

To: DTC Nominees

Re: Walter Energy, Inc.

TIME SENSITIVE:

Opportunity to participate as a lender in a non-amortizing multiple draw super-priority senior secured debtor-in-possession term loan facility of Walter Energy, Inc. in an aggregate principal amount not to exceed \$50,000,000, to (among others) holders of:

**9.50% Senior Secured Notes due in 2019
(CUSIP Nos. 93317QAG0, U9312CAC8, U9312CAE4 and U9312CAF1)**

Participation Record Date: January 13, 2016

Holders of the above referenced securities (the “**Noteholders**”) are being offered an opportunity to be a lender in a Senior Secured Superpriority Debtor-in-Possession Credit Agreement. The offer is open only to Noteholders that are (A) “qualified institutional buyers,” as such term is defined in Rule 144A under the Securities Act of 1933, as amended (the “**Securities Act**”), or (B) “institutional accredited investors” (“**IAIs**”) within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act or an entity in which all of the equity investors are IAIs, as of the participation record date of January 13, 2016.

You are requested to forward **promptly** to each Noteholder the attached documents for your clients’ use in determining whether to participate in the opportunity (the “**Subscription Documents**”). Attached are:

- Instruction Form (including the Subscription Form, Instructions and Nominee Certification)
- Signature page to the DIP Credit Agreement
- DIP Facility Term Sheet

To participate in the opportunity, Noteholders will need to (i) complete and execute the Subscription Documents, and such other documents as the DIP Agent may reasonably require, (ii) deliver such Subscription Documents to the Information Agent and (iii) cause the amount of the financing to be funded by such Eligible Holder to be sent by wire transfer of immediately available federal funds to the escrow account established by the DIP Agent for the DIP Facility, in each case before **5:00 p.m., New York City Time, on January 29, 2016**, unless such deadline is extended or earlier terminated.

All notices and other communications required to be delivered to the Information Agent should be addressed to Kurtzman Carson Consultants LLC, as Information Agent, at the following:

Kurtzman Carson Consultants
1290 Avenue of the Americas
9th Floor
New York, NY 10104
Telephone: (917) 281-4800
Attn: Walter Energy, Inc.
Email: WalterEnergyDIP@kccllc.com

Please review the attached documents for further information and instructions.

Please contact Kurtzman Carson Consultants LLC at (917) 281-4800 or via email at WalterEnergyDIP@kccllc.com with any questions.