

CANADA

PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

No: 500-11-048114-157

“Commercial Division”

SUPERIOR COURT

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**IN THE MATTER OF THE PLAN OF  
COMPROMISE OR ARRANGEMENT OF:**

**BLOOM LAKE GENERAL PARTNER  
LIMITED**

-and-

**QUINTO MINING CORPORATION**

-and-

**8568391 CANADA LIMITED**

-and-

**CLIFFS QUEBEC IRON MINING ULC**

Debtors/Petitioners

-and-

**THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP**

-and-

**BLOOM LAKE RAILWAY COMPANY  
LIMITED**

Mises en cause

-and-

**ADMINISTRATION PORTUAIRE DE SEPT-  
ÎLES/SEPT-ÎLES PORT AUTHORITY**, a non-  
profit federal corporation incorporated pursuant to  
Section 8 of the *Canada Marine Act*, S.C. 1998,  
ch. 10, having its head office at 1, Monseigneur-  
Blanche Street, Sept-Îles, Quebec, G4R 5P3

Objecting Party

-and-

**FTI CONSULTING CANADA INC.**

Monitor

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**NOTICE OF OBJECTION IN RESPECT TO THE MOTION FOR AN ORDER  
APPROVING A SALE AND INVESTOR SOLICITATION PROCEDURE**  
(Motion docket number 61 and Paragraph 55 of the Initial Order)

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**TO THE HONOURABLE STEPHEN W. HAMILTON, S.C.J., OR TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN COMMERCIAL DIVISION, IN AND FOR THE DISTRICT OF MONTREAL, THE OBJECTING PARTY RESPECTFULLY SUBMITS AS FOLLOWS:**

**I- PURPOSE OF THE NOTICE OF OBJECTION**

1. Pursuant to the present Notice of Objection (hereinafter the *“Notice”*), for the reasons set forth hereinafter, the Objecting Party *Administration Portuaire de Sept-Îles/Sept-Îles Port Authority* (hereinafter the *“SIPA”*) will seek from this Honourable Court the issuance of an Order:
  - a) Ordering that the Property of *Wabush Resources Inc.* (hereinafter *“WRI”*), a Non-CCAA Party, be excluded from the Property subject to the *Sale and Investor Solicitation Procedures Procedure* (hereinafter the *“SISP”*);
  - b) Declaring that the SIPA Rights (as defined hereinafter) as against the Property shall not be affected in any manner whatsoever by the implementation of the SISP;
  - c) Reserving the rights of the SIPA to exercise its SIPA Rights (as defined hereinafter) as against the Property upon occurrence of the events triggering the exercise of same;
2. For ease of reference, capitalized terms not otherwise defined herein shall have the meaning ascribed to same in the SISP filed as Exhibit **R-3** in support of the Debtors’ *“Motion for an Order Approving a Sale and Investor Solicitation Procedure”* (hereinafter the *“Motion”*);

**II- CONTEXT AND PARTIES**

3. SIPA is one of the eighteen (**18**) federal organizations created in 1998 pursuant to the *Canada Marine Act*, S.C. (1998) ch. 10 to manage and operate major ports in Canada which were deemed vital to Canada’s domestic and international trade and business;
4. SIPA owns, operates and manages the port of the Bay of Sept-Îles (hereinafter the *“Port”*), acting as agent and on behalf of the Government of Canada;
5. The Port was identified as one of the nineteen (**19**) major ports of Canada, deemed vital to Canada’s domestic and international trade;

6. SIPA's mission is to remain an important development agent by maintaining a partnership approach to offer functional installations and deliver efficient services that maximize the natural advantages provided by the Bay of Sept-Îles, the whole with a view to promote and facilitate the trade and business transiting from and to the Port (hereinafter the "**Mission**");
7. SIPA is the successor in the rights of the *National Harbours Board* (hereinafter the "**NHB**") and the *Canada Ports Corporation* (hereinafter the "**CPC**") in respect to the Port;
8. On January 27, 2015, an Initial Order was issued in favour of the Petitioners and the Mises en cause in accordance with the CCAA, pursuant to which, notably, the Monitor was appointed, as appears from the Court record herein;
9. On April 2, 2015, the Petitioners filed the Motion seeking the implementation of the SISP, with a view to maximize the realization value of the Property;
10. The Property, as defined in the SISP, is comprised not only of the Petitioners' property, assets and undertakings, but also of the property, assets and undertakings of the Non-CCAA Parties, i.e. parties that are not subject in any manner whatsoever to the CCAA Proceedings;

### **III- THE SIPA RIGHTS**

11. SIPA's mission is of public order and interest. SIPA, acting as agent, for and on behalf of the Crown, ensures the fullest access to and proper usage and integrity of the Port's facilities for the benefit of all of its users. The Port's facilities service an array of enterprises operating in the mining industry;
12. It is in this specific context that SIPA was granted over time with rights over some of the Property: to allow SIPA to preserve the integrity of the Port's facilities and a right of regards as to its usage and as to the identity of the users having access to the Port's facilities and surrounding adjacent land;
13. For the reasons set forth hereinafter, SIPA respectfully submits to this Honourable Court that the SISP threatens to jeopardize SIPA's rights and preclude SIPA from fulfilling its Mission, which is of public order and interest;

#### **A- The 1977 Agreement: Right of First Offer to Purchase and Right of First Refusal**

14. On December 6, 1977, *Wabush Iron Co. Limited*, *The Steel Company of Canada Limited*, *Dominion Foundries and Steel Limited* (hereinafter the "**Wabush Entities**"), on the first part, and the NHB on the second part, entered into an agreement pursuant to which, *inter alia*, the Wabush Entities undertook not to transfer or sell any part of a parcel of land known as the "Block Z" without first offering same to the NHB, as appears from a copy of this agreement filed herewith as **EXHIBIT O-1** (hereinafter the "**1977 Agreement**");

15. Specifically, paragraphs 1 and 2 of the 1977 Agreement provide the following:

- “1. The Vendors shall not sell or transfer any part of said Block Z to a third party except in accordance with the terms of paragraph 2 hereof it being understood that a third party shall not include any of the Vendors or any subsidiary, associated or affiliated company of any of the Vendors.
2. *If the Vendors shall desire to sell or transfer any part of Block Z to a third party, then the said Vendors shall first give the Purchaser an opportunity to purchase the said part of Block Z at the Vendors' price. The Vendors shall notify the Purchaser in writing of the price and terms upon which they are willing to sell and the Purchaser shall have 120 days from the date such notice is received to agree to purchase the said part of Block Z. In the event that the Purchaser shall fail to offer to purchase the said part of Block Z, then the Vendors may sell the said part of Block Z to a third party on the same terms and conditions as they were offered to the Purchaser. If the Vendors arrange a sale on terms different as to price or any other matter from those offered to the Purchaser, then the Purchaser shall be given 120 days to purchase the said part of Block Z on the new terms; otherwise the sale of the said part of Block Z may be completed to the third party on the new terms.”*

[Emphasis added]

16. WRI is the successor in the rights of the Wabush Entities, whereas SIPA is the successor in the rights of the NHB;
17. Essentially, pursuant to the 1977 Agreement, SIPA was granted with the following rights in respect to the Block Z (hereinafter collectively the “**1977 Rights**”):
  - a) A right of first offer to purchase, pursuant to which WRI must first offer to SIPA the right to purchase the Block Z before offering same to third parties at the same price; and
  - b) A right of first refusal in the event that a third party offers to acquire Block Z at a different price and/or conditions;
18. The 1977 Agreement was notarized and registered on title in respect to the Block Z, as appears from a copy of the excerpt of the land registry filed herewith as **EXHIBIT O-2**;
19. Block Z (Lot 3,931,541 of the Cadastre of Quebec) is a parcel of lot located on the Pointe-Noire sector of the Bay of Sept-Îles, adjacent to the Port facilities of SIPA.
20. Block Z is located between two (2) parcels of lots belonging to the Crown, as appears from a copy of a plan outlining the interaction of the various proprietary interests in the Pointe Noire sector filed herewith as **EXHIBIT O-3** (hereinafter the “**Plan**”);
21. It is to preserve the access to the Crown’s lands that SIPA negotiated the 1977 Rights in respect to the Block Z, essentially preserving the access to a corridor between the Port’s facilities and the Crown’s lands;
22. The 1977 Rights were specifically negotiated so to permit SIPA to preserve the fullest access to the Port and fulfil its Mission to promote domestic and international trade;

23. On December 22, 2014, SIPA informed WRI that it would be interested in acquiring the Block Z, in accordance with its 1977 Rights, as appears from a copy of a letter in this regard filed herewith as **EXHIBIT O-4**;
24. On March 12, 2015, SIPA reiterated its intention to exercise its 1977 Rights in respect to the Block Z, outlining that it would be willing to pay the fair market value in respect thereto, as appears from a copy of a letter in this regard filed herewith as **EXHIBIT O-5**;
25. SIPA's latest assessment of the Block Z's fair market value is evidenced by a "*Report of Assessment*" prepared by *Les Évaluations Manicouagan Inc.* and dated January 11, 2012, a copy of which is filed herewith as **EXHIBIT O-6** (hereinafter the "*Appraisal Report*");
26. There are no infrastructures/equipment on the Block Z and WRI has never used the Block Z in the context of the operations of its business;
27. SIPA respectfully submits that this Honourable Court that it cannot authorize WRI to disregard the 1977 Rights, insofar as:
  - a) The 1977 Rights was negotiated by the parties so to allow for SIPA to fulfill its Mission, to preserve the integrity and usage of the Port's facilities. SIPA's Mission and role is of public order and interest;
  - b) Block Z is the property of WRI, successor in the rights of the Wabush Entities;
  - c) WRI is not a CCAA Party;
  - d) WRI's property, assets, rights and undertakings are not subject to the CCAA Proceedings;
  - e) The rights and interests of WRI's stakeholders are neither subject to, nor are they stayed by the CCAA Proceedings;
  - f) As indicated at paragraph 9 at the SISP, this Honourable Court shall not be in a position to issue a vesting order in respect to the Non-CCAA Parties' right, title or interest in and to the Property;
  - g) The stakeholders of the CCAA Parties cannot benefit from the valorization of the Property of the Non-CCAA Parties, to the detriment of the stakeholders of the Non-CCAA Parties' rights and interest in respect thereto;
  - h) Even if WRI was a CCAA Party and its Property was subject to the CCAA Proceedings, WRI would still be bound by the 1977 Rights as SIPA's exercise of its 1977 Rights would not cause any prejudice to the creditors of WRI given that:
    - i) SIPA has expressed its intention to pay the fair market value for the Block Z; and

- ii) The Block Z has never been used by WRI (nor by the Wabush Entities) and should not be considered as part and parcel to its operations. It is therefore unlikely that a potential purchaser/investor interested in the business of WRI would allocate any value to the Block Z (in its consideration) for the continuation of WRI's business;

28. In light of the foregoing, SIPA respectfully submits to this Honourable Court that:

- a) Block Z must be excluded from the Property subject the SISP;
- b) Subsidiarily, in the event that the Court comes to the conclusion that the Block Z, Property of WRI, a Non-CCAA Party, should form part of the Property subject to the SISP:
  - i) WRI must grant SIPA the opportunity to purchase Block Z, in accordance with the 1977 Rights;
  - ii) Should SIPA refuse to purchase the Block Z for the price set forth by WRI in its offer, SIPA must be granted with the opportunity to purchase the Block Z for an amount equivalent to the best offer received in respect thereto within the SISP, in accordance with the 1977 Rights; and
  - iii) The SISP must clearly indicate to potential purchasers/investors that the Block Z is subject to the 1977 Rights;

**B- The 1998 Agreement: Right of First Offer to Purchase and Right of First Refusal**

29. On September 24, 1998, the Wabush Entities and CPC entered into an agreement pursuant to which, *inter alia*, the Wabush Entities undertook not to transfer or sell some assets better known as the "*Remaining Facilities*", comprised of ship loading equipment, stock yard, a bunker system and a Bentonite system (hereinafter collectively the "*Remaining Facilities*"), without first offering same to the CPC, as appears from a copy of this agreement filed herewith as **EXHIBIT O-7** (hereinafter the "*1998 Agreement*"):

30. Specifically, paragraph 31 of the 1998 Agreements reads as follows:

"31. *If at any time during the term of this Agreement, either Ports Canada wishes to sell the Facilities acquired hereunder from Wabush or Wabush wishes to sell the Remaining Facilities as defined in Schedule "E" hereto and initialled by the parties for identification (the "Offeror"), other than as hereinafter provided, it shall first, before any such sale, deliver a Notice to this effect (the "Sale Notice") to the other party hereto (the "Offeree").*

*The Sale Notice shall contain an offer to sell the Offeror's Facilities or Remaining Facilities, as the case may be, at a price payable only by certified cheque or bank draft and/or assumption of existing indebtedness and on terms set out in the Sale Notice (such price and terms being called the "Sale Terms").*

*Thereupon the Offeree may, within the thirty (30) day period after receipt of the Sale Notice (the "Option Period"), deliver written notice (the "Notice") to the Offeror of the Offeree's election to accept or not to accept the Offer contained in the Sale Notice. If no*

*such Notice is delivered to the Offeror within the Option Period, the Offeree shall be deemed not to have accepted the Offer contained in the Sale Notice. Should the Offer be accepted by the Offeree within the Option Period, the sale of the Facilities or of the Remaining Facilities, as the case may be, shall take place within thirty (30) days from the expiration of the Option Period. Should the said Offer not be accepted by the Offeree within the Option Period, the Offeror shall have the right to sell the Facilities or the Remaining Facilities, as the case may be, but always at a price and on terms and conditions no less favourable to the Offeror than the Sale Terms, to any other party within one hundred and eighty (180) days after the Option Period has expired. If no sale is so completed within such one hundred and eighty (180) day period, the Offeror shall not proceed with the sale of the Facilities or the Remaining Facilities, as the case may be, without again complying with all relevant provisions of this Section, and so on from time to time.*

*Notwithstanding the foregoing, this Section shall not apply in the event that Ports Canada or Wabush wishes to transfer and assign its respective Facilities or its Remaining Facilities, as the case may be, to an "affiliate" as that term is defined in the Canada Business Corporations Act or in virtue of any merger, amalgamation or other corporate reorganization of either party, or in the case of Wabush, such transfer and assignment takes place between Wabush Iron Co. Limited, Stelco Inc. and Dofasco Inc."*

[Emphasis added]

31. WRI is the successor in the rights of the Wabush Entities, whereas SIPA is the successor in the rights of CPC;
32. Essentially, pursuant to the 1998 Agreement, SIPA was granted with the following rights (hereinafter collectively the **"1998 Rights"**):
  - a) A right of first offer to purchase, pursuant to which WRI must first offer to SIPA the right to purchase the Remaining Facilities before offering same to third parties at the same price; and
  - b) A right of first refusal in the event that a third party offers to acquire the Remaining Facilities at a different price and/or conditions;
33. On March 12, 2015, SIPA indicated its intention to exercise its 1998 Rights in respect to the Remaining Facilities, outlining that it would be willing to pay the fair market value in respect thereto (**O-5**);
34. SIPA respectfully submits to this Honourable Court that it cannot authorize WRI to disregard the 1998 Rights, insofar as:
  - a) The Remaining Facilities are the property of WRI, successor in the rights of the Wabush Entities;
  - b) WRI is not a CCAA Party;
  - c) WRI's property, assets, rights and undertakings are not subject to the CCAA Proceedings;
  - d) The rights and interests of WRI's stakeholders are neither subject to, nor are they stayed by the CCAA Proceedings;

- e) At paragraph 9 of the SISP, this Honourable Court shall not be in a position to issue a vesting order in respect to the Non-CCAA Parties' right, title or interest in and to the Property;
- f) The stakeholders of the CCAA Parties cannot benefit from the valorization of the Property of the Non-CCAA Parties, to the detriment of the stakeholders of the Non-CCAA Parties' rights and interest in respect thereto;
- g) Even if WRI was a CCAA Party and its Property was subject to the CCAA Proceedings, WRI would still be bound by the 1998 Rights as SIPA's exercise of its 1998 Rights would not cause any prejudice to the creditors of WRI given that SIPA has expressed its intention to pay the fair market value for the Remaining Facilities;

35. For these reasons, SIPA respectfully submits to this Honourable Court that:

- a) The Remaining Facilities must be excluded from the Property subject to the SISP;
- b) Subsidiarily, in the event that the Court comes to the conclusion that the Remaining Facilities, Property of WRI, a Non-CCAA Party, should form part of the Property subject to the SISP:
  - i) WRI must grant SIPA the opportunity to purchase the Remaining Facilities, in accordance with the 1998 Rights (hereinafter a "***Sale Offer***");
  - ii) SIPA must be granted with the opportunity to purchase the Remaining Facilities should no offer equivalent to a Sale Offer be received within the SISP, in accordance with the 1998 Rights;
  - iii) The SISP must clearly indicate to potential purchasers/investors that the Remaining Facilities are subject to the 1998 Rights;

**C- The 2009 Agreement: Option to Purchase**

- 36. On October 29, 2009, SIPA and *Consolidated Thompson Iron Mines Limited* (hereinafter "***Consolidated***"), entered into an agreement entitled "*Contrat de Bail*" pursuant to which, *inter alia*, Consolidated is renting SIPA's facilities located on the Port's land (hereinafter the "***Leased Premises***"), as appears from a copy of this agreement filed herewith as **EXHIBIT O-8** (hereinafter the "***2009 Lease Agreement***");
- 37. Petitioner *Cliffs Iron Mining ULC* (hereinafter "***Cliffs Qc***") is the successor in the rights of Consolidated;
- 38. The initial term of the 2009 Lease Agreement is twenty (20) years (until October 28, 2029);



39. The rent payable pursuant to the 2009 Lease Agreement is outstanding and has yet to be paid by Cliffs Qc., despite the letter sent to Cliffs' attention in this regard requesting payment of the rent for the post Initial Order period (**O-5**);
40. The 2009 Lease Agreement provides that should the 2009 Lease Agreement be terminated, SIPA shall have the option to acquire the infrastructures and equipment located on the Leased Premises, at their fair market value and that if SIPA fails to exercise its option, Cliffs Qc. shall have **180** days to dismantle the infrastructures and equipment located on the Leased Premises, at Cliffs Qc's entire costs (hereinafter the "**2009 Rights**");
41. SIPA respectfully submits to this Honourable Court that it cannot authorize Cliffs Qc. to disregard the 2009 Rights, insofar as Cliffs Qc. remains bound by same regardless of the ongoing CCAA Proceedings;
42. Therefore, SIPA respectfully submits to this Honourable Court that:
  - a) SIPA's 2009 Rights must be preserved in the event that the 2009 Lease Agreement is terminated; and
  - b) The SISP must clearly indicate to potential purchasers/investors that the equipment and infrastructure located on the Leased Premises are located on premises of the Port owned by SIPA (which means that if they are interested in acquiring same, they will either have to enter into an agreement with SIPA or incur significant dismantling fees), and that they are subject to the 2009 Rights;

**D- The 2010 Agreement: Right of First Offer to Purchase**

43. On February 8, 2010, SIPA and Consolidated, entered into an agreement entitled "*Entente de Principe Confidentielle*" (hereinafter the "**2010 Agreement**") pursuant to which, *inter alia*:
  - a) Consolidated was to finance the construction of additional facilities on Berth 31 located on the Port's premises to facilitate and increase its loading system for the iron ore (hereinafter the "**New Loading System**");
  - b) The New Loading System was to be temporary, until the construction by SIPA of a new deepwater marine shipping/loading terminal (hereinafter the "**Multi-User Dock**");
  - c) Consolidated provided SIPA with a right of first offer to purchase in respect to the New Loading System equipment and infrastructures for the fair market value (hereinafter the "**2010 Rights**"), as it appears from paragraph 11 of the 2010 Agreement:

*"11. Les parties conviennent qu'à la première des éventualités suivantes, à savoir que Consolidated Thompson cesse d'utiliser les installations et équipements de chargement et convoyeurs, ou dès que sera disponible le terminal portuaire en eaux profondes, que les*

*infrastructures et équipements de chargement et convoyeurs de Consolidated Thompson seront offerts au Port à leur juste valeur marchande et a défaut par le Port de les acquérir, ces derniers devront être démantelés par Consolidated Thompson, à ses frais”*

as appears from a copy of the 2010 Agreement filed herewith as **EXHIBIT O-9**;

44. Essentially, pursuant to the 2010 Agreement, SIPA was granted with the following rights (hereinafter the “**2010 Rights**”):

- a) Consolidated undertook to offer to SIPA the right to purchase the equipment and infrastructures related to the New Loading System for their fair market value upon the earlier of (i) Consolidated ceasing its use of same or (ii) the completion of the Multi-User Dock;
- b) Consolidated undertook to dismantle, at its entire costs, the equipment and infrastructures related to the New Loading System in the event that SIPA declined to purchase same for fair market value;

45. Petitioner Cliffs Qc. is the successor in the rights of Consolidated;

46. On December 22, 2014, given that Cliffs Qc. had announced its decision to close the Lake Bloom mine, which was serviced by the New Loading System, SIPA informed Cliffs Qc. that:

- a) It was in a position to exercise its 2010 Rights given that this decision would result in Cliffs Qc. ceasing its use of the New Loading System; and
- b) It intend on exercising its 2010 Rights as against the equipment and infrastructures related to the New Loading System by offering to purchase same for the nominal amount of \$1,

as appears from a copy of a letter in this regard filed herewith as **EXHIBIT O-10**;

47. The rationale for this offer was based on an analysis of the costs anticipated to dismantle the equipment and infrastructure related to the New Loading System, which ordinarily would have to be borne by Cliffs Qc., costs that SIPA assessed to be in excess of the fair market value of same;

48. On December 30, 2014, Cliffs Qc., recognizing the 2010 Rights, informed SIPA that its decision to cease the Lake Bloom mine operations was not to be interpreted as being an admission that it was ceasing its use of the New Loading System, rather it was to be seen as a temporary stay until a new operator was found in the context of a solicitation process, as appears from a copy of a letter in this regard filed herewith as **EXHIBIT O-11**;

49. In fact, Cliffs Qc. has ceased to use the New Loading System;

50. Therefore, SIPA is in a position to exercise its 2010 Rights;

51. SIPA respectfully submits to this Honourable Court that it cannot authorize Cliffs Qc. to disregard the 2010 Rights, insofar as Cliffs Qc. remains bound by same regardless of the ongoing CCAA Proceedings, as SIPA's exercise of its 2010 Rights would not cause any prejudice to the creditors of Cliffs Qc. given that SIPA has expressed its intention to pay the fair market value for the equipment and infrastructure related to the New Loading System (taking into account the dismantling costs of same from the premises owned by SIPA);
52. In light of the above, SIPA respectfully submits to this Honourable Court that:
  - a) SIPA must be granted with the opportunity to purchase the equipment and infrastructure related to the New Loading System, in accordance with its 2010 Rights; and
  - b) The SISP must clearly indicate to potential purchasers/investors that the equipment and infrastructure related to the New Loading System are located on premises of the Port, property of SIPA (which means that if they are interested in acquiring same they will either have to enter into an agreement with SIPA or incur significant dismantling fees), and that they are subject to the 2010 Rights;

#### **IV- CONCLUSIONS SOUGHT**

53. SIPA respectfully submits to this Honourable Court that its 1977 Rights, 1998 Rights, 2009 Rights and 2010 Rights (hereinafter collectively the "***SIPA Rights***") are opposable to WRI and Cliffs Qc. and shall not be affected nor compromised in any manner whatsoever by the SISP;
54. SIPA reiterates that its Mission, which is both to facilitate the trade coming from and through the Port's facilities and to preserve the integrity and control the usage of the Port's facilities and its nearby Crown lands, is threatened by the SISP;
55. In respect to the **1977 Rights** and the **1998 Rights**, SIPA respectfully submits to this Honourable Court that :
  - a) Considering WRI is a Non-CCAA Party which is not subject to the CCAA Proceedings, the Property subject to SIPA's 1977 Rights and 1998 Rights may not form part of the SISP;
  - b) Subsidiarily, should this Honourable Court come to the conclusion that the Property subject to SIPA's 1977 Rights and 1998 Rights should form part of the SISP:
    - i) WRI is bound by the 1977 Rights and 1998 Rights given that SIPA has already expressed its intention to purchase the Block Z and the Remaining Facilities at their fair market value, such that the exercise by SIPA of its 1977 Rights and 1998 Rights shall not prejudice WRI's efforts to maximize the realization value of its Property, for the ultimate benefit of

its creditors (not the Petitioners' creditors), while preserving the ability for SIPA to fulfill its Mission; and

- ii) The SISP should clearly indicate that the Block Z and the Remaining Facilities are subject to SIPA's 1977 Rights and 1998 Rights;

56. In respect to the **2009 Rights**, SIPA respectfully submits to this Honourable Court that it cannot authorize Cliffs Qc. to disregard the 2009 Rights, insofar as Cliffs Qc. remains bound by same regardless of the ongoing CCAA Proceedings;
57. In respect to the **2010 Rights**, SIPA respectfully submits to this Honourable Court that Cliffs Qc. is bound by and may not disregard same because it has resorted to the CCAA Proceedings. In addition, given that SIPA has already expressed its intention to purchase the equipment and infrastructures related to New Loading System at their fair market value (taking into account the dismantling costs of same from the premises owned by SIPA), the exercise by SIPA of its 2010 Rights shall not prejudice Cliffs Qc.'s efforts to maximize the realization value of its Property, for the ultimate benefit of its creditors;
58. The present Motion is well founded both in fact and in law.

**FOR THESE REASONS, MAY IT PLEASE THIS COURT TO:**

**GENERAL**

- [1] **DISMISS** the "*Motion for an Order Approving a Sale and Investor Solicitation Procedure*" (hereinafter the "**Motion**") in part;
- [2] **ORDER** that the definition of "*Property*" in the "*Sale and Investor Solicitation Procedures*" filed in support of the Motion as Exhibit **R-3** (hereinafter the "**SISP**") be exclusive of any property, assets, rights, undertakings, titles or interests of *Wabush Resources Inc.*, acting as successor in the rights of *Wabush Iron Co. Limited, The Steel Company of Canada Limited, Dominion Foundries and Steel Limited* (hereinafter "**WRI**");

**1977 RIGHTS**

- [3] **DECLARE** that rights of the *Administration Portuaire de Sept-Îles/Sept-Îles Port Authority* (hereinafter the "**SIPA**"), acting as successor in the rights of the *National Harbours Board*, granted by WRI (hereinafter the "**1977 Rights**") pursuant to an agreement entered into on December 6, 1977, a copy of which is filed in support of the present Notice of Objection as **EXHIBIT O-1**, are not affected in any manner whatsoever by the implementation of the SISP;

***Subsidiarily, in the event that this Honourable Court comes to the conclusion that the Block Z (Lot 3,931,541 of the Cadastre of Quebec) should form part of the Property subject to the SISP:***

- [4] **RESERVE** the rights of SIPA to acquire at its fair market value the Block Z (Lot 3,931,541 of the Cadastre of Quebec) in accordance with the 1977 Rights;
- [5] **ORDER** the Petitioners to indicate in the SISP that the Block Z (Lot 3,931,541 of the Cadastre of Quebec) remains subject to the 1977 Rights;

#### **1998 RIGHTS**

- [6] **DECLARE** that the rights of SIPA, acting as successor in the rights of the *Canada Ports Corporation*, granted by WRI pursuant to an agreement entered into on September 24, 1998 (hereinafter the “**1998 Rights**”), a copy of which is filed in support of the present Notice of Objection as **EXHIBIT O-7** (hereinafter the “**1998 Agreement**”), are not affected in any manner whatsoever by the implementation of the SISP in respect to the Remaining Facilities (as defined in the 1998 Agreement);

*Subsidiarily, in the event that this Honourable Court comes to the conclusion that the Remaining Facilities (as defined in the 1998 Agreement) should form part of the Property subject to the SISP:*

- [7] **RESERVE** the rights of SIPA to acquire at their fair market value the Remaining Facilities (as defined in the 1998 Agreement) in accordance with the 1998 Rights;
- [8] **ORDER** the Petitioners to indicate in the SISP that the Remaining Facilities (as defined in the 1998 Agreement) remain subject to the 1998 Rights;

#### **2009 RIGHTS**

- [9] **DECLARE** that the rights of SIPA to acquire at their fair market value the equipment and infrastructures located on the leased premises (hereinafter the “**2009 Infrastructure and Equipment**”) subject to the agreement entitled “*Contrat de Bail*” (hereinafter the “**2009 Lease Agreement**”), as provided at Section 25 of the 2009 Lease Agreement entered into between SIPA and Cliffs Qc., acting as successor in the rights of *Consolidated Thompson Iron Mines Limited* (hereinafter “**Consolidated**”), a copy of which is filed in support of the present Notice of Objection as **EXHIBIT O-8**, are not affected in any manner whatsoever by the implementation of the SISP (hereinafter the “**2009 Rights**”);
- [10] **RESERVE** the rights of SIPA to acquire at their fair market value the 2009 Infrastructure and Equipment in accordance with the 2009 Rights;
- [11] **ORDER** the Petitioners to indicate in the SISP that the 2009 Infrastructure and Equipment (i) are located on premises that are owned by SIPA and (ii) remain subject to the 2009 Rights;

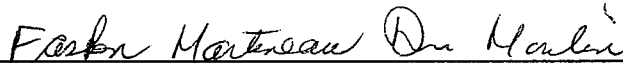
#### **2010 RIGHTS**

- [12] **DECLARE** that the rights of SIPA to acquire the equipment and infrastructures related to the new loading system built on Berth 31 of SIPA’s port facilities (hereinafter the

**“2010 Infrastructure and Equipment”**) for their fair market value (taking into account the dismantling costs of same from the premises owned by SIPA), as provided at Section 11 of the *“Entente de Principe Confidentielle”* entered into between SIPA and Cliffs Qc., acting as successor in the rights of Consolidated, a copy of which is filed in support of the present Notice of Objection as **EXHIBIT O-9** (hereinafter the **“2010 Agreement”**), are not affected in any manner whatsoever by the implementation of the SISP (hereinafter the **“2010 Rights”**);

- [13] **RESERVE** the rights of SIPA to acquire, at their fair market value, the 2010 Infrastructure and Equipment in accordance with the 2010 Rights;
- [14] **ORDER** Cliffs Qc. to indicate in the SISP that the 2010 Infrastructure and Equipment (i) are located on premises that are owned by SIPA and (ii) remain subject to the 2010 Rights;
- [15] **THE WHOLE** without cost, save and except in case of contestation, and then with costs solidarily against any contesting party.

Montréal, this 13<sup>th</sup> day of April, 2015

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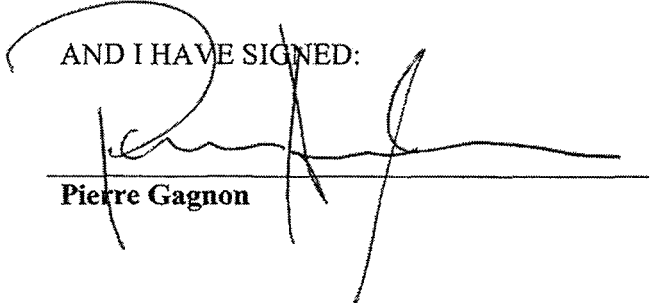
**Fasken Martineau DuMoulin LLP**  
Attorneys for the *Administration Portuaire de*  
*Sept-Îles/Sept-Îles Port Authority*

**AFFIDAVIT**

I, the undersigned, Pierre Gagnon, having my professional address at 1, Monseigneur-Blanche Street, Sept-Îles, Quebec, G4R 5P3, do solemnly declare the following:

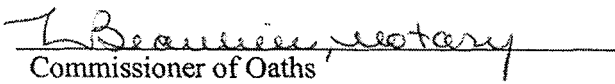
1. I am the President and a duly authorized representative of the trustee *Administration Portuaire de Sept-Îles/Sept-Îles Port Authority* in the present case;
2. All the facts alleged in the present Motion are true.

AND I HAVE SIGNED:



Pierre Gagnon

SOLEMNLY SWORN before me in <sup>Sept-Îles</sup> on  
April 13, 2015



Commissioner of Oaths

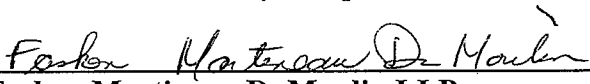
**NOTICE OF PRESENTATION**

TO : Service List  
The CCAA Parties  
ArcelorMittal Dofasco Inc.  
Transport Canada  
Iron Ore Company of Canada  
Churchill Falls (Labrador) Corporation Limited  
Minerals Corporation Limited of Wuhan Iron and Steel (Group)  
Wugang Canada Resources Investment Limited  
ArcelorMittal Mining Canada G.P.  
8109796 Canada Inc.

**TAKE NOTICE** that the present *Notice of Objection in Respect of the Motion for an Order Approving a Sale and Investor Solicitation Procedure* (Motion #61) will be presented for adjudication before the Honourable Stephen W. Hamilton, J.S.C., or another of the honourable judges of the Superior Court, Commercial Division, sitting in and for the district of Montreal, in the Montreal Courthouse located at 1, Notre-Dame Street East, Montreal, Quebec, on **April 17, 2015 at 3:00PM**, in a room to be determined.

**DO GOVERN YOURSELVES ACCORDINGLY.**

Montréal, this 13<sup>th</sup> day of April, 2015

  
\_\_\_\_\_  
**Fasken Martineau DuMoulin LLP**  
Attorneys for the *Administration Portuaire de  
Sept-Îles/Sept-Îles Port Authority*



CANADA

PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

No: 500-11-048114-157

*“Commercial Division”*

SUPERIOR COURT

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**IN THE MATTER OF THE PLAN OF  
COMPROMISE OR ARRANGEMENT OF:**

**BLOOM LAKE GENERAL PARTNER  
LIMITED**

-and-

**QUINTO MINING CORPORATION**

-and-

**8568391 CANADA LIMITED**

-and-

**CLIFFS QUEBEC IRON MINING ULC**

Debtors/Petitioners

-and-

**THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP**

-and-

**BLOOM LAKE RAILWAY COMPANY  
LIMITED**

Mises en cause

-and-

**ADMINISTRATION PORTUAIRE DE SEPT-  
ÎLES/SEPT-ÎLES PORT AUTHORITY**, a non-  
profit federal corporation incorporated pursuant to  
Section 8 of the *Canada Marine Act*, S.C. 1998,  
ch. 10, having its head office at 1, Monseigneur-  
Blanche Street, Sept-Îles, Quebec, G4R 5P3

Objecting Party

-and-

**FTI CONSULTING CANADA INC.**

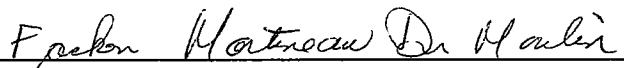
Monitor

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**LIST OF EXHIBITS**

- EXHIBIT O-1 :** Copy of the December 6, 1977 Agreement.
- EXHIBIT O-2 :** Copy of the excerpt of the land registry.
- EXHIBIT O-3 :** Copy of a plan outlining the interaction of the various proprietary interests in the Pointe Noire sector.
- EXHIBIT O-4 :** Copy of the letter dated December 22, 2014 from SIPA to Wabush Resources Inc.
- EXHIBIT O-5 :** Copy of the letter dated March 12, 2015 from SIPA to Wabush Resources Inc.
- EXHIBIT O-6 :** Report of Assessment dated January 11, 2012 prepared by Les Évaluations Manicouagan Inc.
- EXHIBIT O-7 :** Copy of the September 24, 1998 Agreement.
- EXHIBIT O-8 :** Copy of the October 29, 2009 Agreement.
- EXHIBIT O-9 :** Copy of the February 8, 2010 Agreement.
- EXHIBIT O-10 :** Copy of the letter dated December 22, 2014 from SIPA to Cliffs Iron Mining ULC.
- EXHIBIT O-11 :** Copy of the letter dated December 30, 2014 from Cliffs Iron Mining ULC to SIPA.

Montréal, this 13<sup>th</sup> day of April, 2015

  
**Fasken Martineau DuMoulin LLP**  
Attorneys for the *Administration Portuaire de  
Sept-Îles/Sept-Îles Port Authority*

N° : 500-11-048114-157

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PROVINCE OF QUÉBEC  
SUPERIOR COURT (Commercial Division)  
DISTRICT OF MONTRÉAL

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**IN THE MATTER OF THE PLAN OF  
COMPROMISE OR ARRANGEMENT OF:  
BLOOM LAKE GENERAL PARTNER  
LIMITED et al**

Debtors/Petitioners

-and-

**THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP et al**

Mises en cause

-and-

**ADMINISTRATION PORTUAIRE DE SEPT-  
ÎLES/SEPT-ÎLES PORT AUTHORITY,**

Objecting Party

-and-

**FTI CONSULTING CANADA INC.**

Monitor

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**NOTICE OF OBJECTION IN RESPECT TO THE  
MOTION FOR AN ORDER APPROVING A SALE AND  
INVESTOR SOLICITATION PROCEDURE  
(Motion docket number 61 and Paragraph 55 of the  
Initial Order), Affidavit, Notice of Presentation, List  
of Exhibits and Exhibits O-1 to O-11**

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ORIGINAL

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