



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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)

WEDNESDAY, THE 30TH DAY OF
MARCH, 2016

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 30th day of March, 2016 (the "**Order Date**"); AND ON HEARING Mary I.A. Buttery and Marc Wasserman, counsel for the Petitioners and the Partnerships listed on **Schedule "A"** hereto (collectively, the "**Walter Canada Group**"), Peter Reardon, counsel for KPMG Inc. and those other counsel listed on **Schedule "B"** hereto; AND UPON READING the material filed, including the First Affidavit of William E. Aziz sworn March 22, 2016 (the "**Affidavit**") and the Second Report of the Monitor dated March 24, 2016; AND UPON BEING ADVISED that the secured creditors who are likely to be affected by the charges created herein were given notice; AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE AND DEFINITIONS

1. The time for service of the notice of application for this order is hereby abridged and deemed good and sufficient and this application is properly returnable today.

2. 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

3. The Stay Period, as defined in paragraph 18 of the Initial Order, is hereby further extended up to and including June 30, 2016.

24,

AMENDMENT OF JANUARY 5, 2016 ORDER

4. Paragraph 20 of the Order of this Honourable Court granted on January 5, 2016 in these CCAA proceedings shall be deleted in its entirety and replaced with the following:

To the extent that any member of the Walter Canada Group makes any payment or incurs or discharges any obligation (the "**Protected WC Entity**") on behalf of any other member of the Walter Canada Group (the "**Beneficiary WC Entity**"), each such Protected WC Entity is hereby granted a charge (the "**Intercompany Charge**") on all of the assets of each such Beneficiary WC Entity in the amount of such payment or such obligation up to the maximum amount and in such priority as set out in paragraphs 21 and 23 herein as security for any payments made by each such Protected WC Entity on behalf of each such Beneficiary WC Entity, provided, however, that the Intercompany Charge shall not be enforceable as against the Agent, BNS or any other lender under the 2011 Credit Agreement with respect to any claim of the Agent, BNS or such other lender under the 2011 Credit Agreement (collectively with BNS, the "**Lenders**") until (a) all obligations under the 2011 Credit Agreement and the Security Documents (as defined in the 2011 Credit Agreement) are indefeasibly paid in full in cash and there are no Letters of Credit outstanding thereunder; (b) the Lenders consent, in accordance with the 2011 Credit Agreement, to the enforcement of the Intercompany Charge; or (c) further order of the Court. Any such payments by each such Protected WC Entity on behalf of each such Beneficiary WC Entity shall be recorded and shall be treated as a loan to the applicable Beneficiary WC Entity. Each Beneficiary WC Entity shall not be entitled to set-off any pre-filing amounts owing by any Protected WC Entity to any Beneficiary WC Entity against post-filing amounts owing by any Beneficiary WC Entity to a Protected WC Entity.

GENERAL

5. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, 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.

6. Each of the Walter Canada Group and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including acting as a foreign representative of the Walter Canada Group to apply to the United States Bankruptcy Court for relief pursuant to Chapter 15 of the *United States Bankruptcy Code*, 11 U.S.C. §§ 101-1330, as amended.
7. Endorsement of this Order by counsel appearing, other than counsel for the Petitioners, is hereby dispensed with.
8. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

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:



Lawyers for the Petitioners

DLA Piper (Canada) LLP
(Mary I.A. Buttery)

and

Osler, Hoskin & Harcourt LLP
(Marc Wasserman)



BY THE COURT



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"

COUNSEL LIST	
NAME	PARTY REPRESENTED
Peter Reardon, Wael Rostom	Monitor, KPMT Inc.
Patrick Riesterer (by phone)	Petitioners
Tevia Jeffries	UMW 1974 Pension Plan
Matthew Nield	Steering Committee of First Licens
Stephanie Drake	USW
Rachel Maureri (by phone)	UMW 1974 Pension Plan
Aaron Welch (by phone)	Province of BC
Jeff Carhart (by phone)	Mitsui Matsushimi
Kathryn Esau (by phone)	Morgan Stanley Funding