

SUPERIOR COURT

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

N°: **500-11-048114-157**

DATE: April ____, 2015

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

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

BLOOM LAKE GENERAL PARTNER LIMITED

QUINTO MINING CORPORATION

8568391 CANADA LIMITED

CLIFFS QUEBEC IRON MINING ULC

Petitioners

-and-

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP

BLOOM LAKE RAILWAY COMPANY LIMITED

Mises-en-cause

-and-

FTI CONSULTING CANADA INC.

Monitor

-and-

MOELIS & COMPANY LLC

Mise-en-cause

ORDER

- [1] **THE COURT**, upon reading the CCAA Parties' *Motion for an Order Authorizing the Engagement of a Sale Advisor and Amending the Initial Order* (the "**Motion**"), having examined the affidavit and the exhibits;
- [2] **CONSIDERING** the report of the Monitor dated April 1, 2015 and the submissions of counsel for the CCAA Parties;
- [3] **GIVEN** the terms of the *Amended Initial Order* of this Court dated February 20, 2015 (the "**Initial Order**") and the provisions of the *Companies' Creditors Arrangement Act*;

FOR THESE REASONS, THE COURT HEREBY:

- [4] **GRANTS** the Motion;
- [5] **APPROVES** the Engagement Letter communicated in support of the Motion as Exhibit R-2 (under seal) retroactively to January 27, 2015;
- [6] **ORDERS** that the Initial Order shall be amended to add the following title and paragraph after paragraph 32:

Sale Advisor Charge

32.1 **ORDERS** that Moelis & Company LLC (the "**Sale Advisor**") shall be entitled to the benefit of and is hereby granted a charge and security be secured by charge over the property of each CCAA Party on a several basis securing only those fees and expenses payable by each such CCAA Party, to a maximum of US\$8 million (the "**Sale Advisor Charge**") as security for the Monthly Retainer Fee, Transaction Fees and expenses reimbursable pursuant to the Engagement Letter dated March 23, 2015. The Sale Advisor Charge shall have the priority set out in paragraph 47.1 of this Order.

- [7] **ORDERS** that the title appearing before paragraph 46 of the Initial Order shall be amended as follows:

Priorities and General Provisions Relating to CCAA Charges and the Sale Advisor Charge

- [8] **ORDERS** that the Initial Order shall be amended to add the following paragraph after paragraph 47:

47.1 **DECLARES** that the Sale Advisor Charge shall have priority over all claims of unsecured creditors of such CCAA Parties, but to be subordinated to the CCAA Charges and all secured claims.

- [9] **ORDERS** that paragraphs 49 through 52 of Initial Order shall be amended as follows:

49. **DECLARES** that each of the CCAA Charges and the Sale Advisor Charge shall attach (subject to the limitations set out in paragraph 32.1 hereof), as of the Effective Time, to all present and future Property of the CCAA Parties, notwithstanding any requirement for the consent of any party to any such charge or to comply with any condition precedent.

50. **DECLARES** that the CCAA Charges and the Sale Advisor Charge and the rights and remedies of the beneficiaries of the CCAA Charges and the Sale Advisor Charge, as applicable, shall be valid and enforceable and shall not otherwise be limited or impaired in any way by: (i) these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) filed pursuant to the BIA or any bankruptcy order made pursuant to such applications or any assignments in bankruptcy made or deemed to be made in respect of any of the CCAA Parties; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any agreement, lease, sub-lease, offer to lease or other arrangement which binds the CCAA Parties (a “**Third Party Agreement**”), and notwithstanding any provision to the contrary in any Third Party Agreement:

- (a) the creation of any of the CCAA Charges and the Sale Advisor Charge shall not create or be deemed to constitute a breach by the CCAA Parties of any Third Party Agreement to which any CCAA Party is a party; and
- (b) the beneficiaries of the CCAA Charges and the Sale Advisor Charge shall not have any liability to any Person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation of the CCAA Charges.

51. **DECLARES** that notwithstanding: (i) these proceedings and the declarations of insolvency made herein, (ii) any application(s) for bankruptcy order(s) issued pursuant to the BIA or any bankruptcy order made pursuant to such applications or any assignments in bankruptcy made or deemed to be made in respect of any CCAA Party, and (iii) the provisions of any federal or provincial statute, the payments or disposition of Property made by the CCAA Parties pursuant to this Order and the granting of the CCAA Charges and the Sale Advisor Charge, do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law.

52. **DECLARES** that the CCAA Charges and the Sale Advisor Charge shall be valid and enforceable as against all Property of the CCAA Parties and against all Persons, including, without limitation, any trustee in bankruptcy, receiver, receiver and manager or interim receiver of the CCAA Parties.

- [10] **ORDERS** that the unredacted copy of the Engagement Letter (Exhibit R-2A) shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of the Court;
- [11] **ORDERS** the provisional execution of this Order notwithstanding any appeal and without the necessity of furnishing any security;

[12] **WITHOUT COSTS**, save in the case of contestation.

8451162.6

STEPHEN W. HAMILTON J.S.C.