data room, which are expected to cease upon closing of the Walter UK Transaction.

Non-Operating Disbursements

6. CRO and Restructuring Advisor Fees

Forecast disbursements for professional fees specific to Walter Canada's restructuring efforts include Walter Canada's counsel, the Monitor and its counsel and the Chief Restructuring Officer. Anticipated fees relate to completing the Walter UK Transaction, preparing a plan of compromise and arrangement, and litigating the disputed Claim of Kevin James.

7. Walter UK Funding

Walter Canada currently anticipates that the proposed Walter UK Transaction will close by early March 2018 and, accordingly, has not provided for any additional advances to Walter UK during the forecast period. However, in the event that the transaction does not close by March 2, 2018, Walter Canada may need to make additional advances to Walter UK up to the remaining amount of £39,000 out of the £1.1 million of advances that have previously been approved by this Honourable Court.