

**THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

In re:	X	
	:	Chapter 11
	:	
WALTER ENERGY, INC., <u>et al.</u> ,	:	Case No. 15-02741-TOM11
	:	
Debtors. ¹	:	Jointly Administered
	:	
	X	

**NOTICE OF ADJOURNED AUCTION DATE AND
CONTINUED SALE HEARING FOR CERTAIN NON-CORE ASSETS**

PLEASE TAKE NOTICE THAT:

On November 5, 2015 Walter Energy, Inc. (the “**Company**”) and its affiliated debtors and debtors in possession in the above-captioned bankruptcy cases (collectively with the Company, the “**Debtors**” or “**Sellers**”) filed their Motion (the “**Motion**”) for (A) an Order (I) Establishing Bidding Procedures for the Sale(s) of All, or Substantially All, of the Debtors’ Assets; (II) Approving Bid Protections; (III) Establishing Procedures Relating to the Assumption and Assignment of Executory Contracts and Unexpired Leases; (IV) Approving Form and Manner of the Sale, Cure and Other Notices; and (V) Scheduling an Auction and a Hearing to Consider the Approval of the Sale(s); (B) Order(s) (I) Approving the Sale(s) of the Debtors’ Assets Free and Clear of Claims, Liens and Encumbrances; and (II) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases; and (C) Certain Related Relief.² [Docket No. 993].

On November 25, 2015, pursuant to the Motion, the Court entered an Order (the “**Bidding Procedures Order**”) approving auction and bidding procedures (the “**Bidding Procedures**”) in connection with the proposed Sale(s). [Docket No. 1119]. A copy of the Motion, the Bidding Procedures Order and the Bidding Procedures can be obtained free of charge on

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Walter Energy, Inc. (9953); Atlantic Development and Capital, LLC (8121); Atlantic Leaseco, LLC (5308); Blue Creek Coal Sales, Inc. (6986); Blue Creek Energy, Inc. (0986); J.W. Walter, Inc. (0648); Jefferson Warrior Railroad Company, Inc. (3200); Jim Walter Homes, LLC (4589); Jim Walter Resources, Inc. (1186); Maple Coal Co., LLC (6791); Sloss-Sheffield Steel & Iron Company (4884); SP Machine, Inc. (9945); Taft Coal Sales & Associates, Inc. (8731); Tuscaloosa Resources, Inc. (4869); V Manufacturing Company (9790); Walter Black Warrior Basin LLC (5973); Walter Coke, Inc. (9791); Walter Energy Holdings, LLC (1596); Walter Exploration & Production LLC (5786); Walter Home Improvement, Inc. (1633); Walter Land Company (7709); Walter Minerals, Inc. (9714); and Walter Natural Gas, LLC (1198). The location of the Debtors’ corporate headquarters is 3000 Riverchase Galleria, Suite 1700, Birmingham, Alabama 35244-2359.

² Capitalized terms used herein but not otherwise defined in this notice (the “**Notice**”) shall have the meanings ascribed to them in the Motion.



150274116012200000000014

<http://www.kccllc.net/walterenergy>. The Bidding Procedures Order scheduled certain key dates for the sale process.

The Stalking Horse Purchaser did not bid on certain Non-Core Assets (as defined in the Bidding Procedures Order), including Lot 3 (West Virginia Assets), Lot 4 (Taft Assets), Lot 8 (Select JWR Assets), and Lot 9 (Walter Coke Assets).

A HEARING TO APPROVE THE SALE(S) OF LOTS 3, 4, 8, AND 9 (THE “SALE HEARING”), INCLUDING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN AVAILABLE CONTRACTS, WILL BE HELD AT THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA, SOUTHERN DIVISION, 1800 FIFTH AVENUE NORTH BIRMINGHAM, ALABAMA 35203, BEFORE THE HONORABLE TAMARA O. MITCHELL, ON WEDNESDAY, FEBRUARY 3, 2016 AT 10:00 A.M. (PREVAILING CENTRAL TIME).

AFTER REVIEWING THE BIDS FOR CERTAIN NON-CORE ASSETS, THE DEBTORS HAVE DETERMINED THAT THE AUCTION FOR LOTS 3, 4, 8, AND 9 SHALL BE ADJOURNED UNTIL A DATE TO BE DETERMINED. THE DEBTORS RESERVE THE RIGHT TO SCHEDULE AN AUCTION PRIOR TO THE SALE HEARING (AS DEFINED ABOVE) OR TO FORGO AN AUCTION IN ITS ENTIRETY.

The Auction and Sale Hearing described herein may be further adjourned by the Debtors, in consultation with the Consultation Parties, from time to time without further notice to creditors or other parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing, or by filing a notice on the docket of the Debtors’ Chapter 11 Cases.

Each Successful Bidder for any of the Non-Core Assets shall provide the Debtors with a schedule of executory contracts and unexpired leases that it intends to assume within the timeframe set forth in the applicable asset purchase agreement, and the Debtors shall post such schedules on the Case Website as soon as practicable thereafter.

Other than the date changes set forth herein with respect to Lots 3, 4, 8, and 9, or as otherwise set forth herein, the Bidding Procedures provided in the Bidding Procedures Order remain in full force and effect. This Notice is subject to the fuller terms and conditions of the Motion and the Bidding Procedures Order, which shall control in the event of any conflict (other than conflicts relating to dates, in which case this Notice shall control), and the Debtors encourage parties-in-interest to review such documents in their entirety.

Dated: January 22, 2016
Birmingham, Alabama

By: /s/ Cathleen C. Moore
Patrick Darby
Jay Bender
Cathleen Moore
James Bailey
One Federal Place
1819 Fifth Avenue North
Birmingham, Alabama 35203
Telephone: (205) 521-8000
Email: pdarby@bab.com, jbender@bab.com,
ccmoore@bab.com, jbailey@bab.com

- and -

PAUL, WEISS, RIFKIND, WHARTON &
GARRISON LLP
Stephen J. Shimshak (*pro hac vice*)
Kelley A. Cornish (*pro hac vice*)
Claudia R. Tobler (*pro hac vice*)
Ann K. Young (*pro hac vice*)
Michael S. Rudnick (*pro hac vice*)
1285 Avenue of the Americas
New York, New York 10019
Telephone: (212) 373-3000
Email: sshimshak@paulweiss.com, kcornish@paulweiss.com,
ctobler@paulweiss.com, ayoun@paulweiss.com,
mrudnick@paulweiss.com

Counsel to the Debtors and Debtors in Possession