

François D. Gagnon
Tél. 514-954-2553
fgagnon@blg.com

Borden Ladner Gervais s.e.n.c.r.l., s.r.l. / LLP
1000, rue De La Gauchetière Ouest
Bureau / Suite 900
Montréal, QC, Canada H3B 5H4
Tél. 514.879.1212
Téléco./F 514.954.1905
blg.com



Montreal, October 30, 2015

BY EMAIL

Mtre Bernard Boucher
BLAKE, CASSELS & GRAYDON S.E.N.C.R.L.
600 boulevard de Maisonneuve Ouest
Suite 2200
Montréal QC
H3A 3J2

Re : In the matter of the Plan of Compromise pursuant to
the *Companies' Creditors Arrangements Act*
of BLOOM LAKE GENERAL PARTNER LIMITED et *als.* (the "**Petitioners**")
Our file : 296328-000001

Dear counsel,

The present is further to your letter of October 29th, 2015.

ALLEGED BREACH TO THE CONFIDENTIALITY AGREEMENT:

With regards to your allegations that our clients have "potentially" breached the Confidentiality Agreement they executed on September 16th, 2015 (the "**Confidentiality Agreement**"), we would like to assure you that, in the context of the drafting and service of Groupe UNNU-EBC s.e.n.c. and EBC Inc.'s ("**UNNU**") *Motion to Communicate information and/or Documentation* (the "**Disclosure Motion**"), the undersigned attorneys have taken all necessary steps and precautions to respect the provisions of the Confidentiality Agreement. In fact, in support of the Disclosure Motion, the undersigned attorneys have filed the Confidentiality Agreement and all correspondence exchanged between the parties under the umbrella of the Confidentiality Agreement, *under seal* as provided in section 4 (b) of said agreement.

With respect to divulging of the identity of the purported purchaser, it is our understanding that the identity of such purchaser was communicated by the Petitioners to some of their employees, and which information was thereafter brought to the attention of UNNU. Therefore, and as previously stated in paragraphs 25 and 26 of the Disclosure Motion, such information was not provided by the Petitioners or by the Monitor, and consequently, does not fall within the scope of the Confidentiality Agreement. Considering the original source of this information, we respectfully suggest that your client is ultimately responsible for the disclosure of the identity of the purported purchaser.

Finally, if your client is aware of facts which would support its vague allegation that our clients “have potentially breached the Confidentiality Agreement” we would kindly ask that provide particulars of said breach so that we may respond appropriately. We wish however to advise that, after discussion with our clients’ representatives, it is clear that your client’s vague accusation is unfounded.

THE PROPOSED DISCLOSURE UNDER THE SCOPE OF THE CONFIDENTIALITY AGREEMENT:

We acknowledge receipt of, and thank you for the Petitioners’ proposal to disclose some of the information sought pursuant to the Disclosure Motion, as stated in paragraphs 4 and following of your October 29th, 2015 letter.

UNNU is prepared to receive and gain access to the following information subject to the terms of the Confidentiality Agreement:

- Access to Moelis’ solicitation list (conclusion 4. (iv) of the Disclosure Motion). However, we disagree that such list should be redacted. Indeed, this list was created by Moelis on behalf of Petitioners, independent of the will and approval of potential purchasers. The consent of the parties enumerated on this list is, in our humble opinion, irrelevant;
- Access to Moelis’ data room (conclusion 4. (v) of the Disclosure Motion).

Notwithstanding the foregoing, and as exposed in the Disclosure Motion, UNNU requires additional information which the Petitioners have not proposed to disclose, even under the protection of the Confidentiality Agreement, namely:


- Confirmation or denial of the purported transaction with Champion Iron Limited with respect to the sale of certain assets of the Insolvent Debtors including the Bloom Lake Mine (conclusion 4. (i) of the Disclosure Motion);
- A copy of the prospective purchaser’s offer (conclusion 4. (ii) of the Disclosure Motion);
- A copy of all other offers received by the Monitor, Moelis and/or the Petitioners, which encompass the Petitioners rights under Mining Lease BM 877 and the mining claims held by the Petitioners, within the context of the SISP (conclusion 4. (iii) of the Disclosure Motion);
- All available data regarding the carrying costs of the Bloom Lake mine should the operation be mothballed and kept for a certain period of time with a view to disposing of it at a later date (conclusion 4. (vii) of the Disclosure Motion)

Unless Petitioners are amenable to providing this information, our clients have instructed that we continue with the presentation of the Disclosure Motion.

We await your response and/or comments.

Best regards,

BORDEN LADNER GERVAIS, S.E.N.C.R.L., S.R.L.



François D. Gagnon
FDG/sb

c.c. Mtre Sylvain Rigaud, *Norton Rose Fulbright Canada*
Mtre Virginie Fortin, *EBC Inc.*
Mr. Martin Houle, *EBC Inc.*

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