

Wabush CCAA Parties Cash Flow Projection

Amounts in CAD in thousands (\$000s)

Week Ending Friday	22-May-15	29-May-15	5-Jun-15	12-Jun-15	19-Jun-15	26-Jun-15	3-Jul-15	10-Jul-15	17-Jul-15	24-Jul-15	31-Jul-15	7-Aug-15	14-Aug-15	13-Week
Forecast Week	1	2	3	4	5	6	7	8	9	10	11	12	13	Total
Cash Flow from Operations														
Receipts	-	-	35	-	-	-	35	-	-	-	-	35	-	104
Payroll & Employee Benefits	(32)	(204)	(62)	(77)	(62)	(83)	(154)	(102)	(36)	(108)	(97)	(132)	(36)	(1,182)
Termination & Severance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contractors	(17)	(29)	(33)	(27)	(17)	(429)	(30)	(24)	(14)	(14)	(426)	(30)	(24)	(1,114)
Utilities	(36)	(30)	(59)	(30)	(34)	(30)	(57)	(30)	(37)	(30)	(32)	(55)	(32)	(491)
Other Operating Disbursements	(90)	(129)	(113)	(31)	(37)	(53)	(101)	(37)	(31)	(39)	(124)	(51)	(50)	(882)
Operating Cash Flows	(174)	(391)	(232)	(165)	(149)	(594)	(307)	(194)	(117)	(191)	(678)	(233)	(141)	(3,566)
Restructuring Professional Fees	(200)	(200)	(200)	(200)	(200)	(263)	(200)	(200)	(200)	(200)	(263)	(200)	(200)	(2,725)
Projected Net Cash Flow	(374)	(591)	(432)	(365)	(349)	(856)	(507)	(394)	(317)	(391)	(941)	(433)	(341)	(6,291)
Beginning Cash Balance	251	127	160	104	114	140	158	151	133	190	175	109	176	251
Projected Net Cash Flow	(374)	(591)	(432)	(365)	(349)	(856)	(507)	(394)	(317)	(391)	(941)	(433)	(341)	(6,291)
Interim Financing	250	625	375	375	375	875	500	375	375	375	875	500	375	6,250
Ending Cash Balance	127	160	104	114	140	158	151	133	190	175	109	176	210	210
Interim Financing														
Beginning Balance	-	250	875	1,250	1,625	2,000	2,875	3,375	3,750	4,125	4,500	5,375	5,875	-
Draws / (Repayments)	250	625	375	375	375	875	500	375	375	375	875	500	375	6,250
Ending Balance	250	875	1,250	1,625	2,000	2,875	3,375	3,750	4,125	4,500	5,375	5,875	6,250	6,250
Interim Financing - in USD														
Beginning Balance	-	200	700	1,000	1,300	1,600	2,300	2,700	3,000	3,300	3,600	4,300	4,700	-
Draws / (Repayments)	200	500	300	300	300	700	400	300	300	300	700	400	300	5,000
Ending Balance - in USD	200	700	1,000	1,300	1,600	2,300	2,700	3,000	3,300	3,600	4,300	4,700	5,000	5,000

Notes:

- [1] The purpose of this cash flow projection is to determine the liquidity requirements of the Wabush CCAA Parties during the forecast period.
- [2] Forecast receipts consist of storage fees from the Bloom Lake CCAA Parties for the storage of certain assets at Pointe Noire and are based on the amounts and payment terms of the underlying agreement.
- [3] Forecast Payroll & Employee Benefits disbursements are forecast based on current staffing levels and recent payroll amounts, and do not include any payments in respect of post-employment benefits nor other restricted payments described in section 25(h) of the Interim Financing Term Sheet.
- [4] Forecast disbursements in respect of Contractors consist primarily of environmental monitoring and containment activities related to the Scully mine and the Pointe Noire facilities, and are assumed to be paid when services are rendered.
- [5] Forecast Utilities disbursements consist primarily of hydro costs to maintain the Scully Mine and Pointe Noire facilities and reflect current payment terms, rates and estimated consumption over the forecast period.
- [6] Forecast Other Operating Disbursements reflect costs of on-going monitoring and maintenance of the Scully mine and Pointe Noire facilities not reflected in other line items. The timing of Other Operating Disbursements is assumed to be cash on delivery.
- [7] Forecast Restructuring Professional Fees consist of legal, financial and sale advisor fees associated with the CCAA proceedings based on estimates obtained from the relevant advisors.
- [8] The cash flow projection includes draws/(repayments) under the proposed Interim Financing from Cliffs Mining Company, and is subject to Court approval.
- [9] Forecast amounts denominated in U.S. dollars are converted to Canadian dollars at the rate of USD 0.80/CAD.