

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

N°: 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

8568391 CANADA LIMITED

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

**MOTION FOR THE ISSUANCE OF AN ORDER
EXTENDING THE STAY PERIOD***
(Section 11 ff. and 36 of the *Companies' Creditors Arrangement Act*)

TO MR. JUSTICE STEPHEN W. HAMILTON, J.S.C. OR ONE OF THE HONORABLE JUDGES OF THE SUPERIOR COURT, SITTING IN THE COMMERCIAL DIVISION FOR THE DISTRICT OF MONTRÉAL, THE CCAA PARTIES (AS DEFINED BELOW) SUBMIT:

1. BACKGROUND

1. On January 27, 2015, Mr. Justice Martin Castonguay, J.S.C., 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 and Cliffs Québec Iron Mining ULC ("**CQIM**") and the Mises-en-cause The Bloom Lake Iron Ore Mine Limited Partnership ("**Bloom Lake LP**") and Bloom Lake Railway Company Limited (collectively, the "**Bloom Lake CCAA Parties**"), as appears from the Initial Order dated January 27, 2015, which forms part of the Court record and is communicated herewith for convenience as **Exhibit R-1**.
2. Pursuant to the Bloom Lake Initial Order, *inter alia*, FTI Consulting Canada Inc. was appointed as monitor of the Bloom Lake CCAA Parties (the "**Monitor**") (para. 39 of the Bloom Lake Initial Order) and a stay of proceedings was ordered in respect of the Bloom Lake CCAA Parties until February 26, 2015 (the "**Bloom Lake Stay Period**") (para. 8 *ff.* of the Bloom Lake Initial Order).
3. On February 20, 2015 and on April 17, 2015, Mr. Justice Stephen W. Hamilton amended the Bloom Lake Initial Order, *inter alia*, extending the Bloom Lake Stay Period to April 30, 2015 and then to July 31, 2015, as appears from the Amended Initial Order dated February 20, 2015 and from the Order dated April 17, 2015, both of which form part of the Court record and are communicated herewith for convenience respectively as **Exhibit R-2** and **Exhibit R-3**.
4. On May 20, 2015, Mr. Justice Hamilton, issued an Initial Order (as subsequently amended, rectified and/or restated the "**Wabush Initial Order**") extending the scope of the CCAA Proceedings to the Petitioners Wabush Iron Co. Limited and Wabush Resources Inc. and the Mises-en-cause Wabush Mines, an unincorporated contractual joint venture (the "**Wabush Mines JV**"), Arnaud Railway Company and Wabush Lake Railway Company Limited (collectively, the "**Wabush CCAA Parties**"; collectively with the Bloom Lake CCAA Parties, the "**CCAA Parties**"), as appears from the Initial Order dated May 20, 2015, which forms part of the Court record and is communicated herewith for convenience as **Exhibit R-4**.
5. Pursuant to the Wabush Initial Order, *inter alia*, the Monitor was appointed as the monitor of the Wabush CCAA Parties (para. 39 of the Wabush Initial Order) and a stay of proceedings was granted until June 19, 2015 (the "**Wabush Stay Period**"; collectively with the Bloom Lake Stay Period, the "**Stay Period**") (para. 7 *ff.* of the Wabush Initial Order).

* 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) and the Wabush Initial Order (as defined herein).

6. On June 9, 2015, Mr. Justice Hamilton, issued an order, *inter alia*, extending the Wabush Stay Period to July 31, 2015, as appears from the Order dated June 9, 2015, which forms part of the Court record and is communicated herewith for convenience as **Exhibit R-5**.

2. ORDERS SOUGHT

7. On this Motion, the CCAA Parties hereby seek the extension of the Stay Period in respect of the CCAA Parties until November 6, 2015.

3. EXTENSION OF THE STAY PERIOD

8. Since the issuance of the Bloom Lake Initial Order and the Wabush Initial Order, the CCAA Parties have acted and continue to act in good faith and with due diligence.

9. More specifically, since the Bloom Lake Stay Period was last extended on April 17, 2015, and since the Wabush Stay Period was last extended on June 9, 2015, the CCAA Parties have, with the assistance of and in consultation with the Monitor, respectively, *inter alia*:

- a) met regularly with the Monitor and provided the Monitor will full co-operation and complete access to the CCAA Parties' Property, premises and books and records;
- b) implemented procedures for the monitoring of the CCAA Parties' operations and financial circumstances, including receipts and disbursements;
- c) held meetings and discussions with certain of the CCAA Parties' creditors, suppliers and other stakeholders;
- d) closed the sale of, *inter alia*, all of CQIM's title and interest in and to all issued and outstanding common shares and preferred shares of a company formed by the amalgamation of Cliffs Chromite Ontario Inc. and Cliffs Chromite Far North Inc. to 9201955 Canada Inc., as purchaser, as set out in the Share Purchase Agreement dated March 22, 2015 which had been approved by this Court (the "**Chromite Transaction**"). The proceeds of the Chromite Transaction as it relates to CQIM are currently held by the Monitor;
- e) obtained an order allowing for the payment of the fee due to the Sale Advisor (as defined herein) in relation to the Chromite Transaction;
- f) responded to several *Motions to temporarily lift the stay of proceedings* filed by several legal hypothec for construction holders and agreed on Consent Orders in relation thereto;
- g) reached an arrangement with Groupe UNNU-EBC S.E.N.C. and EBC Inc. to negotiate a resolution of the objection to the disclaimer of certain construction contracts;
- h) communicated with applicable environmental authorities in relation to the property of the CCAA parties;

- i) communicated on an ongoing basis with employees of the CCAA Parties with respect to the CCAA Proceedings, including meeting with existing employees at the CCAA Parties' Montreal head office, providing written materials (in both French and English) and advising employees with respect to the Monitor's website, hotline and mailbox so that employees can obtain additional information and/or contact the CCAA Parties or the Monitor directly;
 - j) with the approval and authorization of this Court, continued to carry out the sale and investor solicitation process (as amended and restated, the "**SISP**"), communicated herewith as **Exhibit R-6**, for the purchase of some or all of the CCAA Parties' Property or Business or the sponsorship of a plan of arrangement with assistance of the Monitor and Moelis & Company LCC, acting as sale advisor (the "**Sale Advisor**");
 - k) met or held discussions with parties potentially interested in purchasing or investing in some or all of the CCAA Parties' Property or Business;
 - l) obtained priority for certain Wabush CCAA Charges over the assets of the Wabush CCAA Parties;
 - m) obtained *nunc pro tunc* approval of the SISP in respect of the Wabush CCAA Parties and Court approval for certain amendments thereto;
 - n) obtained *nun pro tunc* authorization of the engagement of the Sale Advisor in respect of the Wabush CCAA Parties as well as a Sale Advisor Charge over the assets of the Wabush CCAA Parties;
 - o) received a number of liquidation proposals, which will be reviewed with the assistance of the Monitor and compared to the results of the bids received in respect of the SISP;
 - p) obtained approval for the suspension of certain pension amortization payments and post-retirement employee benefits by the Wabush CCAA Parties;
 - q) continued to wind down the business to minimize expenses, including terminating certain employees and reducing operations; and
 - r) responded to stakeholders' inquiries and various claims and correspondence.
10. It is respectfully submitted that the extension of the Stay Period to November 6, 2015 is required to provide all CCAA Parties with sufficient time to, *inter alia*:
- a) complete the SISP;
 - b) obtain approval of and implement a claims process with respect to the CCAA Parties; and
 - c) determine how best to distribute to creditors the sale proceeds of the various transactions to be entered into pursuant to the SISP.

11. Non-binding letters of intent were received by May 19, 2015, completing the first phase of the SISP.
12. Following review of all non-binding letters of intent by the CCAA Parties, in consultation with the Sale Advisor and the Monitor, Qualified Phase I Bidders (as defined in the SISP) were invited to submit binding Sale Proposal or Investment Proposals (both as defined in the SISP) by no later than 5:00 p.m. (Montréal Time) on July 16, 2015 (the "**Bid Deadline**").
13. As at the Bid Deadline, a number of Qualified Phase I Bidders had submitted proposals.
14. Now, the CCAA Parties, in consultation with the Sale Advisor and the Monitor, will review the Sale Proposals and Investment Proposals, to determine if there is one or more Qualified Bids with respect to a Business or a part thereof that is in the best interests of the applicable CCAA Parties and if there is more than one Qualified Bids for any Business or a part thereof that are in the best interests of the applicable CCAA Parties, to conduct one or more auctions.
15. It is anticipated that the requested extension of the Stay Period until November 6, 2015, will afford the CCAA Parties sufficient time to complete the foregoing, to seek Court approval for a Successful Bid and to complete any transaction contemplated therein.
16. The Monitor has advised the CCAA Parties that its report will include, *inter alia*, the Monitor's support for the requested extension of the Stay Period.
17. The Monitor's report will also include the CCAA Parties' July 17 cash flow forecast (the "**July 17 Forecast**"). Based on the July 17 Forecast and subject to the underlying assumptions therein, the CCAA Parties believe that there is sufficient liquidity to fund their participation in these CCAA Proceedings until November 6, 2015.
18. It is the position of the CCAA Parties that no parties will be materially prejudiced by the extension of the Stay Period and that the extension sought is appropriate under the present circumstances.
19. In light of the foregoing, the CCAA Parties respectfully ask this Court to extend the Stay Period to November 6, 2015, the whole subject to all other terms of the Bloom Lake Initial Order and the Wabush Initial Order.

4. PROCEDURAL MATTERS

20. The CCAA Parties submit that the notices given of the presentation of the present Motion are proper and sufficient.
21. Pursuant to paragraph 54 of the Bloom Lake Initial Order and 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.
22. The service of the present Motion serves as notice pursuant to paragraphs 47 and 54 of the Bloom Lake Initial Order and paragraphs 47 and 56 of the Wabush Initial Order.

23. 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 July 24, 2015.
24. Paragraph 56 of the Bloom Lake Initial Order and paragraph 58 of the Wabush Initial Order further provide that if no Notice of Objection is served by the Objection Deadline, the Judge having carriage of the motion may determine whether a hearing is necessary, whether such hearing will be in person, by telephone or in writing and the parties from whom submissions are required (collectively, the "**Hearing Details**").
25. 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.

5. CONCLUSIONS

26. In light of the foregoing, the CCAA Parties hereby seek the issuance of an Order substantially in the form of the draft Order communicated herewith as **Exhibit R-7**, which provides for the extension of the Stay Period in respect of the CCAA Parties until November 6, 2015.
27. 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 an order in the form of the draft Order communicated in support hereof as Exhibit R-7;

WITHOUT COSTS, save and except in case of contestation.


Montréal, July 17, 2015


BLAKE, CASSELS & GRAYDON LLP
Attorneys for the CCAA Parties

AFFIDAVIT

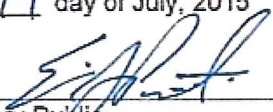
I, the undersigned, **CLIFFORD T. SMITH**, the Executive Vice-President and a director of Bloom Lake General Partner Limited and Cliffs Québec Iron Mining ULC, the President of Wabush Resources Inc. and Wabush Iron Co. Limited, and Vice-President of Arnaud Railway Company and Wabush Lake Railway Company Limited, each having a place of business at 1155 Rue University, Suite 508, in the city and district of Montréal, Québec, solemnly affirm that all the facts alleged in the present *Motion for the Issuance of an Order Extending the Stay Period* are true.

AND I HAVE SIGNED:

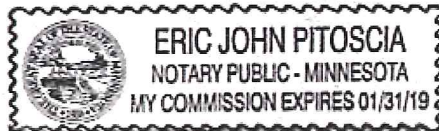


CLIFFORD T. SMITH

SOLEMNLY DECLARED before me
at Duluth, Minnesota,
this 17 day of July, 2015



Notary Public



NOTICE OF PRESENTATION

TO: Service List

TAKE NOTICE that the present *Motion for the Issuance of an Order Extending the Stay Period* will be presented for adjudication before the Honourable Stephen W. Hamilton, 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 **July 30, 2015** at a time and in a room to be determined.

DO GOVERN YOURSELF ACCORDINGLY.

Montréal, July 17, 2015


BLAKE, CASSELS & GRAYDON LLP
Attorneys for the CCAA Parties

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
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N°: 500-11-048114-157

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**BLOOM LAKE GENERAL PARTNER LIMITED,
QUINTO MINING CORPORATION,
8568391 CANADA LIMITED,
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

LIST OF EXHIBITS

(In support of *Motion for the Issuance of an Order Extending the Stay Period*)

- R-1 Initial Order in respect of the Bloom Lake CCAA Parties dated January 27, 2015;
- R-2 Amended Initial Order in respect of the Bloom Lake CCAA Parties dated February 20, 2015;
- R-3 Order dated April 17, 2015;
- R-4 Initial Order in respect of the Wabush CCAA Parties dated May 20, 2015;
- R-5 Order dated June 9, 2015;
- R-6 SISP

R-7 Draft Order.

The exhibits are available at the following link:

<https://blakes.sharefile.com/d-s9648ced770542758>

Montréal, July 17, 2015


BLAKE, CASSELS & GRAYDON LLP
Attorneys for the CCAA Parties

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N°: 500-11-048114-157

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

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

BLOOM LAKE GENERAL PARTNER LIMITED & ALS

Petitioners

-and-

**THE BLOOM LAKE IRON ORE MINE LIMITED
PARTNERSHIP & ALS**

Mises-en-cause

-and-

FTI CONSULTING CANADA INC.

Monitor

**MOTION FOR THE ISSUANCE OF AN ORDER
EXTENDING THE STAY PERIOD
(Section 11 ff. and 36 of CCAA)
AFFIDAVIT, LIST OF EXHIBITS
AND EXHIBITS R-1 TO R-7**

ORIGINAL

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

M^{tre} Bernard Boucher

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