

SUPERIOR COURT
(Commercial Division)

C A N A D A

PROVINCE OF QUÉBEC

DISTRICT OF MONTRÉAL

N°: 500-11-048114-157

DATE: January 25, 2022

PRESIDING: THE HONOURABLE MICHEL A. PINSONNAULT, J.S.C.

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

WABUSH IRON CO. LIMITED

WABUSH RESOURCES INC.

Petitioners

-and-

CHURCHILL FALLS (LABRADOR) CORPORATION LIMITED

IRON ORE COMPANY OF CANADA

Mises-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 shares* (the "**Motion**"), the affidavit and the exhibits in support thereof, as well as the 57th Report of the Monitor dated [DATE], 2022 (the "**Report**");

- [2] **SEEING** the service of the Motion;
- [3] **SEEING** the submissions of the Petitioners' and the Monitor's attorneys; and
- [4] **SEEING** that it is appropriate to issue an order approving the transaction (the "**Transaction**") contemplated by the agreement entitled Share Purchase Agreement (as may be amended, modified or supplemented in accordance with this Order, the "**Share Purchase Agreement**") dated as of January 13, 2022 by and among Wabush Iron Co. Limited and Wabush Resources Inc., as vendors (collectively, the "**Vendors**") and Churchill Falls (Labrador) Corporation Limited, and subject to Article 8 thereof, Iron Ore Company of Canada, as purchaser, a copy of which was filed as Exhibit R-2 to the Motion, and vesting in the Purchaser all of Vendors' right, title and interest in and to all of the Shares.

FOR THESE REASONS, THE COURT HEREBY:

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

SERVICE

- [7] **ORDERS** that this Motion is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

SALE APPROVAL

- [8] **ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Share Purchase Agreement by the Vendors is hereby authorized and approved, *nunc pro tunc*.
- [9] **AUTHORIZES AND DIRECTS** the Monitor to hold the Purchase Price Funds delivered in escrow, *nunc pro tunc*, and to apply, disburse and/or deliver the Purchase Price Funds or the applicable portions thereof in accordance with the provisions of the Share Purchase Agreement and this Order.
- [10] **AUTHORIZES AND DIRECTS** the Monitor's Counsel to hold the Sellers Deliverables, Purchaser Deliverables and Monitor Deliverables, delivered to it in escrow, *nunc pro tunc*, and to release from escrow or to remove from escrow and destroy such Sellers Deliverables, Purchaser Deliverables and Monitor Deliverables or any portion thereof, all in accordance with the provisions of the Share Purchase Agreement.

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** the Vendors, Purchaser, and the Monitor to perform all acts, sign all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or

undertaking stipulated in or contemplated by the Share Purchase Agreement (Exhibit R-2) and any other ancillary document which could be required or useful to give full and complete effect thereto, 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 SHARES

- [13] **ORDERS AND DECLARES** that upon the issuance of the Monitor's certificate substantially in the form appended as **Schedule "A"** hereto (the "**Monitor's Certificate**"), all the Vendors' right, title and interest in and to the Shares shall vest absolutely and exclusively in and with the Purchaser as set out in paragraph 1 of the Monitor's Certificate (the "**Purchaser**"), free and clear of and 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 (including, with respect to any person, any liability, debt, dues, guarantee, surety, indemnity obligation, or other obligation of such person of any kind, character or description, whether legal, beneficial or equitable, known or unknown, present or future, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, direct or indirect, secured or unsecured, joint or several, due or to become due or accruing due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such person (collectively, the "**Liabilities**"), 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, 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 (i) all Encumbrances created by order of this Court, and (ii) all charges, security interests or charges evidenced by registration, publication or filing pursuant to the Newfoundland and Labrador *Personal Property Security Act*, or any other applicable legislation providing for a security interest in personal or movable property.
- [14] **ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after issuance thereof.
- [15] **DECLARES** that the Monitor shall be at liberty to rely exclusively on the Conditions Certificates in issuing the Monitor's Certificate, without any obligation to independently confirm or verify the waiver or satisfaction of the applicable conditions.

NET PROCEEDS

- [16] **ORDERS** that any amounts payable to the Vendors in accordance with the Share Purchase Agreement (the "**Proceeds**") shall be remitted to the Monitor and shall, subject to the provisions of this Order, be distributed or paid in accordance with the terms of the Amended and Restated Joint Plan of Compromise and Arrangement dated May 16, 2018, as further amended, restated or supplemented from time to time (the "**Plan**"), and the Order of this Court dated June 29, 2018 sanctioning the Plan.
- [17] **ORDERS** that, following the issuance of the Monitor's Certificate, the Purchaser shall have no recourse or claim of any kind against any of the Proceeds.

VALIDITY OF THE TRANSACTION

[18] **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 or Insolvency Act* (“**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 Shares contemplated in this Order, as well as the execution of the Share 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

[19] **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.

GENERAL

- [20] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [21] **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.
- [22] **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.
- [23] **ORDERS** the provisional execution of this Order, notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

THE WHOLE WITHOUT COSTS, save in case of contestation.

**THE HONOURABLE MICHEL A.
PINSONNAULT, J.S.C.**

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

Hearing date: January 25, 2022



SCHEDULE “A” TO APPROVAL AND VESTING ORDER

FORM OF MONITOR’S CERTIFICATE

SUPERIOR COURT
(Commercial Division)

C A N A D A

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DISTRICT OF MONTRÉAL

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FTI CONSULTING CANADA INC.

Monitor

MONITOR’S CERTIFICATE

RECITALS

- A.** Pursuant to an Order of the Superior Court of Québec, Commercial Division (the “**Court**”) on May 20, 2015, FTI Consulting Canada Inc. (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**”).

- B.** Pursuant to an order (the “**Approval and Vesting Order**”) rendered by the Court on **[DATE]**, 2022, the transaction contemplated by the Share Purchase Agreement dated as of January 13, 2022 (the “**Share Purchase Agreement**”) by and among Wabush Iron Co. Limited and Wabush Resources Inc., as vendors (collectively, the “**Vendors**”), and Churchill Falls (Labrador) Corporation Limited, and subject to Article 8 thereof, Iron Ore Company of Canada, as purchaser, was authorized and approved, with a view, *inter alia*, to vest in and to the Purchaser (as defined below), all of the Vendors' right, title and interest in and to the Shares.
- C.** Each capitalized term used and not defined herein has the meaning given to such term in the Share Purchase Agreement.
- D.** The Approval and Vesting Order provides for the vesting of all of the Vendors’ right, title and interest in and to the Shares in the Purchaser, in accordance with the terms of the Approval and Vesting Order and upon the delivery of the Monitor’s Certificate issued by the Monitor.
- E.** In accordance with the Approval and Vesting Order, the Monitor has the power to authorize, execute and deliver this Monitor’s Certificate.
- F.** The Approval and Vesting Order also directed the Monitor to file with the Court, a copy of this Monitor’s Certificate forthwith after issuance thereof.

THEREFORE, THE MONITOR CERTIFIES THE FOLLOWING:

1. The purchaser of the Shares is Churchill Falls (Labrador) Corporation Limited (the “**Purchaser**”).
2. The Monitor has received payment, on behalf of the Sellers, in full of the Purchase Price payable by the Purchaser on Closing in the amount set out in the Share Purchase Agreement.
3. The Escrow Release Conditions have occurred and the Monitor has released to the Sellers and the Purchaser, as applicable, all the Sellers Deliverables, Purchaser Deliverables and Monitor Deliverables as required to be released by the Monitor in accordance with Article 3 of the Share Purchase Agreement.
4. The Closing Time is deemed to have occurred at <TIME> on <*>, 2022.

THIS MONITOR'S CERTIFICATE was issued by the Monitor at <TIME> on <*>, 2022.

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

By: _____

Name: Nigel D. Meakin

Title: Senior Managing Director

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