

This is the 21st Affidavit of
William E. Aziz in this case and
was made on April 3, 2018

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

AFFIDAVIT

I, **WILLIAM E. AZIZ**, Chief Restructuring Officer, of the Town of Oakville, in the Province of Ontario,
MAKE OATH AND SAY AS FOLLOWS:

1. I am the President of BlueTree Advisors Inc. ("**BlueTree**") which has been retained to provide my services as Chief Restructuring Officer ("**CRO**") to the Petitioners (the "**New Walter Canada Group**"). As such I have personal knowledge of the facts hereinafter deposed, except where such facts are stated to be based upon information and belief, and where so stated I do verily believe the same to be true.
2. This Affidavit is made in support of a motion by the New Walter Canada Group under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**") seeking an Order, among other things, extending the stay of proceedings in respect of the New Walter Canada Group to May 31, 2018.
3. I was initially retained by Walter Energy Canada Holdings, Inc. ("**Walter Energy Canada**") to provide my services as CRO to Walter Energy Canada, its direct and indirect subsidiaries and affiliates, and the partnerships listed on Schedule "C" to the Initial Order (collectively, the "**Old**

Walter Canada Group”). I was retained pursuant to an engagement letter dated December 30, 2015, as amended in response to certain requests made by Old Walter Canada Group stakeholders. BlueTree was appointed as CRO of the Old Walter Canada Group pursuant to the Order of this Honourable Court made on January 5, 2016 (the “**SISP Order**”).

4. My engagement as CRO of the Old Walter Canada Group, other than as CRO of Cambrian Energybuild Holdings ULC (“**Cambrian**”), was terminated on December 15, 2016, when the entities comprising that group filed for bankruptcy.
5. The companies comprising the New Walter Canada Group (other than Cambrian) were incorporated on December 8, 2016, pursuant to the authorization granted in paragraph 5 of the Order of this Honourable Court made on December 7, 2016 (the “**New Walter Group Procedure Order**”). Each such company became a Petitioner in these CCAA proceedings and subject to the CCAA Charges (as defined in the New Walter Group Procedure Order), and I became CRO of each new company in the New Walter Canada Group when the companies were formed.
6. This Honourable Court granted a stay of proceedings in the Initial Order, until January 6, 2016 or such later date as this Honourable Court may order (the “**Stay Period**”). On January 5, 2016, this Honourable Court extended the Stay Period until and including April 5, 2016. On March 30, 2016, this Honourable Court extended the Stay Period until and including June 24, 2016. On June 24, 2016, this Honourable Court extended the Stay Period until and including August 19, 2016. On August 16, 2016, this Honourable Court extended the Stay Period until and including January 17, 2017. On January 16, 2017, this Honourable Court extended the Stay Period until and including May 31, 2017. On May 30, 2017, this Honourable Court extended the Stay Period until and including October 6, 2017. On October 6, 2017, this Honourable Court extended the Stay Period until and including December 15, 2017. On December 13, 2017, this Honourable Court extended the Stay Period until and including February 28, 2018. On February 27, 2018, this Honourable Court extended the Stay Period until and including April 16, 2018.
7. Since the last stay extension granted by this Honourable Court, the New Walter Canada Group and I have taken the following steps in these proceedings:
 - (a) Continued to develop a plan of compromise and arrangement and to address distribution mechanics;
 - (b) Continued to address the claim asserted by Kevin James, including corresponding with his counsel regarding evidentiary matters;

- (c) On March 15, 2018, closed the transaction for the sale of the shares of Energybuild Limited, Energybuild Mining Limited, and Mineral Extraction and Handling Limited as approved by the Order of this Honourable Court made on February 27, 2018; and
 - (d) Filed Canadian income tax returns for Cambrian.
8. The New Walter Canada Group is requesting an extension of the Stay Period until and including May 31, 2018. This extension is being requested to allow the New Walter Canada Group to finish preparing a plan of compromise and arrangement that can be put to the New Walter Canada Group's creditors and to continue litigating Mr. James' claim.
 9. As noted in my eighteenth affidavit sworn in these proceedings on February 21, 2018, the New Walter Canada Group had expected that it would be seeking to file a plan of arrangement before the expiry of the current Stay Period. However, the filing of a plan has been delayed because of plan structuring issues, including in particular with respect to tax matters. During the pendency of the current Stay Period, the New Walter Canada Group and the Monitor have been considering various ways to address such plan structuring issues, which have now been resolved.
 10. Accordingly, the New Walter Canada Group is seeking a brief 45-day extension of the Stay Period to fully document the agreed-upon solution to the plan structuring issues and to consult with relevant stakeholders. It is anticipated that the New Walter Canada Group will be seeking to file a plan of arrangement within the proposed extended Stay Period.
 11. From my review of the current cash flow projections, I do verily believe that the New Walter Canada Group will have sufficient operating cash to continue operations during the proposed extended Stay Period.
 12. The New Walter Canada Group has been proceeding in good faith and with due diligence in these proceedings.
 13. It is my understanding that the Monitor supports the extension of the Stay Period and will file a report attaching a cash flow forecast that demonstrates, subject to the assumptions more fully set out in the report, that the New Walter Canada Group has sufficient liquidity to continue its operations as currently conducted through to the end of the proposed extended Stay Period.
 14. It is in the best interests of the New Walter Canada Group and all its stakeholders that the Stay Period be extended to May 31, 2018 to enable the New Walter Canada Group to finish preparing

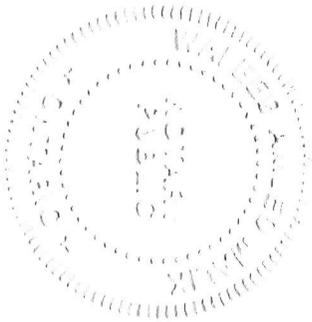
a plan of compromise and arrangement that can be put to the New Walter Canada Group's creditors and to continue litigating Mr. James' claim.

SWORN BEFORE ME at Toronto, in
the Province of Ontario, on April 3,
2018.

Waleed Mulla
Commissioner for Taking Affidavits
and Notary Public in the Province of
Ontario

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William E. Aziz
WILLIAM E. AZIZ



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HOLDINGS ULC

PETITIONERS

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