

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, 8568391 CANADA
LIMITED, 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

**NINETEENTH 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 (“**Bloom Lake GP**”), Quinto Mining Corporation, 8568391 Canada Limited 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 Quebec (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 (“**Bloom Lake LP**”) and Bloom Lake Railway Company Limited (together with Bloom Lake LP, the “**Bloom Lake Mises-en-Cause**” 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 and Wabush Lake Railway Company Limited (collectively the “**Wabush Mises-en-Cause**” 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**”) and approving an interim financing term sheet dated May 19, 2015 (as amended, the “**Interim Financing Term Sheet**”), providing an interim facility of up to US\$10 million (the “**Interim Financing**”). 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 expires on April 22, 2016.
4. On April 17, 2015, Mr. Justice Hamilton J.S.C. granted an Order (the “**SISP Order**”) approving, as it relates to the Bloom Lake CCAA Parties, a sale and investor solicitation process (as may be amended from time to time, the “**SISP**”) involving the business and assets of the Bloom Lake CCAA Parties. The SISP was subsequently amended and restated to reflect the inclusion of the Wabush CCAA Parties in the CCAA Proceedings and was approved *nunc pro tunc* as it relates to the Wabush CCAA Parties pursuant to an Order granted June 9, 2015 (together with the April 17, 2015 Order, the “**SISP Order**”).
5. On June 22, 2015, Mr. Justice Hamilton J.S.C. granted an Order (the “**June 22 Rep Order**”) *inter alia*:

- (a) Appointing Michael Keeper, Terence Watt, Damin Lebel and Neil Johnson as representatives (the “**Representatives**”) of the Salaried Members (as defined in the June 22 Rep Order); and
 - (b) Appointing Koskie Minsky LLP and Nicholas Scheib (collectively “**Representative Counsel**”) as legal counsel to the Representatives.
6. On November 5, 2015, Mr. Justice Hamilton J.S.C. granted an 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 Order**”).
7. To date, the Monitor has filed eighteen reports in respect of various aspects of the CCAA Proceedings. The purpose of this, the Monitor’s Nineteenth 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 January 9 to March 25, 2016;
 - (b) The CCAA Parties’ revised and extended cash flow forecast for the period March 26, 2016 to September 30, 2016 (the “**April 8 Forecast**”);
 - (c) The current status of the realization of assets, including:
 - (i) The Pointe-Noire Transaction;
 - (ii) The Block Z Transaction;
 - (iii) The Bloom Lake Transaction;
 - (iv) The remaining Bloom Lake equipment;
 - (v) The Wabush Mine;

- (vi) The Restructuring Letter of Intent;
- (vii) Sundry remaining assets;
- (d) The appointment by the applicable regulators of independent administrators for the Wabush Pension Plans;
- (e) The progress of the Claim Procedure and Claims and D&O Claims filed by the Claims Bar Date and the D&O Claims Bar Date respectively;
- (f) The current status of the Monitor's review of the 2014 Reorganization;
- (g) The current status of the Fisheries Summonses Hearing;
- (h) The current status of the MFC Litigation;
- (i) The current status of the Beumer Litigation;
- (j) The motion filed by the Sept-Îles Port Authority ("**SIPA**") on March 29, 2016, for *inter alia* an Order for the payment of certain claims (the "**SIPA Claims**") by certain of the CCAA Parties (the "**SIPA Claims Motion**");
- (k) The motion filed by the USW for payments to be made to six bargaining unit employees that were working at the Pointe-Noire facility prior to the completion of the Pointe-Noire Transaction in lieu of normal cost pension contributions that could not be made following the termination of the Wabush Pension Plans (the "**USW Emoluments Motion**"); and
- (l) The CCAA Parties' request for an extension of the Stay Period to September 30, 2016 and the Monitor's recommendation thereon.

TERMS OF REFERENCE

8. 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**").
9. 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.
10. The Monitor has prepared this Report in connection with the CCAA Parties' motion for an extension of the Stay Period scheduled to be heard April 20, 2016 (the "**April 20 Extension Motion**"). The Report should not be relied on for other purposes.
11. 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.
12. 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 Bloom Lake Initial Order, the Wabush Initial Order or previous reports of the Monitor.

EXECUTIVE SUMMARY

13. Capitalized terms used in the Executive Summary are as defined in the relevant section of the Report.
14. The Monitor is of the view that:
 - (a) The CCAA Parties have acted, and are acting, in good faith and with due diligence;
 - (b) Circumstances exist that make an extension of the Stay Period appropriate; and
 - (c) Creditors would not be materially prejudiced by an extension of the Stay Period to September 30, 2016.
15. Accordingly, the Monitor respectfully recommends that the CCAA Parties' request for an extension of the Stay Period to September 30, 2016 be granted.

RECEIPTS & DISBURSEMENTS FOR THE PERIOD TO MARCH 25, 2016

THE BLOOM LAKE CCAA PARTIES

16. The Bloom Lake CCAA Parties' actual cash flow on a consolidated basis for the period from January 9 to March 25, 2016, excluding proceeds of asset realizations, was approximately \$1.3 million better than the January 19 Forecast before foreign exchange losses, as summarized below:

	Forecast	Actual	Variance
	\$000	\$000	\$000
Receipts	345	236	(109)
Disbursements:			
Payroll & Employee Benefits	(1,744)	(1,476)	268
Termination & Severance	0	0	0
Utilities	(1,171)	(1,058)	113
Other Operating Disbursements	(1,913)	(1,131)	782
Operating Cash Flows	(4,483)	(3,429)	1,054
Restructuring Professional Fees	(2,987)	(2,745)	242
Projected Net Cash Flow	(7,470)	(6,174)	1,296
Beginning Cash Balance	27,823	27,823	0
Projected Net Cash Flow	(7,470)	(6,174)	1,296
Foreign Exchange Gain/(Loss)	0	(1,290)	(1,290)
Ending Cash Balance	20,353	20,359	6

17. Explanations for the key variances in actual receipts and disbursements as compared to the January 19 Forecast are as follows:

- (a) The unfavourable variance in receipts is a timing variance as the March lease payment for the Mount-Wright Camp has not yet been received;
- (b) The favourable variance in payroll and employee benefits is a combination of timing and permanent variances;
- (c) The favourable variance of approximately \$0.1 million in utility costs is a permanent variance resulting from lower overall consumption than forecast;
- (d) The favourable variance of approximately \$0.8 million in other operating disbursements consists of favourable timing variances totalling approximately \$0.1 million expected to reverse in future periods and favourable permanent variances totalling approximately \$0.7 million as a result of lower than forecast requirements for maintenance and repairs, contractors and other costs;

- (e) The favourable variance of approximately \$0.2 million in aggregate professional fees is comprised of favourable timing variances of approximately \$1.7 million offset by unfavourable permanent variances of approximately \$1.5 million; and
 - (f) The foreign exchange gain arises as the Bloom Lake CCAA Parties hold certain funds and make certain payments in U.S. dollars and actual exchange rates vary from those used in the January 19 Forecast.
18. The Bloom Lake Initial Order permits inter-company funding between the Bloom Lake CCAA Parties. To date inter-company funding in the amount of approximately \$4.1 million has been advanced by Bloom Lake LP to CQIM since the start of the CCAA Proceedings.

THE WABUSH CCAA PARTIES

19. The Wabush CCAA Parties' actual cash flow, excluding Interim Financing draws, on a consolidated basis for the period from January 9 to March 25, 2016, excluding proceeds of major asset realizations, was in line with the January 19 Forecast, as summarized below:

	Forecast	Actual	Variance
	\$000	\$000	\$000
Receipts	1,641	1,231	(410)
Disbursements:			
Payroll & Employee Benefits	(715)	(973)	(258)
Termination & Severance	0	0	0
Contractors	(217)	(198)	19
Utilities	(350)	(429)	(79)
Other Operating Disbursements	(1,073)	(896)	177
Operating Cash Flows	(714)	(1,265)	(551)
Restructuring Professional Fees	(1,447)	(852)	595
Projected Net Cash Flow	(2,161)	(2,117)	44
Beginning Cash Balance	1,133	1,133	0
Interim Financing Draws	1,250	2,089	839
Projected Net Cash Flow	(2,161)	(2,117)	44
Foreign Exchange Gain/(Loss)	0	(5)	(5)
Ending Cash Balance	222	1,100	878

20. Explanations for the key variances in actual receipts and disbursements as compared to the January 19 Forecast are as follows:

- (a) The unfavourable variance of approximately \$0.4 million in receipts comprises a permanent favourable variance of approximately \$0.2 million in tax refunds offset by an unfavourable variance arising on the receipt of proceeds of the sale of employee housing pending finalization of closing adjustments;
- (b) The unfavourable variance of approximately \$0.3 million in payroll and employee benefits is a permanent variance resulting from the payment of vacation entitlements to employees on the sale of the Pointe-Noire Facility which had not been included in the January 19 Forecast due to uncertainty on timing;

- (c) The unfavourable variance of approximately \$0.1 million in utilities is primarily a permanent variance as a result of higher than forecast consumption;
 - (d) The favourable variance of approximately \$0.2 million in other operating disbursements is a permanent variance; and
 - (e) The favourable variance of approximately \$0.6 million in restructuring fees is believed to be comprised of favourable timing variances of approximately \$0.4 million that are expected to reverse in future periods combined with permanent favourable variances of approximately \$0.2 million.
21. As discussed later in this Report, the Interim Financing Facility was repaid following Closing of the Pointe-Noire Transaction.

THE APRIL 8 FORECAST

22. The April 8 Forecast is attached hereto as **Appendix A**. The April 8 Forecast shows a net cash outflow of approximately \$5.7 million for the Bloom Lake CCAA Parties and of approximately \$8.1 million for the Wabush CCAA Parties in the period March 26 to September 30, 2016. The April 8 Forecast has been prepared on the assumption that the Wabush Mine is not sold in the period. The April 8 Forecast is summarized below:

	Bloom Lake CCAA Parties	Wabush CCAA Parties
	\$000	\$000
Receipts	403	173
Disbursements:		
Payroll & Employee Benefits	(859)	(321)
Termination & Severance	(463)	0
Contractors	0	(2,285)
Utilities	(276)	(377)
Other Operating Disbursements	(1,250)	(1,952)
Operating Cash Flows	(2,445)	(4,762)
Restructuring Professional Fees	(3,256)	(3,351)
Projected Net Cash Flow	(5,701)	(8,113)

23. As noted above, the April 8 Forecast assumes the status quo, with no sale of the Wabush Mine. The sale of the Wabush Mine would result in a material reduction of cash expenditures. The current status of efforts to sell the Wabush Mine is discussed later in this Report. The April 8 Forecast also excludes the remittance of any taxes payable in respect of the Pointe-Noire Transaction, the Block Z Transaction and the Bloom Lake Transaction, which, if payable, would be remitted from the sale proceeds.
24. Of the \$7.2 million of net operating cash outflow, an estimated amount of approximately \$2.9 million relates to expenses already incurred. Similarly, of the \$6.6 million of restructuring professional fees included in the April 8 Forecast, an estimated amount of approximately \$3 million relates to amounts incurred prior to the date of this report.

CURRENT CASH BALANCES

25. In addition to the balances in the CCAA Parties' operating accounts, various amounts are held by the Monitor. Total cash balances are summarized below:

	Bloom Lake CCAA Parties	Wabush CCAA Parties	Total
	\$000	\$000	\$000
Held by Monitor¹			
Sale proceeds accounts	57,553.2	1,067.1	58,620.3
Operating accounts	16,783.0	35,808.4	52,591.4
Supplier security deposits	125.1	0.0	125.1
Minimum Royalty deposits		1,626.6	1,626.6
Total Held by Monitor	74,461.3	38,502.1	112,963.4
Held by CCAA Parties ²	1,364.4	465.3	1,829.7
Total	75,825.7	38,967.4	114,793.1

¹As at April 12, 2016

²As at April 8, 2016

CURRENT STATUS OF ASSETS REALIZATIONS

THE POINTE-NOIRE TRANSACTION

26. The Pointe-Noire Transaction closed on March 8, 2016.
27. Pursuant to the provisions of the Interim Financing Term Sheet and in accordance with the provisions of the Pointe-Noire AVO, US\$8,340,351.02 was repaid to the Interim Lender on March 9, 2016, in full and final satisfaction of the obligations owing under the Interim Financing Term Sheet.
28. Pursuant to the provisions of the Moelis Engagement Letter and in accordance with the provisions of the Pointe-Noire AVO, US\$602,098.72, being the transaction fee and expenses owing in connection with the Pointe-Noire Transaction, was paid to Moelis on March 22, 2016.
29. Various amounts are outstanding in respect of property taxes related to the Pointe-Noire Facility and Block Z Lands. The Monitor, in consultation with the CCAA Parties, is in the process of determining the amounts of such property taxes that would be payable from the sale proceeds of the Pointe-Noire Transaction and the Block Z Transaction.

THE BLOCK Z TRANSACTION

30. The Block Z Transaction closed on March 10, 2016.

THE BLOOM LAKE TRANSACTION

31. The Bloom Lake Transaction closed on April 11, 2016.

THE REMAINING BLOOM LAKE EQUIPMENT

32. The remaining Bloom Lake equipment consists of equipment and rail cars that are subject to secured financing arrangements (the “**Key Bank Facility**”). As described in previous materials filed with the Court, the Key Bank Facility was in the original principal amount of approximately US\$164.8 million and was secured on specific equipment and rail cars (collectively, the “**Key Bank Equipment**”). Various portions of the Key Bank Facility were assigned to different lenders as follows:

Lender	Original Principal (US\$)	Loan Schedule Ref.	Secured by Equipment
Cole Taylor	\$8,710,091	Loan Schedule No. 1	KOMATSU PC4000 BLSO #6
BNS	\$33,871,319	Loan Schedule No. 2	424 Phase II Ore Gondola Cars
BNS	\$19,533,337	Loan Schedule No. 3	CATERPILLAR 7495 CABLE SHOVEL
Bank of Tokyo-Mitsubishi	\$24,842,747	Loan Schedule No. 4	313 Phase II Ore Gondola Cars
BNS	\$1,031,807	Loan Schedule No. 5	13 Phase II Ore Gondola Cars
BNS	\$9,465,638	Loan Schedule No. 6	CAT 7495 Shovel Training Unit ("Simulator")
Bank of the West	\$11,453,805	Loan Schedule No. 7	KOMATSU TRUCK 930E-4SE BLHT #152 KOMATSU TRUCK 930E-4SE BLHT #153
BBVA Compass Financial Corporation.	\$11,118,256	Loan Schedule No. 8	KOMATSU 930E-4SE BLHT#150 KOMATSU 930E-4SE BLHT#151
Suntrust Equipment Finance & Leasing Corp	\$16,713,828	Loan Schedule No. 9	KOMATSU TRUCK 930E-4SE BLHT #154 KOMATSU TRUCK 930E-4SE BLHT #155 KOMATSU TRUCK 930E-4SE BLHT #156
BBVA Compass Financial Corporation	\$13,446,239	Loan Schedule No. 10	KOMATSU 830E-1AC BLHT #111 KOMATSU 830E-1AC BLHT #112 KOMATSU 830E-1AC BLHT #113
Signature	\$4,007,306	Loan Schedule No. 11	KOMATSU 830E-1AC BLHT #114
Regions Bank	\$4,010,488	Loan Schedule No. 12	KOMATSU 830E-1AC BLHT #115
Cole Taylor	\$6,624,576	Loan Schedule No. 13	CATERPILLAR DRILL MD6640 BLDR #54
TOTAL	\$164,829,438		

33. The Key Bank Facility was guaranteed by Cliffs Natural Resources Inc. (“**CNR**”), the ultimate parent of the CCAA Parties. Each of the tranches of the Key Bank Facility other than loan schedules 4, 11 and 12 has now been repaid by CNR under the guarantee and CNR has either taken an assignment of the relevant claims and security or asserts a subrogated claim.
34. Various offers for elements of the Key Bank Equipment have been received and the CCAA Parties, in consultation with the Monitor, are in the process of endeavouring to negotiate the terms of an asset purchase agreement, subject to Court approval, for the sale of all the Key Bank Equipment other than the equipment under loan schedules 2, 3, 4, 5 and 6.
35. The Monitor has received a number of enquiries in respect of the equipment under loan schedules 3 and 6 but to date no definitive proposals have been received.
36. A proposal for the acquisition of 27 rail cars has been received and the CCAA Parties, in consultation with the Monitor, are in the process of endeavouring to negotiate the terms of an asset purchase agreement, subject to Court approval. No offers have yet been received for the remaining 723 rail cars.

THE WABUSH MINE

37. Paragraph 28 of the Monitor’s Sixteenth Report stated:

“Since the date of the Fifteenth Report, the interested party has been undertaking due diligence, including a visit to the Wabush Mine and discussions with various stakeholders. A letter of intent was submitted by the interested party on January 20, 2016 and is under consideration by the Wabush CCAA Parties in consultation with the Monitor. There is no guarantee that the letter of intent will lead to a binding agreement for the acquisition of the Wabush Mine.”

38. Since the date of the Sixteenth Report, the interested party has continued its due diligence and discussions with various stakeholders. The Wabush CCAA Parties and the interested party have exchanged a number of drafts of an asset purchase agreement but to date no agreement has been reached. There is no guarantee that the efforts of the parties will lead to a binding agreement for the acquisition of the Wabush Mine.
39. In the event that the parties are unable to agree on the terms of an asset purchase agreement or if the interested party decides not to proceed with the potential acquisition, the Monitor expects that the moveable Wabush Mine assets would be liquidated.

THE RESTRUCTURING LETTER OF INTENT

40. Paragraphs 29 and 30 of the Monitor's Sixteenth Report stated:

“29. The Monitor has previously stated to the Court that the Bloom Lake CCAA Parties have been in discussions with a party potentially interested in sponsoring a plan of arrangement that would generate significant value for the estate in connection with the corporate attributes of the Bloom Lake CCAA Parties, which value would be in addition to the proceeds of the various proposed sale transactions.

30. The Bloom Lake CCAA Parties have now received the Restructuring Letter of Intent. The Restructuring Letter of Intent states, *inter alia*, that the proposed restructuring assumes that Bloom Lake LP continues to exist and carry on business and is not bankrupt and that the Bloom Lake Transaction is completed prior to the closing of the proposed restructuring.”

41. The CCAA Parties, in consultation with the Monitor, have continued discussions with the party that submitted the Restructuring Letter of Intent. A standstill agreement was executed by the CCAA Parties on March 2, 2016, granting the interested party exclusivity with respect to the restructuring transaction proposed in the Restructuring Letter of Intent until April 22, 2016.
42. A revised proposal for the structuring of the proposed restructuring transaction was submitted by the interested party on March 14, 2016, and the CCAA Parties and the Monitor are undertaking due diligence to determine whether it is feasible and appropriate to continue negotiations and pursue the proposed restructuring transaction.

SUNDRY REMAINING ASSETS

43. Other than the assets described above, the only other major asset is the Mount-Wright Camp located near the Bloom Lake Mine. The Mount-Wright Camp is currently leased to ArcelorMittal pursuant to a lease agreement approved by the Court on April 17, 2015. A notice of termination was received from ArcelorMittal pursuant to the provisions of the lease on March 16, 2016, such termination to be effective on June 15, 2016.
44. Two parties have expressed preliminary interest in the Mount-Wright Camp though no acceptable offer has yet been received.

APPOINTMENT OF ADMINISTRATORS OF THE WABUSH PENSION PLANS

45. As previously reported, the relevant regulators terminated the Wabush Pension Plans effective December 16, 2015.
46. On March 1, 2016, the Wabush CCAA Parties requested that the regulators appoint replacement administrators for the Wabush Pension Plans.

47. Morneau Shepell was appointed as independent administrator of the Wabush Pension Plans by the regulators effective March 30, 2016.
48. The Monitor has been in contact with Morneau Shepell to discuss the relevant aspects of the CCAA Proceedings, including the Claims Procedure and the completion of the wind-up reports for the Wabush Pension Plans.

THE CLAIMS PROCEDURE

CLAIMS

49. The current status of the Claims Procedure is summarized below:

	Allowed/ To Be Allowed		In Progress		Disallowed/ To Be Disallowed	
	#	\$000	#	\$000	#	\$000
Secured						
CQIM	0	0.0	5	129,655.5	4	749.3
Bloom Lake LP	0	0.0	34	279,383.5	4	43,180.5
Bloom Lake GP	0	0.0	3	19,885.6	4	1,354.4
Quinto Mining	0	0.0	0	0.0	0	0.0
8568391 Canada	0	0.0	0	0.0	1	160.9
Bloom Lake Railway	0	0.0	0	0.0	0	0.0
Wabush Mines	0	0.0	6	54,105.4	1	25,774.5
WICL	0	0.0	1	8,862.8	0	0.0
WRI	0	0.0	2	13,646.4	0	0.0
Arnaud Railway	0	0.0	3	53,632.2	0	0.0
Wabush Lake Railway	0	0.0	2	53,000.0	0	0.0
Total Secured	0	0.0	56	612,171.4	14	71,219.6
Unsecured						
CQIM	50	127,085.6	22	6,983,202.2	11	0.8
Bloom Lake LP	159	139,257.7	70	1,281,499.9	27	8,535.6
Bloom Lake GP	1	119,999.2	4	494,366.3	10	0.0
Quinto Mining	0	0.0	5	16,952.1	11	100.0
8568391 Canada	0	0.0	0	0.0	8	0.0
Bloom Lake Railway	0	0.0	0	0.0	10	0.0
Wabush Mines	58	2,220.9	1,107	1,759,699.9	5	49,794.9
WICL	2	2,116.9	13	352,238.5	12	49,728.2
WRI	1	203.5	15	692,875.9	12	49,728.2
Arnaud Railway	1	0.1	11	36,962.6	11	3.5
Wabush Lake Railway	2	1,811.1	3	10,051.3	11	3.5
Total Unsecured	274	392,695.0	1,250	11,627,848.7	128	157,894.7
Total	274	392,695.0	1,306	12,240,020.1	142	229,114.3

50. The 1,306 claims in progress are summarized as follows:

- (a) 60 claims in the aggregate amount of approximately \$406.3 million are pending further legal review and/or the determination of the allocation of proceeds of realization and costs of the CCAA Proceedings, which allocation has not yet been approved by the Court;
- (b) 29 claims in the aggregate amount of approximately \$273.7 million are pending responses by the creditors to requests from the Monitor for further information or documentation;

- (c) 1,129 claims in the aggregate amount of approximately \$67 million are OPEB claims of former employees, which are discussed in further detail below;
- (d) 76 claims in the aggregate amount of approximately \$9.9 billion are Related Party Claims, which are discussed in further detail below; and
- (e) 12 claims in the aggregate amount of approximately \$1.6 billion are trade or restructuring claims.

Related Party Claims

- 51. 76 claims totalling approximately \$9.9 billion were filed by a CCAA Party against another CCAA Party or by a related party that is not subject to the CCAA Proceedings (collectively, “**Related Party Claims**”). Of the Related Party Claims, Claims totalling approximately \$199 million were filed as secured claims and Claims totalling approximately \$9.7 billion were filed as unsecured claims. The Monitor’s review of the Related Party Claims is in progress and to date no Related Party Claim has been allowed or disallowed.
- 52. The Monitor intends to provide a report on its review of the Related Party Claims and its assessment of the quantum, status and validity thereof once its review is completed. The Monitor intends to file that report prior to issuing any Notice of Allowance or any Notice of Revision or Disallowance in respect of the Related Party Claims in order to provide the opportunity for any relevant stakeholder to consider the Monitor’s assessment.
- 53. The support provided for the Related Party Claims includes in excess of 44,000 transaction entries. Accordingly, the Monitor’s review and analysis is expected to take a significant period of time and it is therefore not possible at this time to predict the likely timing for the completion of the Monitor’s report on the Related Party Claims.

Secured Claims

54. Secured Claims include:
- (a) A Related Party Claim for advances made by Cliffs Mining Company (“**CMC**”) to the Wabush CCAA Parties prior to the CCAA Proceedings (the “**CMC Secured Claim**” and the related security being the “**CMC Security**”);
 - (b) Claims relating to the Key Bank Facility (the “**Key Bank Claims**” and the related security being the “**Key Bank Security**”);
 - (c) Claims of CNR as guarantor under the Key Bank Facility;
 - (d) Claims of creditors holding a registered legal hypothec for construction (the “**Construction Hypothec Claims**” and the related security being the “**Construction Hypothecs**”);
 - (e) Claims filed by the pension administrators in respect of the Wabush Hourly Pension Plan and the Wabush Salaried Pension Plan;
 - (f) Claims filed in respect of environmental obligations; and
 - (g) Claims filed in respect of unpaid property taxes.
55. The Monitor’s Counsel has provided an independent opinion on the validity and enforceability of the CMC Security (the “**CMC Security Opinion**”). In summary, the CMC Security Opinion, subject to the qualifications and assumptions set out therein, opines that the CMC Security is valid and legally enforceable against the applicable Wabush CCAA Parties and their creditors. The Monitor has not completed its review of the quantum of the CMC Secured Claim which was filed in the amount of approximately \$8.9 million against each of WRI and WICL.

56. The Monitor's Counsel has provided an independent opinion on the validity and enforceability of the Key Bank Security (the "**Key Bank Security Opinion**"). In summary, the Key Bank Security Opinion, subject to the qualifications and assumptions set out therein, opines that the Key Bank Security is valid and legally enforceable against Bloom Lake LP or CQIM as applicable and their respective creditors. The Monitor has not completed its review of the quantum of the claims in respect of the Key Bank Facility. The Monitor notes that the amount of such claims that will have priority will depend on the proceeds of realization from the assets subject to the Key Bank Security and the allocation of the costs of the CCAA Proceedings, which allocation has not yet been approved by the Court. The Monitor's Counsel is also in the process of considering whether the claims of CNR in connection with payments made as guarantor of the Key Bank Facility are validly secured.
57. The Monitor's Counsel is in the process of preparing an independent opinion on the validity and enforceability of the Construction Hypothecs (the "**Construction Hypothec Opinion**"). The Monitor has not completed its review of the quantum of the Construction Hypothec Claims. The Monitor notes that the amount of such Claims that will have priority will depend on the allocation of realization proceeds and costs of the CCAA Proceedings, which allocation has not yet been approved by the Court and on the "added value" resulting from the works secured by the applicable Construction Hypothecs.

Pension Claims

58. The pension administrator of the Wabush Hourly Pension Plan filed claims against Wabush Mines, Arnaud Railway Company and Wabush Lake Railway Company in the amount of \$29 million in respect of wind-up deficit and in the amount of approximately \$6.1 million in respect of unremitted amortization payments.

59. The pension administrator of the Wabush Salaried Pension Plan filed claims against Wabush Mines, Arnaud Railway Company and Wabush Lake Railway Company in the amount of \$24 million in respect of wind-up deficit and in the amount of approximately \$1.9 million in respect of unremitted amortization payments.
60. As noted earlier in this Report, the relevant regulators have now appointed Morneau Shepell as independent administrator of the Wabush Pension Plans. Morneau Shepell will be filing wind-up reports quantifying the wind-up deficits of the Wabush Pension Plans. The Monitor is awaiting the wind-up reports prior to determining the quantum of the pension Claims.
61. The Monitor's Counsel is also currently reviewing matters related to potential priority of the pension Claims or any parts thereof.

OPEB Claims

62. The Monitor is working with Representative Counsel and the USW to determine the appropriate basis of the calculation of the OPEB claims. While there are 1,129 known individuals with such claims, the calculation methodology will be applied consistently across the group.
63. Representative Counsel and USW have engaged Segal Canada ("**Segal**") to provide actuarial support with respect to the OPEB claims. Representative Counsel and USW requested that the CCAA Parties fund the costs of Segal. The CCAA Parties, with the concurrence of the Monitor, made a proposal to the Representative Counsel and USW to which they responded on April 12, 2016. The CCAA Parties, in consultation with the Monitor, are considering the counter-proposal made.

Late Claims

64. 23 creditors filed proofs of claim asserting claims in the aggregate amount of approximately \$2.8 million after the Claims Bar Date of December 18, 2015 (collectively, the “**Late Claims**”), with the latest Late Claim being filed on March 7, 2016. The Monitor has been in contact with the parties that filed Late Claims to seek explanations as to why the Late Claims were filed after the Claims Bar Date.
65. The Monitor anticipates that a motion will be filed in the near future with respect to an amendment of the Claims Bar Date for some or all of the Late Claims.

D&O CLAIMS

66. 53 D&O Claims were filed in the aggregate amount of approximately \$2.7 million. Of these, 37 D&O Claims in the aggregate amount of approximately \$1.6 million were subsequently confirmed as having been incorrectly filed as D&O Claims and have been re-characterized as Claims. The remaining 16 D&O Claims in the aggregate amount of approximately \$1.1 million were filed by employees in respect of vacation pay and termination amounts that are expected to be paid in due course consistent with the prior practice and disclosure of the CCAA Parties in the CCAA Proceedings. Assuming such amounts are paid, these D&O Claims would be disallowed and there would be no proven D&O Claims.

THE 2014 REORGANIZATION

67. Paragraphs 44 and 45 of the Monitor’s Twelfth Report stated:

“44. The 2014 Reorganization was a complex, multi-stage corporate reorganization that had the effect of reducing inter-company indebtedness owed by CQIM to non-filing affiliates by approximately \$805.4 million from approximately \$5.6 billion to \$4.8 billion through the

transfer to non-filing affiliates of cash from the Australian subsidiaries of CQIM (the “Australian Subsidiaries”), the assignment of inter-company notes and the transfer of preferred and common shares in the Australian Subsidiaries held by CQIM.

45. The Monitor has requested that CNR provide various documents and other information with respect to the 2014 Reorganization and the inter-company indebtedness in order that the Monitor can undertake its review. To date, CNR has co-operated with the Monitor in respect of its review of the 2014 Reorganization and has provided documents and information in response to the Monitor’s original request. The Monitor has made additional requests for documents and information and CNR has informed the Monitor that it intends to provide additional information shortly.”

68. The Monitor has now received various additional documents and information relating to the 2014 Reorganization. The effect of the 2014 Reorganization on potential recoveries to creditors of CQIM can only be determined once the Claims against CQIM, including the Related Party Claims, are known. Accordingly, the Monitor is not yet in position to provide a detailed report on the 2014 Reorganization.

THE FISHERIES SUMMONSES HEARING

69. As described in the Monitor’s Fourteenth Report, the Fisheries Summonses were issued on October 28, 2015 and served on Newfoundland counsel to the Wabush CCAA Parties on November 5, 2015, and allege offences under the *Fisheries Act* as follows:

- (a) On or between May 14, 2015 and May 25, 2015, at or near the Town of Wabush, in the Province of Newfoundland and Labrador, following a deposit out of the normal course of events, at the final discharge point known as Knoll Lake, failed to conduct an acute lethality test without delay, in violation of paragraph 14(1)(b) of the *Metal Mining Effluent Regulations*, SOR/2002-222; and
- (b) On or about May 14, 2015 and continuing until May 25, 2015, at or near the Town of Wabush, in the Province of Newfoundland and Labrador, following the receipt of laboratory test results indicating that the limit for Total Suspended Solids in effluent set out in Schedule 4 of the *Metal Mining Effluent Regulations*, SOR/2002-222, had been exceeded, at the final discharge point known as Knoll Lake, failed to notify an inspector without delay, in violation of subsection 24(1) of the *Metal Mining Effluent Regulations*, SOR/2002-222.

70. Paragraph 32 of the Monitor's Fifteenth Report stated:

“32. The Fisheries Summonses Hearing took place by teleconference on December 17, 2015, before the Provincial Court in the Town of Wabush. The hearing was adjourned until February 25, 2016, in order to allow for written disclosures to be made by the Crown in respect of the alleged offences. No plea was required to be entered before the hearing resumes on February 25, 2016.”

71. The CCAA Parties have now entered a not guilty plea with respect to all of the charged entities and have received disclosure from the Crown. To date, no trial date has been set.

THE MFC LITIGATION

72. As the Court is aware, there is a dispute between the Wabush CCAA Parties and MFC with respect to the amount of the quarterly Minimum Royalty Payment under the MFC Sub-Lease.
73. Pursuant to the Order of the Honourable Mr. Stephen Hamilton made December 4, 2015, the Wabush CCAA Parties made deposits of \$812,250 with the Monitor in December 2015 and January 2016 for amounts potentially payable in respect of the Minimum Royalty Payment. A further deposit of \$812,250 is scheduled to be made in April, 2016.

THE BEUMER LITIGATION

74. On October 23, 2015, the CCAA Parties filed a motion (as amended from time to time, the "**Beumer Motion**") seeking the release of approximately US\$6.3 million (the "**Beumer Escrow Funds**") from an escrow agreement dated June 28, 2013 and entered into between Beumer Corporation ("**Beumer**"), Bloom Lake LP and BMO Trust Company (the "**Beumer Escrow Agreement**") in relation to certain disputed claims. The Beumer Escrow Agreement provides, as more fully set out therein, for the release of the Beumer Escrow Funds upon written agreement of the parties or upon a final and non-appealable court order or arbitration award directing delivery of the Beumer Escrow Funds.
75. In its contestation filed on December 17, 2015 (the "**Beumer Contestation**" and together with the Beumer Motion, the "**Beumer Litigation**"), Beumer responded by not only opposing the conclusions sought in the Beumer Motion, but also by seeking the release of the Beumer Escrow Funds to Beumer, despite the underlying claims of the parties being contested and not yet being finally adjudicated.

76. On December 18, 2015, Beumer filed a proof of claim in the Claims Procedure with respect to, *inter alia*, its underlying claim related to the Beumer Escrow Funds (the “**Beumer Claim**”), pursuant to the Claims Procedure Order. The Monitor’s review of the Beumer Claim is ongoing.
77. The hearing on the merits of the Beumer Litigation is scheduled for April 22, 2016. The dispute as to the merits and quantum of the parties’ underlying claims do not form part of the Beumer Litigation.
78. While the Monitor does not take a position with respect to the Bloom Lake CCAA Parties’ request for the release to them of the Beumer Escrow Funds as set out in the Beumer Motion, the Monitor will object to the release of the Beumer Escrow Funds to Beumer prior to the final adjudication of the Beumer Claim in accordance with the Claims Procedure Order.

THE SIPA CLAIMS MOTION

79. The SIPA Claims Motion seeks payment of the following amounts, in addition to interest and indemnity accruing thereon:

CCAA Party	Agreement	Amount \$
Wabush Mine ¹	Lease 474-46	10,902.78
CQIM	Lease 474-109	218,586.15
Total Amount re Leases		229,488.93
Wabush Mine ¹	MOA 1998	641,753.43
Total Amount		871,242.36

¹Also claimed against WRI and WICL

80. No date is yet scheduled for a hearing on the SIPA Claims Motion. The Monitor will liaise with the parties to determine whether the SIPA Claims Motion can be consensually resolved and, if not, to attempt to agree a schedule for the motion.

THE USW EMOLUMENTS MOTION

81. The USW Emoluments Motion seeks payments to the six bargaining unit employees that were working at the Pointe-Noire facility prior to the completion of the Pointe-Noire Transaction in lieu of normal cost pension contributions that would have been part of their compensation package but could not be made following the termination of the Wabush Pension Plans. The aggregate of the amounts in question is \$10,347.
82. The CCAA Parties and the USW, with the support of the Monitor, have agreed to settle the USW Emoluments Motion, which will be withdrawn or otherwise settled without costs and the amounts claimed will be paid by the CCAA Parties. The Monitor is in discussion with counsel to the USW with regard to logistical arrangements for the settlement.

ALLOCATION ISSUES

83. As the Court is aware, the Bloom Lake AVO, the Pointe-Noire AVO and the Block Z AVO specifically provide that the transactions were approved without prejudice to the rights of creditors to object to the allocation of proceeds. Accordingly, prior to any distribution to creditors it will be necessary to obtain a final determination of the appropriate allocation of the proceeds of realizations among both the individual CCAA Parties and amongst various asset classes.
84. Furthermore, it will be necessary for an appropriate allocation of the costs of the CCAA Proceedings among both the individual CCAA Parties and amongst various asset classes to be determined.
85. The Monitor anticipates that a motion for such determinations can be brought once it is determined whether a sale of the Wabush Mine will proceed.

REQUEST FOR AN EXTENSION OF THE STAY PERIOD

86. The Stay Period currently expires on April 22, 2016. Additional time is required for the CCAA and Parties and the Monitor to complete the CCAA Proceedings, including the following activities:
- (a) Determining whether a sale of the Wabush Mine can be negotiated;
 - (b) Completing the negotiation of definitive agreements for the sale of remaining assets, obtaining Court approval of such agreements and completing the transactions;
 - (c) Considering, and if appropriate, pursuing the proposed restructuring under the Restructuring Letter of Intent;
 - (d) Completing the Claims Procedure;
 - (e) Dealing with distributions to creditors, including the determination of the appropriate allocations of realizations and costs of the CCAA Proceedings amongst the estates and asset categories;
 - (f) Completing the investigation of the 2014 Reorganization and the effect thereof and determining what, if any, action should be taken with respect thereto; and
 - (g) Undertaking the other activities necessary to complete the CCAA Proceedings.
87. The continuation of the stay of proceedings is necessary to provide the stability needed to complete the foregoing activities. Accordingly, the CCAA Parties now seek an extension of the Stay Period to September 30, 2016.
88. The April 8 Forecast demonstrates that, subject to the underlying assumptions thereof, the CCAA Parties have sufficient liquidity to fund the CCAA Parties' operations and the CCAA Proceedings to September 30, 2016.

89. The CCAA Proceedings are complex and the activities and assets of the CCAA Parties are, to various extents, intertwined. The co-ordination of the various estates is, in the Monitor's view, critical to maximize efficiency and effectiveness. It is also the Monitor's view that a continuation of the CCAA Proceedings is, at the current time, the only realistic way that such co-ordination can be achieved and that the realization of assets for the benefit of all stakeholders can be completed.
90. 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 September 30, 2016.
91. The Monitor also believes that the CCAA Parties have acted, and are acting, in good faith and with due diligence and that circumstances exist that make an extension of the Stay Period appropriate.
92. The Monitor therefore respectfully recommends that this Honourable Court grant the CCAA Parties' request for an extension of the Stay Period to September 30, 2016.

The Monitor respectfully submits to the Court this, its Nineteenth Report.

Dated this 13th day of April, 2016.

FTI Consulting Canada Inc.

In its capacity as Monitor of

Bloom Lake General Partner Limited, Quinto Mining Corporation,

8568391 Canada Limited, 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



Steven Bissell
Managing Director

Appendix A

The April 8 Forecast

Bloom Lake CCAA Parties Cash Flow Projection

Amounts in CAD in thousands

Week Ending Friday	1-Apr-16	8-Apr-16	15-Apr-16	22-Apr-16	29-Apr-16	6-May-16	13-May-16	20-May-16	27-May-16	3-Jun-16	10-Jun-16	17-Jun-16	24-Jun-16	1-Jul-16	8-Jul-16	15-Jul-16	22-Jul-16	29-Jul-16	5-Aug-16	12-Aug-16	19-Aug-16	26-Aug-16	2-Sep-16	9-Sep-16	16-Sep-16	23-Sep-16	30-Sep-16	27-Week	
Forecast Week	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	Total	
Cash Flow from Operations																													
Receipts	-	-	115	-	115	-	-	-	115	-	-	-	-	58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	403
Payroll & Employee Benefits	(339)	(5)	(424)	(5)	(76)	(5)	-	(5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(859)
Termination & Severance	-	-	(463)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(463)
Utilities	(21)	-	(25)	(131)	-	(8)	-	(91)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(276)
Other Operating Disbursements	(348)	(170)	(102)	(128)	(81)	(73)	(6)	(6)	(18)	(48)	(6)	(6)	(6)	(48)	(6)	(6)	(6)	(48)	(6)	(6)	(6)	(6)	(48)	(6)	(6)	(6)	(48)	(6)	(1,250)
Operating Cash Flows	(708)	(175)	(899)	(264)	(42)	(86)	(6)	(102)	97	(48)	(6)	(6)	(6)	10	(6)	(6)	(6)	(48)	(6)	(6)	(6)	(6)	(48)	(6)	(6)	(6)	(48)	(6)	(2,445)
Restructuring Professional Fees	(43)	-	(168)	(54)	(1,802)	(178)	(51)	(51)	(51)	(51)	(49)	(49)	(49)	(49)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(47)	(3,256)
Projected Net Cash Flow	(751)	(175)	(1,067)	(318)	(1,844)	(264)	(57)	(153)	46	(99)	(55)	(55)	(55)	(39)	(53)	(53)	(53)	(95)	(53)	(53)	(53)	(95)	(53)	(53)	(53)	(95)	(53)	(5,701)	

Notes:

- [1] The purpose of this cash flow projection is to determine the liquidity requirements of the Bloom Lake CCAA Parties during the forecast period.
- [2] Forecast Receipts consist of monthly lease payments in respect of the Mount-Wright Camp Lease Agreement approved by the Court on March 30, 2015. Following the receipt of a termination notice, the lease is scheduled to terminate on June 15, 2016.
- [3] Forecast Payroll & Employee Benefits disbursements are based on actual payroll funding in the period leading up to the forecast period, and include accrued vacation payouts for Bloom Lake employees following the closing of the sale of the Bloom Lake business and assets.
- [4] Forecast Utilities disbursements consist primarily of hydro costs to maintain the Bloom Lake operations on care and maintenance mode, and reflect current payment terms, rates and estimated consumption over the forecast period.
- [5] Forecast Other Operating Disbursements reflect the wind-down, and placement on care and maintenance of Bloom Lake. The timing of Other Operating Disbursements are assumed to be on 30 day credit terms.
- [6] Forecast Restructuring Professional Fees consist of legal and financial advisor fees associated with the CCAA proceedings based on estimates obtained from legal and professional advisors.

Wabush CCAA Parties Cash Flow Projection

Amounts in CAD in thousands (\$000s)

Week Ending Friday	1-Apr-16	8-Apr-16	15-Apr-16	22-Apr-16	29-Apr-16	6-May-16	13-May-16	20-May-16	27-May-16	3-Jun-16	10-Jun-16	17-Jun-16	24-Jun-16	1-Jul-16	8-Jul-16	15-Jul-16	22-Jul-16	29-Jul-16	5-Aug-16	12-Aug-16	19-Aug-16	26-Aug-16	2-Sep-16	9-Sep-16	16-Sep-16	23-Sep-16	30-Sep-16	27-Week		
Forecast Week	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	Total		
Cash Flow from Operations																														
Receipts	-	14	-	14	-	-	14	-	14	-	14	-	14	-	14	-	14	-	-	14	-	14	-	14	-	14	-	14	-	173
Payroll & Employee Benefits	(23)	-	(23)	-	(23)	-	(23)	-	(23)	-	(23)	-	(23)	-	(23)	-	(23)	-	(23)	-	(23)	-	(23)	-	(23)	-	(23)	-	(23)	(321)
Termination & Severance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Contractors	(27)	(80)	(22)	(14)	(22)	(11)	(22)	(14)	(22)	(11)	(22)	(14)	(472)	(8)	(19)	(11)	(19)	(458)	(19)	(11)	(19)	(459)	(20)	(9)	(20)	(459)	(9)	(9)	(2,285)	
Utilities	(154)	(8)	-	-	(36)	-	(4)	-	(4)	(30)	(2)	-	(2)	(30)	(2)	(5)	(2)	(30)	-	(3)	-	(33)	-	-	-	(33)	-	(33)	(377)	
Other Operating Disbursements	(24)	(53)	(15)	(826)	(24)	(12)	(25)	(14)	(4)	(12)	(4)	(15)	(4)	(12)	(4)	(15)	(816)	(4)	(12)	(14)	(5)	(4)	(12)	(4)	(15)	(4)	(4)	(4)	(1,952)	
Operating Cash Flows	(228)	(126)	(59)	(825)	(104)	(23)	(58)	(28)	(37)	(53)	(36)	(28)	(486)	(50)	(33)	(30)	(845)	(492)	(53)	(13)	(46)	(482)	(54)	1	(57)	(482)	(36)	(4,761)		
Restructuring Professional Fees	(177)	-	(59)	(192)	(481)	(337)	(129)	(114)	(124)	(114)	(114)	(99)	(99)	(99)	(97)	(92)	(92)	(92)	(97)	(92)	(92)	(92)	(97)	(92)	(92)	(92)	(97)	(97)	(3,351)	
Projected Net Cash Flow	(405)	(126)	(118)	(1,017)	(585)	(359)	(187)	(141)	(161)	(166)	(150)	(127)	(585)	(148)	(130)	(122)	(937)	(584)	(150)	(105)	(138)	(574)	(151)	(91)	(149)	(574)	(133)	(8,113)		

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 include recurring mortgage payments associated with certain residential properties in Wabush owned by Wabush Mines, combined with the receipt of storage fees from an affiliated party in April and May.
- [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.
- [4] Forecast disbursements in respect of Contractors consist primarily of environmental monitoring and containment activities related to the Scully mine, and are assumed to be paid when services are rendered.
- [5] Forecast Utilities disbursements consist primarily of hydro costs to maintain the Scully Mine 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 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 and financial advisor fees associated with the CCAA proceedings.
- [8] Forecast amounts denominated in U.S. dollars are converted to Canadian dollars at the rate of USD 0.76/CAD.