

CANADA

SUPERIOR COURT

PROVINCE OF QUÉBEC
District of Montréal

(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 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

BCF LLP

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-and-

FTI CONSULTING CANADA INC.

Monitor

-and-

MOELIS & COMPANY LLC

Mise-en-cause

-and-

**MFC BANCORP LTD. (formerly know as
MFC INDUSTRIAL LTD.)**
400 Burard Street, Suite 1860, Vancouver
(BC), V6C 3A6

Objecting Party

**NOTICE OF OBJECTION BY MFC BANCORP LTD. TO
THE MOTION FOR THE ISSUANCE OF AN ORDER EXTENDING
THE STAY PERIOD**
(paragraph 57 of the Wabush Initial Order)

**TO THE HONORABLE JUSTICE STEPHEN W. HAMILTON, J.S.C. OF THE
SUPERIOR COURT SITTING IN THE COMMERCIAL DIVISION FOR THE
DISTRICT OF MONTREAL, THE OBJECTING PARTY, MFC BANCORP LTD.
RESPECTFULLY SUBMITS:**

1. MFC Bancorp Ltd. ("**MFC**") files this Notice of Objection in order to be allowed to make representations to the Court regarding Petitioners' *Motion for the issuance of an Order Extending the Stay Period*, dated September 16, 2016 (the "**Motion**");
2. MFC believes that certain relevant facts regarding the ongoing process should reiterated and be taken into consideration by the Court when deciding if the Wabush CCAA Parties should benefit from an extension of the stay period;

BCF LLP

3. As always, MFC's objection should be viewed in the context of its contractual rights with regards to certain of the Wabush Assets were specifically preserved by the Order issued by this Court on June 9, 2015 and reiterated in an Order dated December 4, 2015;
4. MFC's rights were recognized and protected, pending further developments in the file and subject to further debate between the parties if necessary;
5. MFC's contractual rights are detailed in various Court proceedings including a recently served *Motion for to partially lift the Stay of Proceedings, to vary a Court Order, to obtain payment of sums of money held in trust by the Monitor, to terminate a Sub-Lease and for additional relief*, the whole as appears from the Court Record;
6. It is now undeniable that no restructuring of the Wabush CCAA Parties was ever contemplated and that no Plan of compromise or arrangement will ever be proposed to the Wabush CCAA Parties' Creditors;
7. No one has shown any real interest in purchasing the Wabush Mine and any discussion regarding same have been abandoned, the whole as was confirmed by the Monitor;
8. The Wabush CCAA Parties have simply used the protection of the Court to allow them to liquidate and are now in the process of disposing of substantial assets and equipment which would be required by any party wishing to continue operating Wabush Mine;
9. Based on the foregoing, MFC believes that the Motion, as far as the Wabush Parties are concerned should not be granted and that the Wabush CCAA Parties should no longer benefit from the Stay of proceedings provided by the CCAA;
10. Any parties having remaining rights against the Wabush CCAA Parties, such as MFC, should now be free to institute or continue recourses including proceedings to terminate existing agreements or leases or even petitioning the Wabush CCAA Parties into bankruptcy;
11. Any further delays risk making the possibility for any party interested in purchasing the mining assets and re-opening the mine futile because the competent workforce will have moved away from the region having lost all hope due to the length and secrecy of the process;
12. The filing of the Notice of Objection is contemplated by paragraph 57 of the Wabush Initial Order as well as paragraph 52 of the Motion;

13. MFC reserves its rights to make further representations and to raise additional arguments at the hearing of the Motion;

FOR THE REASONS SET FORTH ABOVE, MAY IT PLEASE THE COURT TO:

RECEIVE this Notice of Objection and **ALLOW** MFC Bancorp Ltd. to make representations regarding Petitioners' Motion for the issuance of an Order Extending the Stay Period;

DISMISS the Motion for the Issuance of an Order Extending the Stay Period as far as the Wabush CCAA parties are concerned;

WITHOUT COSTS, save and except in case of contestation;

MONTREAL, September 22, 2016

BCF LLP

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Montreal, Quebec H3B 5C9

Tel. : 514 397-6838

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Our file: 39724-1

Attorneys for Objecting Party

MFC BANCORP LTD.

NOTICE OF PRESENTATION

TO: Service List

TAKE NOTICE that the present *Notice of objection and contestation in respect of the 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 Montreal, in the Montreal Courthouse located at 1, Notre-Dame Est, Montreal, Quebec, on September 28, 2016 at a time and in a room to be determined.

DO GOVERN YOURSELVES ACCORDINGLY.

MONTREAL, September 22, 2016

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**NOTICE OF OBJECTION BY MFC BANCORP LTD TO THE
MOTION FOR THE ISSUANCE OF AN ORDER EXTENDING
THE STAY PERIOD AND NOTICE OF PRESENTATION**

ORIGINAL

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