

C A N A D A

PROVINCE OF QUÉBEC  
DISTRICT OF **MONTREAL**

N<sup>o</sup>: **500-11-048114-157**

**SUPERIOR COURT**

Commercial Division

(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., c. 36, as amended)

---

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

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

Petitioners

-and-

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

Mises-en-cause

-and-

**FTI CONSULTING CANADA INC.**

Monitor

-and-

**TWIN FALLS POWER CORPORATION  
CHURCHILL FALLS (LABRADOR) CORPORATION  
LIMITED**

Mises-en-cause

---

**MOTION FOR THE EXPANSION OF THE MONITOR'S POWERS<sup>1</sup>**  
(Sections 11 and 23 of the *Companies' Creditors Arrangement Act*)

---

---

<sup>1</sup> Except as otherwise provided for herein, all capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Bloom Lake Initial Order (as defined herein) the Wabush Initial Order (as defined herein), and the CBCA Motion (as defined herein).

**TO THE HONOURABLE MR. JUSTICE MICHEL PINSONNAULT, J.S.C. OR ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN THE COMMERCIAL DIVISION, IN AND FOR THE DISTRICT OF MONTRÉAL, THE PETITIONERS AND THE MISES-EN-CAUSE SUBMIT:**

**1. BACKGROUND**

1. On January 27, 2015, the CCAA Court issued an Initial Order (as subsequently amended, rectified and/or restated the “**Bloom Lake Initial Order**”) commencing these proceedings (the “**CCAA Proceedings**”) pursuant to the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) in respect of the Petitioners Bloom Lake General Partner Limited, Quinto Mining Corporation, 8568391 Canada Limited (“**8568391**”) and Cliffs Québec Iron Mining ULC and the Mises-en-cause The Bloom Lake Iron Ore Mine Limited Partnership and Bloom Lake Railway Company Limited (all such parties together (other than 8568391 from and after November 21, 2019 when 8568391 ceased to be a CCAA Party upon its wind-up and dissolution), the “**Bloom Lake CCAA Parties**”), as appears from the Initial Order dated January 27, 2015, which forms part of the Court record.
2. On May 20, 2015, the CCAA Court issued an Initial Order (as subsequently amended, rectified and/or restated the “**Wabush Initial Order**”; the Wabush Initial Order, together with the Bloom Lake Initial Order, the “**Initial Orders**”) extending the scope of the CCAA Proceedings to the Petitioners Wabush Iron Co. Limited (“**Wabush Iron**”) and Wabush Resources Inc. (“**Wabush Resources**”; Wabush Resources, together with Wabush Iron, “**Wabush**”) and the Mises-en-cause Wabush Mines, Wabush Lake Railway Company Limited, and Arnaud Railway Company (and collectively, the “**Wabush CCAA Parties**”; the Wabush CCAA Parties, together with the Bloom Lake CCAA Parties, the “**CCAA Parties**”).
3. Pursuant to the Bloom Lake Initial Order and the Wabush Initial Order, a stay of proceedings was ordered in respect of the CCAA Parties, which has been extended on several occasions, most recently on November 27, 2020, and currently expires on May 31, 2021, as now appears from the Court record.
4. Pursuant to the Bloom Lake Initial Order and the Wabush Initial Order, FTI Consulting Canada Inc. (“**FTI**”) was appointed as monitor in respect of the business and financial affairs of the CCAA Parties (the “**Monitor**”).
5. On June 29, 2018, Mr. Justice Hamilton issued an order sanctioning the Joint Plan of Compromise and Arrangement dated as of May 16, 2018 (as subsequently amended, rectified and/or restated, the “**Plan**”), the whole as appears from the Court record.
6. On July 31, 2018, the Monitor issued the Plan Implementation Date Certificate, confirming the implementation of the Plan on July 31, 2018, the whole as appears from the Court record.
7. During the CCAA Proceedings, the CCAA Parties have sold all of their assets other than the combined 17.062% equity interest (the “**Twinco Interest**”) held by Wabush Iron and Wabush Resources in Twin Falls Power Corporation (“**Twinco**”).

8. Pursuant to the Plan, the net proceeds of sales and other recoveries are to be distributed to the creditors of the Participating CCAA Parties (as defined therein) in accordance with the terms and conditions of the Plan.
9. Since the implementation of the Plan, the CCAA Parties, with the assistance of the Monitor, have been working to wind down the estates of the CCAA Parties so that the net proceeds from such recoveries and realizations can finally be distributed to the creditors of the CCAA Parties as soon as possible.
10. The initial interim distributions to Affected Creditors with Proven Claims under the Plan (as defined therein) took place in August and September 2018.
11. A second interim distribution to such Affected Creditors with Proven Claims is anticipated to take place at or around the mid-of May, 2021.
12. The CCAA Parties have been informed by the Monitor that a significant majority of the creditors of Wabush are former employees of Wabush Mines, many of whom are elderly, and who are reasonably assumed to be anxious to receive their final distributions as soon as possible.
13. Subject to the resolution and collection of certain outstanding tax refunds, the CCAA Parties have realized on all of their assets other than Twinco Interest.
14. On November 16, 2020, in furtherance of the CCAA Parties' efforts to monetize the Twinco Interest, the CCAA Parties filed a *Motion for the Winding up and Dissolution, Distribution of Assets, Reimbursement of Monies and Additional Relief* (the "**CBCA Motion**") on a *pro forma* basis, which was subsequently scheduled by the Court to be heard on January 29, 2021. A copy of the CBCA Motion is communicated herewith as **Exhibit R-1**.
15. On January 27, 2021, this Court adjourned the CBCA Motion, the CFLCo Contestation (as defined below) and the Twinco Dismissal Motion (as defined below), *sine die*, and on February 22, 2021, the Supreme Court of Newfoundland and Labrador (the "**Newfoundland Court**") adjourned the Twinco Liquidation Motion (as defined below), in order to allow the parties an opportunity to explore the possibility of a consensual resolution of the matters raised in those proceedings.
16. Those negotiations did not proceed in any meaningful way, and the CCAA Parties are seeking this *Motion for the Expansion of the Monitor's Powers* to facilitate the recovery of assets for the benefit of the CCAA Parties' creditors and the winding up of the CCAA Parties' estate and termination of the CCAA Proceedings.
17. In addition, and concurrent with the filing of this Motion, the CCAA Parties will also make the CBCA Motion returnable on a *pro forma* basis on the same date.

## 2. ORDER SOUGHT

18. On this Motion, the CCAA Parties hereby seek 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 (each as defined below), including the Twinco Requested Information (as defined below) (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.

### 3. OVERVIEW OF FACTS

#### 3.1 Twin Falls Power Corporation

- 19. Twinco is an incorporated joint venture formed under the *Canada Business Corporations Act* (the “**CBCA**”) on February 18, 1960 among Churchill Falls (Labrador) Corporation Limited (“**CFLCo**”), Wabush Iron and Wabush Resources, and the Iron Ore Company of Canada (“**IOC**”), among others.
- 20. As at December 31, 2019, Twinco was owned 33.3% by CFLCo, 49.6% by IOC, 4.6% by Wabush Iron and 12.5% by Wabush Resources.
- 21. Pursuant to the Participation Agreement, dated January 2, 1977, which serves as the *de facto* unanimous shareholders’ agreement for the Twinco joint venture, CFLCo has the right to appoint three directors of Twinco for every director nominated by IOC, Wabush Resources and Wabush Iron.
- 22. On July 14, 2017, the then two nominee directors of Wabush, Patrick Ryan and Clifford Smith, resigned in conjunction with the sale by Wabush of the Scully Mine, which was the last material asset of the CCAA Parties to be sold in these CCAA Proceedings. No replacement nominees of Wabush have been appointed to the Twinco Board.
- 23. According to a Federal Corporation Information Report dated as of August 19, 2020, the current directors of Twinco are Oral Burry, James Meany, Dana Pope, Michael Roberts, James Haynes, Benoit Palmer and Maurice McClure. Based on the names of their employers as noted in their LinkedIn profiles, it is the CCAA Parties’ understanding that Benoit Palmer and Maurice McClure are IOC nominees and the remaining five directors, being employees of Nalcor Energy (“**Nalcor**”), which is the parent company of CFLCo, are CFLCo nominees. Accordingly, CFLCo is the controlling shareholder of the Board of Directors of Twinco. A copy of the Federal Corporation Information Report is communicated herewith as **Exhibit R-2**.
- 24. Pursuant to Twinco’s FY2019 Audited Financial Statements, Twinco has approximately \$6.1M in cash and cash equivalent assets (the “**Twinco Cash**”) and approximately \$46,000 of liabilities. A copy of Twinco’s 2019 Audited Financial Statements is communicated herewith as **Exhibit R-3**.

25. The history of the Twinco Plant (as defined below) is long and complicated and is set out in significant detail in the CBCA Motion, the highlights of which is set out below.
26. In 1961, CFLCo licensed to Twinco the rights to develop a 225-megawatt hydroelectric generating plant on the Unknown River in Labrador (the “**Twinco Plant**”).
27. In addition to the Twinco Plant, Twinco had owned a number of other assets including: (i) the physical building which houses the Twinco Plant (the “**Twinco Building**”); (ii) the transmissions lines from the Twinco Plant to its consumers (the “**Twinco Transmission Lines**”); and (iii) the equipment which comprises the Twinco Plant and was used in the production of hydro-electric power (the “**Twinco Machinery**”), and collectively, with the Twinco Building and Twinco Transmission Lines, and such other assets of Twinco, the “**Twinco Assets**”).
28. In 1974, CFLCo took over the Twinco Plant and undertook comprehensive maintenance obligations in respect of the Twinco Plant (the “**CFLCo Maintenance Obligations**”), and indemnified Twinco in respect of those obligations and environmental liabilities in connection with the Twinco Plant and Twinco Assets (the “**CFLCo Indemnity**”), each as more particularly detailed in the CBCA Motion.
29. The Twinco Plant was placed into an extended shutdown in 1974. Since that time until today, based on various environmental assessments commissioned by Twinco over the years as summarized in various Audited Financial Statements of Twinco, the CCAA Parties understand there to be potential environmental liability that may have occurred in respect of the Twinco Plant and Twinco Assets (the “**Potential Environmental Liabilities**”).
30. The CCAA Parties are of the view that the responsibility for any environmental liability lies squarely with CFLCo and not Twinco, pursuant to CFLCo’s Maintenance Obligations and CFLCo Indemnity.
31. It is not clear to the CCAA Parties and the Monitor whether, and to what extent, Twinco may have funded maintenance or environmental remediation that was CFLCo’s responsibility, and for which Twinco may have a claim against CFLCo for reimbursement.
32. As stated in the CBCA Motion, for years, both prior to and after the commencement of the CCAA Proceedings, the CCAA Parties, with the support of IOC, have sought to obtain a distribution of the Twinco Cash to Twinco’s shareholders, but such distribution has been continuously resisted by Twinco and CFLCo.
33. The CCAA Parties believe that CFLCo did not support further distributions to the shareholders because it wants to ensure a cash pool from Twinco to pay for the Potential Environmental Liabilities notwithstanding the CFLCo Indemnity and CFLCo Maintenance Obligations.
34. Pursuant to Twinco’s Articles of Continuance dated August 1, 1980, the shareholders are entitled to share rateably in the remaining property of Twinco upon dissolution. A copy of Twinco’s Articles of Continuance as obtained from Twinco’s counsel is communicated herewith as **Exhibit R-4**.

35. Wabush Iron and Wabush Resources' share of the Remaining Twinco Cash (as defined below) is approximately \$1,040,000, a material amount, together with their *pro rata* share of what other monies may be subject to reimbursement claims against CFLCo.
36. As the information to determine the amount of maintenance and other indemnifiable expenses that may be subject to reimbursement by CFLCo is within the knowledge of Twinco, an accounting was requested in the CBCA Motion.
37. Without this information, it is impossible for the CCAA Parties or the Monitor to calculate what the true approximate value of the Twinco Interest may be to ensure that the CCAA Parties' creditors receive appropriate recovery from the Twinco Interest.

### 3.2 The CBCA Motion

38. The history of the CCAA Parties repeated attempts to engage in a constructive dialogue with Twinco and its majority shareholder CFLCo, is set out in detail in the CBCA Motion.
39. While the CCAA Parties had been hopeful that a consensual resolution could be achieved, they concluded that based on the lack of desire of Twinco and CFLCo to engage in a constructive manner, a consensual resolution was not possible.
40. Accordingly, on November 16, 2020, the CCAA Parties filed the CBCA Motion, seeking the issuance of an Order against Twinco and CFLCo:
  - a) confirming CFLCo's liability for Twinco's maintenance obligations and environmental liabilities related to the Twinco Plant from and after July 1, 1974;
  - b) compelling an accounting from Twinco of all monies expended by Twinco in respect of maintenance and environmental costs that have not been reimbursed by CFLCo pursuant to the CFLCo Indemnity and CFLCo Maintenance Obligations (collectively, the "**Reimbursable Environmental/Maintenance Costs**");
  - c) directing CFLCo to reimburse all Reimbursable Environmental/Maintenance Costs (such amount to be reimbursed by CFLCo, being the "**CFLCo Reimbursement**") to Twinco for distribution to the shareholders as part of the winding up and dissolution of Twinco pursuant to the relief requested in paragraph (d) below;
  - d) directing the winding up and dissolution of Twinco pursuant to section 214 and/or section 241(3)(l) of the CBCA and a distribution of: (i) the Twinco Cash net of all reasonable fees and expenses incurred by Twinco to implement and complete the wind up and dissolution being sought in this Motion (the "**Remaining Twinco Cash**"), and (ii) the CFLCo Reimbursement to Twinco's shareholders, including Wabush, on a *pro rata* basis;
  - e) in the alternative to (d), directing Twinco and/or CFLCo to purchase the shares of Twinco held by Wabush 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: (i) the Twinco Cash, and (ii) the CFLCo Reimbursement; and
  - f) such further and other relief as this Honourable Court deems just.

### 3.3 **Twinco's and CFLCo's Conduct After the Adjournment of the Adjourned Proceedings**

41. In response to the CBCA Motion, Twinco filed a Motion by Twin Falls Power Corporation to Dismiss the Application for Lack of Jurisdiction and for Forum Non-Conveniens dated January 15, 2021, to dismiss the CCAA Parties' CBCA Motion for lack of jurisdiction of this Court to hear the CBCA Motion and for *forum non-conveniens* (the "**Twinco Dismissal Motion**"), and CFLCo filed a Contestation to the CBCA Motion dated January 15, 2021 (the "**CFLCo Contestation**"), both to be heard by this Court on January 29, 2021, along with the CBCA Motion. A copy of the Twinco Dismissal Motion and the CFLCo Contestation are communicated herewith as **Exhibit R-5** and as **Exhibit R-6**, respectively.
42. In the CFLCo Contestation, CFLCo advised the CCAA Parties that despite years of resisting to do so, CFLCo was going to imminently commence an originating application for a court supervised liquidation and dissolution of Twinco in the Newfoundland Court (the "**Twinco Liquidation Motion**"), a copy of which was attached to the CFLCo Contestation as Exhibit C-1.
43. The Twinco Liquidation Motion was formally issued on January 21, 2021, to be heard on February 23, 2021. A copy of the Twinco Liquidation Motion as issued is communicated herewith as **Exhibit R-7**.
44. Subject to receipt of the Twinco Dismissal Motion and CFLCo Contestation and the CBCA Motion hearing date, the parties agreed to seek an adjournment of the CBCA Motion, Twinco Dismissal Motion, the CFLCo Contestation and the Twinco Liquidation Motion, in each case without prejudice to each party's right to seek a new hearing date for any of such proceedings on 14 days' prior written notice to the other parties.
45. On January 27, 2021, this Court adjourned *sine die* the CBCA Motion, the Twinco Dismissal Motion, and the CFLCo Contestation and on February 22, 2021, CFLCo confirmed the adjournment *sine die* of the Twinco Liquidation Motion with the Newfoundland Court (all such adjourned proceedings, the "**Adjourned Proceedings**").
46. By letter dated February 1, 2021 (the "**February 1 Letter**"), counsel for the CCAA Parties sought to confirm its understanding of the terms of the adjournment of the Adjourned Proceedings as amongst the parties. A copy of the February 1 Letter is communicated herewith as **Exhibit R-8**.
47. In the February 1 Letter, CCAA Parties' counsel also set out the documents and information that was to be provided by Twinco and CFLCo in furtherance of the proposed efforts to reach a potential consensual resolution. The requested documents and information were to be provided, within 30 days of the letter, or within a reasonably anticipated time that would be required to obtain any requested information that was not readily available for delivery to the CCAA Parties.
48. The requested documents and information were intended to provide the CCAA Parties and the Monitor with a general understanding of the approximate range of Reimbursable Environmental/Maintenance Costs that could be at issue to better enable the CCAA Parties and Monitor to understand the approximate potential value of the Twinco Interest. Without this information, a potential consensual resolution would be extremely difficult, if not impossible, to reach.

49. The requested documents and information in the February 1 Letter, included, among other things, the following information:
- a) amount of cash and cash equivalents held by Twinco as at January 31, 2021 and a budget of expenses anticipated to be incurred by Twinco to the date of the wind-up and liquidation that are not currently anticipated to be subject to any reimbursement or sharing obligation;
  - b) copies of audited financial statements for Twinco for the years ended December 31, 1974 to 2019 (excluding audited financial statements for the years ended December 31, 2004, 2005, 2008, 2013-2019); and
  - c) a summary of all expenses incurred by Twinco in respect of environmental and maintenance and other costs in respect of the Twinco Plant, Twinco Building and equipment located thereon for which Twinco has not received full reimbursement from CFLCo or any other party, for the period from July 1974 to December 31, 2020, as described in more detail in the February 1 Letter.

(the requested documents in the February 1 Letter, the “**Twinco Requested Information**”).

50. The CCAA Parties note that as shareholders, Wabush Iron and Wabush Resources are already entitled to copies of all annual financial statements of Twinco pursuant to Section 155 of the CBCA. The balance of the information requested are in the nature of information relating to expenses incurred by Twinco relating to maintenance and environmental liabilities and Twinco’s updated cash position as at January 31, 2021 and Twinco’s go forward budget to the anticipated date of its wind-up and dissolution.
51. However, respective counsel for Twinco and CFLCo both denied any undertaking to use good faith efforts to provide any of the Twinco Requested Information to the CCAA Parties and Monitor and both strongly resisted the production of any documentation to the CCAA Parties and Monitor.
52. By letter dated February 4, 2021, counsel for Twinco stated that Twinco made no such undertakings, any request would be taken under consideration – “nothing more”, that they would not, without specific direction from the Twinco directors, offer to provide any documents, and that it would seek instructions from Twinco’s directors in respect of the Twinco Requested Information and whether it was reasonable to “even consider” undertaking to provide the Twinco Requested Information. [Emphasis Added] A copy of the February 4, 2021 letter is communicated herewith as **Exhibit R-9**.
53. Likewise, by letter dated February 5, 2021, CFLCo’s counsel denied any good faith undertaking to provide any information requested by the CCAA Parties and stated that the “ultimate decision to provide the requested documentation lies with Twinco”. A copy of the February 5, 2021 letter is communicated herewith as **Exhibit R-10**.
54. On February 16, 2021, Twinco’s counsel sent a subsequent letter to the CCAA Parties’ counsel confirming that Twinco’s board of directors, a majority of who are CFLCo’s nominees, decided that Twinco would not provide any of the Twinco Requested Information to the CCAA Parties, as there was no “use” in such undertaking. Instead, Twinco’s counsel informed the CCAA Parties that Twinco’s directors have decided only to



provide the CCAA Parties with Twinco's audited financial statements from 2013 – 2019, which financial statements the February 1 Letter already expressly noted were excluded from the CCAA Parties' request (as the CCAA Parties already have copies of these financial statements). A copy of the February 16, 2021 letter (without attachments) is communicated herewith as **Exhibit R-11**.

55. While counsel for Twinco and CFLCo expressed concern that the CCAA Parties' requests went back to 1974, neither counsel proposed to narrow the scope of the information request to a shorter time period but instead issued blanket refusals and denied any good faith undertaking to engage in the disclosure of such information. The Monitor's expanded powers being sought in this Motion are initially proposed to go back to January 1, 2010 only, with an ability to request the Court to expand the time period to include earlier periods.
56. CCAA Parties' counsel and the Monitor's counsel sought to engage Twinco and CFLCo's counsel to try to find a resolution to the disclosure impasse and have been informed by Twinco's counsel that Twinco is not prepared to provide any additional documentation beyond the financial statements it provided which the CCAA Parties already had.
57. By letter dated May 6, 2021, counsel for the CCAA Parties expressed their disappointment and frustration over the lack of good faith demonstrated by Twinco and CFLCo towards pursuing a consensual resolution and the resulting delay that ensued since January 27, 2021 when the Adjourned Proceedings were adjourned. In that letter, Twinco and CFLCo were advised that the CCAA Parties have no alternative but to seek this Motion and to make the CBCA Motion returnable on a *pro forma* basis on the same date. A copy of the letter is communicated herewith as **Exhibit R-12**.

#### 4. RELIEF SOUGHT

58. The CCAA Parties are seeking an order, with the support of the Monitor, pursuant to sections 11 and 23 of the CCAA, specifically sections 23(1)(c) and (k), for the expansion of the powers of the Monitor in these CCAA Proceedings, so that it may, directly or through its counsel:
  - a) compel the production, from time to time, from any Person with possession, custody or control of the Requested Information in respect of 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.
59. These powers are necessary to enable the Monitor to: (i) assist the CCAA Parties with the recovery of value for the CCAA Parties' creditors from the last remaining asset of the CCAA Parties' estate outside of tax refunds, (ii) fulfill its statutory duties to investigate and properly value, the assets and the liabilities of the CCAA Parties, and (iii) facilitate the winding-up and termination of these CCAA Proceedings.

60. For the reasons noted in this Motion, the true value of the Twinco Interest is unknown as both Twinco and CFLCo have continued to refuse to provide the CCAA Parties or the Monitor with any information in respect of the nature and quantum of the Reimbursable Environmental/Maintenance Costs that would assist the CCAA Parties and Monitor to properly value the Twinco Interest.
61. The valuation of the Twinco Interest is of particular importance as, among other things:
  - a) the Twinco Interest is the last asset of the CCAA Parties that has not yet been monetized in these CCAA Proceedings, apart the collection of outstanding tax refunds;
  - b) the Twinco Interest would increase the Plan creditors' recoveries;
  - c) the monetization of the Twinco Interest is one of the last material steps to be taken in these CCAA Proceedings, apart from the collection of the outstanding tax refunds, before the CCAA Parties can complete their wind-up of these CCAA Proceedings and provide a Final Distribution to the Plan creditors;
  - d) expanding the Monitor's powers would permit it to further the valid purpose of the CCAA engaged in the present circumstances of maximizing recovery for the CCAA Parties' creditors; and
  - e) the monetization of the Twinco Interest would fulfill the purpose of the Plan which, as outlined in section 2.1 therein, is to distribute the net proceeds of the Participating CCAA Parties' assets to the Plan creditors.
62. Twinco's and CFLCo's continuous refusal to constructively engage with the CCAA Parties and the Monitor has only served to perpetuate the status quo, resulting in further delays to the ability of the CCAA Parties' creditors to obtain a Final Distribution and complete the winding-up and termination of these CCAA Proceedings.
63. Twinco and CFLCo have continued to demonstrate that they will not cooperate in connection with the realization of the Twinco Interest and instead will engage in actions that seek only to preserve the status quo by frustrating and delaying all realization efforts by the CCAA Parties. Therefore, it is respectfully submitted that the requested relief is necessary and appropriate in the circumstances and is in the best interests of all the CCAA Parties' stakeholders.
64. The CCAA Parties submit that the valuation of the Twinco Interest is of particular importance to these CCAA Proceedings and should be conducted by the Monitor for the benefit of the creditors irrespective of the proposed liquidation and wind-down of Twinco.
65. Given the inextricable conflict of CFLCo and its new strategic attempt to control the liquidation and wind-down process of Twinco in Newfoundland and Labrador, which it had previously steadfastly opposed to frustrate the CCAA Parties, it is appropriate for this Court to grant this Motion, expand the powers of the Monitor and allow it to proceed with the long-delayed valuation of the Twinco Interest without further obfuscation from CFLCo.
66. The CCAA Parties submit that this Court should grant the present Motion.

#### **4.1 Monitor's Support**

67. The CCAA Parties have consulted extensively with the Monitor as to the expansion of the Monitor's powers sought in this Motion and the Monitor has confirmed to the CCAA Parties that the Monitor supports this Motion and the relief being sought herein.

#### **5. PROCEDURAL MATTERS**

68. The Petitioners submit that the notices given of the presentation of the present Motion are proper and sufficient.
69. Pursuant to paragraph 54 of the Bloom Lake Initial Order and to paragraph 56 of the Wabush Initial Order, all motions in these CCAA Proceedings are to be brought on not less than ten (10) calendar days' notice to all Persons on the service list. Each motion must specify a date (the "**Initial Return Date**") and time for the hearing.
70. The service of the present Motion serves as notice pursuant to paragraph 54 of the Bloom Lake Initial Order and paragraphs 47 and 56 of the Wabush Initial Order.
71. Paragraph 55 of the Bloom Lake Initial Order and paragraph 57 of the Wabush Initial Order require that any Person wishing to object to the relief sought on a motion in the CCAA Proceedings must serve responding motion materials or a notice stating the objection to the motion and grounds for such objection (a "**Notice of Objection**") in writing to the moving party and the Monitor, with a copy to all persons on the service list, no later than 5 p.m. Montréal time on the date that is four (4) calendar days prior to the Initial Return Date (the "**Objection Deadline**"). Accordingly, any parties wishing to object to the relief sought on this Motion must serve responding motion materials or a Notice of Objection by no later than 5 p.m. Montréal time on May 17, 2021.
72. Paragraph 57 of the Bloom Lake Initial Order and paragraph 59 of the Wabush Initial Order provide that the Monitor shall communicate with the Judge and the service list with respect to the Hearing Details.

#### **6. CONCLUSIONS**

73. In light of the foregoing, the Petitioners hereby respectfully seek an order expanding the Monitor's powers substantially in the form of the Draft Order (**Exhibit R-13**).
74. The present Motion is well founded in fact and in law.

#### **FOR THESE REASONS, MAY IT PLEASE THE COURT TO:**

**GRANT** the present Motion;

**ISSUE** the order in the form of the Draft Order, Exhibit R-13, communicated in support hereof;

**WITHOUT COSTS**, save and except in case of contestation.

Montréal, May 6, 2021

*Blake, Cassels & Graydon L.L.P.*

---

**BLAKE, CASSELS & GRAYDON LLP**

Attorneys for the Petitioners and the Mises-en-cause

(Court Code: BB-8098)

1 Place Ville-Marie, Suite 3000

Montréal, Quebec H3B 4N8

**M<sup>re</sup> Bernard Boucher**

bernard.boucher@blakes.com

Telephone: 514-982-4006

Fax: (514) 982-4099

Our reference: 11573-374

**AFFIDAVIT**

I, the undersigned, James Graham, the General Counsel & Secretary of Bloom Lake General Partner Limited, Cliffs Québec Iron Mining ULC, Quinto Mining Corporation, Wabush Resources Inc., Bloom Lake Railway Company Limited, Wabush Iron Co. Limited, and the Secretary of Arnaud Railway Company and Wabush Lake Railway Company Limited, having a place of business at 200 Public Square, Cleveland, Ohio, solemnly affirm that all the facts alleged in the present *Motion for the Expansion of the Monitor's Powers* are true.

AND I HAVE SIGNED:

  
James Graham

SOLEMNLY DECLARED before me at  
Cleveland, Ohio, on this  
6th day of May, 2021

  
Notary Public



**KELLY L. BERRY**  
**NOTARY PUBLIC**  
**STATE OF OHIO**  
Recorded in  
**Medina County**  
My Comm. Exp. 4/10/2023

## **NOTICE OF PRESENTATION**

**TO: Service List**

**TAKE NOTICE** that the present *Motion for the Expansion of the Monitor's Powers* will be presented virtually for adjudication before the Honourable Michel A. Pinsonnault, J.S.C., or another of the honourable judges of the Superior Court, Commercial Division, sitting in and for the district of Montréal, in the Montréal Courthouse located at 1, Notre-Dame Street East, Montréal, Québec, on **May 21, 2021, at 9:30 am in virtual room #12.61.**

The coordinates to join the hearing are the following:

**Join the hearing with Microsoft Teams**

[+1 581-319-2194](tel:+15813192194) Canada, Quebec (charges will apply)

[\(833\) 450-1741](tel:8334501741) Canada (toll-free)

Conference ID: 895 211 717#

Join by videoconference :

[teams@teams.justice.gouv.qc.ca](mailto:teams@teams.justice.gouv.qc.ca) , VTC Conference ID: 1160455398

**DO GOVERN YOURSELF ACCORDINGLY.**

Montréal, May 6, 2021

*Blake, Cassels & Graydon L.L.P.*

---

**BLAKE, CASSELS & GRAYDON LLP**

Attorneys for the Petitioners and the Mises-en-cause

C A N A D A

PROVINCE OF QUÉBEC  
DISTRICT OF **MONTREAL**

**SUPERIOR COURT**

Commercial Division

(Sitting as a court designated pursuant to the *Companies'*  
*Creditors Arrangement Act*, R.S.C., c. 36, as amended)

---

N<sup>o</sup>: 500-11-048114-157

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

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

Petitioners

-and-

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

Mises-en-cause

-and-

**FTI CONSULTING CANADA INC.**

Monitor

-and-

**TWIN FALLS POWER CORPORATION  
CHURCHILL FALLS (LABRADOR) CORPORATION  
LIMITED**

Mises-en-cause

---

**LIST OF EXHIBITS**

(In support of the *Motion for the Expansion of the Monitor's Powers*)

---

**R-1**

Motion for the Winding up and Dissolution, Distribution of Assets, Reimbursement of Monies and Additional Relief;

- R-2 Federal Corporation Information Report dated as of August 19, 2020;
- R-3 Twinco's 2019 Audited Financial Statements;
- R-4 Twinco's Articles of Continuance dated August 1, 1980;
- R-5 Motion by Twin Falls Power Corporation to Dismiss the Application for Lack of Jurisdiction and for Forum Non-Conveniens;
- R-6 Contestation to the CBCA Motion filed by CFLCo;
- R-7 Originating application for a Court supervised liquidation and dissolution of Twinco in the Newfoundland Court;
- R-8 February 1, 2021 letter from counsel for the CCAA Parties;
- R-9 February 4, 2021 letter from Twinco's counsel;
- R-10 February 5, 2021 letter from CFLCo's counsel;
- R-11 February 16, 2021 letter from Twinco's counsel;
- R-12 May 6, 2021 letter from counsel for the CCAA Parties;
- R-13 Draft Order.

Montréal, May 6, 2021

*Blake, Cassels & Graydon L.L.P.*

---

**BLAKE, CASSELS & GRAYDON LLP**  
Attorneys for the Petitioners and the Mises-en-cause



N°: 500-11-048114-157

---

**SUPERIOR COURT  
DISTRICT OF MONTREAL  
(Commercial Division)**

---

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

**BLOOM LAKE GENERAL PARTNER LIMITED & AL.**

Petitioners

-and-

**THE BLOOM LAKE IRON ORE MINE LIMITED  
PARTNERSHIP & AL.**

Mises-en-cause

-and-

**FTI CONSULTING CANADA INC.**

Monitor

-and-

**TWIN FALLS POWER CORPORATION  
CHURCHILL FALLS (LABRADOR) CORPORATION  
LIMITED**

Mises-en-cause

---

**MOTION FOR THE EXPANSION OF THE MONITOR'S  
POWERS, AFFIDAVIT, NOTICE OF PRESENTATION AND  
LIST OF EXHIBITS**

(Sections 11 and 23 of the CCAA)

---

**ORIGINAL**

---

The logo for the law firm Blakes, featuring the word "Blakes" in a stylized, cursive script.

**M<sup>re</sup> Bernard Boucher**

**BB-8098**

**BLAKE, CASSELS & GRAYDON LLP**

Barristers & Solicitors

1 Place Ville Marie, Suite 3000

Montréal, Québec H3B 4N8

Telephone: 514-982-4006 / Fax: 514-982-4099

Email: [bernard.boucher@blakes.com](mailto:bernard.boucher@blakes.com)

Our File: 11573-374