

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

<p>In re:</p> <p>NEW WEI, INC., <i>et al.</i>¹,</p> <p style="text-align: center;">Debtors.</p>	<p>Chapter 7</p> <p>Case No. 15-2741-TOM11</p> <p>Jointly Administered</p>
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NOTICE TO CREDITORS

Comes now Andre Toffel, Court appointed Chapter 7 Trustee of the above referenced bankruptcy estates, and hereby gives notice to all creditors of these estates of the following:

1. AFTER EXTENSIVE INVESTIGATION, THE TRUSTEE HAS DETERMINED THAT THERE WILL BE NO FUNDS AVAILABLE FOR DISTRIBUTION TO GENERAL UNSECURED CREDITORS. IF YOU DO NOT HAVE A CHAPTER 7 ADMINISTRATIVE CLAIM, CHAPTER 11 ADMINISTRATIVE CLAIM, OR A PRIORITY CLAIM IN THESE CASES THIS IS THE LAST NOTICE YOU WILL RECEIVE IN THESE CASES UNLESS YOU FILE A NEW NOTICE OF APPEARANCE OR REQUEST FOR NOTICE IN THESE CASES.

2. The Trustee and Warrior Met Coal, Inc. (“Warrior Met”), have reached a compromise regarding certain assets sold to Warrior Met during the Chapter 11 case and the

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: New WEI, Inc. (f/k/a 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); New WEI 7, Inc. (f/k/a J.W. Walter, Inc.) (0648); Jefferson Warrior Railroad Company, Inc. (3200); New WEI 2, LLC (f/k/a Jim Walter Homes, LLC) (4589); New WEI 13, Inc. (f/k/a 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); New WEI 19, LLC (f/k/a Walter Black Warrior Basin LLC) (5973); New WEI 18, Inc. (f/k/a Walter Coke, Inc.) (9791); New WEI 22, LLC (f/k/a Walter Energy Holdings, LLC) (1596); New WEI 20, LLC (f/k/a Walter Exploration & Production LLC) (5786); New WEI 1, Inc. (f/k/a Walter Home Improvement, Inc.) (1633); New WEI 6 Company (f/k/a Walter Land Company) (7709); New WEI 16, Inc. (f/k/a Walter Minerals, Inc.) (9714); and New WEI 21, LLC (f/k/a Walter Natural Gas, LLC) (1198). The location of the Debtors’ corporate headquarters is 2100 Southbridge Parkway, Suite 650, Birmingham, Alabama 35209.



availability of a portion of those assets to be used to pay administrative and priority creditors in these bankruptcy estates. A hearing on the Motion to Approve the Settlement will be heard on November 13, 2017, at 10:00 a.m. CST, by the United States Bankruptcy Court for the Northern District of Alabama, Southern Division, in courtroom 3, at Robert S. Vance Federal Building; 1800 Fifth Avenue North; Birmingham, Alabama 35203. Objections to the compromise must be electronically filed with the Court no later than 12:00 p.m. local time on November 9, 2017, and served upon the following: Counsel for the Trustee, Stephen B. Porterfield, Thomas B. Humphries, Sirote & Permutt, 2311 Highland Ave. S, Birmingham, AL 35205; counsel for Warrior Met, Mike Hall, Burr & Forman, LLP, 420 20th St. N., Suite 3400, Birmingham, Alabama 35203; and J. Thomas Corbett; U.S. Bankruptcy Administrator, Northern District of Alabama, 1800 Fifth Avenue North, Suite 325, Birmingham, AL 35203. If any objections are filed, they will be heard on the hearing date set forth above. However, if any party filing an objection fails to appear at the hearing in person, their objection may be deemed waived.

3. Below is a summary of the proposed settlement. If you would like to review the full settlement documents, you may do so by going to the KCC website at www.kccllc.net/walterenergy and click on the tab entitled Settlement Documents, by going to the Sirote & Permutt website at www.sirote.com/notices or by requesting a copy from the undersigned counsel. The proposed settlement provides as follows:

Upon conversion of these cases the Chapter 7 Trustee took possession of several bank accounts. Warrior Met makes a claim to substantial portions of the funds in said bank accounts based upon the Amended and Restated Asset Purchase Agreement dated March 31, 2016, and approved by the Bankruptcy Court. In addition, there are certain assets that were purchased by Warrior Met upon which the Trustee may also have an interest, and Warrior Met and the Trustee have agreed to work together to recover some of those assets. The settlement proposed includes the formation of a liquidating trust. All of the assets in the possession of the Trustee which Warrior Met contends it purchased will be transferred to the trust, and all future recoveries of assets by the Trustee to which Warrior Met claims an interest

will be deposited into the trust. Once the liquidating trust is established, all cash due to Warrior Met pursuant to the settlement agreement shall be paid out to Warrior Met. The Trustee and Warrior Met have agreed that up to \$2,900,000, or the amount necessary to make a substantial distribution on all 503(b)(9) claims and those with a higher priority, plus potentially more if certain recoveries are successful, of said trust assets will be used to pay the administrative and priority claims of the liquidating trust and these bankruptcy estates.

The Trustee of these estates will also be the sole trustee of the liquidating trust formed as described above. The Trustee will be compensated by the trust pursuant to the calculations prescribed by 11 U.S.C. § 326. All monies paid into and out of the trust will be subject to said calculation. Based upon the estimated range of recoveries by the Trustee and Warrior Met, the anticipated compensation to the Trustee, from both the liquidating trust and these bankruptcy estates, will likely be in a range between \$275,000 and \$425,000. This amount is exclusive of compensation paid to professionals employed by the Trustee.

4. For all claimants other than those holding Chapter 7 administrative claims, Chapter 11 administrative claim or priority claims, the Trustee hereby gives notice to you of his final report of no distribution in these cases.

/s/ Stephen B. Porterfield
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Thomas B. Humphries
Attorneys for Andre M. Toffel, Trustee

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