

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
Commercial Division

File: No: 500-11-048114-157

**IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED:**

**BLOOM LAKE GENERAL PARTNER
LIMITED, QUINTO MINING
CORPORATION, 8568391 CANADA
LIMITED, CLIFFS QUÉBEC IRON MINING
ULC, WABUSH IRON CO. LIMITED AND
WABUSH RESOURCES INC.**

Petitioners

- and -

**THE BLOOM LAKE IRON ORE MINE
LIMITED PARTNERSHIP, BLOOM LAKE
RAILWAY COMPANY LIMITED, WABUSH
MINES, ARNAUD RAILWAY COMPANY
AND WABUSH LAKE RAILWAY COMPANY
LIMITED**

Mises-en-cause

- and -

FTI CONSULTING CANADA INC.

Monitor

**THIRTY-NINTH REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR**

INTRODUCTION

1. On January 27, 2015, Bloom Lake General Partner Limited (“**Bloom Lake GP**”), Quinto Mining Corporation (“**Quinto**”), 8568391 Canada Limited and Cliffs Québec Iron Mining ULC (“**CQIM**”) (collectively, the “**Bloom Lake Petitioners**”) sought and obtained an initial order (as amended, restated or rectified from time to time, the “**Bloom Lake Initial Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) from the Superior Court of Quebec (the “**Court**”), providing for, *inter alia*, a stay of proceedings against the Bloom Lake Petitioners until February 26, 2015, (the “**Bloom Lake Stay Period**”) and appointing FTI Consulting Canada Inc. as monitor (the “**Monitor**”). The relief granted in the Bloom Lake Initial Order was also extended to The Bloom Lake Iron Ore Mine Limited Partnership (“**Bloom Lake LP**”) and Bloom Lake Railway Company Limited (together with Bloom Lake LP, the “**Bloom Lake Mises-en-Cause**” and together with the Bloom Lake Petitioners, the “**Bloom Lake CCAA Parties**”). The proceedings commenced under the CCAA by the Bloom Lake CCAA Parties will be referred to herein as the “**CCAA Proceedings**”.
2. On May 20, 2015, the CCAA Proceedings were extended to include Wabush Iron Co. Limited (“**WICL**”), Wabush Resources Inc. (“**WRI**” and together with WICL, the “**Wabush Petitioners**”), Wabush Mines, Arnaud Railway Company and Wabush Lake Railway Company Limited (collectively the “**Wabush Mises-en-Cause**” and together with the Wabush Petitioners, the “**Wabush CCAA Parties**”) pursuant to an initial order (as amended, restated or rectified from time to time, the “**Wabush Initial Order**”) providing for, *inter alia*, a stay of proceedings against the Wabush CCAA Parties until June 19, 2015, (the “**Wabush Stay Period**”). The Bloom Lake CCAA Parties and the Wabush CCAA Parties will be referred to collectively herein as the “**CCAA Parties**”.
3. The Bloom Lake Stay Period and the Wabush Stay Period (together, the “**Stay Period**”) have been extended from time to time and currently expires on November 30, 2017.

4. On November 5, 2015, Mr. Justice Hamilton J.S.C. granted an Order approving a procedure for the submission, evaluation and adjudication of claims against the CCAA Parties and their current and former directors and officers (as amended, the “**Claims Procedure Order**”).
5. To date, the Monitor has filed thirty-eight reports in respect of various aspects of the CCAA Proceedings. The purpose of this, the Monitor’s Thirty-Ninth Report (this “**Report**”), is to provide information to the Court with respect to:
 - (a) The status of the Monitor’s review of claims filed against a CCAA Party either by another CCAA Party or by a related party that is not subject to the CCAA Proceedings (collectively, the “**Related Party Claims**”).

TERMS OF REFERENCE

6. In preparing this Report, the Monitor has relied upon unaudited financial information of the CCAA Parties, the CCAA Parties’ books and records, certain financial information prepared by the CCAA Parties and discussions with various parties (the “**Information**”).
7. Except as described in this Report:
 - (a) The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) The Monitor has not examined or reviewed financial forecasts and projections referred to in this Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
8. Future oriented financial information reported or relied on in preparing this Report is based on management’s assumptions regarding future events; actual results may vary from forecast and such variations may be material.

9. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms not otherwise defined herein have the meanings defined in the Bloom Lake Initial Order, the Wabush Initial Order or previous reports of the Monitor.

EXECUTIVE SUMMARY

SPECIFIC CLAIM COMPONENTS

10. The current status of the Monitor's review of the quantum of the Specific Claim Components totalling approximately US\$879.7 million is summarized as follows:
 - (a) The Monitor's review of the letters of credit/surety bonding claims in the approximate aggregate amount of US\$37 million is complete except for approximately US\$3.1 million related to purchase option invoices in the CNR CAT Claim. Of the approximately US\$33.9 million where the review is complete, the Monitor intends to disallow approximately US\$220,000 it considers to be interest or amounts akin to interest for periods after the Determination Date which, pursuant to the Claims Procedure Order, cannot be claimed. In addition, CNR has agreed that the claim should be reduced by approximately US\$13.6 million for amounts included in this category that were also included in another part of the Related Party Claims; and
 - (b) The Monitor's review of the CNR Key Bank Claim in the amount of approximately US\$142.7 million is complete. Of this amount, the Monitor intends to disallow the following:
 - (i) Approximately US\$299,000 of interest related to post-filing periods;
 - (ii) Approximately US\$516,000 of forbearance fees which the Monitor does not consider to be a provable claim;

- (iii) Approximately US\$519,000 of legal fees which appear to have been paid in connection with the negotiation of forbearances that were for the benefit of CNR as guarantor and were unnecessary from the perspective of the CCAA Parties given the stay of proceedings; and
- (iv) Approximately US\$1.3 million of fees and interest related to letters of credit posted pursuant to the forbearance agreements which, as noted above, were for the benefit of CNR as guarantor and were unnecessary from the perspective of the CCAA Parties given the stay of proceedings;
- (c) The Monitor's review of the CMC Secured Claim in the amount of approximately US\$7.3 million is complete. The Monitor has identified no amounts to be disallowed in respect of the CMC Secured Claim;
- (d) The Monitor's review of the claim relating to Note 60 in the amount of approximately US\$456.6 million is largely complete and the Monitor is satisfied that the amount is adequately supported. However, the Monitor is awaiting additional information with respect to cash repayments and offset reduction transactions in respect of Note 60;
- (e) The Monitor's review of the claim relating to Note 61 in the amount of approximately US\$235.8 million is complete. The Monitor intends to disallow the amount of approximately US\$52,000 relating to interest accruing after the Determination Date which, pursuant to the Claims Procedure Order, cannot be claimed; and

- (f) The Monitor's review of the claim relating to Note 75B in the amount of approximately US\$341,000 is complete. The Monitor has identified no amounts to be disallowed in respect of Note 75B. However, the Monitor, in consultation with legal counsel, is continuing to consider whether certain of the transactions giving rise to Note 75B may constitute a preference under the *Bankruptcy and Insolvency Act* or otherwise be subject to review.
11. Three of the Specific Claim Components, being the CNR CAT Claim, the CNR Key Bank Claim and the CMC Secured Claim, were filed as secured claims. With respect to the claim of security:
- (a) CNR has confirmed that the CNR CAT Claim is an unsecured claim;
- (b) The CNR Key Bank Security validly charged the assets subject to the CNR Key Bank Security and the CNR Key Bank Claim is secured to the extent of the net proceeds of realization therefrom; and
- (c) The CMC Security validly charged certain assets. While the cash advances comprising the CMC Secured Claim were made by CNR on CMC's behalf rather than by CMC directly, the Monitor has been provided details of the accounting entries related to the funding and is satisfied that the obligation is owing to CMC and that the obligation is validly secured on the net proceeds of realization of the assets subject to the CMC Security.

OTHER TRANSACTIONS

12. The Specific Claim Components account for approximately US\$0.9 billion of the total Related Party Claims of approximately US\$3.8 billion. Accordingly, the balance of the Related Party Claims is approximately US\$2.9 billion. This amount is net of approximately US\$8.7 billion of Related Party Debit Transactions which, in accordance with the Review Parameters, are not being reviewed. Based on the Review Parameters, the Monitor's review of the Other Transactions encompassed 1,274 transactions in the aggregate amount of approximately US\$10.9 billion.

13. The current status of the Monitor's review of the Other Transactions is summarized as follows:
 - (a) The Monitor's review is complete for 1,049 transactions totalling approximately US\$6.8 billion;
 - (b) The Monitor is awaiting additional information in respect of 151 transactions totalling approximately US\$1.9 billion for which some supporting documentation was provided by the claimants; and
 - (c) The Monitor is awaiting additional information in respect in respect of 74 transactions totalling approximately US\$2.2 billion for which no supporting documentation has yet been provided by the claimants.

14. No issues were identified with respect to the quantum of the Other Transactions for which the Monitor's review is complete, other than with respect to the claims by WICL or WRI against Wabush Mines. With respect to those transactions:
 - (a) 498 transactions totalling approximately US\$3 billion are credit transactions that make up the claims of WICL and WRI against Wabush Mines in the amounts of approximately US\$614 million and US\$635.5 million respectively, net of debit transactions;
 - (b) Of these, 437 transactions totalling approximately US\$2.1 billion are cash transfers for funding of Wabush Mines pursuant to the joint venture agreement. The Monitor has obtained an opinion from its Newfoundland counsel that such funding should be viewed as equity contributions and not as indebtedness subject to repayment or reimbursement by Wabush Mines to WICL or WRI;

- (c) In any event, as described in previous reports of the Monitor, as the Wabush Mines joint venture is not a legal entity, it does not have assets and liabilities in its own right. Accordingly any claims notionally against Wabush Mines would in fact be claims against the joint venturers, WICL and WRI; and
- (d) Accordingly, the claims of WICL and WRI notionally against Wabush Mines would actually be claims against themselves which would therefore not be relevant for distribution purposes.

CHARACTERIZATION OF RELATED PARTY CLAIMS

- 15. The Related Party Claims are all claims of indebtedness. A determination will need to be made as to whether this characterization is reasonable and appropriate or whether any of the claim components should be recharacterized as equity.
- 16. The Monitor and its legal counsel are still considering the issue of the characterization of the Related Party Claims and intends to consult with major third-party creditors with respect thereto. The Monitor is also considering whether a motion for advice and directions on this point might be appropriate in the circumstances.
- 17. The Monitor does not, at this time, offer any comment as to the applicability of the US Steel Decision to the facts of the CCAA Proceedings or as to the legal principles that might govern any recharacterization of the Related Party Claims or any part thereof.

THE RELATED PARTY CLAIMS

- 18. As previously reported, 76 Related Party Claims totalling approximately US\$8 billion or \$9.9 billion were filed pursuant to the Claims Procedure Order. Of the Related Party Claims, claims totalling approximately \$199 million were filed as secured claims and claims totalling approximately \$9.7 billion were filed as unsecured claims.
- 19. At paragraph 86 of its Twenty-Fourth Report, the Monitor reported:

“86. The Related Party Claims include a claim against CQIM by Cliffs Canada Finance Inc. (“CFC”) in respect of an inter-company debt instrument known as “Note Y”. The claim in respect of Note Y is in the amount of approximately US\$4.2 billion. The Monitor has determined that Note Y is, on its terms, contractually subordinated to all other claims against CQIM. CFC has confirmed that it concurs with the Monitor’s assessment regarding the subordination of Note Y. As there is no prospect of the other claims against CQIM being paid in full, the Monitor intends to undertake no further review of the claim in respect of Note Y.”

20. Excluding subordinated Note Y, the Related Party Claims as filed are summarized as follows:

Claims By	Claims Against (\$000)										
	Bloom Lake CCAA Parties				Wabush CCAA Parties						Total
	CQIM	Bloom Lake LP	Quinto	Total	WICL	WRI	Wabush Mines	Arnaud	Wabush Lake	Total	
Secured											
Non-filing parties											
Cliffs Natural Resources	64,519	116,773		181,292						0	181,292
Cliffs Mining Company				0	8,863	8,863				17,726	17,726
Total Secured	64,519	116,773	0	181,292	8,863	8,863	0	0	0	17,726	199,018
Unsecured											
Non-filing parties											
Cleveland-Cliffs International				0		117,067				117,067	117,067
Cliffs Canadian Shared Services		375		375						0	375
Cliffs International Mgmt	1,616	1,409		3,025	325	325	325			975	4,000
Cliffs Mining Company		173	1,753	1,926	251,751	316,055	18,182	1,084		587,072	588,998
Cliffs Mining Services		27,912		27,912	3,065	3,065	3,065			9,195	37,107
Cliffs Natural Resources	39,971	135,022	15,187	190,180	79,149	81,910	52,095	23		213,177	403,357
CNR Lux SarL	566,736			566,736						0	566,736
CNR Pty	293,466			293,466						0	293,466
Cliffs Netherlands				0		2,918				2,918	2,918
Cliffs UT AC Holdings	8			8						0	8
Knoll Lake Minerals				0	2,318	2,318	2,318			6,954	6,954
Northshore Mining		6		6	2	2	1			5	11
Tilden Mining				0	64	64	64			192	192
Total non-filing parties	901,797	164,897	16,940	1,083,634	336,674	523,724	76,050	1,107	0	937,555	2,021,189
CCAA Parties											
CQIM		495,265		495,265		153,839				153,839	649,104
Bloom Lake LP			12	12				11,711		11,711	11,723
Quinto	20,425			20,425						0	20,425
WICL	15			15		2	748,820			748,822	748,837
WRI				0			775,078			775,078	775,078
Wabush Mines	260,250	12,858		273,108				11,392	1,562	12,954	286,062
Arnaud	1,780			1,780						0	1,780
Wabush Lake				0	2	2		45		49	49
Total CCAA Parties	282,470	508,123	12	790,605	2	153,843	1,523,898	23,148	1,562	1,702,453	2,493,058
Total Unsecured	1,184,267	673,020	16,952	1,874,239	336,676	677,567	1,599,948	24,255	1,562	2,640,008	4,514,247
Total Claims	1,248,786	789,793	16,952	2,055,531	345,539	686,430	1,599,948	24,255	1,562	2,657,734	4,713,265

21. CNR filed secured claims in respect of the following:

- (a) Claims in the amount of approximately US\$52 million against CQIM and approximately US\$90.7 million against Bloom Lake LP (converted to approximately \$64.5 million and approximately \$112.5 million respectively in accordance with the Claims Procedure Order) relate to amounts paid or incurred in respect of the guarantee of the Key Bank Facility (the “**CNR Key Bank Claims**”). Security is asserted on the Key Bank Equipment; and

- (b) A claim in the amount of approximately US\$3.5 million against Bloom Lake LP in respect of payments made and costs incurred by CNR relating to obligations under a Master Lease Agreement between Caterpillar Financial Services Ltd. and Bloom Lake LP dated August 28, 2009, with security asserted on certain equipment that was subject to the Master Lease Agreement.
22. CMC filed joint and several secured claims against WRI and WICL (the “**CMC Secured Claims**”) in the amount of approximately US\$7.3 million (converted to approximately \$8.9 million in accordance with the Claims Procedure Order) in respect of amounts advanced pursuant to a Demand Credit Agreement dated February 23, 2015 between CMC as lender and WRI and WICL as borrowers on a joint and several basis (the “**DCA**”). Security is asserted on various assets that, prior to their sale in the CCAA Proceedings, were located at the Wabush Mine.
23. Commentary in respect of the Monitor’s review of the secured claims is provided later in this Report.

REVIEW PARAMETERS

24. At paragraph 92 of its Twenty-Fourth Report, the Monitor set out its proposed approach to the review of Related Party Claims:
- “92. Based on that analysis, the Monitor is of the view that the following approach to the review of the Related Party Claims is reasonable in the circumstances:
 - (a) Note Y will not be reviewed as it is subordinate to all other claims and will not share in any distribution;
 - (b) The Specific Claim Components will be reviewed;

(c) All debit transactions will be presumed to be valid as they reduce the net Related Party Claims;

(d) All transactions less than or equal to \$100,000 for Quinto and \$1 million for all other CCAA Parties (approximately 28,500 transactions) will be presumed to be valid and will not be reviewed; and

(e) All transactions greater than \$100,000 for Quinto and \$1 million for all other CCAA Parties (approximately 2,500 transactions) will be reviewed to determine whether they constitute valid claims.”

25. No objections to the Monitor’s proposed approach to the review of Related Party Claims were raised at the Court appearance on October 12, 2016, or subsequently.

SPECIFIC CLAIM COMPONENTS

26. The Specific Claim Components comprise the following:

	Filed as	US\$000	C\$000
Letters of Credit/Surety Bonding:			
CAT equipment related	Secured	3,484	4,322
Other	Unsecured	33,519	41,577
Total LC/Surety Bonding		37,003	45,899
CNR Key Bank Claims	Secured	142,672	176,970
CMC Secured Claims	Secured	7,267	8,863
Note 60	Unsecured	456,557	566,313
Note 61	Unsecured	235,837	292,532
Note 75B	Unsecured	341	423
Total Specific Claim Components		879,677	1,091,000

LETTERS OF CREDIT/SURETY BONDING

27. At various times prior to the commencement of the CCAA Proceedings, Bloom Lake LP and CQIM were required to provide letters of credit or surety bonding to secure payment for goods or services provided by suppliers (collectively, the “**Supplier LCs**”).

28. CNR filed unsecured claims in the amount of US\$10,079,063 against CQIM (the “**CNR CQIM Supplier LC Claim**”) and in the amount of US\$26,924,134 against Bloom Lake LP (the “**CNR Bloom Supplier LC Claim**”) in respect of amounts paid or incurred by CNR in connection with the Supplier LCs (collectively, the “**CNR Supplier LC Claims**”). The CNR Supplier LC Claims comprise of the following amounts:

	Surety Payment	LC Fees & Interest	Total
	US\$000	US\$000	US\$000
CQIM:			
CIORL	10,000.0	79.1	10,079.1
Bloom Lake LP:			
CAT	3,407.6	76.6	3,484.2
Hydro Quebec	11,042.5	33.5	11,076.0
QNS&L	11,705.3	27.9	11,733.2
Imperial Oil	628.4	2.4	630.8
Total Bloom Lake LP	26,783.8	140.4	26,924.2
Total	36,783.8	219.5	37,003.3

29. The Supplier LCs for CAT, QNS&L and Imperial Oil were provided by Bloom Lake LP, issued by Travelers and were in turn secured by an irrevocable letter of credit issued by Bank of America Merrill Lynch (“**BoA**”)¹ in favour of Travelers in the amounts of US\$59,768,798 (the “**BoA/Travelers LC**”) issued on December 1, 2014². The Supplier LCs for CIORL and Hydro Québec were provided by CNR on behalf of CQIM and Bloom Lake LP respectively and were issued by BNS.
30. At various times, Travelers made demand under the BoA/Travelers LC. Payments were made by BoA to Travelers in response to those demands. In turn, BoA demanded reimbursement by CNR and CNR made payments to BoA. The flow of funds is summarized as follows:

¹ Letters of credit issued by BoA were issued under a credit facility made available to CNR by BoA.

² The BoA/Travelers LC covered a variety of obligations, not all of which have given rise to claims in the Claims Procedure.

Date	Description	To/(From) Travelers	To/(From) BoA	To/(From) CNR
		US\$000	US\$000	US\$000
1/27/2015	CNR to BoA		13,612.7	(13,612.7)
1/27/2015	BoA to Travelers	13,578.7	(13,578.7)	
1/27/2015	Travelers to QNS&L ¹	(10,953.2)		
1/27/2015	BoA fees ¹		(34.0)	
2/25/2015	Travelers to QNS&L ¹	(752.1)		
2/27/2015	Travelers to Imperial Oil ¹	(543.4)		
3/6/2015	Travelers to Imperial Oil ¹	(84.9)		
4/17/2015	BoA to Travelers	1,841.2	(1,841.2)	
4/21/2015	CNR to BoA		1,845.9	(1,845.9)
4/28/2015	Travelers to CAT	(3,086.3)		
4/28/2015	BoA fees		(4.7)	
	Balance	0.0	0.0	(15,458.6)

¹US\$ equivalent of payment made in C\$

CAT

31. Pursuant to a Master Lease Agreement between Caterpillar Financial Services Ltd. (“**CAT**”) and Bloom Lake LP dated August 28, 2009, certain equipment was leased by Bloom Lake LP (the “**CAT Lease**”). The obligations of Bloom Lake LP under the CAT Lease were supported by a lease bond in the amount of US\$10,957,415 (the “**CAT Bond**”) issued by Travelers in the name of Bloom Lake LP. As described earlier in this Report, the CAT Bond was secured by the BoA/Travelers LC.
32. CNR filed a secured claim in the amount of US\$3,484,187.25 against Bloom Lake LP (the “**CNR CAT Claim**”) in respect of payments made and costs incurred by CNR relating to the CAT Lease and the BoA/Travelers LC, summarized as follows:

	US\$000
Monthly lease payments	310.1
Purchase option invoices	3,086.3
CAT legal fees	11.2
Total payments relating to CAT Lease obligations	3,407.6
Interest and fees related to CNR CAT Bond LC	76.6
Total	3,484.2

Monthly Lease Payments

33. Following the commencement of the CCAA Proceedings, Bloom Lake LP ceased making payments on the CAT Lease as the equipment was no longer being used. The final two monthly payments owing under the CAT Lease³ were made by CNR on February 6 and February 27, 2015, in the aggregate amount of US\$310,087.

Purchase Option Invoices

34. The CAT Lease provided for a “purchase option” in respect of the equipment subject to the CAT Lease. The purchase option had been exercised and completed by Bloom Lake LP in respect of certain of the equipment prior to the commencement of the CCAA Proceedings. For four remaining “793D trucks”, it is as yet unclear whether the purchase option was exercised and, if so, whether it was exercised prior to or after the commencement of the CCAA Proceedings. The Monitor is awaiting further documentation on this issue.
35. On April 10, 2015, CAT called on the CAT Bond and US\$3,086,345 was paid by Travelers on April 28, 2015, on account of the amounts owing under the CAT Lease.
36. CNR originally asserted ownership of the equipment for which the buy-out amounts under the CAT Lease were paid pursuant to the CAT Bond and the BoA/Travelers LC (the “**CAT Buy-Out Equipment**”). The Monitor disputed that assertion, taking the position that ownership of the equipment passed to Bloom Lake LP on payment of the buy-out amounts. CNR accepted the Monitor’s position and the CAT Buy-Out Equipment was ultimately sold by Bloom Lake LP in the Bloom Lake Transaction.

CAT Legal Fees

37. The CAT Lease includes an indemnity in respect of any fees incurred by CAT or its affiliates (collectively, the “**CAT Group**”) in connection with the CAT Lease.

³ Payments for February and March 2015.

38. The CNR CAT Claim includes US\$11,170.47 in respect of the legal fees of the CAT Group paid by CNR. CNR paid legal fees of US\$6,287.13 and \$5,282.76⁴ in the aggregate. CNR has acknowledged that the amount claimed in respect of the legal fees of the CAT Group is overstated by US\$401.34 as a result of an overpayment of that amount by CNR.

Interest and Fees Related to BoA/Travelers LC

39. The CNR CAT Claim includes the amount of US\$76,584.72 relating to interest and fees asserted to be related to the provision of the BoA/Travelers LC. This amount was calculated for a 91 day period⁵ from January 27, 2015, the date of the commencement of the CCAA Proceedings, to April 28, 2015, the date of the payment to CAT by Travelers, using a rate of 2.765% per annum on a principal amount of US\$10,957,415, being the aggregate amount of the CAT Bond.

40. The rate used in the calculation is the aggregate of the following:

- (a) 2%, being the applicable interest rate on the BoA/Travelers LC;
- (b) 0.125%, being the letter of credit fronting fee; and
- (c) 0.64%, being the fee charged by Travelers in respect of the CAT Bond.

Claim for Security

41. CNR has now confirmed to the Monitor that it is no longer asserting a claim for security and that the CNR CAT Claim is an unsecured claim.

Monitor's Comments

42. Based on the evidence reviewed the Monitor is satisfied that:

- (a) CNR paid the CAT Lease payments owing for February and March 2015 in the aggregate amount of US\$310,087;

⁴ Translated to US\$4,482.00 by CNR.

⁵ Using the ISDA 30/360 convention.

- (b) CNR paid to Travelers the amount of US\$3,086,345 which it had paid to CAT pursuant to the CAT Bond; and
 - (c) CNR paid the CAT Group legal fees in the aggregate amount of US\$10,769.13⁶.
43. The Monitor is of the view that the quantum of the foregoing has been adequately supported. However, as noted above, the Monitor is awaiting further information with respect to the approximately US\$3.1 million related to purchase option invoices in the CNR CAT Claim in order to determine whether that amount should be allowed.
44. With respect to the claim US\$76,584.72 relating to interest and fees asserted to be related to the provision of the BoA/Travelers LC and the CAT Bond:
- (a) Based on the information provided, the Monitor is of the view that the portion of the claim described in paragraphs 40(a) and 40(b) above should have been calculated on the amount of US\$9,389,440, the actual amount included in the BoA/Travelers LC related to the CAT Bond, rather than US\$10,957,415 which was used in the calculation of the claim. This would result in a reduction in the claim of US\$8,422.42; and
 - (b) CNR has informed the Monitor that it has withdrawn that portion of the interest claim described in paragraph 40(c) above, which amount the Monitor calculates to be US\$17,726.66.
45. Furthermore, paragraph 4.11 of the Claims Procedure Order states, *inter alia*:
- “For greater certainty, no "Claim" shall exist for interest or other amounts akin to interest accrued after the applicable Determination Date unless validly secured by a Lien;”

⁶ Being the US\$11,170.47 claimed less the US\$401.34 acknowledged as having being overpaid.

46. Pursuant to the Claims Procedure Order, the Determination Date for claims against Bloom Lake LP is January 27, 2015. The amount of US\$76,584.72 claimed relating to interest and fees asserted to be related to the provision of the BoA/Travelers LC and the CAT Bond is for a period after the Determination Date and is, in the Monitor's view, interest or akin to interest. Accordingly the Monitor intends to disallow this portion of the CNR CAT Claim.

CIORL

47. CQIM was party to a lease with Canadian Iron Ore Railcar Leasing L.P. ("**CIORL**") for 750 railcars (the "**CIORL Lease**"). On October 3, 2011, pursuant to the requirements of the CIORL Lease, CNR, on behalf of CQIM, provided CIORL a letter of credit in the amount of US\$10 million issued by Bank of Nova Scotia ("**BNS**") for security against amounts owing under the CIORL Lease in the event of default (the "**CIORL LC**").
48. The CIORL Lease was disclaimed by CQIM pursuant to section 32 of the CCAA, effective March 5, 2016. The Monitor is satisfied that the claim of CIORL arising from the disclaimer of the CIORL Lease was significantly in excess of the amount secured by the CIORL LC.
49. CIORL called the CIORL LC on May 1, 2015, and payment of US\$10 million was made to CIORL by BNS under the CIORL LC thereafter.
50. On May 5, 2015, BNS demanded payment by CNR of the US\$10 million paid to CIORL plus US\$12,076.69 in fees pursuant to the provisions of the CIORL LC. The amount of US\$10,012,076.69 (the "**CIORL LC Amount**") was paid by CNR to BNS on May 6, 2015. The amount claimed by CNR in respect of the CIORL LC does not, however, include the fees of US\$12,076.69.

51. In addition to the surety payment amount of US\$10 million, CNR claimed US\$79,062.50 relating to interest and fees asserted to be related to the provision of the CIORL LC. This amount was calculated for a 99 day period⁷ from January 27, 2015, the date of the commencement of the CCAA Proceedings, to May 6, 2015, the date of the payment by CNR to BNS, using a rate of 2.875% per annum on a principal amount of US\$10 million.
52. The rate used in the calculation is the aggregate of the following:
- (a) 2%, being the interest rate on CNR's BOA facility from which the CIORL LC Amount was paid;
 - (b) 0.125%, being the letter of credit fronting fee for letters of credit issued by BOA; and
 - (c) 0.75%, being the annual fee charged by BNS on outstanding letters of credit.

Monitor's Comments

53. Based on the evidence reviewed, the Monitor is satisfied that CNR paid the surety amount claimed of US\$10 million and that quantum of the amount claimed is adequately supported.
54. The amount of US\$79,062.50 claimed relating to interest and fees asserted to be related to the provision of the CIORL LC is for a period after the Determination Date and is, in the Monitor's view, interest or akin to interest. Accordingly the Monitor intends to disallow this portion of the claim.

⁷ Using the ISDA 30/360 convention.

Hydro Quebec

55. Bloom Lake LP was party to a Supply of Electricity Contribution Agreement with Hydro Québec dated as of June 20, 2011 (the “**Hydro Québec Agreement**”). On July 8, 2011, pursuant to the requirements of the Hydro Québec Agreement, CNR, on behalf of Bloom Lake LP, provided Hydro Québec a letter of credit in the amount of \$13.77 million issued by BNS for security against amounts owing under the Hydro Québec Agreement (the “**Hydro Québec LC**”).
56. On March 4, 2015, Hydro Québec called on the Hydro Québec LC and payment of \$13.77 million was made to Hydro Québec by BNS under the Hydro Québec LC on March 6, 2015.
57. On March 5, 2015, BNS requested payment by CNR of the \$13.77 million to be paid to Hydro Québec plus \$220 in processing fees. On March 6, 2015, CNR made a foreign exchange transaction converting US\$11,042,678.43⁸ to \$13,770,200. The amount of \$13,770,200 (the “**Hydro Québec LC Amount**”) was remitted by CNR to BNS on May 6, 2015.
58. In addition to the surety payment amount of US\$11,042,678.43⁹, CNR claimed US\$33,510.93 relating to interest and fees asserted to be related to the provision of the Hydro Québec LC. This amount was calculated for a 38 day period¹⁰ from January 27, 2015, the date of the commencement of the CCAA Proceedings, to March 6, 2015, the date of the payment by CNR to BNS, using a rate of 2.875% per annum on the principal amount of the surety payment.
59. The rate used in the calculation is the aggregate of the following:
- (a) 2%, being the interest rate on the BOA facility from which the Hydro Québec LC Amount was paid;

⁸ It is unclear why there is a difference of US\$176 between the amount paid by CNR and the amount claimed.

⁹ \$13,770,220

¹⁰ Using the ISDA 30/360 convention.

- (b) 0.125%, being the letter of credit fronting fee for letters of credit issued by BOA; and
- (c) 0.75%, being the annual fee charged by BNS on outstanding letters of credit.

Monitor's Comments

- 60. Based on the evidence reviewed, the Monitor is satisfied that CNR paid the surety amount claimed of US\$11,042,502.
- 61. The amount of US\$33,510.93 claimed relating to interest and fees asserted to be related to the provision of the Hydro Québec LC is for a period after the Determination Date and is, in the Monitor's view, interest or akin to interest. Accordingly the Monitor intends to disallow this portion of the claim.

QNS&L

- 62. Bloom Lake LP was party¹¹ to a railway transportation services agreement with Québec North Shore & Labrador Railway Company ("**QNS&L**") dated as of July 31, 2008 (the "**QNS&L Agreement**"). Bloom Lake LP provided QNS&L a letter of credit in the amount of \$14,513,920 issued by Travelers, effective September 16, 2013, for security against amounts owing under the QNS&L Agreement (the "**QNS&L LC**"). As described earlier in this Report, the QNS&L LC was secured by the BoA/Travelers LC.
- 63. On January 15, 2015, QNS&L demanded payment under the QNS&L LC in the amount of \$13,578,733.23 relating to an unpaid invoice and payment of that amount was made to QNS&L by Travelers under the QNS&L LC on January 27, 2015.

¹¹ By virtue of an assignment agreement dated January 1, 2010.

64. On January 23, 2015, Travelers demanded payment of \$13,612,725.06 from BOA under the BoA/Travelers LC, comprising of the amount of \$13,578,733.23 demanded by QNS&L plus fees of \$33,991.83. That amount was paid to Travelers by BoA and was reimbursed by CNR to BoA on January 27, 2015¹².
65. On February 11, 2015, QNS&L made a further demand for payment under the QNS&L LC in the amount of \$935,186.77 relating to another unpaid invoice and payment of that amount was made to QNS&L by Travelers under the QNS&L LC on February 27, 2015. Consequently, Travelers demanded payment from BOA under the BoA/Travelers LC. As described earlier in this Report, an amount was paid to Travelers by BoA on January 23, 2015, and reimbursed by CNR to BoA on January 27, 2015. This reimbursement included an overpayment as the required payment amount of Canadian dollars was actually paid in US dollars. The overpayment was applied to offset other obligations to Travelers arising from amounts paid by Travelers on February 27, 2015.
66. The claim filed by CNR in the Claims Procedure relating to the QNS&L payments included US\$11,705,301 (the “**QNS&L Surety Amount**”), being the US dollar equivalent of the amount paid by Travelers to QNS&L and does not include the additional fees paid to Travelers paid under the BoA/Travelers LC.
67. In addition to the payment of the QNS&L Surety Amount, CNR claimed US\$27,870 relating to interest and fees asserted to be related to the provision of the BoA/Travelers LC to backstop the QNS&L LC. This amount was calculated for a 31 day period¹³ from January 27, 2015, the date of the commencement of the CCAA Proceedings, to February 27, 2015, the date of the second payment by Travelers to QNS&L, using a rate of 2.675% per annum on the principal amount of the surety payment.
68. The rate used in the calculation is the aggregate of the following:

¹² As described earlier in this Report, BoA overpaid as it had misunderstood the demand to be in US\$.

¹³ Using the ISDA 30/360 convention.

- (a) 2%, being the interest rate on the BOA facility from which the QNS&L Surety Amount was paid;
- (b) 0.125%, being the letter of credit fronting fee for letters of credit issued by BOA; and
- (c) 0.64%, being the annual fee charged by Travelers on outstanding letters of credit.

Monitor's Comments

- 69. Based on the evidence reviewed, the Monitor is satisfied that CNR paid the QNS&L Surety Amount claimed of US\$11,705,301 and that the amount is adequately supported.
- 70. The amount of US\$27,870 claimed relating to interest and fees asserted to be related to the provision of the BoA/Travelers LC to backstop the QNS&L LC is for a period after the Determination Date and is, in the Monitor's view, interest or akin to interest. Accordingly the Monitor intends to disallow this portion of the claim.

Imperial Oil

- 71. Bloom Lake LP was party to agreements (the "**Imperial Oil Agreements**") for the purchase of petroleum products and related services with Imperial Oil LP ("**Imperial Oil**"). On July 7, 2014, Bloom Lake LP provided Imperial Oil a bond in the amount of \$1,540,000 issued by Travelers for security against amounts owing under the Imperial Oil Agreements (the "**Imperial Oil LC**"). As described earlier in this Report, the Imperial Oil LC was in turn secured by the BoA/Travelers LC.
- 72. Imperial Oil demanded payment under the Imperial Oil LC in the amount of \$674,195.14 and payment of that amount was made to Imperial Oil by Travelers under the Imperial Oil LC on February 27, 2015 from the funds on hand as a result of the overpayment by BoA to Travelers in connection with the QNS&L demand described earlier in this Report.

73. Imperial Oil made a further demand for payment under the Imperial Oil LC in the amount of \$107,157.99 and payment of that amount was made to Imperial Oil by Travelers under the Imperial Oil LC on March 6, 2015. Again, payment was made from the funds on hand as a result of the overpayment by BoA to Travelers in connection with the QNS&L demand described earlier in this Report.
74. The claim filed by CNR in the Claims Procedure relating to the Imperial Oil payments included US\$628,350 (the “**Imperial Oil Surety Amount**”), being the US dollar equivalent of the amount paid by Travelers to Imperial Oil and does not include the additional fees paid to Travelers under the BoA/Travelers LC.
75. In addition to the payment of the Imperial Oil Surety Amount, CNR claimed US\$2,413.04 relating to interest and fees asserted to be related to the provision of the BoA/Travelers LC to backstop the Imperial Oil LC. This amount was calculated for the 50 day period¹⁴ from January 27, 2015, the date of the commencement of the CCAA Proceedings, to March 18, 2015, the date of the second payment by Travelers to Imperial Oil, using a rate of 2.675% per annum on the principal amount of the surety payment.
76. The rate used in the calculation is the aggregate of the following:
- (a) 2%, being the interest rate on the BOA facility from which the Imperial Oil Surety Amount was paid;
 - (b) 0.125%, being the letter of credit fronting fee for letters of credit issued by BOA; and
 - (c) 0.64%, being the annual fee charged by Travelers on outstanding letters of credit.

¹⁴ Using the ISDA 30/360 convention.

Monitor's Comments

77. Based on the evidence reviewed, the Monitor is satisfied that CNR paid the Imperial Oil Surety Amount claimed of US\$628,350. The Monitor is also satisfied that the Canadian dollar equivalent of this amount was paid by Travelers to Imperial Oil. CNR has provided a copy of the demand letter from Imperial Oil for approximately \$674,000 but has been unable to provide documentary support for the remaining approximately \$107,000 demanded by Imperial Oil.
78. Imperial Oil did appear on the list of creditors filed at the commencement of the CCAA Proceedings with the amount of approximately \$645,000 shown as owing based on the Bloom Lake CCAA Parties' books and records. The Monitor notes that it is not unusual that the actual claims of creditors are higher than the amounts shown on the list of creditors filed at the start of the proceeding due to the timing of receipt and processing of invoices from suppliers.
79. The amount of US\$2,413.04 claimed relating to interest and fees asserted to be related to the provision of the BoA/Travelers LC to backstop the Imperial Oil LC is for a period after the Determination Date and is, in the Monitor's view, interest or akin to interest. Accordingly the Monitor intends to disallow this portion of the claim.

Duplication of Amounts Claimed

80. As described later in this Report, it was determined during the review of the "Other Transactions" comprising the Related Party Claims that approximately US\$13.6 million of the amounts claimed in respect of the letters of credit/surety bonding had also been claimed in the Other Transactions category as an entry had already been posted in respect of the payment of that amount by CNR to BoA on January 27, 2015.
81. CNR has confirmed the amount claimed has been duplicated and agreed that their claim should be reduced by US\$13.6 million, which adjustment the Monitor will make against the letters of credit/surety bonding category of the Specific Claim Components.

CNR KEY BANK CLAIMS

82. In September 2013, CQIM and Bloom Lake LP entered into a master loan and security agreement with Key Equipment Finance Inc. ("**Key Bank**") to finance the acquisition of certain heavy mining equipment and railcars related to the Phase II expansion of the Bloom Lake Mine (the "**Key Bank Facility**").
83. The Key Bank Facility consisted of 13 loans totalling \$164.8 million in principal amount, ten (10) of which were advanced to Bloom Lake LP and three to CQIM. The Key Bank Facility was secured on specific equipment and rail cars (collectively, the "**Key Bank Equipment**"). Various portions of the Key Bank Facility were assigned to different lenders as follows:

Lender	Original Principal (US\$)	Loan Schedule Ref.	Secured by Equipment
Cole Taylor	8,710,091	Loan Schedule No. 1	KOMATSU PC4000 BLSO #6
BNS	33,871,319	Loan Schedule No. 2	424 Phase II Ore Gondola Cars
BNS	19,533,337	Loan Schedule No. 3	CATERPILLAR 7495 CABLE SHOVEL
Bank of Tokyo-Mitsubishi	24,842,747	Loan Schedule No. 4	313 Phase II Ore Gondola Cars
BNS	1,031,807	Loan Schedule No. 5	13 Phase II Ore Gondola Cars
BNS	9,465,638	Loan Schedule No. 6	CAT 7495 Shovel Training Unit ("Simulator")
Bank of the West	11,453,805	Loan Schedule No. 7	KOMATSU TRUCK 930E-4SE BLHT #152 KOMATSU TRUCK 930E-4SE BLHT #153
BBVA Compass Financial Corporation.	11,118,256	Loan Schedule No. 8	KOMATSU 930E-4SE BLHT#150, KOMATSU 930E-4SE BLHT#151
Suntrust Equipment Finance & Leasing Corp	16,713,828	Loan Schedule No. 9	KOMATSU TRUCK 930E-4SE BLHT #154, KOMATSU TRUCK 930E-4SE BLHT #155, KOMATSU TRUCK 930E-4SE BLHT #156
BBVA Compass Financial Corporation	13,446,239	Loan Schedule No. 10	KOMATSU 830E-1AC BLHT #111, KOMATSU 830E-1AC BLHT #112, KOMATSU 830E-1AC BLHT #113
Signature	4,007,306	Loan Schedule No. 11	KOMATSU 830E-1AC BLHT #114
Regions Bank	4,010,488	Loan Schedule No. 12	KOMATSU 830E-1AC BLHT #115
Cole Taylor	6,624,576	Loan Schedule No. 13	CATERPILLAR DRILL MD6640 BLDR #54
TOTAL	164,829,438		

84. As previously reported, counsel to the Monitor conducted a review of the Key Bank Security and delivered its opinion to the Monitor (the “**Key Bank Opinion**”). Subject to the qualifications and assumptions set out therein, the Key Bank Opinion indicates that the Key Bank Security is valid and legally enforceable as against a trustee in bankruptcy.
85. Pursuant to a corporate guaranty dated September 27, 2013, CNR guaranteed the obligations of the Bloom Lake LP and CQIM under the Key Bank Facility (the “**CNR Key Bank Guarantee**”). Each of the tranches of the Key Bank Facility was repaid by CNR pursuant to the CNR Key Bank Guarantee and CNR has either taken an assignment of the relevant claims and security or asserts a subrogated claim.
86. Also as previously reported, counsel to the Monitor delivered an opinion (the “**CNR Key Bank Security Opinion**”) in respect of assignment and/or subrogation of rights pursuant to the Key Bank Security (the “**CNR Key Bank Security**”). Subject to the qualifications and assumptions set out therein, the CNR Key Bank Security Opinion indicates that the CNR Key Bank Security is valid and enforceable as against a trustee in bankruptcy.
87. CNR filed a secured claim in the amount of US\$52,014,708.16 against CQIM (the “**CNR CQIM Key Bank Claim**”) and a secured claim in the amount of US\$90,657,142.07 against Bloom Lake LP (the “**CNR Bloom Key Bank Claim**”) in respect of amounts paid in connection with the CNR Key Bank Guarantee (collectively, the “**CNR Key Bank Claims**”). The CNR Key Bank Claims comprise of the following amounts:

Borrower	Loan Balance	Forbearance Fees	Legal & Other Fees	LC Fees & Interest	Total
	US\$000	US\$000	US\$000	US\$000	US\$000
CQIM:					
Loan Schedule 2	28,481.2	299.0	364.1	872.6	30,016.9
Loan Schedule 4	21,120.0				21,120.0
Loan Schedule 5	877.8				877.8
Total CQIM	50,479.0	299.0	364.1	872.6	52,014.7
Bloom Lake LP:					
Loan Schedule 1	7,339.0	144.8	25.0	136.7	7,645.5
Loan Schedule 3	16,424.9				16,424.9
Loan Schedule 6	8,053.0				8,053.0
Loan Schedule 7	9,769.9	85.0	113.0	153.1	10,121.0
Loan Schedule 8	9,483.7	261.0	4.8	93.1	9,842.6
Loan Schedule 9	14,256.7	25.0	12.0		14,293.7
Loan Schedule 10	11,621.3				11,621.3
Loan Schedule 11	3,463.4				3,463.4
Loan Schedule 12	3,466.2				3,466.2
Loan Schedule 13	5,725.5				5,725.5
Total Bloom Lake LP	89,603.6	515.8	154.8	382.9	90,657.1
Total	140,082.6	814.8	518.9	1,255.5	142,671.8

Loan Balances

88. The amounts totalling approximately US\$140.1 million related to loan balances represent the principal and interest accrued to the commencement of the CCAA Proceedings. The Monitor has reviewed the calculation of the amount owing on each loan schedule at the date of the CCAA Proceedings and is satisfied that the amounts claimed were due and owing.

Forbearance Fees

89. A number of forbearance agreements were negotiated by CNR subsequent to the commencement of the CCAA Proceedings and the claims by CNR identified approximately US\$0.8 million as forbearance fees.

90. The Monitor's review identified that US\$298,980.99 of the amount claimed as forbearance fees was in fact interest paid on Loan Schedule 2 for post-filing periods. As the value of the assets subject to the security was significantly lower than the principal amount outstanding, the claim is not fully secured. The Claims Procedure Order prohibits interest on unsecured claims and accordingly the Monitor intends to disallow the amount of US\$298,980.99¹⁵.
91. Given the stay of proceedings provided by the Bloom Lake Initial Order that prevented the lenders taking action against the Bloom Lake CCAA Parties, the forbearance agreements were unnecessary from the Bloom Lake CCAA Parties perspective and provided no benefit to them. The forbearance agreements were of benefit to CNR as they deferred payment under the CNR Key Bank Guarantee for five of the loan schedules.
92. Accordingly, the Monitor does not consider the forbearance fees to be a provable claim and intends to disallow the amount of US\$515,794.94 from the CNR Key Bank Claims.

Legal & Other Fees

93. Legal fees of the Key Bank lenders totalling approximately US\$0.5 million were paid by CNR in connection with the Key Bank Facility and were included in the CNR Key Bank Claims.
94. Based on the information and documents reviewed by the Monitor, it appears that the legal fees were incurred primarily in connection with the negotiation of the forbearance agreements although it is possible that some amounts were incurred in connection with the CCAA Proceedings.

¹⁵ This approach is consistent with the approach taken, in consultation with the CCAA Parties, to claims for interest on the Construction Legal Hypotech Claims. None of the creditors asserting Construction Legal Hypotech Claims disputed the Monitor's disallowance of interest on the Construction Legal Hypotech Claims.

95. As noted above, the forbearance agreements were of benefit to CNR as they deferred payment under the CNR Key Bank Guarantee, but the forbearance agreements were unnecessary from the Bloom Lake CCAA Parties perspective and provided no benefit to them given the stay of proceedings provided by the Bloom Lake Initial Order that prevented the lenders taking action against the Bloom Lake CCAA Parties.
96. Accordingly, the Monitor does not consider the legal fees paid in connection with the forbearance agreements to be a provable claim and intends to disallow the amount of US\$518,934 from the CNR Key Bank Claims unless CNR can provide additional evidence to support the reasonableness of the claim.

LC Fees & Interest

97. As part of four of the forbearance agreements negotiated subsequent to the commencement of the CCAA Proceedings, CNR was required to post letters of credit as security for their guarantee obligations.
98. As noted above, the forbearance agreements were of benefit to CNR as they deferred payment under the CNR Key Bank Guarantee, but the forbearance agreements were unnecessary from the Bloom Lake CCAA Parties perspective and provided no benefit to them given the stay of proceedings provided by the Bloom Lake Initial Order that prevented the lenders taking action against the Bloom Lake CCAA Parties.
99. Accordingly, the Monitor does not consider the fees and interest associated with the letters of credit posted pursuant to the forbearance agreements to be a provable claim and intends to disallow the amount of US\$1,255,509 from the CNR Key Bank Claims.
100. Furthermore, the amount of US\$1,255,509 claimed relating to fees and interest associated with the letters of credit posted pursuant to the forbearance is for a period after the Determination Date and is, in the Monitor's view, interest or akin to interest. Accordingly the Monitor intends to also disallow this portion of the claim for that reason.

THE CMC SECURED CLAIMS

101. As noted above, the CMC Secured Claims were filed in respect of amounts advanced by CMC pursuant to a Demand Credit Agreement dated February 23, 2015 (the “DCA”). The DCA provided a secured, interest-free, credit facility of up to US\$30 million to WRI and WICL, repayable on demand, for the purposes of funding the Wabush Mines joint venture. Pursuant to the terms of the DCA, WRI and WICL are jointly and severally liable for the repayment of advances. The DCA was conditional, *inter alia*, on the perfection of security over certain assets.
102. CMC holds the following security (collectively, the “CMC Security”) in respect of the DCA:
- (a) A moveable hypothec dated February 23, 2015, granted by WRI and WICL in favour of CMC, registered on February 23, 2015 at Register of Personal and Moveable Real Rights under registration number 15-0142340-0003; and
 - (b) An Equipment Security Agreement dated February 23, 2015 made between WRI, WICL and CMC registered by way of financing statement pursuant to the Newfoundland and Labrador Personal Property Security Act under registration number 12683207.
103. Previous reports of the Monitor, including at paragraphs 54-55 of the Nineteenth Report, at paragraphs 32 to 33 of the Twenty-First Report, at paragraphs 116 to 122 of the Twenty-Fourth Report and at paragraphs 28 to 31 of the Twenty-Fifth Report, have included details of the independent legal opinions provided by Monitor’s counsel on the validity and enforceability of the CMC Security.
104. The Monitor specifically noted the following with respect to the CMC Security at paragraphs 116 to 122 of its Twenty-Fourth Report:
- “116. On September 26, 2016, CMC filed a motion to lift the stay of proceedings (the “CMC Lift Stay Motion”) for the purposes of perfecting

and registering its security interest in certain assets of the Wabush CCAA Parties located in Newfoundland.

117. Pursuant to an Equipment Security Agreement dated February 23, 2015 (the “CMC Security Agreement”), WICL and WRI (collectively, the “Wabush Obligors”) granted CMC a security interest in, among other things, all of their present and future right, title and interest in all Equipment, as such term is defined in the Personal Property Security Act (Newfoundland) of the Wabush Obligors.

118. The CMC Security Agreement was intended to provide security for the payment and performance of the liabilities of the Wabush Obligors under, among other things, a credit agreement between the Wabush Obligors and CMC dated as of February 23, 2015.

119. A schedule to the CMC Security Agreement lists certain equipment that is to be included in the collateral that is the subject of the CMC Security Agreement. That schedule includes certain Komatsu 830E Haul Trucks and provides serial numbers for such haul trucks.

120. Upon comparing the description of the Komatsu 830E Haul Trucks that were included in the RBA 830E Purchased Assets and located at the Wabush mine against the description of the Komatsu 830E Haul Trucks on Schedule A to the CMC Security Agreement, certain discrepancies were identified. The registrations made in the Personal Property Security Registry in Newfoundland and Labrador by CMC against the Wabush Obligors (the “CMC PPSA Registrations”) contained the same discrepancies as Schedule A to the CMC Security Agreement.

121. Section 11(3) of the Personal Property Security Act (Newfoundland) states, in part, that a description of collateral is inadequate for the purposes of enforceability against a third party if it

describes “equipment” without further describing the item or kind of collateral.

122. CMC therefore brings the CMC Lift Stay Motion to allow for the modification to Schedule A of the CMC Security Agreement and modification of the CMC PPSA Registrations to correct the identified discrepancies in view of Section 11(3) of the Personal Property Security Act (Newfoundland), which requires a proper description of equipment by item or kind for the purposes of enforceability of a security interest against third parties.”

105. On October 21, 2016, the Court granted a *De Bene Esse* Application to lift the applicable stay of proceedings and to allow CMC to take, continue and/or complete all steps necessary in order to perfect its security interest in four specifically described 2013 Komatsu 830E Haul Trucks, which CMC did by way of a financing statement registered pursuant to the Newfoundland and Labrador Personal Property Security Act under number 140431951.¹⁶
106. The CMC Security validly charged the following collateral, which was sold in three separate transactions, as set out below:

¹⁶ While the transaction for the sale of the four Komatsu 830E Haul Trucks described above was approved by the court and completed before the hearing of the application of CMC to lift the stay to take all steps necessary to perfect its security interest, the Order approving that sale stated that it was rendered without prejudice to the rights of CMC asserted in its *De Bene Esse Application to Lift the Stay of Proceedings* to take such steps necessary to perfect its security interest.

Serial Number	Description	PPSA Registration number	Sale
A30761	Komatsu 830E Haul Truck	12683207	First RBA
A30589	Komatsu 830E Haul Truck	12683207	First RBA
A30534	Komatsu 830E Haul Truck	12683207	First RBA
A30533	Komatsu 830E Haul Truck	12683207	First RBA
A30022	Komatsu 830E Haul Truck	12683207	First RBA
KMTHD039N61 A40883	2013 Komatsu 830E Haul Truck	14431951	First RBA
KMTHD039N61 A40889	2013 Komatsu 830E Haul Truck	14431951	First RBA
KMTHD039N61 A40893	2013 Komatsu 830E Haul Truck	14431951	First RBA
KMTHD039N61 A40882	2013 Komatsu 830E Haul Truck	14431951	First RBA
15122	Komatsu PC 5500 Shovel	12683207	Second RBA
2210	Letourneau L-1850 Loader	12683207	Second RBA
15052	Komatsu PC5500-6 TT Shovel	12683207	Second RBA
60902	Komatsu WA600 Loader	12683207	Second RBA
60186	Komatsu D375A6 Dozer	12683207	Second RBA
5272010566	Letourneau L-1850 Loader	12683207	Second RBA
MH136	Unit Rig Haul Truck	12683207	Tacora
MH137	Unit Rig Haul Truck	12683207	Tacora
MH164	Unit Rig Haul Truck	12683207	Tacora
MH218	Unit Rig Haul Truck	12683207	Tacora
MH219	Unit Rig Haul Truck	12683207	Tacora

107. In reviewing the quantum of the CMC Secured Claims, the Monitor obtained and reviewed the internal “funds transfer forms” related to the various advances made, together with bank statements showing the sending and the receipt of the funds. Based on that review, the Monitor has confirmed the following advances:

Date	From	To	Amount	Amount
			US\$000	C\$000
2/23/2015	CNR	WICL	4,178	5,095
3/16/2015	CNR	WICL	822	1,003
3/18/2015	CNR	WICL	2,000	2,439
4/28/2015	CNR	WICL	267	326
Total			7,267	8,863

108. The Monitor notes that funding advances under the DCA were made by CNR on behalf of CMC rather than by CMC directly. The Monitor has been provided details of the accounting entries related to the funding and is satisfied that the obligation is owing to CMC.
109. Based on the forgoing, the Monitor is of the view that the quantum of the CMC Secured Claim is adequately supported and that the obligation is validly secured on the net proceeds of realization of the assets subject to the CMC Security.

NOTE 60

110. The related party claim relating to Note 60 (the “**Note 60 Claim**”) is a claim of US\$456,556,675 by Cliffs Natural Resources Luxembourg S.ar.L. (“**Lux SarL**”) against CQIM in respect of amounts owing pursuant to a revolving grid note originally between CNR and Cliffs Canada Inc.¹⁷ dated May 12, 2011 (as amended or restated from time to time, “**Note 60**”).
111. The original grid note dated May 12, 2011 (the “**Original Note 60**”) had no term or maturity date but was payable on demand. The Original Note 60 included, *inter alia*, the following terms:
- (a) A maximum principal balance of US\$350 million;
 - (b) An obligation to pay interest at 5.8% per annum of the principal balance outstanding from time to time; and
 - (c) The right for CCI to repay at any time or times the whole or any part of the principal outstanding without notice, bonus or penalty.
112. The Original Note 60 was amended from time to time as follows:

¹⁷ Cliffs Canada Inc. was amalgamated with Cliffs Quebec Iron Mining Limited, a predecessor of CQIM, on January 1, 2012.

- (a) Amendment 1, dated June 1, 2012, to change the applicable interest rate from 5.8% per annum to “a Short-Term Annual Applicable Federal Rate (AFR), reset monthly”;
 - (b) Amendment 2, dated December 4, 2012, to increase the maximum principal balance from US\$350 million to US\$1 billion; and
 - (c) Amendment 3, dated June 4, 2013, to increase the maximum principal balance from US\$1 billion to US\$1.5 billion.
113. On October 23, 2014, the Original Note 60, as amended, was substituted, replaced and restated in its entirety pursuant to Restated Grid Note 60 entered into by CNR and Cliff Quebec Iron Mining Limited¹⁸. The terms of Restated Grid Note 60 were identical to the terms of Original Note 60 as amended. It is unclear why the restatement of the Original Note 60 as amended was done.
114. In conjunction with the 2014 Reorganization, Restated Grid Note 60 was assigned:
- (a) From CNR to Cleveland-Cliffs International Holding Company (“**CCHIC**”) on December 1, 2014;
 - (b) From CCHIC to Cliffs Finance Lux SCS (“**Lux SCS**”) on December 4, 2014; and
 - (c) From Lux SCS to Lux SarL on December 4, 2014.
115. Restated Grid Note 60 was amended on December 4, 2014, also in conjunction with the 2014 Reorganization to remove all references to interest being payable.
116. Accordingly, as of December 4, 2014, Note 60 is an interest-free note, payable on demand by Lux SarL or at will by CQIM, with no term or maturity date and a maximum principal amount of \$1.5 billion.

¹⁸ A predecessor of CQIM.

117. A table showing the transactions under Note 60 is attached hereto as **Appendix A**. The transactions resulting in the balance owing under Note 60 are summarized as follows:

	Number	US\$000
2011		
Cash advances	2	80,452
Interest	8	2,576
Cash repayments	1	(83,028)
Offset reductions	0	
Balance c/f		0
2012		
Cash advances	24	465,785
Interest	37	491
Cash repayments	6	(137,147)
Offset reductions	0	
Balance c/f		329,129
2013		
Cash advances	54	1,025,976
Interest	67	2,412
Cash repayments	5	(267,313)
Offset reductions	0	0
Balance c/f		1,090,204
2014		
Cash advances	20	283,513
Interest	48	2,778
Cash repayments	2	(30,637)
Offset reductions	10	(326,106)
		1,019,752
2014 Reorganization		
Cash repayments	2	(142,945)
Offset reductions	1	(420,250)
Balance c/f		456,557

118. The Note 60 balance was reduced to zero at December 31, 2011, and March 7, 2012. Accordingly, the Monitor has not reviewed the transactions prior to March 7, 2012.

Cash Advances

119. In total, cash advances of US\$1,855,725,729.96 were made to CQIM under Note 60 between May 31, 2011, and December 30, 2014.

120. The first transaction under Note 60 after March 7, 2012, the last date that the balance on Note 60 was zero, was a cash advance of \$118.5 million on May 1, 2012. Frequent cash advances were made throughout the balance of 2012 and 2013, with the period between advances ranging from one day to 61 days and being approximately one week on average. The frequency of advances dropped in 2014 with the period between advances ranging from one day to 61 days and being approximately 19 days on average. The Monitor has requested an explanation of how it was determined that advances would be made and how the amount to be advanced was determined but has not yet received that information.
121. To confirm the cash advances, the Monitor reviewed the following documentary evidence:
 - (a) Copies of internal “funds transfer forms” providing details of the transactions;
and
 - (b) Copies of external documentation, for example bank statements and third-party emails from CNR’s foreign exchange providers, showing the payment of the advances.
122. Based on its review of the aforementioned documentary evidence, the Monitor is satisfied that the cash advances were received by CQIM and that the amounts are adequately supported.

Interest

123. Interest appears to have been calculated and applied to the Note 60 balance at each month end and each time a transaction was processed. The Monitor has reviewed the calculation of interest charged and is satisfied that the amounts were correctly calculated using the appropriate rates in accordance with the methodology adopted by the parties.

Cash Repayments

124. Cash repayments were made on December 31, 2011, and March 7, 2012, reducing the Note 60 balance to zero at each date. A further 12 cash repayments were made prior to the 2014 Reorganization transactions as summarized below:

Date	Days Since Last Cash Repayment	Note 60	Repayment	Note 60
		Balance b/f	Amount	Balance c/f
		US\$000	US\$000	US\$000
December 31, 2011	n/a	83,027.6	(83,027.6)	0.0
March 7, 2012	67	11,147.3	(11,147.3)	0.0
July 16, 2012	131	171,077.1	(21,000.0)	150,077.1
September 17, 2012	63	196,158.5	(40,000.0)	156,158.5
September 20, 2012	3	161,163.1	(40,000.0)	121,163.1
September 24, 2012	4	146,165.3	(5,000.0)	141,165.3
November 21, 2012	58	279,265.9	(20,000.0)	259,265.9
January 5, 2013	45	884,668.2	(12,805.9)	871,862.3
October 1, 2013	269	1,198,731.4	(5,000.0)	1,193,731.4
November 1, 2013	31	1,214,178.0	(20,000.0)	1,194,178.0
December 23, 2013	52	1,279,484.8	(30,000.0)	1,249,484.8
December 30, 2013	7	1,259,658.3	(199,507.5)	1,060,150.8
April 1, 2014	92	896,390.1	(20,636.7)	875,753.4
August 31, 2014	152	933,044.5	(10,000.0)	923,044.5

125. As stated earlier in this Report, Note 60 has no set payment dates and the terms provide that repayments may be made at will by CQIM. As shown by the table above, repayments appear to have been made on an ad hoc basis. The Monitor has requested an explanation of how it was determined when repayments would be made and how the amount to be repaid was determined but has not yet received that information.

126. The cash repayments made on April 1, 2014, and August 31, 2014, were within the one-year “look-back” period provided for in section 95 of the *Bankruptcy and Insolvency Act* and may constitute a preference or be otherwise subject to review. The Monitor intends to review and discuss that issue in conjunction with its review and discussion of the 2014 Reorganization.

127. In accordance with the review parameters described earlier in this Report, the Monitor has not reviewed documentary evidence with respect to the cash repayments as they reduce the net amount of the Note 60 Claim.

Offset Reductions

128. Commencing January 1, 2014, the balance of Note 60 was reduced by the application of non-cash offset of amounts owing to related parties. In total, ten set-off transactions were processed prior to the 2014 Reorganization transactions as summarized below:

Date	Days Since Last Offset Transaction	Owing By	Owing To	Note 60	Set-Off	Note 60
				Balance b/f	Amount	Balance c/f
				US\$000	US\$000	US\$000
January 1, 2014	n/a	Unknown	Unknown	1,090,202.4	(269,352.2)	820,850.2
May 1, 2014	120	CMC & CSC	WRI	911,029.1	(27,563.7)	883,465.4
May 30, 2014	29	CNRE	CCSS	883,707.1	(124.0)	883,583.1
June 30, 2014	31	CMSC	CCSS	893,828.0	(170.1)	893,657.9
July 31, 2014	31	CMSC	CCSS	933,903.7	(132.1)	933,771.6
July 31, 2014	0	CSC	Bloom Lake	933,771.6	(128.8)	933,642.8
July 31, 2014	0	CMC	CQIM	933,642.8	(839.5)	932,803.3
August 31, 2014	31	CSC	Wabush Mine	923,090.7	(11,363.1)	911,727.6
September 30, 2014	30	CSC	Wabush Mine	947,005.7	(9,465.1)	937,540.6
October 31, 2014	31	CSC	Wabush Mine	962,823.6	(6,967.1)	955,856.5

129. As described earlier in this Report, until December 4, 2014, the balance under Note 60 was owed by CQIM or its predecessors to CNR. As shown in the foregoing table, none of the offset transactions were related to amounts owed by CNR to CQIM and the basis for the offsets is unclear. While the entries reduce the amount of the Note 60 Claim, they could also have an impact on other Related Party Claims, the potential implication of which is unclear. Accordingly, the Monitor has requested an explanation of this treatment and details of any related journal entries in order to determine whether appropriate adjusting entries were made in the books and records of the offset parties but has not yet received that information.

2014 Reorganization Related Transactions

130. In addition to the transactions described above, the balance of Note 60 was reduced by three transactions that were posted as part of the 2014 Reorganization:
- (a) A cash payment of interest outstanding of US\$381,839;
 - (b) A cash payment of principal of US\$142,563,070; and
 - (c) A non-cash offset of US\$420,250,000 against Note 79 owing by Lux SarL, which note had been created by CQIM's Australian subsidiary and transferred to CQIM in reduction of the balance of Mandatory Redeemable Preference Shares as part of the 2014 Reorganization.
131. The 2014 Reorganization transactions will be the subject of a separate report by the Monitor.

NOTE 61

132. The related party claim relating to Note 61 (the "**Note 61 Claim**") is a claim of US\$235,837,012 by Cliffs Natural Resources Pty Ltd. ("**CNR Pty**") against CQIM in respect of amounts owing pursuant to a demand loan agreement originally between CNR and Consolidated Thompson Iron Mines ("**Thompson**"), a predecessor of CQIM, dated May 19, 2011 (as amended or restated from time to time, "**Note 61**").
133. The original loan agreement dated May 19, 2011 (the "**Original Note 61**") included, *inter alia*, the following terms:
- (a) A principal advance of US\$220 million repayable in one year or earlier on demand;
 - (b) An obligation to pay interest at 5.8% per annum of the principal balance outstanding from time to time; and

- (c) The right for Thompson to repay at any time or times the whole or any part of the principal outstanding without notice, bonus or penalty.
134. The Original Note 61 was amended from time to time as follows:
- (a) On June 1, 2012, the outside date for repayment was extended from May 19, 2012, to May 19, 2013;
 - (b) On May 17, 2013, the outside date for repayment was extended from May 19, 2013, to May 19, 2014;
 - (c) On May 16, 2014, the outside date for repayment was extended from May 19, 2014, to May 19, 2015, and the interest rate was reduced from 5.8% per annum to 2% per annum; and
 - (d) On May 18, 2015, the outside date for repayment was extended from May 19, 2015, to May 19, 2016.
135. The Monitor has reviewed a copy of an online bank account balance summary and a transaction statement evidencing that US\$220 million was advanced by CNR Pty and received by Thompson on May 19, 2011.
136. The Monitor has reviewed the calculation of interest accrued on Note 61 and is satisfied that the interest has been correctly calculated.
137. The Monitor notes however that the Note 61 Claim includes interest accrued to January 31, 2015. Paragraph 4.11 of the Claims Procedure Order states, inter alia:
- “For greater certainty, no "Claim" shall exist for interest or other amounts akin to interest accrued after the applicable Determination Date unless validly secured by a Lien;”

138. Pursuant to the Claims Procedure Order, the Determination Date for claims against CQIM is January 27, 2015. The Note 61 Claim includes interest for four days after the Determination Date, which amount the Monitor calculates to be US\$52,318.12.
139. Based on the foregoing, the Monitor is of the view that US\$235,784,694.03 of the Note 61 Claim is adequately supported but the Note 61 Claim is overstated by US\$52,318.12.

NOTE 75B

140. The related party claim relating to Note 75B (the “**Note 75B Claim**”) is a claim of US\$341,085.00 by Lux SarL against CQIM in respect of amounts owing pursuant to a promissory note between Cliffs Canada Finance ULC (“**CCF**”) and CQIM, dated December 3, 2014 (“**Note 75B**”).
141. Note 75B came into existence as part of the 2014 Reorganization and evidences the remaining balance of interest accrued and owing on Note Y. The transactions that gave rise to Note 75B and the amount of the Note 75B Claim are summarized as follows:
 - (a) On May 11, 2011, Cliffs Canada Inc., a predecessor of CQIM, issued a promissory note in the principal amount of US\$4,175,927,800 (“**Note Y**”). Note Y had a maturity date of April 30, 2021, and bore interest, payable annually, at 5.85% per annum. On the occurrence of an Event of Default, as defined in Note Y, Note Y becomes subordinate to the rights of all other creditors of CQIM;

- (b) On April 28, 2014, as part of a series of transactions intended to rationalize the corporate structure of the CQIM and CCF corporate group (the “**April 2014 Reorganization**”)¹⁹, an amending agreement between CCF and CQIM was executed pursuant to which Note Y was amended to remove the maturity date, to make Note Y payable on demand and to make Note Y non-interest bearing (the “**Note Y Amending Agreement**”);
- (c) Also on April 28, 2014, as part of the April 2014 Reorganization, a non-interest bearing demand promissory note (“**Note 75**”) was issued by CQIM to CCF in the amount of US\$242,934,600 in payment of the interest owing on Note Y;
- (d) On December 3, 2014, as part of the 2014 Reorganization, the amount owing under Note 75 was bifurcated into two separate non-interest bearing demand promissory notes with principal amounts of US\$79,389,027 (“**Note 75A**”) and US\$163,545,573 (“**Note 75B**”) and Note 75 was cancelled;
- (e) Also on December 3, 2014, as part of the 2014 Reorganization and in payment of Note 75A and partial payment of Note 75B, CQIM transferred to Lux SarL its mandatory redeemable preferred shares, with an asserted fair market value of US\$242,593,515, in two wholly-owned Australian subsidiaries, together with its common shares in the Australian subsidiaries, leaving a balance of US\$341,085 owing on Note 75B.

142. The Monitor confirmed that the amount of Note 75 as of the date of issuance equates to one year’s interest on Note Y.

¹⁹ The recitals to the Note Y Amending Agreement state that the rationalization of the corporate structure was in response to (i) unanticipated market fluctuations that had adversely impacted the business of CQIM’s and CCFI’s corporate group (the “Cliffs Group”) and (ii) amendments to applicable laws which had been proposed which could adversely impact the Cliffs Group as then currently structured.

143. If the interest accrued on Note Y had not been paid, an Event of Default would have occurred and the outstanding interest would have become subordinated to the claims of all other creditors along with the principal amount owing under Note Y. Counsel to the Monitor has advised the Monitor that, in its view, the issuance of Note 75 constituted a payment of the interest accrued on Note Y and that Note 75 is not simply a continuation of the interest debt in a different form, but rather is an independent obligation. Accordingly, the amount owing under Note 75 would not have been subordinated.
144. The Monitor notes, however, that the payment on April 28, 2014, of the interest accrued on Note Y by the issuance of Note 75 falls within the one-year “look-back” period provided for in section 95 of the *Bankruptcy and Insolvency Act* and may constitute a preference or be otherwise subject to review. If the transaction was a preference and was voided, the amount would arguably now be owed under Note Y and be subordinated. The Monitor continues to consider the issue in consultation with legal counsel.
145. The Monitor also notes that certain transactions resulting in the claim in respect of Note 75B described above relate to the 2014 Reorganization. Accordingly, the Monitor may have additional comments in respect of Note 75, Note 75A and Note 75B in its report on the 2014 Reorganization.

OTHER TRANSACTIONS

146. As shown earlier in this Report, the Specific Claim Components account for approximately US\$0.9 billion of the total of approximately US\$3.8 billion of Related Party Claims or, in Canadian dollars, approximately \$1.1 billion of the total of approximately \$4.7 billion.
147. As reported in the Monitor’s Twenty-Fourth Report, the Related Party Claims are net of a large number of offsetting debit transactions totalling approximately US\$8.7 billion in the aggregate which reduce the quantum of the Related Party Claims (the “**Related Party Debit Transactions**”).

148. Excluding the amounts for the Specific Claim Components and the Related Party Debit Transactions, the balance of the Related Party Claims is approximately US\$11.5 billion. The support provided for the balance of the Related Party Claims includes in excess of 31,000 transaction entries, many of them small. The review parameters contemplated the review of 1,274 transactions in the aggregate amount of approximately US\$10.9 billion.
149. The current status of the review of the transactions that are not Specific Claim Components is summarized below:

	Review Complete		Awaiting Additional Information		No Support Yet Received		Total	
	#	US\$000	#	US\$000	#	US\$000	#	US\$000
CQIM	132	1,838,067	20	542,205	11	707,933	163	3,088,205
Bloom Lake LP	135	600,372	29	132,788	3	32,153	167	765,313
Bloom Lake GP	-	-	-	-	-	-	-	-
Quinto Mining	33	6,887	22	3,999	-	-	55	10,886
8568391 Canada	-	-	-	-	-	-	-	-
Bloom Lake Railway	-	-	-	-	-	-	-	-
Wabush Mines	502	3,117,614	28	455,238	21	1,228,769	551	4,801,621
WICL	133	562,881	21	147,871	23	108,979	177	819,731
WRI	86	650,504	21	570,889	8	109,934	115	1,331,327
Arnaud Railway	28	56,754	10	39,701	7	21,149	45	117,604
Wabush Lake Railway	-	-	-	-	1	1,743	1	1,743
Total	1,049	6,833,079	151	1,892,691	74	2,210,660	1,274	10,936,430

150. For ease of reporting, the Monitor has grouped the transactions into various categories based on the nature of the transactions and the support provided as summarized below:

Category	Review Complete		Awaiting Additional		Total	
	#	US\$000	#	US\$000	#	US\$000
Cash transfers	338	3,295,488	61	546,097	399	3,841,585
Payments for goods/services for debtor	35	21,577	28	22,865	63	44,442
Cost allocations	2	17,820	15	60,544	17	78,364
Cost transfers	118	292,137	22	92,376	140	384,513
Reversed transactions	31	63,107	4	17,990	35	81,097
Non-cash payments of Note 60			3	27,795	3	27,795
Off-take related			11	188,400	11	188,400
Correcting journal entries			3	916,096	3	916,096
Tax related			4	20,528	4	20,528
WICL/WRI against Wabush Mines	498	3,039,355			498	3,039,355
No support provided	27	103,595	74	2,210,660	101	2,314,255
Total	1,049	6,833,079	225	4,103,351	1,274	10,936,430

Cash Transfers

151. 399 transactions totalling approximately US\$3.8 billion were identified as cash transfers that occurred between February 2010 and January 2015, a schedule of which is attached hereto as **Appendix B**. In reviewing the quantum of the cash transfer transactions, the Monitor obtained and reviewed internal documentation such as “funds transfer forms” and promissory notes related to the various advances made, and external documentation such as bank statements showing the sending or receipt of the funds and relevant third-party correspondence, for example foreign exchange confirmations.
152. Based on that review, the Monitor has confirmed to its satisfaction that 338 cash transactions totalling approximately US\$3.3 billion are adequately supported.
153. For the remaining 61 transactions totalling approximately US\$546.1 million, the Monitor identified gaps or inconsistencies in the evidence provided for the claims in three areas, or combinations thereof:
- (a) Additional documents are required to properly support the claim;
 - (b) The amount claimed is higher than the amounts evidenced by the supporting documents; and

- (c) The debtor entity or the creditor entity that is party to the claim, or both, is different from the entities identified by the supporting documentation, or the supporting documentation does not adequately evidence the parties involved.
154. Six transactions totalling approximately US\$68.8 million are higher, by an aggregate amount of US\$4.9 million, than the amounts evidenced by the supporting documents. The Monitor has asked whether additional supporting evidence is available in respect of the additional US\$4.9 million.
155. The debtor entity or the creditor entity that is party to the claim, or both, is different from the entities identified by the supporting documentation, or the supporting documentation does not adequately evidence the parties involved, for 29 transactions totalling approximately US\$184.4 million.
156. The documentary evidence provided in respect of five of the 29 transactions, totalling approximately US\$12.3 million, supported the amount claimed but the non-filed related party creditor entity making the claim did not match the non-filed related party creditor entity identified in the documentary evidence. However, as it would have no impact on any third party creditor of the CCAA Parties whether a distribution goes to non-filed related party creditor "A" or non-filed related party creditor "B", the Monitor is of the view that this issue does not merit further investigation or any amendment to the claims.
157. The documentary evidence provided in respect of nine of the 29 transactions, totalling approximately US\$49.6 million, suggests that the debtor should be a different CCAA Party than the CCAA Party against which the claim was made. The Monitor has requested additional explanation or support.
158. The documentary evidence provided in respect of four of the 29 transactions, totalling approximately US\$9.4 million, suggests that the creditor in the transaction should be a non-filed related party rather than a CCAA Party or a CCAA Party rather than a non-filed related party. The Monitor has requested additional explanation or support.

159. The documentary evidence provided in respect of six of the 29 transactions, totalling approximately US\$55.7 million, suggests that both the creditor and debtor in the transaction are different from the entity that made the claim and the entity against which the claim was made. The Monitor has requested additional explanation or support.
160. The documentary evidence provided in respect of five of the 29 transactions, totalling approximately US\$57.4 million, lacks information to confirm the creditor and debtor in the transaction. The Monitor has requested additional explanation or support.

Payments for Goods/Services for Debtor

161. 63 transactions totalling approximately US\$44.4 million related to goods or services that were provided to a CCAA Party which were paid for by the claimant. These transactions, which were frequently journal entries consolidating and recharging multiple payments, are summarized as follows:
- (a) 54 transactions totalling approximately US\$10.6 million are claims relating to payments made to various third parties on behalf of Quinto;
 - (b) One transaction of approximately US\$13.6 million is a claim by CNR against Bloom Lake LP related to the payment made by CNR to BoA in reimbursement of amounts paid by BoA under the BoA/Travelers LC as described earlier in this Report (the “**CNR BoA Transaction**”);
 - (c) Six transactions totalling approximately US\$7.7 million are claims by CQIM relating to payments to third parties on behalf of Bloom Lake LP;
 - (d) One transaction in the amount of approximately US\$4.8 million is a claim by Wabush Mines against CQIM in respect of insurance proceeds received by CQIM which Wabush Mines asserts should have been paid over; and
 - (e) One transaction in the amount of US\$7.7 million is a claim by Wabush Mines against Bloom Lake LP in respect of the transfer of a PC4000 shovel.

162. Of the 54 transactions relating to claims against Quinto, the Monitor is satisfied that 33 transactions totalling approximately US\$6.9 million are adequately supported. The Monitor is awaiting further information in respect of the balance of these transactions as the documentation provided to date does not adequately support Quinto as being the beneficiary of the goods or services.
163. With respect to the CNR BoA Transaction, as described earlier in this Report, this transaction was dealt with in the claims made in respect of letters of credit and surety bonding. Accordingly, it appeared that the amount claimed has been duplicated. CNR has confirmed that is the case and agreed that their claim should be reduced by US\$13.6 million, which adjustment the Monitor will make against the Specific Claim Components.
164. Of the other eight transactions, one transaction in the amount of approximately US\$1.1 million has been adequately supported. The Monitor is awaiting further information in respect of the other seven transactions totalling approximately US\$19.1 million.

Cost Allocations

165. The Monitor identified seventeen transactions totalling approximately US\$78.4 million related to “shared costs” allocated to the CCAA Parties. These cost allocation transactions are summarized as follows:
 - (a) Nine transactions totalling approximately US\$67.1 million in respect of selling, general and administrative expenses (“**SG&A**”), as follows:
 - (i) Four transactions totalling approximately US\$36.4 million were allocated based on headcount. The Monitor is awaiting additional support to assess whether the basis of allocation was reasonable and consistently applied;

- (ii) Three transactions totalling approximately US\$23 million which the claimant has asserted were later reversed through an offsetting debit entry. The Monitor has been unable to identify the offsetting debit transactions and has asked for them to be identified in order to confirm the reversal; and
 - (iii) Two transactions totalling approximately US\$7.8 million for which the Monitor is awaiting further evidence to support the amount and basis of allocation.
- (b) Five transactions totalling approximately US\$6.7 million were identified as “distribution of shared costs amongst the respective ECIO sites”. The Monitor is awaiting further evidence to support the amount and basis of allocation;
 - (c) Two transactions totalling approximately US\$2.6 million related to the reallocation of Phase 2 expansion costs for the Bloom Lake Mine between CQIM and Bloom Lake LP; and
 - (d) One transaction totalling approximately US\$1.9 million related to overhead costs allocated by CMC to various business units. The Monitor is awaiting further evidence to support the amount and basis of allocation.

Cost Transfers

- 166. 140 transactions totalling approximately US\$384.5 million related to costs incurred by the claimant that were transferred or recharged by journal entry to a CCAA Party.

167. 107 of these transactions totalling approximately US\$282.9 million related to costs incurred by CQIM and recharged to Bloom Lake LP pursuant to a management agreement dated July 20, 2009. Of these, 104 transactions totalling approximately US\$265.9 million were transfers of aggregated monthly operating costs. Given the nature of these transactions, the Monitor has reviewed them on a sample basis, reviewing 24 transactions totalling approximately US\$98.6 million. Of the sample reviewed, the current state of the Monitor's review is as follows:
- (a) The Monitor is satisfied that 20 transactions totalling approximately US\$85.1 million are adequately supported; and
 - (b) The Monitor is awaiting additional information in respect of four transactions totalling approximately US\$13.5 million.
168. The Monitor is awaiting additional information in respect of the other three transactions totalling approximately US\$17 million related to costs incurred by CQIM and recharged to Bloom Lake LP pursuant to a management agreement.
169. Ten of the 140 cost transfer transactions, totalling approximately US\$35.3 million, relate to payments made by Wabush Mines on behalf of Arnaud Railway²⁰. These transactions were an aggregation of invoices. The Monitor applied the review parameters to its review of the underlying invoices and for five of the ten transactions is satisfied that the underlying aggregated transactions meeting the review parameter thresholds are adequately supported. The Monitor is awaiting further documentation in respect of the other five transactions totalling approximately US\$24.5 million.
170. Seventeen transactions totalling approximately US\$44.4 million relate to use of the Arnaud Railway pursuant to an Arnaud Railway Transportation Agreement. Of these, the Monitor is satisfied that twelve transactions totalling approximately US\$26.5 million are adequately supported. The Monitor is awaiting further information in respect of the other five transactions totalling approximately US\$17.9 million.

²⁰ Arnaud Railway did not have its own bank accounts.

171. Two transactions totalling approximately US\$4.4 million relate to payments made by CMC or Cliffs Mining Services Company on behalf of Wabush Mines. The Monitor is satisfied that one of these transactions in the amount of approximately US\$2.5 million has been adequately supported. The Monitor is awaiting additional information in respect of the other transaction in the amount of approximately US\$1.9 million.
172. The Monitor is also awaiting additional information in respect of the other four transactions totalling approximately US\$17.5 million between various CCAA Parties.

Reversed Transactions

173. In determining the review parameters, the Monitor had identified and excluded credit transactions where there was a matching debit transaction reversing the credit amount.
174. During the Monitor's review, a further 35 transactions totalling approximately US\$81.1 million were identified by CNR as having been reversed by debit entries. As these reversing debit entries reversed a combination of credit transactions, as opposed to a single matching credit, they had not been identified and excluded from the initial assessment of the review parameters.
175. For 31 of these transactions totalling approximately US\$63.1 million, the Monitor was able to confirm that the debit entry identified by CNR as reversing the credit entry is in the transaction listing for the account in question. As there is no actual claim remaining in respect of these transactions, the Monitor has not reviewed these credit transactions further.
176. For four of the transactions totalling approximately US\$18 million, the Monitor has not been able to confirm that the debit entry identified by CNR as reversing the credit entry is in the transaction listing for the account in question. The Monitor is awaiting further information from CNR to determine whether these transactions have in fact been reversed or whether further review is required.

Non-Cash Payments of Note 60

177. The transactions subject to the review parameters included three credit transactions totalling approximately US\$27.8 million which relate to the inter-company amounts offset against Note 60 as described earlier in this Report. The Monitor has requested additional information to determine the overall effect and appropriateness of these transactions.

Off-Take Related

178. Eleven transactions totalling approximately US\$188.4 million relate to amounts asserted as owing by Wabush Mines to CMC in respect of certain off-take arrangements for ore produced at the Wabush Mine.

179. The Monitor has not yet been provided sufficient information to understand the nature of these transactions and is awaiting further information necessary to complete its review of these transactions.

Correcting Journal Entries

180. Three transactions totalling approximately US\$916.1 million relate to correcting entries resulting from internal audit procedures.

181. The Monitor has not yet been provided sufficient information to understand the nature of these transactions and is awaiting further information necessary to complete its review of these transactions.

Tax Related

182. Four transactions totalling approximately US\$20.5 million relate to tax refunds and receivables.

183. The Monitor has not yet been provided sufficient information to understand the nature of these transactions and is awaiting further information necessary to complete its review of these transactions.

Claims by WICL/WRI against Wabush Mines

184. 498 transactions totalling approximately US\$3 billion are credit transactions that make up the claims of WICL and WRI against Wabush Mines in the amounts of approximately US\$614 million and US\$635.5 million respectively net of debit transactions.
185. Of these, 437 transactions totalling approximately US\$2.1 billion are cash transfers for funding of Wabush Mines pursuant to the joint venture agreement. The Monitor has obtained an opinion from its Newfoundland counsel that such funding should be viewed as equity contributions and not as indebtedness subject to repayment or reimbursement by Wabush Mines to WICL or WRI.
186. In any event, as described in previous reports of the Monitor, as the Wabush Mines joint venture is not a legal entity, it does not have assets and liabilities in its own right. Accordingly any claims notionally against Wabush Mines would in fact be claims against the joint venturers, WICL and WRI.
187. Accordingly, the claims of WICL and WRI notionally against Wabush Mines would actually be claims against themselves which would therefore not be relevant for distribution purposes.

No Support Provided

188. 101 transactions totalling approximately US\$2.3 billion are transactions for which the claimants did not provide support.
189. Of these, CNR was unable to provide documentary support for 27 transactions totalling approximately US\$103.6 million that were posted in 2009 or earlier, informing the Monitor that the documents had been destroyed in accordance with the group's record retention policy.
190. The Monitor has reviewed the record retention policy and the destruction of the supporting documentation in respect of these transactions appears to be consistent with that policy.

191. Based on the results of the Monitor's review of other transactions and the minimal number of potential concerns identified with respect thereto, the Monitor is of the view that these claim amounts should be allowed.
192. The Monitor has requested, but has not yet received, documentary support for the other 74 transactions totalling approximately US\$2.2 billion.

CHARACTERIZATION OF RELATED PARTY CLAIMS

193. The Related Party Claims are all claims of indebtedness. A determination will need to be made as to whether this characterization is reasonable and appropriate or whether any of the claim components should be recharacterized as equity.
194. The question of whether the claims of a parent company against a subsidiary should be characterized as debt or equity arose in the CCAA proceedings of U.S. Steel Canada Inc., now Stelco Inc. The decision of the Honourable Mr. Justice Wilton-Siegel of the Ontario Superior Court (Commercial List) dated February 29, 2016, in respect of a motion on the issue in that case (the "**US Steel Decision**")²¹ contemplated a two-pronged test in considering the possible recharacterization of the debt claims of the parent company:
 - (a) The expectation of the parent regarding repayment; and
 - (b) The reasonableness of such expectations.
195. The US Steel Decision also includes the following pertinent points:
 - (a) The relevant factors to be considered in determining the expectations of the parent company will vary, but may include the financial situation of the subsidiary, the prevailing market conditions, the treatment of interest payments, and the injections by the parent company of equity contributions in parallel to the loans;

²¹ U.S. Steel Canada Inc. (Re), 2016 ONSC 569.

- (b) The relevant factors to be considered in assessing the reasonableness of the expectations of the parent company will often turn on the debt capacity of the subsidiary and its level of capitalization;
 - (c) The onus lies with the party seeking the re-characterizing; and
 - (d) The expectations of the parent company must be assessed in light of the circumstances prevailing at the time of each advance. Hindsight is forbidden, but subsequent events can be useful inasmuch as they shed light on the expectations and their reasonableness at the time of any future or subsequent advance.
196. The Monitor and its legal counsel are still considering the issue of the characterization of the Related Party Claims and intends to consult with major third-party creditors with respect thereto. The Monitor is also considering whether a motion for advice and directions on this point might be appropriate in the circumstances.
197. The Monitor does not, at this time, offer any comment as to the applicability of the US Steel Decision to the facts of the CCAA Proceedings or as to the legal principles that might govern any recharacterization of the Related Party Claims or any part thereof.

The Monitor respectfully submits to the Court this, its Thirty-Ninth Report.

Dated this 11th day of September, 2017.

FTI Consulting Canada Inc.

In its capacity as Monitor of

Bloom Lake General Partner Limited, Quinto Mining Corporation,

8568391 Canada Limited, Cliffs Québec Iron Mining ULC,

Wabush Iron Co. Limited, Wabush Resources Inc.,

The Bloom Lake Iron Ore Mine Limited Partnership,

Bloom Lake Railway Company Limited, Wabush Mines,

Arnaud Railway Company and Wabush Lake Railway Company Limited



Nigel D. Meakin
Senior Managing Director



Michael Basso
Director

Appendix A

Note 60 Transactions

Note 60 Transactions

<u>Date</u>	<u>Transaction Amount (USD)</u>	<u>Note 60 Balance (USD)</u>	<u>Description</u>
31-May-11	70,000,000.00	70,000,000.00	Cash Advances
2-Jun-11	146,611.11	70,146,611.11	Interest
30-Jun-11	10,451,988.96	80,598,600.07	Cash Advances
31-Jul-11	386,192.04	80,984,792.11	Interest
31-Aug-11	404,474.05	81,389,266.15	Interest
30-Sep-11	406,494.17	81,795,760.32	Interest
31-Oct-11	395,346.17	82,191,106.50	Interest
30-Nov-11	410,498.92	82,601,605.41	Interest
2-Dec-11	399,241.09	83,000,846.50	Interest
2-Dec-11	26,744.72	83,027,591.22	Interest
31-Dec-11	(83,027,591.22)	0.00	Cash Repayments
1-Feb-12	11,035,000.00	11,035,000.00	Cash Advances
1-Mar-12	49,780.11	11,084,780.11	Interest
7-Mar-12	51,790.56	11,136,570.67	Interest
7-Mar-12	10,765.35	11,147,336.02	Interest
7-Mar-12	(11,147,336.02)	0.00	Cash Repayments
1-May-12	118,500,000.00	118,500,000.00	Cash Advances
1-Jun-12	17,281.25	118,517,281.25	Interest
11-Jun-12	28,575.83	118,545,857.08	Interest
1-Jul-12	27,500,000.00	146,045,857.08	Cash Advances
5-Jul-12	26,235.18	146,072,092.26	Interest
5-Jul-12	3,895.26	146,075,987.52	Interest
6-Jul-12	25,000,000.00	171,075,987.52	Cash Advances
6-Jul-12	1,140.51	171,077,128.02	Interest
16-Jul-12	(21,000,000.00)	150,077,128.02	Cash Repayments
16-Jul-12	10,005.14	150,087,133.17	Interest
23-Jul-12	10,000,000.00	160,087,133.17	Cash Advances
23-Jul-12	7,470.73	160,094,603.90	Interest
30-Jul-12	10,000,000.00	170,094,603.90	Cash Advances
30-Jul-12	7,937.75	170,102,541.65	Interest
1-Aug-12	7,000,000.00	177,102,541.65	Cash Advances
13-Aug-12	2,361.37	177,104,903.01	Interest
13-Aug-12	14,758.74	177,119,661.76	Interest
20-Aug-12	6,000,000.00	183,119,661.76	Cash Advances
20-Aug-12	8,901.65	183,128,563.41	Interest
27-Aug-12	10,000,000.00	193,128,563.41	Cash Advances
27-Aug-12	9,388.19	193,137,951.60	Interest
1-Sep-12	3,000,000.00	196,137,951.60	Cash Advances
13-Sep-12	6,810.35	196,144,761.95	Interest
13-Sep-12	13,730.13	196,158,492.08	Interest
17-Sep-12	(40,000,000.00)	156,158,492.08	Cash Repayments
17-Sep-12	3,643.70	156,162,135.78	Interest
18-Sep-12	5,000,000.00	161,162,135.78	Cash Advances
18-Sep-12	940.11	161,163,075.89	Interest
20-Sep-12	(40,000,000.00)	121,163,075.89	Cash Repayments
20-Sep-12	1,413.57	121,164,489.46	Interest
21-Sep-12	25,000,000.00	146,164,489.46	Cash Advances
21-Sep-12	852.63	146,165,342.09	Interest
24-Sep-12	(5,000,000.00)	141,165,342.09	Cash Repayments
24-Sep-12	2,470.39	141,167,812.48	Interest
25-Sep-12	5,000,000.00	146,167,812.48	Cash Advances
25-Sep-12	852.65	146,168,665.12	Interest
1-Oct-12	20,000,000.00	166,168,665.12	Cash Advances

Note 60 Transactions

<u>Date</u>	<u>Transaction Amount (USD)</u>	<u>Note 60 Balance (USD)</u>	<u>Description</u>
1-Oct-12	5,815.90	166,174,481.03	Interest
15-Oct-12	20,000,000.00	186,174,481.03	Cash Advances
15-Oct-12	16,652.27	186,191,133.30	Interest
17-Oct-12	15,000,000.00	201,191,133.30	Cash Advances
17-Oct-12	2,570.78	201,193,704.08	Interest
23-Oct-12	14,000,000.00	215,193,704.08	Cash Advances
23-Oct-12	8,249.09	215,201,953.17	Interest
29-Oct-12	25,000,000.00	240,201,953.17	Cash Advances
29-Oct-12	9,207.74	240,211,160.91	Interest
1-Nov-12	19,000,000.00	259,211,160.91	Cash Advances
6-Nov-12	41,648.10	259,252,809.01	Interest
6-Nov-12	7,921.61	259,260,730.62	Interest
9-Nov-12	20,000,000.00	279,260,730.62	Cash Advances
9-Nov-12	5,119.78	279,265,850.40	Interest
21-Nov-12	(20,000,000.00)	259,265,850.40	Cash Repayments
21-Nov-12	19,012.83	259,284,863.23	Interest
27-Nov-12	10,000,000.00	269,284,863.23	Cash Advances
27-Nov-12	9,873.78	269,294,737.01	Interest
1-Dec-12	30,000,000.00	299,294,737.01	Cash Advances
3-Dec-12	49,244.09	299,343,981.10	Interest
3-Dec-12	3,991.25	299,347,972.35	Interest
4-Dec-12	5,000,000.00	304,347,972.35	Cash Advances
4-Dec-12	2,028.99	304,350,001.34	Interest
17-Dec-12	24,750,000.00	329,100,001.34	Cash Advances
17-Dec-12	28,522.00	329,128,523.34	Interest
1-Jan-13	40,000,000.00	369,128,523.34	Cash Advances
8-Jan-13	36,912.85	369,165,436.19	Interest
8-Jan-13	15,074.26	369,180,510.45	Interest
11-Jan-13	30,000,000.00	399,180,510.45	Cash Advances
11-Jan-13	6,985.66	399,187,496.11	Interest
14-Jan-13	30,000,000.00	429,187,496.11	Cash Advances
14-Jan-13	7,510.78	429,195,006.89	Interest
22-Jan-13	25,000,000.00	454,195,006.89	Cash Advances
22-Jan-13	21,195.77	454,216,202.66	Interest
28-Jan-13	20,000,000.00	474,216,202.66	Cash Advances
28-Jan-13	16,597.57	474,232,800.22	Interest
30-Jan-13	10,000,000.00	484,232,800.22	Cash Advances
30-Jan-13	5,649.38	484,238,449.61	Interest
1-Feb-13	225,000,000.00	709,238,449.61	Cash Advances
1-Feb-13	8,274.45	709,246,724.05	Interest
8-Feb-13	10,000,000.00	719,246,724.05	Cash Advances
8-Feb-13	29,369.24	719,276,093.30	Interest
13-Feb-13	10,000,000.00	729,276,093.30	Cash Advances
13-Feb-13	21,270.55	729,297,363.85	Interest
28-Feb-13	10,000,000.00	739,297,363.85	Cash Advances
28-Feb-13	64,688.52	739,362,052.37	Interest
1-Mar-13	5,000,000.00	744,362,052.37	Cash Advances
1-Mar-13	4,342.11	744,366,394.48	Interest
11-Mar-13	35,000,000.00	779,366,394.48	Cash Advances
11-Mar-13	47,627.95	779,414,022.43	Interest
18-Mar-13	10,000,000.00	789,414,022.43	Cash Advances
18-Mar-13	33,769.38	789,447,791.80	Interest
21-Mar-13	12,000,000.00	801,447,791.80	Cash Advances

Note 60 Transactions

<u>Date</u>	<u>Transaction Amount (USD)</u>	<u>Note 60 Balance (USD)</u>	<u>Description</u>
21-Mar-13	14,693.21	801,462,485.01	Interest
25-Mar-13	10,000,000.00	811,462,485.01	Cash Advances
25-Mar-13	19,835.75	811,482,320.76	Interest
1-Apr-13	5,000,000.00	816,482,320.76	Cash Advances
2-Apr-13	34,927.30	816,517,248.06	Interest
2-Apr-13	4,989.83	816,522,237.89	Interest
8-Apr-13	15,000,000.00	831,522,237.89	Cash Advances
8-Apr-13	30,489.15	831,552,727.04	Interest
15-Apr-13	5,000,000.00	836,552,727.04	Cash Advances
15-Apr-13	35,785.87	836,588,512.91	Interest
17-Apr-13	5,000,000.00	841,588,512.91	Cash Advances
17-Apr-13	10,286.08	841,598,798.99	Interest
22-Apr-13	25,000,000.00	866,598,798.99	Cash Advances
22-Apr-13	26,479.41	866,625,278.39	Interest
24-Apr-13	5,000,000.00	871,625,278.39	Cash Advances
24-Apr-13	10,653.20	871,635,931.59	Interest
29-Apr-13	7,000,000.00	878,635,931.59	Cash Advances
29-Apr-13	26,847.21	878,662,778.80	Interest
30-Apr-13	6,000,000.00	884,662,778.80	Cash Advances
30-Apr-13	5,406.27	884,668,185.07	Interest
1-May-13	(12,805,874.00)	871,862,311.07	Cash Repayments
6-May-13	5,328.05	871,867,639.12	Interest
6-May-13	24,218.55	871,891,857.67	Interest
13-May-13	10,000,000.00	881,891,857.67	Cash Advances
13-May-13	34,295.79	881,926,153.46	Interest
21-May-13	10,000,000.00	891,926,153.46	Cash Advances
21-May-13	39,641.16	891,965,794.62	Interest
24-May-13	5,000,000.00	896,965,794.62	Cash Advances
24-May-13	14,949.43	896,980,744.05	Interest
30-May-13	15,000,000.00	911,980,744.05	Cash Advances
30-May-13	30,399.36	912,011,143.41	Interest
1-Jun-13	20,000,000.00	932,011,143.41	Cash Advances
3-Jun-13	10,355.68	932,021,499.09	Interest
3-Jun-13	9,320.21	932,030,819.31	Interest
4-Jun-13	5,000,000.00	937,030,819.31	Cash Advances
4-Jun-13	4,685.15	937,035,504.46	Interest
10-Jun-13	30,000,000.00	967,035,504.46	Cash Advances
10-Jun-13	29,011.07	967,064,515.53	Interest
28-Jun-13	30,000,000.00	997,064,515.53	Cash Advances
28-Jun-13	89,735.81	997,154,251.33	Interest
1-Jul-13	5,000,000.00	1,002,154,251.33	Cash Advances
2-Jul-13	15,032.31	1,002,169,283.65	Interest
2-Jul-13	6,402.75	1,002,175,686.39	Interest
8-Jul-13	25,000,000.00	1,027,175,686.39	Cash Advances
8-Jul-13	39,375.07	1,027,215,061.46	Interest
12-Jul-13	5,000,000.00	1,032,215,061.46	Cash Advances
12-Jul-13	26,378.83	1,032,241,440.29	Interest
18-Jul-13	10,000,000.00	1,042,241,440.29	Cash Advances
18-Jul-13	39,952.59	1,042,281,392.88	Interest
22-Jul-13	10,975,500.00	1,053,256,892.88	Cash Advances
22-Jul-13	26,916.57	1,053,283,809.44	Interest
29-Jul-13	5,000,000.00	1,058,283,809.44	Cash Advances
29-Jul-13	47,328.80	1,058,331,138.25	Interest

Note 60 Transactions

<u>Date</u>	<u>Transaction Amount (USD)</u>	<u>Note 60 Balance (USD)</u>	<u>Description</u>
1-Aug-13	10,000,000.00	1,068,331,138.25	Cash Advances
2-Aug-13	20,476.35	1,068,351,614.60	Interest
2-Aug-13	-	1,068,351,614.60	Interest
12-Aug-13	10,000,000.00	1,078,351,614.60	Cash Advances
12-Aug-13	83,871.79	1,078,435,486.39	Interest
19-Aug-13	10,000,000.00	1,088,435,486.39	Cash Advances
19-Aug-13	59,259.27	1,088,494,745.65	Interest
21-Aug-13	25,000,000.00	1,113,494,745.65	Cash Advances
21-Aug-13	17,321.03	1,113,512,066.68	Interest
28-Aug-13	5,000,000.00	1,118,512,066.68	Cash Advances
28-Aug-13	60,896.77	1,118,572,963.45	Interest
30-Aug-13	20,000,000.00	1,138,572,963.45	Cash Advances
30-Aug-13	17,711.13	1,138,590,674.59	Interest
1-Sep-13	10,000,000.00	1,148,590,674.59	Cash Advances
3-Sep-13	17,866.97	1,148,608,541.55	Interest
3-Sep-13	15,952.90	1,148,624,494.45	Interest
9-Sep-13	25,000,000.00	1,173,624,494.45	Cash Advances
9-Sep-13	48,901.02	1,173,673,395.47	Interest
12-Sep-13	10,000,000.00	1,183,673,395.47	Cash Advances
12-Sep-13	24,659.86	1,183,698,055.33	Interest
16-Sep-13	15,000,000.00	1,198,698,055.33	Cash Advances
16-Sep-13	33,297.17	1,198,731,352.50	Interest
1-Oct-13	(5,000,000.00)	1,193,731,352.50	Cash Repayments
9-Oct-13	124,347.02	1,193,855,699.52	Interest
9-Oct-13	84,896.41	1,193,940,595.92	Interest
31-Oct-13	20,000,000.00	1,213,940,595.92	Cash Advances
31-Oct-13	237,392.83	1,214,177,988.75	Interest
1-Nov-13	(20,000,000.00)	1,194,177,988.75	Cash Repayments
4-Nov-13	10,614.92	1,194,188,603.66	Interest
4-Nov-13	26,869.24	1,194,215,472.91	Interest
12-Nov-13	5,000,000.00	1,199,215,472.91	Cash Advances
12-Nov-13	71,952.93	1,199,287,425.84	Interest
15-Nov-13	10,000,000.00	1,209,287,425.84	Cash Advances
15-Nov-13	27,208.97	1,209,314,634.80	Interest
18-Nov-13	20,000,000.00	1,229,314,634.80	Cash Advances
18-Nov-13	27,659.58	1,229,342,294.38	Interest
1-Dec-13	50,000,000.00	1,279,342,294.38	Cash Advances
3-Dec-13	124,735.87	1,279,467,030.26	Interest
3-Dec-13	17,770.38	1,279,484,800.63	Interest
23-Dec-13	(30,000,000.00)	1,249,484,800.63	Cash Repayments
23-Dec-13	10,000,000.00	1,259,484,800.63	Cash Advances
23-Dec-13	173,539.56	1,259,658,340.19	Interest
30-Dec-13	(199,507,500.00)	1,060,150,840.19	Cash Repayments
30-Dec-13	51,535.11	1,060,202,375.30	Interest
31-Dec-13	30,000,000.00	1,090,202,375.30	Cash Advances
1-Jan-14	(269,352,169.22)	820,850,206.08	Offset Reductions
13-Jan-14	13,271.20	820,863,477.28	Interest
13-Jan-14	68,405.29	820,931,882.57	Interest
21-Jan-14	30,000,000.00	850,931,882.57	Cash Advances
21-Jan-14	47,273.99	850,979,156.56	Interest
28-Jan-14	15,000,000.00	865,979,156.56	Cash Advances
28-Jan-14	42,096.21	866,021,252.77	Interest
1-Feb-14	10,000,000.00	876,021,252.77	Cash Advances

Note 60 Transactions

<u>Date</u>	<u>Transaction Amount (USD)</u>	<u>Note 60 Balance (USD)</u>	<u>Description</u>
25-Feb-14	24,333.92	876,045,586.69	Interest
25-Feb-14	175,209.12	876,220,795.81	Interest
1-Mar-14	20,000,000.00	896,220,795.81	Cash Advances
21-Mar-14	29,874.03	896,250,669.84	Interest
21-Mar-14	139,416.77	896,390,086.61	Interest
1-Apr-14	(20,636,684.00)	875,753,402.61	Cash Repayments
17-Apr-14	74,925.57	875,828,328.17	Interest
17-Apr-14	108,991.97	875,937,320.14	Interest
25-Apr-14	30,000,000.00	905,937,320.14	Cash Advances
25-Apr-14	56,369.43	905,993,689.58	Interest
30-Apr-14	5,000,000.00	910,993,689.58	Cash Advances
30-Apr-14	35,427.53	911,029,117.11	Interest
1-May-14	(27,563,746.24)	883,465,370.87	Offset Reductions
30-May-14	6,871.40	883,472,242.27	Interest
30-May-14	234,856.37	883,707,098.64	Interest
30-May-14	(124,024.04)	883,583,074.60	Offset Reductions
1-Jun-14	-	883,583,074.60	Interest
19-Jun-14	16,199.02	883,599,273.62	Interest
19-Jun-14	141,375.88	883,740,649.51	Interest
30-Jun-14	10,000,000.00	893,740,649.51	Cash Advances
30-Jun-14	87,387.97	893,828,037.48	Interest
30-Jun-14	(170,090.02)	893,657,947.46	Offset Reductions
1-Jul-14	-	893,657,947.46	Interest
9-Jul-14	7,943.63	893,665,891.09	Interest
9-Jul-14	61,563.65	893,727,454.74	Interest
10-Jul-14	10,000,000.00	903,727,454.74	Cash Advances
10-Jul-14	7,782.10	903,735,236.83	Interest
15-Jul-14	20,000,000.00	923,735,236.83	Cash Advances
15-Jul-14	39,771.93	923,775,008.77	Interest
31-Jul-14	10,000,000.00	933,775,008.77	Cash Advances
31-Jul-14	128,653.45	933,903,662.21	Interest
31-Jul-14	(132,064.97)	933,771,597.24	Offset Reductions
31-Jul-14	(128,819.44)	933,642,777.80	Offset Reductions
31-Jul-14	(839,477.93)	932,803,299.87	Offset Reductions
1-Aug-14	-	932,803,299.87	Interest
26-Aug-14	8,032.47	932,811,332.35	Interest
26-Aug-14	233,202.83	933,044,535.18	Interest
31-Aug-14	(10,000,000.00)	923,044,535.18	Cash Repayments
31-Aug-14	46,152.23	923,090,687.41	Interest
31-Aug-14	(11,363,096.70)	911,727,590.71	Offset Reductions
1-Sep-14	-	911,727,590.71	Interest
11-Sep-14	9,117.28	911,736,707.98	Interest
11-Sep-14	91,173.67	911,827,881.65	Interest
17-Sep-14	10,000,000.00	921,827,881.65	Cash Advances
17-Sep-14	55,309.67	921,883,191.33	Interest
29-Sep-14	20,000,000.00	941,883,191.33	Cash Advances
29-Sep-14	113,025.98	941,996,217.31	Interest
30-Sep-14	5,000,000.00	946,996,217.31	Cash Advances
30-Sep-14	9,469.96	947,005,687.27	Interest
30-Sep-14	(9,465,110.00)	937,540,577.27	Offset Reductions
1-Oct-14	-	937,540,577.27	Interest
1-Oct-14	9,375.41	937,549,952.68	Interest
8-Oct-14	15,000,000.00	952,549,952.68	Cash Advances

Note 60 Transactions

<u>Date</u>	<u>Transaction Amount (USD)</u>	<u>Note 60 Balance (USD)</u>	<u>Description</u>
8-Oct-14	70,382.86	952,620,335.53	Interest
28-Oct-14	10,000,000.00	962,620,335.53	Cash Advances
28-Oct-14	203,219.85	962,823,555.38	Interest
31-Oct-14	(6,967,051.50)	955,856,503.88	Offset Reductions
31-Oct-14	30,268.79	955,886,772.67	Interest
1-Nov-14	-	955,886,772.67	Interest
12-Nov-14	10,089.92	955,896,862.59	Interest
12-Nov-14	113,911.04	956,010,773.63	Interest
25-Nov-14	10,000,000.00	966,010,773.63	Cash Advances
25-Nov-14	136,046.52	966,146,820.15	Interest
26-Nov-14	10,000,000.00	976,146,820.15	Cash Advances
26-Nov-14	10,574.92	976,157,395.07	Interest
30-Nov-14	5,000,000.00	981,157,395.07	Cash Advances
30-Nov-14	42,516.82	981,199,911.89	Interest
1-Dec-14	-	981,199,911.89	Interest
4-Dec-14	10,629.67	981,210,541.56	Interest
4-Dec-14	27,800.97	981,238,342.52	Interest
4-Dec-14	(381,839.00)	980,856,503.52	2014 Reorg - Cash Repayment
4-Dec-14	(420,250,000.00)	560,606,503.52	2014 Reorg - Offset Reduction
4-Dec-14	(142,563,070.00)	418,043,433.52	2014 Reorg - Cash Repayment
30-Dec-14	38,500,003.00	456,543,436.52	Cash Advances
30-Dec-14	13,238.00	456,556,674.52	Cash Advances

Appendix B

Cash Transfer Transactions

Cash Transfer Transactions

<u>Month Booked</u>	<u>Claimant</u>	<u>Debtor</u>	<u>Transaction Amount USD</u>
Bloom Lake CCAA Parties - Cash Transfer Transactions			
Jan-15	Cliffs Natural Resources Inc.	BLLP	(22,223,842.66)
Dec-14	CQIM	BLLP	(7,500,000.00)
Dec-14	CQIM	BLLP	(8,000,000.00)
Dec-14	CQIM	BLLP	(8,000,000.00)
Nov-14	CQIM	BLLP	(8,000,000.00)
Nov-14	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Nov-14	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Nov-14	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Oct-14	Cliffs Natural Resources Inc.	CQIM	(15,000,000.00)
Oct-14	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Sep-14	CQIM	BLLP	(4,000,000.00)
Sep-14	CQIM	BLLP	(15,000,000.00)
Sep-14	Cliffs Natural Resources Inc.	CQIM	(9,999,970.00)
Sep-14	Cliffs Natural Resources Inc.	CQIM	(20,000,000.00)
Sep-14	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Sep-14	Cliffs Natural Resources Inc.	CQIM	(2,229,051.44)
Jul-14	CQIM	BLLP	(8,000,000.00)
Jul-14	CQIM	BLLP	(15,000,000.00)
Jul-14	Cliffs Natural Resources Inc.	CQIM	(9,999,970.00)
Jul-14	Cliffs Natural Resources Inc.	CQIM	(20,000,000.00)
Jun-14	CQIM	BLLP	(4,587,000.00)
Jun-14	CQIM	BLLP	(5,008,530.00)
Jun-14	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Jun-14	Wabush Mines	CQIM	(2,342,751.85)
Apr-14	CQIM	BLLP	(25,000,000.00)
Apr-14	Cliffs Natural Resources Inc.	CQIM	(29,999,970.00)
Apr-14	Cliffs Natural Resources Inc.	CQIM	(4,999,970.00)
Apr-14	Cliffs Natural Resources Inc.	CQIM	(1,982,286.00)
Apr-14	Cliffs Natural Resources Pty Ltd.	CQIM	(1,115,383.78)
Mar-14	Cliffs Natural Resources Pty Ltd.	CQIM	(1,146,835.43)
Feb-14	Cliffs Natural Resources Inc.	CQIM	(20,000,000.00)
Feb-14	Cliffs Natural Resources Pty Ltd.	CQIM	(1,031,199.50)
Jan-14	Wabush Mines	BLLP	(5,839,827.18)
Jan-14	Cliffs Natural Resources Inc.	CQIM	(29,999,970.00)
Jan-14	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Jan-14	Cliffs Natural Resources Inc.	CQIM	(15,000,000.00)
Jan-14	Cliffs Natural Resources Pty Ltd.	CQIM	(1,136,011.42)
Dec-13	Cliffs Natural Resources Inc.	CQIM	(30,000,000.00)
Dec-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Dec-13	Cliffs Natural Resources Inc.	CQIM	(1,480,104.86)
Dec-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,130,365.87)
Dec-13	Wabush Mines	CQIM	(1,974,097.75)
Nov-13	CQIM	BLLP	(5,102,246.90)
Nov-13	CQIM	BLLP	(19,897,753.10)
Nov-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Nov-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Nov-13	Cliffs Natural Resources Inc.	CQIM	(20,000,000.00)
Nov-13	Cliffs Natural Resources Inc.	CQIM	(50,000,000.00)
Nov-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,088,640.69)
Oct-13	CQIM	BLLP	(15,000,000.00)
Oct-13	CQIM	BLLP	(25,000,000.00)
Oct-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,119,338.24)
Sep-13	CQIM	BLLP	(15,000,000.00)
Sep-13	CQIM	BLLP	(20,000,000.00)
Sep-13	Cliffs Natural Resources Inc.	CQIM	(25,000,000.00)
Sep-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Sep-13	Cliffs Natural Resources Inc.	CQIM	(15,000,000.00)
Sep-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,078,020.13)
Aug-13	CQIM	BLLP	(15,000,000.00)
Aug-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Aug-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Aug-13	Cliffs Natural Resources Inc.	CQIM	(25,000,000.00)
Aug-13	Cliffs Natural Resources Inc.	CQIM	(20,000,000.00)
Aug-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Aug-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,108,418.20)
Jul-13	Cliffs Natural Resources Inc.	CQIM	(25,000,000.00)
Jul-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Jul-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Jul-13	Cliffs Natural Resources Inc.	CQIM	(10,975,500.00)
Jul-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Jul-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Jul-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,102,909.78)
Jun-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Jun-13	Cliffs Natural Resources Inc.	CQIM	(30,000,000.00)
Jun-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Jun-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,013,868.07)
May-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
May-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)

Cash Transfer Transactions

<u>Month Booked</u>	<u>Claimant</u>	<u>Debtor</u>	<u>Transaction Amount</u> <u>USD</u>
May-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
May-13	Cliffs Natural Resources Inc.	CQIM	(15,000,000.00)
May-13	Cliffs Natural Resources Inc.	CQIM	(20,000,000.00)
May-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,060,586.87)
May-13	Cliffs Natural Resources Inc.	CQIM	(1,441,342.53)
May-13	BLLP	Quinto	(245,717.99)
Apr-13	Cliffs Natural Resources Inc.	CQIM	(15,000,000.00)
Apr-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Apr-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Apr-13	Cliffs Natural Resources Inc.	CQIM	(25,000,000.00)
Apr-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Apr-13	Cliffs Natural Resources Inc.	CQIM	(7,000,000.00)
Apr-13	Cliffs Natural Resources Inc.	CQIM	(6,000,000.00)
Apr-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,051,835.49)
Mar-13	Cliffs Natural Resources Inc.	CQIM	(35,000,000.00)
Mar-13	Cliffs Natural Resources Inc.	CQIM	(9,999,970.00)
Mar-13	Cliffs Natural Resources Inc.	CQIM	(11,999,970.00)
Mar-13	Cliffs Natural Resources Inc.	CQIM	(9,999,970.00)
Mar-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Mar-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Mar-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,081,495.20)
Feb-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Feb-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Feb-13	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Jan-13	Cliffs Natural Resources Inc.	CQIM	(30,000,000.00)
Jan-13	Cliffs Natural Resources Inc.	CQIM	(25,000,000.00)
Jan-13	Cliffs Natural Resources Inc.	CQIM	(20,000,000.00)
Jan-13	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Jan-13	Cliffs Natural Resources Inc.	CQIM	(75,000,000.00)
Jan-13	Cliffs Natural Resources Inc.	CQIM	(80,000,000.00)
Jan-13	Cliffs Natural Resources Inc.	CQIM	(70,000,000.00)
Jan-13	Cliffs Natural Resources Inc.	CQIM	(30,000,000.00)
Jan-13	Cliffs Natural Resources Pty Ltd.	CQIM	(1,071,287.88)
Dec-12	Cliffs Natural Resources Inc.	CQIM	(24,750,000.00)
Dec-12	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Dec-12	Cliffs Natural Resources Pty Ltd.	CQIM	(1,065,963.98)
Dec-12	Cliffs Natural Resources Inc.	CQIM	(1,789,958.24)
Nov-12	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Nov-12	Cliffs Natural Resources Inc.	CQIM	(30,000,000.00)
Nov-12	Cliffs Natural Resources Inc.	CQIM	(20,000,000.00)
Nov-12	Cliffs Natural Resources Pty Ltd.	CQIM	(1,026,616.07)
Nov-12	Cliffs Natural Resources Inc.	CQIM	(5,072,487.45)
Oct-12	CQIM	BLLP	(8,000,000.00)
Oct-12	CQIM	BLLP	(20,000,000.00)
Oct-12	CQIM	BLLP	(25,000,000.00)
Oct-12	Cliffs Natural Resources Inc.	CQIM	(14,000,000.00)
Oct-12	Cliffs Natural Resources Inc.	CQIM	(15,000,000.00)
Oct-12	Cliffs Natural Resources Inc.	CQIM	(19,000,000.00)
Oct-12	Cliffs Natural Resources Inc.	CQIM	(25,000,000.00)
Oct-12	Cliffs Natural Resources Pty Ltd.	CQIM	(1,055,564.65)
Sep-12	CQIM	BLLP	(7,000,000.00)
Sep-12	CQIM	BLLP	(20,000,000.00)
Sep-12	Cliffs Natural Resources Inc.	CQIM	(25,000,000.00)
Sep-12	Cliffs Natural Resources Inc.	CQIM	(5,000,000.00)
Sep-12	Cliffs Natural Resources Inc.	CQIM	(20,000,000.00)
Sep-12	Cliffs Natural Resources Pty Ltd.	CQIM	(1,016,600.60)
Aug-12	Cliffs Natural Resources Inc.	CQIM	(6,000,000.00)
Aug-12	Cliffs Natural Resources Inc.	CQIM	(3,000,000.00)
Aug-12	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Aug-12	Cliffs Natural Resources Pty Ltd.	CQIM	(1,045,266.76)
Jul-12	Cliffs Natural Resources Inc.	CQIM	(25,000,000.00)
Jul-12	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Jul-12	Cliffs Natural Resources Inc.	CQIM	(7,000,000.00)
Jul-12	Cliffs Natural Resources Inc.	CQIM	(10,000,000.00)
Jul-12	Cliffs Natural Resources Pty Ltd.	CQIM	(1,040,072.18)
Jun-12	Cliffs Natural Resources Inc.	CQIM	(27,500,000.00)
Jun-12	Cliffs Natural Resources Pty Ltd.	CQIM	(1,001,680.01)
Jun-12	Cliffs Natural Resources Inc.	CQIM	(1,204,238.92)
May-12	Cliffs Natural Resources Pty Ltd.	CQIM	(1,029,925.44)
May-12	Cliffs Natural Resources Pty Ltd.	CQIM	(2,979,610.00)
Apr-12	Cliffs Natural Resources Inc.	CQIM	(118,500,000.00)
Apr-12	Quinto	CQIM	(7,500,000.00)
Jan-12	Cliffs Natural Resources Inc.	CQIM	(11,027,275.50)
Aug-11	Cliffs Natural Resources Inc.	CQIM	(104,214,854.38)
Jun-11	Cliffs Natural Resources Inc.	CQIM	(10,089,304.94)
Jun-11	Quinto	CQIM	(7,577,400.00)
May-11	Cliffs Natural Resources Inc.	CQIM	(68,313,000.00)
Total Bloom Lake CCAA Party - Cash Transfer Transactions			(2,182,965,827.93)
Wabush CCAA Parties - Cash Transfer Transactions			

Cash Transfer Transactions

<u>Month Booked</u>	<u>Claimant</u>	<u>Debtor</u>	<u>Transaction Amount</u> <u>USD</u>
Jan-15	CLIFFS NATURAL RESOURCES INC	WICL	(2,506,795.79)
Jan-15	CLIFFS NATURAL RESOURCES INC	WICL	(2,632,494.20)
Jan-15	CLIFFS NATURAL RESOURCES INC	WICL	(1,988,714.23)
Dec-14	CLIFFS NATURAL RESOURCES INC	WICL	(3,592,752.37)
Dec-14	CLIFFS NATURAL RESOURCES INC	WICL	(1,332,817.07)
Dec-14	CLIFFS NATURAL RESOURCES INC	WICL	(1,121,816.93)
Dec-14	CLIFFS NATURAL RESOURCES INC	WICL	(4,152,662.44)
Dec-14	CLIFFS NATURAL RESOURCES INC	WICL	(1,350,259.16)
Nov-14	CLIFFS NATURAL RESOURCES INC	WICL	(4,483,819.91)
Nov-14	CLIFFS NATURAL RESOURCES INC	WICL	(1,988,464.95)
Nov-14	CLIFFS NATURAL RESOURCES INC	WICL	(1,330,132.48)
Oct-14	CLIFFS NATURAL RESOURCES INC	WICL	(9,881,349.88)
Sep-14	CLIFFS MINING COMPANY	WICL	(1,374,385.35)
Sep-14	CQIM	WRI	(2,371,626.91)
Sep-14	CQIM	WRI	(3,740,463.90)
Aug-14	CQIM	WRI	(1,438,127.74)
Aug-14	CQIM	WRI	(2,595,621.11)
Aug-14	CQIM	WRI	(2,795,659.01)
Jul-14	CLIFFS MINING COMPANY	WICL	(1,050,412.55)
Jul-14	CLIFFS MINING COMPANY	WICL	(1,924,586.45)
Jul-14	CQIM	WRI	(2,868,127.74)
Jun-14	CLIFFS MINING COMPANY	WICL	(1,304,514.52)
Jun-14	CLIFFS MINING COMPANY	WICL	(1,092,749.72)
Jun-14	CQIM	WRI	(2,000,000.00)
Jun-14	CQIM	WRI	(2,980,116.47)
Jun-14	CQIM	WRI	(3,000,000.00)
May-14	CQIM	WRI	(3,000,000.00)
May-14	CQIM	WRI	(5,000,000.00)
May-14	CQIM	WRI	(8,000,000.00)
May-14	CLIFFS MINING COMPANY	WICL	(4,992,805.26)
Apr-14	CQIM	WRI	(2,000,000.00)
Apr-14	CQIM	WRI	(2,200,000.00)
Apr-14	CQIM	WRI	(3,000,000.00)
Apr-14	CQIM	WRI	(3,011,166.00)
Apr-14	CQIM	WRI	(4,000,000.00)
Apr-14	CQIM	WRI	(9,000,000.00)
Apr-14	CLIFFS MINING COMPANY	WICL	(3,314,079.60)
Apr-14	CLIFFS MINING COMPANY	WRI	(6,949,660.48)
Mar-14	CLIFFS NATURAL RESOURCES INC	WRI	(3,803,735.21)
Mar-14	CLIFFS NATURAL RESOURCES INC	WRI	(20,636,684.00)
Mar-14	CQIM	WRI	(3,000,000.00)
Mar-14	CQIM	WRI	(4,000,000.00)
Mar-14	CQIM	WRI	(5,000,000.00)
Mar-14	CQIM	WRI	(6,000,000.00)
Mar-14	CLIFFS MINING COMPANY	WICL	(9,684,161.64)
Mar-14	CQIM	WRI	(3,000,000.00)
Feb-14	CQIM	WRI	(3,000,000.00)
Feb-14	CQIM	WRI	(4,000,000.00)
Feb-14	CQIM	WRI	(6,000,000.00)
Feb-14	CLIFFS MINING COMPANY	WICL	(10,616,943.78)
Feb-14	CQIM	WRI	(7,000,000.00)
Jan-14	CQIM	WRI	(2,677,743.79)
Jan-14	CQIM	WRI	(3,000,000.00)
Jan-14	CQIM	WRI	(15,000,000.00)
Jan-14	CLIFFS MINING COMPANY	WICL	(17,953,830.09)
Jan-14	CQIM	WRI	(5,000,000.00)
Jan-14	CQIM	WRI	(29,999,970.00)
Dec-13	CQIM	WRI	(3,000,000.00)
Dec-13	CQIM	WRI	(3,731,670.00)
Dec-13	CQIM	WRI	(6,000,000.00)
Dec-13	CQIM	WRI	(6,000,000.00)
Dec-13	CQIM	WRI	(10,000,000.00)
Dec-13	CQIM	WRI	(75,000,000.00)
Dec-13	CLIFFS MINING COMPANY	WICL	(9,356,800.84)
Nov-13	CQIM	WRI	(5,000,000.00)
Nov-13	CQIM	WRI	(10,000,000.00)
Nov-13	CQIM	WRI	(50,000,000.00)
Nov-13	CLIFFS MINING COMPANY	WICL	(11,977,825.46)
Nov-13	CQIM	WRI	(10,000,000.00)
Oct-13	CLIFFS MINING COMPANY	WICL	(12,542,625.03)
Oct-13	CQIM	WRI	(2,000,000.00)
Oct-13	CQIM	WRI	(11,000,000.00)
Oct-13	CQIM	WRI	(24,842,746.10)
Oct-13	CQIM	WRI	(6,555,528.00)
Sep-13	CLIFFS MINING COMPANY	WICL	(7,206,361.95)
Sep-13	CQIM	WRI	(1,118,473.70)
Sep-13	CQIM	WRI	(3,000,000.00)
Sep-13	CQIM	WRI	(4,000,000.00)
Sep-13	CQIM	WRI	(7,000,000.00)
Sep-13	CQIM	WRI	(20,000,000.00)

Cash Transfer Transactions

<u>Month Booked</u>	<u>Claimant</u>	<u>Debtor</u>	<u>Transaction Amount</u> <u>USD</u>
Aug-13	CQIM	WRI	(6,000,000.00)
Aug-13	CQIM	WRI	(19,000,000.00)
Aug-13	CLIFFS MINING COMPANY	WICL	(3,624,938.24)
Jul-13	CLIFFS MINING COMPANY	WICL	(21,688,840.15)
Jul-13	CQIM	WRI	(2,100,000.00)
Jul-13	CQIM	WRI	(3,000,000.00)
Jul-13	CQIM	WRI	(5,000,000.00)
Jul-13	CQIM	WRI	(5,000,000.00)
Jul-13	CQIM	WRI	(5,200,000.00)
Jul-13	CQIM	WRI	(6,000,000.00)
Jul-13	CQIM	WRI	(8,875,500.00)
Jul-13	CQIM	WRI	(9,895,059.73)
Jun-13	CLIFFS MINING COMPANY	WICL	(7,766,198.29)
Jun-13	CQIM	WRI	(2,000,000.00)
Jun-13	CQIM	WRI	(2,132,331.56)
Jun-13	CQIM	WRI	(3,000,000.00)
Jun-13	CQIM	WRI	(4,000,000.00)
Jun-13	CQIM	WRI	(7,200,000.00)
May-13	CLIFFS MINING COMPANY	WICL	(5,432,041.84)
May-13	CQIM	WRI	(2,629,686.00)
May-13	CQIM	WRI	(3,000,000.00)
May-13	CQIM	WRI	(3,290,000.00)
May-13	CQIM	WRI	(4,100,000.00)
May-13	CQIM	WRI	(4,700,000.00)
Apr-13	CLIFFS MINING COMPANY	WICL	(1,656,113.01)
Apr-13	CLIFFS MINING COMPANY	WICL	(11,397,161.90)
Apr-13	CQIM	WRI	(2,000,000.00)
Apr-13	CQIM	WRI	(3,874,416.29)
Apr-13	CQIM	WRI	(5,000,000.00)
Apr-13	CQIM	WRI	(5,000,000.00)
Apr-13	CQIM	WRI	(6,000,000.00)
Apr-13	CQIM	WRI	(6,000,000.00)
Mar-13	CLIFFS MINING COMPANY	WICL	(7,223,954.72)
Mar-13	CQIM	WRI	(2,000,000.00)
Mar-13	CQIM	WRI	(3,000,000.00)
Mar-13	CQIM	WRI	(4,000,000.00)
Mar-13	CQIM	WRI	(7,000,000.00)
Mar-13	CQIM	WRI	(3,508,656.00)
Mar-13	CQIM	WRI	(1,132,368.75)
Feb-13	CQIM	WRI	(5,000,000.00)
Feb-13	CQIM	WRI	(6,000,000.00)
Feb-13	CQIM	WRI	(8,000,000.00)
Feb-13	CLIFFS MINING COMPANY	WICL	(10,699,128.19)
Jan-13	CLIFFS MINING COMPANY	WICL	(16,065,702.44)
Jan-13	CLIFFS MINING COMPANY	WICL	(1,015,228.43)
Dec-12	CLIFFS MINING COMPANY	WICL	(14,012,046.97)
Nov-12	CLIFFS MINING COMPANY	WICL	(12,362,516.52)
Oct-12	CLIFFS MINING COMPANY	WICL	(14,694,235.71)
Sep-12	CLIFFS MINING COMPANY	WICL	(10,411,140.11)
Sep-12	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(23,629,207.00)
Aug-12	CLIFFS MINING COMPANY	WICL	(10,332,387.19)
Aug-12	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(6,814,349.00)
Jul-12	CLIFFS MINING COMPANY	WICL	(2,041,748.00)
Jul-12	CLIFFS MINING COMPANY	WICL	(18,659,670.16)
Jun-12	CLIFFS MINING COMPANY	WICL	(12,287,493.65)
May-12	CLIFFS MINING COMPANY	WICL	(11,872,121.76)
May-12	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(10,098,315.00)
Apr-12	CLIFFS MINING COMPANY	WICL	(2,421,904.91)
Apr-12	CLIFFS MINING COMPANY	WICL	(8,363,697.35)
Apr-12	CLIFFS MINING COMPANY	WICL	(10,532,354.35)
Apr-12	CLIFFS MINING COMPANY	WICL	(11,552,410.54)
Mar-12	CLIFFS MINING COMPANY	WICL	(3,029,675.82)
Mar-12	CLIFFS MINING COMPANY	WICL	(7,067,137.81)
Jan-12	CLIFFS NETHERLANDS B.V	WRI	(1,039,196.19)
Jan-12	CLIFFS MINING COMPANY	WICL	(15,363,276.98)
Dec-11	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(23,246,970.00)
Oct-11	CLIFFS MINING COMPANY	WICL	(10,686,928.24)
Oct-11	CLIFFS MINING COMPANY	WICL	(2,656,432.17)
Oct-11	CLIFFS NETHERLANDS B.V	WRI	(1,345,058.71)
Oct-11	CLIFFS NETHERLANDS B.V	WRI	(2,090,426.00)
Sep-11	CLIFFS MINING COMPANY	WICL	(1,830,191.78)
Sep-11	CLIFFS MINING COMPANY	WICL	(2,476,887.02)
Sep-11	CLIFFS MINING COMPANY	WICL	(2,921,244.42)
Sep-11	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(25,968,661.00)
Aug-11	CLIFFS MINING COMPANY	WICL	(1,339,192.75)
Aug-11	CLIFFS MINING COMPANY	WICL	(1,502,919.84)
Aug-11	CLIFFS MINING COMPANY	WICL	(1,565,951.39)
Aug-11	CLIFFS MINING COMPANY	WICL	(1,523,285.47)
Aug-11	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(4,843,594.00)
Jul-11	CLIFFS MINING COMPANY	WICL	(2,304,356.57)

Cash Transfer Transactions

<u>Month Booked</u>	<u>Claimant</u>	<u>Debtor</u>	<u>Transaction Amount</u> <u>USD</u>
Jul-11	CLIFFS MINING COMPANY	WICL	(4,133,872.42)
Jul-11	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(3,931,653.00)
Jun-11	CLIFFS MINING COMPANY	WICL	(2,473,143.00)
Jun-11	CLIFFS MINING COMPANY	WICL	(1,536,003.00)
Jun-11	CLIFFS MINING COMPANY	WICL	(2,070,317.60)
Jun-11	CLIFFS MINING COMPANY	WICL	(1,279,096.00)
Jun-11	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(12,522,831.00)
May-11	CLIFFS MINING COMPANY	WICL	(1,477,912.80)
May-11	CLIFFS MINING COMPANY	WICL	(1,111,769.65)
May-11	CLIFFS MINING COMPANY	WICL	(1,629,557.89)
May-11	CLIFFS MINING COMPANY	WICL	(1,285,622.00)
May-11	CLIFFS MINING COMPANY	WICL	(2,283,313.65)
May-11	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(10,177,612.00)
Apr-11	CLIFFS MINING COMPANY	WICL	(2,605,897.01)
Apr-11	CLIFFS MINING COMPANY	WICL	(1,820,012.41)
Apr-11	CLIFFS MINING COMPANY	WICL	(1,321,515.00)
Apr-11	CLIFFS MINING COMPANY	WICL	(3,396,099.30)
Apr-11	CLIFFS MINING COMPANY	WICL	(1,874,062.56)
Apr-11	CLIFFS NETHERLANDS B.V	WRI	(2,027,738.25)
Apr-11	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(41,501,857.00)
Mar-11	CLIFFS MINING COMPANY	WICL	(1,359,744.00)
Mar-11	CLIFFS MINING COMPANY	WICL	(2,138,083.00)
Mar-11	CLIFFS MINING COMPANY	WICL	(1,885,344.00)
Mar-11	CLIFFS MINING COMPANY	WICL	(1,487,455.00)
Mar-11	CLIFFS MINING COMPANY	WICL	(1,287,530.00)
Mar-11	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(30,651,553.00)
Feb-11	CLIFFS MINING COMPANY	WICL	(1,611,142.00)
Feb-11	CLIFFS MINING COMPANY	WICL	(2,395,000.00)
Feb-11	CLIFFS MINING COMPANY	WICL	(1,773,084.00)
Feb-11	CLIFFS MINING COMPANY	WICL	(12,000,000.00)
Feb-11	CLIFFS NETHERLANDS B.V	WRI	(2,188,206.82)
Feb-11	CLIFFS NATURAL RESOURCES INC	Wabush Mines	(25,761,962.00)
Jan-11	CLIFFS MINING COMPANY	WICL	(1,141,348.00)
Jan-11	CLIFFS MINING COMPANY	WICL	(1,910,564.00)
Jan-11	CLIFFS MINING COMPANY	WICL	(3,779,810.00)
Jan-11	CLIFFS MINING COMPANY	WICL	(1,787,091.00)
Jan-11	CLIFFS MINING COMPANY	WICL	(2,290,745.00)
Jan-11	CLIFFS NETHERLANDS B.V	WRI	(1,247,228.40)
Dec-10	CLIFFS MINING COMPANY	WICL	(2,358,625.00)
Dec-10	CLIFFS MINING COMPANY	WICL	(7,681,429.00)
Dec-10	CLIFFS MINING COMPANY	WICL	(1,135,714.00)
Dec-10	CLIFFS MINING COMPANY	WICL	(1,925,052.00)
Dec-10	CLIFFS NETHERLANDS B.V	WRI	(1,426,693.17)
Nov-10	CLIFFS MINING COMPANY	WICL	(3,034,473.00)
Nov-10	CLIFFS MINING COMPANY	WICL	(1,828,733.00)
Nov-10	CLIFFS MINING COMPANY	WICL	(1,211,911.00)
Nov-10	CLIFFS MINING COMPANY	WICL	(1,047,711.00)
Oct-10	CLIFFS MINING COMPANY	WICL	(4,272,946.00)
Oct-10	CLIFFS MINING COMPANY	WICL	(2,653,487.00)
Oct-10	CLIFFS MINING COMPANY	WICL	(2,042,836.00)
Oct-10	CLIFFS MINING COMPANY	WICL	(1,391,672.00)
Sep-10	CLIFFS MINING COMPANY	WICL	(1,093,323.00)
Sep-10	CLIFFS MINING COMPANY	WICL	(2,836,199.00)
Sep-10	CLIFFS MINING COMPANY	WICL	(1,171,130.00)
Sep-10	CLIFFS MINING COMPANY	WICL	(1,492,821.00)
Sep-10	CLIFFS NETHERLANDS B.V	WRI	(1,570,079.41)
Aug-10	CLIFFS MINING COMPANY	WICL	(24,830,000.00)
Aug-10	CLIFFS MINING COMPANY	WICL	(3,363,855.00)
Aug-10	CLIFFS MINING COMPANY	WICL	(2,364,260.00)
Aug-10	CLIFFS MINING COMPANY	WICL	(1,396,501.00)
Aug-10	CLIFFS MINING COMPANY	WICL	(1,225,863.00)
Aug-10	CLEVELAND-CLIFFS INTERNATIONAL HOLDING COMPANY	WRI	(24,021,152.62)
Jul-10	CLIFFS MINING COMPANY	WICL	(1,166,300.00)
Jul-10	CLIFFS MINING COMPANY	WICL	(2,487,141.00)
Jul-10	CLIFFS MINING COMPANY	WICL	(2,797,028.00)
Jul-10	CLIFFS MINING COMPANY	WICL	(1,582,970.00)
Jul-10	CLEVELAND-CLIFFS INTERNATIONAL HOLDING COMPANY	WRI	(21,017,951.92)
Jun-10	CLIFFS MINING COMPANY	WICL	(2,967,935.00)
Jun-10	CLIFFS MINING COMPANY	WICL	(2,602,778.00)
Jun-10	CLIFFS MINING COMPANY	WICL	(1,850,000.00)
Jun-10	CLIFFS MINING COMPANY	WICL	(1,846,977.00)
Jun-10	CLIFFS MINING COMPANY	WICL	(1,679,290.00)
Jun-10	CLIFFS MINING COMPANY	WICL	(1,386,306.00)
Jun-10	CLIFFS MINING COMPANY	WICL	(1,200,000.00)
Jun-10	CLEVELAND-CLIFFS INTERNATIONAL HOLDING COMPANY	WRI	(27,509,954.37)
May-10	CLEVELAND-CLIFFS INTERNATIONAL HOLDING COMPANY	WRI	(19,477,138.99)
Apr-10	CLIFFS MINING COMPANY	WICL	(10,096,638.00)
Apr-10	CLEVELAND-CLIFFS INTERNATIONAL HOLDING COMPANY	WRI	(27,540,949.95)
Mar-10	CLIFFS NETHERLANDS B.V	WRI	(2,596,896.00)
Mar-10	CLIFFS MINING COMPANY	WICL	(5,016,496.00)

Cash Transfer Transactions

<u>Month Booked</u>	<u>Claimant</u>	<u>Debtor</u>	<u>Transaction Amount</u> <u>USD</u>
Mar-10	CLEVELAND-CLIFFS INTERNATIONAL HOLDING COMPANY	WRI	(14,935,532.79)
Feb-10	CLIFFS MINING COMPANY	WICL	(7,730,381.00)
Feb-10	CLEVELAND-CLIFFS INTERNATIONAL HOLDING COMPANY	WRI	(9,130,000.00)
Feb-10	CLIFFS NETHERLANDS B.V	WRI	(64,302,144.00)
Total Wabush CCAA Party - Cash Transfer Transactions			(1,658,618,641.71)
Total - Cash Transfer Transactions			(3,841,584,469.64)