

Clerk's Stamp

COURT FILE NUMBER: 2101-05019

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF COALSPUR MINES (OPERATIONS)
LTD.

DOCUMENT: **APPLICATION
(Sanction Order)**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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File Number: 1217428

NOTICE TO THE RESPONDENT

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date: January 13, 2022
Time: 3:00 p.m.
Where: Calgary Courts Center, BY WEBEX
Before: The Honourable Mr. Justice D.B. Nixon

Go to the end of this document to see what you can do and when you must do it.

Order Sought:

1. The Applicant, Coalspur Mines (Operations) Ltd. (“**Coalspur**”), seeks an Order substantially in the form attached as **Schedule “A”** hereto (the “**Sanction Order**”):

- (a) declaring that the meeting of Coalspur’s creditors (the “**Creditor Meeting**”) held on January 6, 2022 was duly convened and held in accordance with the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) and the Creditors’ Virtual Meeting Order granted by the Honourable Mr. Justice Feth on December 7, 2021 (the “**Meeting Order**”);
- (b) sanctioning and approving Coalspur’s Plan of Compromise and Arrangement, dated November 29, 2021, as amended on January 5, 2022 and as it may be further amended, restated, supplemented, or modified (the “**CCAA Plan**”) and granting the ancillary relief requested in the Sanction Order; and
- (c) such further and other relief as counsel for Coalspur may request and this Honourable Court may grant.

2. All capitalized terms used but not otherwise defined herein have the meanings given to such terms in the Meeting Order and the CCAA Plan.

Basis for this Claim:***Background***

3. On April 26, 2021 (the “**Filing Date**”), Coalspur obtained protection from its creditors under the CCAA pursuant to an Initial Order of the Honourable Mr. Justice Mah (the “**Initial**”

Order”). The purpose of the CCAA proceedings was to (i) stabilize Coalspur’s business, (ii) provide Coalspur with the necessary financing to facilitate a restart of the Vista Coal Mine Project located approximately 10 kilometers east of Hinton, Alberta (the “**Project**”), and (iii) provide Coalspur with the necessary time and breathing room to identify and assess potential transactions and review other strategic alternatives that may be available to maximize the value of Coalspur for all stakeholders.

4. The Initial Order was amended and restated and an Amended and Restated Initial Order was granted on May 6, 2021.

5. Coalspur, in consultation with the Monitor and significant stakeholders, determined that a plan of compromise or arrangement would best maximize value to Coalspur’s creditors, preserve the ongoing employment of almost 300 individuals in Alberta, maintain critical relationships with the Alberta Energy Regulator and other business-critical stakeholders, and ensure Coalspur’s long-term viability upon emergence from this CCAA proceeding. Accordingly, in order to determine the amount, status and/or validity of claims against Coalspur for voting and distribution purposes in respect of the CCAA Plan, this Honourable Court granted the Claims Process Order on August 9, 2021.

6. On December 7, 2021, this Honourable Court granted the Meeting Order authorizing Coalspur to, among other things, call, hold and conduct the Creditor Meeting and approving the procedures to be followed with respect to the Creditor Meeting.

7. In accordance with the Meeting Order, on January 6, 2022, the Creditor Meeting was held virtually by Zoom video link and conference line. At the Creditor Meeting the CCAA Plan was

approved by 100% of the creditors appearing in person or by proxy (being 161 creditors representing \$25,310,000 of accepted unsecured debt).

Sanction of the CCAA Plan

8. Coalspur, in consultation with the Monitor and Cline Trust Company LLC (“CTC”), developed the CCAA Plan to: (i) facilitate a restructuring of Coalspur’s financial obligations and implement the Restructuring Transactions, and (ii) effect a compromise and arrangement of all Affected Claims in order to enable the business of Coalspur to continue as a going concern for the benefit of all stakeholders. The CCAA Plan incorporates feedback provided by the Monitor and is the result of negotiation and consultation between Coalspur and its major stakeholders. It is supported by Coalspur’s most significant economic stakeholders and was approved by 100% of the creditors appearing at the Creditor Meeting in person or by proxy (being 161 creditors representing \$25,310,000 of accepted unsecured debt).

9. If approved, the CCAA Plan will result in significant recoveries to Coalspur’s creditors, including: (i) payment in full of all Accepted Secured Claims, Crown Priority Claims, Convenience Class Claims, and Post-Filing Ordinary Course Payables Claims, and (ii) payment of between 50% and 100% of all General Unsecured Creditor Claims (depending on the distribution election chosen by the applicable General Unsecured Creditor and the satisfaction of certain conditions).

10. The CCAA Plan is in the best interests of Coalspur and will maximize value for the benefit of all of Coalspur’s stakeholders. The Monitor is of the view that a greater benefit is expected to be derived for Coalspur’s unsecured creditors from the approval of the CCAA Plan and the

continued operation of Coalspur's business than would result from the forced liquidation of Coalspur's assets. The Monitor supports the CCAA Plan.

11. Coalspur accordingly submits that it is just and appropriate for this Honourable Court to sanction and approve the CCAA Plan and grant the ancillary relief requested in the Sanction Order.

Affidavit or other Evidence and Materials to be used in Support of this Application:

12. The Seventh Affidavit of Michael Beyer, sworn November 29, 2021.

13. The Eighth Affidavit of Michael Beyer, sworn January 10, 2022.

14. All previous Affidavits sworn by Michael Beyer in these CCAA proceedings on April 19, 2021; April 23, 2021; April 30, 2021; June 10, 2021; June 28, 2021; July 14, 2021; and August 23, 2021.

15. Affidavit of James Murphy, sworn August 2, 2021.

16. The Seventh Report of the Monitor, dated December 1, 2021.

17. The Eighth Report of the Monitor, dated January 10, 2022.

18. Such further and other evidence or materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

19. The Alberta *Rules of Court*, Alta Reg. 124/2010.

Applicable Acts and Regulations:

20. The *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended.

Any Irregularity Complained of or Objection Relied On:

21. None.

How the Application is Proposed to be Heard or Considered:

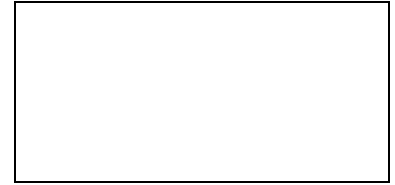
22. By video conference, before the Honourable Mr. Justice D.B. Nixon at the Calgary Courts Centre, 601 – 5th Street SW, Calgary, AB (by Webex) at 3:00 p.m. on January 13, 2022 or so soon thereafter as counsel may be heard.

WARNING

You are named as a respondent because you have made or are expected to make an adverse claim in respect of this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the applicant(s) and against all persons claiming under the applicant(s). You will be bound by any order the Court makes, or another order might be given or other proceedings taken which the applicant(s) is/are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

Schedule "A"

Clerk's Stamp:



COURT FILE NUMBER 2101-05019

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF COALSPUR MINES (OPERATIONS)
LTD.

DOCUMENT **ORDER****(Plan Sanction Order)**CONTACT INFORMATION **OSLER, HOSKIN & HARCOURT LLP**

OF PARTY FILING THIS

Barristers & Solicitors
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Calgary, AB T2P 1N2

DOCUMENT:

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File Number: 1217428

DATE ON WHICH ORDER WAS PRONOUNCED: January 13, 2022

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Mr. Justice D.B. Nixon

LOCATION OF HEARING: Calgary, Alberta

UPON the application of **COALSPUR MINES (OPERATIONS) LTD.** (the
“**Applicant**”) for an Order, among other things: (i) declaring that the meeting of the Applicant’s

creditors (the “**Creditor Meeting**”) held on January 6, 2022 was duly convened and held in accordance with the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) and the Creditor Virtual Meeting Order granted by the Honourable Mr. Justice Feth on December 7, 2021 (the “**Meeting Order**”), and (ii) sanctioning and approving the Applicant’s Plan of Compromise and Arrangement, dated November 29, 2021 as amended January 5, 2022 and attached as Schedule “A” hereto (as may be further amended from time to time pursuant to the terms thereof, the “**CCAA Plan**”) and granting the ancillary relief provided therein; **AND UPON** having read the Seventh Affidavit of Michael Beyer, sworn November 29, 2021 and the Eighth Affidavit of Michael Beyer, sworn January 10, 2022; **AND UPON** reading the Seventh Report of FTI Consulting Canada Inc. in its capacity as Monitor of the Applicant (the “**Monitor**”), dated December 1, 2021, and the Eighth Report of the Monitor, dated January 10, 2022; **AND UPON** hearing from counsel for the Applicant, the Monitor, and such other parties present; **IT IS HEREBY ORDERED AND DECLARED THAT:**

DEFINED TERMS

1. All capitalized terms used but not otherwise defined herein having the meanings ascribed to such terms in the CCAA Plan or the Meeting Order, and the time for service of this Application is hereby abridged to the time provided and service is declared to be good and sufficient.

CREDITOR MEETING

2. There has been good and sufficient notice, service and delivery of the General Unsecured Creditor Meeting Materials, and the Creditor Meeting was duly called, convened, held and conducted, all in conformity with the CCAA, the Meeting Order and all other Orders of this Court made in these CCAA Proceedings.

3. Pursuant to and in accordance with the terms of the CCAA Plan and the Meeting Order, no meetings or votes of holders of Equity Claims are required or shall occur in connection with the CCAA Plan.

4. The hearing in respect of this Sanction Order was open to all Affected Creditors and all other Persons with an interest in the Applicant and such Affected Creditors and other Persons were permitted to be heard at the hearing in respect of this Sanction Order and, prior to the hearing, all Affected Creditors and all other Persons on the Service List were given adequate notice thereof.

SANCTION OF THE CCAA PLAN

5. The CCAA Plan has been approved by the Required Majority at the Creditor Meeting in conformity with the CCAA and the Meeting Order.

6. The Applicant has complied with the provisions of the CCAA, the Meeting Order, and the other Orders made in these CCAA Proceedings in all respects.

7. The Applicant has acted and is acting in good faith and with due diligence and has not done or purported to do (nor does the CCAA Plan do or purport to do) anything that is not authorized by the CCAA.

8. The CCAA Plan and all the terms and conditions thereof and matters and transactions contemplated thereby, are fair, reasonable, not oppressive and in the best interests of the Applicant and its stakeholders.

9. The CCAA Plan is hereby sanctioned and approved pursuant to Section 6 of the CCAA.

PLAN IMPLEMENTATION

10. The CCAA Plan and all associated steps, compromises, distributions, transactions, arrangements, assignments, releases and reorganizations effected thereby are approved and shall be deemed to be implemented, binding and effective upon and with respect to the Applicant, all Affected Creditors, the Directors, the Officers, the Released Parties and all other Persons named or referred to in, or subject to, the CCAA Plan, including without limitation their respective heirs, executors, administrators, and other legal representatives, successors, and assigns, on the date and at the times such steps, compromises, distributions, transactions, arrangements, releases and reorganizations are deemed to occur and be effected by the CCAA Plan, and in the sequential order contemplated by Schedule "A" to the CCAA Plan on the Effective Date (or in such other manner or sequence or at such other time or times on the Effective Date as the Applicant may determine in consultation with the Monitor, subject to the CCAA Plan and the Meeting Order).

11. Each of the Applicant, the Directors, the Officers, and the Monitor is authorized and directed to take all steps and actions and to do all things reasonably necessary or appropriate, to implement the CCAA Plan in accordance with its terms, and to enter into, execute, deliver, complete, implement and consummate all Restructuring Transactions and all other transactions, distributions, disbursements, payments, deliveries, allocations, instruments and agreements contemplated by and subject to the terms of the CCAA Plan, and such steps and actions are hereby authorized, ratified and approved. None of the Applicant, the Directors, the Officers, or the Monitor shall incur any liability as a result of acting in accordance with the terms of the CCAA Plan and this Sanction Order, other than any liability arising out of or in connection with the gross negligence or wilful misconduct of such parties.

12. All distributions or payments by the Monitor, on behalf of the Applicant to Affected Creditors with Accepted Claims under the CCAA Plan are for the account of the Applicant and shall be deemed to have been distributed or paid in connection with the fulfillment of the Applicant's obligations under the CCAA Plan.

13. Notwithstanding any other provision in the CCAA Plan or this Sanction Order, each Creditor that receives a distribution or payment pursuant to the CCAA Plan shall have sole and exclusive responsibility for the satisfaction and payment of any Tax obligations imposed by any Authorized Authority on account of such distribution. The Monitor shall not be liable in any way for any failure to deduct, withhold and remit any Tax obligations from any distributions payable to a Creditor or to any Person on behalf of any Creditor under the CCAA Plan.

14. Subject to the performance by the Applicant of its obligations under the CCAA Plan, and except to the extent expressly contemplated by the CCAA Plan or this Sanction Order, all Continuing Contracts that have not expired or been terminated prior to the Effective Date pursuant to their terms or by agreement will be and shall remain in full force and effect as at the Effective Date, unamended except as they may have been amended by agreement of the parties thereto subsequent to the Filing Date, and no Person who is a party to any such agreement shall, following the Effective Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of setoff, option, dilution or other remedy) or make any demand under or in respect of any such agreement, by reason of:

- (a) any defaults or events of default arising as a result of the insolvency of the Applicant prior to the Effective Date;

- (b) the fact that the Applicant has sought or obtained relief under the CCAA or that the CCAA Plan has been implemented by the Applicant;
- (c) the effect on the Applicant of the completion of any of the Restructuring Transactions contemplated by the CCAA Plan;
- (d) any compromises or arrangements effected pursuant to the CCAA Plan; or
- (e) any other event(s) which occurred on or prior to the Effective Date which would have entitled any Person thereto to enforce those rights and remedies, subject to any express provisions to the contrary in any agreement with the Applicant after the Filing Date.

15. From and after the Effective Date, all Persons shall be deemed to have waived any and all defaults of the Applicant then existing or previously committed by the Applicant, or caused by the Applicant, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any contract, instrument, credit document, lease, guarantee, agreement for sale, deed, licence, permit or other agreement, written or oral, and any and all amendments or supplements thereto, existing between such Person and the Applicant arising directly or indirectly from the filing by the Applicant under the CCAA and the implementation of the CCAA Plan, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under any such agreement shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Applicant from performing its obligations under the CCAA Plan or be a waiver of defaults by the Applicant under the CCAA Plan and the related documents.

16. Upon receiving written notice from the Applicant of the fulfilment or waiver of the conditions precedent to implementation of the CCAA Plan as set out in Section 8.2 of the CCAA Plan, the Monitor is authorized and directed to deliver to the Applicant a certificate substantially in the form attached as Schedule "B" hereto (the "**Monitor's Certificate**", the form of which is hereby approved) signed by the Monitor, certifying that the Effective Date has occurred and that the CCAA Plan is effective in accordance with its terms and the terms of this Sanction Order. As soon as possible following the Effective Date, the Monitor shall file the Monitor's Certificate with this Court and post a copy of same on the Monitor's Website and CaseLines.

COMPROMISE OF CLAIMS AND EFFECT OF PLAN

17. Pursuant to and in accordance with the terms of the CCAA Plan, and subject to any other Order of the Court granted in these proceedings (including the Claims Process Order), from and after the Effective Time: (a) all Affected Claims of any nature shall be fully, finally, irrevocably and forever compromised, settled, released, discharged, extinguished, cancelled and barred, (b) the ability of any Person to proceed against the Applicant or any of the Released Parties in respect of or relating to any Affected Claims shall be forever discharged and restrained, and (c) all proceedings with respect to, in connection with or relating to any Affected Claims shall be permanently stayed against the Released Parties, subject only to the right of Affected Creditors to receive distributions pursuant to the CCAA Plan and this Sanction Order in respect of their Affected Claims or other entitlements under the CCAA Plan, in the manner and to the extent provided for in the CCAA Plan.

18. The determination of Accepted Claims and Disallowed Claims in accordance with the Claims Process Order, the Order (Authority to Admit Late Filed Proofs of Claim, Authority to

Grant Additional Security, and Stay Extension) granted by the Honourable Mr. Justice Feth on December 7, 2021 (the “**Late Filed Claims Order**”) and the CCAA Plan shall be final and binding for all purposes and enure to the benefit of the Applicant, all Affected Creditors, the Released Parties and all other Persons and parties named or referred to in, or subject to, the CCAA Plan and their respective heirs, executors, trustees in bankruptcy, administrators and other legal representatives, successors and assigns.

19. An Affected Creditor holding a Disputed Claim shall not be entitled to receive a distribution under the CCAA Plan in respect of any portion thereof unless and until such Disputed Claim becomes an Accepted Claim in accordance with the Claims Process Order, the Meeting Order and the CCAA Plan.

20. Pursuant to and in accordance with the terms of the CCAA Plan, following delivery of the Monitor’s Certificate, any and all liens, encumbrances, security interests and registrations in favour of any Affected Creditor or which any Affected Creditor holds by way of subrogation, including all registrations made in accordance with the *Personal Property Security Act*, RSA 2000, c P-7, the *Land Titles Act*, RSA 2000, c L-4, the *Mines and Minerals Act*, RSA 2000, c M-17, the *Builders’ Lien Act*, RSA 2000, c B-7 (the “**BLA**”), the *Garage Keepers’ Lien Act*, RSA 2000, c G-2, the *Law of Property Act*, RSA 2000, c L-7, or similar legislation against the interests of the Applicant, other than in respect of an Unaffected Claim or a Disputed Secured Claim (the “**Encumbrances**”) are hereby wholly terminated, discharged and extinguished as against the Applicant and all of its business, assets and undertakings. Without limiting the foregoing, and for greater certainty, any Encumbrances underlying the Disputed Secured Claims of Stillwater Supply Corp. and Whirlybyrds Inc. shall not be discharged or extinguished until such Disputed Secured

Claims are finally determined to be Accepted Secured Claims (in whole or in part), General Unsecured Creditor Claims (in whole or in part), or Disallowed Claims.

21. The Registrar of all governmental authorities, including those referred to in paragraphs 22 to 24 below (the “**Governmental Authorities**”) are hereby authorized, requested and directed to accept delivery of the Monitor’s Certificate and a certified copy of this Sanction Order as though they were originals and to register such discharges and discharge statements as may be required to give effect to this Sanction Order.

22. Alberta Energy shall and is hereby authorized, requested and directed to forthwith cancel and discharge those Encumbrances listed at Schedule “C” hereto, which include, but are not limited to: (i) Liens of Affected Creditors including all security registrations in favour of any Affected Creditor, (ii) security notices, and (iii) other Encumbrances registered against the estate or interest of the Applicant.

23. The Registrar of the Alberta Personal Property Registry shall and is hereby directed to forthwith cancel and discharge those Encumbrances registered against interests of the Applicant at the Alberta Personal Property Registry listed at Schedule “D” hereto.

24. The Registrar of Land Titles shall and is hereby authorized, requested and directed to forthwith cancel and discharge those Encumbrances listed at Schedule “E” hereto, being Encumbrances registered against lands and premises standing in the name and to the credit of the Applicant on the existing Certificate of Title to the lands defined therein.

25. Upon receipt of a copy of this Sanction Order together with the Monitor’s Certificate contemplated in paragraph 16 of this Order, all Governmental Authorities are hereby directed and

required to give effect to the discharges contemplated by this Sanction Order. The directions contemplated by this Sanction Order are to be given full effect by all such Governmental Authorities, notwithstanding sections 191(1) and 206 of the *Land Titles Act* (Alberta) or any similar provisions contained in any other legislation of any jurisdiction.

26. Except as otherwise provided in the Late Filed Claims Order and the CCAA Plan:

- (a) nothing in the CCAA Plan extends or shall be interpreted as extending or amending the Claims Bar Date or the Subsequent Claims Bar Date (as those terms are defined in the Claims Process Order) or gives or shall be interpreted as giving any rights to any Person in respect of any Claim that has been barred or extinguished pursuant to the Claims Process Order; and
- (b) any Claim for which a Proof of Claim, a Notice of Dispute or an application supported by an affidavit setting out the basis for the dispute (as required by paragraph 15 of Schedule “A” to the Claims Process Order), as applicable, has not been filed by the applicable timelines in accordance with the Claims Process Order, whether or not the holder of such Claim has received personal notification of the claims process established by the Claims Process Order, shall be and are hereby forever barred, extinguished and released with prejudice.

27. Each Person named or referred to in, or subject to, the CCAA Plan shall be and is hereby deemed to have consented and agreed to all of the provisions in the CCAA Plan, in its entirety, and each Person named or referred to in, or subject to, the CCAA Plan shall be and is hereby deemed to have executed and delivered to the Applicant all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the CCAA Plan in its entirety.

28. Sections 38 and 95 to 101 of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) and any other federal or provincial law relating to preferences, fraudulent conveyances or transfers at undervalue, shall not apply to the CCAA Plan or to any transactions, distributions or payments made in connection with transactions entered into by or on behalf of the Applicant, whether before or after the Filing Date, including to any and all of the payments, distributions and transactions contemplated by and to be implemented pursuant to the CCAA Plan.

ESTABLISHMENT OF PLAN IMPLEMENTATION FUND

29. On or prior to the Effective Date, the Applicant shall be and is hereby authorized and directed to deliver to the Monitor from the Applicant’s Cash on Hand the aggregate amount required, as determined by the Monitor in consultation with the Applicant: (a) to satisfy the CCAA Charges as of the Effective Date; (b) to satisfy the payment of the Secured Claims which are Accepted Secured Claims as of the Effective Date; (c) to satisfy the payment in full of the Crown Priority Claims; and (d) to establish the General Unsecured Creditor Cash Fund, which amount shall be held by the Monitor in a segregated account and which shall comprise the Plan Implementation Fund.

30. In the event that excess funds remain in the Plan Implementation Fund after the payment of all amounts required to be paid by the Monitor under the CCAA Plan, the Monitor shall return such excess funds to the Applicant.

INSTALLMENT DISTRIBUTION ELECTION

31. The only General Unsecured Creditors who have made the Installment Distribution Election under the CCAA Plan, and who are therefore entitled to receive the Installment Distribution Election Amount under the CCAA Plan, are the following:

Installment Distribution Election by Creditor		
Creditor Name	Claim Amount	Installment Distribution Amount
RBW Waste Management Ltd	\$ 32,443	\$ 16,222
Inner City Diesel Ltd.	114,469	57,235
Pro-West Refrigeration Limited	54,197	27,099
ALS Canada Ltd	51,048	25,524
Stetson Hinton Chevrolet Buick GMC Ltd	177,902	88,951
MMD Mineral Sizing (Canada) Inc	727,711	363,856
Falcon Transport Inc	217,831	108,915
3318287 Nova Scotia Limited	912,166	456,083
Total Installment Election	\$2,287,769	\$1,143,884

RELEASES

32. The compromises and releases set out in Article 10 of the CCAA Plan are approved and shall be binding and effective as at the Effective Date.

33. From and after the Effective Date, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations or assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded against any Released Parties in respect of the Released Claims and all matters which are released pursuant to paragraph 26 of this Sanction Order and Article 10 of the CCAA Plan or otherwise discharged, compromised or terminated pursuant to the CCAA Plan.

34. To the extent not barred, released or otherwise affected by paragraph [33] above, any Person having, or claiming any entitlement or compensation relating to a D&O Claim will be irrevocably limited to recovery in respect of such D&O Claim solely from the proceeds of the applicable insurance policies held by the Applicant (the “**Insurance Policies**”), and Persons with any D&O Claim will have no right to, and shall not, directly or indirectly, make any claim or seek any recoveries from the Applicant or any Released Party, other than enforcing such Person’s rights to be paid by the applicable insurer(s) from the proceeds of the applicable Insurance Policies. Nothing in this Sanction Order prejudices, compromises, releases or otherwise affects any right or defence of any insurer in respect of an Insurance Policy or any insured in respect of a D&O Claim.

CHARGES

35. Pursuant to and in accordance with the terms of the CCAA Plan, from and after the Effective Time, each of the CCAA Charges shall be terminated, discharged, and released except for the Administration Charge, which shall continue in accordance with the Amended and Restated Initial Order.

THE MONITOR

36. In addition to its prescribed rights and obligations under the CCAA and all Orders of the Court made in these CCAA Proceedings, the Monitor is granted the powers, duties and protections contemplated by and required under the CCAA Plan and the Monitor shall be and is hereby authorized, entitled and empowered to perform its duties and fulfill its obligations under the CCAA Plan to facilitate the implementation thereof.

37. In carrying out the terms of this Sanction Order and the CCAA Plan, (i) the Monitor shall have all the protections given to it by the CCAA, the Initial Order, and as an officer of the Court, including the stay of proceedings in its favour; (ii) the Monitor shall incur no liability, save and except for any gross negligence or wilful misconduct on its part; (iii) the Monitor shall be entitled to rely on the books and records of the Applicant and any information provided by the Applicant without independent investigation; and (iv) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information. In no circumstance will the Monitor have any liability for any Person's tax liabilities regardless of how or when such liabilities may have arisen.

38. Without limiting the provisions of the Initial Order or the provisions of any other Order of the CCAA Court, including this Sanction Order, the Applicant shall remain in possession and control of the Property (as defined in the Initial Order) and the Monitor shall not take possession or be deemed to be in possession and/or control of the Property.

EFFECT, RECOGNITION AND ASSISTANCE

39. The Applicant or the Monitor may apply to the Court from time to time for advice and direction in respect of any matters arising from or under the CCAA Plan and to the extent that any Person (including either of the Applicant or the Monitor) seeks any advice or direction with respect to any matter arising from or under the CCAA Plan or this Sanction Order, such application shall be brought in the CCAA Court.

40. The Applicant or the Monitor on behalf of the Applicant, as the case may be, are authorized, in connection with the making of any payment or distribution, and in connection with the taking of any step or transaction or performance of any function under or in connection with the CCAA

Plan, to apply to any Authorized Authority for any consent, authorization, certificate or approval in connection therewith.

41. This Sanction Order shall have full force and effect in all provinces and territories in Canada.

42. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative bodies, having jurisdiction in Canada or in the United States of America, to give effect to this Sanction Order and to assist the Applicant, the Monitor, and their respective representatives and agents in carrying out the terms of this Sanction Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and the Monitor, as an officer of this Court, as may be reasonably necessary or desirable to give effect to this Sanction Order.

Justice of the Court of Queen's Bench of Alberta

Schedule "A"

CCAA Plan

Schedule "B"

Monitor's Certificate

COURT FILE NUMBER 2101-05019

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF COALSPUR MINES (OPERATIONS) LTD.

DOCUMENT

MONITOR'S CERTIFICATE

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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Suite 3500, Bankers Hall East Tower
Calgary, Alberta, T2P 4J8
Attention: Kelly Bourassa / James Reid

RECITALS

- A. Pursuant to the Initial Order of this Honourable Court dated April 26, 2021 as amended, (the "**Initial Order**") Coalspur Mines (Operations) Ltd. sought and obtained protection from its creditors under the *Companies' Creditors Arrangement Act* R.S.C. 1985, c. C-36, as amended;
- B. Pursuant to the Initial Order, FTI Consulting Canada Inc. was appointed as the monitor of Coalspur (the "**Monitor**") with the powers, duties and obligations set out in the Initial Order;
- C. Coalspur has filed a Plan of Compromise and Arrangement under the CCAA dated November 29, 2021, as amended on January 5, 2022 (the "**Plan**") which Plan has been approved by the Required Majority of Creditors in the General Unsecured Creditors Class and the Court; and

D. Unless otherwise defined herein, capitalized terms used herein have the meaning set out in the Plan.

THE MONITOR HEREBY CERTIFIES the following:

1. The Monitor has received written confirmation from Coalspur, in form and substance satisfactory to the Monitor, that the conditions to the implementation of the Plan set out in Section 8.2 of the Plan have been satisfied in accordance with the Plan.

This Certificate was delivered by the Monitor to Coalspur on

_____ **[Date]** at _____ **[a.m. / p.m. Calgary Time]**.

FTI CONSULTING CANADA INC, in its capacity as the Court-appointed Monitor of Coalspur and not in its personal or corporate capacity

By: _____

Name:

Title:

Schedule "C"

Ministry of Energy Encumbrances

Name	Registration Number	Crown Lease Number	Registration Date	Registration Type	
SMS EQUIPMENT INC. EQUIPMENT SMS INC.	BL 2100695	1307060429	April 24, 2021	Builders' Lien	
	LP 2101048	1307070587	July 29, 2021		
	BL 2100696	1307070588			
	LP 2101047	1308020345			
		1308020346			
		1308020347			
		1308020348			
		1308020349			
		1308060419			
		1308060420			
		1310090997			
		1310090998			
		1310090999			
		1310091000			
		1310091001			
		1311120568			
		1311120570			
		1311120572			
		1311120573			
		1314080363			
		1309120451			
		1309120452			
		1309120453			
		1309120454			
		1309120455			
		1309120456			
		1309120457			
		1309120458			
		1309120459			
		1311120574			
		1308120620			
		1308120621			
		1308120622			
		1308120623			
		1308120624			
		1309120460			
		1309120461			
		1309120462			
		1309120463			
		1309120464			
	1311040471				
	1311040472				
	1308050904				
	1308050905				
	1311050576				
	1311050581				
	1311050582				

Name	Registration Number	Crown Lease Number	Registration Date	Registration Type
FINNING (CANADA), A DIVISION OF FINNING INTERNATIONAL INC.	BL 2100776 BL 2100789	1307060429 1307050787 1307070587 1307070588 1308060419 1308060420 1310090997 1310090998 1310090999 1310091000 1310091001 1311120568 1311120570 1311120572 1311120573 1314080363 1309120451 1309120452 1309120453 1309120454 1309120455 1309120456 1309120457 1309120458 1309120459 1311120574 1308120620 1308120621 1308120622 1308120623 1308120624 1309120460 1309120461 1309120462 1309120463 1309120464 1307050788 1307050789 1307050790 1307050791 1307050792 1307050793 1307050794 1311040471 1311040472 1307050795 1307050796 1307050797 1307050798 1307050799 1307050800 1307050801 1307050802 1308050904 1308050905	May 20, 2021 May 21, 2021	Builders' Lien

Name	Registration Number	Crown Lease Number	Registration Date	Registration Type
		1311050576 1311050581 1311050582 1320080075 1320080076		
TEXCAN, A DIVISION OF SONEPAR CANADA INC.	BL 2100271	1307060429 1307050787 1307070587 1307070588 1314080363 1308120622 1308120624 1307050793 1307050794 1311040472 1307050795 1307050797 1307050798 1307050799 1307050800 1308050905 1311050581 1311050582 1320080075 1320080076 1320080077	March 15, 2021	Builders' Lien
CONSTRUCTION E LINK, INC.	BL 2100109 LP 2101057	1308120624	February 5, 2021 August 3, 2021	Builders' Lien
GRIMSHAW TRUCKING L.P.	BL 2100739	1308120624 1311050582	May 11, 2021	Builders' Lien
ROCKY MOUNTAIN DRILLING INC.	BL 2100241	1308120624	March 8, 2021	Builders' Lien
TIMBER WEST CONSTRUCTION LTD.	BL 2101194	1308020345 1308120624 1311050582	September 15, 2021	Builders' Lien

Schedule "D"

Personal Property Registry Encumbrances

Secured Party	Registration Number	Registration Date	Registration Type
BLACK DIAMOND LIMITED PARTNERSHIP, BOXX DIVISION	21031830829	March 18, 2021	Security Agreement
NORTRUX INC.	21042925952	April 29, 2021	Report of Seizure
NORTRUX INC.	21042927427	April 29, 2021	Report of Seizure
MMD MINERAL SIZING (CANADA) INC.	21061137464	June 11, 2021	Security Agreement

Schedule "E"

Land Titles Registry Encumbrances

Name	Registration Number	Title Number	Legal Land Description
FINNING INTERNATIONAL INC.	212 143 620	142 251 319	MERIDIAN 5 RANGE 24 TOWNSHIP 51 SECTION 9 QUARTER NORTH EAST EXCEPTING THEREOUT ALL MINES AND MINERALS
FINNING INTERNATIONAL INC.	212 143 620	142 251 319 +1	MERIDIAN 5 RANGE 24 TOWNSHIP 51 SECTION 16 EAST HALF EXCEPTING THEREOUT ALL MINES AND MINERALS
FINNING INTERNATIONAL INC.	212 143 620	192 145 001	MERIDIAN 5 RANGE 23 TOWNSHIP 51 SECTION 3 QUARTER NORTH WEST EXCEPTING THEREOUT ALL MINES AND MINERALS
FINNING INTERNATIONAL INC.	212 143 620	192 145 001 +1	MERIDIAN 5 RANGE 23 TOWNSHIP 51 SECTION 3 QUARTER NORTH EAST EXCEPTING THEREOUT ALL MINES AND MINERALS
FINNING INTERNATIONAL INC.	212 143 620	192 145 001 +2	MERIDIAN 5 RANGE 23 TOWNSHIP 51 SECTION 3 QUARTER SOUTH WEST EXCEPTING THEREOUT ALL MINES AND MINERALS
FINNING INTERNATIONAL INC.	212 143 620	192 145 001 +3	MERIDIAN 5 RANGE 23 TOWNSHIP 51 SECTION 3 QUARTER SOUTH EAST EXCEPTING THEREOUT ALL MINES AND MINERALS