

JONATHAN WARIN
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DIRECT LINE: 514 878-5616
JWARIN@LAVERY.CA

Montreal, October 4th, 2016

BY EMAIL

WITHOUT PREJUDICE

QUINTO MINING CORPORATION
C/O Cliffs Natural Resources Inc.
200 Public Square - Suite 3300
Cleveland, Ohio
44114

FTI CONSULTING CANADA INC.
TD South Tower
79 Wellington Street West - Suite 2010
Toronto, Ontario
M5K 1G8

Attention: Mr. Clifford T. Smith
(Clifford.Smith@CliffsNR.com)

Attention: Mr. Nigel Meakin
(nigel.meakin@fticonsulting.com)

RE: Mason Graphite Inc. ("Mason")
and Quinto Mining Corporation ("Quinto")
and FTI Consulting Canada Inc. (the "Monitor")
Our file: 416248-00023

Dear Sir:

We are the attorneys of Mason and we received instruction to send you the present letter.

Reference is hereby made to a Purchase Agreement dated April 5th, 2012 between Mason and Quinto (the "Purchase Agreement").

Pursuant to the Purchase Agreement, Mason was to pay the remaining balance of the purchase price in the amount of \$5,000,000 (the "Deferred Purchase Price"), in the following manner:

- (i) a payment of USD \$2,5 M no later than October 5th, 2016; and
- (ii) a payment of USD \$2,5 M no later than April 5th, 2017.

On or about August 22nd, 2016, an agreement was reached between Mason and Quinto, under the supervision and with the agreement of the Monitor, pursuant to which it was agreed by all that the Deferred Purchase Price would be paid by a lump sum payment of USD \$4 M to be paid no later than October 4th, 2016 (the "Transaction").

Since then, for no valid reason, Quinto and the Monitor have expressed that they have changed their mind and would not respect the Transaction.


As detailed in a letter dated September 14th, 2016, Mason contests the position of Quinto and the Monitor and considers that the Transaction is binding, subject only to the authorization of the Court that Quinto and the Monitor were to solicit.

In the circumstances, the Monitor will receive shortly by wire transfer an amount of USD \$2,5 M, as per the instructions he provided. This amount is considered by Mason as a partial payment of the amount of UDS \$4 M agreed upon in the Agreement. We hereby confirm that the balance of USD \$1,5 M was transferred by Mason to our trust account with the irrevocable instruction to transfer same to Quinto upon approval of the Transaction by the Court.

It goes without saying that this letter is sent under reserve of all rights, including Mason's right to enforce the Transaction and request the intervention of the Court in that regard.

Best regards,

LAVERY, DE BILLY



Jonathan Warin

JW/

c.c.: Mr. Sylvain Rigaud - *NORTON ROSE FULBRIGHT CANADA LLP* (sylvain.rigaud@nortonrosefulbright.com)
Mr. Aryo Shalviri - *BLAKE, CASSELS & GRAYDON LLP* (aryo.shalviri@blakes.com)

Brunet Mélanie

De: Vallières Dominique
Envoyé: 4 octobre 2016 10:18
À: Brunet Mélanie
Objet: TR: Quinto Mining Corporation and Mason Graphite inc.
Pièces jointes: Letter to Quinto Mining Corp_2016-10-04_8587746_1.pdf

De : Warin Jonathan
Envoyé : 4 octobre 2016 10:00
À : 'clifford.smith@cliffsnr.com'; 'nigel.meakin@fticonsulting.com'
Cc : Rigaud, Sylvain; 'aryo.shalviri@blakes.com'
Objet : Quinto Mining Corporation and Mason Graphite inc.

Please find attached a letter to your attention.

Regards,

JONATHAN WARIN
PARTNER
TELEPHONE : 514 878-5616
JWARIN@LAVERY.CA > [VCARD](#) > [PROFILE](#)

lavery

LAVERY, DE BILLY, L.L.P. * LAWYERS
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NO.: 500-11-048114-157

SUPERIOR COURT
(Commercial Chamber)
DISTRICT OF MONTRÉAL

**N THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENTS ACT (R.S.C.
1985 c. C-36) AS AMENDED:**

**BLOOM LAKE GENERAL PARTNER LIMITED,
8568391 CANADA INC.,
CLIFFS QUÉBEC IRONG MINING ULC.,
QUINTO MINING CORPORATION,**

Petitioners

-and-

**THE BLOOM LAKE IRON ORE MINE LIMITED
PARTNERSHIP,
BLOOM LAKE RAILWAY COMPANY,
Mis-en-cause**

Et al.

EXHIBIT R-13

CERTIFIED TRUE COPY

BL 1332

Dominique Vallières 416248-00023

LAVERY, DE BILLY, L.L.P.

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