UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF KENTUCKY

In re:	:	**Chapter 11**
	:	
Trinity Coal Corporation, *et al.*,[1]	:	**Case No. 13-50364**
	:	
Debtors.		**(Jointly Administered)**

THIRD AMENDED DISCLOSURE STATEMENT FOR THE THIRD AMENDED DEBTORS' JOINT PLAN OF REORGANIZATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

THIS IS NOT A SOLICITATION OF ACCEPTANCES OR REJECTIONS OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT. CERTAIN EVENTS, TRANSACTIONS AND OTHER MATTERS DISCUSSED IN THIS DISCLOSURE STATEMENT HAVE NOT YET OCCURRED OR REMAIN SUBJECT TO BANKRUPTCY COURT APPROVAL.

Steven J. Reisman, Esq.
L. P. Harrison 3rd, Esq.
Jerrold L. Bregman, Esq.
Dienna Ching, Esq.
CURTIS, MALLET-PREVOST, COLT & MOSLE LLP
101 Park Avenue
New York, NY 10178-0061
Telephone: (212) 696-6000
Facsimile: (212) 697-1559

and

John W. Ames, Esq.
C. R. Bowles, Jr., Esq.
Bruce Cryder, Esq.
BINGHAM GREENEBAUM DOLL LLP
300 W. Vine Street, Suite 1100
Lexington, KY 40507
Telephone: (502) 589-4200
Facsimile: (502) 540-2122

Dated: September 29, 2013

COUNSEL TO THE DEBTORS

[1] The Debtors in the above-captioned Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Trinity Coal Corporation (1163); Trinity Parent Corporation (1080); Trinity RMG Holdings LLC (2840); RMG, Inc. (8388); Trinity Coal Partners LLC (4711); Trinity Coal Marketing LLC (3532); Frasure Creek Mining, LLC (9409); Falcon Resources LLC (7742); Prater Branch Resources LLC (3662); Little Elk Mining Company LLC (0373); Levisa Fork Resources LLC (9407); Bear Fork Resources LLC (7993); North Springs Resources LLC (6323); Deep Water Resources LLC (6594); Banner Coal Terminal LLC (9017); and Hughes Creek Terminal LLC (8285). The address of the principal office for each of the Debtors is 4978 Teays Valley Road, Scott Depot, WV 25560.

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THIRD AMENDED DISCLOSURE STATEMENT FOR THE THIRD AMENDED DEBTORS' JOINT PLAN OF REORGANIZATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

THE DEBTORS RESERVE THE RIGHT TO MODIFY, AMEND OR SUPPLEMENT THIS PROPOSED DISCLOSURE STATEMENT OR ANY EXHIBITS HERETO AT OR BEFORE APPROVAL OF THE DISCLOSURE STATEMENT, AND TO WITHDRAW THE PLAN AND DISCLOSURE STATEMENT AS TO ANY OR ALL OF THE DEBTORS AT ANY TIME PRIOR TO CONFIRMATION OF THE PLAN.

THIS IS NOT A SOLICITATION OF ACCEPTANCES OR REJECTIONS OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL THE DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. CERTAIN EVENTS, TRANSACTIONS AND OTHER MATTERS DISCUSSED IN THIS DISCLOSURE STATEMENT HAVE NOT YET OCCURRED OR REMAIN SUBJECT TO BANKRUPTCY COURT APPROVAL.

I. INTRODUCTION

Trinity Coal Corporation ("Trinity") and its affiliates (collectively, the "Debtors") in the above-captioned Chapter 11 cases (the "Chapter 11 Cases") provide this *Third Amended Disclosure Statement for the Third Amended Debtors' Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, as it may be amended, supplemented or modified (the "Disclosure Statement") to all of the Debtors' creditors in order to permit such creditors to make an informed decision in voting to accept or reject the proposed *Third Amended Debtors' Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, as it may be amended, supplemented or modified (the "Plan") filed on September 29, 2013 by the Debtors and a newly formed indirect wholly owned subsidiary of EGFL (the "Plan Sponsor") as joint proponents within the meaning of Section 1129 of the Bankruptcy Code (the "Plan Proponents"). A copy of the Plan is attached to this Disclosure Statement as **Exhibit A**.[2] Whenever the words "include," "includes," or "including" are used in this Disclosure Statement, they are deemed to be followed by the words "without limitation."

This Disclosure Statement is presented to certain Holders of Claims against the Debtors pursuant to Section 1125 of Title 11 of the United States Code, as amended (the "Bankruptcy Code"), which requires that a disclosure statement provide information sufficient to enable a hypothetical and reasonable investor typical of the Holders of Claims or Interests in these Chapter 11 Cases to make an informed judgment whether to accept or reject the Plan. The information contained in this Disclosure Statement, including the information regarding the history, businesses and operations of the Debtors, the financial information regarding the Debtors and the liquidation analyses relating to the Debtors, is included for purposes of soliciting acceptances of the Plan, but, as to contested matters and adversary proceedings, is not to be construed as admissions or stipulations, but rather as statements made in settlement negotiations. This Disclosure Statement may not be relied upon for any purpose other than that described above.

[2] Capitalized terms used herein but not otherwise defined shall have the meanings assigned to such terms in the Plan and the defined terms in the Plan shall control.

This Disclosure Statement is based upon the following sources of information:

1. information provided by the Debtors' management based on information contained within the Debtors' books and records, which information has not been audited;
2. information that is publicly available in filings and pleadings filed with the Bankruptcy Court;
3. information contained in the Plan, which is attached as **Exhibit A** hereto; and
4. information provided by Epiq Bankruptcy Solutions, LLC ("Epiq"), as the official claims and noticing agent in connection with the Chapter 11 Cases.

THIS DISCLOSURE STATEMENT AND THE PLAN ARE AN INTEGRAL PACKAGE AND THEY MUST BE CONSIDERED TOGETHER FOR THE READER TO BE ADEQUATELY INFORMED BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. NO REPRESENTATIONS CONCERNING THE DEBTORS (PARTICULARLY AS TO VALUE OF THEIR PROPERTY) ARE AUTHORIZED BY THE DEBTORS OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT AND ITS EXHIBITS AND ANY SOLICITATION MATERIALS APPROVED BY THE BANKRUPTCY COURT AND ACCOMPANYING THIS DISCLOSURE STATEMENT AS TRANSMITTED BY EPIQ. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE YOUR ACCEPTANCE OF THE PLAN OTHER THAN AS SET FORTH ABOVE SHOULD NOT BE RELIED UPON BY YOU IN ARRIVING AT YOUR DECISION, AND ANY SUCH ADDITIONAL REPRESENTATIONS AND INDUCEMENTS SHOULD BE REPORTED TO COUNSEL FOR THE DEBTORS, WHO WILL IN TURN DELIVER SUCH INFORMATION TO THE BANKRUPTCY COURT FOR SUCH ACTION AS MAY BE APPROPRIATE.

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT, INCLUDING ANY EXHIBITS CONCERNING THE FINANCIAL CONDITION OF THE DEBTORS AND THE OTHER INFORMATION CONTAINED HEREIN, HAS NOT BEEN SUBJECT TO AN AUDIT OR INDEPENDENT REVIEW EXCEPT AS EXPRESSLY SET FORTH HEREIN. ACCORDINGLY, THE DEBTORS ARE UNABLE TO WARRANT OR REPRESENT THAT THE INFORMATION CONCERNING THE DEBTORS OR THEIR FINANCIAL CONDITION IS ACCURATE OR COMPLETE. THE PROJECTED INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PRESENTED FOR ILLUSTRATIVE PURPOSES ONLY AND, BECAUSE OF THE UNCERTAINTY AND RISK FACTORS INVOLVED, THE ACTUAL RESULTS MAY NOT BE AS PROJECTED HEREIN.

ALTHOUGH AN EFFORT HAS BEEN MADE TO BE ACCURATE, THE DEBTORS DO NOT WARRANT OR REPRESENT THAT THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AND ITS EXHIBITS IS CORRECT. THIS DISCLOSURE STATEMENT CONTAINS ONLY A SUMMARY OF THE PLAN. EACH CREDITOR IS STRONGLY URGED TO REVIEW THE PLAN PRIOR TO VOTING ON IT.

THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE OF THIS DISCLOSURE STATEMENT UNLESS ANOTHER TIME IS SPECIFIED. THE DELIVERY OF THIS DISCLOSURE STATEMENT WILL NOT UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THERE HAS NOT BEEN ANY CHANGE IN THE FACTS SET FORTH SINCE THE DATE OF THIS DISCLOSURE STATEMENT.

THIS DISCLOSURE STATEMENT WILL NOT BE CONSTRUED TO BE ADVICE ON THE TAX OR OTHER LEGAL EFFECTS OF THE PLAN. EACH CREDITOR SHOULD, THEREFORE, CONSULT WITH ITS OWN LEGAL, BUSINESS, FINANCIAL AND TAX ADVISERS AS TO ANY SUCH MATTERS CONCERNING THE SOLICITATION, THE PLAN OR THE TRANSACTIONS CONTEMPLATED THEREBY.

This Disclosure Statement and the Plan were filed on September 29, 2013. The Bankruptcy Court will hold a hearing on confirmation of the Plan beginning at 9:30 a.m. (Eastern Time) on November 8, 2013 in the United States Bankruptcy Court for the Eastern District of Kentucky, located at 100 East Vine Street, 3rd Floor Courtroom, Lexington, Kentucky 40507 (the "Confirmation Hearing"). At the Confirmation Hearing, the Bankruptcy Court will consider whether the Plan satisfies the requirements of the Bankruptcy Code, including whether the Plan is in the best interests of the Holder of Claims and Interests, and will review a ballot report concerning votes cast for acceptance or rejection of the Plan.

To obtain free additional copies of this Disclosure Statement or of the Plan, please visit Epiq's website at http://dm.epiq11.com/trinitycoal and click on "Key Documents" on the top right corner of the page. To obtain free copies of other documents filed in these Chapter 11 Cases, click on "Docket" on the top right corner of the foregoing webpage.

A. Overview of the Plan

THE DESCRIPTION OF THE PLAN SET FORTH BELOW CONSTITUTES A SUMMARY ONLY AND IS QUALIFIED, IN ITS ENTIRETY, BY THE PLAN AND THE PLAN DOCUMENTS. CREDITORS AND OTHER PARTIES IN INTEREST ARE URGED TO REVIEW THE MORE DETAILED DESCRIPTION OF THE PLAN CONTAINED IN SECTION IV OF THIS DISCLOSURE STATEMENT AND THE PLAN ITSELF. THE PLAN IS ATTACHED AS EXHIBIT A TO THIS DISCLOSURE STATEMENT. THE PLAN CONTROLS IN THE EVENT OF ANY INCONSISTENCY BETWEEN THIS DISCLOSURE STATEMENT AND THE PLAN.

Chapter 11 is the chapter of the Bankruptcy Code primarily used for business reorganizations and liquidations. The fundamental purpose of a Chapter 11 case is to formulate a plan to restructure or liquidate a debtor company's finances so as to maximize recoveries for its creditors. Upon confirmation of the plan, it becomes binding on the debtor and all of its creditors and stakeholders, and the obligations owed by the debtor to those parties are compromised and exchanged for the obligations specified in the plan.

The following is a brief overview of the material provisions of the Plan. This overview is qualified in its entirety by reference to the provisions of the Plan and the exhibits thereto, as amended from time to time. Claims against each individual Debtor have been classified together for purposes of describing treatment under the Plan. Solely to the extent required to support Confirmation of the Plan in the absence of the substantive consolidation provided for in Article IV.Z. of the Plan, each Class of Claims against or Equity Interests in a Debtor shall be treated as being in a separate sub-Class for each Debtor for the purpose of voting on the Plan.

Class	Claim	Status	Voting Rights
1	Other Priority Claims	Unimpaired	Conclusively Presumed to Accept
2	Other Secured Claims	Unimpaired	Conclusively Presumed to Accept
3	CAT Secured Claim	Unimpaired	Conclusively Presumed to Accept
4	Senior Secured Credit Facility Secured Claims	Impaired	Entitled to Vote
5	Reclamation Claims	Unimpaired	Conclusively Presumed to Accept
6	General Unsecured Claims	Impaired	Entitled to Vote
7	Essar Unsecured Claims	Impaired	Entitled to Vote
8	Intercompany Claims	Impaired	Entitled to Vote on a Provisional Basis
9	Section 510(b) Claims	Impaired	Deemed to Reject
10	Intercompany Interests	Unimpaired	Conclusively Presumed to Accept
11	TPC Interests	Impaired	Deemed to Reject

B. Voting Procedures and Requirements

Pursuant to the Bankruptcy Code, only Classes of Claims against or equity Interests in a debtor that are "impaired" under the terms of the Plan are entitled to vote to accept or reject the Plan. A Class is "impaired" if the legal, equitable or contractual rights attaching to the Claims or Interest of that class are modified, other than by curing defaults and reinstating maturity. Classes of Claims and Interest that are not impaired are not entitled to vote on the Plan and are conclusively presumed to have accepted the Plan. In addition, classes of Claims and Interests that receive no distributions under the Plan are not entitled to vote on the Plan and are deemed to have rejected the Plan.

THE PLAN PROPONENTS STRONGLY RECOMMEND THAT EACH CREDITOR ENTITLED TO VOTE ON THE PLAN TO VOTE TO ACCEPT THE PLAN. VOTING ON THE PLAN BY EACH HOLDER OF AN IMPAIRED CLAIM ENTITLED TO VOTE ON THE PLAN IS IMPORTANT. A VOTE TO ACCEPT THE PLAN, OR FAILURE TO VOTE BY A CREDITOR ENTITLED TO VOTE, CONSTITUTES AN ACCEPTANCE OF ALL OF THE TERMS AND PROVISIONS CONTAINED IN THE PLAN, INCLUDING, BUT NOT LIMITED TO, THE INJUNCTIONS, EXCULPATION, RELEASES AND OTHER LIMITATIONS OF LIABILITY IN ARTICLE IX OF THE PLAN.

IF YOU VOTE TO REJECT THE PLAN, YOU MAY STILL NEVERTHELESS BE DEEMED TO BE DEEMED TO GIVE THIRD PARTY RELEASES AND BE BOUND BY THE INJUNCTIONS, EXCULPATION, RELEASES AND OTHER LIMITATIONS OF

LIABILITY IN ARTICLE IX OF THE PLAN TO THE MAXIMUM EXTENT PERMITTED BY LAW.

IF YOU ARE HOLDER OF A CLAIM IN A CLASS THAT HAS DEEMED TO ACCEPT THE PLAN, THEN YOU ARE DEEMED TO HAVE GIVEN A CONSENSUAL THIRD-PARTY RELEASE AND BE BOUND BY THE INJUNCTIONS, EXCULPATION, RELEASES AND OTHER LIMITATIONS OF LIABILITY IN ARTICLE IX OF THE PLAN. YOU MAY REQUEST AN OPT OUT BALLOT TO OPT OUT OF THE THIRD PARTY RELEASE.

IF YOU ARE HOLDER OF A CLAIM IN A CLASS THAT HAS DEEMED TO REJECT THE PLAN, THEN YOU ARE NOT DEEMED TO HAVE GIVEN A CONSENSUAL THIRD-PARTY RELEASE.

PLEASE CAREFULLY FOLLOW ALL OF THE INSTRUCTIONS CONTAINED ON THE BALLOT PROVIDED TO YOU. IF YOU HOLD CLAIMS IN MORE THAN ONE CLASS OR IF YOU HOLD MULTIPLE GENERAL UNSECURED CLAIMS OR UNDER CERTAIN CIRCUMSTANCES, YOU MAY RECEIVE MORE THAN ONE BALLOT. YOU SHOULD COMPLETE, SIGN AND RETURN EACH BALLOT IN ACCORDANCE WITH THE INSTRUCTIONS PROVIDED.

TO BE COUNTED, YOUR BALLOT MUST BE ACTUALLY RECEIVED BY THE DEBTORS' NOTICING AND CLAIMS AGENT, EPIQ BY OCTOBER 30, 2013 AT 4:00 P.M. (EASTERN TIME) (THE "VOTING DEADLINE").

VOTES CANNOT BE TRANSMITTED ORALLY OR BY FACSMILE OR E-MAIL. ACCORDINGLY, YOU ARE URGED TO RETURN YOUR SIGNED AND COMPLETED BALLOT, BY HAND DELIVERY, OVERNIGHT SERVICE OR REGULAR U.S. MAIL PROMPTLY.

ANY BALLOT RECEIVED BY EPIQ WHICH FAILS TO INDICATE ACCEPTANCE OR REJECTION OR WHICH INDICATE BOTH ACCEPTANCE AND REJECTION OF THE PLAN WILL NOT BE COUNTED AS A VOTE TO ACCEPT OR REJECT THE PLAN. SIMILARLY, BALLOTS THAT ARE NOT PROPERLY SIGNED WILL NOT BE COUNTED AS A VOTE TO ACCEPT OR REJECT THE PLAN.

IF ANY OF THE CLASSES OF HOLDERS OF IMPAIRED CLAIMS VOTE TO REJECT THE PLAN:

- THE PLAN PROPONENTS MAY SEEK TO SATISFY THE REQUIREMENT FOR CONFIRMATION OF THE PLAN UNDER THE "CRAMDOWN" PROVISIONS OF SECTION 1129(b) OF THE BANKRUPTCY CODE AND, IF REQUIRED, MAY AMEND THE PLAN TO CONFORM TO THE STANDARDS OF SUCH SECTION; OR

- THE PLAN MAY BE MODIFIED OR WITHDRAWN WITH RESPECT TO A PARTICULAR DEBTOR WITHOUT AFFECTING THE PLAN AS TO OTHER DEBTORS, OR IN ITS ENTIRETY.

IF YOU ARE ENTITLED TO VOTE AND YOU DID NOT RECEIVE A BALLOT, RECEIVED A DAMAGED BALLOT OR LOST YOUR BALLOT, YOU MAY OBTAIN A REPLACEMENT BALLOT FROM THE DEBTORS' CLAIMS AND NOTICING AGENT, EPIQ BY REQUESTING THE SAME BY EITHER: (1) CALLING (646) 282-2500; (2) EMAILING solicitationgroup@epiqsystems.com; OR (3) WRITING TO EPIQ AT THE FOLLOWING ADDRESS: BANKRUPTCY SOLUTIONS, LLC, 757 THIRD AVENUE, 3RD FLOOR, NEW YORK, NY 10017.

C. Confirmation Hearing

As described in further detail in Section V.A. of this Disclosure Statement, the Bankruptcy Court has scheduled the hearing to consider confirmation of the Plan for November 8, 2013 at 9:30 a.m. (Eastern Time) (the "Confirmation Hearing") before The Honorable Chief Judge Tracey N. Wise, at the U.S. Bankruptcy Court for the Eastern District of Kentucky, located at 100 East Vine Street, 3rd Floor Courtroom, Lexington, Kentucky 40507. Objections to the confirmation of the Plan must be filed by October 30, 2013 at 4:00 p.m. (Eastern Time).

The Confirmation Hearing may be adjourned from time to time without notice except as given in the courtroom at the Confirmation Hearing, or at any subsequent adjourned Confirmation Hearing, or by the filing of a notice on the docket in these Chapter 11 Cases which docket may be accessed for free at http://dm.epiq11.com/trinitycoal and clicking on "Docket" on the top right corner of the page, which will take you to the Debtors' unofficial replica of the official Bankruptcy Court docket for the Chapter 11 Cases (the "Docket").

II. BACKGROUND OF THE DEBTORS

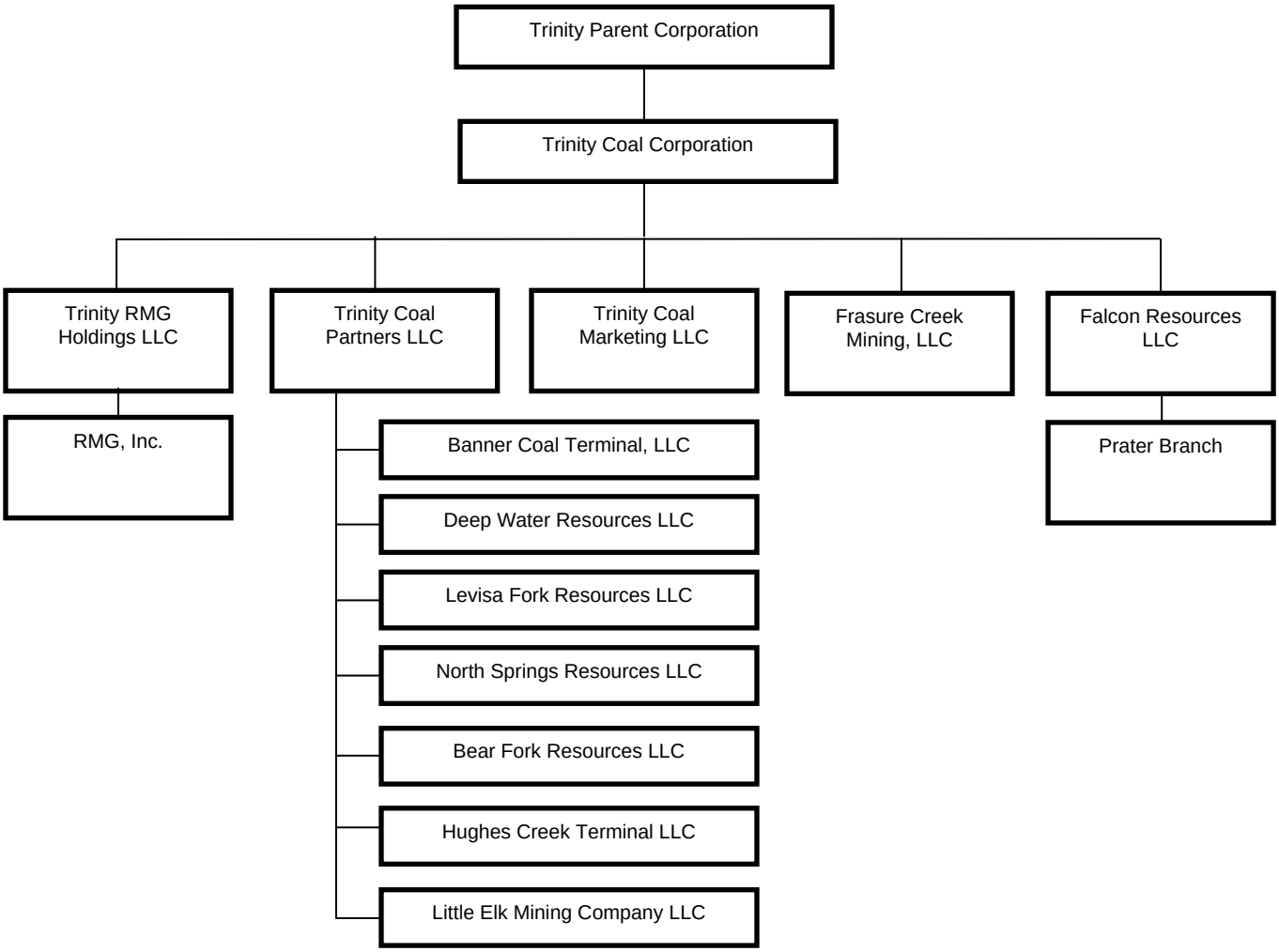
A. The Debtors

1. Corporate Structure

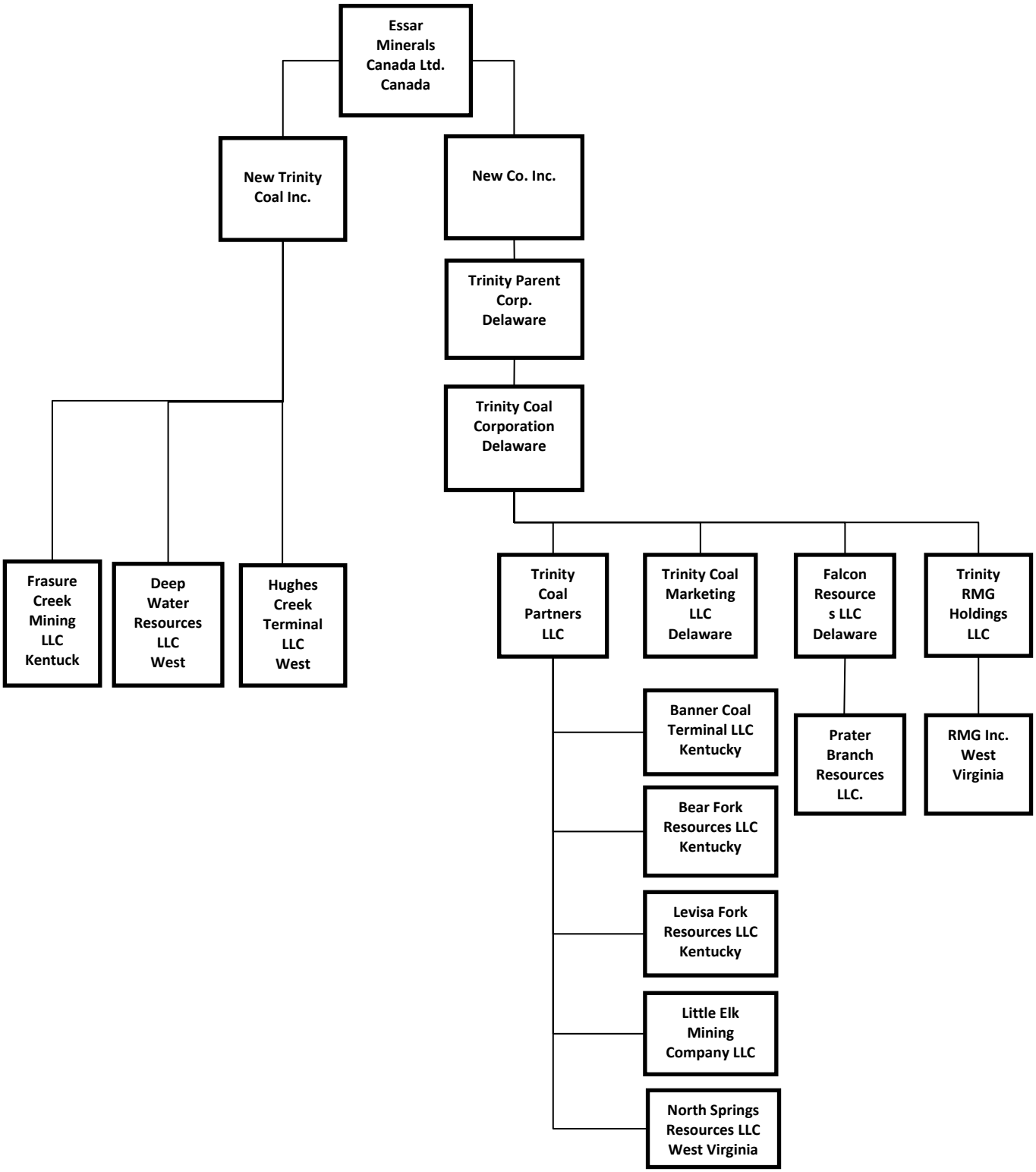
The Debtors are a group of sixteen (16) privately held companies, the first of which, Trinity Parent Corporation, a Delaware corporation ("TPC"), wholly owns all of the other companies which are its direct and indirect subsidiaries. In 2010, TPC was purchased by and became a wholly owned subsidiary of Essar Minerals, Inc. ("EMI") in a $600 million transaction (the "2010 Transaction").

TPC is the direct parent of Trinity. Trinity is the direct parent of: Trinity RMG Holdings LLC, a Delaware limited liability company; Trinity Coal Partners LLC, a Delaware limited liability company; Trinity Coal Marketing LLC, a Delaware limited liability company; Frasure Creek Mining, LLC (d/b/a Trinity Coal Company), a Kentucky limited liability company; and Falcon Resources LLC, a Delaware limited liability company. Falcon Resources LLC is the direct parent of Prater Branch Resources LLC, a Kentucky limited liability company. Trinity RMG Holdings LLC is the direct parent of RMG, Inc., a West Virginia corporation. Trinity Coal Partners LLC is the direct parent of: Little Elk Mining Company LLC, a Kentucky limited liability company; Levisa Fork Resources LLC, a Kentucky limited liability company; Bear Fork Resources LLC, a Kentucky limited liability company; North Springs Resources LLC, a West Virginia limited liability company; Deep Water Resources LLC, a West Virginia limited liability company; Banner Coal Terminal LLC, a Kentucky limited liability company; and

Hughes Creek Terminal LLC, a West Virginia limited liability company. The chart below shows the Debtors' corporate structure.



The following chart shows the corporate structure for the Reorganized Debtors:



2. The Debtors' Assets and Business Operations

The Debtors operate a coal mining company in Kentucky and West Virginia in the Appalachian region of the eastern United States. The Debtors own coal deposits in eastern Kentucky, in Breathitt, Floyd, Knott, Magoffin and Perry Counties, and in West Virginia, in Boone, Fayette, Mingo, McDowell and Wyoming Counties. In recent years, coal has experienced a precipitous decline in demand due to cheaper alternative sources of energy, namely natural gas and nuclear power, and other factors. This has adversely impacted the entire coal industry, including the Debtors' business and financial condition, which have been in decline since 2011. Consequently, since the 2010 Transaction, the Debtors have closed five out of their six coal mining complexes, as described in further detail below.

The Debtors' operations are organized into six (6) distinct coal mining complexes. Three (3) complexes are located in West Virginia and are referred to as Deep Water Met Coal Mine Complex ("Deep Water"), North Springs Met Coal Mine Complex ("North Springs") and Falcon Steam Coal Mine Complex ("Falcon" and, together with Deep Water and North Springs, the "West Virginia Operations"). The West Virginia Operations produce compliance, low sulfur steam coal and mid-to high-volatile metallurgical coal. The Debtors are currently operating and mining coal only on Deep Water and related operations in West Virginia. The West Virginia operations include company-controlled coal preparation plants and transportation infrastructure including the Deep Water preparation plant, the Norfolk Southern-served Page unit train loadout facility and the Hughes Creek river terminal on the Kanawha River. The Debtors also operate the third-party-controlled Norfolk Southern-served Ben Creek preparation plant and unit train loadout facility under long-term capacity agreements.

The other three (3) complexes are located in Kentucky and are referred to as Prater Branch Steam Coal Mine Complex ("Prater Branch"), Little Elk Mining Steam Coal Mine Complex ("Little Elk"), and Levisa Fork & Bear Fork Reclamation Projects ("Levisa Fork" and, together with Prater Branch and Little Elk, the "Kentucky Operations"). The Kentucky Operations produced compliance and low sulfur steam coal. A more detailed summary of each of the mining complexes is set forth below.

Deep Water. Deep Water is located in Fayette County, West Virginia. The Debtors are currently mining coal only at Deep Water, which as of March 1, 2013, has estimated total coal reserves of approximately 70 million saleable tons and produces high volatile "A" met coal. Approximately 40 thousand tons of met coal is mined per month. Deep Water consists of one active surface mine with multiple units, two active highwall miners, and two idle underground mines.

North Springs. North Springs is a 16,483-acre site with a well-established infrastructure located in McDowell, Mingo, and Wyoming Counties in West Virginia. When it was operating, North Springs produced compliance steam coal and high volatile "B" quality met coal. North Springs controls an estimated approximately 16.1 million tons of coal reserves, most of which is met coal.

Falcon. Falcon is located in Boone County, West Virginia and controls an estimated approximately 6.2 million tons of coal reserves. This complex produced low sulfur steam coal.

Prater Branch. Prater Branch is located in Magoffin and Floyd Counties in Kentucky and controls an estimated approximately 18.3 million tons of coal reserves. This complex produced lower sulfur steam coal.

Little Elk. Little Elk is located in Perry County in Kentucky and controls an estimated approximately 11.9 million tons of coal reserves. This complex produced mid sulfur steam coal.

Levisa Fork. Levisa Fork is located in Floyd County in Kentucky. Coal reserves at Levisa Fork have been depleted and the Debtors have been conducting only reclamation activities at the site.

3. Pre-Petition Capital Structure

Crédit Agricole Corporate and Investment Bank ("Crédit Agricole"), as the Senior Secured Credit Facility Administrative Agent and a Senior Secured Credit Facility Lender, and the other Senior Secured Credit Facility Lenders are parties to that certain Credit Agreement dated as of March 7, 2008 and amended and restated as of April 7, 2010, among Trinity Coal Corporation, as Borrower, Crédit Agricole and the several Pre-Petition Lenders from time to time parties thereto, as lenders, Crédit Agricole, as Administrative Agent and Issuing Lender, Sole Bookrunner and Co-Lead Arranger, Fortis Bank S.A./N.V., New York Branch, as Syndication Agent and Co-Lead Arranger, The Bank of New York Mellon, as Collateral Agent, Dekabank Deutsche Girozentrale, ING Capital LLC and Landesbank Hessen-Thuringen Girozentrale, New York Branch, as Co-Documentation Agents (as modified or amended, the "Senior Secured Credit Facility Credit Agreement").

In connection with the Senior Secured Credit Facility Credit Agreement, Trinity Coal Corporation, as Borrower, and Banner Coal Terminal LLC, Bear Fork Resources, LLC, Deep Water Resources, LLC, Falcon Resources LLC, Frasure Creek Mining, LLC (d/b/a Trinity Coal Company), Hughes Creek Terminal LLC, Levisa Fork Resources, LLC, Little Elk Mining Company, LLC, North Springs Resources, LLC, Prater Branch Resources LLC, Trinity Parent Corporation, Trinity Coal Marketing LLC and Trinity Coal Partners LLC (the "Grantors") entered into that certain Guarantee and Collateral Agreement, dated March 7, 2008 (as amended, restated, supplemented or otherwise modified from time to time, the "Collateral Agreement") with the Bank of New York Mellon, as the collateral agent (the "Collateral Agent"). Pursuant to that Assumption Agreement, dated November 23, 2009, between Trinity RMG Holdings LLC, RMG, Inc. and the Collateral Agent (the "Assumption Agreement"), Trinity RMG Holdings LLC and RMG, Inc. became additional grantors (the "Additional Grantors") under the Collateral Agreement. Pursuant to that Reaffirmation and Amendment of the Guarantee and Collateral Agreement, dated April 7, 2010, between the Grantors, Additional Grantors and the Collateral Agent (the "Reaffirmation Agreement"), the Grantors and Additional Grantors reaffirmed their obligations under the Collateral Agreement and Assumption Agreement.

Pursuant to the Collateral Agreement, Assumption Agreement and Reaffirmation Agreement, the Pre-Petition Lenders have valid, perfected first priority liens and security interests in substantially all assets and property of the "Borrower" and the "Guarantors" (as defined in the Pre-Petition Credit Agreement) (all Debtors herein), including, without limitation, all of such Borrower's and Guarantors' existing and future acquired property and interests of any nature whatsoever, real and personal, tangible and intangible, including without limitation coal reserves, accounts receivable, general intangibles, payment intangibles, supporting obligations, investment property, commercial tort claims, inventory, rolling stock, machinery, equipment, subsidiary capital stock, chattel paper, documents, instruments, deposit accounts, contract rights, and tax refunds (the "Pre-Petition Collateral"). While the Committee has asserted that the Pre-Petition Lenders do not have valid, perfected, first-priority liens on certain of the Pre-Petition Collateral, any rights of the Committee to challenge such liens, to the extent not earlier resolved or expired, shall be resolved and released by the entry of a final order confirming the Plan. The Senior Secured Lenders dispute the allegations of the Committee in regards to the validity, priority and enforceability of their liens. To the extent any such litigation was brought against the Senior Secured Lenders, they would vigorously defend such litigation.

The stated maturity date under the Senior Secured Credit Facility Credit Agreement is March 31, 2013. On February 11, 2013, Crédit Agricole issued a Notice of Acceleration and Demand for Payment with respect to the Senior Secured Credit Facility Credit Agreement. As of the date hereof, the outstanding principal amount owing under the Senior Secured Credit Facility Credit Agreement was approximately $117.5 million.

The Debtors' obligations under the Senior Secured Credit Facility Credit Agreement are partially guaranteed up to a cap of $103 million (plus certain fees and expenses), pursuant to the terms of that certain Guarantee, dated as of April 7, 2010, by and among Essar Global Limited n/k/a Essar Global Fund Limited ("EGFL"), Travis Coal Restructuring Holdings LLC and Crédit Agricole.

EGFL entered into the EGFL Guarantee in favor of the Senior Secured Credit Facility Administrative Agent (for the benefit of the lenders under the Senior Secured Credit Facility) and Travis Coal Restructured Holdings LLC ("Denham"). With respect to the Senior Secured Credit Facility Administrative Agent, the EGFL Guarantee provides that EGFL guaranteed the sum of (a) the repayment of Trinity Coal Corporation's obligations under the Senior Secured Credit Facility subject to a cap of $103 million (the "Borrower Obligations Cap") and (b) the Senior Secured Credit Facility Administrative Agent's enforcement costs in connection with the EGFL Guarantee. The EGFL Guarantee also provides for a guarantee of the obligations of Essar Minerals, Inc. (the direct parent company of debtor Trinity Parent Corporation) ("EMI") under certain notes EMI issued to Denham in connection with the acquisition of the Debtors. With respect to such notes, EGFL guaranteed EMI's obligations under the notes as and when due (including all interest and penalties) as well as Denham's enforcement costs in connection with such notes and the EGFL Guarantee.

The EGFL Guarantee is subject to an aggregate cap equal to the sum of (a) $203 Million (less any principal paid under the notes issued by EMI to Denham), plus (b) EMI's obligations under such notes other than principal amounts (i.e. interest, fees, reimbursement amounts) plus (c) enforcement costs. Each dollar that EGFL pays under the EGFL Guarantee in

respect of the Debtors' obligations under Senior Secured Credit Facility, up to the Borrower Obligations Cap, reduces EGFL's liability under the EGFL Guarantee.

Arbitration proceedings involving EGFL, Denham and the Senior Secured Credit Facility Administrative Agent currently are pending in which, among other things, Denham and the Senior Secured Credit Facility Administrative Agent have demanded payment under the EGFL Guarantee, and EGFL has asserted defenses to such demands.

4. Surety Bonds

Because the Debtors are in the business of extracting and processing coal, the Debtors must operate under mining permits and must comply with applicable state and federal laws and regulations. To secure the Debtors' compliance with such laws and regulations, the Debtors obtained surety bonds (the "Surety Bonds") in favor of certain governmental agencies. The Surety Bonds were issued by Travelers Casualty and Surety Company of America ("Travelers"), Indemnity National Insurance Company ("Indemnity National") and Bond Safeguard Insurance Company and/or Lexon Insurance Company ("Lexon," and together with Travelers and Indemnity National, the "Sureties") in the following amounts:

Travelers:	$54,397,050
Indemnity National:	$14,336,200
Lexon:	$ 3,258,980
TOTAL	$71,992,230

In connection with the issuance of the Surety Bonds, the Debtors entered into indemnity agreements with its Sureties (the "Indemnity Agreements") obligating the Debtors to indemnify the Sureties in the event that the Debtors fail to comply with applicable regulations and the Surety Bonds are forfeited to the governmental agencies.

The Sureties, Travelers Casualty & Surety Company and Indemnity National Insurance Company (the "Sureties"), have asserted that the existing Surety Bonds may not be assumed by the Debtors for use by the Reorganized Debtors. Under certain facts and circumstances the state regulatory authorities that administer SMCRA may require the transfer of permits when there are changes in ownership or the effective control of the mining operations. In the context of the Reorganization, such a decision would require the Plan Sponsor to transfer the permits and replace the existing Surety Bonds. The Debtors, Plan Sponsor, and the Senior Secured Credit Facility Lenders reserve all rights with respect to the Sureties' assertions.

The Sureties, Debtors, and Plan Sponsor intend to negotiate in good faith to attempt to arrive at consensual terms for treatment of the Sureties under the Plan. The Sureties have proposed alternative methods to resolve their claims. These alternatives include the following. Neither the Debtors, the Senior Secured Credit Facility Lenders, nor the Plan Sponsor have agreed to these terms, and all interested parties reserve all rights with respect to continued negotiations and possible resolution.

Terms of Sureties' Proposal:

The Debtors and Plan Sponsor will make their best efforts and take all necessary actions to replace the Surety Bonds on or before the Confirmation Hearing and obtain release of all of the Sureties' bonds by all bond obligees. All amounts owed to the Sureties for premiums and loss adjustment expenses, including attorneys' fees and interest, shall be paid to the Sureties on the Effective Date.

If the Debtors and the Plan Sponsor are unable to replace the Surety Bonds despite making their best efforts and taking all necessary actions to obtain replacement of the Surety Bonds then the Debtors, Reorganized Debtors, or Plan Sponsor as applicable shall:

a. Pay on the Effective Date all amounts owed to the Sureties for premiums and loss adjustment expenses, including attorneys' fees and interest;

b. The Reorganized Debtors shall properly obtain new bonds on state-required forms and execute new indemnity agreements on the Sureties' standard forms, with terms and indemnitors acceptable to the Sureties;

c. Provide to the Sureties to secure the new bonds replacement Letters of Credit in amounts not less than, and not to exceed 120% of the existing Letters of Credit. These replacement Letters of Credit shall be issued on the Sureties' standard forms and provided by a financial institution acceptable to the Sureties.

Notwithstanding the foregoing alternatives regarding the Surety Bonds, the Sureties reserve all rights, including but not limited to the rights to object to confirmation of the Plan and to draw on any Letter of Credit.

Nothing in the injunction and release provisions of the Plan shall be deemed to apply to the Sureties or the Sureties' claims, nor shall these provisions be interpreted to bar, impair, prevent or otherwise limit the Sureties from exercising their rights under any existing or replacement bonds, existing or replacement Letters of Credit or existing or replacement indemnity agreements, under SMCRA, or under the common law of suretyship.

Notwithstanding anything contained in the Plan to the contrary, all of the Debtors' indemnity agreements shall continue in full force and effect. Nothing contained in this Section shall constitute or be deemed a waiver of any cause of action that the Debtors may hold against any entity, including the issuer of the surety bond, under any of the Debtors' surety bonds.

The Debtors, Plan Sponsor, and the Sureties will negotiate in good faith to estimate the amounts of the Sureties' claims for the purposes of voting on the proposed plan. If agreement cannot be reached on the estimated amount of the Sureties' claims then a hearing will be held to estimate same on October 17, 2013.

5. Letters of Credit

The Surety Bonds are partially secured by certain letters of credit issued by Crédit Agricole (the "Letters of Credit") under the Senior Secured Credit Facility Credit Agreement. Crédit Agricole issued Letters of Credit in favor of Travelers in the total amount of $41,397,460, in favor of Indemnity National in the total amount of $6,165,000, and in favor of Lexon in the total amount of $1,750,000. The Letters of Credit issued to Indemnity National and Lexon were scheduled to expire according to their terms on or about March 21, 2013. The Letter of Credit issued to Travelers was scheduled to expire March 20, 2013. For the avoidance of doubt, nothing in the Plan affects the rights of the Sureties (i) to draw on the Letters of Credit at any time prior to their being so replaced, or (ii) to draw on any such new letters of credit issued under the Exit Facility in accordance with the terms thereof.

B. Events Leading to Chapter 11

In recent years, coal has experienced a precipitous decline in demand due to cheaper alternative sources of energy, namely natural gas and nuclear power, and other factors. This has adversely impacted the entire coal industry, including the Debtors' business and financial condition, which have been in decline since 2011. Consequently, since the 2010 Transaction, the Debtors have closed five out of their six coal mining complexes.

In addition, before the Chapter 11 Cases were filed, Trinity and its management (who were replaced by the CRO after the commencement of the Chapter 11 cases, as described below), attempted various initiatives to address the company's financial condition. These measures, which were unsuccessful, included attempts to resolve certain claims by discounted payments. Ultimately, after unsuccessful attempts to address creditors' concerns, the Debtors' creditors commenced involuntary bankruptcy proceedings against the Debtors.

III. THE CHAPTER 11 CASES

A. Commencement of the Chapter 11 Cases

On February 14, 2013, certain trade creditors of Frasure Creek Mining, LLC ("Frasure Creek") filed an involuntary petition (the "Trade Involuntary Petition") seeking to commence a Chapter 11 case against Frasure Creek in the U.S. Bankruptcy Court for the Eastern District of Kentucky (the "Bankruptcy Court"). On or about February 19, 2013, certain secured lenders, including Crédit Agricole, holding claims against each of the Debtors pursuant to the Senior Secured Credit Facility Credit Agreement (the "Pre-Petition Lenders"), filed involuntary petitions (the "Lenders' Involuntary Petitions" and, together with the Trade Involuntary Petition, the "Involuntary Petitions") seeking to commence a Chapter 11 case against each of the Debtors in the Bankruptcy Court. The Pre-Petition Lenders also contemporaneously filed, on February 19, 2013, a motion seeking the appointment of an interim and permanent Chapter 11 trustee for each of the Debtors (the "Trustee Motion").

In response to the Involuntary Petitions and Trustee Motion, the Debtors immediately engaged the Pre-Petition Lenders, among other parties, in negotiations to stabilize the Debtors' complex business operations, while reserving all of their rights with respect to the

Trustee Motion. The Trustee Motion was resolved by the appointment of a Chief Restructuring Officer, as described in further detail below.

Thereafter, the Debtors' Board of Directors consented to the entry of an order for relief in each of their respective Chapter 11 Cases (the "Order for Relief") to enable the Debtors to preserve assets from collection activities of creditors, stabilize the Debtors' operations and enable the Debtors to achieve their goal of maximizing the value of their estate. On March 4, 2013, the Debtors filed their *Consolidated Answer to Involuntary Petitions and Consent to an Order for Relief and Reservation of Rights* (the "Consolidated Answer"), consenting to the entry of the Order for Relief. The Order for Relief was entered by the Bankruptcy Court on March 4, 2013 (the "Relief Date"), upon which the Chapter 11 Cases were converted to voluntary cases.

The Chapter 11 Cases are being jointly administered, for procedural purposes only, pursuant to an Order of the Bankruptcy Court entered February 27, 2013 [D.E. 31]. The Debtors continue to manage and operate their business as debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these Chapter 11 Cases.

B. Appointment of Chief Restructuring Officer

On February 25, 2013, the Debtors employed David Stetson as their Chief Restructuring Officer which consensually resolved the Trustee Motion. In doing so, the Debtors avoided the unnecessary expense and delay of litigation and enabled the Debtors to concentrate their attention going forward on maximizing the value of their assets for the benefit of their creditors and parties in interest. Mr. Stetson, as CRO, became immediately vested with the discretion and authority to manage and control the Debtors' business operations, as well as to file appropriate papers to convert the Chapter 11 Cases from involuntary to voluntary cases, negotiate and authorize the consummation of financings, sales and restructuring transactions, among other things, all subject to Bankruptcy Court approval if and as required.

On March 6, 2013, the Bankruptcy Court approved an agreed Order appointing the Chief Restructuring Officer of the Debtors [D.E. 137] which Order was amended and restated by the Order entered on April 3, 2013 [D.E. 255]. On May 22, 2013, the Bankruptcy Court approved the *Agreed Order Approving Terms of CRO's Incentive Compensation* [D.E. 386].

C. First Day Orders

Concurrently with the filing of the Debtors' Consolidated Answer consenting to the entry of the Order for Relief, the Debtors filed a number of motions and other pleadings (collectively, the "First Day Motions") seeking approval of so-called "First Day Orders" in order to facilitate the transition between the Debtors' pre-petition and post-petition business operations and authorize the Debtors to continue with certain ordinary course business practices that may not be specifically authorized under the Bankruptcy Code, or for which the Bankruptcy Code requires prior Bankruptcy Court approval. The First Day Motions included the following motions to facilitate the Debtors' transition into and operations under the Chapter 11 Cases:

- to obtain debtor-in-possession financing and utilize cash collateral [D.E. 73] which is explained in further detail in Section III.F. below;

- to pay pre-Relief Date wages and maintain employee benefit programs to the Debtors' employees [D.E. 70];

- to maintain existing bank accounts and cash management system and use of existing business forms, books and records [D.E. 69];

- to continue to operate and manage in the ordinary course of business the Debtors' surety bond program [D.E. 71];

- to pay pre-Relief Date sales, use and production taxes [D.E. 68];

- to pay adequate assurance payments to utility companies, prohibiting utility companies from altering, refusing or discontinuing services, and establishing procedures for resolving requests for additional assurances [D.E. 67];

- to pay certain pre-Relief Date claims of certain critical vendors that provide essential and irreplaceable services to the Debtors [D.E. 72];

- to retain Epiq, the Debtors' claims and noticing agent [D.E. 66];

- to extend the time for the Debtors to file their schedules of assets and liabilities and statements of financial affairs [D.E. 64]; and

- to establish certain notice, case management and administrative procedures in the Chapter 11 Cases [D.E. 65].

The First Day Motions were granted with certain modifications or adjustments to accommodate the objections, comments, and concerns of the Bankruptcy Court, the U.S. Trustee and other parties in interest, as reflected in the orders that are publicly available on the Docket.

D. Retained Professionals

The Bankruptcy Court has authorized the Debtors to retain certain professionals to represent them and assist them in connection with the Chapter 11 Cases. Specifically, the Debtors retained, and the Bankruptcy Court approved the retention of, the following professionals who are principally located respectively at the indicated addresses:

Counsel:

Curtis, Mallet-Prevost, Colt & Mosle LLP
101 Park Avenue
New York, NY 10178

Bingham Greenebaum Doll LLP
300 W. Vine Street, Suite 1100
Lexington, KY 40507

Mining Consultants:

Newbridge Services, Inc.
340 S. Broadway, Suite 101
Lexington, KY 40508

Cardno MM&A
5480 Swanton Drive
Lexington, KY 40509

D.J. Geiger & Co., LLC
1880 Fort Harrods Drive
Lexington, KY 40503

Financial Advisor and Investment Banker:

Moelis & Company LLC
399 Park Avenue, 5th Floor
New York, NY 10022

Claims and Noticing Agent:

Epiq Bankruptcy Solutions, LLC
757 Third Avenue, 3rd Floor
New York, NY 10017

Tax Accountants:

Dixon Hughes Goodman LLP
707 Virginia Street East, Suite 1700
Charleston, WV 25301

Additionally, the Bankruptcy Court authorized the Debtors to retain, employ, compensate and reimburse the expenses of certain professionals, primarily attorneys, who have rendered services to the Debtors unrelated to the Chapter 11 Cases to assist with the operations of the Debtors' businesses in the ordinary course.

E. Appointment of the Official Committee of Unsecured Creditors

On March 18, 2013, the U.S. Trustee appointed an Official Committee of Unsecured Creditors (the "Committee") in these Chapter 11 Cases which was later supplemented on March 25, 2013 to add an additional party to the Committee. The current membership of the Committee and the professional advisors to the Committee, including their principal locations, are as follows:

Committee Members

Austin Powder Company
25800 Science Park Drive
Cleveland, OH 44122

Duke Energy Carolinas, LLC
526 South Church Street
Charlotte, NC 28202

Counsel:

Foley & Lardner LLP
321 N. Clark Street, Suite 2800
Chicago, IL 60654

Sturgill, Turner, Barker & Moloney, PLLC
333 W. Vine St., Ste. 1400
Lexington, KY 40507

Committee Members

Whayne Supply Company
1400 Cecil Avenue
Louisville, KY 40211-1626

Central Contracting, Inc.
P.O. Box 1485
St. Albans, WV 25177

Rish Equipment Company
P.O. Box 330
Bluefield, WV 24701

Counsel:

Mining and Geological Consultants:
John T. Boyd Company
4000 Town Center Blvd., Suite 300
Canonsburge, PA 15317

F. Debtor-in-Possession Financing

On March 6, 2013, the Bankruptcy Court entered an interim order [D.E. 139] that, among other things, approved a senior secured superpriority debtor-in-possession revolving facility of $15 million (the "DIP Facility") pursuant to the Senior Secured Priming and Super-Priority Post-Petition Credit and Security Agreement, dated March 7, 2013, as amended (the "DIP Agreement") with certain of the Debtors' Pre-Petition Lenders (the "DIP Lenders"). The DIP Facility provided the Debtors with immediate and necessary liquidity to continue to operate their business and preserve and maintain going concern value.

The DIP Facility also included a roll up of the approximately $49.3 million of Letters of Credit issued by Crédit Agricole and a commitment to renew, amend and/or extend the Letters of Credit. The DIP Lenders were granted a first priority security interest in all of the Debtors' assets (other than bankruptcy avoidance actions) subject in priority only to valid, perfected, enforceable and non-avoidable liens in existence as of the Petition Date, including but not limited to, any valid perfected, enforceable and non-avoidable liens of Caterpillar Financial Services Corporation and Cook Tire, Incorporated.

On August 8, 2013, the Bankruptcy Court approved an order [D.E. 630] (the "DIP Extension Order") increasing the DIP Facility from $15 million to $22 million and extending both the maturity date under the DIP Agreement to and including November 29, 2013, and the expiration of the Letters of Credit to and including November 22, 2013. The DIP Extension Order was sought because it was an integral provision of the Deposit Escrow Agreement, dated August 1, 2013 (the "Deposit Escrow Agreement") which is described in further detail below in Section III.G..

G. Sale of Assets and Postponement Thereof Due to Deposit Escrow Agreement

The DIP Agreement required the Debtors to meet certain sale-related milestones, including obtaining an order approving certain sale procedures for the sale of any or all of the Debtors' assets by July 15, 2013, holding an auction for the sale of the Debtors' assets by July 31, 2013, obtaining a court order approving the sale by August 9, 2013, and consummating the sale of the Debtors' assets by August 28, 2013.

Since the DIP Facility was put into place, the Debtors and their financial advisors retained in these Chapter 11 Cases, Moelis & Company LLC ("Moelis"), in consultation with the Committee, the DIP Lenders and the Pre-Petition Lenders, have designed and conducted a robust sales process to maximize the value of the Debtors' assets for the benefit of their creditors and respective estates.

Among other things, the Debtors, together with Moelis, updated and populated a virtual data room (the "Virtual Data Room") containing thousands of documents regarding the Debtors' historical and current financial affairs and business operations. The sales process also included soliciting interest from potential buyers and entering into non-disclosure agreements (each, an "NDA") with parties who expressed initial interest in acquiring some or all of the Debtors' assets. More than 60 potential buyers were solicited, including competitors as well as other strategic and financial investors. More than 30 potential purchasers thereafter entered into NDAs and conducted various degrees of due diligence, including management presentations and site visits with respect to the various mining complexes.

On July 11, 2013, the Bankruptcy Court entered an order [D.E. 529] (the "Sale Procedures Order"), which, among things, approved certain bidding and auction procedures for the sale by auction of all or any of the Debtors' assets (the "Auction"). The Auction originally was scheduled to commence on July 30, 2013.

The Debtors received first round non-binding proposals from 14 potential buyers across all six mining complexes. After receiving the first-round bids, the Debtors and their advisors invited certain of the potential buyers to return for a second round bid and submit concrete binding offers and thereby compete to be a "stalking horse" for some or all of the Debtors' assets. Thereafter, several additional potential purchasers approached the Debtors and their advisors and commenced to negotiate for the purchase of all or some of the Debtors' assets.

In light of the negotiations with multiple potential purchasers, the Debtors, in consultation with the Committee and the DIP Lenders, deferred entering into an asset purchase agreement with a stalking horse bidder while reserving the right to do so, in consultation with the Committee and the DIP Lenders, in accordance with the Sale Procedures Order.

While pursuing a robust sales process pursuant to the Bidding Procedures Order, the Debtors, in consultation with the DIP Lenders and the Committee, also pursued on a dual track certain negotiations concerning the terms and conditions of a possible Chapter 11 plan of reorganization, including negotiations resulting in the formulation of the Plan with EGFL. In accordance with the Sale Procedures Order, and to allow additional time for bids to be submitted and considered, and to allow the plan of reorganization negotiations to advance, the Debtors, in consultation with the DIP Lenders and the Committee, initially adjourned the Auction to August 2, 2013. Thereafter, the Debtors, in consultation with the DIP Lenders and the Committee, further adjourned the Auction to August 6, 2013.

Subsequently, the Debtors and the DIP Lenders entered into the Deposit Escrow Agreement, which was authorized by Order of the Bankruptcy Court on August 8, 2013 [D.E. 629]. Upon the signing and delivery of the Deposit Escrow Agreement on August 2, 2013, EGFL funded the $15 million Initial Deposit (as defined in the Deposit Escrow Agreement), and

on September 3, 2013, EGFL funded the $5 million Supplemental Deposit (as defined in the Deposit Escrow Agreement), which are being held by the Debtors in a segregated bank account. These funds, and any additional funds that may be deposited with the Debtors by EGFL pursuant to the terms of the Deposit Escrow Agreement, are not property of the Debtors' Chapter 11 estates, and will not become property of the Debtors' Chapter 11 estates except as specifically provided in accordance with the terms and conditions of the Deposit Escrow Agreement. The Deposit Escrow Agreement, among other things, provided the platform for the parties to continue negotiations which led to the formulation and filing of the Plan.

Upon the signing and delivery of the Deposit Escrow Agreement, and EGFL's funding of the Initial Deposit, the Debtors, in consultation with the DIP Lenders and the Committee, adjourned the Auction to a future date to be determined. This final adjournment was intended to provide an opportunity for the parties to complete their negotiations which have resulted in the proposal of the Plan.

H. The Claims Process and Bar Dates

On May 22, 2013, the Bankruptcy Court established the following bar dates (each, a "Bar Date") for the filing of proofs of claim against the Debtors in these Chapter 11 Cases:

- July 2, 2013 as the Bar Date for the filing of all proofs of claim for (i) claims arising prior to the commencement of the Chapter 11 Cases (this Bar Date does not apply to claims or interests held by one Debtor against another Debtor nor to any other claims that are subject to one of the other specific Bar Dates set forth below); (ii) claims that arose during the period after the commencement of the Chapter 11 Case but before the Relief Date; and (iii) claims for the value of any goods received by the Debtors within 20 days before the commencement of these Chapter 11 Cases, which goods were sold to the Debtors in the ordinary course of the Debtors' business; and

- September 3, 2013 as the Bar Date for the filing of all proofs of claim by any "governmental unit" as that term is defined in Section 101(27) of the Bankruptcy Code;

- For claims arising from the Debtors' rejection of any executory contract or unexpired lease, the Bar Date is the later of (a) July 2, 2013; (b) thirty (30) days after the entry of any order authorizing the rejection of an executory contract or unexpired lease; and (c) thirty (30) days after the effective date of the rejection of such executory contract or unexpired lease.

On April 15, 2013, the Debtors filed their schedules of assets and liabilities (the "Schedules") and statements of financial affairs in these Chapter 11 Cases. In the event that the Debtors amend their Schedules, the Bar Date for filing a proof of claim with respect to such claim is the later of (a) July 2, 2013; and (b) thirty (30) days after the applicable claimant affected by any such amendment is served with notice that the Debtors have amended their Schedules.

The Debtors are continuing their review and analysis of the proofs of claims filed in the Chapter 11 Cases. As of the date hereof, approximately 350 claims have been filed against the various Debtors which, in the aggregate (inclusive of both Secured and Unsecured Claims), total approximately $530 million. The Debtors anticipate that they have valid objections to many of the Claims that have been filed and thus, the ultimate total Allowed amount of such Claims will be significantly less than the asserted amounts. Consequently, the amount of the Pro Rata share that ultimately will be received by any particular Holder of an Allowed Claim may be adversely affected by the outcome of the claims reconciliation process.

I. The Committee Investigation and Third Party Releases

Beginning shortly after its appointment, the Committee began investigating potential claims against various Essar entities and affiliates as well as individuals affiliated with Essar who had served as officers and/or directors of the Debtors. The Committee's investigation included, without limitation, a review of (a) the Debtors' credit agreements, claim subordination agreements, coal supply agreements (including those with Essar) and transaction documents, (b) the documents, "memoranda of understandings" and other pre-petition transactions between the Debtors and Essar entities, (c) the Debtors' pre-petition cash flow forecasts and other projections, (d) various corporate documents, including minutes and resolutions, and (e) various financial documents and other data. The Committee's investigation also included interviews of various current and former officers of the Debtors regarding the Debtors' pre-petition operations and transactions and relationships with Essar entities and affiliates.

The Committee is of the view that the Debtors' estates could potentially raise certain alleged litigation claims against various Essar entities and affiliates, as applicable. The Debtors and the Plan Sponsor dispute the allegations of the Committee. The general categories of claims which the Committee believe may exist are as follows:

- Avoidance Action Claims, including alleged avoidance action claims under chapter 5 of the Bankruptcy Code, including claims the Committee asserts may possibly exist relating to transfers made by the Debtors to the Pre-Petition Lenders within a year of the petition date.

- Breach of Fiduciary Duty Claims, including alleged claims against current and/or former directors and former officers of the Debtors who are affiliated with Essar, for alleged pre-petition mismanagement and other misconduct related to the Debtors' operations and transactions and dealings with Essar entities and affiliates.

- Corporate Veil Claims, including alleged claims contending that a parent company may be held liable for its subsidiary's and/or affiliate's debts.

The alleged claims summarized above, as well as any other claims that the Debtors' estates allegedly may hold, would be resolved under the Plan. In this regard, the Plan includes a release of alleged claims against Essar entities and affiliates. Essar has not admitted to, and believes that it has no, liability related to the alleged claims summarized above, and the Committee has not proven any such liability. Moreover, for the reasons set forth in the Committee Letter to be included in the solicitation materials, with which the Debtors agree, the

Committee has determined, in the exercise of its business judgment, that the terms of the Plan are more advantageous to unsecured creditors than any alternative scenario involving litigation against Essar entities and affiliates.

IV. CHAPTER 11 PLAN

A. Administrative Claims, DIP Claims, and Priority Tax Claims

1. Administrative Claims

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors, each Holder of an Allowed Administrative Claim (other than of an Accrued Professional Compensation Claim), will receive in full and final satisfaction of its Administrative Claim an amount of Cash equal to the amount of such Allowed Administrative Claim either: (1) on the Effective Date or as soon as practicable thereafter, or, if not then due, when such Allowed Administrative Claim is due or as soon as reasonably practicable thereafter; (2) if the Administrative Claim is not Allowed as of the Effective Date, no later than 30 days after the date on which an order of the Bankruptcy Court Allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter or, if not then due, when such Allowed Administrative Claim is due or as soon as reasonably practicable thereafter; (3) if the Allowed Administrative Claim is based on liabilities incurred by the Debtors in the ordinary course of their business after the Relief Date, pursuant to the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claims, without any further action by the Holders of such Allowed Administrative Claims; (4) at such other time that is agreed to by the Debtors and the Holders of such Allowed Administrative Claims; or (5) at such other time and on such other terms set forth by an order of the Bankruptcy Court.

Except for Claims of Professionals and Governmental Units unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the Debtors no later than the Administrative Claims Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of the occurrence of the Confirmation Date. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not File and serve such a request by the Administrative Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, or their property and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests must be Filed and served on the Debtors and the requesting party by the later of (a) 180 days after the Effective Date and (b) 180 days after the Filing of the applicable request for payment of Administrative Claims, if applicable.

Any requests for payment of Administrative Claims that are not properly Filed and served by the Administrative Claims Bar Date shall not appear on the Claims Register and shall be disallowed automatically without the need for any objection from the Debtors, any of the Trustees, or any other party or any action by the Bankruptcy Court.

2. Accrued Professional Compensation Claims

(a) Final Fee Applications

All final requests for payment of Accrued Professional Compensation Claims shall be filed no later than 120 days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and applicable Bankruptcy Court orders, the Allowed amounts of such Accrued Professional Compensation Claims shall be determined by the Bankruptcy Court. Notwithstanding anything in the Plan to the contrary, and unless otherwise agreed to by the claimant and the Debtors, the Allowed Accrued Professional Compensation Claims shall be paid in full, in Cash, as soon as practicable, and in no event later than two (2) Business Days following the later of (a) the Effective Date and (b) the date upon which any such Accrued Professional Compensation Claim is approved by Order of the Bankruptcy Court; provided that no Accrued Professional Compensation Claim that is not included in the Professional Reserve Amount shall be Allowed, and each Professional shall waive any such amount of Accrued Professional Compensation Claims.

(b) Professional Reserve Escrow

To receive payment for unbilled fees and expenses incurred through the Effective Date, the Professionals shall estimate their Accrued Professional Compensation Claims as of the Effective Date and shall deliver such estimate to the Debtors, EGFL, the DIP Administrative Agent, and the Committee no later than five (5) days prior to the date of the Confirmation Hearing. If a Professional does not provide an estimate, the Debtors may estimate the unbilled fees and expenses of such Professional. The total amount so estimated, plus any estimate submitted no later than five (5) days prior to the date of the Confirmation Hearing by the Debtors' current (i) Chief Restructuring Officer, David Stetson, (ii) Chief Financial Officer, Michael D. Dean, and (iii) financial advisor and investment banker, Moelis & Company, arising under or relating to their respective employment and/or compensation agreements which have been approved by the Bankruptcy Court (but only to the extent that funding for the payment of such amounts (the collectively, the "Officers' and Banker's Payments"), on or about the Effective Date, is not otherwise provided for), plus the Debtors' estimate of the anticipated costs of administering the Professional Reserve Escrow, shall, in the aggregate, constitute the Professional Reserve Amount. On the Effective Date, the Debtors shall transfer the Professional Reserve Amount to the Professional Reserve Escrow.

The Professional Reserve Escrow Agent shall distribute the funds in the Professional Reserve Escrow as soon as reasonably practicable, and in no event later than two (2) Business Days following the later of (i) the Effective Date and (ii) the date upon which any Accrued Professional Compensation Claim is approved by Order of the Bankruptcy Court, to (a) pay the (y) Accrued Professional Compensation Claims as approved by Order of the Bankruptcy Court, and (z) Officers' and Banker's Payments, (b) pay the reasonable fees and expenses of the Professional Reserve Escrow Agent, and (c) provide for any Disputed Accrued Professional Compensation Claims in accordance with the Plan and the Professional Reserve Escrow Agreement. Any unused funds remaining in the Professional Reserve Escrow after payment of the foregoing amounts, inclusive of any such Disputed Claims to the extent they ultimately are Allowed, shall be returned to the Reorganized Debtors.

(c) Post-Effective Date Fees and Expenses

Except as otherwise specifically provided in the Plan, on and after the Effective Date, the Reorganized Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable legal, Professional (with the exception of Committee Professionals), or other fees and expenses related to implementation and Consummation of the Plan incurred by the Debtors on or after the Effective Date; *provided that* all fees and expenses of winding down the Debtors' remaining Estates shall be paid by the Liquidating Trust in accordance with the terms of this Plan. Upon the Effective Date, any requirement that Professionals comply with Sections 327 through 331, and 1103 of the Bankruptcy Code or the Interim Compensation Order in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Debtors and the Trustees, respectively, may employ and pay any Professional in accordance with the terms of the Plan without any further notice to or action, order, or approval of the Bankruptcy Court.

3. DIP Claims

Except to the extent that a Holder of a DIP Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each DIP Claim, each DIP Claim shall be paid in full in Cash on the Effective Date; *provided*, *however*, that on the Effective Date the Letters of Credit shall be replaced by an equal face amount of letters of credit issued under the Exit Facility (the "Replacement Letters of Credit") and each of the original Letters of Credit outstanding shall have been returned to the DIP Issuing Bank for cancellation (or the beneficiary thereof has entered into a binding agreement with, and in form and substance acceptable to, the DIP Issuing Bank and the DIP Administrative Agent to so return such original Letter of Credit promptly after the Effective Date), which Replacement Letters of Credit, together with any DIP Claims consisting of unreimbursed draws under any Letter of Credit paid by EGFL on the Effective Date shall constitute a partial satisfaction of the Guaranteed Note Obligations. Each DIP Claim paid in Cash on the Effective Date (other than DIP Claims consisting of unreimbursed draws under Letters of Credit) shall be paid, at the direction of EGFL, from the Essar DIP Commitment Amount and/or the Cash Deposit; and each DIP Claim consisting of unreimbursed draws under Letters of Credit, if any, shall be paid directly by EGFL from the Essar Guaranty Commitment Amount. Upon the Effective Date, each DIP Issuing Bank shall cancel, and be released of all obligations with respect to, all undrawn Letters of Credit.

4. Priority Tax Claims

Each Holder of an Allowed Priority Tax Claim due and payable on or before the Effective Date shall receive, on the Initial Distribution Date, at the option of the Debtors, one of the following treatments: (1) Cash from the proceeds of the Essar Equity Commitment Amount in an amount equal to the portion of such Allowed Priority Tax Claim payable on the Effective Date; (2) Cash in the amount of such Allowed Priority Tax Claim payable after the Effective Date plus, to the extent provided for by Section 511 of the Bankruptcy Code, interest at the rate determined under applicable non-bankruptcy law, payable by the Reorganized Debtors in installment payments over a period of time not to exceed five years after the Relief Date,

pursuant to Section 1129(a)(9)(C) of the Bankruptcy Code; or (3) such other treatment as may be agreed upon by such Holder and the Debtors or otherwise determined upon an order of the Bankruptcy Court. To the extent any Allowed Priority Tax Claim is not due and owing on the Effective Date, such Claim shall be paid in full in Cash in accordance with the terms of any agreement between the Debtors and the Holder of such Claim, or as may be due and payable under applicable non-bankruptcy law or in the ordinary course of business.

5. U.S. Statutory Fees

The Liquidating Trust shall pay all U.S. Trustee Fees for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

B. Classification and Treatment of Claims and Interests

In accordance with Section 1123(a)(1) of the Bankruptcy Code, DIP Claims, Administrative Claims, and Priority Tax Claims have not been classified and thus are excluded from the Classes of Claims and Interests set forth in Article III of the Plan.

1. Summary of Classification

All Claims and Interests, other than Administrative Claims (including Accrued Professional Compensation Claims through the Effective Date), DIP Claims, and Priority Tax Claims, are classified in the Classes set forth in Article III of the Plan for all purposes, including voting, Confirmation, and distributions pursuant hereto and pursuant to Sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim or Interest is also classified in a particular Class for the purpose of receiving distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

(a) Class Identification

The classification of Claims and Interests against each Debtor (as applicable) pursuant to the Plan is as set forth in Section I.A. of the Disclosure Statement. All of the potential Classes for the Debtors are set forth herein. Claims against each individual Debtor have been classified together for purposes of describing treatment under the Plan. Solely to the extent required to support Confirmation of the Plan in the absence of the substantive consolidation provided for in Article IV.Z of the Plan, each Class of Claims against or Equity Interests in a Debtor shall be treated as being in a separate sub-Class for each Debtor for the purpose of voting on the Plan.

2. Treatment of Claims and Interests

The treatment and voting rights provided to each Class for distribution purposes is specified below:

(a) Class 1 - Other Priority Claims

(i) *Classification*: Class 1 consists of all Other Priority Claims.

(ii) *Treatment*: Except to the extent that a Holder of an Allowed Other Priority Claim agrees to a less favorable treatment, in exchange for full and final satisfaction, settlement, release, and compromise of each and every Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim shall be paid in full in Cash from the proceeds of the Essar Equity Commitment Amount on (i) the Effective Date or as soon as practicable thereafter, (ii) if after the Effective Date, the date on which such Other Priority Claim becomes an Allowed Other Priority Claim, or (iii) such other date as may be ordered by the Bankruptcy Court.

(iii) *Voting*: Class 1 is Unimpaired, and Holders of Class 1 Other Priority Claims conclusively are presumed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 1 Other Priority Claims are not entitled to vote to accept or reject the Plan.

(b) Class 2 - Other Secured Claims

(i) *Classification*: Class 2 consists of all Other Secured Claims.

(ii) *Treatment*: Except to the extent that a Holder of an Allowed Other Secured Claim agrees to a less favorable treatment, in exchange for full and final satisfaction, settlement, release, and compromise of each and every Allowed Other Secured Claim, each Holder of such Claim shall, at the sole option of the Debtors:

1. be paid in full in Cash, including the payment of any interest required to be paid under Section 506(b) of the Bankruptcy Code, from the proceeds of the Essar Equity Commitment Amount on the Effective Date or as soon thereafter as reasonably practicable or, if payment is not then due, from the Reorganized Debtors in the ordinary course of business or in accordance with the payment terms of any applicable agreement; or

2. otherwise be treated in any manner such that the Allowed Other Secured Claim shall be rendered Unimpaired on the later of the Effective Date and the date on which such Other Secured Claim becomes an Allowed Other Secured Claim or as soon as reasonably practicable thereafter.

(iii) *Voting*: Class 2 is Unimpaired, and Holders of Class 2 Other Secured Claims conclusively are presumed to have accepted the Plan

pursuant to Section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 2 Other Secured Claims are not entitled to vote to accept or reject the Plan.

(c) Class 3 - CAT Secured Claims

(i) *Classification*: Class 3 consists of all CAT Secured Claims.

(ii) *Treatment*: Except to the extent that a Holder of an Allowed CAT Secured Claim agrees to a less favorable treatment, in exchange for full and final satisfaction, settlement, release, and compromise of each and every CAT Secured Claim, each Holder of such Claim shall, at the sole option of the Debtors:

1. receive the collateral securing any such Allowed CAT Secured Claim, be paid any interest required to be paid under Section 506(b) of the Bankruptcy Code on the Effective Date or as soon thereafter as reasonably practicable, and otherwise maintain unaltered all legal, equitable, and remaining contractual rights that such Holder may have against the Debtors; or

1. otherwise be treated in any manner such that the Allowed CAT Secured Claim shall be rendered Unimpaired on the later of the Effective Date and the date on which such CAT Secured Claim becomes an Allowed CAT Secured Claim or as soon as reasonably practicable thereafter.

(iii) *Voting*: Class 3 is Unimpaired, and Holders of Class 3 CAT Secured Claims conclusively are presumed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 3 CAT Secured Claims are not entitled to vote to accept or reject the Plan.

(d) Class 4 - Senior Secured Credit Facility Secured Claims

(i) *Classification*: Class 4 consists of all Senior Secured Credit Facility Secured Claims.

(ii) *Allowance*: The Senior Secured Credit Facility Secured Claims shall be Allowed and deemed to be Allowed Secured Claims in the aggregate principal amount of $60 million, solely for the purpose of this Plan. Notwithstanding anything to the contrary herein, the Allowance of the Senior Secured Credit Facility Claims (both the Secured Claims and the Deficiency Claims) is final as of the Effective Date, and such Claims are not subject to objection by the Debtors, any creditor, the Trustees or any other party-in-interest. To the extent the Debtors have any Avoidance Actions or any other Causes of Action against the Senior Secured Credit Facility Agent and/or the Holders of Senior Secured Credit Facility Claims, such Avoidance Actions or any other

Causes of Action are not being transferred to the Liquidating Trust and are waived and released pursuant to the Plan.

(iii) *Treatment:* Except to the extent that a Holder of an Allowed Senior Secured Credit Facility Secured Claim agrees to a less favorable treatment for such Holder, in exchange for full and final satisfaction, settlement, release, and compromise of each and every Allowed Senior Secured Credit Facility Claim, the Holders of such Allowed Senior Secured Credit Facility Secured Claims shall receive (i) from EGFL under the EGFL Guarantee on the Effective Date $55 million, to be paid directly by EGFL to the Senior Secured Credit Facility Administrative Agent in Cash, for the ratable benefit of the Senior Secured Credit Facility Lenders and to be applied by the Senior Secured Credit Facility Administrative Agent in accordance with the terms of the Senior Secured Credit Facility Credit Agreement, which Cash, plus the sum of any unreimbursed draws under Letters of Credit paid by EGFL on the Effective Date and the stated amount of the Replacement Letters of Credit up to but not exceeding the Guaranteed Note Obligations then due and payable, shall be paid solely in satisfaction of the Guaranteed Note Obligations, and (ii) $1 million, to be funded to the Debtors by EGFL on the Effective Date then paid directly by the Debtors to the Senior Secured Credit Facility Administrative Agent in Cash, for the ratable benefit of the Senior Secured Credit Facility Lenders and to be applied by the Senior Secured Credit Facility Administrative Agent in accordance with the terms of the Senior Secured Credit Facility Credit Agreement, which Cash shall be paid solely in satisfaction of the Senior Secured Credit Facility Secured Claims.

(iv) *Voting*: Class 4 is Impaired. Therefore, Holders of Class 4 Senior Secured Credit Facility Secured Claims are entitled to vote to accept or reject the Plan..

(e) Class 5 – Reclamation Claims

(i) *Classification*: Class 5 consists of all Reclamation Claims.

(ii) *Allowance*: The Reclamation Claims shall be Allowed.

(iii) *Treatment*: Except to the extent that a Holder of a Reclamation Claim agrees to a less favorable treatment for such Holder, in exchange for full and final satisfaction, settlement, release, and compromise of each and every Allowed Reclamation Claim, each Allowed Reclamation Claim shall be Reinstated as of the Effective Date, and no distribution shall be made on account of such Reclamation Claims under the Plan.

(iv) *Voting*: Class 5 is Unimpaired, and Holders of Class 5 Reclamation Claims conclusively are presumed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 5 Reclamation Claims are not entitled to vote to accept or reject the Plan.

(f) Class 6 - General Unsecured Claims

(i) *Classification*: Class 6 consists of all General Unsecured Claims including all Allowed Senior Secured Credit Facility Deficiency Claims and all CAT Deficiency Claims, without regard to the Allowed amount of such Claims; provided that Class 6 shall not include any Essar Unsecured Claims.

(ii) *Allowance*: The Class 6 Claims shall include the Senior Secured Credit Facility Deficiency Claims, the CAT Deficiency Claims and any other General Unsecured Claims that are Allowed pursuant to the Plan or a Final Order of the Bankruptcy Court.

(iii) *Treatment*:

1. Except to the extent that a Holder of a General Unsecured Claim agrees to a less favorable treatment, in exchange for full and final satisfaction, settlement, release, and compromise of each and every Allowed General Unsecured Claim, each Holder of such Allowed General Unsecured Claim shall receive a Pro Rata interest in the Trust Assets; provided that each Holder of an Allowed Senior Secured Credit Facility Deficiency Claim hereby waives the entire amount of such Senior Secured Credit Facility Deficiency Claim on the Effective Date.

2. On the Effective Date, the Reorganized Deep Water Entities and the Liquidating Trustee shall enter into the Royalty Agreement to further effectuate the distributions to Holders of General Unsecured Claims under this Plan.

(iv) *Voting*: Class 6 is Impaired. Therefore, Holders of Allowed Class 6 General Unsecured Claims as of the Voting Record Date are entitled to vote to accept or reject the Plan.

(g) Class 7 – Essar Unsecured Claims

(i) *Classification*: Class 7 consists of all Essar Unsecured Claims.

(ii) *Allowance*: The Class 7 Claims shall include all Essar Unsecured Claims, which shall be Allowed in the aggregate amount of $133,446,780.

(iii) *Treatment*: In exchange for full and final satisfaction, settlement, release, and compromise of each and every Essar Unsecured Claim, together with the other payments and consideration to be provided by the Plan Sponsor or its non-Debtor Affiliate designees pursuant to the terms of the Plan, the Plan Sponsor shall receive on the Effective Date 100% of the New Common Stock of Reorganized TPC and 100% of the New Common Stock of the Reorganized Deep Water Entities as described in the Plan Supplement.

(iv) *Voting*: Class 7 is Impaired. The Plan Sponsor as the authorized agent of each of the Holders of Allowed Class 7 Essar Unsecured Claims as of the Voting Record Date, is entitled to vote to accept or reject the Plan by a single Ballot on behalf of all such Holders in the aggregate.

(h) Class 8 - Intercompany Claims

(i) *Classification*: Class 8 consists of all Intercompany Claims.

(ii) *Treatment*: To preserve the Debtors' corporate structure, Intercompany Claims may be Reinstated as of the Effective Date, and no distribution shall be made on account of such Intercompany Claims, or, at the Debtors' or Reorganized Debtors' option, as applicable, be cancelled or compromised.

(iii) *Voting*: Class 8 is Impaired. Because the Debtors reserve the right to have the Intercompany Claims be Reinstated, cancelled, or compromised, Holders of Class 8 Intercompany Claims are provisionally entitled to vote to accept or reject the Plan; provided that should Class 8 ultimately be Unimpaired, or Impaired and entitled to receive no distribution, Class 8 Ballots shall be disregarded and Class 8 shall be either presumed to accept or deemed to reject the Plan, as applicable.

(i) Class 9 - Section 510(b) Claims

(i) *Classification*: Class 9 consists of all Section 510(b) Claims.

(ii) *Treatment*: Holders of Section 510(b) Claims shall not receive any distribution on account of such Claims, and Section 510(b) Claims shall be discharged, cancelled, released, and extinguished as of the Effective Date.

(iii) *Voting*: Class 9 is Impaired, and Holders of Class 9 Section 510(b) Claims are deemed to have rejected the Plan pursuant to Section 1126(g) of the Bankruptcy Code. Therefore, Holders of Class 9 Section 510(b) Claims are not entitled to vote to accept or reject the Plan.

(j) Class 10 - Intercompany Interests

(i) *Classification*: Class 10 consists of all Intercompany Interests.

(ii) *Treatment*: To the extent not extinguished, reissued, and transferred by a Debtor to a Reorganized Debtor or the Plan Sponsor for consideration in accordance with the terms of the Plan, Intercompany Interests shall be reinstated on the Effective Date.

(iii) *Voting*: Class 10 is Unimpaired, and Holders of Class 10 Intercompany Interests conclusively are presumed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 10 Intercompany Interests are not entitled to vote to accept or reject the Plan.

(k) Class 11 - TPC Interests

(i) *Classification*: Class 11 consists of all TPC Interests.

(ii) *Treatment*: Holders of TPC Interests will not receive any distribution on account of such TPC Interests, and TPC Interests shall be discharged, cancelled, released, and extinguished as of the Effective Date, and shall be of no further force or effect.

(iii) *Voting*: Class 11 is Impaired, and Holders of Class 11 TPC Interests are deemed to have rejected the Plan pursuant to Section 1126(g) of the Bankruptcy Code. Therefore, Holders of Class 11 TPC Interests are not entitled to vote to accept or reject the Plan.

3. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan shall affect the rights or Causes of Action of the Debtors or the Trustees in respect of any Unimpaired Claims, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claims.

4. Elimination of Vacant Classes

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to Section 1129(a)(8) of the Bankruptcy Code.

5. Voting Classes; Presumed Acceptance by Non-Voting Classes

If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Plan shall be presumed accepted by the Holders of such Claims or Interests in such Class.

6. Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code

The Debtors shall seek Confirmation of the Plan pursuant to Section 1129(a)(10) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article XI of the Plan to the extent, if

any, that Confirmation pursuant to Section 1129(b) of the Bankruptcy Code requires modification.

7. Controversy Concerning Impairment

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

C. Means for Implementation of the Plan

1. Operations Between the Confirmation Date and the Effective Date

During the period from the Confirmation Date through and until the Effective Date, the Debtors shall continue to operate their businesses as Debtors in Possession, subject to the oversight of the Bankruptcy Court as provided in the Bankruptcy Code, the Bankruptcy Rules and all orders of the Bankruptcy Court that are then in full force and effect, and in accordance with the terms of the Deposit Escrow Agreement. Any Claim arising between the Confirmation Date and the Effective Date shall be classified as an Administrative Claim.

2. Sources of Consideration for Plan Distributions

The Confirmation Order shall be deemed to authorize, among other things, the Restructuring Transactions. All amounts and securities necessary for EGFL or the Debtors (on the Effective Date) or the Reorganized Debtors or the Trustees (after the Effective Date) to make payments or distributions pursuant hereto shall be obtained from the Essar Equity Commitment Amount, the Essar DIP Commitment Amount, the Essar Unsecured Commitment Amount, the Essar Guaranty Commitment Amount, the Trust Assets, the Professional Reserve Amount, Cash of the Debtors and the Exit Facility. Notwithstanding anything herein to the contrary, the Liquidating Trustee shall assume all liability for the Plan distributions to be made on account of all Allowed General Unsecured Claims against the Debtors. The Reorganized Debtors, the Equity Commitment Escrow Agent and the Professional Reserve Escrow Agent, as applicable as specified in the Plan, shall assume all liability for Plan distributions to holders of Allowed Administrative Claims, Allowed Priority Tax Claims, Allowed Priority Claims and Allowed Other Secured Claims that are not satisfied by a distribution made by the Debtors on or around the Effective Date.

3. Liquidating Trust

(a) Formation of the Liquidating Trust. On the Effective Date, the Liquidating Trust will be formed to oversee the wind down, dissolution, and liquidation of the Trust Assets and the remaining Estates in accordance with the Plan after the Effective Date and will fund such wind down, dissolution, and liquidation using the Trust Assets Upon execution of the Liquidating Trust Agreement, the Liquidating Trust and the Liquidating Trustee shall have the power and authority to take any action necessary to administer, liquidate, wind down and dissolve the Trust Assets and the Estates, other than the duties assigned to the Equity Commitment Escrow Agent or the Professional Reserve Escrow Agrent, in accordance with the Plan after the Effective Date, including the authority to retain attorneys and consultants, execute

all agreements, instruments, and other documents necessary to perform their duties under the Plan, make distribution of the Trust Assets in accordance with the terms of the Plan, and exercise such other powers as may be vested in them by the Bankruptcy Court

(b) Purpose of the Liquidating Trust. The Liquidating Trust will be established for the primary purpose of liquidating the Trust Assets with no objective to continue or engage in the conduct of a trade or business, except to the extent necessary to, and consistent with, the liquidating purpose of the Liquidating Trust. For the avoidance of doubt, the Liquidating Trust will only make distributions to Holders of Allowed General Unsecured Claims. Upon the transfer of the Trust Assets to the Liquidating Trust, the Debtors, the Plan Sponsor and the Reorganized Debtors will have no reversionary or further interest in or with respect to the Trust Assets or the Liquidating Trust. For all federal income tax purposes, the Beneficiaries of the Liquidating Trust will be treated as grantors and owners thereof and it is intended that the Liquidating Trust be classified as a liquidating trust under Section 301.7701-4(2) of the Treasury Regulations and that such trust will be owned by the Beneficiaries of the Liquidating Trust. Accordingly, for federal income tax purposes, it is intended that the Beneficiaries of the Liquidating Trust be treated as if they had received a Pro Rata distribution of interests in the Trust Assets on the Effective Date and then contributed such interests to the Liquidating Trust. Accordingly, the Liquidating Trust will, in an expeditious but orderly manner, liquidate and convert to Cash the Trust Assets, make timely distributions to the Beneficiaries of the Liquidating Trust pursuant to the Plan, and not unduly prolong its duration. The Liquidating Trust will not be deemed a successor in interest of the Debtors for any purpose other than as specifically set forth herein. The Liquidating Trust is intended to qualify as a "grantor trust" for federal income tax purposes with the Beneficiaries of the Liquidating Trust treated as grantors and owners of the trust.

(c) Transfer of Assets to the Liquidating Trust. The Debtors will establish the Liquidating Trust on behalf of the Beneficiaries, with the Beneficiaries of the Liquidating Trust to be treated as the grantors and deemed owners of the Trust Assets. On the Effective Date, the Debtors will transfer to the Liquidating Trust, pursuant to the Confirmation Order, the Trust Assets free and clear of all Claims, Equity Interests, liens, charges or other encumbrances, for the benefit of the Beneficiaries of the Liquidating Trust in accordance with the provisions of the Plan, notwithstanding any prohibition of assignability under applicable non-bankruptcy law. On the Effective Date, the Plan Sponsor shall transfer the first installment of the Essar Unsecured Commitment Amount in the amount of $3 million to the Liquidating Trust (which amount shall be funded from the Essar Equity Commitment Amount). On the first anniversary of the Effective Date, the Plan Sponsor shall transfer the second installment of the Essar Unsecured Commitment Amount in the amount of $3 million to the Liquidating Trust. On the second anniversary of the Effective Date, the Plan Sponsor shall transfer the third installment of the Essar Unsecured Commitment Amount in the amount of $3 million to the Liquidating Trust. The Reorganized Debtors (including the Reorganized Deep Water Entities) and EGFL shall be jointly liable with the Plan Sponsor for making the second and third installment payments, each in the amount of $3 million, to the Liquidating Trust. The Liquidating Trust will agree to accept and hold the Trust Assets in the Liquidating Trust for the benefit of the Beneficiaries of the Liquidating Trust subject to the terms of the Plan and the terms of the Liquidating Trust Agreement. The Debtors, the Liquidating Trustee, and the Beneficiaries shall each value the Trust Assets consistently for federal and other income tax purposes. After the

Effective Date, the Liquidating Trustee, in reliance upon such professionals as the Liquidating Trustee may retain, shall make a good faith valuation of the Trust Assets no later than 180 days following the Effective Date. Such valuation shall be made available from time to time, to the extent necessary or appropriate as reasonably determined by the Liquidating Trustee in reliance on its professionals and used consistently by all parties (including, without limitation, the Debtors, the Liquidating Trustee, and the Beneficiaries) for federal and other income tax purposes. The Trust Assets provided by the Debtors and the Plan Sponsor shall be distributable, in accordance with the Plan and the Liquidating Trust Agreement, only to Beneficiaries holding Allowed General Unsecured Claims against the Debtors or any Disputed General Unsecured Claims that subsequently become Allowed in accordance with the terms of the Plan and the Liquidating Trust Agreement. The Liquidating Trustee shall take all necessary steps to ensure that Trust Assets are distributed pursuant to the foregoing.

(d) Royalty Agreement. The Royalty Agreement and all of the terms and conditions thereunder are an integral component of the consideration provided to Holders of General Unsecured Claims under this Plan. The Reorganized Deep Water Entities and the Liquidating Trustee are hereby authorized to enter into the Royalty Agreement on the Effective Date. Neither the Debtors nor the Reorganized Debtors nor the Reorganized Deep Water Entities shall enter into any transaction including, without limitation, any Restructuring Transaction, that releases, modifies, impairs or otherwise affects the rights of the Liquidating Trustee under the Royalty Agreement. The Debtors shall support the allowance of substantial contribution claims filed by members of the Committee, under Section 503(b)(3)(D) of the Bankruptcy Code, up to an aggregate amount of $20,000, for work done in connection with the preparation and negotiation of the Royalty Agreement. Notwithstanding the foregoing, nothing in the Plan shall prejudice the rights of parties-in-interest to object to such request for allowance of substantial contribution claims filed by members of the Committee.

(e) Distribution; Withholding. The Liquidating Trust will make distributions to the Beneficiaries in accordance with the terms of the Plan and the Liquidating Trust Agreement. The Liquidating Trust may withhold from amounts distributable to any Person or Entity any and all amounts, determined in the sole discretion of the Liquidating Trustee for the Liquidating Trust, required by any law, regulation, rule, ruling, directive, or other governmental requirement, or as otherwise provided by the Liquidating Trust Agreement.

(f) Insurance. The Liquidating Trust may maintain customary insurance coverage, if appropriate and available, for the protection of Persons serving as administrators and overseers of the Liquidating Trust on and after the Effective Date.

(g) Liquidating Trust Implementation. . On the Effective Date, the Liquidating Trust will be established and become effective for the benefit of the Beneficiaries entitled to distributions from the Liquidating Trust. The Liquidating Trust is intended to be and remain as a grantor trust, with the Beneficiaries of the Liquidating Trust as the grantors and owners thereof for federal income tax purposes.

(h) Settlement of Disputed Claims. The Liquidating Trustee shall have authority to settle Disputed Claims against the Debtors in accordance with Article VIII of the Plan.

(i) Termination of Liquidating Trust. The Liquidating Trust will terminate as soon as practicable, but in no event later than the fifth anniversary of the Effective Date; *provided, however*, that, on or later than the date that is six months prior to such termination, the Bankruptcy Court, upon motion by a party in interest, may extend the term of the Liquidating Trust for a finite period if such an extension is necessary to liquidate the Trust Assets. Notwithstanding the foregoing, multiple extensions may be obtained so long as (a) Bankruptcy Court approval is obtained no more than six months prior to the expiration of each extended term and (b) the Liquidating Trustee receives an opinion of counsel or a favorable ruling from the Internal Revenue Service that any further extension would not adversely affect the status of the Liquidating Trust as a grantor trust for federal income tax purposes.

(j) Termination of the Liquidating Trustee. The duties, responsibilities, and powers of the Liquidating Trustee will terminate upon termination of the Liquidating Trust.

(k) Liquidating Trustee Compensation; Bonding Obligations. The Liquidating Trustee shall receive, without further approval of the Bankruptcy Court, compensation solely from the Trust Assets and in accordance with the terms of the Liquidating Trust Agreement, which compensation terms shall be described in the Plan Supplement, and shall otherwise have no recourse or claims against the Reorganized Debtors or any other party. The Liquidating Trustee shall not be required to give any bond, surety or other security for the performance of its duties.

(l) Liquidating Trust Distributions. The Liquidating Trustee shall make an initial distribution of Cash to the Beneficiaries and the Disputed Claims reserve provided for under the terms of the Liquidating Trust Agreement on the Effective Date or as soon as practicable thereafter, as provided in the Plan and the Liquidating Trust Agreement. Following such initial distributions required under the Plan, the Liquidating Trustee shall make further distributions to Beneficiaries as set forth in the Liquidating Trust Agreement at least once per calendar year; *provided, however*, that the Liquidating Trustee shall be entitled to create an administrative fund and/or liquidating trust reserve in accordance with the terms of the Liquidating Trust Agreement to fund the cost and expenses of administering the Liquidating Trust and managing the Trust Assets in accordance with the Plan, and the Liquidating Trust may retain and supplement from time to time such reserves taking into account such factors as ongoing expenses and costs, taxes and reserves necessary to provide for the resolution of Disputed Claims.

4. Equity Commitment Escrow

On the Effective Date, the Debtors shall transfer to the Equity Commitment Escrow the portion of the Essar Equity Commitment Amount necessary to fund the payment in full of (i) Administrative Claims other than (x) Claims for the Officers' and Banker's Payments, and (y) DIP Claims, whose treatment is governed by Article II.C of the Plan, plus (ii) the portion of Priority Tax Claims that is not payable over time, plus (iii) the portion of Other Secured Claims that is not payable over time, plus the Debtors' estimate of the anticipated costs of administering the Equity Commitment Escrow.

The Equity Commitment Escrow Agent shall distribute the funds in the Equity Commitment Escrow as soon as reasonably practicable, and in no event later than seven (7) Business Days following the later of (i) the Effective Date and (ii) the date such Claims are Allowed, to (a) pay the Allowed (x) Administrative Claims (other than Claims for the Officers' and Banker's Payments), (y) portion of Priority Tax Claims that is not payable over time, and (z) portion of Other Secured Claims that is not payable over time, (b) pay the reasonable fees and expenses of the Equity Commitment Escrow Agent, and (c) provide for Disputed Administrative Claims (other than Claims for the Officers' and Banker's Payments), Disputed Priority Tax Claims and Disputed Other Secured Claims in accordance with the Plan and the Equity Commitment Escrow Agreement. Any unused funds remaining in the Equity Commitment Escrow after payment of the foregoing amounts, inclusive of any such Disputed Claims to the extent they ultimately are Allowed, shall be returned to the Reorganized Debtors.

5. Issuance of New Common Stock

Each of the Debtors' Interests, other than the TPC Interests and the Deep Water Entity Interests, shall be cancelled and reissued to the applicable Reorganized Debtor that held such cancelled Interests.

TPC Interests and the Deep Water Entity Interests shall be cancelled and Reorganized TPC and each of the Reorganized Deep Water Entities shall issue 100% of their New Common Stock to the Plan Sponsor, as described in the Plan Supplement.

Each share of New Common Stock issued and distributed pursuant to the Plan shall be duly authorized, validly issued, and fully paid and non-assessable. Each distribution and issuance referred to in Article VII of the Plan shall be governed by the terms and conditions set forth herein applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind the Plan Sponsor upon its receipt of such distribution or issuance.

For the avoidance of doubt, notwithstanding the issuance of New Common Stock nothing herein contemplates that permits or assets of any of the Debtors, other than Equity Interests therein, shall be transferred to any of the other Debtors as such Debtors may be reorganized.

6. Exit Facility

The Confirmation Order shall include approval of the Exit Facility (including the transactions contemplated thereby, such as any supplementation or additional syndication of the Exit Facility, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, and expenses provided for therein) and authorization for the Reorganized Debtors to enter into and execute the Exit Facility Documents and such other documents as may be required to effectuate the treatment afforded to the lenders under the Exit Facility pursuant to the Exit Facility Documents. The Reorganized Debtors may use the Exit Facility for any purpose permitted thereunder, including the funding of obligations under the Plan and satisfaction of ongoing working capital and capital expenditure needs. Letters of credit issued under the Exit Facility shall also replace issued Letters of Credit and letter of credit commitments under the DIP Facility and the Prepetition Senior Secured Credit Facility. Upon the Confirmation Date, (1) the Reorganized Debtors are authorized to execute and deliver the Exit Facility Documents and perform their obligations thereunder including, without limitation, the payment or reimbursement of any fees, expenses, losses, damages, or indemnities, and (2) subject to the occurrence of the Effective Date the Exit Facility Documents shall constitute the legal, valid, and binding obligations of the Reorganized Debtors and be enforceable in accordance with their respective terms.

7. Plan Sponsor and EGFL Commitments

Pursuant to the terms of the Plan, the Deposit Escrow Agreement, and the EGFL Guarantee: (a) prior to the Effective Date, EGFL shall, or shall cause one or more of its non-Debtor Affiliates, to fund the Plan Sponsor with Cash in an amount necessary to fund all of the payments to be made by the Plan Sponsor on or about the Effective Date, which Cash shall be held by the Plan Sponsor or its designee in an interest bearing account in the United States of America on the Effective Date; (b) on the Effective Date, the Plan Sponsor will contribute the Essar DIP Commitment Amount (to the extent not funded by the Cash Deposit), the Essar Equity Commitment Amount, and the amount of the Essar Unsecured Commitment Amount that is payable on the Effective Date to the Debtors' Estates and the Liquidating Trust, as applicable, in exchange for a distribution of 100% of the New Common Stock of Reorganized TPC and a distribution of 100% of the New Common Stock of the Reorganized Deep Water Entities, as described in the Plan Supplement; (c) on the first anniversary of the Effective Date, the Plan Sponsor will contribute the amount of the Essar Unsecured Commitment Amount that is payable on such date to the Liquidating Trust, (d) on the second anniversary of the Effective Date, the Plan Sponsor will contribute the amount of the Essar Unsecured Commitment Amount that is payable on such date to the Liquidating Trust, (e) the Effective Date, EGFL shall pay, in satisfaction of the Guaranteed Note Obligations and to make the distributions to Holders of Senior Secured Credit Facility Secured Claims required under the Plan, directly to (i) the Senior Secured Facility Administrative Agent $55 million of the Essar Guaranty Commitment Amount in Cash, and (ii) the DIP Administrative Agent the amount of the Essar Guaranty Commitment Amount equal to any unreimbursed draws under Letters of Credit on the Effective Date; and (f) the Letters of Credit will be replaced (and each of the original Letters of Credit outstanding shall have been returned to the DIP Issuing Bank for cancellation (or the beneficiary thereof has entered into a binding agreement with, and in form and substance acceptable to, the DIP Issuing

Bank and the DIP Administrative Agent to so return such original Letter of Credit promptly after the Effective Date)) on or before the Effective Date by one or more letters of credit issued pursuant to the terms of the Exit Facility Documents. Cash Proceeds from the Plan Sponsor's participation in the Plan will be utilized by the Reorganized Debtors and the Trustees to make Cash distributions to the Holders of Allowed Claims against the Debtors in accordance with the terms of the Plan. Payment of the Essar Guaranty Commitment Amount and the total principal amount of Letters of Credit and Letter of Credit commitments replaced by letters of credit and letter of credit commitments under the Exit Facility arranged by EGFL shall be applied to EGFL's obligations under the EGFL Guarantee in accordance with the terms thereof.

8. Working Capital

All general working capital requirements of the Reorganized Debtors on and after the Effective Date shall be funded with Cash receipts and through the Exit Facility.

9. Senior Secured Credit Facility Deficiency Claims

On the Effective Date and upon payment of the consideration due the Holders of Senior Secured Credit Facility Claims under Article III.B.4 of the Plan, all Holders of Allowed Senior Secured Credit Facility Deficiency Claims shall be deemed to have automatically and irrevocably waived the entire amount of all such Claims and shall not be entitled to any distribution on account of any such Claims.

10. General Settlement of Claims

Pursuant to Section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, on the Effective Date, the provisions of the Plan shall constitute a good-faith compromise and settlement of all Claims, Interests, Causes of Action, and controversies resolved pursuant to the Plan. Distributions made to Holders of Allowed Claims are intended to be final.

11. Section 1145 Exemption

Pursuant to Section 1145 of the Bankruptcy Code, the offering, issuance, and distribution of any New Common Stock pursuant to the terms of the Plan and any Pro Rata interests in the Trust Assets shall be exempt from, among other things, the registration and prospectus delivery requirements of Section 5 of the Securities Act and any other applicable state and federal law requiring registration and/or delivery of a prospectus prior to the offering, issuance, distribution, or sale of securities. In addition, under Section 1145 of the Bankruptcy Code, any securities contemplated by the Plan and any and all agreements incorporated therein, including, the New Common Stock shall be subject to (1) the provisions of Section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in Section 2(a)(11) of the Securities Act; (2) compliance with any rules and regulations of the Securities and Exchange Commission, if any, applicable at the time of any future transfer of such securities or instruments; (3) the restrictions, if any, on the transferability of such securities and instruments, including those set forth in the New Corporate Governance Documents; and (4) applicable regulatory approval, if any.

12. Listing of Equity Interests; Reporting Obligations

On the Effective Date, none of the New Common Stock will be listed on a national securities exchange, the Reorganized Debtors will not be reporting companies under the Securities Exchange Act, the Reorganized Debtors shall not be required to file reports with the Securities and Exchange Commission or any other entity or party, and the Reorganized Debtors shall not be required to file monthly operating reports, or any other type of report, with the Bankruptcy Court after the Effective Date; provided, that notwithstanding anything to the contrary contained herein, each of the Reorganized Debtors shall provide to the U.S. Trustee a calculation of their disbursements on a quarterly basis until the entry of a final decree pursuant to Bankruptcy Rule 3022 to close the Chapter 11 case of such Reorganized Debtor.

13. Release of Liens

Except as otherwise provided herein or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the receipt of the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released, settled, discharged, and compromised and all rights, titles, and interests of any Holder of such mortgages, deeds of trust, Liens, pledge, or other security interests against any property of the Estates shall revert to the Reorganized Debtors and their successors and assigns. The Reorganized Debtors shall be authorized to file any necessary or desirable documents to evidence such release in the name of such Secured party.

14. Cancellation of Securities and Agreements

On the Effective Date and upon receipt of the applicable distributions to be made pursuant to the Plan on the Effective Date, except as otherwise specifically provided for in the Plan: (1) the obligations of the Debtors under any certificate, share, note, bond, indenture, purchase right, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest, equity, or profits interest in the Debtors or any warrants, options, or other securities exercisable or exchangeable for, or convertible into, debt, equity, ownership, or profits interests in the Debtors giving rise to any Claim or Interest (except the Intercompany Interests and such other certificates, notes, or other instruments or documents evidencing indebtedness or obligations of the Debtors that are specifically Reinstated pursuant to the Plan), shall be cancelled as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder; (2) the obligations of the Debtors under the DIP Facility, as well as any and all related documents, agreements, and undertakings executed in connection therewith, and the Senior Secured Credit Facility Loan Documents shall be fully released, settled, and compromised as to the Debtors, and the Reorganized Debtors shall not have any continuing obligations thereunder; (3) the obligations of EGFL to each of the Senior Secured Credit Facility Administrative Agent and the Senior Secured Credit Facility Lenders pursuant to the terms of the EGFL Guarantee shall be fully released, settled, and compromised as to EGFL in accordance with the terms of the Deposit Escrow Agreement; and (4) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of

designation, bylaws, or certificate or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indentures, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors shall be fully released, settled, and compromised except as expressly provided herein; provided, that notwithstanding Confirmation or the occurrence of the Effective Date, any such agreement that governs the rights of the Holder of a Claim or Interest shall continue in effect solely for purposes of allowing such Holders to receive distributions under the Plan as provided herein; provided, further, that notwithstanding the foregoing and anything else contained in the Plan:

1. the DIP Facility shall continue in effect solely for the purpose of (a) allowing Holders of the DIP Claims to receive the distributions provided for hereunder; (b) allowing the DIP Administrative Agent to receive distributions, as necessary, from the Debtors and to make further distributions to the Holders of DIP Claims on account of such Claims, as set forth in Article VII of the Plan; (c) preserving any rights of the DIP Administrative Agent to indemnification or contribution from the DIP Lenders pursuant and subject to the terms of the DIP Facility; and (d) preserving the DIP Administrative Agent's right to indemnification from the Debtors pursuant and subject to the terms of the DIP Facility in respect of any claim or Cause of Action asserted against the DIP Administrative Agent;

2. the Senior Secured Credit Facility shall continue in effect solely for the purpose of (a) allowing Holders of Senior Secured Credit Facility Claims to receive the distributions provided for hereunder; (b) allowing the Senior Secured Credit Facility Agents to receive distributions from the Plan Sponsor and to make further distributions, as necessary, to the Holders of Senior Secured Credit Facility Claims on account of such Claims, as set forth in Article VII of the Plan, and (c) preserving any rights of the Senior Secured Credit Facility Agents and the Senior Secured Credit Facility Issuing Bank to indemnification or contribution from the Senior Secured Credit Facility Lenders pursuant and subject to the terms of the Senior Secured Credit Facility Loan Documents as in effect on the Effective Date.

15. Existing Letters of Credit

On the Effective Date, the Debtors and the Plan Sponsor shall cause the Letters of Credit to be replaced by new letters of credit issued under the Exit Facility. Nothing herein affects the rights of the Sureties (i) to draw on the Letters of Credit at any time prior to their being so replaced, or (ii) to draw on any such new letters of credit issued under the Exit Facility in accordance with the terms thereof.

16. Restructuring Transactions

On the Effective Date or as soon as reasonably practicable thereafter, the Debtors and the Trustees, in consultation with the Plan Sponsor and the Committee if the Committee is still in existence, may take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Restructuring Transactions under and in connection with the Plan. For the purposes of effectuating the Plan, none of the Restructuring Transactions contemplated herein shall constitute a change of control under any agreement, contract or document of the Debtors. For the avoidance of doubt, nothing

herein contemplates that permits or assets of any of the Debtors, other than Equity Interests therein, shall be transferred to any of the other Debtors as such Debtors may be reorganized.

17. Corporate Action

Upon the Effective Date, all actions contemplated by the Plan shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified without any requirement for further action by Holders of Claims or Interests, directors, managers, or officers of the Debtors, the Reorganized Debtors, or any other Entity or Person, including: (1) rejection or assumption, as applicable, of Executory Contracts and Unexpired Leases; (2) selection of the managers and officers for the Reorganized Debtors; (3) entry into the New Corporate Governance Documents; (4) entry into the Exit Facility Documents; (5) the issuance and distribution of the New Common Stock as provided herein; and (6) all other acts or actions contemplated, or reasonably necessary or appropriate to promptly consummate the transactions contemplated by the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan involving the company structure of the Debtors, and any company action required by the Debtors in connection therewith, shall be deemed to have occurred on, and shall be in effect as of, the Effective Date, without any requirement of further action by the security holders, directors, managers, authorized persons, or officers of the Debtors.

On or (as applicable) prior to the Effective Date, the appropriate officers, managers, or authorized persons of the Debtors (including, any president, vice-president, chief executive officer, treasurer, general counsel, or chief financial officer thereof) shall be authorized and directed to issue, execute and deliver the agreements, documents, securities, certificates of incorporation, certificates of formation, bylaws, operating agreements, and instruments contemplated by the Plan (or necessary or desirable to effect the transactions contemplated by the Plan) in the name of and on behalf of the Debtors including (1) the New Corporate Governance Documents, (2) the Exit Facility Agreement and the other Exit Facility Documents, and (3) any and all other agreements, documents, securities and instruments relating to the foregoing. The authorizations and approvals contemplated by Article IV.P of the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

18. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors and the managers, officers, authorized persons and members of the boards of managers and directors thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, the New Corporate Governance Documents, and any securities issued pursuant to the Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan. For the avoidance of doubt, nothing herein contemplates that permits or assets of any of the Debtors, other than Equity Interests therein, shall be transferred to any of the other Debtors as such Debtors may be reorganized.

19. Exemption from Certain Taxes and Fees

Pursuant to Section 1146(a) of the Bankruptcy Code, any transfers of property pursuant hereto or pursuant to the Exit Facility Documents shall not be subject to any stamp tax or other similar tax or governmental assessment in the United States, and the Confirmation Order shall direct and be deemed to direct the appropriate state or local governmental officials or agents to forgo the collection of any such tax or governmental assessment and to accept for filing and recordation instruments or other documents pursuant to such transfers of property without the payment of any such tax or governmental assessment. Such exemption specifically applies, without limitation, to (1) the creation of any mortgage, deed of trust, Lien, or other security interest; (2) the making or assignment of any lease or sublease; (3) any Restructuring Transaction; (4) the issuance, distribution, and/or sale of any of the New Common Stock and any other securities of the Debtors or the Reorganized Debtors; or (5) the making or delivery of any deed or other instrument of transfer under, in furtherance of or in connection with the Plan, including: (a) any merger agreements; (b) agreements of consolidation, restructuring, disposition, liquidation, or dissolution; (c) deeds; (d) bills of sale; or (e) assignments executed in connection with any Restructuring Transaction occurring under the Plan.

20. Corporate Existence

Except as otherwise provided in the Plan, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended by the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be pursuant to the Plan and require no further action or approval.

21. Vesting of Assets in the Reorganized Debtors

Except as otherwise provided in the Plan or any agreement, instrument, or other document incorporated herein, including, without limitation, the transfer of the Trust Assets to the Liquidating Trust, on the Effective Date, all property in each Estate and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, Causes of Action, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims or the Excluded Causes of Action that vest in the Reorganized Debtors, without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

22. Assumption of Directors and Officers Insurance Policies

The Debtors do not believe that the D&O Liability Insurance Policies issued to, or entered into by, the Debtors prior to the Petition Date constitute executory contracts. To the

extent that such insurance policies or agreements are considered to be executory contracts, then, notwithstanding anything in the Plan to the contrary, the Reorganized Debtors shall be deemed to have assumed all of the Debtors' unexpired D&O Liability Insurance Policies pursuant to Section 365(a) of the Bankruptcy Code effective as of the Effective Date. Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Reorganized Debtors' foregoing assumption of each of the unexpired D&O Liability Insurance Policies. Notwithstanding anything to the contrary contained in the Plan, confirmation of the Plan shall not discharge, impair, or otherwise modify any indemnity obligations assumed by the foregoing assumption of the D&O Liability Insurance Policies, and each such indemnity obligation will be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be filed.

In addition, after the Effective Date, none of the Reorganized Debtors shall terminate or otherwise reduce the coverage under any D&O Liability Insurance Policies (including any "tail policy") in effect on the Petition Date, with respect to conduct occurring prior thereto, and all directors and officers of the Debtors who served in such capacity at any time prior to the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such directors and officers remain in such positions after the Effective Date.

23. Indemnification Provisions in New Corporate Governance Documents

As of the Effective Date, the New Corporate Governance Documents shall provide for the indemnification, defense, reimbursement, exculpation, and/or limitation of liability of, and advancement of fees and expenses to, the Reorganized Debtors' current and former directors, officers, employees, or agents at least to the same extent as the organizational documents of each of the respective Debtors on the Petition Date, against any claims or Causes of Action whether direct or derivative, liquidated or unliquidated, fixed or contingent, disputed or undisputed, matured or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, and none of the Reorganized Debtors shall amend and/or restate the New Corporate Governance Documents before or after the Effective Date to terminate or materially adversely affect any of the Reorganized Debtors' obligations to provide such indemnification rights or such directors', officers', employees', or agents' indemnification rights.

24. Directors and Officers of Reorganized TPC and the Other Reorganized Debtors; Trustees

(a) The New Board

The New Board of Reorganized TPC shall consist of the number of directors or managers, as applicable, identified in the Plan Supplement, and the New Board of the other Reorganized Debtors shall consist of the number of directors or managers, as applicable, provided for such Reorganized Debtor in its New Corporate Governance Documents.

On the Effective Date, all managers, directors, and other members of the existing boards or governance bodies of the Debtors, as applicable, shall cease to hold office or have any authority from and after such time to the extent not expressly included in the roster of the

applicable New Board. Pursuant to Section 1129(a)(5) of the Bankruptcy Code, to the extent known, the identity of the members of the New Board will be disclosed in the Plan Supplement.

(b) Senior Management

The existing officers of the Debtors shall retain their current capacities as officers of the Reorganized Debtors or be dismissed from their current capacities as officers of the Debtors, as designated by the Plan Sponsor on the effective date, subject to the ordinary rights and powers of the applicable New Board to remove or replace any officer in accordance with the New Corporate Governance Documents and any applicable employment agreements that are assumed by the Reorganized Debtors pursuant to the Plan.

(c) Trustees

Each of the initial Trustees shall be named in the Plan Supplement.

25. Preservation of Causes of Action

In accordance with Section 1123(b) of the Bankruptcy Code, and except where such Causes of Action have been expressly released (including, for the avoidance of doubt, pursuant to Article IX.C and Article IX.D of the Plan), the Liquidating Trust shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, including but not limited to those Causes of Action to be retained listed in Exhibit C to the Disclosure Statement, whether arising before or after the Petition Date, including any actions specifically enumerated in the Plan Supplement, and the Liquidating Trust's rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The Liquidating Trustee may pursue such Causes of Action, as appropriate, in accordance with the best interests of the Liquidating Trust.

No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Liquidating Trustee, as applicable, will not pursue any and all available Causes of Action against each of them. Except with respect to Causes of Action as to which the Debtors or the Liquidating Trustee have released any Person or Entity on or prior to the Effective Date (pursuant to the Debtor Release or otherwise), the Reorganized Debtors or the Liquidating Trustee, as applicable, expressly reserve all rights to prosecute any and all Causes of Action or Excluded Causes of Action, as applicable, against any Entity, except as otherwise expressly provided in the Plan. Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Bankruptcy Court order, the Reorganized Debtors or the Liquidating Trustee expressly reserve all Causes of Action or Excluded Causes of Action, as applicable, for later adjudication.

26. Limited Substantive Consolidation for Voting and Distribution.

The Debtors shall be substantively consolidated for the limited purposes of voting on the Plan and Distributions provided under the Plan as provided herein. The Debtors shall not be substantively consolidated for any other purpose. The Plan shall serve as, and shall be

deemed to be, a motion for substantive consolidation to the extent provided for herein to be approved by the Confirmation Order.

Substantive consolidation for this limited purpose will expedite the conclusion of the Chapter 11 Cases and is necessary to, among other things, effectuate equitable distributions, avoid the calculation, resolution and classification of intercompany claims, and to reduce the administrative burden of tabulating separate votes with respect to each of the Debtors.

Specifically, all assets and liabilities of the Debtors will be treated as though they were merged together, and all guarantees by any Debtor of the obligations of any other Debtor will be considered eliminated so that any Claim and any guarantee thereof by any other Debtor, as well as any joint and several liability of any Debtor with respect to any other Debtor, shall be treated as one collective obligation of the Debtors. The Interests in the Debtors shall be deemed to be the Interests in the resulting consolidated Estate.

Section 105(a) of the Bankruptcy Code empowers a Bankruptcy Court to authorize substantive consolidation. Substantive consolidation is an equitable remedy in bankruptcy that results in the pooling of the assets and liabilities of two or more debtors solely for certain purposes in the bankruptcy cases, including for purposes of distributions to creditors and voting on and treatment under a Chapter 11 plan. Courts weigh a balance of factors in determining when substantive consolidation will be ordered, including: (1) whether the debtors are interrelated entities operating under a common parent for tax and business purposes; (2) whether creditors have dealt with the debtors as a single economic unit; (3) whether the debtors share common officers and directors; (4) the absence of substantial prejudice to particular creditors arising from substantive consolidation; (5) whether corporate formalities have been followed; (6) whether assets and records have been kept separate; (7) whether there are intercompany guarantees of loans and other obligations; and (8) whether consolidation will benefit all creditors. No single factor is determinative in this inquiry.

Notwithstanding anything to the contrary in the Plan, neither substantive consolidation nor anything else in the Plan shall affect the legal or organizational structure of the Debtors.

D. TREATMENT OF COMPENSATION AND BENEFITS PROGRAMS

1. Compensation and Benefits Programs.

For purposes of the Plan, the Compensation and Benefits Programs shall be deemed to be, and shall be treated as though they are, Executory Contracts and, except as set forth below, the Reorganized Debtors' obligations under the Compensation and Benefits Programs shall be deemed rejected on the Effective Date pursuant to the provisions of Section 365 and 1123 of the Bankruptcy Code, except for: (a) Compensation and Benefits Programs listed in the Plan Supplement to be assumed; (b) Compensation and Benefits Programs that have previously been assumed; and (c) Compensation and Benefits Programs that, as of the entry of the Confirmation Order, are the subject of pending assumption procedures or a motion to assume.

The assumption or continuation of Compensation and Benefits Programs as set forth herein shall not be deemed to trigger any applicable change of control, immediate vesting, termination, or similar provisions therein (unless a Compensation and Benefits Program counterparty timely objects to the assumption or continuation contemplated by Article V.A of the Plan in which case any such Compensation and Benefits Program shall be deemed rejected or discontinued as of immediately prior to the Petition Date). No counterparty shall have rights under the Compensation and Benefits Programs assumed pursuant to Article V.A of the Plan other than those applicable immediately prior to such assumption or continuation.

2. Workers' Compensation Programs

As of the Effective Date, except as set forth in the Plan Supplement, the Debtors and the Reorganized Debtors shall continue to honor their obligations under: (i) all applicable workers' compensation laws in states in which the Reorganized Debtors operate; and (ii) the Debtors' written contracts, agreements, agreements of indemnity, self-insurer workers' compensation bonds, policies, programs, and plans for workers' compensation and workers' compensation insurance.

All Proofs of Claims on account of workers' compensation shall be deemed withdrawn automatically and without any further notice to or action, order, or approval of the Bankruptcy Court; provided, that nothing in the Plan shall limit, diminish, or otherwise alter the Debtors' or Reorganized Debtors' defenses, Causes of Action, or other rights under applicable non-bankruptcy law with respect to any such contracts, agreements, policies, programs, and plans; provided, further, that nothing herein shall be deemed to impose any obligations on the Debtors or Reorganized Debtors in addition to what is provided for under applicable state law.

E. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

1. Assumption of Executory Contracts and Unexpired Leases

Except as otherwise provided herein, as of the Effective Date, all Executory Contracts and Unexpired Leases listed on the Schedule of Assumed Executory Contracts and Unexpired Leases will be deemed: (i) assumed by the applicable Debtor in accordance with, and subject to the provisions and requirements of Sections 365 and 1123 of the Bankruptcy Code; and (ii) if so indicated on the Schedule of Assumed Executory Contracts and Unexpired Leases, assigned to the other party identified as the assignee for each assumed Executory Contract and Unexpired Lease. The entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such assumption and, if applicable, assignment pursuant to Sections 365 and 1123 of the Bankruptcy Code.

2. Rejection of Executory Contracts and Unexpired Leases

Except as otherwise provided herein, or in any contract, instrument, release, indenture or other agreement, or document entered into in connection with the Plan, as of the Effective Date, each Debtor shall be deemed to have rejected each Executory Contract and Unexpired Lease to which it is a party, unless such Executory Contract or Unexpired Lease: (1) was previously assumed or rejected; (2) was previously expired or terminated pursuant to its own terms; (3) is

the subject of a motion or notice to assume filed on or before the Confirmation Date; or (4) is designated specifically or by category as an Executory Contract or Unexpired Lease on the Schedule of Assumed Executory Contracts and Unexpired Leases.

The Confirmation Order shall constitute an order of the Bankruptcy Court under Sections 365 and 1123(b) of the Bankruptcy Code approving the assumptions, assumptions and assignments or rejections described above as of the Effective Date. Unless otherwise indicated, all assumptions, assumptions and assignments or rejections of Executory Contracts and Unexpired Leases in the Plan will be effective as of the Effective Date. Each Executory Contract and Unexpired Lease assumed and assigned pursuant to the Plan or by Bankruptcy Court order, shall vest in and be fully enforceable by the applicable assignee in accordance with its terms, except as such terms may have been modified by order of the Bankruptcy Court. To the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption of such Executory Contract or Unexpired Lease (including, without limitation, any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

Notwithstanding the foregoing paragraph or anything to the contrary herein, the Debtors reserve the right, after consultation with the Plan Sponsor and the Committee, to alter, amend, modify, or supplement the Schedule of Assumed Executory Contracts and Unexpired Leases, which will be filed as part of the Plan Supplement, prior to the Effective Date or such other date as determined by the Bankruptcy Court (such date to be in no event earlier than the date of the entry of the Confirmation Order). To the extent a party objects to the addition or deletion of an Executory Contract or Unexpired Lease from the Schedule of Assumed Executory Contracts and Unexpired Leases, the party shall have ten (10) days from the filing of the amended Schedule of Assumed Executory Contracts and Unexpired Leases to file an objection. To the extent the Debtors, in consultation with the Plan Sponsor and the Committee, and the objecting party are unable to consensually resolve a timely filed objection, either the Debtors or the objecting party may notice the matter for hearing by the Bankruptcy Court.

3. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases

Any defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to Section 365(b)(1) of the Bankruptcy Code, solely by payment of the Cure Cost or by an agreed-upon waiver or discharge of the Cure Cost on the Effective Date or as soon as reasonably practicable thereafter or on such other terms as the Debtors and the counterparties to each such Executory Contract or Unexpired Lease may otherwise agree. All Cash used to repay any such Cure Cost shall be paid from the Essar Equity Commitment Amount.

In the event of a dispute regarding: (1) the amount of any Cure Cost, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" within the meaning of Section 365(b) of the Bankruptcy Code, if applicable, under the Executory Contract or the Unexpired Lease to be assumed or assumed and assigned, and/or

(3) any other matter pertaining to assumption and/or assignment, then such Cure Costs shall be paid following the entry of a Final Order resolving the dispute and approving the assumption and assignment of such Executory Contracts or Unexpired Leases or as may be agreed upon by the Debtors or the Reorganized Debtors, in consultation with the Plan Sponsor and the Committee, and the counterparty to such Executory Contract or Unexpired Lease; provided, that prior to the Effective Date or such other date as determined by the Bankruptcy Court (such date to be in no event earlier than the date of the entry of the Confirmation Order), the Debtors, in consultation with the Plan Sponsor and the Committee, or after the Effective Date, the Reorganized Debtors, may settle any dispute regarding the amount of any Cure Cost without any further notice to any party or any action, order, or approval of the Bankruptcy Court; provided, further, that notwithstanding anything to the contrary herein, prior to the Effective Date or such other date as determined by the Bankruptcy Court and prior to the entry of a Final Order resolving any dispute and approving the assumption and assignment of such Executory Contract or Unexpired Lease, the Debtors reserve the right to reject any Executory Contract or Unexpired Lease which is subject to dispute.

Assumption and assignment of any Executory Contract or Unexpired Lease pursuant to the Plan, or otherwise, shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption and/or assignment.

4. Claims Based on Rejection of Executory Contracts and Unexpired Leases

Unless otherwise provided by an order of the Bankruptcy Court, any Proofs of Claim based upon the rejection of the Debtors' Executory Contracts or Unexpired Leases pursuant to the Plan or otherwise, must be Filed with the Notice, Claims, and Solicitation Agent no later than the later of (a) the Claims Bar Date established in the Chapter 11 Cases, (b) 30 days after the entry of any order authorizing the rejection of such Executory Contract or Unexpired Lease and (c) 30 days after the effective date of rejection of such Executory Contract or Unexpired Lease.

All Claims arising from the rejection by any Debtor of any Executory Contract or Unexpired Lease pursuant to Section 365 of the Bankruptcy Code shall be treated as General Unsecured Claims and classified in Class 6, and may be objected to in accordance with the provisions of Article VIII of the Plan and the applicable provisions of the Bankruptcy Code and Bankruptcy Rules.

Any Holder of a Claim arising from the rejection of an Executory Contract or Unexpired Lease for which a Proof of Claim was not timely Filed as set forth in the paragraph above shall not (a) be treated as a Holder of a Claim hereunder, (b) be permitted to vote to accept or reject the Plan, or (c) participate in any distribution in the Chapter 11 Cases on account of such Claim, and such Claim shall be deemed fully satisfied, released, settled, and compromised, and be subject to the permanent injunction set forth in Article IX.F of the Plan, notwithstanding anything in the Schedules or a Proof of Claim to the contrary.

5. Preexisting Obligations to the Debtors Under Executory Contracts and Unexpired Leases

Rejection or repudiation of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors under such contracts or leases. Notwithstanding any non-bankruptcy law to the contrary, the Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations on goods previously purchased, or services previously received, by the contracting Debtors from counterparties to rejected or repudiated Executory Contracts or Unexpired Leases.

6. Modifications, Amendments, Supplements, Restatements, or Other Agreements

Unless otherwise provided in the Plan or schedule of Assumed Executory Contracts, each assumed Executory Contract or Unexpired Lease shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

7. Reservation of Rights

Neither the exclusion nor inclusion of any contract or lease in the Plan Supplement, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that the Reorganized Debtors have any liability thereunder. In the event of a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors shall have 90 days following entry of a Final Order resolving such dispute to alter the treatment of such contract or lease as otherwise provided herein.

8. Nonoccurrence of Effective Date

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any consensual request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to Section 365(d)(4) of the Bankruptcy Code.

F. PROVISIONS GOVERNING DISTRIBUTIONS

1. Timing and Calculation of Amounts to Be Distributed

Except as otherwise provided in the Plan, on the Initial Distribution Date (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such a Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim against the Debtors shall receive the full amount of the distributions that the Plan provides for Allowed Claims in the applicable Class from the applicable Trustee, as set forth below. Holders of Allowed General Unsecured Claims shall receive distributions as set forth in Article IV.C of the Plan and in the Liquidating Trust Agreement.

In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VIII of the Plan. Except as otherwise provided herein, Holders of Claims shall not be entitled to interest, dividends, or accruals on the distributions provided for herein, regardless of whether such distributions are delivered on or at any time after the Effective Date. Notwithstanding anything to the contrary herein, no Holder of an Allowed Claim shall, on account of such Allowed Claim, receive a distribution in excess of the Allowed amount of such Claim plus any postpetition interest on such Claim payable in accordance with the Plan. New Common Stock shall be deemed to be issued or distributed, as applicable, as of the Effective Date to the Plan Sponsor and the Reorganized Debtors without the need for further action by any Trustees, the Reorganized Debtors (including Reorganized TPC), or any Debtor, including without limitation the issuance and/or delivery of any certificate evidencing any such shares, units, or interests, as applicable.

2. Distributions on Account of Obligations of Multiple Debtors

For all purposes associated with distributions under the Plan, all guarantees by any Debtor of the obligations of any other Debtor, as well as any joint and several liability of any Debtor with respect to any other Debtor, shall be deemed eliminated so that any obligation that could otherwise be asserted against more than one Debtor shall result in a single distribution under the Plan; provided that, for the avoidance of doubt, this shall not affect the obligation of the Debtors to pay U.S. Trustee Fees, as calculated taking into account their substantive consolidation, until such time as the Chapter 11 Cases are closed, dismissed, or converted.

3. Distributions on Account of Claims Allowed After the Effective Date

(a) Payments and Distributions on Disputed Claims

Distributions made after the Effective Date to Holders of Disputed Claims that are not Allowed Claims as of the Effective Date, but which later become Allowed Claims shall be deemed to have been made on the Effective Date.

(b) Special Rules for Distributions to Holders of Disputed Claims

Notwithstanding any provision otherwise in the Plan and except as may be agreed to by any applicable Trustee, on the one hand, and the Holder of a Disputed Claim, on the other hand, no partial payments and no partial distributions shall be made with respect to any Disputed Claim until all Disputed Claims held by the Holder of such Disputed Claim have become Allowed Claims or have otherwise been resolved by settlement or Final Order. The Liquidating Trust Agreement, the Equity Commitment Escrow Agreement, and the Professional Reserve Escrow Agreement shall each provide for the establishment of one or more separate reserves to provide for payments to Holders of Disputed Claims that become Allowed Claims.

(c) Delivery of Distributions in General

Except as otherwise provided herein, distributions to Holders of Allowed Claims shall be sent to the address for each such Holder as indicated on the Debtors', the Liquidating Trust's, the Equity Commitment Trust's, or the Professional Reserve Escrow's books and records as of the date of any such distribution; provided, that the manner of such distributions shall be determined at the discretion of the Person making such distributions; and provided, further, that the address for each Holder of an Allowed Claim shall be deemed to be the address set forth in any Proof of Claim Filed by that Holder unless such Holder has properly filed a notice of amendment of its address. For the avoidance of doubt, Holders of Claims shall be permitted to file notices of change of address even after the Chapter 11 Cases have been closed.

After the Confirmation Date, the Senior Secured Credit Facility Administrative Agent may, in its sole discretion, limit the further assignment of Senior Secured Credit Facility Secured Claims to allow for the accurate recording of the Holders of such Claims as of the Effective Date.

Distributions to Holders of Senior Secured Credit Facility Secured Claims by the Plan Sponsor shall (a) be made on the Effective Date by wire transfer to the Senior Secured Credit Facility Administrative Agent for the benefit of the respective Holders of Senior Secured Credit Facility Secured Claims as provided herein and (b) be deemed completed when made to the Senior Secured Credit Facility Administrative Agent.

Prior to the distribution of New Common Stock hereunder, the Plan Sponsor shall furnish to the transfer agent identified by the Debtors such identification and tax information as may be required by the Debtors.

(d) De Minimis; Minimum Distributions

No De Minimis Property shall be distributed to a Holder of an Allowed Claim on account of such Allowed Claim. Such De Minimis Property may, in the discretion of the applicable Trustee, be distributed by the applicable Trustee to other Holders of Allowed Claims or used by the applicable Trustee in his or her administration of the applicable trust.

(e) Undeliverable Distributions and Unclaimed Property

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the applicable Trustee has determined the then current address of such Holder, at which time such distribution shall be made to such Holder without interest; provided, that such distributions shall be deemed unclaimed property under Section 347(b) of the Bankruptcy Code at the expiration of six months after its return. After such date, the Claim of any Holder to such unclaimed property or interest in property shall be released, settled, compromised, and forever barred and the unclaimed property may be, in the discretion of the applicable Trustee, distributed by the applicable Trustee to other Holders of Allowed Claims or used by the applicable Trustee in his or her administration of the applicable Trust.

(f) Manner of Payment Pursuant to the Plan

Any payment in Cash to be made pursuant to the Plan shall be made at the election of the Plan Sponsor, the Debtors, or the applicable Trustee, as applicable, by check or by wire transfer.

4. Compliance with Tax Requirements/Allocations

In connection with the Plan, to the extent applicable, the Trustees shall comply with all tax withholding and reporting requirements imposed on it by any Governmental Unit, and all distributions pursuant hereto shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Trustees shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms it believes are reasonable and appropriate.

Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest.

5. Claims Paid or Payable by Third Parties

(a) Claims Paid by Third Parties

The Debtors, on or prior to the Effective Date, or the Trustees after the Effective Date, shall reduce in full a Claim, and such Claim shall be disallowed without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a Person or Entity that is not a Debtor, a Reorganized Debtor, the Plan Sponsor, EGFL, the Equity Commitment Trust, the Professional Reserve Escrow, or the Liquidating Trust. To the extent a Holder of a Claim receives a distribution under the Plan on account of such Claim and receives payment from a party that is not a Debtor, a Reorganized

Debtor, the Equity Commitment Trust, the Professional Reserve Escrow, or the Liquidating Trust on account of such Claim, such Holder shall, within two weeks of receipt thereof, repay or return the distribution to the party who made the distribution to the extent the Holder's total recovery on account of such Claim from the third-party and under the Plan exceeds the Allowed amount of such Claim as of the date of any such distribution under the Plan. Nothing herein shall override any inconsistent terms of any agreement approved by an Order of the Bankruptcy Court prior to the Effective Date providing for the allowance and treatment of any particular Claim; the terms of any such Order shall control in the event of any conflict with the foregoing provision.

(b) Claims Payable by Third Parties

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy; provided, that if the Debtors or the Trustees believe a Holder of an Allowed Claim has recourse to an insurance policy and intend to withhold a distribution pursuant to Article VII.E.2 of the Plan, the Debtors or the applicable Trustee, as applicable, shall provide written notice to such Holder as to what the Debtors or the applicable Trustee, as applicable, believe to be the nature and scope of applicable insurance coverage. To the extent that one or more of the Debtors' insurers agrees to satisfy in full a Claim (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, such Claim may be expunged, and such Claim shall receive no distribution under the Plan, without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

(c) Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be made in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any other Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

G. PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED, AND DISPUTED CLAIMS

1. Resolution of Disputed Claims

(a) Allowance of Claims

On or after the Effective Date, the Trustees shall have and shall retain any and all rights and defenses that the Debtors had with respect to any Claim, except with respect to any Claim Allowed as of the Effective Date. Except as expressly provided in the Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including, without limitation, the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under the Plan or the Bankruptcy Code or the Bankruptcy Court has entered a

Final Order, including, without limitation, the Confirmation Order, in the Chapter 11 Cases allowing such Claim.

(b) Prosecution of Objections to Claims

After the Effective Date, the Trustees shall have the exclusive authority to File objections to applicable Claims, settle, compromise, withdraw, or litigate to judgment objections to any and all applicable Claims, regardless of whether such Claims are in a Class or otherwise and to settle Disputed Claims against the Debtors without further approval of the Bankruptcy Court. From and after the Effective Date, the Trustees shall have the sole authority to administer and adjust the Claims Register to reflect any settlements or compromises of applicable Claims without any further notice to or action, order or approval of the Bankruptcy Court. For the avoidance of doubt, nothing herein shall alter the right of any party to object to Professionals' fees and expenses which have not been Allowed by the Bankruptcy Court.

(c) Claims Estimation

Prior to and on the Effective Date, the Debtors, and after the Effective Date, the applicable Trustee, may, at any time, request that the Bankruptcy Court estimate (a) any Disputed Claim pursuant to applicable law and (b) any contingent or unliquidated Claim pursuant to applicable law, including, without limitation, Section 502(c) of the Bankruptcy Code, regardless of whether the Debtors or the Trustees have previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any Disputed Claim, contingent Claim, or unliquidated Claim, including during the litigation concerning any objection to any Claim or during the pendency of any appeal relating to any such objection. Notwithstanding any provision to the contrary in the Plan, a Claim that has been expunged from the Claims Register but that is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any Disputed Claim, contingent Claim, or unliquidated Claim, that estimated amount shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim for all purposes under the Plan, including for purposes of distributions, and the Debtors or applicable Trustee, as applicable, may elect to pursue additional objections to the ultimate distribution on such Claim. If the estimated amount constitutes a maximum limitation on such Claim, the Debtors or the applicable Trustee, as applicable, may elect to pursue any supplemental proceedings to object to any ultimate distribution on account of such Claim. Notwithstanding Section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to Section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before 21 days after the date on which such Claim is estimated. All of the aforementioned Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

(d) Expungement of or Adjustment to Claims Without Objection

Any Claim that has been paid, satisfied, or superseded may be expunged on the Claims Register by the Debtors or the Trustees, as applicable, and any Claim that has been amended may be adjusted thereon by the Debtors or the Trustees, as applicable, in both cases without a Claims objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

(e) Deadline to File Objections to Claims

Any objections to Claims shall be Filed no later than the Claims Objection Bar Date.

2. Disallowance of Claims

All Claims of any Entity from which property is sought by the Debtors under Section 542, 543, 550, or 553 of the Bankruptcy Code or that the Debtors allege is a transferee of a transfer that is avoidable under Section 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code shall be disallowed if (1) the Entity, on the one hand, and the Debtors or the applicable Trustee, on the other hand, agree or the Bankruptcy Court has determined by Final Order that such Entity or transferee is liable to turnover any property or monies under any of the aforementioned sections of the Bankruptcy Code and (2) such Entity or transferee has failed to turnover such property by the date set forth in such agreement or Final Order.

EXCEPT AS OTHERWISE AGREED BY THE DEBTORS OR THE TRUSTEES, ANY AND ALL PROOFS OF CLAIM FILED AFTER THE APPLICABLE CLAIMS BAR DATE SHALL BE DEEMED DISALLOWED AND EXPUNGED AS OF THE EFFECTIVE DATE WITHOUT ANY FURTHER NOTICE TO OR ACTION, ORDER OR APPROVAL OF THE BANKRUPTCY COURT, AND HOLDERS OF SUCH CLAIMS MAY NOT RECEIVE ANY DISTRIBUTIONS ON ACCOUNT OF SUCH CLAIMS, UNLESS SUCH LATE PROOF OF CLAIM IS DEEMED TIMELY FILED BY A FINAL ORDER OF THE BANKRUPTCY COURT.

3. Amendments to Claims

On or after the Effective Date, except as provided in Article II.A of the Plan, a Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court or the applicable Trustee and any such new or amended Claim Filed shall be deemed disallowed and expunged without any further notice to or action, order, or approval of the Bankruptcy Court.

H. SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS

1. Discharge of Claims and Termination of Interests; Compromise and Settlement of Claims, Interests, and Controversies

Pursuant to Section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document

created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of all debt (as such term is defined in Section 101 of the Bankruptcy Code) that arose before the Confirmation Date, any debts of any kind specified in Sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, and the rights and Interests of any Holders of equity Interests whether or not: (1) a Proof of Claim based on such debt or Interest is Filed; (2) a Claim or Interest based upon such debt is Allowed pursuant to Section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. The Confirmation Order shall be a judicial determination of the discharge of all Claims and equity Interests subject to the Effective Date occurring, except as provided for under Section 1141(d)(6) of the Bankruptcy Code.

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Holder of a Claim or Interest may have with respect to any Allowed Claim or Interest, or any distribution to be made on account of such Allowed Claim or Interest. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims and Interests and is fair, equitable, and reasonable. In accordance with the provisions of the Plan, pursuant to Bankruptcy Rule 9019, without any further notice to or action, order, or approval of the Bankruptcy Court, after the Effective Date, the Trustees may compromise and settle Claims against the Debtors and their Estates and Causes of Action against other Entities.

2. Subordinated Claims

The allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, Section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to Section 510 of the Bankruptcy Code, the Debtors or the Trustees, as applicable, reserve the right to re-classify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto. Notwithstanding anything herein to the contrary, and as provided in Article III.B.11 of the Plan, no Holder of a Section 510(b) Claim shall receive any distribution on account of such Section 510(b) Claim, and all Section 510(b) Claims shall be extinguished.

3. Debtor Release

Notwithstanding anything contained herein to the contrary, on the Effective Date, for the good and valuable consideration provided by each of the Releasees, the adequacy of which is hereby confirmed, including: the settlement, release, and compromise of debt, each of the Debtors, the Reorganized Debtors, and the Debtors' Estates conclusively, absolutely, unconditionally, irrevocably, and forever discharge and release and shall be deemed to have provided a full discharge and release to each Releasee

and their respective property from any and all Claims, obligations, debts, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims asserted or which could be asserted on behalf of the Debtors and/or the Reorganized Debtors, whether known or unknown, foreseen or unforeseen, existing or arising, in law, equity, or otherwise, that the Debtors, the Reorganized Debtors, or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, the Restructuring Transactions, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Releasee, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the Plan Supplement, or related agreements, instruments, or other documents; provided, that the foregoing "Debtor Release" shall not operate to waive or release any Claims, obligations, debts, rights, suits, damages remedies, Causes of Action, and liabilities of any Debtor: (1) arising under the Exit Facility Documents, (2) any other agreements entered into pursuant to the Plan, including without limitation, the Royalty Agreement; or (3) expressly set forth in and preserved by the Plan, the Plan Supplement, or related documents; provided, further, that the foregoing "Debtor Release" shall not operate to waive or release any Claims, obligations, debts, rights, suits, damages, remedies, Causes of Action, and liabilities solely arising out of or relating to acts or omissions occurring after the Effective Date.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained herein, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (1) in exchange for the good and valuable consideration provided by the Releasees; (2) a good faith settlement and compromise of the Claims released by the Debtor Release; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors, the Reorganized Debtors, or the Debtors' Estates asserting any Claim or Cause of Action released pursuant to the Debtor Release.

4. Third-Party Release

Notwithstanding anything contained herein to the contrary, on the Effective Date the Releasing Parties (regardless of whether a Releasing Party is a Releasee) conclusively, absolutely, unconditionally, irrevocably, and forever discharge and release (and each Entity so discharged and released shall be deemed discharged and released by the Releasing Parties) the Releasees and their respective property from any and all Claims, interests, obligations, debts, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims asserted or which could be asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or arising, in law, equity or otherwise, that such Entity would have been legally entitled to

assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, the Restructuring Transactions, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security of the Debtors or the Reorganized Debtors, the EGFL Guarantee, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Releasee, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan, the Disclosure Statement, the Equity Term Sheet, the Plan Supplement, the Deposit Escrow Agreement, or related agreements, instruments, or other documents; provided, that the foregoing "Third Party Release" shall not operate to waive or Release any Claims, obligations, debts, rights, suits, damages, remedies, Causes of Action, and liabilities of any Releasing Party: (1) against a Releasee arising under the Exit Facility Documents or any other agreements entered into pursuant to the Plan; (2) expressly set forth in and preserved by the Plan, the Plan Supplement, or related documents including, without limitation, the Royalty Agreement; (3) with respect to Professionals' final fee applications or Accrued Professional Compensation Claims in the Chapter 11 Cases; or (4) solely arising out of or relating to acts or omissions occurring after the Effective Date.

Unless a Holder of a Claim and/or Interest is deemed to accept the Plan and opts out of the Third-Party Release, such Holder shall be deemed to have given a consensual Third-Party Release, and such Holder shall be deemed to consent to being among the Releasing Parties for all purposes under Article IX of the Plan.

Any Holder of a Claim who is not entitled to vote on the Plan because such Holder is deemed to reject the Plan, nevertheless is deemed to be among the Releasing Parties for all purposes under Article IX of the Plan to the maximum extent permitted by applicable law.

Notwithstanding anything herein to the contrary, nothing herein shall waive or release any Claims held by the Debtors' current (i) Chief Restructuring Officer, David Stetson, (ii) Chief Financial Officer, Michael D. Dean, or (iii) financial advisor and investment banker, Moelis & Company, arising under or relating to their respective employment and/or compensation agreements which have been approved by the Bankruptcy Court.

Notwithstanding anything herein to the contrary, nothing herein shall override any inconsistent terms of any agreement approved by an Order of the Bankruptcy Court prior to the Effective Date providing for any claim against any non-Debtor to not be released in the Chapter 11 Cases; the terms of any such Order shall control in the event of any conflict with the Third-Party Release.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained herein, and, further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (1) in exchange for the good and valuable consideration provided by the Releasees; (2) a good

faith settlement and compromise of the claims released by the Third-Party Release; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Releasing Parties asserting any claim or Cause of Action released pursuant to the Third-Party Release.

5. Exculpation

Notwithstanding anything contained herein to the contrary, the Releasees and the Trustees shall neither have, nor incur any liability to any Entity for any prepetition or postpetition act taken or omitted to be taken in connection with, or related to formulating, negotiating, soliciting, preparing, disseminating, confirming, or implementing the Plan, or consummating the Plan, the Disclosure Statement, the New Corporate Governance Documents, the Deposit Escrow Agreement, the Restructuring Transactions, the DIP Facility, the issuance, distribution, and/or sale of any shares of the New Common Stock, Pro Rata interests in the Trust Assets, or any other security offered, issued, or distributed in connection with the Plan, the Chapter 11 Cases or any contract, instrument, release or other agreement, or document created or entered into in connection with the Plan or any other prepetition or postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors; provided, that each Releasee and the Trustees shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Plan or any other related document, instrument, or agreement; provided, further, that the foregoing "Exculpation" shall have no effect on the liability of any Entity that results from any such act or omission that is determined in a Final Order to have constituted gross negligence or willful misconduct; provided, further, that the foregoing "Exculpation" shall have no effect on the liability of any Entity for acts or omissions occurring after the Effective Date.

6. Injunction

Except as otherwise provided in the Plan or the Confirmation Order, all Entities who have held, hold or may hold Claims, Interests, Causes of Action, or liabilities that: (1) are subject to compromise and settlement pursuant to the terms of the Plan; (2) have been released pursuant to Article IX.C of the Plan; (3) have been released pursuant to Article IX.D of the Plan; (4) are subject to Exculpation pursuant to Article IX.E of the Plan (but only to the extent of the Exculpation provided in Article IX.E); or (5) are otherwise stayed or terminated pursuant to the terms of the Plan, are permanently enjoined and precluded, from and after the Effective Date, from (a) commencing or continuing in any manner any action or other proceeding (other than a proceeding by a governmental entity to enforce its police and/or regulatory powers), including on account of any Claims, Interests, Causes of Action, or liabilities that have been compromised or settled against the Debtors, the Reorganized Debtors, the Plan Sponsor, EGFL, or any Entity so released or exculpated (or the property or estate of any Entity, directly or indirectly, so released or exculpated), enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order, (b) creating, perfecting or enforcing any Lien or encumbrance, (c) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtors, (d) refusing to approve mine permit transfers or changes in control over the right to conduct surface coal mining

operations in any transaction involving the Debtors, the Plan Sponsor, or any of EGFL's designated Affiliates that receive New Common Stock under the terms of the Plan, on account of any unabated or uncorrected violations by the Debtors of or under SMCRA or any of its state law counterparts, or any rule, regulation or advisory memorandum promulgated thereunder or issued pursuant thereto (exclusive of any cessation orders not subject to agreed orders acceptable to the applicable federal and state regulatory agencies that may exist on the Effective Date), and from commencing or continuing in any manner any proceeding or other adverse action (including but not limited to noticing violations or issuing cessation orders, commencing bond forfeiture proceedings or refusing to honor bonds, denying mining permits, or listing on the Applicant Violator System) against the Debtors, the Plan Sponsor, or any of EGFL's designated Affiliates that receive New Common Stock under the terms of the Plan, or any employees, Professionals, agents, officers, directors or principals or any of the foregoing for any such unabated or uncorrected violations (exclusive of any notices of violation or cessation orders or subject to agreed orders acceptable to the applicable federal and state regulatory agencies that may exist on the Effective Date), or (e) taking any action detrimental or prejudicial to the Debtors or the Plan Sponsor, or any of EGFL's designated Affiliates that receive New Common Stock or any employed, Professionals, agents, officers, directors or principals or any of the foregoing (including but not limited to noticing violations or issuing cessation orders, commencing bond forfeiture proceedings or refusing to honor bonds, denying mining permits, or listing on the Applicant Violator System) based on a claim or assertion that either a conveyance of any assets or a change of control under SMCRA or any of its state law counterparts of any mining permits has occurred; in each case, on account of or in connection with or with respect to any released, settled, compromised, or exculpated Claims, Interests, Causes of Action, or liabilities.

Notwithstanding anything herein to the contrary, nothing in this Plan or any Confirmation Order: (a) releases, nullifies, precludes or enjoins the enforcement of any liability (including for penalties, damages, cost recovery or injunctive relief) to a governmental unit under police and regulatory statutes or regulations (including but not limited to environmental laws or regulations) that any entity would be subject to as the owner, lessor, lessee, controller or operator of property of any of Debtor's Estate, (b) authorizes the transfer of any governmental licenses, permits, registrations, authorizations or approvals without compliance with all applicable legal requirements under the law governing such transfers, or (c) limits the Department of Interior's Office of Surface Mining, the Kentucky Department of Natural Resources or the West Virginia Department of Environmental Protection from taking appropriate action to (i) take enforcement actions pursuant to 30 C.F.R. Parts 842 and 843, (ii) pursue the individuals who owned or controlled the Debtors through alternative enforcement actions under 30 C.F.R. Part 847 and (iii) link the Debtors' owners or controllers to violations on OSM's Applicant Violator System.

7. Setoffs

Except as otherwise provided herein, the Debtors or the applicable Trustee, as the case may be, pursuant to the Bankruptcy Code (including Section 553 of the Bankruptcy Code), applicable non-bankruptcy law, or as may be agreed to by the Holder of a Claim or Interest, may

set off against any Allowed Claim or Interest and the distributions to be made pursuant to the Plan on account of such Allowed Claim or Interest (before any distribution is made on account of such Allowed Claim or Interest), any Claims, rights, and Causes of Action of any nature that such Debtor may hold against the Holder of such Allowed Claim or Interest, to the extent such Claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan or otherwise). In no event shall any Holder of Claims or Interests be entitled to setoff any Claim or Interest against any Claim, right, or Cause of Action of the Debtors unless such Holder obtains entry of a Final Order entered by the Bankruptcy Court authorizing such setoff; provided, that nothing herein shall prejudice or be deemed to have prejudiced the Debtors' rights to assert that any Holder's setoff rights were required to have been asserted by motion to the Bankruptcy Court prior to the Effective Date.

8. Special Provision Governing Accrued Professional Compensation Claims and Final Fee Applications

For the avoidance of doubt, the foregoing Debtor Release and Third-Party Release shall not waive, affect, limit, restrict, or otherwise modify the right of any party in interest to object to any Accrued Professional Compensation Claim or final fee application Filed by any Professional in the Chapter 11 Cases.

I. CONDITIONS PRECEDENT TO CONSUMMATION OF THE PLAN

1. Conditions Precedent to the Effective Date

It shall be a condition to Consummation of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article X.B of the Plan:

(a) The Confirmation Order shall have been duly entered and shall be a Final Order and the Plan shall be in form and substance reasonably acceptable to the DIP Administrative Agent and EGFL, and the Committee;

(b) The Exit Facility Agreement shall have been executed and delivered by all of the Entities that are parties thereto, and all conditions precedent to the consummation of the Exit Facility shall have been waived or satisfied in accordance with the terms thereof and the closing of the Exit Facility shall have occurred;

(c) The Plan Supplement, including any amendments, modifications, or supplements thereto, shall be in form and substance reasonably acceptable to the Debtors, the DIP Administrative Agent, the Plan Sponsor, and the Committee;

(d) All governmental and material third-party approvals and consents, including Bankruptcy Court approval, necessary in connection with the transactions contemplated by the Plan shall be in full force and effect (which, in the case of an order of judgment of any Court, shall mean a Final Order), and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent or otherwise impose materially adverse conditions on such transactions;

(e) Other than those conditions that by their nature can only be satisfied at the closing of the transactions contemplated by the Deposit Escrow Agreement, the conditions precedent to the Deposit Escrow Agreement shall have been satisfied or waived by the parties thereto and the Reorganized Debtors and the Trustees, as applicable, shall have access to the Cash to be contributed by the Plan Sponsor on the Effective Date;

(f) All documents and agreements necessary to implement the Plan including, without limitation, the Royalty Agreement, shall have (a) been tendered for delivery, and (b) been effected or executed by all Entities party thereto, or will be deemed executed and delivered by virtue of the effectiveness of the Plan as expressly set forth herein, and all conditions precedent to the effectiveness of such documents and agreements shall have been satisfied or waived pursuant to the terms of such documents or agreements; and

(g) Concurrently with the applicable distributions to be made pursuant to the Plan, any litigation or arbitration between EGFL and the Senior Secured Credit Facility Lenders regarding the EGFL Guarantee shall have been dismissed with prejudice.

2. Waiver of Conditions

The conditions to Confirmation of the Plan and to the Effective Date of the Plan set forth in Article X.B of the Plan may be waived only by consent of the Debtors and the Plan Sponsor in consultation with the DIP Administrative Agent, and the Committee; provided, that the Debtors may not waive (i) the conditions set forth in Article X.C, Article X.A.1, Article X.A.2, Article X.A.3, or Article X.A.5 of the Plan without the prior consent of the DIP Administrative Agent, the Plan Sponsor, and the Committee.

3. Effective Date

The Effective Date shall be the first Business Day upon which all of the conditions specified in Article X.A of the Plan have been satisfied or waived. "Substantial Consummation" of the Plan, as defined in 11 U.S.C. § 1101(2), shall be deemed to occur on the Effective Date. If the Effective Date shall not have occurred on or prior to November 15, 2013, then the Plan shall terminate and be of no further force or effect unless the provisions of Article X.C of the Plan are waived in writing by the Debtors, the DIP Administrative Agent and the Plan Sponsor, as applicable.

4. Effect of Non-Occurrence of Conditions to the Effective Date

If the Effective Date does not occur, then: (1) the Plan shall be null and void in all respects; (2) settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan or the Disclosure Statement shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of the Debtors or any other Person or Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Person or Entity.

J. MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN

1. Modification and Amendments

Subject to the limitations contained herein, the Debtors and the Plan Sponsor, in consultation with the DIP Administrative Agent and the Committee, reserve the right to modify the Plan as to material terms and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not resolicit votes on such modified Plan. Subject to certain restrictions and requirements set forth in Section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan, the Debtors, the Trustees, and the Plan Sponsor expressly reserve their rights to alter, amend, or modify materially the Plan with respect to the Debtors, one or more times, after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan. Any such modification or supplement shall be considered a modification of the Plan and shall be made in accordance with Article XI of the Plan. Notwithstanding anything contained herein or otherwise, neither the Debtors, the Trustees, nor the Plan Sponsor shall materially amend or modify the Plan prior to the occurrence of the Effective Date without the prior written consent of the DIP Administrative Agent, the Plan Sponsor, and the Committee, each of whose consent may not be unreasonably withheld.

2. Effect of Confirmation on Modifications

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan occurring after the solicitation thereof are approved pursuant to Section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

3. Revocation or Withdrawal of the Plan

The Debtors, in consultation with the Plan Sponsor, the DIP Administrative Agent and the Committee, reserve the right to revoke or withdraw the Plan prior to the Confirmation Date. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan or Disclosure Statement shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of the Debtors or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors or any other Entity.

4. Deposit Escrow Agreement Rights

Each of the parties to the Deposit Escrow Agreement shall retain all of their rights thereunder, including all rights pursuant to Section 3 thereof, in the event that the Plan is

modified, revoked or withdrawn prior to the Effective Date in accordance with the terms of Article XI of the Plan.

K. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain such jurisdiction over the Chapter 11 Cases and all matters, arising out of, or related to, the Chapter 11 Cases and the Plan, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, Secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the Secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to: (a) the assumption and assignment or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable in any manner and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Claims related to the rejection of an Executory Contract or Unexpired Lease, Cure Costs pursuant to Section 365 of the Bankruptcy Code, or any other matter related to such Executory Contract or Unexpired Lease; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article VI of the Plan, the list of Executory Contracts and Unexpired Leases to be assumed and assigned or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired;

4. ensure that distributions to Holders of Allowed Claims and Interests are accomplished pursuant to the provisions of the Plan;

5. adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

6. adjudicate, decide, or resolve any and all matters related to Causes of Action;

7. adjudicate, enforce, decide, or resolve any and all matters related to the Royalty Agreement;

8. enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments,

releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement;

9. enter and enforce any order for the sale of property pursuant to Sections 363, 1123, or 1146(a) of the Bankruptcy Code;

10. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;

11. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with Consummation or enforcement of the Plan;

12. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the settlements, compromises, releases, injunctions, Exculpations, and other provisions contained in Article IX of the Plan and enter such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions;

13. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim or Interest for amounts not timely repaid pursuant to Article VII.F of the Plan;

14. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

15. determine any other matters that may arise in connection with or relate to the Plan, the New Corporate Governance Documents, the Disclosure Statement, the Confirmation Order, the Liquidating Trust Agreement, the Equity Commitment Escrow Agreement, the Professional Reserve Escrow Agreement, or any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan or the Disclosure Statement;

16. adjudicate any and all disputes arising from or relating to distributions under the Plan or any transactions contemplated therein;

17. consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

18. determine requests for the payment of Claims and Interests entitled to priority pursuant to Section 507 of the Bankruptcy Code;

19. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan, or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan;

20. hear and determine matters concerning state, local, and federal taxes in accordance with Sections 346, 505, and 1146 of the Bankruptcy Code;

21. hear and determine all disputes involving the existence, nature, or scope of all releases set forth herein, including any dispute relating to any liability arising out of the termination of employment or the termination of any employee or retiree benefit program, regardless of whether such termination occurred prior to or after the Effective Date;

22. enforce all orders previously entered by the Bankruptcy Court;

23. hear any other matter not inconsistent with the Bankruptcy Code;

24. enter an order concluding or closing the Chapter 11 Cases; and

25. enforce the injunction, release, and Exculpation provisions set forth in Article IX of the Plan.

L. MISCELLANEOUS PROVISIONS

1. Immediate Binding Effect

Subject to Article X.A of the Plan and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan, the Plan Supplement, and the Confirmation Order shall be immediately effective and enforceable and deemed binding upon the Debtors, the Plan Sponsor, EGFL, and any and all Holders of Claims or Interests (regardless of whether such Claims or Interests are deemed to have accepted or rejected the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in the Plan, each Entity acquiring property under the Plan or the Confirmation Order, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors. All Claims and Interests shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any Holder of a Claim or Interest has voted, or is entitled to vote, on the Plan.

2. Additional Documents

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors, the Trustees, the Plan Sponsor, EGFL, and all Holders of Claims or Interests receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

3. Payment of Statutory Fees

All fees payable pursuant to Section 1930(a) of the Judicial Code, as calculated considering the substantive consolidation of the Debtors, shall be paid by the Debtors (prior to or on the Effective Date) or the Liquidating Trust (after the Effective Date) for each quarter

(including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

4. Dissolution of the Committee

On the Effective Date, the Committee shall dissolve automatically and all members, employees, or agents thereof shall be released and discharged from all rights and duties arising from or related to the Chapter 11 Cases; provided, that the Committee shall be deemed to remain in existence solely with respect to and shall not be heard on any issue except, applications filed by the Professionals pursuant to Sections 330 and 331 of the Bankruptcy Code.

5. Reservation of Rights

Except as otherwise expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order. Neither the Plan, any statement or provision contained in the Plan, nor any action taken or not taken by any Debtor with respect to the Plan, the Disclosure Statement, the Confirmation Order, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders of Claims or Interests prior to the Effective Date.

6. Successors and Assigns

The rights, benefits, and obligations of any Entity named or referred to in the Plan or the Confirmation Order shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, Affiliate, officer, director, manager, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

7. Service of Documents

Any pleading, notice, or other document required by the Plan to be served on or delivered to the Debtors shall be served on:

Trinity Coal Corporation
4978 Teays Valley Road
Scott Depot, WV 25560
Attn: David Stetson, CRO, and
Michael D. Dean, CFO

with copies to:

Curtis, Mallet-Prevost, Colt & Mosle LLP
101 Park Avenue
New York, NY 10017
Attn: Steven J. Reisman, Esq., and
L. P. Harrison 3rd, Esq., and
Jerrold L. Bregman, Esq.

8. Term of Injunctions or Stays

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to Sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

9. Entire Agreement

Except as otherwise indicated, on the Effective Date, the Plan supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations with respect to the subject matter of the Plan, all of which will have become merged and integrated into the Plan on the Effective Date. To the extent the Confirmation Order is inconsistent with the Plan, the Confirmation Order shall control for all purposes.

10. Severability of Plan Provisions

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the Debtors' consent; and (3) nonseverable and mutually dependent.

V. CONFIRMATION OF THE PLAN

A. Confirmation of the Plan by the Bankruptcy Court

The Bankruptcy Code requires the Bankruptcy Court, after notice, to hold a hearing to consider whether the Debtors have fulfilled the confirmation requirements of Section 1129 of the Bankruptcy Code.

The Bankruptcy Court has scheduled the hearing to consider confirmation of the Plan for November 8, 2013 at 9:30 a.m. (Eastern Time) (the "Confirmation Hearing"). The Confirmation Hearing will be held before The Honorable Chief Judge Tracey N. Wise, at the U.S. Bankruptcy Court for the Eastern District of Kentucky, located at 100 East Vine Street, 3rd Floor Courtroom, Lexington, Kentucky 40507. Objections to the confirmation of the Plan must be in writing, they must specifically describe the objection and explain the legal and factual bases therefor, and be filed by October 30, 2013 at 4:00 p.m. (Eastern Time).

The Confirmation Hearing may be adjourned from time to time without notice except as given at the Confirmation Hearing or any subsequent adjourned Confirmation Hearing or other notice filed on the Docket in these Chapter 11 Cases.

B. Confirmation Standards

In order for the Plan to be confirmed, the Bankruptcy Code requires, among other things, that the Plan be proposed in good faith and comply with the applicable provisions of Chapter 11 of the Bankruptcy Code. The Bankruptcy Court will confirm the Plan only if it finds that all of the requirements enumerated in Section 1129 of the Bankruptcy Code have been met, including the requirements that: (i) at least one class of impaired claims has accepted the Plan; (ii) that confirmation of the Plan is not likely to be followed by the need for further financial reorganization; (iii) that the Plan is in the "best interest of creditors"; and (iv) that the Plan is "fair and equitable" with respect to each Class of Claims or Interests which is impaired under the Plan. The Debtors, Committee and the DIP Lenders believe that the Plan satisfies all of the foregoing requirements for confirmation.

A plan is accepted by an impaired class of claims if holders of at least two-thirds (2/3) in dollar amount, and more than 50% in number of claims of that class, vote to accept the plan. Only those holders of claims who actually vote (and who were entitled to vote) to accept or to reject a plan are counted in this tabulation.

Section 1129(b) of the Bankruptcy Code contains provisions for confirmation of a plan even if the plan is not accepted by all impaired classes, so long as at least one impaired class of claims has accepted it, without counting the votes of insiders. Confirmation under these provisions is generally referred to as a "cramdown".

Pursuant to the cramdown provisions of Section 1129(b) of the Bankruptcy Code, the Bankruptcy Court may confirm the Plan over the objection of a non-accepting Class if the Plan satisfies one of the alternative requirements of Section 1129(b)(2)(A) of the Bankruptcy Code.

The Bankruptcy Court may confirm the Plan over the objection of non-accepting Holders of Claims or Interests within a particular Class, which Class has otherwise accepted the Plan, if (i) such Holders will receive the full value of their Claims or Interests, or (ii) the non-accepting Holders of Claims or Interests are to receive less than full value but no Class of junior priority will receive anything on account of their pre-petition Claims or Interests.

If the Plan does not meet the cramdown requirements as set forth above with respect to all of the Debtors, in the Debtors' sole discretion, the Plan may be (a) revoked as to all of the Debtors, or (b) revoked as to the Debtor not satisfying the cramdown requirements (such Debtor's Chapter 11 Case being converted to a Chapter 7 liquidation, continued or dismissed in the Debtors' sole discretion) and confirmed as to the remaining Debtors.

THESE ARE COMPLEX STATUTORY PROVISIONS, AND THE PRECEDING PARAGRAPHS ARE NOT INTENDED TO BE A COMPLETE SUMMARY OF THE LAW. IF YOU DO NOT UNDERSTAND THESE PROVISIONS, PLEASE CONSULT WITH YOUR ATTORNEY.

VI. FUNDING AND FEASIBILITY OF THE PLAN

A. Funding of the Plan

All amounts and securities necessary for EGFL or the Debtors (on the Effective Date) or the Liquidating Trustee (after the Effective Date with respect to the Allowed General Unsecured Claims) to make payments or distributions pursuant to the Plan shall be obtained from the Essar Equity Commitment Amount, the Essar DIP Commitment Amount, the Essar Unsecured Commitment Amount, the Essar Guaranty Commitment Amount, the Exit Facility, the Trust Assets, and Cash of the Debtors. Up to $103 million of such amounts (other than the Essar DIP Commitment Amount), including amounts paid pursuant to the Essar Guaranty Commitment Amount and the replacement of Letters of Credit with new letters of credit issued under the Exit Facility, will be paid by EGFL pursuant to the terms of, and in partial satisfaction of its obligations under, the EGFL Guarantee.

As indicated, upon its establishment, the Liquidating Trust will be vested with Cash as well as all Causes of Action, including Avoidance Actions, other than Excluded Causes of Action. Exhibit C hereto contains a non-exhaustive list of the Causes of Action transferred to the Liquidating Trust.

Notwithstanding anything herein to the contrary, the Liquidating Trustee shall assume all liability for the Plan distributions provided on account of all Allowed General Unsecured Claims against the Debtors.

B. Best Interests Test

Notwithstanding acceptance of the Plan by each impaired Class, to confirm the Plan, the Bankruptcy Court must determine that the Plan is in the best interests of each Holder of a Claim or Interest in any such impaired Class who has not voted to accept the Plan. Accordingly, if an Impaired Class does not unanimously accept the Plan, the "best interests" test requires that the Bankruptcy Court find that the Plan provides to each member of such Impaired Class a recovery on account of the member's Claim or Interest that has a value, as of the Effective Date, at least equal to the value of the distribution that each such member would receive if the applicable Debtor or Debtors were liquidated under Chapter 7 of the Bankruptcy Code on such date.

To estimate what members of each Impaired Class of Claims or Interests would receive if the Debtors were liquidated under Chapter 7 of the Bankruptcy Code, the Bankruptcy Court must first determine the aggregate dollar amount that would be available if each of the Chapter 11 Cases were converted to a Chapter 7 case under the Bankruptcy Code and each of the respective Debtor's assets were liquidated by a Chapter 7 trustee (the "Liquidation Value"). The Liquidation Value of a Debtor would consist of the net proceeds from the disposition of the assets of the Debtor, augmented by any cash held by the Debtor.

The Liquidation Value of the Debtors' assets available to Holders of General Unsecured Claims and Interests would be reduced by, among other things: (a) the Claims of Secured Creditors to the extent of the value of their collateral; (b) the costs, fees and expenses of the liquidation, as well as other administrative expenses of the Debtors' Chapter 7 cases;

(c) unpaid Administrative Claims of the Chapter 11 Cases; and (d) Priority Claims and Priority Tax Claims. The Debtors' costs of liquidation in Chapter 7 cases would include the compensation of trustees, as well as of counsel and of other professionals retained by such trustees, asset disposition expenses, applicable taxes, litigation costs, claims arising from the operation of the Debtors during the pendency of the Chapter 7 cases and all unpaid Administrative Claims incurred by the Debtors during the Chapter 11 Cases that are allowed in the Chapter 7 cases. These foregoing costs, expenses and Claims would be required to be paid in full from the Debtors' liquidation proceeds before the balance would be made available to pay General Unsecured Claims or Interests.

Please see the Liquidation Analysis which is attached as **Exhibit B** hereto.

The Debtors believe that a Chapter 7 liquidation of the Debtors would result in the diminution of value to be realized by the Holders of Claims, as compared to the proposed distributions under the Plan, because of, among other factors: (a) the negative impact of conversion of each of the Chapter 11 Cases to cases under Chapter 7; (b) additional costs and expenses involved in the appointment of trustees, attorneys, accountants and other professionals to assist such trustees in the Chapter 7 cases; and (c) the absence of any funding commitment by EGFL, the Plan Sponsor, or its affiliates, (d) the absence of any agreement by the Prepetition Lenders to waive a portion of their secured claims, (e) the absence of any agreement by EGFL and its affiliates to contribute their unsecured claims to the Debtors' Estates, and (f) additional expenses and Claims, some of which would be entitled to priority in payment, that would arise by reason of the liquidation.

Consequently, the Debtors, as well as the Committee and DIP Lenders, believe that the Plan will provide a greater ultimate return to Holders of Claims than such Holders would receive in Chapter 7 liquidations of the Debtors.

C. Avoidance Action Analysis

On and after the Effective Date, the Liquidating Trust shall have the sole authority and responsibility for reviewing, analyzing and prosecuting Avoidance Actions and litigation actions, including, without limitation, any claims and causes of action arising from the assets and/or the liabilities described in the Debtors' Schedules, pursuant to the Plan and Liquidating Trust Agreement. The Liquidating Trust shall have the sole authority to prosecute Avoidance Actions, which include preferences and fraudulent transfers, as defined by the Bankruptcy Code. ALL CREDITORS AND RECIPIENTS OF PAYMENTS OR TRANSFERS WITHIN NINETY (90) DAYS OF THE PETITION DATE (OR WITHIN ONE YEAR FOR INSIDERS) OR WHO RECEIVED PAYMENTS OR TRANSFERS FOR LESS THAN REASONABLY EQUIVALENT VALUE WITHIN FIVE (5) YEARS OF THE PETITION DATE OR SUCH LONGER PERIOD AS MAY APPLY UNDER APPLICABLE STATE LAW, ARE HEREBY PUT ON NOTICE THAT SUCH TRANSACTIONS WILL BE REVIEWED FOR POTENTIAL RECOVERY. THE PLAN IS NOT INTENDED AND DOES NOT WAIVE ANY OF THE AVOIDANCE ACTIONS OR OTHER CAUSES OF ACTION.

Notwithstanding the foregoing, the Claims of the Holders of Senior Secured Credit Facility Claims are Allowed Claims, and such Claims are not subject to objection by the

Debtors, any creditor, the Liquidating Trustee or any other party-in-interest. To the extent the Debtors have any Avoidance Actions, including those Causes of Action scheduled in the Plan Supplement, or any other causes of action against the Senior Secured Credit Facility Agent and/or the Holders of Senior Secured Credit Facility Claims, such Avoidance Actions or any other causes of action are not being transferred to the Liquidating Trust and are being waived and released pursuant to the Plan.

D. Feasibility

Section 1129(a)(11) of the Bankruptcy Code requires that the Debtors be able to perform their obligations under the Plan. For purposes of determining whether the Plan meets this requirement, the Debtors analyzed their ability to meet their obligations under the Plan, including with reference to the infusions of cash that are anticipated to received from the Plan Sponsor and/or EGFL on the Effective Date. The Debtors believe that they will be able to meet their obligations under the Plan.

E. Risk Factors That May Affect Distributions Under the Plan

1. Debtors Cannot State With Any Degree of Certainty What Recovery Will Be Available to Holders of Allowed Claims in Voting Classes

A number of unknown factors make certainty in creditor recoveries impossible. The Debtors cannot know with any certainty, at this time, the number or amount of Claims in voting Classes that ultimately will be allowed. A number of Disputed Claims are expected to be material and the total amount of all Claims, including those that are Disputed, may be materially in excess of the total amount of Allowed Claims assumed in the development of the Plan. In addition, except with respect to Holders of Allowed Senior Secured Credit Facility Claims, the amount of any Disputed Claim that ultimately is Allowed may be significantly less than the amount originally asserted by the Holder of such Claim.

Subject to the caveats and qualifications contained herein, it is estimated that the range of recoveries in respect of Allowed General Unsecured Claims is approximately $0.15 to $0.25 per dollar; *provided, however*, that any such recoveries may be materially less, and possibly greater, than indicated by the foregoing estimated range, and such amount is likely to be paid in fractional increments over a period starting on or about the Effective Date and lasting perhaps several years thereafter.

2. Actual Amounts of Allowed Claims May Differ from the Estimated Claims and Adversely Affect the Percentage Recovery on Unsecured Claims

The claims estimates set forth herein and in other documentation relating the Plan are based on various assumptions. The actual amounts of Allowed Claims may differ significantly from those estimates in the event that one or more underlying assumptions prove to be incorrect. Such differences may adversely affect the percentage recovery to Holders of such Allowed Claims under the Plan.

3. Risks Attendant to Distributions to Holders of General Unsecured Claims

Pursuant to the Plan, the Plan Sponsor is transferring a total of $9 million in Cash to the Liquidating Trust that, along with any recoveries from Causes of Action transferred to the Liquidating Trust, provides the funding for distributions to Holders of Allowed General Unsecured Claims. Of that $9 million amount, the Plan Sponsor is transferring (a) $3 million to the Liquidating Trust on the Effective Date, (b) $3 million to the Liquidating Trust on the first anniversary of the Effective Date, and (c) $3 million to the Liquidating Trust on the second anniversary of the Effective Date. The Reorganized Debtors and EFGL shall be jointly liable with the Plan Sponsor for making the second and third installment payments, each in the amount of $3 million, to The Liquidating Trust.

Should there be a default in making the payments due over time to the Liquidating Trust, the Holders of General Unsecured Claims would be subject to the risk of a material delay in receiving distributions from the Liquidating Trust. Recoveries to Holders of General Unsecured Claims would also be subject to any litigation or other risks attendant to the Liquidating Trustee's ability to enforce its rights under the Plan and the Royalty Agreement.

VII. ALTERNATIVES TO THE PLAN

Although this Disclosure Statement is intended to provide information to assist a Holder of a Claim in determining whether to vote for or against the Plan, a summary of the alternatives to confirmation of the Plan may be helpful.

If the Plan is not confirmed with respect to any of the Debtors, the Debtors may revert back to the Auction for the sale of any or all of the Debtors' assets and/or risk foreclosure on collateral of various secured parties, including the DIP Lenders. The following alternatives are available in the event the Plan is not confirmed: (a) confirmation of another Chapter 11 plan; (b) conversion of the Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code; or (c) dismissal of the Chapter 11 Case leaving Holders of Claims to pursue available non-bankruptcy remedies.

These alternatives to the Plan are very limited and not likely to benefit Holders of Claims. Although the Debtors could theoretically file a new Chapter 11 plan, a likely result if the Plan is not confirmed is that the Chapter 11 Cases will be converted to cases under Chapter 7 of the Bankruptcy Code. The Debtors believe that conversion of the Chapter 11 Cases to Chapter 7 cases would result in (i) significant delay in distributions to Holders of Claims who would have received a Distribution under the Plan and (ii) diminished recoveries for certain Classes of Claims. If the Chapter 11 Cases are dismissed, Holders of Claims or Interests would be free to pursue non-bankruptcy remedies in their attempts to satisfy Claims against or Interests in the Debtors. However, in that event, Holders of Claims or Interests would be faced with the costs and difficulties of collection on their Claims or Interests, assuming there were any value available to satisfy all or any portion of such Claims or Interests, which cannot be assured.

VIII. DISCLAIMER AND MISCELLANEOUS PROVISIONS

A. The Debtors Have No Duty To Update

The statements contained in this Disclosure Statement are made by the Debtors as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. The Debtors have no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

B. No Representations Outside the Disclosure Statement Are Authorized by the Bankruptcy Court or the Bankruptcy Code Other Than as Set Forth in This Disclosure Statement

No representations concerning the Debtors (particularly as to the value of their property) are authorized by the Debtors other than as set forth in this Disclosure Statement and its Exhibits and any solicitation materials approved by the Bankruptcy Court and accompanying this Disclosure Statement as transmitted by Epiq. Any representations or inducements made to secure your acceptance, or rejection, of the Plan that are other than as contained in, or included with, this Disclosure Statement should not be relied upon by you in arriving at your decision. You should promptly report unauthorized representations or inducements to Debtors' counsel, the Committee counsel, and the Office of the U.S. Trustee.

C. All Information Was Provided by the Debtors and Was Relied Upon by Professionals

Counsel for the Debtors and other Professionals retained by the Debtors have relied upon information provided by the Debtors in connection with the preparation of this Disclosure Statement. Counsel for the Debtors and other professionals retained by the Debtors have performed certain limited due diligence in connection with preparing this Disclosure Statement but they have not verified independently the information contained herein.

D. No Legal or Tax Advice Is Provided to You by this Disclosure Statement

The contents of this Disclosure Statement should not be construed as legal, business or tax advice. Each Holder of a Claim or Interest should consult his, her or its own legal counsel and accountant as to legal, tax and other matters concerning his, her, or its Claim or Interest.

This Disclosure Statement is not legal advice to you. You may not reasonably rely upon this Disclosure Statement for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

E. No Admissions Made

Nothing contained herein shall constitute an admission of any fact or liability by any party (including, without limitation, any of the Debtors) or be deemed evidence of the tax or

other legal effects of the Plan on the Debtors, the Plan Sponsor, EGFL, or on any Holders of any Claims or Interests.

F. No Waiver of Right To Object or Recover Transfers and Estate Assets

The vote of a Holder of a Claim or Interest for or against the Plan does not constitute a waiver or release of any claims or rights of the Debtors (or any party in interest, as the case may be) to object to that creditor's Claim, or recover any preferential, fraudulent or other voidable transfer or estate assets, regardless of whether any claims of the Debtors or their respective estates are specifically or generally identified herein, except to the extent such claims are expressly released and/or waived under the Plan.

G. Pending Litigation or Demands Asserting Pre-Petition Liability

As of the date of this Disclosure Statement, the Debtors are involved in various legal proceedings arising in the ordinary course of business operations, including personal injury claims, employment matters, contractual disputes and environmental claims. Such claims, matters and disputes may have an impact on the distributions to the Holders of Allowed Claims under the Plan.

IX. CERTAIN FEDERAL INCOME TAX CONSEQUENCES

A. General

IRS CIRCULAR 230 DISCLOSURE: TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS, YOU ARE HEREBY NOTIFIED THAT THE DISCUSSION OF THE U.S. FEDERAL TAX MATTERS SET FORTH IN THIS DISCLOSURE STATEMENT WAS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING BY THE DEBTORS OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN AND WAS NOT INTENDED OR WRITTEN TO BE USED, AND MAY NOT BE USED, BY ANY HOLDER FOR THE PURPOSES OF AVOIDING TAX-RELATED PENALTIES UNDER U.S. FEDERAL OR STATE TAX LAW. EACH HOLDER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM ITS OWN INDEPENDENT TAX ADVISOR.

The following is a summary of certain U.S. federal income tax consequences of the Plan to the Debtors and certain Holders of Allowed Claims. This discussion does not purport to be tax advice and may not be applicable, depending upon the particular situation of a Holder of any Allowed Claims. **Holders of Allowed Claims should consult their own tax advisors with respect to the current and future federal, state, local and foreign tax consequences of the Plan**.

This summary is directed solely at Holders of Allowed Claims that hold such Claims as "capital assets" within the meaning of section 1221 of the Internal Revenue Code of 1986, as amended (the "Code"). This summary does not apply to Holders of Allowed Claims that are not "United States persons" (as such term is defined in the Code) or that are otherwise subject to special treatment under U.S. federal income tax law, such as partnerships, financial institutions, thrifts, real estate investment trusts, regulated investment companies, insurance

companies, dealers in securities or currencies, tax-exempt investors, expatriates, former long-term U.S. residents, and U.S. citizens who reside outside of the U.S. This summary does not discuss the tax laws of any state, local or foreign government that may be applicable to Holders of Allowed Claims.

This summary is based on the Code, the Treasury Regulations promulgated thereunder and administrative and judicial interpretations thereof, all as of the date hereof, and all of which are subject to change, possibly with retroactive effect, or to different interpretations. No ruling has been requested from the Internal Revenue Service (the "IRS") in connection with the Plan nor will the Debtors obtain an opinion of counsel with respect to any aspect of the Plan, and no assurance can be given that the treatment described herein will be accepted by the IRS or, if challenged, by any U.S. court.

THIS SUMMARY IS NOT INTENDED AS TAX ADVICE TO ANY PARTICULAR HOLDER OF CLAIMS, WHICH MAY BE RENDERED ONLY IN LIGHT OF THAT HOLDER'S PARTICULAR TAX SITUATION. ACCORDINGLY, EACH HOLDER OF CLAIMS IS URGED TO CONSULT SUCH HOLDER'S TAX ADVISOR WITH RESPECT TO THE SPECIFIC TAX CONSEQUENCES OF THE PLAN TO SUCH HOLDER. ALL TAXPAYERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM THEIR OWN INDEPENDENT TAX ADVISORS.

B. Certain United States Federal Income Tax Consequences of Payment of Allowed Claims

The federal income tax consequences of the implementation of the Plan to the Holders of Allowed Claims will depend, among other things, on the consideration to be received by each such Holder, whether the Holder reports income on the accrual or cash method, whether the Holder receives distributions under the Plan in more than one taxable year, whether the Holder's Claim is Allowed or Disputed on the Effective Date, and whether the Holder has taken a bad debt deduction with respect to all or any of its Claim.

1. Recognition of Gain or Loss

In general, a Holder of an Allowed Claim should recognize gain or loss equal to the amount realized under the Plan in respect of its Claim less the Holder's tax basis in the Claim. Any gain or loss recognized in the exchange may be long-term or short-term capital gain or loss or ordinary income or loss, depending upon the nature of the Allowed Claim and the Holder, the length of time the Holder held the Claim and whether the Claim was acquired at a market discount. If the Holder realizes a capital loss, the Holder's deduction of the loss may be subject to limitation. The Holder's tax basis for any property received under the Plan generally will equal the amount realized. The Holder's amount realized generally will equal the sum of the Cash and the fair market value of any other property received by the Holder under the Plan on the Effective Date or a Subsequent Distribution Date, less the amount (if any) treated as interest, as discussed below.

Pursuant to the Plan, certain Holders of Allowed Claims will receive beneficial interests in the Liquidating Trust that entitles such Holders to their Pro Rata share of the assets in

the Liquidating Trust. Subject to definitive guidance from the IRS or a court of competent jurisdiction to the contrary, pursuant to Treasury Regulations Section 301.7701-4(d), the Debtors believe that the Liquidating Trust intends to take the position on its tax return that the Liquidating Trust should be treated as a grantor trust for the benefit of the beneficiaries. Thus, a Holder of an Allowed General Unsecured Claim that receives a beneficial interest in the Liquidating Trust would be treated for U.S. federal income tax purposes as receiving from the Debtors, in a taxable exchange, its Pro Rata share of the assets in the Liquidating Trust transferred by the Debtors, and then transferring such Pro Rata share to the Liquidating Trust in exchange for a beneficial interest.

Such Holder generally will recognize gain or loss with respect to its Claims in an amount equal to the difference between the fair market value of its Pro Rata share of the assets in the Liquidating Trust and such Holder's tax basis in its Claims. Each Holder should consult its own tax advisor regarding such Holder's gain or loss on such transfer, if any.

A Holder will have a holding period in its beneficial interest that begins the day after assets are transferred to the Liquidating Trust, and its tax basis in such beneficial interest will be equal to the fair market value of its Pro Rata share of such assets in the Liquidating Trust. Any gain or loss recognized by such Holder will be capital gain or loss if such Holder held its Claims as a capital asset or will be ordinary in character if such Holder did not hold its Claims as a capital asset.

The treatment of the Liquidating Trust as a grantor trust will require a Holder of an Allowed General Unsecured Claim that receives a beneficial interest to report on its U.S. federal income tax return its share of the Liquidating Trust's items of income, gain, loss, deduction, and credit in the year recognized by the Liquidating Trust. This requirement may result in such Holder being subject to tax on its allocable share of the Liquidating Trust's taxable income prior to receiving any Distributions from the Liquidating Trust. A Holder of an Allowed Claim that receives a beneficial interest is urged to consult its own tax advisors regarding the tax consequences of its ownership of a beneficial interest.

2. Market Discount

Holders who exchange Claims for Cash, assets or beneficial interests in the Liquidating Trust may be affected by the "market discount" provisions of the Code. Under these provisions, some or all of the gain realized by a Holder on an exchange of its Claims may be treated as ordinary income (instead of capital gain), to the extent of the amount of accrued "market discount" on such Claims.

Generally, a debt obligation with a fixed maturity of more than one year that is acquired by a Holder on the secondary market is considered to be acquired with "market discount" as to that Holder if the debt obligation's stated redemption price at maturity exceeds the tax basis of the debt obligation in the Holder's hands immediately after its acquisition. However, a debt obligation is not a "market discount bond" if the excess is less than a statutory de minimis amount.

Any gain recognized by a Holder on the taxable disposition of Claims that were acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while the Claims were considered to be held by the Holder (unless the Holder elected to include market discount in income as it accrued).

3. Accrued But Untaxed Interest

Pursuant to the Plan, distributions in respect of an Allowed Claim that is comprised of indebtedness and accrued but unpaid interest thereon will be allocated first to the principal amount of such Allowed Claims, with any excess allocated to accrued but unpaid interest. However, there is no assurance that the IRS will respect such allocation for U.S. federal income tax purposes. Holders of Allowed Claims who were not previously required to include in their taxable income any accrued but unpaid interest on an Allowed Claim may be treated as receiving taxable interest to the extent any consideration they receive under the Plan is allocable to such accrued but unpaid interest. Holders previously required to include in their taxable income any accrued but unpaid interest on an Allowed Claim may be entitled to recognize a deductible loss, to the extent that such accrued but unpaid interest is not satisfied under the Plan.

HOLDERS SHOULD CONSULT THEIR OWN INDEPENDENT TAX ADVISORS CONCERNING THE ALLOCATION OF CONSIDERATION RECEIVED IN SATISFACTION OF THEIR ALLOWED CLAIMS AND THE U.S. FEDERAL INCOME TAX TREATMENT OF ACCRUED BUT UNPAID INTEREST.

4. Post-Effective Date Distributions

Because certain Holders of Allowed Claims, including Disputed Claims that ultimately become Allowed Claims, may receive Cash distributions after the Effective Date, the imputed interest provisions of the Internal Revenue Code may apply and cause a portion of the subsequent distribution to be treated as interest. Additionally, because Holders may receive distributions with respect to an Allowed Claim in a taxable year or years following the year of the initial distribution, any loss and a portion of any gain realized by the Holder may be deferred. All Holders of Allowed Claims are urged to consult their tax advisors regarding the possible application of (or ability to elect out of) the "installment method" of reporting with respect to their Claims.

5. Bad Debt Deduction

A Holder who receives in respect of an Allowed Claim an amount less than the Holder's tax basis in the Claim may be entitled in the year of receipt (or in an earlier or later year) to a bad debt deduction in some amount under Section 166(a) of the Internal Revenue Code. The rules governing the character, timing and amount of bad debt deductions place considerable emphasis on the facts and circumstances of the Holder, the obligor and the instrument with respect to which a deduction is claimed. Holders of Allowed Claims, therefore, are urged to consult their tax advisors with respect to their ability to take such a deduction.

6. Information Reporting and Backup Withholding

Under the Internal Revenue Code's backup withholding rules, the Holder of an Allowed Claim may be subject to backup withholding with respect to distributions or payments made pursuant to the Plan unless the Holder comes within certain exempt categories (which generally include corporations) and, when required, demonstrates that fact, or provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the Holder is not subject to backup withholding because of a failure to report all dividend and interest income. Backup withholding is not an additional tax, but merely an advance payment that may be refunded to the extent it results in an overpayment of tax. Holders of Allowed Claims may be required to establish exemption from backup withholding or to make arrangements with respect to the payment of backup withholding.

THE FOREGOING DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. EACH HOLDER SHOULD CONSULT ITS OWN INDEPENDENT TAX ADVISOR REGARDING THE U.S. FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PLAN. NONE OF THE DEBTORS, THE PROPONENTS NOR THEIR PROFESSIONALS WILL HAVE ANY LIABILITY TO ANY PERSON OR HOLDER ARISING FROM OR RELATED TO THE U.S. FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE PLAN OR THE FOREGOING DISCUSSION.

C. Certain United States Federal Income Tax Consequences to the Debtors

1. Cancellation of Indebtedness and Reduction of Tax Attributes

The Debtors generally should realize cancellation of indebtedness ("COD") income to the extent the indebtedness discharged (reduced by any unamortized original issue discount) exceeds any consideration given in exchange therefor.

COD income realized by a debtor will be excluded from income if the discharge of debt occurs in a case brought under the Bankruptcy Code, the debtor is under the court's jurisdiction in such case and the discharge is granted by the court or is pursuant to a plan approved by the court (the "Bankruptcy Exception"). Because the Bankruptcy Exception will apply to the transactions consummated pursuant to the Plan, the Debtors will not be required to recognize any COD income realized as a result of the implementation of the Plan.

A debtor that does not recognize COD income under the Bankruptcy Exception generally must reduce certain tax attributes by the amount of the excluded COD income. Attributes subject to reduction include net operating losses ("NOLs"), NOL carryforwards and certain other losses, credits and carryforwards, and the debtor's tax basis in its assets (including stock of subsidiaries). Usually a debtor must reduce its basis in its own assets first before reducing its basis in the stock of its subsidiaries, following which the basis of the subsidiaries' assets may be reduced. A debtor's tax basis in its assets generally may not be reduced below the amount of liabilities remaining immediately after the discharge of indebtedness. If the debtor is a member of a consolidated group and reduces its basis in the stock of another group member, a "look-through rule" requires a corresponding reduction in the tax attributes of the lower-tier

member. NOLs for the taxable year of the discharge and NOL carryovers to such year generally are the first attributes subject to reduction. However, a debtor may elect under Code Section 108(b)(5) (the "Section 108(b)(5) Election") to reduce its basis in its depreciable property first. If the debtor is a member of a consolidated group, the debtor may treat stock in another group member as depreciable property for purposes of the Section 108(b)(5) Election, provided the lower-tier member consents to a corresponding reduction in its basis in its depreciable property. If a debtor makes a Section 108(b)(5) Election, the limitation on reducing the debtor's basis in its assets below the amount of its remaining liabilities does not apply.

2. Code Section 382 Limitation on NOLs

Under Code Section 382, if a corporation or a consolidated group with NOLs (a "Loss Corporation") undergoes an "ownership change," the Loss Corporation's use of its pre-change NOLs (and certain other tax attributes) generally will be subject to an annual limitation in the post-change period. In general, an "ownership change" occurs if the percentage of the value of the Loss Corporation's stock owned by one or more direct or indirect "five percent shareholders" increases by more than fifty percentage points over the lowest percentage of the value of the stock owned by the five percent shareholders at any time during the applicable testing period (an "Ownership Change"). The testing period generally is the shorter of (i) the three-year period preceding the testing date or (ii) the period of time since the most recent Ownership Change of the corporation.

Subject to certain bankruptcy rules, the amount of the annual limitation on a Loss Corporation's use of its pre-change NOLs (and certain other tax attributes) generally is equal to the product of the applicable long-term tax-exempt rate (generally, the highest rate published by the IRS for the month in which the Ownership Change occurs and the immediately preceding two months) and the value of the Loss Corporation's outstanding stock immediately before the Ownership Change (excluding certain capital contributions). If a Loss Corporation has a net unrealized built-in gain immediately prior to the Ownership Change, certain gains recognized during the subsequent five-year period (the "Recognition Period") may increase the annual limitation. If a Loss Corporation has a net unrealized built-in loss ("NUBIL") immediately prior to the Ownership Change, certain losses recognized during the Recognition Period also would be subject to the annual limitation and thus would reduce the amount of pre-change NOLs that could be used by the Loss Corporation during the Recognition Period. If certain creditors receive stock in exchange for debt, special rules may apply that could change this result.

3. Alternative Minimum Tax

In general, an alternative minimum tax ("AMT") is imposed on a corporation's alternative minimum taxable income ("AMTI") at a 20% rate to the extent such tax exceeds the corporation's regular U.S. federal income tax for the taxable year. For purposes of computing AMTI, certain tax deductions and other beneficial allowances are modified or eliminated, with further adjustments required if AMTI, determined without regard to adjusted current earnings ("ACE"), differs from ACE. In addition, even though a corporation otherwise might be able to offset all of its taxable income for regular tax purposes by available NOL carryforwards, under current law only 90% of its AMTI generally may be offset using available NOL carryforwards. Accordingly, for tax periods after the Effective Date, the Debtors may have to pay AMT,

regardless of whether they generate NOLs or have sufficient NOL carryforwards to offset regular taxable income for such periods. In addition, if a corporation undergoes an Ownership Change and is in a NUBIL position on the date of the Ownership Change, the corporation's aggregate tax basis in its assets would be reduced for certain AMT purposes to reflect the fair market value of such assets as of the change date. A corporation that pays AMT generally is later allowed a nonrefundable credit (equal to a portion of its prior year AMT liability) against its regular U.S. federal income tax liability in future taxable years when it is no longer subject to the AMT.

4. Gain or Loss on Transfer of Assets

A debtor that transfers its assets in satisfaction of its outstanding indebtedness is treated as selling such assets at fair market value to the Holders of such indebtedness. To the extent that such debtors' tax basis in its assets is less than such assets' fair market value, such debtor recognizes gain on the transfer, which gain could be ordinary or capital in nature based on the character of the assets transferred.

X. CONCLUSION

For all of the reasons set forth in this Disclosure Statement, the Debtors believe that confirmation of the Plan is preferable to all other alternatives. Consequently, the Debtors recommend that Holders of Claims in Classes 4, 6, and 8 vote to ACCEPT the Plan and to evidence such acceptance by returning their ballots so they will be RECEIVED by the Debtors' claims and noticing agent, Epiq, no later October 30, 2013 at 4:00 p.m. (Eastern Time).

[*Signature page to follow.*]

Dated: September 29, 2013

Respectfully submitted,

Trinity Coal Corporation, on its own behalf and on behalf of each of the other Debtors

By: */s/ David Stetson*
Name: David Stetson
Title: Chief Restructuring Officer

COUNSEL FOR THE DEBTORS

BINGHAM GREENEBAUM DOLL LLP
John W. Ames
C.R. Bowles, Jr.
Bruce Cryder
300 W. Vine Street, Suite 1100
Lexington, KY 40507
Telephone: (502) 589-4200
Facsimile: (502) 540-2122
E-mail:james@bgdlegal.com
cbowles@bgdlegal.com
bcryder@bgdlegal.com

and

CURTIS, MALLET-PREVOST, COLT & MOSLE LLP
Steven J. Reisman
L. P. Harrison 3rd
Jerrold L. Bregman
Dienna Ching
101 Park Avenue
New York, NY 10178-0061
Telephone: (212) 696-6000
Facsimile: (212) 697-1559
E-mail:sreisman@curtis.com
lharrison@curtis.com
jbregman@curtis.com
dching@curtis.com