

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
Commercial Division

File: No: 500-11-048114-157

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

**BLOOM LAKE GENERAL PARTNER
LIMITED, QUINTO MINING
CORPORATION, CLIFFS QUÉBEC IRON
MINING ULC, WABUSH IRON CO.
LIMITED AND WABUSH RESOURCES
INC.**

Petitioners

- and -

**THE BLOOM LAKE IRON ORE MINE
LIMITED PARTNERSHIP, BLOOM
LAKE RAILWAY COMPANY LIMITED,
WABUSH MINES, ARNAUD RAILWAY
COMPANY AND WABUSH LAKE
RAILWAY COMPANY LIMITED**

Mises-en-cause

- and -

FTI CONSULTING CANADA INC.

Monitor

**FIFTY-SIXTH REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR**

INTRODUCTION

1. On January 27, 2015, Bloom Lake General Partner Limited (“**BLGP**”), Quinto Mining Corporation (“**Quinto**”), 8568391 Canada Limited (“**856**”) and Cliffs Québec Iron Mining ULC (“**CQIM**”) (collectively, the “**Bloom Lake Petitioners**”) sought and obtained an initial order (as amended, restated or rectified from time to time, the “**Bloom Lake Initial Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) from the Superior Court of Québec (the “**Court**”), providing for, *inter alia*, a stay of proceedings against the Bloom Lake Petitioners until February 26, 2015, (the “**Bloom Lake Stay Period**”) and appointing FTI Consulting Canada Inc. as monitor (the “**Monitor**”). The relief granted in the Bloom Lake Initial Order was also extended to The Bloom Lake Iron Ore Mine Limited Partnership (“**BLLP**”) and Bloom Lake Railway Company Limited (“**BLRC**” and, together with the Bloom Lake Petitioners, the “**Bloom Lake CCAA Parties**”). The proceedings commenced under the CCAA by the Bloom Lake CCAA Parties will be referred to herein as the “**CCAA Proceedings**”.
2. On May 20, 2015, the CCAA Proceedings were extended to include Wabush Iron Co. Limited (“**WICL**”), Wabush Resources Inc. (“**WRI**” and together with WICL, the “**Wabush Petitioners**”), Wabush Mines, Arnaud Railway Company (“**Arnaud**”) and Wabush Lake Railway Company Limited (“**Wabush Railway**” and, together with the Wabush Petitioners, the “**Wabush CCAA Parties**”) pursuant to an initial order (as amended, restated or rectified from time to time, the “**Wabush Initial Order**”) providing for, *inter alia*, a stay of proceedings against the Wabush CCAA Parties until June 19, 2015, (the “**Wabush Stay Period**”). The Bloom Lake CCAA Parties and the Wabush CCAA Parties will be referred to collectively herein as the “**CCAA Parties**”.
3. The Bloom Lake Stay Period and the Wabush Stay Period (together, the “**Stay Period**”) have been extended from time to time and currently expire on May 31, 2020.

4. On November 5, 2015, Mr. Justice Hamilton J.S.C. (as he then was) granted an Order (the “**Claims Procedure Order**”) approving a procedure for the submission, evaluation and adjudication of claims against the CCAA Parties and their current and former directors and officers (as amended, the “**Claims Procedure**”).
5. On March 26, 2018, Mr. Justice Hamilton J.S.C. (as he then was) granted an Order (the “**Post-Filing Claims Procedure Order**”) approving a procedure for the submission, evaluation and adjudication of claims against the CCAA Parties or their directors and officers arising since the commencement dates of the CCAA Proceedings (the “**Post-Filing Claims Procedure**”).
6. On June 29, 2018, Mr. Justice Hamilton J.S.C. (as he then was) granted an Order (the “**Sanction Order**”), *inter alia*, sanctioning the amended and restated joint plan of compromise and arrangement of the Participating CCAA Parties dated May 16, 2018 (as amended from time to time, the “**Plan**”).
7. On July 31, 2018, the Monitor issued and filed the Plan Implementation Date Certificate, *inter alia* certifying that:
 - (a) The Monitor had received from each of the Participating CCAA Parties and the Parent, the applicable Conditions Certificate confirming fulfilment or waiver of the conditions precedent to implementation of the Plan as set out in Section 11.3 of the Plan, and in accordance with the Sanction Order, and
 - (b) The Plan Implementation Date had occurred in accordance with the Plan.

8. The first interim distributions to Affected Third Party Unsecured Creditors were made from each of the Unsecured Creditor Cash Pools and Pension Cash Pools in August and September 2018¹, with approximately \$132.4 million being distributed to Affected Third Party Unsecured Creditors pursuant to the Plan.
9. To date, the Monitor has filed fifty-five reports in respect of various aspects of the CCAA Proceedings. The purpose of this, the Monitor's Fifty-Sixth Report (this "**Report**"), is to provide information to the Court with respect to:
 - (a) The receipts and disbursements of the CCAA Parties for the period November 1, 2020 to April 30, 2021;
 - (b) The CCAA Parties' current cash balances;
 - (c) The progress of the Claims Procedure;
 - (d) Matters completed since the date of the Monitor's Fifty-Fifth Report;
 - (e) The second interim distribution under the Plan (the "**Second Interim Distribution**");
 - (f) The progress of ongoing matters to be completed in the CCAA Proceedings;
 - (g) The CCAA Parties' request for an expansion of the Monitor's powers to enable the Monitor to obtain information necessary to ensure that the CCAA Parties are able to recover fair value for their interests in Twin Falls Power Corporation Limited ("**Twin Falls**") for the benefit of the CCAA Parties' creditors (the "**Expanded Powers Motion**"); and

¹ Distributions on account of the Salaried Late Employee Claims and the USW Late Employee Claims were made in January 2019.

- (h) The CCAA Parties' request for an extension of the Stay Period to November 30, 2021 (the "**Stay Extension Motion**"), and the Monitor's recommendation thereon.

TERMS OF REFERENCE

- 10. In preparing this Report, the Monitor has relied upon unaudited financial information of the CCAA Parties, the CCAA Parties' books and records, certain financial information prepared by the CCAA Parties and discussions with various parties (the "**Information**").
- 11. Except as described in this Report:
 - (a) The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) The Monitor has not examined or reviewed financial forecasts and projections referred to in this Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
- 12. The Monitor has prepared this Report in connection with the Stay Extension Motion which is scheduled to be heard May 21, 2021, and should not be relied on for other purposes.
- 13. Future oriented financial information reported or relied on in preparing this Report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.

14. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms not otherwise defined herein have the meanings defined in the previous reports of the Monitor or the Plan.

EXECUTIVE SUMMARY

THE EXPANDED POWERS MOTION

15. In summary, and for the reasons set out in this Report, it is the Monitor's view that:
- (a) Despite the efforts of the CCAA Parties and the Monitor to obtain the information necessary to determine and realize an appropriate value for the CCAA Parties' interest in Twin Falls on a consensual and cooperative basis, Twin Falls and its representatives have continued to refuse to provide such information;
 - (b) Such information is necessary to ensure that a fair and reasonable value can be realized from the CCAA Parties' interest in Twin Falls for the benefit of the CCAA Parties' creditors; and
 - (c) The expanded powers that the CCAA Parties have requested be granted to the Monitor are reasonable and necessary in the circumstances.
16. The Monitor therefore respectfully recommends that this Honourable Court grant the CCAA Parties' request for an Order expanding the powers of the Monitor.

REQUEST FOR EXTENSION OF STAY PERIOD

17. In summary, and for the reasons set out in this Report, it is the Monitor's view that:
- (a) The CCAA Parties have acted, and are acting, in good faith and with due diligence; and
 - (b) Creditors of the CCAA Parties would not be materially prejudiced by an extension of the Stay Period to November 30, 2021.

18. The Monitor therefore respectfully recommends that this Honourable Court grant the CCAA Parties' request for an extension of the Stay Period to November 30, 2021.

RECEIPTS & DISBURSEMENTS FOR THE PERIOD TO APRIL 30, 2021

19. The CCAA Parties' actual cash flow on a consolidated basis for the period from November 1, 2020 to April 30, 2021, is summarized below:

	Bloom Lake CCAA Parties	Wabush CCAA Parties
	\$000	\$000
Receipts	48	12
Operating Disbursements	(4)	
Operating Cash Flows	44	12
Net Tax Refunds	94	1,341
Allocation Methodology Transfers	546	(546)
Restructuring Professional Fees	(1,195)	(484)
Net Cash Flow	(511)	323

20. Receipts are the interest earned on funds held by the Monitor.
21. Operating disbursements consist of records storage costs and bank charges.
22. Net Tax Refunds are comprised of income tax refunds of \$1,093,064.88, tax security refunds of \$143,350.65, GST/HST refunds of \$134,570.50 and QST refunds of \$64,466.76.

23. Primary activities giving rise to Restructuring Professional Fees during the period included dealing with the various tax authorities in respect of income and sales tax issues, including obtaining the Net Tax Refunds and successfully challenging the position of CRA that as previously reported could, if it had prevailed, have resulted in material tax liabilities which, in the worst case scenario, could have exceeded the amount of cash held by the Monitor on behalf of the CCAA Parties. In addition, significant efforts were expended to progress the realization of the CCAA Parties' interest in Twin Falls. The break-down of Restructuring Professional Fees is summarized as follows:

	Bloom Lake CCAA Parties	Wabush CCAA Parties
	\$000	\$000
Company counsel	476	301
Company tax advisors	22	54
Monitor	377	62
Monitor's counsel	320	60
Representative Counsel		7
Net Cash Flow	1,195	484

CURRENT CASH BALANCES

24. As previously reported, all transactions are being processed through the Monitor's accounts on behalf of the CCAA Parties. As at April 30, 2021, the Monitor held approximately \$38.7 million on behalf of the Bloom Lake CCAA Parties and approximately \$8.9 million on behalf of the Wabush CCAA Parties, each net of unrepresented cheques and uncashed distributions.
25. 36 payments in the aggregate amount of \$111,793.03 issued in respect of the interim distributions under the Plan remain uncashed. The distributions will be reissued on the request of the creditor entitled to such payment or together with the final distributions under the Plan.

THE CLAIMS PROCEDURE

26. All claims filed pursuant to the Claims Procedure Order have now been finally determined, with the exception of claims of taxation authorities which may be affected by the outcome of various unresolved tax matters, including the Set-Off Motion.

MATTERS COMPLETED SINCE THE MONITOR'S FIFTY-FIFTH REPORT

27. Several open matters have been completed since the date of the Monitor's Fifty-Fifth Report, summarized as follows:

THE CSF CLAIMS

28. As previously reported, following the execution of the settlement agreement with City of Vermont, the Monitor and CSF reached an agreement in principle settling the claims of CSF and the CSF Claim Amendment Motion, subject to determination of the amount that will be paid to CSF on account of their secured claims and the execution of definitive documentation. That determination was dependent on the resolution of issues raised by CRA in respect of the CCAA Parties' 2018 income tax returns which, as discussed later in this Report, has now been resolved. Accordingly, execution copies of the settlement agreement have now been circulated for signature by the parties.

CRA AND RQ TAX AUDITS AND OTHER TAX MATTERS

29. In its Fifty-Fifth Report, the Monitor reported on the postponement of the Second Interim Distribution as a consequence of positions taken by CRA in respect of the CCAA Parties' 2018 tax returns.

30. As a result of the additional submissions and documentation provided by the CCAA Parties and various discussions between CRA, the CCAA Parties and the Monitor, CRA has accepted the CCAA Parties' position that there is no tax payable. The CCAA Parties believe that, in conjunction with the resolution of the 2018 matters, all outstanding CRA audits in respect of the pre-filing 2010-2015 taxation period for the CCAA Parties have now been completed. This was confirmed orally by the CRA to the CCAA Parties' advisors on May 5, 2021 and the CCAA Parties have requested written confirmation of same from CRA.
31. Income tax audits of Arnaud for 2016 and 2017 have been completed and a refund of approximately \$42,000 has been collected.
32. Sales tax credits of approximately \$98,000 for Wabush Mines were applied by CRA against income taxes assessed against CMC, rather than being refunded to Wabush Mines. That issue has now been resolved and the Monitor expects to be in receipt of the funds in the near future.
33. An income tax refund of approximately \$1.1 million was successfully collected following the completion of tax matters with respect to 7261489 Canada Inc., which had merged with WRI some time before the commencement of the CCAA Proceedings.

THE SECOND INTERIM DISTRIBUTION

34. As noted earlier in this Report, CRA has accepted the CCAA Parties' position with respect to the 2018 tax returns that there is no tax payable.

35. Accordingly, the Monitor has proceeded with preparations for the Second Interim Distribution, which is expected to be issued on or around May 17, 2021. An aggregate of approximately \$1.7 million will be distributed on account of Secured Claims and approximately \$27.4 million will be distributed on account of Proven Unsecured Claims. In addition, the Monitor will be issuing payments on account of unpaid First Interim Distributions in the aggregate amount of approximately \$0.6 million.
36. The Second Interim Distribution as a percentage of Proven Unsecured Claim for each Unsecured Creditor Class under the Plan is as follows:

Class	Distribution %
CQIM/Quinto Unsecured Creditor Class	1.950%
BL Parties Unsecured Creditor Class	1.574%
Wabush Mines Parties Unsecured Creditor Class	1.388%
Arnaud Unsecured Creditor Class	0.833%
Wabush Railway Unsecured Creditor Class	0.000%

ONGOING MATTERS TO BE COMPLETED IN THE CCAA PROCEEDINGS

37. Apart from the Final Distributions as defined in and to be made pursuant to the Plan, the key matters to be completed in the CCAA Proceedings are summarized as follows:
- (a) The completion of various RQ tax audits, assessments and other tax-related matters, reconciliation of credits applied by RQ and the collection of any remaining refund amounts owing to the CCAA Parties;
 - (b) The resolution of matters in respect of the shares of Twin Falls held by WRI and WICL;
 - (c) The hearing and determination by the Court of the Set-Off Motion (as defined hereinafter);

- (d) The issuance of tax reporting slips in respect of the Second Interim Distribution and any further distributions to Employees under the Plan;
- (e) Destruction of books and records, as described in the Stay Extension Motion;
- (f) The filing of final tax returns;
- (g) The dissolution of the CCAA Parties after the Final Distribution, if appropriate, as contemplated by the Plan; and
- (h) The completion of the necessary statutory and administrative steps for the termination of the CCAA Proceedings and the discharge of the Monitor.

RQ TAX AUDITS AND OTHER TAX MATTERS

- 38. Despite the best efforts of the Monitor and the CCAA Parties, the pace of activity by RQ remained slow for the bulk of the period, although matters seem to have accelerated somewhat in recent weeks.
- 39. RQ has informed the Monitor that it has completed most of the audits and issued a number of notices of assessment in late April. However, insufficient information has been provided to the Monitor to determine whether to accept the assessments, whether credits have been appropriately treated and what refunds are still owed. The Monitor has requested additional information from RQ.
- 40. The other key open tax matters are summarized as follows:

- (a) As previously reported, RQ is seeking to set off various input tax credits claimed on account of distributions related to claims arising from the disclaimer of contracts² during the CCAA Proceedings against pre-filing amounts owing. This issue is the subject of the Monitor's motion for directions with respect to setoff and damage payment input tax credits which is expected to be heard in August 2021 (the "**Set-off Motion**") as further described later in this Report;
- (b) The appeal of the disallowance by RQ of input tax credits for October 2016 to January 2017 claimed by Wabush Mines through its managing agent, CMC; and
- (c) A new audit of the BLLP sales tax return for February 2021 of which RQ notified the Monitor on April 28, 2021.

TWIN FALLS SHARES

- 41. Details of the CCAA Parties' interest in Twin Falls have been provided in previous reports of the Monitor, most recently in the Fifty-Fifth Report, and in materials filed with the Court by the CCAA Parties, including the Twin Falls Motion.
- 42. The Twin Falls Motion was filed on November 16, 2020, and seeks the issuance of an Order:
 - (a) Confirming Churchill Falls' liability for the maintenance obligations and environmental liabilities related to the Twinco Plant (as defined in the Twin Falls Motion) from and after July 1, 1974;

² Pursuant to section 182(1) of the *Excise Tax Act* and section 318 of the *Québec Sales Tax Act*, such payments are deemed to include sales taxes.

- (b) Compelling an accounting from Twin Falls of all monies expended by Twin Falls in respect of maintenance and environmental costs that have not been reimbursed by Churchill Falls pursuant to its indemnity and maintenance obligations (collectively, the “**Reimbursable Environmental/Maintenance Costs**”);
 - (c) Directing Churchill Falls to reimburse all Reimbursable Environmental/Maintenance Costs (the amount to be reimbursed being the “**CFLCo Reimbursement**”) to Twin Falls for distribution to the shareholders as part of the winding up and dissolution of Twin Falls;
 - (d) Directing the winding up and dissolution of Twin Falls pursuant to section 214 and/or section 241(3)(l) of the CBCA and a distribution of:
 - (i) The Twinco Cash (as defined in the Twin Falls Motion) net of all reasonable fees and expenses incurred by Twinco to implement and complete its wind up and dissolution; and
 - (ii) The CFLCo Reimbursement to Twin Fall’s shareholders, including WICL and WRI, on a *pro rata* basis;
 - (e) In the alternative to the wind up and dissolution of Twin Falls, directing Twin Falls and/or Churchill Falls to purchase the shares of Twin Falls held by WRI and WICL pursuant to section 214(2) and/or section 241(3)(f) of the CBCA for a purchase price equal to the amount of Wabush’s pro rata share of the Twinco Cash and the CFLCo Reimbursement.
43. On January 15, 2021, Twinco filed a motion to dismiss the CBCA Motion (the “**Twinco Dismissal Motion**”) and CFLCo filed a contestation of the CBCA Motion (the “**CFLCo Contestation**”).

44. On January 21, 2021, CFLCo filed an application for the liquidation of Twinco in the Supreme Court of Newfoundland & Labrador (the “**Newfoundland Court**”) to be heard on February 23, 2021 (the “**Twinco Liquidation Application**”).
45. Subsequently, the parties agreed to seek adjournments of the CBCA Motion, the Twinco Dismissal Motion, the CFLCo Contestation and the Twinco Liquidation Application (the “**Adjourned Proceedings**”) *sine die* in order to permit the parties to attempt settlement discussions. It was agreed that that any of the adjourned motions could be brought back on 14 days’ prior notice.
46. On January 27, 2021, the CCAA court adjourned the CBCA Motion, Twinco Dismissal Motion and CFLCo Contestation *sine die*. An adjournment of the Twinco Liquidation Application *sine die* was obtained on February 22, 2021.
47. The CCAA Parties and the Monitor understood that as part of the agreement on the adjournments, Twinco would provide information to assist the CCAA Parties and the Monitor in their assessment of the situation. A letter requesting certain information was sent by counsel to the CCAA Parties to Twinco and CFLCo on February 1, 2021.
48. On February 4, 2021, counsel to the CCAA Parties received a response from Twinco’s counsel stating, *inter alia*, that Twinco had not agreed to providing the requested information, and that counsel would seek instructions from Twinco’s directors as to whether to undertake the process of review and compilation of the requested documents.
49. On February 5, 2021, counsel to the CCAA Parties received a response from CFLCo's counsel, *inter alia*, denying that CFLCo or Twinco had agreed to provide the requested information.
50. On February 16, 2021, counsel to the CCAA Parties received two further letters from Twinco’s counsel. The first letter advised that:

- (a) Counsel had requested instructions from Twinco's directors, who directed it to make available Twinco's financial statements from 2013 – 2019 (which financial statements were provided as attachments to the second letter, despite them not having been requested by the CCAA Parties because they were already in possession of those financial statements); and
 - (b) The directors did not believe there was any obligation or use in undertaking the review that would be required in order to be able to provide the remainder of the requested information.
51. Further attempts were made by counsel to the CCAA Parties and counsel to the Monitor to find a way forward on a consensual basis but it became clear that neither Twinco nor CFLCo would cooperate and matters were at an impasse.
52. Without additional information and documentation, neither the CCAA Parties nor the Monitor will be able to properly determine the potential value of the CCAA Parties' interest in Twin Falls, make any considered settlement proposals, assess any proposals that may be forthcoming from Twin Falls or CFLCo or even ensure that appropriate value is realized from the wind-up of Twin Falls.
53. Accordingly, the CCAA Parties, in consultation with the Monitor, determined that it was necessary to bring back on the Twin Falls Motion³ and file the Expanded Powers Motion, which is discussed in further detail later in this Report.

THE SET-OFF MOTION

54. Capitalized terms used in this section of this Report not otherwise defined are as defined in the Set-Off Motion.

³ Notice of the bringing back of the Twin Falls Motion was provided to Twin Falls and CFLCo on May 6, 2021.

55. The Set-Off Motion was filed by the Monitor on January 18, 2021, and seeks an Order declaring that:
- (a) the 296 Claims constitute pre-filing claims;
 - (b) the Damage Payment ITCs constitute post-filing amounts;
 - (c) RQ (acting on its behalf and on behalf of CRA) cannot setoff the 296 Claims against the Damage Payment ITCs owed by RQ (and CRA) to CQIM;
 - (d) RQ shall, without setoff of any kind pay, to the Monitor, on behalf of the CCAA Parties and their creditors, all Damage Payment ITCs validly claimed by any of the CCAA Parties in respect of the First Interim Distribution, including without limitation, the Damage Payment ITCs claimed by CQIM in the amount of \$7,459,257.85, together with interest at the legal rate and the additional indemnity from and after the date at which each of the Damage Payment ITCs claimed became payable, until paid in full to the Monitor on behalf of the CCAA Parties; and
 - (e) RQ (acting on its behalf and on behalf of CRA) shall without setoff of any kind pay to the Monitor, on behalf of the CCAA Parties and their creditors, all Damage Payment ITCs validly claimed by any of the CCAA Parties with respect to all future distributions under the Plan.
56. Based on the latest positions communicated by RQ, the Monitor estimates that RQ is asserting that it is entitled to set-off against pre-filing unsecured claims in excess of \$8 million of input tax credits which the Monitor believes are post-filing refunds owing to the CCAA Parties. Pursuant to the provisions of the Plan, the refunds arising from those input tax credits would otherwise be distributed to unsecured creditors with Proven Claims. As set out in the Set-Off Motion, the Monitor does not believe that RQ's position is supported by fact or law.

57. RQ's contestation of the Set-Off Motion is to be filed by no later than May 14, 2021. It is currently anticipated that the Set-Off Motion will be heard in August 2021.

FINAL DISTRIBUTIONS

58. The timing and quantum of the Final Distribution is dependent on the resolution of the various outstanding matters in the CCAA Proceedings, including the various realization of the CCAA Parties' interest in Twin Falls, the collection of tax refunds believed to be owing and the final determination of the Set-Off Motion. The timing for resolution of these matters is uncertain and largely outside of the control of the Monitor and the CCAA Parties.

THE EXPANDED POWERS MOTION

59. Capitalized terms used in this section of this Report not otherwise defined are as defined in the Expanded Powers Motion.
60. The Expanded Powers Motion seeks the issuance of an Order expanding the powers of the Monitor so that it may, directly or through its counsel, do the following:
- (a) Compel the production, from time to time, from any Person having possession, custody or control of any books, records, accountings, documents, correspondences or papers, electronically stored or otherwise, relating to the Twinco Interest, CFLCo Indemnity and CFLCo Maintenance Obligations, including the Twinco Requested Information (the "**Requested Information**") in respect of the period from and after January 1, 2010 and such earlier periods as may be approved by further order of the Court (the "**Disclosure Period**");
 - (b) Require any Requested Information to be delivered within thirty (30) days of the Monitor's request or such longer period as the Monitor may agree to in its discretion; and

- (c) Conduct investigations from time to time, including examinations under oath of any Person reasonably thought to have knowledge relating to the Requested Information, in respect of the Disclosure Period.
61. The CCAA Parties have been trying to recover value on the interests in Twin Falls since before the commencement of the CCAA Proceedings with no success. As noted earlier in this Report, efforts to try to progress Twin Falls on a consensual basis have reached an impasse.
62. Without additional information and documentation, neither the CCAA Parties nor the Monitor will be able to properly determine the potential value of the CCAA Parties' interest in Twin Falls, make any considered settlement proposals, assess any proposals that may be forthcoming from Twin Falls or CFLCo or even ensure that appropriate value is realized from the wind-up of Twin Falls.
63. It is the Monitor's view that:
- (a) Despite the efforts of the CCAA Parties and the Monitor to obtain the information necessary to determine and realize an appropriate value for the CCAA Parties' interest in Twin Falls on a consensual and cooperative basis, Twin Falls and its representatives have continued to refuse to provide such information;
 - (b) Such information is necessary to ensure that a fair and reasonable value can be realized from the CCAA Parties' interest in Twin Falls for the benefit of the CCAA Parties' creditors; and
 - (c) The expanded powers that the CCAA Parties have requested be granted to the Monitor are reasonable and necessary in the circumstances.
64. The Monitor therefore respectfully recommends that this Honourable Court grant the CCAA Parties' request for an Order expanding the powers of the Monitor.

REQUEST FOR EXTENSION OF STAY PERIOD

65. The Stay Period currently expires on May 31, 2021. Additional time is required for the CCAA Parties and the Monitor to complete the activities necessary to finalize the CCAA Proceedings, including the activities described earlier in this Report.
66. The CCAA Parties now seek an extension of the Stay Period to November 30, 2021.
67. As the CCAA Parties no longer have any operations, future receipts and disbursements, other than the legal and professional costs of the CCAA Proceedings, will be *de minimis*. Accordingly, consistent with the approach taken in connection with previous extensions of the Stay Period, no weekly cash forecast has been prepared for the proposed extension of the Stay Period as such a weekly forecast would provide no meaningful information.
68. The CCAA Parties have sufficient liquidity to fund the CCAA Proceedings during the requested extension of the Stay Period.
69. Based on the information currently available, the Monitor believes that creditors of the CCAA Parties would not be materially prejudiced by an extension of the Stay Period to November 30, 2021.
70. The Monitor also believes that the CCAA Parties have acted, and are acting, in good faith and with due diligence.
71. The Monitor therefore respectfully recommends that this Honourable Court grant the CCAA Parties' request for an extension of the Stay Period to November 30, 2021.

The Monitor respectfully submits to the Court this, its Fifty-Sixth Report.

Dated this 14th day of May, 2021.

FTI Consulting Canada Inc.

In its capacity as Monitor of

Bloom Lake General Partner Limited, Quinto Mining Corporation,

Cliffs Québec Iron Mining ULC,

Wabush Iron Co. Limited, Wabush Resources Inc.,

The Bloom Lake Iron Ore Mine Limited Partnership,

Bloom Lake Railway Company Limited, Wabush Mines,

Arnaud Railway Company and Wabush Lake Railway Company Limited



Nigel D. Meakin

Senior Managing Director