

COURT FILE NUMBER 2101-05019
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's Stamp

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
(Stay Extension)**

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: August 31, 2021
Time: 3:30 p.m.
Where: Calgary Courts Centre (by Webex)
Before: The Honourable Madam Justice Eidsvik

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 hereto as **Schedule “A”**:
 - (a) extending the Stay Period up to and including December 15, 2021, or such further and other date as this Honourable Court considers appropriate; and
 - (b) such further and other relief as the Applicant may request and this Honourable Court may grant.
2. Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Amended and Restated Initial Order granted by the Honourable Madam Justice Shelley in this proceeding on May 6, 2021 (the “**ARIO**”).

Basis for this claim:

Background

3. On April 26, 2021, Coalspur obtained protection from its creditors under the CCAA pursuant to an Initial Order of this Court (the “**Initial Order**”). The Initial Order was amended and restated and the ARIO was granted on May 6, 2021.
4. On August 9, 2021, this Court approved a claims process (the “**Claims Process**”) to determine the nature, quantum, and validity of claims against Coalspur and its current and former directors and officers (the “**Claims Process Order**”). The Claims Process Order established a Claims Bar Date of September 23, 2021 and a Subsequent Claims Bar Date of the later of (i) the Claims Bar Date, and (ii) 5:00 pm (mountain time) on the day which is 15 days after the date on which the agreement in question was disclaimed or resiliated.

Extension of the Stay Period

5. The current Stay Period in the CCAA proceedings expires on September 3, 2021.
6. The Applicants are seeking an extension of the Stay Period to December 15, 2021. The requested extension of the Stay Period is necessary and appropriate in the circumstances to, among other things:

- (a) allow the Claims Process to be completed in accordance with the Claims Process Order;
 - (b) provide Coalspur with the necessary breathing room to continue its ongoing engagement with key stakeholders regarding restructuring terms, finalize a CCAA plan of compromise or arrangement, and apply for an order authorizing it to call, hold and conduct a meeting of creditors to consider and vote on resolutions to approve the CCAA plan of compromise or arrangement; and
 - (c) allow Coalspur to continue focusing on its stabilization and going concern operations, including negotiating an extension of the December 31, 2021 maturity date of the approximately USD \$297.9 million secured obligation owing by Coalspur to Cline Trust Company LLC (“CTC”) pursuant to the terms of a Secured Promissory Note, dated March 31, 2019, as amended, and a Secured Working Capital Promissory Note, dated Jun 19, 2019, as amended (the “Notes”).
7. Coalspur has been acting and continues to act in good faith and with due diligence. Since the Stay Period was last extended by order of this Honourable Court on July 9, 2021, Coalspur has been working diligently to, among other things, (i) develop a CCAA plan of compromise or arrangement, (ii) engage with key stakeholders on restructuring terms, (iii) obtain the Claims Process Order and, in conjunction with the Monitor, administer the Claims Process in accordance with the terms thereof, (iv) engage with CTC regarding an extension of the maturity date under the Notes, (v) maintain regular communication with a broad range of stakeholders, including CTC (as Interim Lender), suppliers, royalty holders, the Alberta Energy Regulator, and others, and (vi) operate its business in the normal course with a view to maximizing the value of Coalspur for the benefit of all stakeholders.
8. Coalspur has sufficient funds to continue its operations and fund these CCAA proceedings through December 15, 2021.
9. It is just and convenient and in the interests of Coalspur and its stakeholders that the Stay Period be extended to December 15, 2021.
10. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Affidavit or other evidence to be used in support of this application:

11. Affidavit #6 of Michael Beyer, sworn August 23, 2021.
12. Sixth Report of the Monitor, dated August 23, 2021.

Applicable Acts and regulations:

13. *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36.
14. *Judicature Act*, RSA 2000, c J-2.
15. *Rules of Court*, Alta Reg 124/2010.
16. Such further and other acts and regulations as counsel may advise and this Honourable Court may permit.

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.

WEBEX INFORMATION

Webex Confirmation 2101 05019 - COALSPUR MINES OPERATIONS LTD v. COMPANIES CREDITORS ARRANGEMENT ACT - Aug 31, 2021 03:30 PM - EIDSVIK, J - Confirmed

Counsel: Please ensure that all relevant parties have received Webex information.

Virtual Courtroom 60 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom60>

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the **Open Cisco Webex Meeting**.
4. You will see a preview screen. Click on **Join Meeting**.

Key considerations for those attending:

1. Please connect to the courtroom **15 minutes prior** to the start of the hearing.
2. Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.
3. If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.

Note: Recording or rebroadcasting of the video is prohibited.

Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.

If you are a non-lawyer attending this hearing remotely, **you must** complete the undertaking located here: <https://www.albertacourts.ca/qb/resources/announcements/undertaking-and-agreement-for-non-lawyers>

For more information relating to Webex protocols and procedures, please visit:

<https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>

You can also join the meeting via the "Cisco Webex Meetings" App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.

Schedule "A"

Clerk's Stamp:



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DOCUMENT **ORDER (Stay Extension)**
CONTACT INFORMATION **OSLER, HOSKIN & HARCOURT LLP**
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Email: RVandemosselaer@osler.com / EPaplawski@osler.com
File Number: 1217428

DATE ON WHICH ORDER WAS PRONOUNCED: August 31, 2021

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice Eidsvik

LOCATION OF HEARING: Calgary Courts Centre
601 – 5th Street SW
Calgary, AB

UPON the application of **COALSPUR MINES (OPERATIONS) LTD.** (the “**Applicant**”); **AND UPON** having read the Sixth Affidavit of Michael Beyer, sworn August 23, 2021; **AND UPON** having read the Sixth Report of FTI Consulting Canada Inc. in its role as Court-appointed Monitor of the Applicant (the “**Monitor**”), dated August 23, 2021; **AND UPON**

reviewing the Amended and Restated Initial Order granted by the Honourable Madam Justice Shelley on May 6, 2021 (the “**Amended Initial Order**”); **AND UPON** hearing from counsel for the Applicant, counsel for the Monitor, and any other counsel present; **AND UPON** noting that capitalized terms used but not otherwise defined in this order shall have the meanings given to such terms in the Amended Initial Order; **IT IS HEREBY ORDERED AND DECLARED THAT:**

1. The Stay Period shall be and is hereby extended up to and including December 15, 2021.

Justice of the Court of Queen’s Bench of Alberta