

SUPERIOR COURT
(Commercial Division)

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

N°: 500-11-048114-157

DATE: October 28, 2016

PRESIDING: THE HONOURABLE STEPHEN W. HAMILTON J.S.C.

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

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP

-and-

WABUSH IRON CO. LIMITED

and-

WABUSH RESOURCES INC.

Petitioners

and-

RITCHIE BROS AUCTIONEERS (CANADA) LTD.


Mise-en-cause

-and-

FTI CONSULTING CANADA INC.

Monitor

APPROVAL AND VESTING ORDER

- [1] **ON READING** the Petitioners' *Motion for the Issuance of an Approval and Vesting Order with respect to the sale of certain assets* (the "**Motion**"), the affidavit and the exhibits in support thereof, as well as the 25th Report of the Monitor dated October 24, 2016, (the "**Report**");
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[3.1] SEEING that CNR and CAC consent to the Motion, and no creditor has objected to the Motion;

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- [2] **SEEING** the service of the Motion;
- [3] **SEEING** the submissions of the Petitioner's and the Monitor's attorneys;
- [4] **SEEING** that it is appropriate to issue an order approving the transaction (the "**Transaction**") contemplated by the agreement entitled Asset Purchase Agreement (the "**Purchase Agreement**") dated as of October 11, 2016 by and between The Bloom Lake Iron Ore Mine Limited Partnership, Wabush Resources Inc., and Wabush Iron Co. Limited as vendors (the "**Vendors**") and Ritchie Bros Auctioneers (Canada) Ltd., as purchaser (the "**Purchaser**"), a redacted copy of which was filed as Exhibit R-8 to the Motion, as amended by the Amending Agreement dated as of October 28, 2016, a redacted copy of which was filed as Exhibit R-11 to the Motion, and vesting in the Purchaser all of Vendors' right, title and interest in and to all of the Purchased Assets (as defined in the Purchase Agreement).

FOR THESE REASONS, THE COURT HEREBY:

- [5] **GRANTS** the Motion.
- [6] **ORDERS** that all capitalized terms in this Order shall have the meaning given to them in the Purchase Agreement unless otherwise indicated herein.

SERVICE

- [7] **ORDERS** that any prior time period for the presentation of this Motion is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
- [8] **PERMITS** service of this Order at any time and place and by any means whatsoever.

SALE APPROVAL

- [9] **ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Purchase Agreement by the Vendors is hereby authorized and approved, *nunc pro tunc*.
- [10] **AUTHORIZES AND DIRECTS** the Monitor to hold the Deposit, *nunc pro tunc*, and to apply, disburse and/or deliver the Deposit or the applicable portions thereof in accordance with the provisions of the Purchase Agreement and this Order.

AUTHORIZATION

- [11] **ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Vendors to proceed with the Transaction and that no other approval or authorization, including any board or shareholder approval, shall be required in connection therewith.


EXECUTION OF DOCUMENTATION

- [12] **AUTHORIZES AND DIRECTS** the Vendors, Purchaser and the Monitor to perform all acts, sign all documents and take any necessary action to execute any agreement,

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contract, deed, provision, transaction or undertaking stipulated in or contemplated by the Purchase Agreement, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to but only with the consent of the Monitor, and any other ancillary document which could be required or useful to give full and complete effect thereto.


VESTING OF THE PURCHASED ASSETS

- [13] **ORDERS AND DECLARES** that upon the issuance of a Monitor's certificate substantially in the form appended as **Schedule "A"** hereto (the "**Certificate**"), all of Vendors' rights, title and interest in and to the Purchased Assets shall vest free and clear, absolutely and exclusively in and with the Purchaser, from any and all rights, titles, benefits, priorities, claims (including claims provable in bankruptcy in the event that the Vendors should be adjudged bankrupt), liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, charges, hypothecs, mortgages, pledges, trusts, deemed trusts (whether contractual, statutory, or otherwise), assignments, judgments, executions, writs of seizure or execution, notices of sale, options, agreements, rights of distress, legal, equitable or contractual setoff, adverse claims, levies, taxes, disputes, debts, charges, options to purchase, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer of title, or other claims or encumbrances, whether or not they have attached or been perfected, registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**"), including without limiting the generality of the foregoing all Encumbrances created by order of this Court and all charges, security interests or charges evidenced by registration, publication or filing pursuant to the Civil Code of Québec, or any other applicable legislation providing for a security interest in personal or movable property, and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Assets, be expunged and discharged as against the Purchased Assets, in each case effective as of the applicable time and date of the Certificate.
- [14] **ORDERS** that upon the issuance of the Certificate, the Vendors shall be authorized to take all such steps as may be necessary to effect the discharge of all Encumbrances registered against the Purchased Assets, including filing such financing change statements in any applicable provincial personal property registry as may be necessary, from any registration filed against the Vendors in such registry, provided that the Vendors shall not be authorized to effect any discharge that would have the effect of releasing any collateral other than the Purchased Assets, and the Vendors shall be authorized to take any further steps by way of further application to this Court.
- [15] **ORDERS** the Quebec Personal and Movable Real Rights Registrar, upon presentation of the required form with a true copy of this Order and the Certificate, to reduce the scope of the registrations carrying the following numbers in connection with the Purchased Assets (as detailed in Schedule "B" hereto) in order to allow the transfer to the Purchaser of the Purchased Assets free and clear of such registrations:
- a) Conventional hypothec without delivery number 15-0142340-0003;
 - b) Conventional hypothec without delivery number 15-0474115-0003;
 - c) Conventional hypothec without delivery number 13-0866210-0001;
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- d) Conventional hypothec without delivery number 13-0866210-0003;
- e) Conventional hypothec without delivery number 13-0958512-0001;
- f) Conventional hypothec without delivery number 13-1061072-0001;
- g) Conventional hypothec without delivery number 13-1061072-0003;
- h) Conventional hypothec without delivery number 13-1061072-0005;
- i) Conventional hypothec without delivery number 13-1119917-0004;
- j) Conventional hypothec without delivery number 15-0142340-0002;
- k) Conventional hypothec without delivery number 15-0474115-0004.

- [16] **ORDERS AND DIRECTS** the Monitor, upon receipt of (i) payment in full of the Purchase Price, Transfer Taxes (if any are payable) for remittance to the applicable taxation authorities in accordance with Applicable Law, in the amounts set out in the Conditions Certificates, and (ii) each of the Conditions Certificates, to (a) issue forthwith its Certificate concurrently to the Vendors and the Purchaser; and (b) file forthwith after issuance thereof a copy of the Certificate with the Court.
- [17] **DECLARES** that the Monitor shall be at liberty to rely exclusively on the Conditions Certificates in issuing the Certificate, without any obligation to independently confirm or verify the waiver or satisfaction of the applicable conditions.
- [18] **AUTHORIZES AND DIRECTS** the Monitor to receive and hold the Purchase Price and to remit the Purchase Price in accordance with the provisions of this Order.

NET PROCEEDS

- [19] **ORDERS** that any amounts payable to the Vendors in accordance with the Purchase Agreement (the "**Proceeds**") shall be remitted to the Monitor and shall, subject to the provisions of this Order, be held by the Monitor on behalf of the Vendors pending further order of the Court.
- [20] **AUTHORIZES AND DIRECTS** the Monitor, as soon as practicable after Closing, to remit to the applicable taxing authorities in accordance with Applicable Law, the Transfer Taxes (if any are payable) received by the Monitor from the Purchaser on Closing as set out in the Conditions Certificates, at the direction of, and on behalf of the Vendors, and, if required pursuant to Sections 3.4 and 3.5 of the Purchase Agreement, to remit any amounts held by the Monitor in trust pursuant to Sections 3.4(7) and 3.5(7) of the Purchase Agreement and payable to the Receiver General for Canada and to the Ministère du Revenu (Québec) for the account of Wabush Iron in accordance with Sections 3.4 and 3.5 of the Purchase Agreement.
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- [21] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the balance of the Proceeds remaining following deduction for the Transfer Taxes (if any are paid by the Purchaser to the Monitor on Closing), the remittance of any amounts to the Receiver General for Canada, the Ministère du Revenu (Québec), and other amounts that are remitted by the Monitor pursuant to Paragraph [19] of this Order (the "**Net Proceeds**") shall stand in the place and stead of the Purchased Assets, and that upon the issuance of the Certificate, all Encumbrances shall attach to the Net Proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the Closing, as if the Purchased Assets had not been sold and remained in the possession or control of the Person having that possession or control immediately prior to the Closing.
- [22] **ORDERS** that, following the issuance of the Certificate, the Purchaser shall have no recourse or claim of any kind against the Net Proceeds.

VALIDITY OF THE TRANSACTION

- [23] **ORDERS** that notwithstanding:
- a) the pendency of the proceedings under the CCAA;
 - b) any assignment in bankruptcy or any petition for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), and any order issued pursuant to any such petition;
 - c) any application for a receivership order; or
 - d) the provisions of any federal or provincial legislation;

the vesting of the Purchased Assets contemplated in this Order, as well as the execution of the Purchase Agreement pursuant to this Order, are to be binding on any trustee in bankruptcy or receiver that may be appointed, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Vendors, the Purchaser or the Monitor, and shall not constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

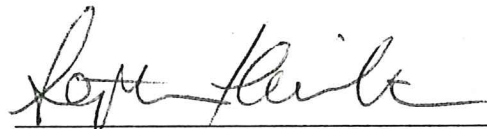
LIMITATION OF LIABILITY

- [24] **DECLARES** that, subject to other orders of this Court, nothing herein contained shall require the Monitor to take control, or to otherwise manage all or any part of the Purchased Assets. The Monitor shall not, as a result of this Order, be deemed to be in possession of any of the Purchased Assets within the meaning of environmental legislation, the whole pursuant to the terms of the CCAA.
- [25] **DECLARES** that no Action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court. The entities related to the Monitor or belonging to the same group as the Monitor shall benefit from the protection arising under the present paragraph.
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GENERAL

- [26] **DECLARES** that the Vendors and the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.
- [27] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [28] **DECLARES** that the Monitor shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Monitor as may be deemed necessary or appropriate for that purpose.
- [29] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.
- [30] **ORDERS** the provisional execution of this Order, including without limiting the general application of the foregoing, notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

THE WHOLE WITHOUT COSTS.



STEPHEN W. HAMILTON J.S.C.

M^{re} Bernard Boucher
(Blake, Cassels & Graydon LLP)
Attorneys for the Petitioner

Hearing date: October 28, 2016



Elizabeth Ponce
CHIFFRE ADIONTE C.S.M.

SCHEDULE "A" TO APPROVAL AND VESTING ORDER

FORM OF CERTIFICATE OF THE MONITOR

SUPERIOR COURT
(Commercial Division)

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

File: No: 500-11-048114-157

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

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP

-and-

WABUSH IRON CO. LIMITED

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WABUSH RESOURCES INC.

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RITCHIE BROS AUCTIONEERS (CANADA) LTD.

Mise-en-cause

-and-

FTI CONSULTING CANADA INC.

Monitor

CERTIFICATE OF THE MONITOR

RECITALS

- A.** Pursuant to an initial order rendered by the Honourable Mr. Justice Martin Castonguay, J.S.C., of the Superior Court of Québec, Commercial Division (the "**Court**") on January 27, 2015 and amended on February 20, 2015, FTI Consulting Canada Inc. (the "**Monitor**") was appointed to monitor the business and financial affairs of Cliffs Québec Iron Mining ULC, Quinto Mining Corporation, 8568391 Canada Limited, Bloom Lake

General Partner Limited, the Bloom Lake Railway Company Limited and The Bloom Lake Iron Ore Mine Limited Partnership (collectively, the "**Bloom Lake CCAA Parties**").

- B.** Pursuant to an Order of the Court granted by the Court on May 20, 2015, the Monitor was appointed to monitor the business and financial affairs of Wabush Iron Co. Limited, Wabush Resources Inc., Arnaud Railway Company, Wabush Lake Railway Company Limited and Wabush Mines (collectively, the "**Wabush CCAA Parties**"). The Wabush CCAA Parties and the Bloom Lake CCAA Parties are referred to herein collectively as the "**CCAA Parties**".
- C.** Pursuant to an order (the "**Approval and Vesting Order**") rendered by the Court on October 28, 2016, the transaction contemplated by the Asset Purchase Agreement dated as of October 11, 2016 (the "**Purchase Agreement**") by and between The Bloom Lake Iron Ore Mine Limited Partnership, Wabush Resources Inc., and Wabush Iron Co. Limited as vendors (the "**Vendors**") and Ritchie Bros Auctioneers (Canada) Ltd., as purchaser (the "**Purchaser**"), as amended by the Amending Agreement dated as of October 28, 2016, was authorized and approved, with a view, *inter alia*, to vest in and to the Purchaser, all of the Vendors' right, title and interest in and to the Purchased Assets (as defined in the Purchase Agreement).
- D.** Each capitalized term used and not defined herein has the meaning given to such term in the Purchase Agreement.
- E.** The Approval and Vesting Order provides for the vesting of all of the Vendors' right, title and interest in and to the Purchased Assets in the Purchaser, in accordance with the terms of the Approval and Vesting Order and upon the delivery of a certificate (the "**Certificate**") issued by the Monitor confirming that the Vendors and the Purchaser have each delivered Conditions Certificates to the Monitor.
- F.** In accordance with the Approval and Vesting Order, the Monitor has the power to authorize, execute and deliver this Certificate.
- G.** The Approval and Vesting Order also directed the Monitor to file with the Court, a copy of this Certificate forthwith after issuance thereof.

THEREFORE, IN RELIANCE UPON THE CONDITIONS CERTIFICATES ADDRESSED AND DELIVERED TO THE MONITOR BY EACH OF THE VENDORS AND THE PURCHASER, THE MONITOR CERTIFIES THE FOLLOWING:

1. The Monitor has received (i) payment in full of the Purchase Price, and (ii) payment in full of the Transfer Taxes (if any are payable) payable by the Purchaser on Closing in the amounts set out in the Conditions Certificates, all in accordance with the Purchase Agreement.
2. The Vendors and the Purchaser have each delivered to the Monitor the Conditions Certificates evidencing that all applicable conditions under the Purchase Agreement have been satisfied and/or waived, as applicable.
3. The Closing Time is deemed to have occurred at **<TIME>** on **<*>**, 2016.

THIS CERTIFICATE was issued by the Monitor at <TIME> on <*>, 2016.

***FTI Consulting Canada Inc., in its capacity as
Monitor of the CCAA Parties, and not in its
personal or corporate capacity***

By: _____

Name: Nigel Meakin



SCHEDULE "B" TO APPROVAL AND VESTING ORDER
PURCHASED ASSETS

Description	Serial Number
Komatsu 930E-4SE Rock Truck	KMTHD041N61A31607
Komatsu 930E-4SE Rock Truck	KMTHD041N61A31606
Komatsu 930E-4SE Rock Truck	KMTHD041N61A31578
Komatsu 930E-4SE Rock Truck	KMTHD041N61A31500
Komatsu 930E-4SE Rock Truck	KMTHD041N61A31605
Komatsu 930E-4SE Rock Truck	KMTHD041N61A31576
Komatsu 930E-4SE Rock Truck	KMTHD041N61A31450
Komatsu PC4000-6 Front Shovel	KMTPC098N95008218
Caterpillar MD6640 Blast Hole Rotary	DR612159
Caterpillar 7495 Electric Rope Shovel including 59 yd FastFill dipper with 192 inch spade lip and Immersive Technologies Pro 3 Transportable Simulator consisting of a 8'x8'x20' cargo container and a 8'x8'x10' storage cargo container both mounted on a Felling Model FT-36-300017 48'x8' wide trailer	Rope Shovel = 141510 Simulator = S386 Trailer = 5FTFE4634E1001633
Komatsu WA600-6 Wheel Loader	KMTWA097J29060902
Letourneau L-1850 Wheel Loader	2210
Letourneau L-1850 Wheel Loader	2076
Letourneau L-1850 Wheel Loader	2045
Letourneau L-1850 Wheel Loader	2022
Caterpillar D8R Crawler Tractor	7XM02908
Caterpillar D8N Crawler Tractor	9TC6257
Komatsu D375A-6 Crawler Tractor	KMT0D113K02060186

Description	Serial Number
Komatsu PC5500 Front Shovel	15052
Komatsu PC5500-6E Front Shovel	KMTPC229N95015122
Caterpillar 365BL Long Reach	9TZ00397
Caterpillar 336D Excavator	CAT0336DLW3K00751
Caterpillar D10T Tractor	CAT0D10TRJG01698
Caterpillar D10T Tractor	RJG00224
Bucyrus Erie MD6640 49RH Crawler Blast Hole	141385
Ford F150	1FTFX1EF6BFC23295
Caterpillar 16M Motor Grader	CAT0016MJB9H00507
Caterpillar 16H Motor Grader	CAT0016HJATS00719
Caterpillar 988G Wheel Loader	CAT0988GTBNH01164
Caterpillar 936F Wheel Loader	8AJ01509
Caterpillar IT14G Tool Carrier	CATIT14GVKZN01025
Caterpillar IT62H Tool Carrier	CATIT62HTM5G00605
Caterpillar D10R Crawler Tractor	CAT0D10RHAKT00693
Ford F150	1FTFW1EF8CFA31171
Ford F250	1FT7W2B61CEA18671
Sterling L9500 Truck Tractor	2FWJAZDE75AN99454
Kenworth T370 Service truck	2NKHHN8X99M940774
Freightliner M2106 Bucket Truck	1FVHCYDCX5HU84446
GMC C7500	1GDT7H4C3WJ513883
Sterling LT7500 Boom Truck	2FZHATDC27AY15842
Sterling RS70100 Boom Truck	2FZHAZDE79AAK8699
Kenworth T800 Flatbed Truck w/Crane	1NKDLU0X3BJ287200
Caterpillar 966F Wheel Loader	1SL01920
Ford Escape	1FMCU5K38CKA66516
Kenworth T800 Truck	1NKDLU0X77J933555
Kenworth T300 Truck	2NKMLD9X47M933489

Description	Serial Number
Sterling Aceterra Truck	2FZACGDDX5AN74038
Ford F250	1FT7W2B61CEA04124
Ford F250	1FT7W2B65CEA22500
Ford F250	1FT7W2B68CEA04122
Ford E350	1FDSS3ES9BDB34091
Ford F550	1FDAF56PX4EC58423
Ford F350	1FD8W3H62BEB16300
Ford F250	1FT7WB6XCEA18670
Ford F250	1FT7W2B62CEA22499
Ford F250	1FT7W2B67CEA22501
Ford F250	1FT7W2B69BEB27474
Ford F250	1FT7W2B63BEB27471
Sterling Acterra	2FZHCHDC34AM47805
Ford F250	1FT7W2B68CEA09126
Ford F250	1FT7X2B67CEC89053
Ford F250	1FT7W2B6XCEC78700
Ford F250	1FT7W2B65BEB27472
Ford F250	1FT7W2B64CEC64145
Ford F250	1FT7W2B65CEC43353
Ford F250	1FT7W2B62BEB20950
Ford F250	1FT7W2B67BEB27473
Ford F450	1FDXF46P43ED56446
Ford F250	1FT7W2B66BEB20949
Ford F250	1FDXF46P66EA67105
Caterpillar 988F Wheel Loader	8YG01324
Ingersoll Rand P250 WJD Air Compressor	347400UF0394
Kenworth 849 S Truck	906664