

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF **MONTREAL**

N°: 500-11-048114-157

SUPERIOR COURT

Commercial Division

(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*, 1985 R.S.C., c. C-36, as amended)

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

BLOOM LAKE GENERAL PARTNER LIMITED

QUINTO MINING CORPORATION

8568391 CANADA LIMITED

CLIFFS QUÉBEC IRON MINING ULC

WABUSH IRON CO. LIMITED

WABUSH RESOURCES INC.

Petitioners

-and-

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP

BLOOM LAKE RAILWAY COMPANY LIMITED

WABUSH MINES

ARNAUD RAILWAY COMPANY

WABUSH LAKE RAILWAY COMPANY LIMITED

Mises-en-cause

-and-

FTI CONSULTING CANADA INC.

Monitor

**MOTION FOR THE ISSUANCE OF AN ORDER
EXTENDING THE STAY PERIOD¹**
(Section 11 *ff.* of the *Companies' Creditors Arrangement Act*)

TO MR. JUSTICE STEPHEN W. HAMILTON, J.S.C. OR ONE OF THE HONORABLE JUDGES OF THE SUPERIOR COURT, SITTING IN THE COMMERCIAL DIVISION FOR THE DISTRICT OF MONTRÉAL, THE CCAA PARTIES (AS DEFINED BELOW) SUBMIT:

1. BACKGROUND

1. On January 27, 2015, Mr. Justice Martin Castonguay, J.S.C., issued an Initial Order (as subsequently amended, rectified and/or restated, the "**Bloom Lake Initial Order**") commencing these proceedings (the "**CCAA Proceedings**") pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") in respect of the Petitioners Bloom Lake General Partner Limited, Quinto Mining Corporation, 8568391 Canada Limited ("**8568391**") and Cliffs Québec Iron Mining ULC ("**CQIM**") and the Mises-en-cause The Bloom Lake Iron Ore Mine Limited Partnership and Bloom Lake Railway Company Limited (collectively, the "**Bloom Lake CCAA Parties**"), as appears from the Initial Order dated January 27, 2015, which forms part of the Court record.
2. Pursuant to the Bloom Lake Initial Order, *inter alia*, FTI Consulting Canada Inc. was appointed as monitor of the Bloom Lake CCAA Parties (the "**Monitor**") (para. 39 of the Bloom Lake Initial Order) and a stay of proceedings was ordered in respect of the Bloom Lake CCAA Parties until February 26, 2015 (the "**Bloom Lake Stay Period**") (para. 8 *ff.* of the Bloom Lake Initial Order).
3. The Bloom Lake Stay Period was extended by order of the Court from time-to-time, as appears from the Court record.
4. On April 17, 2015, Mr. Justice Stephen W. Hamilton, J.S.C., issued, *inter alia*, the following orders:
 - a) an Order (the "**Sale Advisor Order**"), *inter alia*, authorizing the engagement of Moelis & Company LLC as the Bloom Lake CCAA Parties' mergers and acquisitions financial advisor (the "**Sale Advisor**"), as appears from a copy of the Sale Advisor Order, which forms part of the Court record; and
 - b) an Order (the "**SISP Order**"), *inter alia*, approving sale and investor solicitation procedures (the "**Initial SISP**") in respect of the Bloom Lake CCAA Parties, as appears from a copy of the SISP Order, which forms part of the Court record.
5. On May 20, 2015, Mr. Justice Hamilton, issued an Initial Order (as subsequently amended, rectified and/or restated the "**Wabush Initial Order**") extending the scope of the CCAA Proceedings to the Petitioners Wabush Iron Co. Limited ("**Wabush Iron**") and

¹ Except as otherwise provided for herein, all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Bloom Lake Initial Order (as defined herein) and the Wabush Initial Order (as defined herein).

Wabush Resources Inc. ("**Wabush Resources**") and the Mises-en-cause Wabush Mines, an unincorporated contractual joint venture, Arnaud Railway Company and Wabush Lake Railway Company Limited ("**Wabush Lake Railway**") (collectively, the "**Wabush CCAA Parties**"; collectively with the Bloom Lake CCAA Parties, the "**CCAA Parties**"), as appears from the Initial Order dated May 20, 2015, which forms part of the Court record.

6. Pursuant to the Wabush Initial Order, *inter alia*, the Monitor was appointed as the monitor of the Wabush CCAA Parties (para. 39 of the Wabush Initial Order) and a stay of proceedings was granted until June 19, 2015 (the "**Wabush Stay Period**"; collectively with the Bloom Lake Stay Period, the "**Stay Period**") (para. 7 *ff.* of the Wabush Initial Order).
7. On June 9, 2015, Mr. Justice Hamilton, issued an order (the "**Wabush Comeback Order**"), *inter alia*:
 - a) extending the Wabush Stay Period to July 31, 2015;
 - b) approving the Initial SISP as it relates to the Wabush CCAA Parties, *nunc pro tunc* to the date of the Wabush Initial Order, authorizing the amendment and restatement of the Initial SISP, and approving the amended and restated sale and investor solicitation procedures (the "**SISP**"); and
 - c) approving the engagement of the Sale Advisor as it relates to the Wabush CCAA Parties, *nunc pro tunc* to the date of the Wabush Initial Order;

the whole as appears from a copy of the Wabush Comeback Order, which forms part of the Court record.

8. On November 5, 2015, Mr. Justice Hamilton issued an order (as amended by an order of the Court issued on November 16, 2015 and as further amended from time to time, the "**Claims Procedure Order**"), *inter alia*:
 - a) approving a procedure for the submission, evaluation and adjudication of claims against the CCAA Parties and their current and former directors and officers; and
 - b) ordering the extinguishment of all Claims, D&O Claims and Restructuring Claims (as each such term is defined in the Claims Procedure Order) not filed in accordance with the applicable deadlines set out in the Claims Procedure Order.
9. The Stay Period has been extended by order of the Court from time to time, most recently on June 26, 2017, and currently expires on November 30, 2017, as appears from the Court record.

2. **ORDER SOUGHT**

10. On this Motion, the CCAA Parties hereby seek the extension of the Stay Period in respect of the CCAA Parties until March 30, 2018.

3. SALES OF ASSETS

11. As outlined above, Mr. Justice Hamilton approved the SISP and the engagement of the Sale Advisor in respect of the assets of the Bloom Lake CCAA Parties and the Wabush CCAA Parties pursuant to the SISP Order, the Sale Advisor Order and the Wabush Comeback Order.
12. Since the expiry of the SISP, the Wabush CCAA Parties established, in consultation with the Monitor a formal sales process for the sale of the Scully Mine (the "**Scully Mine Sale Procedure**").
13. As set out in greater detail below, since the most recent extension of the Stay Period on June 26, 2017, certain of the CCAA Parties (i) have closed the sale of the Scully Mine, and (ii) have entered into agreements and closed the sale of the remaining Non-Conditional Sale Employee Homes (as defined below); and (iii) have been considering various offers for the sale of Conditional Sale Employee Homes (as defined below).

3.1 The Scully Mine Transaction

14. Pursuant to an asset purchase agreement dated as of June 2, 2017 between Wabush Iron, Wabush Resources, and Wabush Lake Railway, as vendors (the "**Scully Mine Vendors**"), and Tacora Resources Inc. ("**Tacora**"), as purchaser, and MagGlobal LLC, as guarantor (as amended by a letter agreement dated as of June 16, 2017, the "**Scully Mine APA**"), the Scully Mine Vendors agreed to sell to Tacora the Scully Mine Vendors' assets related to the operation of the business of an iron ore mine and processing facility located north of the Town of Wabush in Newfoundland and Labrador, commonly known as the Scully mine, together with the Wabush Lake Railway (the "**Scully Mine Transaction**").
15. The Scully Mine Transaction was approved by this Court on June 26, 2017 and closed on July 18, 2017.

3.2 Non-Conditional Sale Employee Homes

16. As was previously reported to this Court, as at the beginning of the CCAA Proceedings, the Wabush CCAA Parties owned several single-family homes in the Town of Wabush that provided housing to employees while the Scully Mine was operational. Certain of these employee homes were not subject to conditional agreements of purchase and sale (the "**Non-Conditional Sale Employee Homes**"), while certain other employee homes were subject to conditional sale agreements.
17. Since the most recent extension of the Stay Period, the Wabush CCAA Parties have closed the sale of the final two remaining Non-Conditional Sale Employee Homes.

3.3 Conditional Sale Employee Homes

18. At the beginning of the CCAA Proceedings, the Wabush CCAA Parties owned 55 single-family homes subject to conditional agreements of purchase and sale with former employees of the Wabush CCAA Parties (the "**Conditional Sale Employee Homes**"). Throughout the CCAA Proceedings, the Wabush CCAA Parties have been selling

Conditional Sale Employee Homes from time to time with the consent of the Monitor in accordance with the Wabush Initial Order.

19. Under each applicable conditional agreement of purchase and sale for the Conditional Sale Employee Homes, each purchaser (occupant) thereunder is required to make payments to the Wabush CCAA Parties on a monthly basis towards the purchase price payable thereunder and the annual property taxes payable in respect of such Conditional Sale Employee Home (which property taxes were to be remitted by the Wabush CCAA Parties to the Town of Wabush).
20. The Wabush CCAA Parties stopped collecting property taxes from occupants of the Conditional Sale Employee Homes in June 2015. To the extent that occupants have not continued to pay property taxes directly to the Town of Wabush, taxes have accrued on such properties.
21. As of the date of this Motion, 8 Conditional Sale Employee Homes remain unsold. On October 31, 2017, the Wabush CCAA Parties, in consultation with the Monitor, sent letters to the occupants of each remaining Conditional Sale Employee Home advising them that (i) the Monitor, on behalf of the Wabush CCAA Parties, would re-commence the collection of municipal tax installments beginning on the next scheduled payment date in November 2017, and (ii) they continue to be responsible for any outstanding arrears of municipal taxes.
22. As previously reported to the Court in the Monitor's Fortieth Report dated October 6, 2017 (the "**Fortieth Report**"), since the most recent extension of the Stay Period, the Wabush CCAA Parties have received an offer for the purchase of the remaining 8 Conditional Sale Employee Homes, as well as a distinct offer for the purchase of one Conditional Sale Employee Home from the occupant thereof. As of the date of this Motion, the Wabush CCAA Parties are, in consultation with the Monitor, evaluating the offers received.

4. EXTENSION OF THE STAY PERIOD

4.1 The Monitor's Motion for Directions

23. As was previously reported to this Court, on September 20, 2016, the Monitor served a motion seeking advice and directions with respect to pension claims asserted against certain of the Wabush CCAA Parties (the "**Motion for Directions**"). The jurisdictional aspect of the Motion for Directions was argued before this Court on December 20, 2016, and the Court issued its decision on same on January 30, 2017.
24. The hearing on the remaining substantive issues raised by the Motion for Directions was held before this Court on June 28 and June 29, 2017, and a decision was released on same on September 11, 2017 (the "**Pension Priority Decision**").
25. Motions for leave to appeal the Pension Priority Decision were filed on October 2, 2017 by the Office of the Superintendent of Financial Institutions, the Newfoundland and Labrador Superintendent of Pensions, the United Steelworkers and by the Representatives of the Salaried/Non-Union Employees of Retirees and were granted by on October 31, 2017 (the "**Leave to Appeal Motions**"). The hearing on the merits of the appeal will be scheduled in due course and is not anticipated to occur before June 2018.

26. Following the decision of the Court on the jurisdictional aspect of the Motion for Directions, on May 5, 2017, the Government of Newfoundland and Labrador referred several questions to the Newfoundland and Labrador Court of Appeal (the “**NLCA**”) pursuant to the Newfoundland and Labrador *Judicature Act* (1990), as amended (the “**Reference**”). Each of the Monitor and the CCAA Parties filed a Notice of Intention to Intervene in the Reference proceedings.
27. In its Reference, the Government of Newfoundland and Labrador is seeking the NLCA’s interpretation of section 32 of the *Newfoundland and Labrador Pension Benefits Act* (1997), as amended (“**NPBA**”). Moreover, it has also asked the NLCA to determine, *inter alia*, (i) the applicability of the federal *Pension Benefits Act* and of the *Québec Supplemental Pension Act* to the salaried pension plan and if applicable, the manner in which any conflict between such statutes and the NPBA should be resolved, (ii) whether section 32(4) of the NPBA creates a valid secured claim in favor of the plan administrator and (iii) to determine the scope of said secured claim, if any.
28. The hearing of the NLCA on the merits of the Reference took place on September 21 and 22, 2017 and no decision has been issued by the NLCA as of the date of this Motion.

4.2 The Allocation Methodology Approval Motion

29. In order to determine the amounts available for distribution in each of the CCAA Parties’ respective estates to their respective creditors, the Monitor, in consultation with the CCAA Parties, has developed and recommended a proposed methodology to allocate proceeds and costs among the CCAA Parties (the “**Allocation Methodology**”).
30. On May 20, 2017, the CCAA Parties served a motion seeking the approval of the Allocation Methodology (the “**Allocation Methodology Approval Motion**”).
31. On May 26, 2017, the City of Fermont filed an objection to the Allocation Methodology Approval Motion (the “**City of Fermont Objection**”), contesting the allocation of the proceeds from the sale by certain Bloom Lake CCAA Parties of the iron ore mine and processing facility located approximately 13 kilometres north of Fermont, Québec, in the Labrador Trough, known as the Bloom Lake mine (the “**Bloom Lake Mine**”).
32. The Allocation Methodology Approval Motion and the City of Fermont Objection were heard before this Court on June 26, 2017.
33. On July 25, 2017, this Court released its decision on the Allocation Methodology Approval Motion, granting same and dismissing the objection of the City of Fermont.
34. On September 6, 2017, the City of Fermont filed a motion for leave to appeal of the decision on the Allocation Methodology Approval Motion, which was originally scheduled to be heard by the Court of Appeal on November 6, 2017.
35. On November 1, 2017, the City of Fermont filed an amended motion for leave to appeal of the decision on the Allocation Methodology Approval Motion, (the “**Fermont Leave to Appeal**”) which is now scheduled to be heard by the Court of Appeal on December 6, 2017.

4.3 The MFC Litigation

36. Pursuant to the Order of this Court issued on December 4, 2015, Wabush Iron and Wabush Resources have made payments to the Monitor, in trust, in December 2015, January 2016, April 2016, July 2016, October 2016, January 2017 and April 2017 in respect of disputed post-filing amounts that may be potentially payable to 0778539 B.C. Ltd. (formerly MFC Bancorp Ltd.) (“**MFC**”) pursuant to the Wabush Sub-Lease² (the “**Disputed Post-Filing Royalty Payments**”), pending a final determination by this Court of the post-filing amounts, if any, due to MFC (the “**MFC Post-Filing Royalty Litigation**”).
37. As set out in the Fortieth Report, in July 2017, following the closing of the Scully Mine Transaction, Wabush Iron and Wabush Resources deposited the Disputed Post-Filing Royalty Payment for the three months ended June 30, 2016 with the Monitor, in trust.
38. The hearing on the merits of the MFC Post-Filing Royalty Litigation will take place on December 4, 5, and 6, 2017. The MFC Motion to partially lift the Stay of proceedings will also be heard at the same time.
39. Pursuant to the Scully Mine APA and the Assignment Order dated June 26, 2017 in connection therewith (the “**Assignment Order**”), Tacora paid \$11,237,679 in trust to the Monitor (the “**Trust Funds**”) in respect of any claim of MFC relating to or arising from the Wabush Sub-Lease prior to May 20, 2015, including any claim contemplated by the proof of claim filed by MFC pursuant to the Claims Procedure Order and the arbitration proceeding between MFC and Wabush Resources and Wabush Iron commenced in respect of the Wabush Sub-Lease (the “**MFC Royalty Arbitration**”)(collectively, the “**MFC Pre-Filing Claim**”).
40. Pursuant to the Assignment Order, upon final determination of the MFC Pre-Filing Claim by Court order or settlement between the parties, the Monitor is to release the Trust Funds to MFC and/or Tacora within five (5) Business Days of such final determination.
41. On November 2, 2017, Tacora and MagGlobal LLC (the “**Tacora Parties**”) filed a motion (the “**Tacora/MFC Settlement Motion**”) seeking an order of the Court:
 - a) homologating a transaction in the form of a settlement agreement between the Tacora Parties and MFC (the “**Tacora/MFC Settlement Agreement**”), filed under seal, between the Tacora parties and MFC, and
 - b) declaring that the Monitor must release \$5,618,839 of the Trust Funds to MFC and the remaining balance to Tacora.
42. According to the Tacora/MFC Settlement Motion, the Tacora/MFC Settlement Agreement purports to settle any issues in connection with the MFC Pre-Filing Claim. However, one of the assets of the Wabush CCAA Parties expressly excluded from the

² “**Wabush Sub-Lease**” means the Amendment and Consolidation of Mining Leases dated September 2, 1959 initially made between MFC (then Canadian Javelin Limited), as lessor, and Wabush Iron, as lessee, as the same has been amended and assigned from time to time, pursuant to which Wabush Mines JV had been granted rights to conduct mining operations at the Scully Mine.

assets purchased as part of the Scully Mine Transaction was any claim in respect of certain royalties paid under protest by Wabush Resources and Wabush Iron to MFC on or about December 12, 2014, relating to certain spiral concentrates, pellets and “deadbed” concentrate at the Pointe-Noire Facility that had not been and were not going to be, shipped to customers (collectively, the “**Deadbed**”).

43. In December 2014, MFC asserted that it was owed royalty on the Deadbed and demanded payment of \$2,610,345 (the “**Disputed Deadbed Royalty**”). Wabush Resources and Wabush Iron disputed that any royalty was payable on the Deadbed for various reasons but nonetheless paid the Disputed Deadbed Royalty under protest and without prejudice to their position.
44. The issue of the Disputed Deadbed Royalty was added to the MFC Royalty Arbitration in January 2015 pursuant to an amended and restated statement of claim. The MFC Royalty Arbitration was suspended as a result of the Stay of proceedings that came into effect on the granting of the Wabush Initial Order on May 20, 2015.
45. The Wabush CCAA Parties, in consultation with the Monitor, are in the process of reviewing matters related to the Disputed Deadbed Royalty to determine what, if any, steps should be taken with respect thereto.

4.4 General Developments and Overview

46. Since the issuance of the Bloom Lake Initial Order and the Wabush Initial Order, the CCAA Parties have acted and continue to act in good faith and with due diligence.
47. As at the date hereof, the CCAA Parties have responded to seventeen of nineteen enquiries made during an audit by the Canada Revenue Agency in respect of income tax filings for the tax years 2010 to 2015, as previously reported to the Court in the Monitor’s Thirty Fourth and Fortieth Reports (the “**CRA Audit**”), and to follow-up inquiries arising from the responses to the CRA Audit.
48. Since the Stay Period was last extended on June 26, 2017, the CCAA Parties or their counsel have, with the assistance of and in consultation with the Monitor, *inter alia*:
 - a) communicated regularly with the Monitor and provided the Monitor with full co-operation and complete access to the CCAA Parties’ Property, premises and books and records;
 - b) continued to adhere to procedures for the monitoring of the CCAA Parties’ operations and financial circumstances, including receipts and disbursements. Since the closing of the sales by certain of the CCAA Parties of the iron ore pellet production facility and the port facility located at Pointe-Noire, Québec and of the railway known as the Arnaud Railway, at the CCAA Parties’ request, the Monitor has been assisting the Wabush CCAA Parties with their cash management functions. Since the closing of the sale by certain Bloom Lake CCAA Parties of the Bloom Lake mine, the Monitor, at the CCAA Parties’ request, has also been assisting the Bloom Lake CCAA Parties with their cash management functions;
 - c) attended to customary post-closing matters following various sales of CCAA Parties’ assets;

- d) communicated with applicable environmental and regulatory authorities in relation to the remaining Property of the Wabush CCAA Parties;
 - e) as described above, continued to carry out the sale of their remaining assets, including closing the Scully Mine Transaction, the closing of the sale of the remaining Non-Conditional Sale Employee Homes, and reviewing offers for the sale of the remaining Conditional Sale Employee Homes;
 - f) continued to assist and cooperate with the Monitor in the review and determination of claims in accordance with the Claims Procedure Order;
 - g) reviewed and assessed information relating to Twin Falls Power Corporation Limited ("**Twin Falls**"), to assess the value, if any, of the ownership interest of Wabush Iron and Wabush Resources in Twin Falls;
 - h) requested additional information from the current owner of certain development properties located in the Kirkland mining belt subject to the 3% net smelter royalty right held by CQIM in such properties (the "**NSR**") as to the status of any development of such properties and engaged an expert to evaluate the value, if any, of such NSR;
 - i) reviewed and assessed various potential claims of the CCAA Parties, including with respect to the Deadbed Royalty Claim and other potential claims against non-related third parties;
 - j) intervened before the NLCA on the merits of the Reference on September 20 and 21, 2017 in St-John's, Newfoundland and Labrador;
 - k) provided notice of termination of the Wabush Supplementary Unemployment Benefit Plan for the Bargaining Unit Employees of Wabush Mines, Arnaud Railway Company and Wabush Lake Railway company, Ltd, effective on November 27, 2017, to CIBC Mellon Trust Company, as Trustee, and provided notice to the United Steelworkers and its counsel and to Service Canada of same;
 - l) attended to the Québec Pay Equity Commission's amended motion to compel Societe Ferroviaire et Portuaire de Pointe Noire, S.E.C. ("**SFPPN**") and Wabush Mines to complete the pay equity process in respect of certain former employees of the Scully Mine (the "**Pay Equity Litigation**"), and attended the motion by SFPPN on October 23, 2017 to stay the amended motion as relates to SFPPN;
 - m) attended on the Leave to Appeal Motions in respect of the Pension Priority Decision; and
 - n) continued to advance the proceedings in relation to the MFC Filing Royalty Litigation.
49. It is respectfully submitted that the extension of the Stay Period to March 30, 2018 is required to provide all CCAA Parties with sufficient time to, *inter alia*:

- a) complete their review and assessment, in consultation with the Monitor, of the options available to Wabush Resources and Wabush Iron for the realization of value, if any, in their ownership interests in Twin Falls;
 - b) complete their review and assessment, in consultation with the Monitor, of the options available to CQIM for the realization of value, if any, in the NSR;
 - c) complete their review and assessment, in consultation with the Monitor, of the Deadbed Royalty Claim and any other remaining potential claims against non-related third parties;
 - d) complete their review and assessment, in consultation with the Monitor, of the options available to Wabush Resources and Wabush Iron for the realization of value in the remaining Conditional Sale Employee Homes;
 - e) continue to assist the Monitor in connection with the implementation of the Claims Procedure with respect to the CCAA Parties;
 - f) advance and if possible complete the responses to the Canada Revenue Agency in relation to the CRA Audit and any follow-up inquiries;
 - g) resolve the Pay Equity Litigation or proceed to seek a motion to confirm a stay of the same;
 - h) resolve the MFC Post-Filing Royalty Litigation by way of agreement among the parties or, if not so resolved, to proceed with the hearing currently scheduled for December 4, 5 and 6, 2017;
 - i) proceed with the hearing of the Fermont Leave to Appeal and depending on the outcome of such hearing, implement, with the assistance of the Monitor, the Allocation Methodology to the recoveries of the estates;
 - j) consider, formulate and potentially develop a plan of arrangement or compromise to resolve claims and distribute recoveries to creditors with the required approval of the creditors and the Court, or, alternatively, consider and formulate other appropriate methods of distribution to creditors, potentially by way of distribution order, or otherwise;
 - k) intervene before the Québec Court of Appeal in the appeal proceedings on the Pension Priority Decision;
 - l) file a petition the Québec Superior Court in Sept-Îlles to correct title to eight Non-Conditional Homes that were sold to third parties in early 2016; and
 - m) receive outstanding tax refunds due to the CCAA Parties.
50. It is anticipated that the requested extension of the Stay Period until March 30, 2018, will afford the CCAA Parties additional time that is needed to progress the foregoing.

51. The Monitor has advised the CCAA Parties that it supports the requested extension of the Stay Period. The CCAA Parties understand that the Monitor will file a report regarding the proposed extension of the Stay Period.
52. Considering that the majority of the CCAA Parties' assets have been sold in the context of these CCAA Proceedings, and that the ongoing expenses consist of professional fees, the CCAA Parties believe that there is sufficient liquidity to fund the estimated ongoing costs and expenses of the CCAA Parties and any obligations incurred by them until March 30, 2018.
53. The CCAA Parties have acted and are acting with good faith and due diligence, circumstances exist that make the extension of the Stay Period appropriate and no stakeholder will be materially prejudiced by the extension of the Stay Period.
54. In light of the foregoing, the CCAA Parties respectfully ask this Court to extend the Stay Period to March 30, 2018, the whole subject to all other terms of the Bloom Lake Initial Order and the Wabush Initial Order.

5. PROCEDURAL MATTERS

55. The CCAA Parties submit that the notices given of the presentation of the present Motion are proper and sufficient.
56. Pursuant to paragraph 54 of the Bloom Lake Initial Order and paragraph 56 of the Wabush Initial Order, all motions in these CCAA Proceedings are to be brought on not less than ten (10) calendar days' notice to all Persons on the Service List. Each motion must specify a date (the "**Initial Return Date**") and time for the hearing.
57. The service of the present Motion serves as notice pursuant to paragraphs 47 and 54 of the Bloom Lake Initial Order and paragraphs 47 and 56 of the Wabush Initial Order.
58. Paragraph 55 of the Bloom Lake Initial Order and paragraph 57 of the Wabush Initial Order require that any Person wishing to object to the relief sought on a motion in the CCAA Proceedings must serve responding motion materials or a notice stating the objection to the motion and grounds for such objection (a "**Notice of Objection**") in writing to the moving party and the Monitor, with a copy to all persons on the Service List, no later than 5 p.m. Montréal time on the date that is four (4) calendar days prior to the Initial Return Date (the "**Objection Deadline**"). Accordingly, any persons wishing to object to the relief sought on this Motion must serve responding motion materials or a Notice of Objection by no later than 5 p.m. Montréal time on November 23, 2017.
59. Paragraph 56 of the Bloom Lake Initial Order and paragraph 58 of the Wabush Initial Order further provide that if no Notice of Objection is served by the Objection Deadline, the Judge having carriage of the motion may determine whether a hearing is necessary, whether such hearing will be in person, by telephone or in writing and the persons from whom submissions are required (collectively, the "**Hearing Details**").
60. Paragraph 57 of the Bloom Lake Initial Order and paragraph 59 of the Wabush Initial Order provide that the Monitor shall communicate with the Judge and the Service List with respect to the Hearing Details.

6. CONCLUSIONS

61. In light of the foregoing, the CCAA Parties hereby seek the issuance of an Order substantially in the form of the draft Order communicated herewith as **Exhibit R-1**, which provides for the extension of the Stay Period in respect of the CCAA Parties until March 30, 2018.
62. The present Motion is well founded in fact and in law.

FOR THESE REASONS, MAY IT PLEASE THE COURT TO:

GRANT the present Motion;

ISSUE an order in the form of the draft Order communicated in support hereof as Exhibit R-1;

WITHOUT COSTS, save and except in case of contestation.

Montréal, November 13, 2017

Blake, Cassels & Graydon LLP

BLAKE, CASSELS & GRAYDON LLP
Attorneys for the CCAA Parties

AFFIDAVIT

I, the undersigned, **CLIFFORD T. SMITH**, the Executive Vice-President and a director of Bloom Lake General Partner Limited and Cliffs Québec Iron Mining ULC, the President and a director of Bloom Lake Railway Company Limited and 8568391 Canada Limited, the President of Wabush Resources Inc., the President and a director of Wabush Iron Co. Limited, the Vice-President and a director of Arnaud Railway Company Limited and Wabush Lake Railway Company Limited, and a director of Quinto Mining Corporation, having a place of business at 1 Place Ville Marie, Bureau 3000, Montréal, Québec, H3B 4N8, solemnly affirm that all the facts alleged in the present *Motion for the Issuance of an Order Extending the Stay Period* are true.

AND I HAVE SIGNED:



CLIFFORD T. SMITH

SOLEMNLY DECLARED before me at
Cleveland, Ohio, on this 13th day of
November, 2017



Notary Public



ADAM D. MUNSON, Atty.
NOTARY PUBLIC
STATE OF OHIO
My Commission Has No
Expiration Date
Section 147.03 R.C.

NOTICE OF PRESENTATION

TO: Service List

TAKE NOTICE that the present *Motion for the Issuance of an Order Extending the Stay Period* will be presented for adjudication before the Honourable Stephen W. Hamilton, J.S.C., or another of the honourable judges of the Superior Court, Commercial Division, sitting in and for the district of Montréal, in the Montréal Courthouse located at 1, Notre-Dame Street East, Montréal, Québec, on **November 28, 2017** at a time and in a room to be determined.

DO GOVERN YOURSELF ACCORDINGLY.

Montréal, November 13, 2017

Blake, Cassels & Graydon LLP

BLAKE, CASSELS & GRAYDON LLP
Attorneys for the CCAA Parties

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF **MONTREAL**

SUPERIOR COURT

Commercial Division

(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., c. C-36, as amended)

N°: 500-11-048114-157

**IN THE MATTER OF THE PLAN OF COMPROMISE OR
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Petitioners

and

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

Mises-en-cause

and

FTI CONSULTING CANADA INC.

Monitor

LIST OF EXHIBITS

(In support of the *Motion for the Issuance of an Order Extending the Stay Period*)

R-1 Draft Order

Montréal, November 13, 2017



BLAKE, CASSELS & GRAYDON LLP
Attorneys for the CCAA Parties

N°: 500-11-048114-157

**SUPERIOR COURT
DISTRICT OF MONTREAL
(Commercial Division)**

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

BLOOM LAKE GENERAL PARTNER LIMITED & AL.

Petitioners

-and-

**THE BLOOM LAKE IRON ORE MINE LIMITED
PARTNERSHIP & AL.**

Mises-en-cause

-and-

FTI CONSULTING CANADA INC.

Monitor

**MOTION FOR THE ISSUANCE OF AN ORDER
EXTENDING THE STAY PERIOD, AFFIDAVIT,
NOTICE OF PRESENTATION
AND EXHIBIT R-1
(Sections 11 ff. CCAA)**

ORIGINAL

The logo for the law firm Blakes, featuring the word "Blakes" in a stylized, cursive script.

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