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December 17, 2015  
N° de dossier : 302521. 1

**WITHOUT PREJUDICE  
BY EMAIL**

**Norton Rose Fullbright LLP**  
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Attention: Sylvain Rigaud  
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**Bloom Lake CCAA Parties**  
bloomlake@fticonsulting.com

**Wabush CCAA Parties**  
wabush@fticonsulting.com

**Objet :** In the matter of the restructuring of Bloom Lake General Partner Limited, Quinto Mining Corporation, 856839 Canada Limited, Cliffs Quebec Iron Mining ULC, Bloom Lake Railway Company Limited, The Bloom Lake Iron Ore Mine Limited Partnership under the *Companies' Creditors Arrangement Act*

**&**

In the matter of the restructuring of Wabush Iron Co. Limited, Wabush Resources Inc., Wabush Mines, Arnaud Railway Company, Wabush Lake Railway Company Limited under the *Companies' Creditors Arrangement Act*

All,

We represent *Administration Portuaire de Sept-Îles / Sept-Îles Port Authority* (“SIPA”) in the present matter, including with respect to the ongoing claim process.

We refer to the proof of claim of SIPA (the “Claim”) filed as of the date hereof with the Monitor *FTI Consulting Inc.* (“Monitor”), and to which this letter is attached thereto as “Attachment 13”. All capitalized terms in this letter have the meaning ascribed to such terms in the Claim and the order issued by the Superior Court of Quebec on November 16, 2015 in the present matter.

We would like to bring to your attention certain claims of SIPA that are related to the Claim, but that constitute “Excluded Claim” pursuant to the 4.36 of the *Amended Claims Procedure Order* issued by the Quebec Superior Court on November 16, 2015 (the “Claims Procedure Order”).

**1. Lease 474-46 Claim (i.e. Lease “Relance”)**

The Claim contains an unsecured claim of \$35,243.50 CAD against Wabush Mines, with respect to amounts owed to SIPA by Wabush Mines pursuant to the lease of certain lands of SIPA (25 000 square meters at the dock « Quai de la Relance ») by Wabush Mines (i.e. the Lease 474-46 Claim”).

See Attachments 1, 3, 4, 5 and 6 in this respect.

That being said, as indicated in Attachment 3, the claim of SIPA with respect to Lease 474-46 would normally be for an amount of \$46,146.28, when considering the amounts owed for which the liability of Wabush Mines was incurred on or after the Determination Date of May 20, 2015.

As such, please note that the claim of SIPA constituting an Excluded Claim and for which SIPA is not required to file a proof of claim pursuant to paragraph 33 of the Claims Procedure Order is \$10,902.78. SIPA reserves all of its rights with respect to this amount owed by Wabush Mines.

**2. Lease 474-109 Claim (Lease 2009)**

The Claim contains an unsecured claim of \$16,377.66 CAD against Cliffs Quebec Iron Mining ULC (“Cliffs Quebec”), with respect to amounts owed to SIPA by Cliffs Quebec pursuant to the Lease #474-109.

See Attachments 8, 10, 11 and 12 in this respect.

That being said, as indicated in the Claim of SIPA with respect to Lease 474-109, SIPA's claim in that respect would normally be for an amount of \$221,401.76, when considering the amounts owed for which the liability of Cliffs Quebec was incurred on or after the Determination Date of January 27, 2015, the whole in accordance with paragraph 19 of the Lease 474-109.

As such, please note that the claim of SIPA constituting an Excluded Claim and for which SIPA is not required to file a proof of claim pursuant to paragraph 33 of the Claims Procedure Order is \$205,024.10. SIPA reserves all of its rights with respect to this amount owed by Cliffs Quebec.

### 3. MOU 1998 Claim

We wish to bring to your attention the Excluded Claim of SIPA for an amount of \$505,609.18 CAD, (the "MOU 1998 Claim").

The MOU 1998 Claim is a claim with respect to amounts owed to SIPA by Wabush Mines pursuant to the Memorandum of Agreement entered into on September 24, 1998 between Wabush Iron, Stelco Inc., Dofasco Inc. (predecessors of Wabush Mines) and SIPA (as successor to Canada Ports Corporation) (the "MOU 1998"), attached hereto as "Attachment 7A".

Pursuant to section 13 of the MOU 1998, Wabush Mines agreed to pay a minimum guaranteed annual wharfage and berthage charge of \$300,000 per annum plus any applicable GST and QST for 40 years for manganese and iron ore placed on board vessels at the west section of the dock belonging to the Port of Sept-Îles, and said minimum charge or any pro rata amount, as applicable, shall be paid within 30 days from the end of the calendar year.

Pursuant to section 14 of the MOU 1998, this minimum guaranteed amount is subject to an annual increase of maximum 2% per annum. As such, SIPA represents that the minimum amount owed for 2015 under the MOU 1998 is \$505,609.18, taxes included See an invoice #20751 dated October 30, 2015 attached hereto as "Attachment 7B".

The Determination Date is May 20, 2015 with respect to Wabush Mines. The guaranteed minimum payment is incurred upon the end of the calendar year whether or not there are operations at the dock, as per the MOU 1998 (see notably paragraph 13 of the MOU 1998). As such, SIPA holds an Excluded Claim against Wabush Mines with respect to the MOU 1998 for an amount of \$505,609.18 CAD. SIPA reserves all of its rights with respect to this amount owed by Wabush Mines.

Please do not hesitate to contact the undersigned for any question with respect to this letter and SIPA's Claim.

Best regards,

**FASKEN MARTINEAU DuMOULIN S.E.N.C.R.L., s.r.l.**



Guillaume-Pierre Michaud

Encl.

c. c. : Pierre Gagnon, President and Chief Executive Office, SIPA  
Patsy Keays, Head of Corporate Affairs, APSI