

**MASTER LOAN AND SECURITY AGREEMENT AND ASSIGNMENTS OF LOAN****(EXHIBIT R-14)**

<b>Loan Amount (in USD) (by Loan Schedule)</b>	<b>Borrower and Assignment by Key Bank, if any (all such assignments have been acknowledged and agreed to by Bloom Lake LP and the US Parent)</b>
\$8,710,091.40	Bloom Lake LP (p. 25)
\$33,871,318.92	CQIM (p. 35)
\$19,533,337.16	Bloom Lake LP (p. 39)
\$24,842,747.40	CQIM (p. 51)
\$1,031,807	CQIM (p. 59)
\$9,465,637.94	Bloom Lake LP (p. 67)
\$11,453,805.23	Bloom Lake LP assigned to Bank of the West (p. 83 and 89)
\$11,118,255.52	Bloom Lake LP assigned to BBVA Compass Financial Corporation (p. 101 and 107)
\$16,713,827.94	Bloom Lake LP assigned to SunTrust Equipment Finance & Leasing Corp (p. 119 and 125)
\$13,446,239.40	Bloom Lake LP assigned to BBVA Compass Financial Corporation (p. 137 and 144)
\$4,007,305.66	Bloom Lake LP assigned to Signature Financial LLC (p. 159 and 166)
\$4,010,488.00	Bloom Lake LP (p. 181)
\$6,624,576.12	Bloom Lake LP assigned to Cole Taylor Equipment Finance, LLC (p. 195 and 202)





## Master Loan and Security Agreement

THIS MASTER LOAN AND SECURITY AGREEMENT (this "Agreement") dated as of September 27, 2013 is made by and between:

- (i) Cliffs Quebec Iron Mining Limited/Cliffs Québec Mine de Fer Limitée, a corporation existing under the federal laws of Canada, with its chief executive office, registered office and domicile located at Suite 508, 1155 Rue University, Montreal, Quebec, H3B 3A7 ("CQIM");
- (ii) The Bloom Lake Iron Ore Mine Limited Partnership, a limited partnership formed under the laws of the Province of Ontario (the "LP"), with its registered office located at Suite 4000, 199 Bay Street, Toronto, Ontario, M5L 1A9 and its chief executive office located at Suite 508, 1155 Rue University, Montreal, Quebec, H3B 3A7, by its sole general partner, Bloom Lake General Partner Limited, a corporation existing under the laws of the Province of Ontario (in its individual capacity, "Bloom Limited" and, in its capacity as general partner of the LP, "Bloom Lake GP"), with its registered office located at Suite 4000, 199 Bay Street, Toronto, Ontario, M5L 1A9 and its chief executive office located at Suite 508, 1155 Rue University, Montreal, Quebec, H3B 3A7, ("Bloom LP");
- (iii) Wabush Mines (an unincorporated Joint Venture of Wabush Iron Co. Limited, a corporation existing under the laws of the State of Ohio, with its registered office in the State of Ohio and without any chief executive office, and Wabush Resources Inc., a corporation existing under the federal laws of Canada, with its registered office located at Suite 4000, 199 Bay Street, Toronto, Ontario, M5L 1A9 and its chief executive office located at Suite 508, 1155 Rue University, Montreal, Quebec, H3B 3A7) (the "Wabush JV"), by its managing agent, Cliffs Mining Company, a corporation existing under the laws of the State of Delaware, (in such capacity, the "Managing Agent");
- (iv) each other Person designated by CQIM from time to time and accepted by the Agent (as defined below), as a borrower (unless the context otherwise provides, each such Person, if any, together with CQIM, Bloom LP and the Wabush JV being referred to herein individually, collectively and interchangeably as "Borrower");
- (v) Key Equipment Finance Inc., as Lender (in its individual capacity, "Key Equipment" and, in its capacity as Lender, "Lender") having an office at 1000 South McCaslin Blvd., Superior, CO 80027;
- (vi) Key Equipment Finance Inc., as Lead Arranger and Administration Agent (in such capacity, the "Agent"), having an office at 1000 South McCaslin Blvd., Superior, CO 80027.

1. **Financing; Separate Borrowings.** (a) This Agreement provides the general terms and conditions that the parties intend to apply to one or more secured loans to be made from time to time by Lender in favour of one or more Borrowers (each, a "Loan"). Each Loan shall be evidenced by a loan schedule, substantially in the form attached as either **Exhibit A** or, in the case where the Loan is secured by Equipment that consists of railcars, **Exhibit B**, (each, together with each addendum, schedule and/or rider thereto, a "Loan Schedule"), together with, for greater certainty, the provisions of this Agreement, to the extent expressly incorporated by the terms of such Loan Schedule into such Loan Schedule. Each addendum, schedule and/or rider that is referred to in such Loan Schedule and is attached to such Loan Schedule or is expressly deemed to be attached to such Loan Schedule is incorporated into such Loan Schedule by reference and is deemed to be a part of such Loan Schedule.

(b) Each Loan Schedule shall constitute a complete and separate loan and security agreement, independent of all other Loan Schedules, and without any requirement of being accompanied by an originally executed copy of this Agreement. The terms and provisions of a Loan Schedule with respect to a Loan may modify or amend any of the terms and provisions of this Agreement, but solely as applied to such Loan Schedule and the related Collateral. The insertion of the phrase "in any related Loan Schedule", "unless otherwise specified in the related Loan Schedule" or similar phrases in any term or provision of this Agreement or the absence of any such phrase in any such term or provision shall not limit, or otherwise affect, the scope of this Section. For greater certainty, if a term or provision contained in this Agreement shall conflict or be inconsistent with any term or provision of a Loan Schedule with respect to a Loan, the terms and provisions of such Loan Schedule shall govern as the same relates to the related Loan and the related Collateral; provided, however, that the terms and provisions of such Loan Schedule may modify or amend the terms and provisions of this Agreement solely as applied to such Loan and such Collateral.

(c) Lender acknowledges and agrees with Borrower that, and each Lender Assignee, upon completing any Lender Transfer, shall be deemed to have acknowledged and agreed with Borrower that, the Equipment described in any Loan Schedule and the other related Collateral shall only secure the Secured Obligations of the applicable Borrower with respect to the related Loan and such Collateral shall not secure (i) the Secured Obligations of the same Borrower with respect to any other Loan made to such Borrower, except to the extent that a Loan Schedule for such other Loan expressly provides that the Collateral covered by two or more Loan Schedules with such Borrower, as specified therein, cross-collateralizes the Secured Obligations with respect to such related Loans but only to the extent so provided in therein or (ii) the Secured Obligations of any other Borrower with respect to any Loan made to such other Borrower.

2. **Definitions.** Unless the context otherwise requires, as used in this Agreement or in any Loan Schedule, the following terms shall have the respective meanings indicated below and shall be equally applicable to both the singular and the plural forms thereof. Any term used in this Agreement and not defined herein shall have the meaning provided in the *Personal Property Security Act* (Ontario).

"Affiliate" means any Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, another Person. A Person shall be deemed to control another Person, for purposes of this definition if such Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the other Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise; provided that, in any event for purposes of this definition as it relates to Guarantor, any Person that owns, directly or indirectly, more than 50% of the securities having the ordinary voting power for the election of directors or governing body of a corporation or more than 50% of the partnership or other ownership interests of any other Person (other than as a limited partner of such other Person) will be deemed to control such corporation or other Person.

"Anti-Terrorism Law" means any law relating to terrorism or money laundering (including the *Criminal Code* (Canada), the *Proceeds of Crime (Money Laundering) Act* (Canada), the *Terrorist Financing Act* (Canada), the *Official Secrets Act* (Canada), Executive Order No. 13224, the *USA Patriot Act*, the laws comprising or implementing the *Bank Secrecy Act*, and the laws administered by the United States Treasury Department's Office of Foreign Asset Control).

"Business Day" means any day other than a Saturday, a Sunday or a statutory or civic holiday in Cleveland, Ohio, Boston, Massachusetts, Montreal, Quebec or Toronto, Ontario.

"Code" means the Internal Revenue Code of 1986, as amended, or any successor statute thereto, including the regulations promulgated thereunder.

"Collateral" means, in respect of a Loan, (i) all Equipment described in the related Loan Schedule, (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for herein pursuant to Section 11(f) or Section 13(b)(i), (iii) any other property of the applicable Borrower that is described in such Loan Schedule and (iv) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

"Default" has the meaning given to such term in Section 17(a).

"Default Rate" means, in respect of a Loan, the lesser of (i) the annual rate of interest set out in the related Loan Schedule, plus 2% per annum and (ii) the maximum rate permitted by law.

"Eligible Lender" means (i) Key Equipment, (ii) BTMU Capital Leasing & Finance Inc., (iii) MassMutual Asset Finance LLC, (iv) Regions Equipment Finance Corporation, (v) The Bank of Nova Scotia, (vi) Cole Taylor Equipment Finance, LLC, (vii) Bank of the West, (viii) SunTrust Equipment Finance & Leasing Corp., (ix) BBVA Compass Financial Corporation, (x) any other Person approved by Borrower and the Agent acting reasonably, (xi) any Affiliate of any of the foregoing and (xii) any Affiliate of Guarantor.

"Encumbrance" means any mortgage, debenture, pledge, hypothec, prior claim, lien, charge, encumbrance, right of retention, assignment by way of security, hypothecation or security interest granted or permitted by a Person or arising by operation of law, in respect of any of that Person's property, or any consignment or capital lease of property by that Person as consignee or lessee or any other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability, or obligation.

"Equipment" means, in respect of a Loan, each item of property that is described in the related Loan Schedule as securing such Loan, together with all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of the applicable Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of the applicable Borrower's interest therein.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version), or any Treasury regulations promulgated thereunder or official administrative interpretations thereof or agreement thereunder.

"Guarantee" means a guarantee made by Guarantor in favour of Lender, substantially in the form attached to this Agreement as **Exhibit C**.

"Guarantor" means Cliffs Natural Resources Inc.

"Installments" means, in respect of a Loan, the periodic payments owing by Borrower to Lender under the related Loan Schedule and, where the context requires, all additional amounts as may from time to time be owing by Borrower under any of the related Loan Documents.

"Joint Venturers" means Wabush Iron Co. Limited and Wabush Resources Inc.

"Loan Documents" means, with respect to a Loan, (i) this Agreement (but only insofar as it is incorporated by reference into the related Loan Schedule), (ii) the related Loan Schedule, (iii) the Certificate of Acceptance and Delivery executed and delivered by the applicable Borrower to Lender

in respect of the related Equipment, (iv) all other documents executed and delivered by the applicable Borrower in favour of Lender from time to time under or in connection with such Loan Schedule and (v) the Guarantee (but only insofar as it relates to the applicable Borrower's obligations under such Loan Schedule and such other documents).

"Material Adverse Effect" means, with respect to a Loan, a material adverse effect on (i) the financial condition of the applicable Borrower and Guarantor taken as a whole, (ii) the ability of the applicable Borrower and Guarantor taken as a whole to perform their obligations under the related Loan Documents, or (iii) the validity or enforceability of such Loan Documents or the rights or remedies of Lender thereunder.

"Permitted Encumbrance" means, with respect to any Collateral that is securing a Loan, (i) the Encumbrances granted by Borrower in favour of Lender under or pursuant to the related Loan Schedule, (ii) any Encumbrances for taxes owing by Borrower on such Collateral which are not delinquent or which are being contested in good faith by appropriate proceedings and for which adequate reserves, in accordance with generally accepted accounting principles, have been set aside on Borrower's books, (iii) Encumbrances of mechanics, repairers, storers or materialmen arising in the ordinary course of business with respect to liabilities which are not overdue or which are being contested in good faith by appropriate proceedings and for which adequate reserves, in accordance with generally accepted accounting principles, have been set aside on Borrower's books, (iv) if any Equipment or other Collateral with respect to any Loan is leased or rented by the applicable Borrower to any other Person in accordance with the terms of this Agreement or the related Loan Schedule, such Person's interest therein and (v) any other Encumbrance expressly permitted in such Loan Schedule or in writing by Lender.

"Person" includes any individual, corporation, company, partnership, governmental authority, joint venture, association, trust or any other entity.

"Secured Obligations" means, in respect of a Loan, all of the following obligations of the applicable Borrower that is a party to the related Loan Schedule, whether direct or indirect, absolute or contingent, matured or unmatured, originally contracted with Lender or another party, and now or hereafter owing to or acquired in any manner partially or totally by Lender or in which Lender may have acquired a participation, contracted by such Borrower alone or jointly or severally: (a) such Borrower's obligations under such Loan Schedule; (b) any and all indebtedness, obligations, liabilities, agreements, warranties, covenants and representations of such Borrower that are now or hereafter owed or incurred by such Borrower to, in favour of, or with Lender, under or in connection with such Loan Schedule or any other related Loan Document and including any partial or total extension, restatement, renewal, amendment, and substitution thereof or therefor; (c) any and all claims of whatever kind of Lender against such Borrower, now existing or hereafter arising under or in connection with such Loan Schedule or such other related Loan Document; and (d) any and all of Lender's fees, costs and expenses related to the foregoing including (without limitation) by reason of the occurrence of Default with respect to such Loan.

"Stipulated Loss Value" means, with respect to an item of Equipment for a Loan on any Installment payment date, the value specified in the related Loan Schedule as being the value of such item of Equipment on such Installment payment date.

"Term" means, with respect to a Loan, the term of such Loan as specified in the related Loan Schedule.

3. **Grant of Security.** Pursuant to each Loan Schedule, each Borrower that is a party to such Loan Schedule shall grant to Lender a first-ranking security interest and hypothec (subject to

Permitted Encumbrances) in the related Collateral, as security for such Borrower's prompt payment and performance in full when due of such Borrower's related Secured Obligations.

4. **Perfection of Security Interest.** (a) For each Loan Schedule, Borrower hereby authorizes Lender to authenticate, file and/or deposit all financing statements, applications, publications, amendments and other similar instruments that, in Lender's opinion (acting reasonably), are necessary or proper to perfect, protect or make opposable Lender's Encumbrances in the related Collateral in all applicable jurisdictions. Borrower hereby ratifies, to the extent permitted by law, all that Lender shall lawfully and in good faith do or cause to be done by reason of and in compliance with this Section. Borrower shall provide written notice to Lender, within five days after making any change in Borrower's name, Borrower's registered office (i.e., domicile) or Borrower's chief executive office and, for any Equipment described in any Loan Schedule that is not normally or ordinarily used in more than one jurisdiction, in the location of any such Equipment.

(b) Except as otherwise permitted by Section 12(a)(iii) or in any related Loan Schedule, Borrower shall have possession of the Equipment described in a Loan Schedule and shall not lease it or allow any third party to use such Equipment. If any Collateral with respect to a Loan is at any time in the possession of such a third party that is not permitted by Section 12(a)(iii) or in any related Loan Schedule, then, with the written consent of Lender (such consent not to be unreasonably withheld or delayed), Borrower will join with Lender in notifying such third party of Lender's Encumbrances therein and obtaining an acknowledgment from such third party that it is possessing such Collateral subject to Lender's Encumbrances therein.

(c) Borrower shall not create, incur, assume, or permit to exist any Encumbrance upon any of the Collateral with respect to a Loan other than Permitted Encumbrances. Borrower shall defend, at its sole cost and expense, Lender's security interest and hypothec in such Collateral from all such Encumbrances.

(d) Except as may be provided for in any of the related Loan Documents, Borrower will not create any Chattel Paper from any dealing of any of the Collateral with respect to any Loan.

5. **Delivery and Acceptance.** If requested by Lender, Borrower shall execute and deliver to Lender, a Certificate of Acceptance and Delivery for the Equipment described in a Loan Schedule and, if so requested, **LENDER SHALL HAVE NO OBLIGATION TO ADVANCE ANY FUNDS TO BORROWER THAT RELATE TO SUCH EQUIPMENT, UNLESS AND UNTIL LENDER HAS RECEIVED FROM THE APPLICABLE BORROWER OR ITS AGENT AN EXECUTED CERTIFICATE OF ACCEPTANCE AND DELIVERY FOR SUCH EQUIPMENT.** The Borrower represents to Lender that the information set out in such Certificate of Acceptance and Delivery shall be true and current in all material respects.

6. **Payments; Prepayments; Criminal Code; Interest Act.** (a) Borrower shall pay each Loan on the terms set forth in the applicable Loan Schedule. All Installments of a Loan shall be payable by the applicable Borrower when due and be paid by such Borrower to the Agent at 11030 Circle Point Road, 2nd Floor, Westminster, CO 80020, or as otherwise directed by Lender in writing.

(b) Borrower may prepay any Loan in accordance with the terms of the related Loan Schedule.

(c) If any provision of a Loan Schedule or any other related Loan Document would oblige Borrower to make any payment of interest or other amount payable to Lender in an amount or calculated at a rate which would be prohibited by any applicable law or would result in a receipt by Lender of "interest" at a "criminal rate" (as such terms are construed under the *Criminal Code* (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may

be, as would not be so prohibited by applicable law or so result in a receipt by the Lender of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows: (i) first, by reducing the amount or rate of interest required to be paid to Lender hereunder; and (ii) thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid to Lender which would constitute interest for purposes of Section 347 of the *Criminal Code* (Canada).

(d) For the purposes of the *Interest Act* (Canada) and disclosure thereunder:

- i. whenever any interest or any fee to be paid under or in connection with any Loan Schedule is to be calculated on the basis of a 360-day or 365-day year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360 or 365, as applicable; and
- ii. whenever interest to be paid under or in connection with any Loan Schedule is to be calculated on the basis of a year of 360 days consisting of twelve 30-day months, the yearly rate of interest to which the rate used in such calculation is equivalent during any particular period is the rate so used multiplied by a fraction of which (1) the numerator is the product of (x) the actual number of days in the calendar year in which such period ends and (y) the sum of (A) the product of 30 and the number of complete months elapsed in the relevant period, and (B) the number of days elapsed in any incomplete month in the relevant period; and (2) the denominator is the product of 360 and the actual number of days in the relevant period.

(e) The rates of interest under any Loan Schedule are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under any Loan Schedule.

## 7. **Conditions Precedent.**

(a) Establishment of Loan Facility. Lender's obligation to establish a loan facility in favour of Borrower under this Agreement shall not become effective unless each of the following conditions precedent is satisfied by Borrower (or waived by Lender): (1) Lender's completion of its due diligence relating to Borrower and Guarantor, the results of which will be satisfactory to Lender in its sole discretion; and (2) Lender's receipt of the following documents, each of which will be in full force and effect, unamended, and in form and substance satisfactory to Lender at its discretion: (i) executed counterparts of this Agreement and the Guarantee; (ii) certified true copies of the articles and by-laws of each of CQIM, Bloom Limited, the Managing Agent and Guarantor; (iii) certified true copies of (x) the general financing resolutions of the board of directors of CQIM and (y) the general financing resolutions of the Joint Venturers and the Managing Agent; (iv) an officer's certificate of Bloom Lake GP, containing such documentation or extracts thereof and statements dealing with such matters as any counsel to Borrower may require in support of any of the legal opinions described in this Section 7(a); (v) certificates of incumbency of the directors, officers and other authorized signatories of each of CQIM, Bloom Lake GP, the Managing Agent and Guarantor, such certificates to contain specimen signatures of only those officers or other authorized signatories who sign or are likely to sign on behalf of any of such Persons any Loan Documents with respect to a Loan to which any such Persons is a party; (vi) certificates of status, or good standing, or similar documents, as applicable, for each of CQIM, the Joint Venturers, Bloom Limited, the LP, the Managing Agent and Guarantor; and (vii) the favourable written opinions of counsel for Borrower and Guarantor, addressed to Lender and its successors and permitted assigns hereunder and dated the closing date, covering (A) the existence of each of



CQIM, the LP, Bloom Lake GP and the Managing Agent, their respective due authorization of this Agreement and each Loan Schedule, and the due execution, delivery and enforceability of this Agreement and each Loan Schedule (assuming that each such Loan Schedule has been duly executed and delivered by the parties thereto) against the applicable Borrower and (B) the existence of Guarantor and the due authorization, execution and delivery by Guarantor of the Guarantee, which opinions as to the Managing Agent and Guarantor, insofar as it relates to general corporate matters and the due execution and delivery of this Agreement and the Guarantee, as applicable, may be given by in-house counsel to Guarantor.

(b) Each Loan. Lender's obligation to make a Loan pursuant to a Loan Schedule is subject to, and conditional upon, all of the following conditions precedent being satisfied by each Borrower which is a party to such Loan Schedule (or waived by Lender) prior to the advance of such Loan (provided, however, that nothing herein implies that Lender is obligated to make a Loan hereunder even if all of the conditions set out below are met): (1) Lender's receipt of the following documents, each of which will be in full force and effect, unamended, in form and substance satisfactory to Lender at its discretion, and will be delivered at least 3 Business Days prior to the making of such Loan: (i) executed counterparts of such Loan Schedule; (ii) if requested by Lender, an executed Certificate of Acceptance and Delivery with respect to the Equipment described in such Loan Schedule; (iii) copies, if any, of all regulatory, governmental and other approvals necessary in connection with the execution and delivery of the related Loan Documents and the consummation of the transactions contemplated by such Loan Documents, certified by a senior officer of such Borrower to be true and complete copies, in full force and effect, unamended; (iv) evidence of the discharge and release of all Encumbrances (other than Permitted Encumbrances) of any Person in any of the related Collateral and copies of any estoppel or no-interest letters which Lender shall have reasonably requested to confirm that any registration or filing against such Borrower made in favour of any Person that could be relied upon to perfect or protect or make opposable any Encumbrance in any such Collateral does not and will not be relied upon for such purpose; (v) copies of certificates of insurance of Borrower covering such Collateral in accordance with the requirements of Section 14; (vi) copies of bills of sale and/or other proof of payment evidencing the purchase by such Borrower of the Equipment described in such Loan Schedule; and (vii) the favourable registration opinions of counsel for such Borrower, addressed to Lender and dated the date of such Loan Schedule, substantially in the form attached as Exhibit D; (2) since December 31, 2012, there shall not have occurred any change in the condition (financial or otherwise) of Guarantor that, in the aggregate, would have a Material Adverse Effect with respect to such Loan; (3) no Default shall have occurred and be continuing with respect to any Loan made to such Borrower or result from the transactions contemplated by such Loan Schedule; (4) all representations and warranties of Borrower contained herein and in each of the other related Loan Documents shall be true and correct in all material respects on and as of the date of the closing of such Loan (or, if such representation or warranty is given as of an earlier date, as of such earlier date); and (5) Lender's security interest in such Collateral granted by Borrower under such Loan Schedule and Lender's hypothec in such Collateral, when properly perfected and rendered opposable, as applicable, by filing, registration or publication, as the case may be, shall constitute a valid, perfected and opposable first priority and ranking security interest and hypothec in such Collateral, free and clear of any Encumbrances other than Permitted Encumbrances.

8. Waiver. The conditions set forth in Section 7 are inserted for Lender's sole benefit and may be waived by Lender, in whole or in part (with or without terms or conditions) in respect of any Loan without prejudicing the Lender's right at any time to assert those conditions in respect of any subsequent Loan.

9. **Location; Inspection.** The Equipment described in a Loan Schedule (other than Equipment that is normally or ordinarily used in more than one jurisdiction, such as railcars) shall be delivered to the locations ("**Equipment Location**") specified in such Loan Schedule and, except as otherwise permitted in such Loan Schedule, shall not be removed therefrom without Lender's prior written consent (such consent not to be unreasonably withheld or delayed). Upon reasonable advance notice to the applicable Borrower, Lender shall have the right, at its own risk, to enter upon the premises where the Collateral with respect to a Loan is located and inspect such Collateral at any reasonable time; provided, however, that prior to the occurrence and continuance of a Default with respect to a Loan, such inspection shall be no more frequent than once per fiscal year and shall be at the sole cost and expense of Lender. Borrower shall use commercially reasonable efforts to deliver or cause to be delivered to Lender any landlord or warehouse consent required for Lender to enter upon the premises where the Collateral with respect to a Loan is located pursuant to this Section 9 and Section 17(c)(ii).
10. **Use; Alterations.** Borrower shall use, in all material respects, the Collateral with respect to any Loan in accordance with applicable law and only in the manner for which it was designed and intended and so as to subject it only to ordinary wear and tear. Borrower, at its own expense, shall make such alterations, additions, attachments or modifications to the Collateral with respect to any Loan as may be required from time to time to meet the requirements of applicable law or a governmental or regulatory or similar body (each, a "**Required Alteration**"), provided that such Required Alteration does not (i) decrease the value, condition, utility or useful life of the Collateral with respect to any Loan, (ii) except as permitted by the related Loan Schedule or otherwise on 15 days advance notice in writing to Lender, cause or permit any such Collateral to become a fixture or real or immovable property, whether by accession, affixation or otherwise (such covenant applying not only in the context of Required Alterations but also as an independent covenant) or (iii) affect the insurability or impair any manufacturer's warranty with respect to any such Collateral. All such Required Alterations to the Collateral with respect to any Loan that cannot be removed without damaging or reducing the functional capability, economic value, useful life or insurability of any such Collateral or impairing any manufacturer's warranty shall only be made with the prior written consent of Lender (such consent not to be unreasonably withheld or delayed). Under no circumstance shall any alteration, modification or attachment be subjected by the applicable Borrower to any Encumbrance other than Permitted Encumbrances. All such Required Alterations shall immediately, and without further act, be deemed to constitute "Equipment" or "Collateral", in each case, with respect to such Loan and be fully subject to the related Loan Schedule as if originally financed thereunder. Borrower shall not make any other material alterations to the Collateral with respect to any Loan without Lender's prior written consent (such consent not to be unreasonably withheld or delayed).
11. **Repairs and Maintenance.** Borrower, at Borrower's sole risk, cost and expense, shall (a) keep the Collateral with respect to any Loan in good repair, operating condition, appearance and working order in compliance with the manufacturer's recommendations and Borrower's standard practices but in no event less than industry practice, (b) use the Collateral with respect to any Loan solely in the conduct of its business, for the purpose, and in the manner, for which such Collateral was designed and in accordance with the provisions of Section 10, (c) properly service all components of the Collateral with respect to any Loan following the manufacturer's written operating and servicing procedures, manuals or service agreements whenever furnished or entered into, including any subsequent amendments or replacements thereof, issued by the manufacturer, (d) upon Lender's request, furnish Lender with an executed copy of any such maintenance agreement, (e) operate, maintain, service and repair the Collateral with respect to any Loan in accordance and consistent with the requirements of applicable insurance policies, all applicable laws, the maintenance and operating

manuals or service agreements, and Borrower's standard practices and (f) subject to Borrower's standard practices, replace any parts, appliances, systems, components, instruments and other equipment of the Collateral with respect to any Loan that becomes unfit or unavailable for, worn out, lost, stolen, destroyed, seized, confiscated, damaged beyond repair or permanently rendered unfit for use for any reason whatsoever (whether or not such replacement is covered by a maintenance agreement) with a replacement part that is of the same manufacture, value, remaining useful life and utility as the replaced part immediately preceding the replacement, assuming that such replaced part was in the condition required by this Agreement. In addition, in the ordinary course of maintenance, service, repair, overhaul or testing, Borrower may, subject to Borrower's standard practices, remove any parts of the Collateral with respect to any Loan, whether or not worn out, lost, stolen, destroyed, seized, confiscated, damaged beyond repair or permanently rendered unfit for use, *provided* that, subject to Borrower's standard practices, Borrower shall replace such parts as promptly as practicable and such replacement parts shall be in as good and operating condition as, and shall have a value and utility at least equal to, the parts replaced, assuming such replaced parts were in the condition and repair required to be maintained by the terms hereof. Any replacement parts shall be free and clear of all Encumbrances, other than Permitted Encumbrances, shall constitute "Equipment" and "Collateral", in each case, with respect to such Loan, and will be fully subject to the related Loan Schedule as if originally financed thereunder and, upon request by Lender (acting reasonably), the applicable Borrower shall execute such documents and make such filings and deposits as Lender may request to ensure such treatment and to subject such replacement parts to the Encumbrances granted to Lender under the related Loan Schedule.

12. **Lease, Assignment and Participations.** (a) BORROWER SHALL NOT, WITHOUT LENDER'S PRIOR WRITTEN CONSENT (SUCH CONSENT NOT TO BE UNREASONABLY WITHHELD OR DELAYED) OR EXCEPT AS OTHERWISE PERMITTED IN SECTION 22 OR THE APPLICABLE LOAN SCHEDULE, (i) SELL, ASSIGN, TRANSFER, PLEDGE, HYPOTHECATE OR OTHERWISE DISPOSE OF THE COLLATERAL WITH RESPECT TO ANY LOAN OR ANY INTEREST THEREIN, (ii) RENT OR LEND SUCH COLLATERAL TO ANYONE OR (iii) PERMIT SUCH COLLATERAL TO BE USED BY ANYONE OTHER THAN SUCH BORROWER AND ITS QUALIFIED EMPLOYEES, AGENTS OR SERVICE PROVIDERS. THE APPLICABLE BORROWER ACKNOWLEDGES IT REMAINS PRIMARILY LIABLE FOR ALL OBLIGATIONS ARISING UNDER THE APPLICABLE LOAN SCHEDULE AND UNDER ANY OTHER RELATED LOAN DOCUMENT NOTWITHSTANDING USE BY ANY OF ITS AGENTS OR SERVICE PROVIDERS.

(b) Lender may sell, transfer and assign all (but not less than all) of Lender's interest in any Loan, the related Loan Documents and the related Collateral (each, a "Lender Transfer") to one or more Persons (each, a "Lender Assignee"); provided that (i) the applicable Borrower must give its prior written consent to such Lender Transfer (such consent not to be unreasonably withheld or delayed), unless such Lender Transfer is to an Eligible Lender, in which case, the Lender Assignee shall notify the applicable Borrower of such Lender Transfer, (ii) such Borrower's consent shall not be required with respect to any Lender Transfer made at any time after the occurrence and during the continuance of a Default with respect to such Loan, (iii) in the case where such Lender Transfer is the first Lender Transfer to be effected of such Loan, Guarantor must acknowledge in favour of the applicable Lender Assignee such Lender Transfer, and in the case of any Lender Transfer effected of such Loan after such initial Lender Transfer, the applicable Lender Assignee shall notify Guarantor of such subsequent Lender Transfer, (iv) for greater certainty, immediately after giving effect to the Lender Transfer of a Loan, the related Loan Documents and the related Collateral in accordance with this Section 12(b), the Lender Assignee thereof will be the sole Lender with respect to such Loan, the related Loan Documents and the

related Collateral and (v) the parties to such Lender Transfer shall execute and deliver to the Borrower and the Agent an assignment and acceptance, substantially in the form attached to this Agreement as **Exhibit E**. Each Lender Assignee that has completed a Lender Transfer of a Loan, the related Loan Documents and the related Collateral in accordance with this Section 12(b) shall have and may exercise all of the assigning Lender's rights under such Loan Documents and such Collateral, and Borrower shall not assert against such Lender Assignee any claim that Borrower may have against the assigning Lender, provided that (i) Borrower may assert any such claim in a separate action against the assigning Lender, and (ii) such Lender Assignee shall not be entitled to receive any greater payment under Section 15 than the original Lender would have been entitled to receive with respect to the interest in such Loan Documents or such Collateral had the original Lender never completed the Lender Transfer.

(c) Subject to the restrictions on assignment contained in Sections 12(a) and 12(b), the Loan Documents with respect to a Loan shall enure to the benefit of, and be binding upon, the successors and assigns of the parties thereto.

(d) Lender may, at any time, without the consent of, or notice to, the applicable Borrower or the Agent, sell participations to any Person (other than a natural person or such Borrower or any of such Borrower's Affiliates) (each, a "Participant") in all or a portion of Lender's rights under any Loan, the related Loan Documents and the related Collateral, provided that (i) such Lender's obligations hereunder or thereunder shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto and thereto for the performance of such obligations, (iii) such Borrower, the Agent and the other Lenders thereunder (if any) shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations hereunder or thereunder and (iv) no Participant shall be entitled to receive any greater payment under Section 15 than Lender would have been entitled to receive with respect to the interest in such Loan Documents or such Collateral had Lender never sold such participation. Any agreement or instrument pursuant to which a Lender sells such a participation in accordance with this Section 12(d) shall provide that such Lender shall retain the sole right to enforce the applicable Loan Documents and the applicable Collateral and to approve any amendment, modification or waiver of any provisions thereof.

13. **Risk of Loss; Damage to Collateral.** (a) The applicable Borrower shall bear the entire risk of loss (including, without limitation, theft, destruction, disappearance of or damage to the Collateral with respect to any Loan from any cause whatsoever), whether or not insured against, during the Term of such Loan. No such loss shall relieve the applicable Borrower of the obligation to pay the Installments owing under such Loan or of any other obligation owing under any related Loan Documents, all of which shall continue in full force and effect.

(b) If any item of Equipment with respect to any Loan is lost, stolen or damaged beyond repair, or is confiscated or seized, or the use and/or title thereof is requisitioned to someone other than the applicable Borrower or any other Person permitted by Section 12(a) (any such event being a "Total Loss"), such Borrower shall promptly notify Lender of such event, identifying in such notice whether such Total Loss is a Material Total Loss or a Non-Material Total Loss (as such terms are defined below). At the applicable Lender's option (after consulting with the applicable Borrower), in the case of a Material Total Loss, and at the applicable Borrower's option, in the case of a Non-Material Total Loss (notice of the option so elected shall be given by the applicable electing party to the other party within 60 days following the giving of the notice of the occurrence of such Total Loss by the applicable Borrower to Lender), such Borrower shall either (i) not more than 180 days (or such longer period as the parties may agree) following such Total Loss replace such item of Equipment that suffered a Total Loss with equipment that is free of all Encumbrances, other than Permitted Encumbrances, and is in

as good condition and repair, of the same manufacture, value, remaining useful economic life and utility as the replaced item of Equipment immediately preceding the Total Loss, assuming such replaced item of Equipment was in the condition required by the related Loan Schedule; provided, however, that such Borrower shall only be permitted to elect this replacement option if, at the time it makes such election, no Default with respect to such Loan has occurred and is continuing or (ii) on the first Installment payment date, occurring under such Loan following the giving of such notice by such Borrower to Lender of such Borrower's election of the option contemplated by this clause (ii), pay to Lender an amount equal to the Stipulated Loss Amount with respect to that item of Equipment on such Installment payment date, together with all accrued and unpaid interest at the interest rate specified in such Loan Schedule. For the purposes of this Section 13(b), (i) a "Material Total Loss" means a Total Loss affecting one or more items of Equipment with respect to a Loan where the sum of the value of the items of Equipment that suffered such Total Loss represents more than 50% of the total value of all Equipment with respect to such Loan, in each case, such value to be based on the original capital cost of such Equipment and (ii) a "Non-Material Total Loss" means any Total Loss that is not a Material Total Loss.

(c) If the applicable Borrower replaces the Collateral that had suffered the Total Loss in accordance with Section 13(b)(i), (i) such replacement equipment shall become the Collateral subject to such Loan Schedule and subject to the Encumbrances granted to Lender thereunder and in accordance therewith, (ii) the applicable Borrower shall execute such documents and make such filings and deposits as Lender may reasonably request to ensure such treatment and to subject such replacement Collateral to the Encumbrances granted to Lender under the related Loan Schedule and (iii) Lender shall release its interest in the Collateral that had suffered the Total Loss in its then condition and location, "AS IS" and "WHERE IS," without any warranties, express or implied. Alternatively, upon Lender's receipt of the amount specified in Section 13(b)(ii), Lender shall release its interest in the Collateral that had suffered the Total Loss, in its then condition and location, "AS IS" and "WHERE IS," without any warranties, express or implied.

14. **Insurance.** (a) During the Term of a Loan, the applicable Borrower shall, at all times during such Term and at such Borrower's own cost and expense, maintain (i) insurance against all risks of physical loss or damage to the Collateral with respect to such Loan for the full replacement value thereof, and (ii) commercial general liability insurance (including blanket contractual liability coverage and products liability coverage) for personal and bodily injury and property damage per occurrence as stated in the related Loan Schedule. Self-insurance shall be acceptable at levels commensurate with Guarantor's financial capacity to retain such exposure and as is consistent with standard market practice, both as are reasonably determined by Lender. The applicable Borrower shall maintain minimum general liability limits of \$3,000,000, subject to self-insurance (as aforesaid).

(b) All insurance policies required hereunder shall include terms, and be with insurance carriers, reasonably satisfactory to Lender. Without limiting the generality of the foregoing, each policy shall include the following terms: (i) all physical damage insurance shall name Lender and its assigns as loss payee, (ii) all liability insurance shall name Lender and its assigns as additional insured, (iii) the policy shall not be canceled or altered without at least thirty days' advance written notice to Lender and its assigns and (iv) coverage shall not be invalidated against Lender or its assigns because of any violation of any condition or warranty contained in any policy or application therefor by Borrower, its affiliates, employees, officers, directors, or agents or by reason of any action or inaction of Borrower, its affiliates, employees, officers, directors, or agents, regardless of any breach or violation by Borrower of any warranty, declaration, or condition contained in such policies. Insurers shall agree to waive all rights of subrogation against Lender. Insurance shall be primary without right of contribution from any insurance carried by Lender and shall operate in the same manner as if a

separate policy covers each additional insured. On the date that a Loan is made by Lender to the applicable Borrower, and thereafter not less than five days prior to each renewal or replacement of such insurance, such Borrower will deliver to Lender certificates of insurance evidencing the insurance required to be maintained pursuant to this Agreement. The applicable Borrower shall, at its own expense, make all proofs of loss and take all other steps necessary to collect the proceeds of such insurance.

15. **Taxes.** The applicable Borrower shall pay when due and shall indemnify and hold harmless Lender (on an after-tax basis) from and against any and all taxes, fees, withholdings, levies, imposts, duties, assessments and charges of every kind and nature whatsoever (including any related penalties and interest), other than Excluded Taxes, imposed upon or against Lender, any Lender Assignee, such Borrower or any Collateral with respect to a Loan by any governmental authority in connection with, arising out of or otherwise related to such Loan, the related Collateral, the related Loan Documents, any Installments payable under such Loan or any receipts or earnings arising therefrom but excluding all federal, provincial, state, and local taxes on or measured by Lender's net income. For purposes of this Agreement and any Loan Schedule, "Excluded Taxes" means (i) income taxes (including branch profit taxes, minimum taxes and taxes computed under alternative methods, at least one of which is based on or measured by net income), (ii) franchise taxes (imposed in lieu of income taxes), (iii) any other taxes based on or measured by the net income of Lender as a result of a present or former connection between Lender and the jurisdiction of the governmental authority imposing such tax (other than any such connection arising solely from Lender having executed, delivered or performed its obligations or received a payment under the related Loan Documents), (iv) any Taxes imposed under FATCA (including, in each case, any interest, penalties and additions to tax), and (v) taxes payable by, or required to be withheld from any payment to, Lender by virtue of Lender not dealing at arm's length with such Borrower for purposes of the *Income Tax Act* (Canada) or being at any time a "specified shareholder" (as defined in subsection 18(5) of the *Income Tax Act* (Canada)) of such Borrower or a person not dealing at arm's length with a "specified shareholder" (as defined in subsection 18(5) of the *Income Tax Act* (Canada)) of such Borrower or a holder of a partnership interest in such Borrower, as the case may be.

Each payment to be made by the applicable Borrower to Lender under any Loan Schedule or any other related Loan Documents shall, to the extent permitted by law, be made (a) free and clear of, and without deduction for, any and all present and future taxes, levies, duties, any governmental charges and all liabilities with respect thereto, imposed or levied by or on behalf of the Government of Canada or any political subdivision thereof or any authority or agency thereof having the power to tax, and (b) without setoff, deduction or counterclaim of any kind whatsoever, provided that to the extent that withholding taxes are required to be deducted or withheld from any amount payable thereunder, such Borrower will deduct from such amount payable the amount required to be so deducted or withheld on account of such withholding taxes and remit such amount to the Canada Revenue Agency (or the applicable taxing authority) and provide proof of such remittance to Lender forthwith. If any taxes, other than Excluded Taxes, are required to be so deducted or withheld from any amount payable thereunder, the amount so payable shall be increased, and Lender shall be entitled to be paid by such Borrower the amount of such increase (an "additional amount") to the extent necessary such that Lender receives (after payment of all such taxes other than Excluded Taxes) a net amount equal to the amount which would have been received if no deduction or withholding had been made.

If Lender is legally entitled to receive a refund of any taxes as to which it has been indemnified or with respect to which additional amounts have been paid to Lender, or Lender is legally entitled to receive a credit or deduction with respect to any such taxes or with respect to additional

amounts which have been paid hereunder, it shall, at Borrower's sole cost and expense and provided Lender shall have determined in its sole discretion that Lender would be entitled to such credit, deduction or refund and would be able to make use of any such credit, deduction or refund, use commercially reasonable efforts to obtain or claim such refund, credit or deduction and pay over such refund or the value of such credit or deduction to the applicable Borrower, together with any interest thereon, in each case, if and to the extent received or obtained.

Without limiting the generality of the foregoing, the applicable Borrower shall (i) pay when due (or reimburse Lender if Lender has paid on Borrower's behalf), and (ii) indemnify, defend and hold Lender harmless, on a net after-tax basis, against all liability for any and all (x) license and/or registration fees, assessments, and sales, use, property, excise, privilege, value added and other taxes (including withholding or otherwise, but not including Excluded Taxes), or other charges or fees now or hereafter imposed by Canada or the United States or any other country, or any state or province, or any governmental or administrative subdivision thereof upon any Collateral with respect to a Loan made by Lender to such Borrower (other than taxes on or measured solely by the net income of Lender) and (y) any and all other foreign or domestic governmental charges, license fees, assessments, fines, levies, imposts, duties, tariffs, customs duties, switching charges, mileage equalization charges, empty movement charges, track storage, detention or demurrage charges arising from any change in law or otherwise, including penalties and interest thereon, levied or imposed by any domestic or foreign, federal, state, provincial or local government or taxing authority or other agency, in each case, imposed upon such Borrower or Lender (or any of its assets or interests) and relating to, or with respect to, either the related Collateral or any related Loan Document (including casualty payments or other sums payable thereunder). To the extent that the applicable Borrower is relying on any federal, state, provincial or local tax exemptions, at Lender's request, such Borrower shall provide a copy of each applicable exemption certificate or other evidence of such exemption.

16. **Lender's Right to Perform for Borrower.** If the applicable Borrower has failed to perform any of its obligations contained in any Loan Schedule and such failure has resulted in the occurrence of a Default with respect to such Loan, Lender may (but shall not be obligated to) itself perform such obligations, and the amount of the reasonable costs and expenses of Lender incurred in connection with such performance, together with interest on such amount from the date said amounts are expended at the applicable Default Rate, shall be payable by such Borrower to Lender upon demand. No such performance by Lender shall be deemed a waiver of any rights or remedies of Lender or be deemed to cure such Default with respect to such Loan.
17. **Default; Remedies.** (a) The occurrence of any one or more of the following events, in respect of a Loan, will constitute a "Default" with respect to such Loan: (i) the applicable Borrower fails to pay any Installment or other amount due under such Loan Schedule and such failure continues for five Business Days after Lender or the Agent has notified such Borrower in writing of such failure; (ii) the applicable Borrower or Guarantor (A) makes an assignment for the benefit of creditors or admits in writing its inability to pay its debts as they become due or generally fails to pay its debts as they become due; (B) initiates any voluntary bankruptcy, reorganization, insolvency or similar proceeding; or (C) fails to obtain the discharge of any bankruptcy, reorganization, insolvency or similar proceeding initiated against it by others within 60 days of the date such proceedings were initiated; (iii) a receiver, trustee, conservator or liquidator of the applicable Borrower or Guarantor of all or a substantial part of its assets is appointed with or without the application or consent of such Borrower or Guarantor, as applicable, unless such appointment is being actively and diligently contested by such Borrower or Guarantor, as applicable, in good faith by appropriate and timely proceedings and such appointment shall not have been dismissed within 60 days of

such appointment; (iv) a petition is filed by or against the applicable Borrower or Guarantor under any bankruptcy, insolvency or similar law, unless such petition is being actively and diligently contested by such Borrower or Guarantor, as applicable, in good faith by appropriate and timely proceedings and such petition shall not have been dismissed within 60 days of being filed; (v) the applicable Borrower violates or fails to perform in any material respect its obligations under Section 14 and such failure shall continue for a period of 10 Business Days after the earlier of (x) the date on which such failure shall first become known to any senior officer of such Borrower and (y) written notice thereof is given to such Borrower by Lender or the Agent, requiring such failure to be remedied; (vi) the applicable Borrower or Guarantor violates or fails to perform in any material respect any covenant or agreement of such Borrower or Guarantor, as applicable, made in such Loan Schedule or any other related Loan Document to which it is a party (other than a covenant or agreement a failure in the observance or performance of which is elsewhere in this Section specifically dealt with) and, for greater certainty, the failure by Guarantor to make a payment due under the Guarantee will be deemed to be a material breach of its covenant under the Guarantee) and such failure shall continue for a period of 15 Business Days after the earlier of (x) the date on which such failure shall first become known to any senior officer of such Borrower or Guarantor, as applicable, and (y) written notice thereof is given to such Borrower or Guarantor, as applicable, by Lender or the Agent, requiring such failure to be remedied; (vi) any warranty or representation made by the applicable Borrower or Guarantor in any related Loan Document to which it is a party proves to have been false or misleading in any material respect when made and the circumstance or condition in respect of which such representation or warranty was so false or misleading shall not have been eliminated or otherwise remedied for a period of 15 Business Days after the earlier of (x) the date on which such failure shall first become known to any senior officer of such Borrower or Guarantor, as applicable, and (y) written notice thereof is given to such Borrower or Guarantor, as applicable, by Lender or the Agent, requiring such default to be remedied; (vii) since the date of such Loan, there has been a change in the condition (financial or otherwise) of Guarantor that, in the aggregate, constitutes a Material Adverse Effect with respect to such Loan; (viii) except as permitted by Section 22, such Borrower (without the prior written consent of Lender, such consent not to be unreasonably withheld or delayed) is no longer controlled directly or indirectly by Guarantor or an Affiliate of Guarantor; and (ix) any filing by such Borrower of a termination statement or discharge or reduction for any financing statement or similar statement filed by Lender while any obligations are owed by such Borrower under such Loan Schedule. For greater certainty, a Default with respect to a particular Loan shall not constitute a Default with respect to any other Loans.

(b) Upon the occurrence and during the continuance of a Default with respect to a Loan, Lender may declare, upon written notice to the applicable Borrower and Guarantor, any or all of the principal amount then outstanding under such Loan, together with all accrued and unpaid interest thereon and all other amounts payable by such Borrower under any related Loan Documents, to be immediately due and payable, whereupon such amounts shall be immediately due and payable, without presentment, demand, protest or other formalities of any kind, all of which are hereby expressly waived by such Borrower, (provided that, in the case of a Default of the kind described in clauses (ii), (iii) and (iv) of Section 17(a) with respect to such Borrower or Guarantor, all of such amounts shall automatically forthwith become due and payable). The Secured Obligations with respect to such Loan that were accelerated thereby shall bear interest (both before and after any judgment) from the date of such acceleration until paid in full at the applicable Default Rate.

(c) Following the acceleration of any Loan by Lender in accordance with Section 17(b), Lender may do any one or more of the following as Lender in its sole discretion shall elect: (i) upon written demand by Lender to the applicable Borrower, require such Borrower, at its expense, to promptly



assemble or surrender or cause to be assembled or surrendered any or all of the related Collateral at the location designated in the related Loan Schedule; (ii) upon advance written notice to such Borrower and at Lender's own risk, Lender may itself or by its agents enter upon the premises of Borrower or other premises where any of such Collateral may be located, take possession of all or any of such Collateral and remove all or any of such Collateral without liability to Borrower by reason of such entry or taking possession; (iii) sell all or any of such Collateral at public or private sale or hold, keep idle or lease to others any of such Collateral and exercise any or all hypothecary recourses; and (v) exercise any other right or remedy available to Lender under applicable law. The applicable Borrower shall be liable for all reasonable costs, expenses, and legal fees incurred in enforcing Lender's rights under the related Loan Documents, before or in connection with litigation or arbitration. In addition, following the acceleration of any Loan by Lender in accordance with Section 17(b), Lender shall (I) under all circumstances (even if it has only simple administration of the related Collateral) and in such manner as Lender deems appropriate, in its discretion, have the right to alienate any such Collateral by onerous title and to acquire any such Collateral in the course of any administration thereof, (II) to the extent permitted by law, on the sale of any of such Collateral, do so on terms and conditions as Lender sees fit and, notwithstanding any provision of law otherwise (to the extent not prohibited by law), Lender will not be obliged to accept the highest offer notwithstanding any conditions attaching to such offer or any other offers and will, at all times, be entitled to refuse all offers and proceed to the sale of any of such Collateral by any other method, (III) to the extent not permitted by law, not be required to obtain or present to any court any appraisals of any such Collateral and may cause any such Collateral to be sold by judicial authority without any upset price therefor, (IV) be entitled to use for its own benefit, as Lender, any information which it obtains by reason of its administration of any such Collateral, (V) to the extent not permitted by law, not be obliged to prepare any inventory of any such Collateral, insure any such Collateral or give security for any such Collateral or its administration, (VI) under all circumstances, be entitled to change the destination any such Collateral under its administration, and (VII) to the extent not permitted by law, bound to render only such accounting as may strictly be required pursuant to Chapter V of Title Three of Book Six of the *Civil Code of Quebec* and all other provisions of law requiring any accounting or setting forth rules for accounting by Lender of its administration shall be inapplicable to such administration. In the event that the applicable Borrower requires Lender to sell any related Collateral in accordance with the *Civil Code of Quebec*, the applicable Borrower acknowledges that Lender will not be required to abandon its recourse of taking in payment unless, before the expiry of the delay to surrender, Lender: (x) shall have been furnished with security guaranteeing that the related Collateral in question will be sold at a sufficiently high price for Lender to be paid the amounts secured thereby, in full; (y) shall have been reimbursed the related fees, costs and expenses it has incurred; and (z) shall have been advanced all amounts necessary for the sale of such Collateral in question.

(d) Following the acceleration of any Loan by Lender in accordance with Section 17(b), Lender may appoint a receiver in respect of the applicable Borrower and/or the related Collateral, or apply, at any time, to any court of competent jurisdiction for the appointment of a receiver or other official, who may have powers the same as, greater or lesser than, or otherwise different from, those capable of being granted to a receiver appointed by Lender under the related Loan Documents. Any receiver will have, without limitation, the rights set out in Section 17. In exercising those rights, a receiver will act as, and for all purposes will be deemed to be, the agent of the applicable Borrower. Lender will not be responsible for any act, omission, negligence, misconduct, or default of any receiver. Lender may remove any receiver and appoint another receiver. No receiver appointed by Lender need be appointed by, nor need its appointment be ratified by or its actions in any way supervised by a court. As soon as Lender takes possession of any applicable Collateral or appoints a receiver over any

applicable Collateral, all rights of the applicable Borrower in and to that Collateral will cease unless Lender or any receiver agrees in writing to specifically continue those rights.

(e) None of Lender's rights or remedies under the Loan Documents with respect to a Loan are intended to be exclusive, but each shall be cumulative and in addition to any other right or remedy referred to thereunder or otherwise available to Lender at law or in equity, and no express or implied waiver by Lender of any Default under such Loan shall constitute a waiver of any other Default under such Loan or a waiver of any of Lender's rights under the related Loan Documents.

(f) With respect to any exercise by Lender of its right to recover and/or dispose of any Collateral with respect to any Loan, the applicable Borrower acknowledges and agrees that Lender may dispose of such Collateral on an "AS IS, WHERE IS" basis, in compliance with applicable law and with such preparation (if any) as Lender determines to be commercially reasonable. The applicable Borrower shall remain liable for any deficiency in the disposition of such Collateral, and any purchase by Lender of such Collateral may be through a credit to some or all of such Borrower's obligations under the related Loan Schedule.

18. **Notices.** All notices and other communications hereunder shall be in writing and shall be transmitted by hand, facsimile, overnight courier or by registered/certified mail (return receipt requested). Such notices and other communications shall be addressed to the respective party at, in the case of Borrower, the address of the Guarantor that is set forth in the Guarantee, or, in the case of any other party to this Agreement, the address first set forth above, or, in each case, at such other address as any party may, from time to time, designate by notice duly given in accordance with this Section. Such notices and other communications shall be effective upon receipt or, in the case of mailing in accordance with the terms of this Section, the earlier of receipt or three days after mailing.
19. **Indemnity.** The applicable Borrower assumes liability for and shall indemnify and hold harmless Lender and each Lender Assignee and its officers, directors, employees, agents, representatives, successors, assigns and Affiliates (each, an "Indemnitee") from and against any and all liabilities, causes of action, claims, suits, penalties, damages, losses, costs or expenses (including legal fees), obligations, liabilities, demands and judgments (collectively, a "Liability") arising out of or in any way related to: (a) such Borrower's failure to perform any covenant under the Loan Documents with respect to any Loan made by Lender to such Borrower, (b) the untruth of any representation or warranty made by such Borrower under the related Loan Documents or (c) injury to persons, property or the environment including any Liability based on strict liability in tort, negligence, breach of warranties or such Borrower's failure to comply fully with applicable law or regulatory requirements; *provided*, that the foregoing indemnity shall not extend to any Liability to the extent resulting from the negligence or misconduct of any Indemnitee. Such Borrower agrees that its obligations under this Section include the responsibility to indemnify each Indemnitee for any Liability based on strict liability in tort (or other similar absolute tort liability laws). Nothing contained in any Loan Document with respect to a Loan shall authorize the applicable Borrower or any Person to operate any of the related Collateral so as to incur or impose any liability or obligation for or on behalf of Lender.
20. **Fees and Expenses.** The applicable Borrower shall pay all reasonable costs and expenses incurred by Lender in enforcing any of the terms, conditions or provisions of the Loan Documents with respect to any Loan made to such Borrower or in protecting Lender's rights thereunder, including, without limitation, attorneys' and other professional fees, returned check or non-sufficient funds charges, the fees of any collection agencies and appraisers and all other costs and expenses related to any sale or lease of the related Collateral (including storage costs).

21. **Financial, Other Information and Notices.** (a) Audited annual and quarterly unaudited statements of Guarantor shall be publicly available through the Securities and Exchange Commission ("SEC"). If such statements of Guarantor are not available through the SEC, then Borrower shall deliver or cause to be delivered to the Agent the audited annual statements of Guarantor within one hundred twenty days after the last day of Guarantor's fiscal year and the quarterly unaudited statements of Guarantor within 60 days after the end of each fiscal quarter of Guarantor.
- (b) The applicable Borrower shall provide prompt written notice to Agent of (i) any Default with respect to any Loan made to such Borrower and (ii) any existing or threatened in writing investigation, claim or action by any governmental authority against such Borrower that would reasonably be expected to have a Material Adverse Effect on such Loan.
22. **No Consolidation, Amalgamation, etc.** No Borrower shall consolidate, amalgamate or merge with any other Person, enter into any corporate reorganization or other transaction intended to effect or otherwise permit a change in its existing corporate or capital structure, liquidate, wind-up, or dissolve itself, or permit any liquidation, winding-up, or dissolution, except that if, at the time thereof and immediately after giving effect thereto, no Default with respect to any Loan made to such Borrower shall have occurred and be continuing, such Borrower may consolidate, amalgamate or merge with, or enter into any such corporate reorganization or other transaction with, any other Borrower or any Affiliate of Guarantor (which Affiliate is not, at the time of such consolidation, amalgamation, merger, corporate reorganization or other transaction, as applicable, an "insolvent person" (as such term is defined in the *Bankruptcy and Insolvency Act* (Canada))), including, without limitation, by way of winding-up, dissolution or other cessation of corporate existence; provided that (i) the Person resulting from, or continuing the business of such Borrower as a result of, such consolidation, amalgamation, merger, corporate reorganization or other transaction (the "Resulting Borrower") confirms to Lender in writing that such Resulting Borrower is liable, by operation of law or otherwise, for the Secured Obligations of such Borrower with respect to such Loans and (ii) Lender has, or will have, within 5 Business Days after the completion of such consolidation, amalgamation, merger, corporate reorganization or other transaction, a first-ranking security interest or hypothec (subject to Permitted Encumbrances) in the Collateral that is subject to the related Loan Schedule. If requested by Lender, any Resulting Borrower (other than a Resulting Borrower that is, immediately prior to the completion of such consolidation, amalgamation, merger, corporate reorganization or other transaction, a Borrower under this Agreement or that will be, immediately after the completion of such consolidation, amalgamation, merger, corporate reorganization or other transaction, a wholly-owned subsidiary of any Borrower or a direct or indirect wholly-owned subsidiary of Guarantor or of any Affiliate of Guarantor) shall promptly deliver to Lender all documentation and other information required by Lender (acting reasonably) under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, under Anti-Terrorism Law (all such documentation and information being collectively referred to as the "KYC Documentation") and after reviewing the KYC Documentation, Lender has determined that such Resulting Borrower is acceptable to the applicable Lender (acting reasonably) in accordance with such Lender's applicable regulatory (as opposed to credit) requirements.
23. **Anti-Terrorism.** Borrower and any Resulting Borrower shall not be (i) a Person with whom Lender is restricted from doing business under Anti-Terrorism Law, (ii) engaged in any business involved in making or receiving any contribution of funds, goods or services to or for the benefit of such a Person, or in any transaction that evades or avoids or has the purpose of evading or avoiding the prohibitions set forth in any Anti-Terrorism Law or (iii) otherwise in violation of any Anti-Terrorism Law.

24. **Obligation to Make Payment in United States Dollars.** Any payment on account of an amount that is payable under any Loan Documents with respect to a Loan in United States dollars which is made to or for the account of Lender in any other currency, whether as a result of any judgment or order or the enforcement thereof or the realization of any of the related Collateral or the liquidation of the applicable Borrower, shall constitute a discharge of the obligation of such Borrower under such Loan Documents only to the extent of the amount of United States dollars which Lender could purchase in the foreign exchange markets in Toronto, Ontario, with the amount of such other currency in accordance with normal banking procedures at the rate of exchange prevailing on the Business Day following receipt of the payment first referred to above. If the amount of United States dollars that could be so purchased is less than the amount of United States dollars originally due to Lender, the applicable Borrower agrees to the fullest extent permitted by law, to indemnify and save harmless Lender from and against all loss or damage arising out of or as a result of such deficiency. This indemnity shall, to the fullest extent permitted by law, constitute an obligation separate and independent from the other obligations contained in the other related Loan Documents, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by Lender from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due thereunder or under any judgment or order.
25. **Representations and Warranties of Borrower.** As of the date that a Loan is made by Lender to a Borrower, such Borrower represents and warrants to Lender that: (a) the province referred to in the address stated above is the province in which such Borrower's chief executive office and domicile is located, such Borrower's full and accurate legal name is as stated above in both English and French, as applicable; (b) such Borrower is: (i) a corporation duly organized and validly existing in good standing under the laws of the province of its organization or incorporation, or (ii) a limited partnership organized under the laws of the province of its registered office set forth in this Agreement and the general partner executing each of the related Loan Documents has the full authority to represent, sign for and bind such Borrower in all respects, or (iii) an unincorporated joint venture and the Managing Agent executing each of the related Loan Documents has the full authority to represent, sign for and bind such Borrower in all respects, as the case may be; (c) the execution, delivery and performance of the related Loan Documents to which such Borrower is a party (i) have been duly authorized by all necessary action on the part of such Borrower, (ii) do not require the approval of any shareholder, partner, manager, trustee, or holder of any obligations of such Borrower except such as have been duly obtained, and (iii) do not contravene any law, governmental rule, regulation or order binding on or applicable to such Borrower, except where the contravention thereof would not have a Material Adverse Effect with respect to such Loan or contravene the limited partnership agreement, charter or by-laws, as applicable, of such Borrower, or constitute a default under any material agreement to which such Borrower is a party or by which it or its property is bound; (d) each of such Loan Documents, when entered into, constitute legal, valid and binding obligations of such Borrower, enforceable against such Borrower by Lender in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law; (e) such Borrower has full power to enter into and perform its obligations under such Loan Documents and is duly qualified or licensed in all other jurisdictions where its failure to so qualify would have a Material Adverse Effect; (f) there are no actions or proceedings to which such Borrower is a party and, to the knowledge of such Borrower, threatened in writing, which either individually or in the aggregate would have a Material Adverse Effect on such Loan; (g) except as otherwise provided in the related Loan Schedule, the related Collateral is, and shall at

all times remain, fully removable personal or movable property notwithstanding any affixation or attachment to real property or improvements or immovable property; (h) except for Permitted Encumbrances, such Borrower owns (or, with respect to any leased or licensed property forming part of the related Collateral, holds a valid leasehold or licensed interest in, or, for leased property in the Province of Quebec, a personal right in,) the related Collateral, free and clear of any Encumbrance; (i) the information provided about the related Collateral in the related Lease Schedule is true, accurate and correct in all material respects; and (j) such Borrower carries on and operates an "enterprise" within the meaning of the *Civil Code of Quebec*.

26. **Miscellaneous; Governing Law.** (a) Time is of the essence with respect to each Loan and the related Loan Documents. Any failure of Lender to require strict performance by Borrower or any waiver by Lender of any provision of any such Loan Documents shall not be construed as a consent or waiver of any other provision of such Loan Documents. Any provision of a Loan Document with respect to any Loan that is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof. Captions are intended for convenience of reference only, and shall not be construed to define, limit or describe the scope or intent of any provisions hereof. The applicable Borrower will promptly execute or otherwise authenticate and deliver to Lender such further documents, instruments, assurances and other records and take such further action as Lender may reasonably request in order to carry out the intent and purposes of the Loan Documents with respect to a Loan made by Lender to such Borrower and to establish and protect the rights and remedies created or intended to be created in favour of Lender thereunder.

(b) EXCEPT AS OTHERWISE SET FORTH THEREIN, EACH OF THE LOAN DOCUMENTS WITH RESPECT TO A LOAN IS BEING DELIVERED IN, AND SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF, THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN. ANY ACTION BETWEEN THE PARTIES ARISING OUT OF OR RELATING TO SUCH LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY, INCLUDING NON-CONTRACTUAL CLAIMS, SHALL BE BROUGHT IN ANY COURT OF COMPETENT JURISDICTION LOCATED IN THE PROVINCE OF ONTARIO (THE "ONTARIO COURT"); PROVIDED, THAT AT LENDER'S SOLE OPTION, LENDER MAY BRING ANCILLARY OR SUPPLEMENTAL (OR, IN THE CASE OF ANY PROCEEDING TO ENFORCE ITS REMEDIES IN SECTION 17(c) WITH RESPECT TO ANY COLLATERAL, WHERE THE PERFECTION OR OPPOSABILITY OF LENDER'S ENCUMBRANCE THEREIN IS GOVERNED BY THE LAWS OF ANY OTHER JURISDICTION, PRIMARY) PROCEEDINGS IN THE PROVINCE WHERE THE APPLICABLE BORROWER OR THE RELATED EQUIPMENT IS LOCATED FOR THE PURPOSES OF RECOGNIZING OR ENFORCING ANY ORDER MADE BY THE ONTARIO COURT OR OF ENFORCING ITS REMEDIES IN SECTION 17(c) WITH RESPECT TO ANY SUCH COLLATERAL; IT BEING ACKNOWLEDGED BY LENDER THAT, NOTWITHSTANDING SUCH PROVISIO, IT WILL USE ITS BEST EFFORTS TO ENSURE THAT PRIMARY PROCEEDINGS WITH RESPECT TO THE ENFORCEMENT OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT WILL BE BROUGHT BY LENDER IN THE ONTARIO COURT. BORROWER IRREVOCABLY WAIVES OBJECTIONS TO THE JURISDICTION OF SUCH COURTS AND WAIVES ANY ARGUMENT THAT VENUE IN ANY SUCH FORUM IS NOT CONVENIENT. LENDER AND BORROWER HEREBY EACH WAIVES THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THE LOAN DOCUMENTS TO WHICH SUCH BORROWER IS A PARTY OR THE RELATED COLLATERAL. THIS WAIVER IS MADE KNOWINGLY, WILLINGLY AND VOLUNTARILY BY LENDER AND BORROWER WHO EACH ACKNOWLEDGES THAT NO REPRESENTATIONS HAVE BEEN

MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO ANY OF SUCH LOAN DOCUMENTS.

(c) Any reference in this Agreement or any of the Loan Documents to a Permitted Encumbrance is not intended to subordinate or postpone, and shall not be interpreted as subordinating or postponing, or as any agreement to subordinate or postpone, any Encumbrance created by any of the Loan Documents to any Permitted Encumbrance.

(d) Unless the context requires otherwise, (i) any reference in this Agreement or in any Loan Documents with respect to a Loan to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time; (ii) any reference herein or therein to any Person shall be construed to include such Person's successors and permitted assigns and (iii) any reference in this Agreement to Sections, any part thereof or Exhibits shall be deemed to be a reference to a Section, a part of such Section or an Exhibit to this Agreement.

(e) There is no restriction (either express or implied) on any disclosure or dissemination of the tax treatment or tax structure of the transactions contemplated by any of the Loan Documents with respect to a Loan. Further, each party thereto acknowledges that it has no proprietary rights to any tax matter or tax idea or to any element of the transaction structure contemplated by such Loan Documents; and each party thereto (and any employee, representative or agent of any party thereto) may disclose to any and all Persons (without limitation of any kind), the federal tax treatment and federal tax structure of the transactions contemplated thereby. This Section 26(e) is intended to cause the transactions contemplated thereby to be treated as not having been offered under conditions of confidentiality for purposes of Section 1.6011-4(b)(3) (or any successor provision) of the Treasury Regulations promulgated under Section 6011 of the Code and Section 6111 of the Code and the Treasury Regulations promulgated thereunder; and shall be construed in a manner consistent with such purpose.

(f) Federal law requires all financial institutions to obtain, verify and record information that identifies each entity that obtains a loan or other financial accommodation. The first time Borrower requests a financial accommodation from Lender, Lender may ask for Borrower's (or Guarantor's) legal name, address, tax ID number and other identifying information. Borrower shall promptly provide copies of business licenses or other documents evidencing the existence and good standing in the jurisdiction of organization of Borrower or Guarantor requested by Lender.

(g) The parties hereto confirm that it is their wish that (i) this Agreement and any other document executed in connection with the transactions contemplated herein be drawn up in the English language only and (ii) all other documents contemplated thereunder or relating thereto, including notices, may also be drawn up in the English language only and (iii) any action or other proceedings between the parties arising out of or relating to the Loan Documents with respect to any Loan, or the transactions contemplated thereby, shall be conducted in the English language. *Les parties aux présentes confirment que c'est leur volonté que cette convention et les autres documents de crédit soient rédigés en langue anglaise seulement et que tous les documents, y compris tous avis, envisagés par cette convention et les autres documents peuvent être rédigés en langue anglaise seulement.*


(h) All representations, warranties and covenants of the applicable Borrower contained herein with respect to a Loan or deemed to have been made by such Borrower pursuant to the related Loan Schedule shall survive closing of such Loan and shall continue throughout the Term of such Loan until the Secured Obligations with respect to such Loan are satisfied in full.

27. **More than One Borrower.** If more than one Person executes a Loan Schedule as "Borrower", the obligations of "Borrower" under such Loan Schedule shall be deemed joint and several and all references to "Borrower" thereunder or incorporated by reference therein shall apply both individually and jointly.
28. **Execution in Counterparts.** One originally executed copy of a Loan Schedule with respect to a Loan shall be denominated "Originally Executed Copy No. 1 of \_\_\_ originally executed copies". If more than one copy of a Loan Schedule with respect to such Loan is executed by Borrower and Lender, all such other copies shall be consecutively numbered with numbers greater than 1. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, such Loan Schedule under the applicable *Personal Property Security Act*. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Agreement; provided, however, if a Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then such Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.
29. **Entire Agreement.** With respect to each Loan made by Lender, the related Loan Schedule, together with all other related Loan Documents, constitutes the entire understanding or agreement between Lender and the applicable Borrower that is a party to such Loan Schedule with respect to the financing of the related Collateral, and there is no understanding or agreement, oral or written, which is not set forth therein. No Loan Document may be amended except by a writing signed by Lender and the applicable Borrower.
30. **Limitation of Liability of Managing Agent.** The Managing Agent has executed and delivered this Agreement and each of the other Loan Documents to which the Wabush JV is a party in its capacity as managing agent of the Wabush JV. Any obligations of the Wabush JV hereunder or thereunder are limited solely to the property and assets of the Wabush JV. No property or assets of the Managing Agent, whether owned by it in its personal capacity or otherwise, will be subject to levy, execution or other enforcement procedure with regard to any of the Wabush JV's obligations hereunder or thereunder. No recourse may be had or taken, directly or indirectly, against the Managing Agent, or any incorporator, shareholder, officer, director, employee, agent, lender or financier thereof or of any predecessor or successor thereof or its respective property and assets with regard to any of the Wabush JV's obligations hereunder or thereunder.

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Borrower:

CLIFFS QUEBEC IRON MINING LIMITED/CLIFFS QUEBEC MINE DE FER LIMITEE

X   
Name: Matthew C. Bittner  
Title: Authorized Signatory

X  
Name: Dwayne M. Petish  
Title: Authorized Signatory


Organization Type: corporation

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X   
Name: Matthew C. Bittner  
Title: Authorized Officer

X  
Name: James D. Graham  
Title: Authorized Officer  
Organization Type: limited partnership

WABUSH MINES (an unincorporated joint venture of Wabush Iron Co. Limited and Wabush Resources Inc.),  
By its Managing Agent,  
CLIFFS MINING COMPANY

X   
Name: Matthew C. Bittner  
Title: Authorized Signatory

X  
Name: Dwayne M. Petish  
Title: Authorized Signatory

Organization Type: unincorporated joint venture



Borrower:

CLIFFS QUEBEC IRON MINING LIMITED/CLIFFS QUÉBEC MINE DE FER LIMITEE

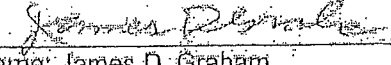
X  
Name: Matthew C. Bittner  
Title: Authorized Signatory

X   
Name: Dwayne M. Petish  
Title: Authorized Signatory

Organization Type: corporation

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X  
Name: Matthew C. Bittner  
Title: Authorized Officer

X   
Name: James D. Graham  
Title: Authorized Officer  
Organization Type: limited partnership

WABUSH MINES (an unincorporated joint venture of Wabush Iron Co. Limited and Wabush Resources Inc.),  
By its Managing Agent,  
CLIFFS MINING COMPANY

X  
Name: Matthew C. Bittner  
Title: Authorized Signatory

X   
Name: Dwayne M. Petish  
Title: Authorized Signatory

Organization Type: unincorporated joint venture

Lender:

**KEY EQUIPMENT FINANCE INC., in its capacity as Lender**

By: 

Name: RICHARD ANDERSEN  
Vice President

Title: \_\_\_\_\_

Lead Arranger and Administration Agent:

**KEY EQUIPMENT FINANCE INC., in its capacity as Lead Arranger and Administration Agent**

By: 

Name: RICHARD ANDERSEN  
Vice President

Title: \_\_\_\_\_



Loan Schedule Number 01

## LOAN SCHEDULE

THIS LOAN SCHEDULE NO. 01 dated as of Sept 27, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "this Loan Schedule") between the undersigned Borrower ("Borrower"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "Lender") and Key Equipment Finance Inc., as administration agent (in such capacity, the "Agent").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of Sept 27, 2013 (the "Master Loan Agreement"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "Loan") in the principal amount equal to the Principal Amount specified below.

### 3. Details of Loan.

Principal Amount: US\$8,740,091.40

Interest Rate: 4.27% per annum

Funding Date: Sept 27/13

Equipment: See Schedule A attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for item(s) of Equipment: See Schedule B attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on Schedule A

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to \$120,142.13 commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

**7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "**Collateral**"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$17,000,000.00 (the "**Notional Amount**"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "**Hypothecated Property**"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

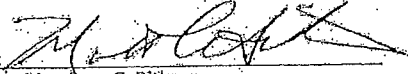
**12. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignee of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that, the Collateral shall only secure the Secured Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).

**13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule, provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

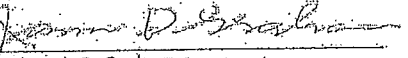
IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X 

Name: Matthew C. Bittner  
Title: Authorized Officer

X 

Name: James D. Graham  
Title: Authorized Officer

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No.    of    originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X \_\_\_\_\_  
Name:  
Title:


X \_\_\_\_\_  
Name:  
Title:

**LENDER:**

KEY EQUIPMENT FINANCE INC. in its capacity as Lender

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

KEY EQUIPMENT FINANCE INC. in its capacity as Administration Agent

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

**Schedule A  
to  
Loan Schedule No. 01**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein:

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SEC Mine de fer du Lac Bloom  
Lac Bloom - Route 389  
Fermont, Quebec G0G 1J0

**Equipment Description:**

Komatsu Super Shovel Model PC4000FS Shovel, S/N 08218, with (2) 17 cu meter Buckets.

Schedule B  
to  
Loan Schedule No. 01  
Stipulated Loss Values for Equipment

Date	% of cost	Date	% of cost
9/27/2013	103.00	4/27/2017	55.16
10/27/2013	103.31	5/27/2017	53.93
11/27/2013	102.24	6/27/2017	52.70
12/27/2013	101.17	7/27/2017	51.46
1/27/2014	100.09	8/27/2017	50.22
2/27/2014	99.00	9/27/2017	48.98
3/27/2014	97.92	10/27/2017	47.73
4/27/2014	96.83	11/27/2017	46.48
5/27/2014	95.73	12/27/2017	45.22
6/27/2014	94.64	1/27/2018	43.96
7/27/2014	93.54	2/27/2018	42.69
8/27/2014	92.43	3/27/2018	41.43
9/27/2014	91.33	4/27/2018	40.15
10/27/2014	90.22	5/27/2018	38.88
11/27/2014	89.10	6/27/2018	37.59
12/27/2014	87.98	7/27/2018	36.31
1/27/2015	86.86	8/27/2018	35.02
2/27/2015	85.74	9/27/2018	33.73
3/27/2015	84.61	10/27/2018	32.43
4/27/2015	83.47	11/27/2018	31.13
5/27/2015	82.34	12/27/2018	29.82
6/27/2015	81.20	1/27/2019	28.51
7/27/2015	80.05	2/27/2019	27.19
8/27/2015	78.91	3/27/2019	25.87
9/27/2015	77.75	4/27/2019	24.55
10/27/2015	76.60	5/27/2019	23.22
11/27/2015	75.44	6/27/2019	21.89
12/27/2015	74.28	7/27/2019	20.55
1/27/2016	73.11	8/27/2019	19.21
2/27/2016	71.94	9/27/2019	17.87
3/27/2016	70.77	10/27/2019	16.52
4/27/2016	69.59	11/27/2019	15.17
5/27/2016	68.41	12/27/2019	13.81
6/27/2016	67.22	1/27/2020	12.44
7/27/2016	66.03	2/27/2020	11.08
8/27/2016	64.84	3/27/2020	9.70
9/27/2016	63.64	4/27/2020	8.33
10/27/2016	62.44	5/27/2020	6.95
11/27/2016	61.24	6/27/2020	5.56
12/27/2016	60.03	7/27/2020	4.17
1/27/2017	58.82	8/27/2020	2.78
2/27/2017	57.60	9/27/2020	1.38
3/27/2017	56.38		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.



Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).

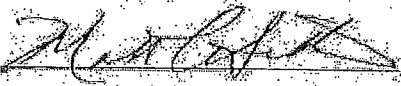
**15. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule; provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

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IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

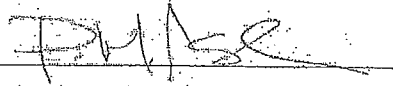
BORROWER:

CLIFFS QUEBEC IRON MINING LIMITED/CLIFFS QUÉBEC MINE DE FER LIMITÉE

x 

Name: Matthew C. Bittner

Title: Authorized Signatory

x 

Name: Dwayne M. Pétish

Title: Authorized Signatory

LENDER:

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_

Name: \_\_\_\_\_

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ATTACHMENTS:

Schedule A - Description of Equipment

Schedule B - Stipulated Loss Values for Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

**CLIFFS QUEBEC IRON MINING LIMITED/CLIFFS QUÉBEC MINE DE FER LIMITÉE**

\_\_\_\_\_

X \_\_\_\_\_

Name:

Title:

X \_\_\_\_\_

Name:

Title:

**LENDER:**

**KEY EQUIPMENT FINANCE INC., in its capacity as Lender**

By: 

Name: RICHARD ANDERSEN  
Vice President

**KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent**

By: 

Name: \_\_\_\_\_

Title: RICHARD ANDERSEN  
Vice President

**ATTACHMENTS:**

Schedule A - Description of Equipment

Schedule B - Stipulated Loss Values for Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

**Schedule A**  
**to**  
**Loan Schedule No. 02**

**Description of Equipment:**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein:

**Equipment Description:**

(424) National Steel Car Limited 119-Ton, 1780 cu. ft. Rotary Dump Gondola Cars, bearing the following Transport Canada marks 10751-11174, inclusive



## LOAN SCHEDULE (RAILCARS)

THIS LOAN SCHEDULE NO. 02 dated as of Sept 27, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "this Loan Schedule") between the undersigned Borrower ("Borrower"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "Lender") and Key Equipment Finance Inc., as administration agent (in such capacity, the "Agent").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of Sept 27, 2013 (the "Master Loan Agreement"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "Loan") in the principal amount equal to the Principal Amount specified below.

3. **Details of Loan.**

Principal Amount: US\$33,871,318.92

Interest Rate: 3.91% per annum

Funding Date: Sept 27, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 10 below.

Stipulated Loss Value for item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and Interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to \$461,578.59 commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

7. **Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the

occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "Collateral"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Deposit with the Registrar Pursuant to the CTA.** Upon the request of Lender, Borrower will execute a memorandum of this Loan Schedule or any amendment hereof in form appropriate for deposit with the Registrar General of Canada ("Registrar") (pursuant to section 104 or 105, as applicable, of the *Canada Transportation Act*) or any other governmental department or agency, domestic or foreign. Lender, at its discretion and at Borrower's expense, may deposit and record this Loan Schedule or any amendment hereof and/or any such memorandum with the Registrar or other governmental department or agency, domestic or foreign.

**10. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$67,000,000.00 (the "Notional Amount"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "Hypothecated Property"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**11. Use of Equipment.** Borrower agrees: (i) to use the Equipment only to carry the commodities for which such Equipment is designed; (ii) to use the Equipment in accordance with industry standards and in accordance with the rules and regulations of Transport Canada or any successor organization; (iii) to use the Equipment only in Canada; and (iv) to use commercially reasonable efforts to ensure that none of the Equipment is loaded in excess of the load limits stenciled on such Equipment. Borrower shall not use the Equipment for the storage or hauling of any corrosive, hazardous, toxic or radioactive substance or materials unless the Equipment is designed for such purpose.

**12. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 10 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**13. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

**14. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignee of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that, the Collateral shall only secure the Secured

**Schedule B  
to  
Loan Schedule No. 02**

**Stipulated Loss Values for Equipment**

Date	% of cost	Date	% of cost
9/27/2013	103.00	4/27/2017	54.83
10/27/2013	103.28	5/27/2017	53.60
11/27/2013	102.20	6/27/2017	52.37
12/27/2013	101.11	7/27/2017	51.13
1/27/2014	100.02	8/27/2017	49.89
2/27/2014	98.92	9/27/2017	48.65
3/27/2014	97.82	10/27/2017	47.40
4/27/2014	96.72	11/27/2017	46.15
5/27/2014	95.62	12/27/2017	44.90
6/27/2014	94.51	1/27/2018	43.64
7/27/2014	93.40	2/27/2018	42.38
8/27/2014	92.28	3/27/2018	41.11
9/27/2014	91.16	4/27/2018	39.84
10/27/2014	90.04	5/27/2018	38.57
11/27/2014	88.92	6/27/2018	37.29
12/27/2014	87.79	7/27/2018	36.01
1/27/2015	86.66	8/27/2018	34.73
2/27/2015	85.53	9/27/2018	33.44
3/27/2015	84.39	10/27/2018	32.15
4/27/2015	83.25	11/27/2018	30.86
5/27/2015	82.10	12/27/2018	29.56
6/27/2015	80.95	1/27/2019	28.25
7/27/2015	79.80	2/27/2019	26.95
8/27/2015	78.65	3/27/2019	25.64
9/27/2015	77.49	4/27/2019	24.32
10/27/2015	76.33	5/27/2019	23.00
11/27/2015	75.16	6/27/2019	21.68
12/27/2015	74.00	7/27/2019	20.35
1/27/2016	72.82	8/27/2019	19.02
2/27/2016	71.65	9/27/2019	17.69
3/27/2016	70.47	10/27/2019	16.35
4/27/2016	69.29	11/27/2019	15.01
5/27/2016	68.10	12/27/2019	13.66
6/27/2016	66.91	1/27/2020	12.31
7/27/2016	65.72	2/27/2020	10.96
8/27/2016	64.52	3/27/2020	9.60
9/27/2016	63.32	4/27/2020	8.24
10/27/2016	62.12	5/27/2020	6.87
11/27/2016	60.91	6/27/2020	5.50
12/27/2016	59.70	7/27/2020	4.12
1/27/2017	58.49	8/27/2020	2.75
2/27/2017	57.27	9/27/2020	1.36
3/27/2017	56.05		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.







Loan Schedule Number 03

## LOAN SCHEDULE

THIS LOAN SCHEDULE NO. 03 dated as of Sept. 27, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "this Loan Schedule") between the undersigned Borrower ("Borrower"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "Lender") and Key Equipment Finance Inc., as administration agent (in such capacity, the "Agent").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of Sept. 27, 2013 (the "Master Loan Agreement"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "Loan") in the principal amount equal to the Principal Amount specified below.

### 3. Details of Loan.

Principal Amount: US\$19,533,337.16

Interest Rate: 3.91% per annum

Funding Date: Sept. 27/13

Equipment: See Schedule A attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for item(s) of Equipment: See Schedule B attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on Schedule A

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in **84** consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to **\$266,188.93** commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

**7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "Collateral"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$39,000,000.00 (the "Notional Amount"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "Hypothecated Property"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

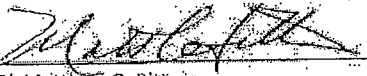
**12. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignee of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that, the Collateral shall only secure the Secured Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).

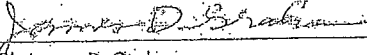
**13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule; provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X   
Name: Matthew C. Bittner  
Title: Authorized Officer

X   
Name: James D. Graham  
Title: Authorized Officer

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A- Description of Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X \_\_\_\_\_  
Name:  
Title:

X \_\_\_\_\_  
Name:  
Title:

**LENDER:**

KEY EQUIPMENT FINANCE INC. in its capacity as Lender

By \_\_\_\_\_  
Name: RICHARD ANDERSEN  
Title: Vice President

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By \_\_\_\_\_  
Name: RICHARD ANDERSEN  
Title: Vice President

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

**Schedule A  
to  
Loan Schedule No. 03**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any); and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein:

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SEC Mine de fer du Lac Bloom  
Lac Bloom - Route 389  
Fermont, Quebec G0G 1J0

**Equipment Description:**

2013 Caterpillar Model 7495 Electric Rope Shovel, S/N 141510

Schedule B  
to  
Loan Schedule No. 03

Stipulated Loss Values for Equipment

Date	% of cost	Date	% of cost
9/27/2013	103.00	4/27/2017	54.83
10/27/2013	103.28	5/27/2017	53.60
11/27/2013	102.20	6/27/2017	52.37
12/27/2013	101.11	7/27/2017	51.13
1/27/2014	100.02	8/27/2017	49.89
2/27/2014	98.92	9/27/2017	48.65
3/27/2014	97.82	10/27/2017	47.40
4/27/2014	96.72	11/27/2017	46.15
5/27/2014	95.62	12/27/2017	44.90
6/27/2014	94.51	1/27/2018	43.64
7/27/2014	93.40	2/27/2018	42.38
8/27/2014	92.28	3/27/2018	41.11
9/27/2014	91.16	4/27/2018	39.84
10/27/2014	90.04	5/27/2018	38.57
11/27/2014	88.92	6/27/2018	37.29
12/27/2014	87.79	7/27/2018	36.01
1/27/2015	86.66	8/27/2018	34.73
2/27/2015	85.53	9/27/2018	33.44
3/27/2015	84.39	10/27/2018	32.15
4/27/2015	83.25	11/27/2018	30.86
5/27/2015	82.10	12/27/2018	29.56
6/27/2015	80.95	1/27/2019	28.25
7/27/2015	79.80	2/27/2019	26.95
8/27/2015	78.65	3/27/2019	25.64
9/27/2015	77.49	4/27/2019	24.32
10/27/2015	76.33	5/27/2019	23.00
11/27/2015	75.16	6/27/2019	21.68
12/27/2015	74.00	7/27/2019	20.35
1/27/2016	72.82	8/27/2019	19.02
2/27/2016	71.65	9/27/2019	17.69
3/27/2016	70.47	10/27/2019	16.35
4/27/2016	69.29	11/27/2019	15.01
5/27/2016	68.10	12/27/2019	13.66
6/27/2016	66.91	1/27/2020	12.31
7/27/2016	65.72	2/27/2020	10.96
8/27/2016	64.52	3/27/2020	9.60
9/27/2016	63.32	4/27/2020	8.24
10/27/2016	62.12	5/27/2020	6.87
11/27/2016	60.91	6/27/2020	5.50
12/27/2016	59.70	7/27/2020	4.12
1/27/2017	58.49	8/27/2020	2.75
2/27/2017	57.27	9/27/2020	1.36
3/27/2017	56.05		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.

## CORPORATE GUARANTY

Date: September 27, 2013

To induce **KEY EQUIPMENT FINANCE INC.**, as lender (in such capacity, the "**Lender**") and as administration agent (in such capacity, the "**Agent**"), to enter into that certain Master Loan and Security Agreement dated as of September, 27, 2013 (the "**Master Loan and Security Agreement**") between, *inter alia*, the Lender, the Agent and (i) **CLIFFS QUÉBEC IRON MINING LIMITED**, a corporation incorporated under the laws of Canada ("**CQIM**"), (ii) **THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**, a limited partnership formed under the laws of the Province of Ontario, by its sole general partner, **BLOOM LAKE GENERAL PARTNER LIMITED**, a corporation incorporated under the laws of the Province of Ontario, ("**Bloom LP**"), (iii) **WABUSH MINES** (an unincorporated Joint Venture of Wabush Iron Co. Limited and Wabush Resources Inc.) (the "**Wabush JV**"), by its managing agent, Cliffs Mining Company (in such capacity, the "**Managing Agent**"), and (iv) each other person designated by CQIM from time to time and accepted by the Agent (as defined below), as a borrower (unless the context otherwise provides, each such person, if any, together with CQIM, Bloom LP and Wabush JV being referred to herein individually, collectively and interchangeably as the "**Borrower**"), together with each Loan Schedule (this term and all other capitalized terms used in this Guaranty and not otherwise defined in this Guaranty have the meanings given to such terms in the Master Loan and Security Agreement) executed pursuant thereto, and any other agreements, documents or instruments entered into, or to be entered into, by the Borrower in connection with, the Master Loan and Security Agreement (collectively, the "**Account Documents**" and each an "**Account Document**"), **CLIFFS NATURAL RESOURCES INC.**, an Ohio corporation ("**Cliffs**"), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby in this Corporate Guaranty (this "**Guaranty**") presently, directly, irrevocably, absolutely and unconditionally guarantee to Lender and Lender's successors and assigns, the full and punctual payment and performance, when due and payable in accordance with the Account Documents, of each Loan and all other Secured Obligations with respect to such Loan which the Borrower may now or hereafter owe to Lender (all of such Loans and all Secured Obligations with respect to all such Loans being collectively referred to as the "**Obligations**"). Cliffs does hereby further guarantee to pay, upon demand following the occurrence of a Default with respect to a Loan, all losses, costs, attorneys' fees and expenses which may be suffered by Lender by reason of the occurrence of a Default with respect to such Loan. The guaranty of the Obligations of the Borrower to Lender by Cliffs hereunder is limited to the extent set forth in the penultimate paragraph hereof.

This Guaranty is a guaranty of prompt payment and performance (and not of collections) and is independent of the obligations of the Borrower. Nothing herein shall require Lender to exhaust all remedies against the Borrower, its successors and assigns, or any other person obligated with respect to the Obligations, or to first foreclose, exhaust or otherwise proceed against any collateral or security which may be given in connection with the Obligations. It is agreed that Lender may, upon the occurrence and during the continuance of a Default with respect to a Loan, make demand upon Cliffs and receive payment and performance of the Secured Obligations with respect to such Loan (subject in all instances to the limitation in the penultimate paragraph hereof), following the acceleration of such Loan by Lender in accordance with the Master Loan and Security Agreement. If Borrower and Cliffs fail to make payment of the Secured Obligations (as defined in the Master Loan and Security Agreement) with respect to a

Loan after demand (as aforesaid), then suit may be brought and maintained against Cliffs with respect to such Secured Obligations, at Lender's election, without joinder of the Borrower or any other person as parties thereto. The obligations of Cliffs under this Guaranty shall be joint and several with any other guarantor of the Obligations, if any.

Cliffs agrees that its obligations under this Guaranty shall be unaffected by any of the following actions or circumstances: (a) any extension, renewal, amendment, change, waiver or other modification of the Account Documents or any other document; (b) the absence of, or delay in, any action to enforce the Account Documents, this Guaranty or any other document; (c) the release of, extension of time for payment or performance by, or any other indulgence granted to the Borrower or any other person with respect to the Obligations by operation of law or otherwise; (d) the existence, value, condition of, or failure to perfect and maintain a security interest in, or the time, place and manner of any sale or other disposition of any Collateral or security given in connection with the Obligations, or other impairment of the rights of Cliffs; or (e) the Borrower's voluntary or involuntary bankruptcy, assignment for the benefit of creditors, reorganization, or similar proceedings affecting the Borrower or any of its assets; or (f) any defense arising by reason of any disability or lack of authority of the Borrower with respect to the Account Documents, the invalidity, illegality or lack of enforceability of the Account Documents from any cause whatsoever, or the cessation from any cause whatsoever of the liability of the Borrower for the Obligations, and any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge, release or defense of a guarantor or surety, or that might otherwise limit recourse against Cliffs.

This Guaranty, the Account Documents and the Obligations may be assigned by Lender in connection with any assignment permitted under the Master Loan and Security Agreement. Cliffs agrees that if it receives written notice of an assignment from Lender, Cliffs will pay all amounts due hereunder to such assignee or as instructed by Lender in such written notice. Cliffs also agrees to confirm in writing receipt of the notice of assignment as may be reasonably requested by assignee. Cliffs hereby waives and agrees not to assert against any such assignee any of the defenses set forth in the immediate preceding paragraph.

Cliffs agrees that this Guaranty shall remain in full force and effect or be reinstated (as the case may be) if at any time payment or performance of any of the Obligations (or any part thereof) is rescinded, reduced or must otherwise be restored or returned by Lender, all as though such payment or performance had not been made. If, by reason of any bankruptcy, insolvency or similar laws affecting the rights of creditors, Lender shall be prohibited from exercising any of Lender's rights or remedies against the Borrower, then, as between Lender and Cliffs, such prohibition shall be of no force and effect, and Lender shall have the right to make demand upon, and receive payment from, Cliffs of the Secured Obligations with respect to a Loan that would be due to Lender upon the occurrence of a Default with respect to such Loan, subject in all instances to the limitation in the penultimate paragraph hereof.

Until the payment and performance in full of all of the Obligations, Cliffs waives and shall have no right or subrogation against the Borrower, and waives any right to enforce any remedy which Lender now has or may hereafter have against the Borrower, and waives any benefit of, and any right to participate in, any security now or hereafter held by Lender.

Cliffs warrants that it has adequate means to obtain from the Borrower on a continuing basis financial data and other information regarding the Borrower and is not relying upon Lender to provide any such data or any information. Without limiting the foregoing, notice of adverse change in the Borrower's financial condition or of any other fact which might materially increase



the risk of Cliffs is also waived. All settlements, compromises, accounts stated and agreed balances made in good faith between the Borrower, its successors or assigns, and Lender shall be binding upon and shall not affect the liability of Cliffs, except to the extent that amounts due are adjusted. At all times during the life of this Guaranty, Cliffs shall be liable only for those Secured Obligations with respect to a Loan that are then due and payable by Borrower (subject in all instances to the limitation in the penultimate paragraph hereof). If, at any time, an adjustment is made, whether up or down, by mutual agreement of Lender and the Borrower ("**Adjusted Payable**"), Cliffs shall only be obligated pursuant to this Guaranty for the Adjusted Payable (subject in all instances to the limitation in the penultimate paragraph hereof).

If, for the purpose of obtaining or enforcing judgment against any party in any court in any jurisdiction, it becomes necessary to convert into a particular currency (the "**Judgment Currency**") an amount due in another currency (the "**Indebtedness Currency**") under this guarantee, that conversion will be made at the Rate of Exchange prevailing on the Business Day immediately preceding the date on which judgment is given.

If, as a result of a change in the Rate of Exchange between the date of judgment and the date of actual payment, the conversion of the Judgment Currency into Indebtedness Currency results in Lender receiving less than the full amount of Indebtedness Currency payable to Lender, Cliffs agrees to pay the Lender any additional amount (and in any event not a lesser amount) as may be necessary to ensure that the amount received is not less than the full amount of Indebtedness Currency payable by Cliffs on the date of judgment. Any additional amount due under this Guaranty will be due as a separate debt, gives rise to a separate cause of action, and will not be affected by judgment obtained for any other sums due under this Guaranty.

"**Rate of Exchange**" means the noon spot rate of exchange for Canadian interbank transactions applied in converting the Indebtedness Currency into the Judgment Currency, published by the Bank of Canada for the relevant date.

Each payment to be made by Cliffs to Lender hereunder shall be made in U.S. Dollars (a) free and clear of, and without deduction for, any and all present and future taxes, levies, duties, any governmental charges (other than withholding taxes) and all liabilities with respect thereto, imposed or levied by or on behalf of the Government of Canada or any political subdivision thereof or any authority or agency thereof having the power to tax, and (b) without setoff, deduction or counterclaim of any kind whatsoever. For greater certainty, to the extent that withholding taxes apply on amounts payable hereunder or under any Account Document, Cliffs will deduct from such amount payable the amount on account of withholding taxes and remit such amount to the Canada Revenue Agency and provide proof of such remittance to Lender forthwith and remit to the Lender an amount equal to that which the Lender would have received had such amount not been withheld.

This Guaranty, including all matters of construction, validity and performance, shall be construed in accordance with the laws of the State of New York in the United States of America.

All notices hereunder shall be in writing, personally delivered, delivered by overnight courier service, sent by facsimile transmission (with confirmation of receipt), or sent by certified mail, return receipt requested, addressed as follows:

If to Cliffs:

Cliffs Natural Resources Inc.  
200 Public Square, Suite 3300  
Cleveland, Ohio 44114-2544

Attention: Treasury Department  
Facsimile: (216) 694-4023

If to Lender:

Key Equipment Finance  
1000 South McCaslin Boulevard  
Superior, CO, 80027  
Attention: Specialty Finance Manager  
Facsimile: (720) 304-1470

or to such other address as such party shall from time to time designate in writing to the other party given in accordance with this notice paragraph; and such notices shall be effective from the date of receipt or, in the case of mailing in accordance with the terms of this notice paragraph, the earlier of receipt and three days after mailing.

CLIFFS HEREBY UNCONDITIONALLY WAIVES ITS RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, THIS GUARANTY, THE OBLIGATIONS GUARANTEED HEREBY, ANY OF THE RELATED DOCUMENTS, AND ANY DEALINGS BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER HEREOF OR THEREOF, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED BETWEEN THE PARTIES.

As used in this Guaranty, the word "person" shall include any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or any government or any political subdivision thereof.

This Guaranty is intended by the parties as a final expression of the guaranty of Cliffs and is also intended as a complete and exclusive statement of the terms thereof. No course of dealing, course of performance or trade usage, nor any paid evidence of any kind, shall be used to supplement or modify any of the terms hereof. Nor are there any conditions to the full effectiveness of this Guaranty. This Guaranty and each of its provisions may only be waived, modified, varied, released, terminated or surrendered, in whole or in part, by a duly authorized written instruments signed by Lender, such authorization not to be unreasonably withheld. No failure by Lender to exercise Lender's right hereunder shall give rise to any estoppel against Lender, or excuse Cliffs from performing hereunder. Lender's waiver of any right to demand performance hereunder shall not be a waiver of any subsequent or other right to demand performance hereunder.

The obligations of Cliffs under this Guaranty may not be assigned or delegated without the prior written consent of Lender. This Guaranty shall bind Cliffs, Cliffs' successors and permitted assigns and the benefits thereof shall extend to and include Lender's successors and assigns permitted hereunder. Cliffs hereby agrees to comply with the financial reporting requirements applicable to Cliffs set forth in the Master Loan and Security Agreement.

If any provisions of this Guaranty are in conflict with any applicable statute, rule or law, then such provisions shall be deemed null and void to the extent that they may conflict therewith, but without invalidating any other provisions hereof.

Cliffs hereby represents and warrants to Lender as follows:

- (i) this Guaranty constitutes a legal, valid and binding obligation of Cliffs, enforceable against Cliffs by Lender in accordance with its terms, subject to applicable

bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

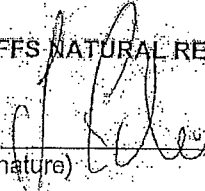
- (ii) there are no actions or proceedings to which Cliffs is a party, and there are no threatened in writing actions or proceedings against Cliffs of which Cliffs has knowledge, before any governmental authority which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect with respect to any Loan;
- (iii) the consolidated audited financial statements of Cliffs for the period ending December 31, 2012 (copies of which have been made available to the Agent as contemplated by the Master Loan and Security Agreement) have been prepared in accordance with generally accepted accounting principles in effect at the date of such preparation, consistently applied, and fairly present the consolidated financial condition of Cliffs and the results of its operations as of the date of, and for the period covered by, such statements; and since the date of such statements, there has been no material adverse change in such financial condition;
- (iv) the execution, delivery and performance hereof by Cliffs do not contravene any law, governmental rule, regulation or order binding on or applicable to Cliffs, except where the contravention thereof would not have a Material Adverse Effect with respect to any Loan, or contravene the charter or by-laws of Cliffs, or constitute a default under any material agreement to which Cliffs is a party or by which it or its property is bound; and
- (v) Cliffs will enjoy a substantial economic benefit by virtue of the extension of credit by Lender to the Borrower pursuant to the Master Loan and Security Agreement.

Notwithstanding anything to the contrary set forth in this Guaranty, the maximum liability of Cliffs hereunder with respect to any Loan is limited to one hundred percent (100%) of the Secured Obligations with respect to such Loan at the time that this Guaranty is enforced by the Lender, plus any accrued and unpaid interest and default interest incurred by the Borrower thereon, plus costs of collection, including reasonable attorneys' fees incurred by the Lender in enforcing this Guaranty with respect to such Loan.


*[Signature page follows]*

IN WITNESS WHEREOF, this Guaranty is executed the day and year above written.

CLIFFS NATURAL RESOURCES INC.

By:   
(Signature) Terrance M. Parodie

Title: EVP & Chief Financial Officer  
(Officer's Title)

By:   
(Signature) Matthew C. Bitner

Title: Vice President & Treasurer  
(Officer's Title)

ATTEST:

  
Secretary/Assistant Secretary



## LOAN SCHEDULE (RAILCARS)

THIS LOAN SCHEDULE NO. 04 dated as of October 31, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "**this Loan Schedule**") between the undersigned Borrower ("**Borrower**"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "**Lender**") and Key Equipment Finance Inc., as administration agent (in such capacity, the "**Agent**").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "**Loan**") in the principal amount equal to the Principal Amount specified below.

3. **Details of Loan.**

Principal Amount: US\$24,842,747.40

Interest Rate: 3.565% per annum

Funding Date: October 31, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 10 below.

Stipulated Loss Value for Item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to \$334,618.86 commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

7. **Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the

occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "Collateral"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Deposit with the Registrar Pursuant to the CTA.** Upon the request of Lender, Borrower will execute a memorandum of this Loan Schedule or any amendment hereof in form appropriate for deposit with the Registrar General of Canada ("Registrar") (pursuant to section 104 or 105, as applicable, of the *Canada Transportation Act*) or any other governmental department or agency, domestic or foreign. Lender, at its discretion and at Borrower's expense, may deposit and record this Loan Schedule or any amendment hereof and/or any such memorandum with the Registrar or other governmental department or agency, domestic or foreign.

**10. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$49,000,000 (the "Notional Amount"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "Hypothecated Property"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**11. Use of Equipment.** Borrower agrees: (i) to use the Equipment only to carry the commodities for which such Equipment is designed; (ii) to use the Equipment in accordance with industry standards and in accordance with the rules and regulations of Transport Canada or any successor organization; (iii) to use the Equipment only in Canada; and (iv) to use commercially reasonable efforts to ensure that none of the Equipment is loaded in excess of the load limits stenciled on such Equipment. Borrower shall not use the Equipment for the storage or hauling of any corrosive, hazardous, toxic or radioactive substance or materials unless the Equipment is designed for such purpose.

**12. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 10 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUÉBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**13. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

**14. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignee of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that the Collateral shall only secure the Secured

Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).

**15. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule; provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

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IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule No. 4 on the day and year first written above.

CLIFFS QUEBEC IRON MINING LIMITED/ CLIFFS QUÉBEC MINE DE FER LIMITÉE

X [Signature]  
Name: Matthew C. Bittner

Title: Authorized Signatory

X [Signature]  
Name: Dwayne M. Petish

Title: Authorized Signatory

LENDER:

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

ATTACHMENTS:

Schedule A - Description of Equipment

Schedule B - Stipulated Loss Values for Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.



IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule No. 4 on the day and year first written above.

CLIFFS QUEBEC IRON MINING LIMITED/ CLIFFS QUÉBEC MINE DE FER LIMITÉE

X \_\_\_\_\_  
Name:  
Title:

X \_\_\_\_\_  
Name:  
Title:

LENDER:

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name: RICHARD W. GIBSON  
Title: Vice President

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name: RICHARD W. GIBSON  
Title: Vice President

ATTACHMENTS:

- Schedule A - Description of Equipment
- Schedule B - Stipulated Loss Values for Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

**Schedule A**  
**to**  
**Loan Schedule No. 04**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein:

**Equipment Description:**

(313) National Steel Car Limited 119-Ton, 1780-cu. ft. Rotary Dump Gondola Cars, bearing the following Transport Canada marks CLMX 11175-11487, inclusive

Schedule B  
to  
Loan Schedule No. 04

Stipulated Loss Values for Equipment

Date	% of cost	Date	% of cost
10/31/2013	103.00000000%	5/31/2017	54.73373903%
11/30/2013	103.26163123%	6/30/2017	53.50538986%
12/31/2013	102.17333417%	7/31/2017	52.27350456%
1/31/2014	101.08177674%	8/31/2017	51.03789572%
2/28/2014	99.98675781%	9/30/2017	49.79887599%
3/31/2014	98.88827092%	10/31/2017	48.55630518%
4/30/2014	97.78689408%	11/30/2017	47.30999088%
5/31/2014	96.68235983%	12/31/2017	46.06024070%
6/30/2014	95.57492151%	1/31/2018	44.80692440%
7/31/2014	94.46431729%	2/28/2018	43.54984455%
8/31/2014	93.35021599%	3/31/2018	42.28899411%
9/30/2014	92.23318830%	4/30/2018	41.02460201%
10/31/2014	91.11298126%	5/31/2018	39.75655143%
11/30/2014	89.98925923%	6/30/2018	38.48494238%
12/31/2014	88.86258833%	7/31/2018	37.20966474%
1/31/2015	87.73272458%	8/31/2018	35.93058253%
2/28/2015	86.59932780%	9/30/2018	34.64791609%
3/31/2015	85.46239139%	10/31/2018	33.36156558%
4/30/2015	84.32241070%	11/30/2018	32.07138982%
5/31/2015	83.17915394%	12/31/2018	30.77760392%
6/30/2015	82.03283815%	1/31/2019	29.48011837%
7/31/2015	80.88323740%	2/28/2019	28.17878679%
8/31/2015	79.73006677%	3/31/2019	26.87360199%
9/30/2015	78.57381395%	4/30/2019	25.56469757%
10/31/2015	77.41426226%	5/31/2019	24.25199785%
11/30/2015	76.25112211%	6/30/2019	22.93556098%
12/31/2015	75.08487649%	7/31/2019	21.61531825%
1/31/2016	73.91531801%	8/31/2019	20.29118700%
2/29/2016	72.74215237%	9/30/2019	18.96329188%
3/31/2016	71.56537284%	10/31/2019	17.63157488%
4/30/2016	70.38538911%	11/30/2019	16.29594791%
5/31/2016	69.20200634%	12/31/2019	14.95653024%
6/30/2016	68.01540395%	1/31/2020	13.61327454%
7/31/2016	66.82539325%	2/29/2020	12.26608734%
8/31/2016	65.63173721%	3/31/2020	10.91496129%
9/30/2016	64.43483756%	4/30/2020	9.55993180%
10/31/2016	63.23451518%	5/31/2020	8.20096584%
11/30/2016	62.03052819%	6/30/2020	6.83807814%
12/31/2016	60.82327348%	7/31/2020	5.47124296%
1/31/2017	59.61258153%	8/31/2020	4.10043224%
2/28/2017	58.39820561%	9/30/2020	2.72567213%
3/31/2017	57.18013885%	10/31/2020	1.34694790%
4/30/2017	55.95870216%		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.





## LOAN SCHEDULE (RAILCARS)

THIS LOAN SCHEDULE NO. 05 dated as of October 25, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "**this Loan Schedule**") between the undersigned Borrower ("**Borrower**"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "**Lender**") and Key Equipment Finance Inc., as administration agent (in such capacity, the "**Agent**").

**1. Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

**2. Loan.** Lender has agreed to make to Borrower a loan (the "**Loan**") in the principal amount equal to the Principal Amount specified below.

**3. Details of Loan.**

Principal Amount: US\$1,031,807.40

Interest Rate: 3.70% per annum

Funding Date: October 28, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 10 below.

Stipulated Loss Value for item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

**4. Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears; interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

**5. Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in **84** consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to **\$13,961.54**, commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

**6. Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

**7. Application of Payments:** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the

occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds, and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "Collateral"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Deposit with the Register Pursuant to the CTA.** Upon the request of Lender, Borrower will execute a memorandum of this Loan Schedule or any amendment hereof in form appropriate for deposit with the Registrar General of Canada ("Registrar") (pursuant to section 104 or 105, as applicable, of the *Canada Transportation Act*) or any other governmental department or agency, domestic or foreign. Lender, at its discretion and at Borrower's expense, may deposit and record this Loan Schedule or any amendment hereof and/or any such memorandum with the Registrar or other governmental department or agency, domestic or foreign.

**10. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$2,063,614.80 (the "Notional Amount"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "Hypothecated Property"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**11. Use of Equipment.** Borrower agrees: (i) to use the Equipment only to carry the commodities for which such Equipment is designed; (ii) to use the Equipment in accordance with industry standards and in accordance with the rules and regulations of Transport Canada or any successor organization; (iii) to use the Equipment only in Canada; and (iv) to use commercially reasonable efforts to ensure that none of the Equipment is loaded in excess of the load limits stipulated on such Equipment. Borrower shall not use the Equipment for the storage or hauling of any corrosive, hazardous, toxic or radioactive substance or materials unless the Equipment is designed for such purpose.

**12. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 10 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**13. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

**14. Limited Cross-Collateralization.** Borrower entered into Loan Schedule No. 02 dated as of September 27, 2013 ("Loan Schedule No. 02") with Key Equipment Finance Inc., as lender, and the Agent. On September 27, 2013, Key Equipment Finance Inc., as lender, assigned, among other things, its right, title and interest in Loan Schedule No. 02 to

The Bank of Nova Scotia (the "New Lender"). Lender under this Loan Schedule plans to assign, among other things, this Loan Schedule to the New Lender. Effective upon the completion of a Lender Transfer of this Loan Schedule from Lender to the New Lender, and in accordance with Section 1(c)(i) of the Master Loan Agreement, Borrower hereby acknowledges and agrees with Lender and the New Lender that the Collateral (as such term is defined herein and in Loan Schedule No. 02) shall secure the Secured Obligations with respect to the Loan (as such terms are defined herein and in Loan Schedule No. 02); provided, however, that the foregoing cross-collateralization shall only continue to apply so long as the New Lender or its assignee (to the extent made in accordance with the Master Loan Agreement) is the lender under both this Loan Schedule and Loan Schedule No. 02 and so long as Borrower is the borrower under both this Loan Schedule and Loan Schedule No. 02. For greater certainty, Lender acknowledges and agrees with Borrower, and the Lender Assignee of the Loan, upon the completion of any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower, that other than the foregoing cross-collateralization of this Loan Schedule and Loan Schedule No. 02, the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).

**15. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in pdf or tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule; provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

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IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

**CLIFFS QUEBEC IRON MINING LIMITED/CLIFFS QUÉBEC MINE DE FER LIMITÉE**

X 

Name: MATTHEW C. PITTSNER

Title: AUTHORIZED SIGNATORY

X 

Name: DWAYNE M. PRITSH

Title: AUTHORIZED SIGNATORY

**LENDER:**

**KEY EQUIPMENT FINANCE INC., in its capacity as Lender**

By: \_\_\_\_\_

Name:

Title:

**KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent**

By: \_\_\_\_\_

Name:

Title:

**ATTACHMENTS:**

Schedule A - Description of Equipment

Schedule B - Stipulated Loss Values for Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.





IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

CLIFFS QUEBEC IRON MINING LIMITED/CLIFFS QUEBEC MINÉ DE FER LIMITÉE

X

Name:  
Title:

X

Name:  
Title:

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By:

Name: RICHARD ANDERSEN  
Title: Vice President

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By:

Name: RICHARD ANDERSEN  
Title: Vice President

**ATTACHMENTS:**

- Schedule A - Description of Equipment
- Schedule B - Stipulated Loss Values for Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

**Schedule A**  
**to**  
**Loan Schedule No. 05**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein.

**Equipment Description:**

(13) National Steel Car Limited 119-Ton; 1780 cu. ft. Rotary Dump Gondola Cars, bearing the following Transport Canada marks CLMX 11488-11500, inclusive

**Schedule B  
to  
Loan Schedule No. 05**

**Stipulated Loss Values for Equipment**

Date	% of cost	Date	% of cost
10/28/2013	103.00	5/28/2017	54.65
11/28/2013	103.26	6/28/2017	53.42
12/28/2013	102.17	7/28/2017	52.19
1/28/2014	101.07	8/28/2017	50.95
2/28/2014	99.97	9/28/2017	49.72
3/28/2014	98.87	10/28/2017	48.47
4/28/2014	97.77	11/28/2017	47.23
5/28/2014	96.66	12/28/2017	45.98
6/28/2014	95.55	1/28/2018	44.73
7/28/2014	94.43	2/28/2018	43.47
8/28/2014	93.32	3/28/2018	42.21
9/28/2014	92.20	4/28/2018	40.95
10/28/2014	91.07	5/28/2018	39.68
11/28/2014	89.95	6/28/2018	38.41
12/28/2014	88.82	7/28/2018	37.14
1/28/2015	87.69	8/28/2018	35.86
2/28/2015	86.55	9/28/2018	34.58
3/28/2015	85.41	10/28/2018	33.29
4/28/2015	84.27	11/28/2018	32.00
5/28/2015	83.12	12/28/2018	30.71
6/28/2015	81.97	1/28/2019	29.42
7/28/2015	80.82	2/28/2019	28.12
8/28/2015	79.67	3/28/2019	26.82
9/28/2015	78.51	4/28/2019	25.51
10/28/2015	77.35	5/28/2019	24.20
11/28/2015	76.18	6/28/2019	22.88
12/28/2015	75.01	7/28/2019	21.57
1/28/2016	73.84	8/28/2019	20.25
2/28/2016	72.67	9/28/2019	18.92
3/28/2016	71.49	10/28/2019	17.59
4/28/2016	70.31	11/28/2019	16.26
5/28/2016	69.12	12/28/2019	14.92
6/28/2016	67.94	1/28/2020	13.58
7/28/2016	66.75	2/28/2020	12.24
8/28/2016	65.55	3/28/2020	10.89
9/28/2016	64.35	4/28/2020	9.54
10/28/2016	63.15	5/28/2020	8.19
11/28/2016	61.95	6/28/2020	6.83
12/28/2016	60.74	7/28/2020	5.47
1/28/2017	59.53	8/28/2020	4.10
2/28/2017	58.31	9/28/2020	2.73
3/28/2017	57.10	10/28/2020	1.36
4/28/2017	55.87		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.





Loan Schedule Number 06

## LOAN SCHEDULE

THIS LOAN SCHEDULE NO. 06 dated as of October 25, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "**this Loan Schedule**") between the undersigned Borrower ("**Borrower**"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "**Lender**") and Key Equipment Finance Inc., as administration agent (in such capacity, the "**Agent**").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule; provided, however, that the representation and warranty in Section 25(h) of the Master Loan Agreement shall not apply to the Future Equipment (as defined in Schedule A attached hereto). Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "**Loan**") in the principal amount equal to the Principal Amount specified below.

3. **Details of Loan.**

Principal Amount: US\$9,465,637.94

Interest Rate: 3.70% per annum

Funding Date: October 28, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on **Schedule A**

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in **84** consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to **\$128,080.92**, commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

**7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "**Collateral**"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$19,000,000.00 (the "**Notional Amount**"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "**Hypothecated Property**"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

**12. Limited Cross-Collateralization.** Borrower entered into Loan Schedule No. 03 dated as of September 27, 2013 ("Loan Schedule No. 03") with Key Equipment Finance Inc., as lender, and the Agent. On September 27, 2013, Key Equipment Finance Inc., as lender, assigned, among other things, its right, title and interest in Loan Schedule No. 03 to The Bank of Nova Scotia (the "**New Lender**"). Lender under this Loan Schedule plans to assign, among other things, this Loan Schedule to the New Lender. Effective upon the completion of a Lender Transfer of this Loan Schedule from Lender to the New Lender, and in accordance with Section 1(c)(i) of the Master Loan Agreement, Borrower hereby acknowledges and agrees with Lender and the New Lender that the Collateral (as such term is defined herein and in Loan Schedule No. 03) shall secure the Secured Obligations with respect to the Loan (as such terms are defined herein and in Loan Schedule No. 03); provided, however, that the foregoing cross-collateralization shall only continue to apply so long as the New Lender or its assignee (to the extent made in accordance with the Master Loan Agreement) is the lender under both this Loan Schedule and Loan Schedule No. 03 and so long as Borrower is the borrower under both this Loan Schedule and Loan Schedule No. 03. For greater certainty, Lender acknowledges and agrees with Borrower, and the Lender Assignee of the Loan, upon the completion of any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower, that other than the foregoing cross-

collateralization of this Loan Schedule and Loan Schedule No. 03, the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).


**13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties herefo in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule; provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

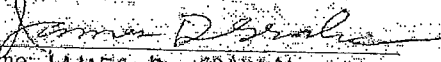
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,**  
By its general partner,  
**BLOOM LAKE GENERAL PARTNER LIMITED**

X   
Name: MATTHEW C. BITNER  
Title: AUTHORIZED OFFICER

X   
Name: JAMES D. GRAHAM  
Title: AUTHORIZED OFFICER

**LENDER:**

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.



IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**


**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,**  
By its general partner,  
**BLOOM LAKE GENERAL PARTNER LIMITED**

X \_\_\_\_\_  
Name:  
Title:


X \_\_\_\_\_  
Name:  
Title:

**LENDER:**

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Lender

By:   
Name: **RICHARD ANDERSEN**  
Title: **Vice President**

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Administration Agent

By:   
Name: **RICHARD ANDERSEN**  
Title: **Vice President**

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

**Schedule A**  
to  
**Loan Schedule No. 06**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein.

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SEC Mine de fer du Lac Bloom  
Lac Bloom - Route 389  
Fermont, Quebec G0G 1J0

**Equipment Description:**

- (1) 2013 Caterpillar Model 7495 Electric Rope Shovel; S/N 141510;
- (2) 59 yd dipper FastFill dipper with 192 inch Spade lip; and
- (3) One (1) Immersive Technologies Pro 3 Transportable Simulator; S/N S386, consisting of a 8'x8'x20' cargo container and a 8'x8'x10' storage cargo container both mounted on a Felling Model FT-36-3000 17'48"x8' wide trailer, VIN 5FTFE4634E1001633.

The items of Equipment described in paragraphs (2) and (3) above are referred to herein as the "Future Equipment".

**Schedule B  
to  
Loan Schedule No. 06**

**Stipulated Loss Values for Equipment**

Date	% of cost	Date	% of cost
10/28/2013	103.00	5/28/2017	54.65
11/28/2013	103.26	6/28/2017	53.42
12/28/2013	102.17	7/28/2017	52.19
1/28/2014	101.07	8/28/2017	50.95
2/28/2014	99.97	9/28/2017	49.72
3/28/2014	98.87	10/28/2017	48.47
4/28/2014	97.77	11/28/2017	47.23
5/28/2014	96.66	12/28/2017	45.98
6/28/2014	95.55	1/28/2018	44.73
7/28/2014	94.43	2/28/2018	43.47
8/28/2014	93.32	3/28/2018	42.21
9/28/2014	92.20	4/28/2018	40.95
10/28/2014	91.07	5/28/2018	39.68
11/28/2014	89.95	6/28/2018	38.41
12/28/2014	88.82	7/28/2018	37.14
1/28/2015	87.69	8/28/2018	35.86
2/28/2015	86.55	9/28/2018	34.58
3/28/2015	85.41	10/28/2018	33.29
4/28/2015	84.27	11/28/2018	32.00
5/28/2015	83.12	12/28/2018	30.71
6/28/2015	81.97	1/28/2019	29.42
7/28/2015	80.82	2/28/2019	28.12
8/28/2015	79.67	3/28/2019	26.82
9/28/2015	78.51	4/28/2019	25.51
10/28/2015	77.35	5/28/2019	24.20
11/28/2015	76.18	6/28/2019	22.88
12/28/2015	75.01	7/28/2019	21.57
1/28/2016	73.84	8/28/2019	20.25
2/28/2016	72.67	9/28/2019	18.92
3/28/2016	71.49	10/28/2019	17.59
4/28/2016	70.31	11/28/2019	16.26
5/28/2016	69.12	12/28/2019	14.92
6/28/2016	67.94	1/28/2020	13.58
7/28/2016	66.75	2/28/2020	12.24
8/28/2016	65.55	3/28/2020	10.89
9/28/2016	64.35	4/28/2020	9.54
10/28/2016	63.15	5/28/2020	8.19
11/28/2016	61.95	6/28/2020	6.83
12/28/2016	60.74	7/28/2020	5.47
1/28/2017	59.53	8/28/2020	4.10
2/28/2017	58.31	9/28/2020	2.73
3/28/2017	57.10	10/28/2020	1.36
4/28/2017	55.87		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.





Loan Schedule Number 06

## LOAN SCHEDULE

THIS LOAN SCHEDULE NO. 06 dated as of October 25, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "this Loan Schedule") between the undersigned Borrower ("Borrower"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "Lender") and Key Equipment Finance Inc., as administration agent (in such capacity, the "Agent").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "Master Loan Agreement"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule; provided, however, that the representation and warranty in Section 25(h) of the Master Loan Agreement shall not apply to the Future Equipment (as defined in Schedule A attached hereto). Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "Loan") in the principal amount equal to the Principal Amount specified below.

### 3. Details of Loan.

Principal Amount: US\$9,465,637.94

Interest Rate: 3.70% per annum

Funding Date: October 28, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on **Schedule A**

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to \$128,080.92 commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

**7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "Collateral"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$19,000,000.00 (the "Notional Amount"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "Hypothecated Property"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

**12. Limited Cross-Collateralization.** Borrower entered into Loan Schedule No. 03 dated as of September 27, 2013 ("Loan Schedule No. 03") with Key Equipment Finance Inc., as lender, and the Agent. On September 27, 2013, Key Equipment Finance Inc., as lender, assigned, among other things, its right, title and interest in Loan Schedule No. 03 to The Bank of Nova Scotia (the "New Lender"). Lender under this Loan Schedule plans to assign, among other things, this Loan Schedule to the New Lender. Effective upon the completion of a Lender Transfer of this Loan Schedule from Lender to the New Lender, and in accordance with Section 1(c)(i) of the Master Loan Agreement, Borrower hereby acknowledges and agrees with Lender and the New Lender that the Collateral (as such term is defined herein and in Loan Schedule No. 03) shall secure the Secured Obligations with respect to the Loan (as such terms are defined herein and in Loan Schedule No. 03); provided, however, that the foregoing cross-collateralization shall only continue to apply so long as the New Lender or its assignee (to the extent made in accordance with the Master Loan Agreement) is the lender under both this Loan Schedule and Loan Schedule No. 03 and so long as Borrower is the borrower under both this Loan Schedule and Loan Schedule No. 03. For greater certainty, Lender acknowledges and agrees with Borrower, and the Lender Assignee of the Loan, upon the completion of any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower, that other than the foregoing cross-

collateralization of this Loan Schedule and Loan Schedule No. 03, the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).

**13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule; provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

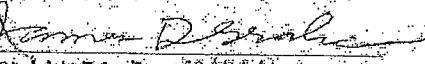
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IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,**  
By its general partner,  
**BLOOM LAKE GENERAL PARTNER LIMITED**

X   
Name: MATTHEW C. BITTNER  
Title: AUTHORIZED OFFICER

X   
Name: JAMES D. GRAHAM  
Title: AUTHORIZED OFFICER

**LENDER:**

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.



IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,**  
By its general partner,  
**BLOOM LAKE GENERAL PARTNER LIMITED**

X \_\_\_\_\_  
Name:  
Title:

X \_\_\_\_\_  
Name:  
Title:

**LENDER:**

**KEY EQUIPMENT FINANCE INC., in its capacity as Lender**

By: \_\_\_\_\_  
Name: **RICHARD ANDERSEN**  
Title: **Vice President**

**KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent**

By: \_\_\_\_\_  
Name: **RICHARD ANDERSEN**  
Title: **Vice President**

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

\_\_\_\_\_

**Schedule A  
to  
Loan Schedule No. 06**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein:

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SEC Mine de fer du Lac Bloom  
Lac Bloom – Route 389  
Fermont, Quebec G0G 1J0

**Equipment Description:**

- (1) 2013 Caterpillar Model 7495 Electric Rope Shovel, S/N 141510;
- (2) 59 yd dipper FastFill dipper with 192 inch Spade lip; and
- (3) One (1) Immersive Technologies Pro 3 Transportable Simulator, S/N S386, consisting of a 8'x8'x20' cargo container and a 8'x8'x10' storage cargo container both mounted on a Felling Model FT-36-3000 17'48"x8' wide trailer, VIN 5FTFE4634E1001633.

The items of Equipment described in paragraphs (2) and (3) above are referred to herein as the "Future Equipment".

**Schedule B  
to  
Loan Schedule No. 06**

**Stipulated Loss Values for Equipment**

Date	% of cost	Date	% of cost
10/28/2013	103.00	5/28/2017	54.65
11/28/2013	103.26	6/28/2017	53.42
12/28/2013	102.17	7/28/2017	52.19
1/28/2014	101.07	8/28/2017	50.95
2/28/2014	99.97	9/28/2017	49.72
3/28/2014	98.87	10/28/2017	48.47
4/28/2014	97.77	11/28/2017	47.23
5/28/2014	96.66	12/28/2017	45.98
6/28/2014	95.55	1/28/2018	44.73
7/28/2014	94.43	2/28/2018	43.47
8/28/2014	93.32	3/28/2018	42.21
9/28/2014	92.20	4/28/2018	40.95
10/28/2014	91.07	5/28/2018	39.68
11/28/2014	89.95	6/28/2018	38.41
12/28/2014	88.82	7/28/2018	37.14
1/28/2015	87.69	8/28/2018	35.86
2/28/2015	86.55	9/28/2018	34.58
3/28/2015	85.41	10/28/2018	33.29
4/28/2015	84.27	11/28/2018	32.00
5/28/2015	83.12	12/28/2018	30.71
6/28/2015	81.97	1/28/2019	29.42
7/28/2015	80.82	2/28/2019	28.12
8/28/2015	79.67	3/28/2019	26.82
9/28/2015	78.51	4/28/2019	25.51
10/28/2015	77.35	5/28/2019	24.20
11/28/2015	76.18	6/28/2019	22.88
12/28/2015	75.01	7/28/2019	21.57
1/28/2016	73.84	8/28/2019	20.25
2/28/2016	72.67	9/28/2019	18.92
3/28/2016	71.49	10/28/2019	17.59
4/28/2016	70.31	11/28/2019	16.26
5/28/2016	69.12	12/28/2019	14.92
6/28/2016	67.94	1/28/2020	13.58
7/28/2016	66.75	2/28/2020	12.24
8/28/2016	65.55	3/28/2020	10.89
9/28/2016	64.35	4/28/2020	9.54
10/28/2016	63.15	5/28/2020	8.19
11/28/2016	61.95	6/28/2020	6.83
12/28/2016	60.74	7/28/2020	5.47
1/28/2017	59.53	8/28/2020	4.10
2/28/2017	58.31	9/28/2020	2.73
3/28/2017	57.10	10/28/2020	1.36
4/28/2017	55.87		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.





Loan Schedule Number 07

## LOAN SCHEDULE

THIS LOAN SCHEDULE NO. 07 dated as of November 26, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "this Loan Schedule") between the undersigned Borrower ("Borrower"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "Lender") and Key Equipment Finance Inc., as administration agent (in such capacity, the "Agent").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "Master Loan Agreement"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "Loan") in the principal amount equal to the Principal Amount specified below.

### 3. Details of Loan.

Principal Amount: US\$11,453,805.23

Interest Rate: 4.19% per annum

Funding Date: November 26, 2013

Equipment: See Schedule A attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for item(s) of Equipment: See Schedule B attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on Schedule A.

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to \$157,563.57 commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

**7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "Collateral"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$22,000,000 (the "Notional Amount"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "Hypothecated Property"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

**12. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignee of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that, the Collateral shall only secure the Secured Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).

**13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule, provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP;  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X *Matthew C. Pittner*  
Name: MATTHEW C. PITTNER  
Title: AUTHORIZED OFFICER

X *James D. Graham*  
Name: JAMES D. GRAHAM  
Title: AUTHORIZED OFFICER

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**


THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X \_\_\_\_\_  
Name:  
Title:

X \_\_\_\_\_  
Name:  
Title:

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

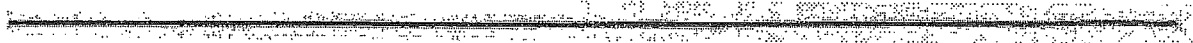
KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_ of \_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.





**Schedule A  
to  
Loan Schedule No. 07**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein:

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SÉC Mine de fer du Lac Bloom  
Lac Bloom -- Route 389  
Fermont, Québec G0G 1J0

**Equipment Description:**

Two (2) Komatsu 930-4SE Electric Dump Trucks, S/N: A31576 and A31578, including accessories and attachments hereto

**Schedule B  
to  
Loan Schedule No. 07**

**Stipulated Loss Values for Equipment**

Date	% of cost	Date	% of cost
11/26/2013	103.000	6/26/2017	55.083
12/26/2013	103.305	7/26/2017	53.855
1/26/2014	102.230	8/26/2017	52.623
2/26/2014	101.152	9/26/2017	51.387
3/26/2014	100.069	10/26/2017	50.147
4/26/2014	98.984	11/26/2017	48.903
5/26/2014	97.895	12/26/2017	47.655
6/26/2014	96.802	1/26/2018	46.404
7/26/2014	95.707	2/26/2018	45.148
8/26/2014	94.607	3/26/2018	43.888
9/26/2014	93.505	4/26/2018	42.624
10/26/2014	92.399	5/26/2018	41.356
11/26/2014	91.289	6/26/2018	40.084
12/26/2014	90.176	7/26/2018	38.808
1/26/2015	89.059	8/26/2018	37.528
2/26/2015	87.939	9/26/2018	36.243
3/26/2015	86.815	10/26/2018	34.955
4/26/2015	85.687	11/26/2018	33.663
5/26/2015	84.556	12/26/2018	32.366
6/26/2015	83.421	1/26/2019	31.066
7/26/2015	82.283	2/26/2019	29.761
8/26/2015	81.141	3/26/2019	28.452
9/26/2015	79.996	4/26/2019	27.139
10/26/2015	78.847	5/26/2019	25.821
11/26/2015	77.694	6/26/2019	24.500
12/26/2015	76.538	7/26/2019	23.174
1/26/2016	75.378	8/26/2019	21.844
2/26/2016	74.215	9/26/2019	20.510
3/26/2016	73.047	10/26/2019	19.171
4/26/2016	71.875	11/26/2019	17.828
5/26/2016	70.701	12/26/2019	16.481
6/26/2016	69.522	1/26/2020	15.130
7/26/2016	68.340	2/26/2020	13.774
8/26/2016	67.154	3/26/2020	12.414
9/26/2016	65.964	4/26/2020	11.050
10/26/2016	64.770	5/26/2020	9.681
11/26/2016	63.573	6/26/2020	8.308
12/26/2016	62.372	7/26/2020	6.930
1/26/2017	61.167	8/26/2020	5.548
2/26/2017	59.958	9/26/2020	4.162
3/26/2017	58.745	10/26/2020	2.771
4/26/2017	57.528	11/26/2020	1.376
5/26/2017	56.308		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.

Loan Schedule Number: 07

Effective Date: November 26, 2013

This **ASSIGNMENT AND ACCEPTANCE AGREEMENT** ("this Assignment Agreement") is entered into as of November 26, 2013 between **Key Equipment Finance Inc.** ("Assignor") and **Bank of the West** ("Assignee"). Reference is made to the loan schedule dated as of November 26, 2013 and identified by the Loan Schedule Number set forth above (as amended, restated, modified and otherwise supplemented from time to time, the "Loan Schedule") the master loan and security agreement dated as of September 27, 2013 (as amended, restated, modified or otherwise supplemented from time to time, the "Master Loan Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Loan Schedule, either directly or incorporated by reference therein.

1. In accordance with the terms and conditions of Section 12(b) of the Master Loan Agreement, as of the Effective Date set forth above, the Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, all of the Assignor's right, title and interest in the Loan, the Loan Schedule, the other Loan Documents with respect to the Loan and the Collateral including, for greater certainty, all Encumbrances granted by the Borrower in the Collateral under the Loan Schedule (collectively, the "Assigned Interest").
2. The Assignor covenants, represents and warrants that:
  - a. the Assignor is duly established and organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or formation and has the corporate power and authority to own its property and assets and to carry on its business as now being conducted by it;
  - b. the Assignor has the corporate power and authority to enter into, execute and deliver this Assignment Agreement and to perform and carry out the terms and provisions hereof, and when executed and delivered this Assignment Agreement will constitute a legal, valid and binding obligation of the Assignor enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and by applicable laws (including the *Civil Code of Quebec* and any applicable common law and equity) and judicial decisions which may affect the remedies provided therein;
  - c. the Assignor is the sole Lender with respect to the Loan, the Loan Documents with respect to the Loan and the Collateral;
  - d. it is the legal and beneficial owner of the Assigned Interest; and
  - e. the Assigned Interest is free and clear of any Encumbrances.
3. The Assignee: (a) confirms that it has received copies of the Master Loan Agreement, the Loan Schedule and the other Loan Documents with respect to the Loan, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement; (b) agrees that it will, independently and without

reliance upon the Agent, the Assignor or any other Lender, based on such documents and information as it shall deem appropriate at the time; continue to make its own credit decisions in taking or not taking action under the Loan Documents with respect to the Loan; (c) confirms that it is eligible as an assignee under the terms of the Master Loan Agreement; (d) appoints and authorizes the Agent to take such action as the Agent (on its behalf) and to exercise such powers under the Loan Documents with respect to the Loan as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto; and (e) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents with respect to the Loan are required to be performed by it as a Lender.

4. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest and other amounts) to the Assignee, whether such amounts have accrued prior to the Effective Date or accrued subsequent to the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Agent for the periods prior to the Effective Date or with respect to the making of this Assignment Agreement directly between themselves.
5. If required by the terms of the Master Loan Agreement, the Borrower hereby consents to this Assignment Agreement by the Assignor to the Assignee under the terms and conditions contained in this Assignment Agreement and as set out in the Master Loan Agreement.
6. This Assignment Agreement constitutes the entire agreement and understanding of the parties hereto relating to the subject matter hereof, and supersedes all prior discussions and understandings, if any, as to such subject matter.
7. No provision of this Assignment Agreement may be waived, modified or discharged orally, by course of dealings or otherwise, except in writing duly executed and delivered by the Assignee and the Assignor.
8. This Assignment Agreement shall enure to the benefit of, and be binding upon, the successors and assigns of the parties hereto.
9. This Assignment Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
10. This Assignment Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Assignment Agreement by facsimile or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Assignment Agreement.

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IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

**BANK OF THE WEST**

Assignee

By: Judy Sakamoto  
Name: JUDY SAKAMOTO  
Title: VICE PRESIDENT

**KEY EQUIPMENT FINANCE INC.**

Assignor

By: \_\_\_\_\_  
Name:  
Title:

**THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP, by its general  
partner, BLOOM LAKE GENERAL  
PARTNER LIMITED**  
Borrower

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC., in its  
capacity as Lead Arranger and  
Administration Agent**


By: \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

BANK OF THE WEST  
Assignee

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC.  
Assignor


By:   
Name: RICHARD ANDERSEN  
Title: Vice President

THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP, by its general  
partner, BLOOM LAKE GENERAL  
PARTNER LIMITED  
Borrower

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its  
capacity as Lead Arranger and  
Administration Agent

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.


**BANK OF THE WEST**  
Assignee

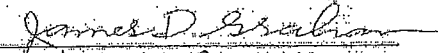
By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC.**  
Assignor

By: \_\_\_\_\_  
Name:  
Title:

**THE BLOOM LAKE IRON ORE MINE**  
**LIMITED PARTNERSHIP**, by its general  
partner, **BLOOM LAKE GENERAL**  
**PARTNER LIMITED**  
Borrower

By:   
Name: **MATTHEW C. BITTNER**  
Title: **AUTHORIZED OFFICER**

By:   
Name: **JAMES D. CAHAM**  
Title: **AUTHORIZED OFFICER**

**KEY EQUIPMENT FINANCE INC.**, in its  
capacity as **Lead Arranger and**  
**Administration Agent**

By: \_\_\_\_\_  
Name:  
Title:

The undersigned hereby acknowledges in favour of the Assignee the Lender Transfer of the Assigned Interest by the Assignor to the Assignee.

CLIFFS NATURAL RESOURCES INC.

Guarantor

By: 

Name: TERRENCE M. PARADISE

Title: EXECUTIVE VICE PRESIDENT &  
CHIEF FINANCIAL OFFICER

By: \_\_\_\_\_

Name: \_\_\_\_\_

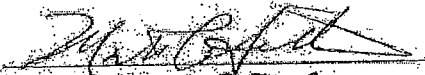
Title: \_\_\_\_\_



The undersigned hereby acknowledges in favour of the Assignee the Lender Transfer of the Assigned Interest by the Assignor to the Assignee.

**CLIFFS NATURAL RESOURCES INC.**  
Guarantor

By: \_\_\_\_\_  
Name:  
Title:

By:   
Name: MATTHEW C. BITTNER  
Title: VICE PRESIDENT & TREASURER



**Borrower Acknowledgment**  
(Certificate of Acceptance)

**THIS IS A CERTIFICATE ACKNOWLEDGING  
ACCEPTANCE OF THE EQUIPMENT FOR  
PURPOSES OF THE BELOW-REFERENCED LOAN DOCUMENTS.**

**THIS IS NOT A DELIVERY RECEIPT.**

Borrower Name: **THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**

Loan Schedule Number: **07**

All the items of Equipment subject to the Encumbrances granted by the undersigned in favour of Key Equipment Finance Inc. (the "**Lender**") under the Loan Schedule identified by the Loan Schedule Number set forth above (the "**Loan Schedule**"), which Loan Schedule was entered into pursuant to the Master Loan and Security Agreement identified by the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") (a) were received by the undersigned; (b) are satisfactory to the undersigned in all respects and are acceptable to the undersigned for financing under the Loan Schedule and the other related Loan Documents; (c) are suitable for the undersigned's purposes; (d) are in good order, repair and condition, ordinary wear and tear excepted; (e) have been installed and operate properly; and (f) are subject to all of the terms and conditions of the Loan Schedule and the other related Loan Documents.

Capitalized terms used herein without definition shall have the meaning given them in the Loan Schedule; whether directly or incorporated by reference therein.

Dated: November 26, 2013

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**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X *Matthew C. Bittner*  
Name: *MATTHEW C. BITTNER*  
Title: *AUTHORIZED OFFICER*

X *James D. Graham*  
Name: *JAMES D. GRAHAM*  
Title: *AUTHORIZED OFFICER*



## Payment of Proceeds Instructions

November 26, 2013

Key Equipment Finance Inc.  
1000 South McCaslin Blvd.  
Superior, CO 80027

RE: Loan Schedule No. 07 dated as of November 26, 2013 (the "**Loan Schedule**") between Key Equipment Finance Inc., as lender (in such capacity, "**Lender**") and as administration agent (in such capacity, the "**Agent**") and the undersigned Borrower ("**Borrower**"), entered into pursuant to Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") between, among others, Lender, the Agent and Borrower.

Ladies and Gentlemen:

The Borrower hereby directs and authorizes Lender or its assigns to disburse the principal amount of U.S. \$11,453,805.23 (the "**Loan**"), by wire transfer (in accordance with the wire transfer details specified in Schedule A) or otherwise, in the following amounts to the following persons or accounts:


<b>The Bloom Lake Iron Ore Mine Limited Partnership</b>	<b>\$11,453,805.23</b>
<b>Total</b>	<b>\$11,453,805.23</b>

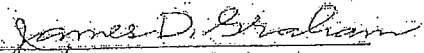
This document shall be your good and sufficient authorization for the directions described herein and such payments shall constitute payment in full of the Loan to Borrower pursuant to the Loan Schedule.

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**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X   
Name: MATTHEW C. BUNKER  
Title: AUTHORIZED OFFICER

X   
Name: JAMES D. GRAHAM  
Title: AUTHORIZED OFFICER

## SCHEDULE A

## DETAILS OF WIRE INSTRUCTIONS

Intermediary Bank:	Wells Fargo NY International
Bank Address:	375 Park Avenue New York, NY 10152
ABA #:	026005092
Beneficiary Bank:	Bank of Montreal
Bank Address:	100 King Street West Toronto, Ontario M5X 1A1
SWIFT Code:	BOFMCAT2
Bank Number:	001
Transit Number:	00022
USD Account Number:	0002-4789-041
Account Name:	The Bloom Lake Iron Ore Mine Limited Partnership 1155 Rue University, Suite 508 Montreal, Quebec H3B 3A7



Loan Schedule Number 08

## LOAN SCHEDULE

THIS LOAN SCHEDULE NO. 08 dated as of November 26, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "**this Loan Schedule**") between the undersigned Borrower ("**Borrower**"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "**Lender**") and Key Equipment Finance Inc., as administration agent (in such capacity, the "**Agent**").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "**Loan**") in the principal amount equal to the Principal Amount specified below.

### 3. Details of Loan.

Principal Amount: US\$11,118,255.51

Interest Rate: 4.19% per annum

Funding Date: November 26, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on **Schedule A**.

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to \$152,947.60 commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

- 7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.
- 8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "Collateral"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.
- 9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$22,000,000 (the "Notional Amount"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "Hypothecated Property"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.
- 10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.
- 11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.
- 12. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignee of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that, the Collateral shall only secure the Secured Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).
- 13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule; provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.



IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X *Matthew C. Bittner*  
Name: MATTHEW C. BITTNER  
Title: AUTHORIZED OFFICER

X *James D. Graham*  
Name: JAMES D. GRAHAM  
Title: AUTHORIZED OFFICER

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**


THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X \_\_\_\_\_  
Name:  
Title:


X \_\_\_\_\_  
Name:  
Title:

**LENDER:**

KEY EQUIPMENT FINANCE INC. in its capacity as Lender

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

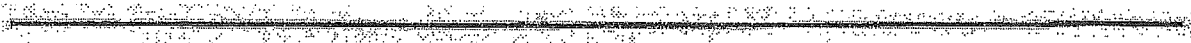
KEY EQUIPMENT FINANCE INC. in its capacity as Administration Agent

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.



**Schedule A  
to  
Loan Schedule No. 08**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein:

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SEC Mine de fer du Lac Bloom  
Lac Bloom - Route 389  
Fermont, Québec G0G 1J0

**Equipment Description:**

Two (2) New Komatsu 930-4SE Electric Dump Trucks, S/N: A31450 and A31500, with fire suppression system, set of six tires with tires, and wheel motor jig lift, also including accessories and attachments hereto

Schedule B  
to  
Loan Schedule No. 08

Stipulated Loss Values for Equipment

Date	% of cost	Date	% of cost
11/26/2013	103.000	6/26/2017	55.083
12/26/2013	103.305	7/26/2017	53.855
1/26/2014	102.230	8/26/2017	52.623
2/26/2014	101.152	9/26/2017	51.387
3/26/2014	100.069	10/26/2017	50.147
4/26/2014	98.984	11/26/2017	48.903
5/26/2014	97.895	12/26/2017	47.655
6/26/2014	96.802	1/26/2018	46.404
7/26/2014	95.707	2/26/2018	45.148
8/26/2014	94.607	3/26/2018	43.888
9/26/2014	93.505	4/26/2018	42.624
10/26/2014	92.399	5/26/2018	41.356
11/26/2014	91.289	6/26/2018	40.084
12/26/2014	90.176	7/26/2018	38.808
1/26/2015	89.059	8/26/2018	37.528
2/26/2015	87.939	9/26/2018	36.243
3/26/2015	86.815	10/26/2018	34.955
4/26/2015	85.687	11/26/2018	33.663
5/26/2015	84.556	12/26/2018	32.366
6/26/2015	83.421	1/26/2019	31.066
7/26/2015	82.283	2/26/2019	29.761
8/26/2015	81.141	3/26/2019	28.452
9/26/2015	79.996	4/26/2019	27.139
10/26/2015	78.847	5/26/2019	25.821
11/26/2015	77.694	6/26/2019	24.500
12/26/2015	76.538	7/26/2019	23.174
1/26/2016	75.378	8/26/2019	21.844
2/26/2016	74.215	9/26/2019	20.510
3/26/2016	73.047	10/26/2019	19.171
4/26/2016	71.875	11/26/2019	17.828
5/26/2016	70.701	12/26/2019	16.481
6/26/2016	69.522	1/26/2020	15.130
7/26/2016	68.340	2/26/2020	13.774
8/26/2016	67.154	3/26/2020	12.414
9/26/2016	65.964	4/26/2020	11.050
10/26/2016	64.770	5/26/2020	9.681
11/26/2016	63.573	6/26/2020	8.308
12/26/2016	62.372	7/26/2020	6.930
1/26/2017	61.167	8/26/2020	5.548
2/26/2017	59.958	9/26/2020	4.162
3/26/2017	58.745	10/26/2020	2.771
4/26/2017	57.528	11/26/2020	1.376
5/26/2017	56.308		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.

Loan Schedule Number: 08

Effective Date: November 26, 2013

This **ASSIGNMENT AND ACCEPTANCE AGREEMENT** ("this Assignment Agreement") is entered into as of November 26, 2013 between **Key Equipment Finance Inc.** ("Assignor") and **BBVA Compass Financial Corporation** ("Assignee"). Reference is made to the loan schedule dated as of November 26, 2013 and identified by the Loan Schedule Number set forth above (as amended, restated, modified and otherwise supplemented from time to time, the "Loan Schedule") the master loan and security agreement dated as of September 27, 2013 (as amended, restated, modified or otherwise supplemented from time to time, the "Master Loan Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Loan Schedule, either directly or incorporated by reference therein.

1. In accordance with the terms and conditions of Section 12(b) of the Master Loan Agreement, as of the Effective Date set forth above, the Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, all of the Assignor's right, title and interest in the Loan, the Loan Schedule, the other Loan Documents with respect to the Loan and the Collateral including, for greater certainty, all Encumbrances granted by the Borrower in the Collateral under the Loan Schedule (collectively, the "Assigned Interest").
2. The Assignor covenants, represents and warrants that:
  - a. the Assignor is duly established and organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or formation and has the corporate power and authority to own its property and assets and to carry on its business as now being conducted by it;
  - b. the Assignor has the corporate power and authority to enter into, execute and deliver this Assignment Agreement and to perform and carry out the terms and provisions hereof, and when executed and delivered this Assignment Agreement will constitute a legal, valid and binding obligation of the Assignor enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and by applicable laws (including the *Civil Code of Québec* and any applicable common-law and equity) and judicial decisions which may affect the remedies provided therein;
  - c. the Assignor is the sole Lender with respect to the Loan, the Loan Documents with respect to the Loan and the Collateral;
  - d. It is the legal and beneficial owner of the Assigned Interest; and
  - e. the Assigned Interest is free and clear of any Encumbrances.
3. The Assignee: (a) confirms that it has received copies of the Master Loan Agreement, the Loan Schedule and the other Loan Documents with respect to the Loan, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement; (b) agrees that it will, independently and without

reliance upon the Agent, the Assignor or any other Lender, based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents with respect to the Loan; (c) confirms that it is eligible as an assignee under the terms of the Master Loan Agreement; (d) appoints and authorizes the Agent to take such action as the Agent (on its behalf) and to exercise such powers under the Loan Documents with respect to the Loan as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto; and (e) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents with respect to the Loan are required to be performed by it as a Lender.

4. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest and other amounts) to the Assignee, whether such amounts have accrued prior to the Effective Date or accrued subsequent to the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Agent for the periods prior to the Effective Date or with respect to the making of this Assignment Agreement directly between themselves.
5. If required by the terms of the Master Loan Agreement, the Borrower hereby consents to this Assignment Agreement by the Assignor to the Assignee under the terms and conditions contained in this Assignment Agreement and as set out in the Master Loan Agreement.
6. This Assignment Agreement constitutes the entire agreement and understanding of the parties hereto relating to the subject matter hereof, and supersedes all prior discussions and understandings, if any, as to such subject matter.
7. No provision of this Assignment Agreement may be waived, modified or discharged orally, by course of dealings or otherwise, except in writing duly executed and delivered by the Assignee and the Assignor.
8. This Assignment Agreement shall enure to the benefit of, and be binding upon, the successors and assigns of the parties hereto.
9. This Assignment Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
10. This Assignment Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Assignment Agreement by facsimile or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Assignment Agreement.

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IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement as of the Effective Date.

**BBVA COMPASS FINANCIAL CORPORATION**  
Assignee

By: Joan M. Hinkle  
Name: Joan M. Hinkle  
Title: Vice President

**KEY EQUIPMENT FINANCE INC.**  
Assignor

By: \_\_\_\_\_  
Name:  
Title:

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**, by its general partner, **BLOOM LAKE GENERAL PARTNER LIMITED**  
Borrower

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC.**, in its capacity as **Lead Arranger and Administration Agent**

By: \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

BBVA COMPASS FINANCIAL CORPORATION

Assignee

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC.  
Assignor

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP, by its general partner, BLOOM LAKE GENERAL PARTNER LIMITED  
Borrower.

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Lead Arranger and Administration Agent

By:   
Name: RICHARD ANDERSEN  
Title: Vice President



IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

**BBVA COMPASS FINANCIAL CORPORATION**  
Assignee

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC.**  
Assignor

By: \_\_\_\_\_  
Name:  
Title:

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**, by its general partner, **BLOOM LAKE GENERAL PARTNER LIMITED**  
Borrower

By: *Matthew C. Bittner*  
Name: *MATTHEW C. BITTNER*  
Title: *AUTHORIZED OFFICER*

By: *James D. Graham*  
Name: *JAMES D. GRAHAM*  
Title: *AUTHORIZED OFFICER*

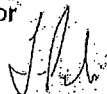
**KEY EQUIPMENT FINANCE INC.**, in its capacity as **Lead Arranger and Administration Agent**

By: \_\_\_\_\_  
Name:  
Title:

The undersigned hereby acknowledges in favour of the Assignee the Lender Transfer of the Assigned Interest by the Assignor to the Assignee.

**CLIFFS NATURAL RESOURCES INC.**

Guarantor

By: 

Name: TERRANCE M. PARROTT

Title: EXECUTIVE VICE PRESIDENT &  
CHIEF FINANCIAL OFFICER

By: \_\_\_\_\_

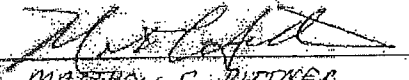
Name: \_\_\_\_\_

Title: \_\_\_\_\_

The undersigned hereby acknowledges in favour of the Assignee the Lender Transfer of the Assigned Interest by the Assignor to the Assignee.

**CLIFFS NATURAL RESOURCES INC.**  
Guarantor

By: \_\_\_\_\_  
Name:  
Title:

By:   
Name: MATTHEW C. BITTNER  
Title: VICE PRESIDENT & TREASURER



**Borrower Acknowledgment**  
(Certificate of Acceptance)

**THIS IS A CERTIFICATE ACKNOWLEDGING  
ACCEPTANCE OF THE EQUIPMENT FOR  
PURPOSES OF THE BELOW-REFERENCED LOAN DOCUMENTS.**

**THIS IS NOT A DELIVERY RECEIPT.**

Borrower Name: **THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**

Loan Schedule Number: **08**

All the items of Equipment subject to the Encumbrances granted by the undersigned in favour of Key Equipment Finance Inc. (the "**Lender**") under the Loan Schedule identified by the Loan Schedule Number set forth above (the "**Loan Schedule**"), which Loan Schedule was entered into pursuant to the Master Loan and Security Agreement identified by the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") (a) were received by the undersigned, (b) are satisfactory to the undersigned in all respects and are acceptable to the undersigned for financing under the Loan Schedule and the other related Loan Documents, (c) are suitable for the undersigned's purposes, (d) are in good order, repair and condition, ordinary wear and tear excepted, (e) have been installed and operate properly, and (f) are subject to all of the terms and conditions of the Loan Schedule and the other related Loan Documents.

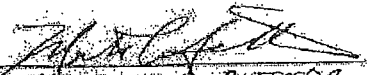
Capitalized terms used herein without definition shall have the meaning given them in the Loan Schedule, whether directly or incorporated by reference therein.

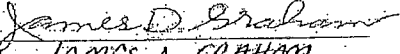
Dated: November 26, 2013

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**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X   
Name: MATTHEW C. BITTNER  
Title: AUTHORIZED OFFICER

X   
Name: JAMES D. GRAHAM  
Title: AUTHORIZED OFFICER



## Payment of Proceeds Instructions

November 26, 2013

Key Equipment Finance Inc.  
1000 South McCaslin Blvd.  
Superior, CO 80027

RE: Loan Schedule No. 08 dated as of November 26, 2013 (the "**Loan Schedule**") between Key Equipment Finance Inc. as lender (in such capacity, "**Lender**") and as administration agent (in such capacity, the "**Agent**") and the undersigned Borrower ("**Borrower**"), entered into pursuant to Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") between, among others, Lender, the Agent and Borrower.

Ladies and Gentlemen:

The Borrower hereby directs and authorizes Lender or its assigns to disburse the principal amount of U.S. \$11,118,255.51 (the "**Loan**"), by wire transfer (in accordance with the wire transfer details specified in Schedule A) or otherwise, in the following amounts to the following persons or accounts:

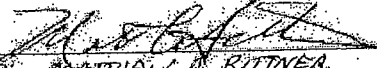
The Bloom Lake Iron Ore Mine Limited Partnership	<u>\$11,118,255.51</u>
<b>Total</b>	<b>\$11,118,255.51</b>

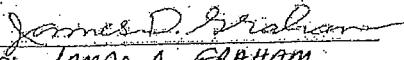
This document shall be your good and sufficient authorization for the directions described herein and such payments shall constitute payment in full of the Loan to Borrower pursuant to the Loan Schedule.

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**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

x   
Name: MATTHEW C. BITTNER  
Title: AUTHORIZED OFFICER

x   
Name: JAMES D. GRAHAM  
Title: AUTHORIZED OFFICER

## SCHEDULE A

## DETAILS OF WIRE INSTRUCTIONS

Intermediary Bank:	Wells Fargo NY International
Bank Address:	375 Park Avenue New York, NY 10152
ABA #:	026005092
Beneficiary Bank:	Bank of Montreal
Bank Address:	100 King Street West Toronto, Ontario M5X 1A1
SWIFT Code:	BOMCAT2
Bank Number:	001
Transit Number:	00022
USD Account Number:	0002-4789-041
Account Name:	The Bloom Lake Iron Ore Mine Limited Partnership 1155 Rue University, Suite 508 Montreal, Quebec H3B 3A7





Loan Schedule Number 09

**LOAN SCHEDULE**

THIS LOAN SCHEDULE NO. 09 dated as of November 26, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "this Loan Schedule") between the undersigned Borrower ("Borrower"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "Lender") and Key Equipment Finance Inc., as administration agent (in such capacity, the "Agent").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "Master Loan Agreement"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "Loan") in the principal amount equal to the Principal Amount specified below:

3. **Details of Loan.**

Principal Amount: US\$16,713,827.94

Interest Rate: 4.19% per annum

Funding Date: November 26, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on **Schedule A**

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to \$229,922.75 commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.


- 7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.
- 8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "**Collateral**"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.
- 9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$33,000,000 (the "**Notional Amount**"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "**Hypothecated Property**"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.
- 10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.
- 11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.
- 12. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignee of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that, the Collateral shall only secure the Secured Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).
- 13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule, provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

IN WITNESS WHEREOF, the parties herefo have executed this Loan Schedule on the day and year first written above.

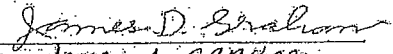
**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X

  
Name: MATTHEW C. BITTNER  
Title: AUTHORIZED OFFICER

X

  
Name: JAMES A. CARMAN  
Title: AUTHORIZED OFFICER

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP  
By its general partner  
BLOOM LAKE GENERAL PARTNER LIMITED

X \_\_\_\_\_  
Name:  
Title:

X \_\_\_\_\_  
Name:  
Title:

**LENDER:**

KEY EQUIPMENT FINANCE INC. in its capacity as Lender

By \_\_\_\_\_  
Name: RICHARD ANDERSEN  
Title: Vice President

KEY EQUIPMENT FINANCE INC. in its capacity as Administration Agent

By \_\_\_\_\_  
Name: RICHARD ANDERSEN  
Title: Vice President

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.



**Schedule A  
to  
Loan Schedule No. 09**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein:

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SEC Mine de fer du Lac Bloom  
Lac Bloom - Route 389  
Fermont, Quebec G0G 1J0

**Equipment Description:**

Three (3) Komatsu 930-4SE Electric Dump Trucks, S/N: A31605, A31606 and A31607, including accessories and attachments hereto

Schedule B  
to  
Loan Schedule No. 09

Stipulated Loss Values for Equipment:

Date	% of cost	Date	% of cost
11/26/2013	103.000	6/26/2017	55.083
12/26/2013	103.305	7/26/2017	53.855
1/26/2014	102.230	8/26/2017	52.623
2/26/2014	101.152	9/26/2017	51.387
3/26/2014	100.069	10/26/2017	50.147
4/26/2014	98.984	11/26/2017	48.903
5/26/2014	97.895	12/26/2017	47.655
6/26/2014	96.802	1/26/2018	46.404
7/26/2014	95.707	2/26/2018	45.148
8/26/2014	94.607	3/26/2018	43.888
9/26/2014	93.505	4/26/2018	42.624
10/26/2014	92.399	5/26/2018	41.356
11/26/2014	91.289	6/26/2018	40.084
12/26/2014	90.176	7/26/2018	38.808
1/26/2015	89.059	8/26/2018	37.528
2/26/2015	87.939	9/26/2018	36.243
3/26/2015	86.815	10/26/2018	34.955
4/26/2015	85.687	11/26/2018	33.663
5/26/2015	84.556	12/26/2018	32.366
6/26/2015	83.421	1/26/2019	31.066
7/26/2015	82.283	2/26/2019	29.761
8/26/2015	81.141	3/26/2019	28.452
9/26/2015	79.996	4/26/2019	27.139
10/26/2015	78.847	5/26/2019	25.821
11/26/2015	77.694	6/26/2019	24.500
12/26/2015	76.538	7/26/2019	23.174
1/26/2016	75.378	8/26/2019	21.844
2/26/2016	74.215	9/26/2019	20.510
3/26/2016	73.047	10/26/2019	19.171
4/26/2016	71.875	11/26/2019	17.828
5/26/2016	70.701	12/26/2019	16.481
6/26/2016	69.522	1/26/2020	15.130
7/26/2016	68.340	2/26/2020	13.774
8/26/2016	67.154	3/26/2020	12.414
9/26/2016	65.964	4/26/2020	11.050
10/26/2016	64.770	5/26/2020	9.681
11/26/2016	63.573	6/26/2020	8.308
12/26/2016	62.372	7/26/2020	6.930
1/26/2017	61.167	8/26/2020	5.548
2/26/2017	59.958	9/26/2020	4.162
3/26/2017	58.745	10/26/2020	2.771
4/26/2017	57.528	11/26/2020	1.376
5/26/2017	56.308		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.

Loan Schedule Number: 09

Effective Date: November 26, 2013

This **ASSIGNMENT AND ACCEPTANCE AGREEMENT** ("this Assignment Agreement") is entered into as of November 26, 2013 between **Key Equipment Finance Inc.** ("Assignor") and **SunTrust Equipment Finance & Leasing Corp.** ("Assignee"). Reference is made to the loan schedule dated as of November 26, 2013 and identified by the Loan Schedule Number set forth above (as amended, restated, modified and otherwise supplemented from time to time, the "Loan Schedule") the master loan and security agreement dated as of September 27, 2013 (as amended, restated, modified or otherwise supplemented from time to time, the "Master Loan Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Loan Schedule, either directly or incorporated by reference therein.

1. In accordance with the terms and conditions of Section 12(b) of the Master Loan Agreement, as of the Effective Date set forth above, the Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, all of the Assignor's right, title and interest in the Loan, the Loan Schedule, the other Loan Documents with respect to the Loan and the Collateral including, for greater certainty, all Encumbrances granted by the Borrower in the Collateral under the Loan Schedule (collectively, the "Assigned Interest").
2. The Assignor covenants, represents and warrants that:
  - a. the Assignor is duly established and organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or formation and has the corporate power and authority to own its property and assets and to carry on its business as now being conducted by it;
  - b. the Assignor has the corporate power and authority to enter into, execute and deliver this Assignment Agreement and to perform and carry out the terms and provisions hereof, and when executed and delivered this Assignment Agreement will constitute a legal, valid and binding obligation of the Assignor enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and by applicable laws (including the *Civil Code of Quebec* and any applicable common law and equity) and judicial decisions which may affect the remedies provided therein;
  - c. the Assignor is the sole Lender with respect to the Loan, the Loan Documents with respect to the Loan and the Collateral;
  - d. it is the legal and beneficial owner of the Assigned Interest; and
  - e. the Assigned Interest is free and clear of any Encumbrances.
3. The Assignee: (a) confirms that it has received copies of the Master Loan Agreement, the Loan Schedule and the other Loan Documents with respect to the Loan, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to

- enter into this Assignment Agreement; (b) agrees that it will, independently and without reliance upon the Agent, the Assignor or any other Lender, based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents with respect to the Loan; (c) confirms that it is eligible as an assignee under the terms of the Master Loan Agreement; (d) appoints and authorizes the Agent to take such action as the Agent (on its behalf) and to exercise such powers under the Loan Documents with respect to the Loan as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto; and (e) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents with respect to the Loan are required to be performed by it as a Lender.
4. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest and other amounts) to the Assignee, whether such amounts have accrued prior to the Effective Date or accrued subsequent to the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Agent for the periods prior to the Effective Date or with respect to the making of this Assignment Agreement directly between themselves.
  5. If required by the terms of the Master Loan Agreement, the Borrower hereby consents to this Assignment Agreement by the Assignor to the Assignee under the terms and conditions contained in this Assignment Agreement and as set out in the Master Loan Agreement.
  6. This Assignment Agreement constitutes the entire agreement and understanding of the parties hereto relating to the subject matter hereof, and supersedes all prior discussions and understandings, if any, as to such subject matter.
  7. No provision of this Assignment Agreement may be waived, modified or discharged orally, by course of dealings or otherwise, except in writing duly executed and delivered by the Assignee and the Assignor.
  8. This Assignment Agreement shall enure to the benefit of, and be binding upon, the successors and assigns of the parties hereto.
  9. This Assignment Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
  10. This Assignment Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Assignment Agreement by facsimile or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Assignment Agreement.

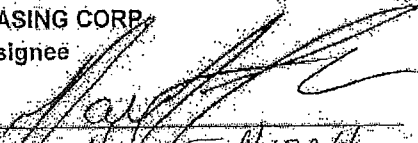
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IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement as of the Effective Date:

**SUNTRUST EQUIPMENT FINANCE & LEASING CORP.**

Assignee

By:   
Name: Walter Risch  
Title: SVP

**KEY EQUIPMENT FINANCE INC.**

Assignor

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP, by its general partner, BLOOM LAKE GENERAL PARTNER LIMITED**

Borrower

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**KEY EQUIPMENT FINANCE INC., in its capacity as Lead Arranger and Administration Agent**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.


SUNTRUST EQUIPMENT FINANCE & LEASING CORP.

Assignee

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC.

Assignor

By:   
Name: RICHARD ANDERSEN  
Title: Vice President


THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP, by its general partner, BLOOM LAKE GENERAL PARTNER LIMITED

Borrower

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Lead Arranger and Administration Agent

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date:


SUNTRUST EQUIPMENT FINANCE & LEASING CORP.  
Assignee

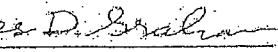
By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC.  
Assignor

By: \_\_\_\_\_  
Name:  
Title:

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP, by its general partner, BLOOM LAKE GENERAL PARTNER LIMITED  
Borrower

By:   
Name: MATTHEW C. DITNER  
Title: AUTHORIZED OFFICER


By:   
Name: JAMES D. GRAHAM  
Title: AUTHORIZED OFFICER

KEY EQUIPMENT FINANCE INC., in its capacity as Lead Arranger and Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

The undersigned hereby acknowledges in favour of the Assignee the Lender Transfer of the Assigned Interest by the Assignor to the Assignee.

CLIFFS NATURAL RESOURCES INC.  
Guarantor:


By:   
Name: TERENCE M. PARASTIE  
Title: EXECUTIVE VICE PRESIDENT  
CHIEF FINANCIAL OFFICER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

The undersigned hereby acknowledges in favour of the Assignee the Lender Transfer of the Assigned Interest by the Assignor to the Assignee.

**CLIFFS NATURAL RESOURCES INC.**  
Guarantor

By: \_\_\_\_\_  
Name:  
Title:

By:   
Name: MATTHEW C. BITTNER  
Title: VICE PRESIDENT & TREASURER



**Borrower Acknowledgment**  
(Certificate of Acceptance)

**THIS IS A CERTIFICATE ACKNOWLEDGING  
ACCEPTANCE OF THE EQUIPMENT FOR  
PURPOSES OF THE BELOW-REFERENCED LOAN DOCUMENTS.**

**THIS IS NOT A DELIVERY RECEIPT.**

Borrower Name: **THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**

Loan Schedule Number: 09

All the items of Equipment subject to the Encumbrances granted by the undersigned in favour of Key Equipment Finance Inc. (the "**Lender**") under the Loan Schedule identified by the Loan Schedule Number set forth above (the "**Loan Schedule**"), which Loan Schedule was entered into pursuant to the Master Loan and Security Agreement identified by the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") (a) were received by the undersigned, (b) are satisfactory to the undersigned in all respects and are acceptable to the undersigned for financing under the Loan Schedule and the other related Loan Documents, (c) are suitable for the undersigned's purposes, (d) are in good order, repair and condition, ordinary wear and tear excepted, (e) have been installed and operate properly, and (f) are subject to all of the terms and conditions of the Loan Schedule and the other related Loan Documents.


Capitalized terms used herein without definition shall have the meaning given them in the Loan Schedule, whether directly or incorporated by reference therein.

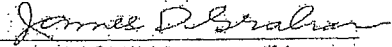
Dated: November 26, 2013

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**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X   
Name: MATTHEW C. PITTNER  
Title: AUTHORIZED OFFICER

X   
Name: JAMES D. GRAHAM  
Title: AUTHORIZED OFFICER



## Payment of Proceeds Instructions

November 26, 2013

Key Equipment Finance Inc.  
1000 South McCaslin Blvd.  
Superior, CO 80027

RE: Loan Schedule No. 09 dated as of November 26, 2013 (the "**Loan Schedule**") between Key Equipment Finance Inc., as lender (in such capacity, "**Lender**") and as administration agent (in such capacity, the "**Agent**") and the undersigned Borrower ("**Borrower**"), entered into pursuant to Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") between, among others, Lender, the Agent and Borrower.

Ladies and Gentlemen:

The Borrower hereby directs and authorizes Lender or its assigns to disburse the principal amount of U.S. \$16,713,827.94 (the "**Loan**"), by wire transfer (in accordance with the wire transfer details specified in Schedule A) or otherwise, in the following amounts to the following persons or accounts:

The Bloom Lake Iron Ore Mine Limited Partnership	\$16,713,827.94
<b>Total</b>	<b>\$16,713,827.94</b>

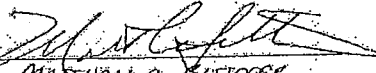
This document shall be your good and sufficient authorization for the directions described herein and such payments shall constitute payment in full of the Loan to Borrower pursuant to the Loan Schedule.

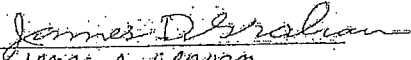
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**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X   
Name: MATTHEW C. BITTNER  
Title: AUTHORIZED OFFICER

X   
Name: JAMES D. GRAHAM  
Title: AUTHORIZED OFFICER

## SCHEDULE A

## DETAILS OF WIRE INSTRUCTIONS

Intermediary Bank:	Wells Fargo NY International
Bank Address:	375 Park Avenue New York, NY 10152
ABA #:	026005092
Beneficiary Bank:	Bank of Montreal
Bank Address:	100 King Street West Toronto, Ontario M5X 1A1
SWIFT Code:	BOFMCAT2
Bank Number:	001
Transit Number:	00022
USD Account Number:	0002-4789-041
Account Name:	The Bloom Lake Iron Ore Mine Limited Partnership 1155 Rue University, Suite 508 Montreal, Quebec H3B 3A7

Loan Schedule Number 10

**LOAN SCHEDULE**

THIS LOAN SCHEDULE NO. 10 dated as of December 18, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "**this Loan Schedule**") between the undersigned Borrower ("**Borrower**"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "**Lender**") and Key Equipment Finance Inc., as administration agent (in such capacity, the "**Agent**").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "**Loan**") in the principal amount equal to the Principal Amount specified below:

3. **Details of Loan.**

Principal Amount: US\$13,446,289.40

Interest Rate: 4.32% per annum

Funding Date: December 18, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for Item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on **Schedule A**

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to \$185,781.13 commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

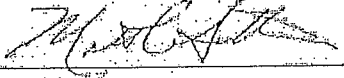
6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

- 7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.
- 8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "Collateral"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.
- 9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$26,000,000 (the "Notional Amount"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "Hypothecated Property"): (i) the Equipment, (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.
- 10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.
- 11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.
- 12. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignée of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that the Collateral shall only secure the Secured Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).
- 13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule, provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X   
Name: Matthew C. Bittner  
Title: Authorized Officer

X \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

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

By its general partner,

**BLOOM LAKE GENERAL PARTNER LIMITED**

X

Name: Matthew C. Bittner

Title: Authorized Officer

X

Name: James D. Graham

Title: Authorized Officer

**LENDER:**

**KEY EQUIPMENT FINANCE INC., in its capacity as Lender**

By: \_\_\_\_\_

Name:

Title:

**KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent**

By: \_\_\_\_\_

Name:

Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

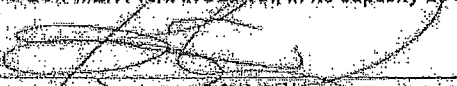
THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

Y \_\_\_\_\_  
Name:  
Title:


X \_\_\_\_\_  
Name:  
Title:

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By:   
Name: RICHARD ANDERSEN  
Title: Vice President

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

**Schedule A**  
**to**  
**Loan Schedule No. 10**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein:

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SEC Mine de fer du Lac Bloom  
Lac Bloom - Route 389  
Fermont, Quebec G0G 1J0

**Equipment Description:**

Three (3) 2012 Komatsu 830E Electric Dump Trucks, S/N: A30773, A30774 and A30786, also including accessories and attachments hereto



Schedule B  
to  
Loan Schedule No. 10

Stipulated Loss Values for Equipment

Date	% of cost	Date	% of cost
12/18/2013	103.0000	7/18/2017	55.2033
1/18/2014	103.3153	8/18/2017	53.9751
2/18/2014	102.2450	9/18/2017	52.7427
3/18/2014	101.1707	10/18/2017	51.5067
4/18/2014	100.0927	11/18/2017	50.2664
5/18/2014	99.0118	12/18/2017	49.0219
6/18/2014	97.9271	1/18/2018	47.7737
7/18/2014	96.8395	2/18/2018	46.5211
8/18/2014	95.7480	3/18/2018	45.2643
9/18/2014	94.6526	4/18/2018	44.0031
10/18/2014	93.5543	5/18/2018	42.7381
11/18/2014	92.4520	6/18/2018	41.4688
12/18/2014	91.3459	7/18/2018	40.1956
1/18/2015	90.2368	8/18/2018	38.9180
2/18/2015	89.1237	9/18/2018	37.6360
3/18/2015	88.0066	10/18/2018	36.3502
4/18/2015	86.8856	11/18/2018	35.0599
5/18/2015	85.7615	12/18/2018	33.7653
6/18/2015	84.6335	1/18/2019	32.4668
7/18/2015	83.5023	2/18/2019	31.1638
8/18/2015	82.3671	3/18/2019	29.8564
9/18/2015	81.2279	4/18/2019	28.5445
10/18/2015	80.0856	5/18/2019	27.2285
11/18/2015	78.9392	6/18/2019	25.9081
12/18/2015	77.7888	7/18/2019	24.5835
1/18/2016	76.6352	8/18/2019	23.2544
2/18/2016	75.4776	9/18/2019	21.9208
3/18/2016	74.3158	10/18/2019	20.5830
4/18/2016	73.1500	11/18/2019	19.2407
5/18/2016	71.9808	12/18/2019	17.8939
6/18/2016	70.8076	1/18/2020	16.5429
7/18/2016	69.6310	2/18/2020	15.1873
8/18/2016	68.4503	3/18/2020	13.8272
9/18/2016	67.2655	4/18/2020	12.4625
10/18/2016	66.0773	5/18/2020	11.0934
11/18/2016	64.8849	6/18/2020	9.7197
12/18/2016	63.6884	7/18/2020	8.3415
1/18/2017	62.4885	8/18/2020	6.9587
2/18/2017	61.2844	9/18/2020	5.5713
3/18/2017	60.0760	10/18/2020	4.1794
4/18/2017	58.8636	11/18/2020	2.7828
5/18/2017	57.6474	12/18/2020	1.3817
6/18/2017	56.4272		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.

Loan Schedule Number: 10

Effective Date: December 18, 2013

This **ASSIGNMENT AND ACCEPTANCE AGREEMENT** ("this Assignment Agreement") is entered into as of December 18, 2013 between **Key Equipment Finance Inc.** ("Assignor") and **BBVA Compass Financial Corporation** ("Assignee"). Reference is made to the loan schedule dated as of December 18, 2013 and identified by the Loan Schedule Number set forth above (as amended, restated, modified and otherwise supplemented from time to time; the "Loan Schedule") the master loan and security agreement dated as of September 27, 2013 (as amended, restated, modified or otherwise supplemented from time to time; the "Master Loan Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Loan Schedule, either directly or incorporated by reference therein.

1. In accordance with the terms and conditions of Section 12(b) of the Master Loan Agreement, as of the Effective Date set forth above, the Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, all of the Assignor's right, title and interest in the Loan, the Loan Schedule, the other Loan Documents with respect to the Loan and the Collateral including, for greater certainty, all Encumbrances granted by the Borrower in the Collateral under the Loan Schedule (collectively, the "Assigned Interest").
2. The Assignor covenants, represents and warrants that:
  - a. the Assignor is duly established and organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or formation and has the corporate power and authority to own its property and assets and to carry on its business as now being conducted by it;
  - b. the Assignor has the corporate power and authority to enter into, execute and deliver this Assignment Agreement and to perform and carry out the terms and provisions hereof, and when executed and delivered this Assignment Agreement will constitute a legal, valid and binding obligation of the Assignor enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and by applicable laws (including the *Civil Code of Quebec* and any applicable common law and equity) and judicial decisions which may affect the remedies provided therein;
  - c. the Assignor is the sole Lender with respect to the Loan, the Loan Documents with respect to the Loan and the Collateral;
  - d. it is the legal and beneficial owner of the Assigned Interest; and
  - e. the Assigned Interest is free and clear of any Encumbrances.
3. The Assignee: (a) confirms that it has received copies of the Master Loan Agreement, the Loan Schedule and the other Loan Documents with respect to the Loan, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement; (b) agrees that it will, independently and without

reliance upon the Agent, the Assignor or any other Lender, based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents with respect to the Loan; (c) confirms that it is eligible as an assignee under the terms of the Master Loan Agreement; (d) appoints and authorizes the Agent to take such action as the Agent (on its behalf) and to exercise such powers under the Loan Documents with respect to the Loan as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto; and (e) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents with respect to the Loan are required to be performed by it as a Lender.

4. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest and other amounts) to the Assignee, whether such amounts have accrued prior to the Effective Date or accrued subsequent to the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Agent for the periods prior to the Effective Date or with respect to the making of this Assignment Agreement directly between themselves.
5. If required by the terms of the Master Loan Agreement, the Borrower hereby consents to this Assignment Agreement by the Assignor to the Assignee under the terms and conditions contained in this Assignment Agreement and as set out in the Master Loan Agreement.
6. This Assignment Agreement constitutes the entire agreement and understanding of the parties hereto relating to the subject matter hereof, and supersedes all prior discussions and understandings, if any, as to such subject matter.
7. No provision of this Assignment Agreement may be waived, modified or discharged orally, by course of dealings or otherwise, except in writing duly executed and delivered by the Assignee and the Assignor.
8. This Assignment Agreement shall enure to the benefit of, and be binding upon, the successors and assigns of the parties hereto.
9. This Assignment Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
10. This Assignment Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Assignment Agreement by facsimile or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Assignment Agreement.

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IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

**BBVA COMPASS FINANCIAL CORPORATION**

Assignee

By: Mark A. Marink

Name:

Title:

**KEY EQUIPMENT FINANCE INC.**

Assignor

By: \_\_\_\_\_

Name: Richard Andersen

Title: Vice President

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**, by its general partner, **BLOOM LAKE GENERAL PARTNER LIMITED**  
Borrower

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

**KEY EQUIPMENT FINANCE INC.**, in its capacity as **Lead Arranger and Administration Agent**

By: \_\_\_\_\_

Name: Richard Andersen

Title: Vice President

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

**BBVA COMPASS FINANCIAL CORPORATION**  
Assignee

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC.**  
Assignor

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP, by its general partner, BLOOM LAKE GENERAL PARTNER LIMITED**  
Borrower

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC., in its capacity as Lead Arranger and Administration Agent**

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

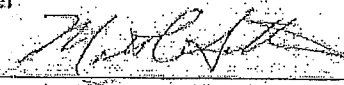
BBVA COMPASS FINANCIAL CORPORATION  
Assignee

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC.  
Assignor

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP, by its general partner, BLOOM LAKE GENERAL PARTNER LIMITED  
Borrower

By:   
Name: Matthew C. Bittner  
Title: Authorized officer

By: \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized officer

KEY EQUIPMENT FINANCE INC., in its capacity as Lead Arranger and Administration Agent

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

BBVA COMPASS FINANCIAL  
CORPORATION  
Assignee

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC.  
Assignor

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP, by its general  
partner, BLOOM LAKE GENERAL  
PARTNER LIMITED  
Borrower

By: \_\_\_\_\_  
Name: Matthew C. Bittner  
Title: Authorized Officer

By: James D. Graham  
Name: James D. Graham  
Title: Authorized Officer

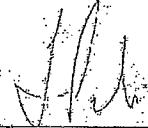
KEY EQUIPMENT FINANCE INC., in its  
capacity as Lead Arranger and  
Administration Agent

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

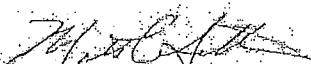
The undersigned hereby acknowledges in favour of the Assignee the Lender Transfer of the Assigned Interest by the Assignor to the Assignee.

**CLIFFS NATURAL RESOURCES INC.**

**Guarantor**

By: 

Name: Terrance M. Paradie  
Title: Executive Vice President & Chief Financial Officer

By: 

Name: Matthew G. Blitner  
Title: Vice President & Treasurer





**Borrower Acknowledgment**  
(Certificate of Acceptance)

**THIS IS A CERTIFICATE ACKNOWLEDGING  
ACCEPTANCE OF THE EQUIPMENT FOR  
PURPOSES OF THE BELOW-REFERENCED LOAN DOCUMENTS.**

**THIS IS NOT A DELIVERY RECEIPT.**

Borrower Name: **THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**

Loan Schedule Number: 10

All the items of Equipment, subject to the Encumbrances granted by the undersigned in favour of Key Equipment Finance Inc. (the "**Lender**") under the Loan Schedule identified by the Loan Schedule Number set forth above (the "**Loan Schedule**"), which Loan Schedule was entered into pursuant to the Master Loan and Security Agreement identified by the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") (a) were received by the undersigned, (b) are satisfactory to the undersigned in all respects and are acceptable to the undersigned for financing under the Loan Schedule and the other related Loan Documents, (c) are suitable for the undersigned's purposes, (d) are in good order, repair and condition, ordinary wear and tear excepted, (e) have been installed and operate properly, and (f) are subject to all of the terms and conditions of the Loan Schedule and the other related Loan Documents.

Capitalized terms used herein without definition shall have the meaning given them in the Loan Schedule, whether directly or incorporated by reference therein.

Dated: December 18, 2013

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**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X 

Name: Matthew C. Bittner  
Title: Authorized Officer

X \_\_\_\_\_

Name: James D. Graham  
Title: Authorized Officer

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X

Name: Matthew C. Biltner  
Title: Authorized Officer.

X

*James D. Graham*  
Name: James D. Graham  
Title: Authorized Officer



## Payment of Proceeds Instructions

December 18, 2013

Key Equipment Finance Inc.  
1000 South McCaslin Blvd.  
Superior, CO 80027

RE: Loan Schedule No. 10 dated as of December 18, 2013 (the "**Loan Schedule**") between Key Equipment Finance Inc. as lender (in such capacity, "**Lender**") and as administration agent (in such capacity, the "**Agent**") and the undersigned Borrower ("**Borrower**"), entered into pursuant to Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") between, among others, Lender, the Agent and Borrower

Ladies and Gentlemen:

The Borrower hereby directs and authorizes Lender or its assigns to disburse the principal amount of U.S. \$13,446,239.40 (the "**Loan**"), by wire transfer (in accordance with the wire transfer details specified in Schedule A) or otherwise, in the following amounts to the following persons or accounts:

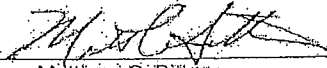
The Bloom Lake Iron Ore Mine Limited Partnership	<u>\$13,446,239.40</u>
<b>Total:</b>	<b>\$13,446,239.40</b>

This document shall be your good and sufficient authorization for the directions described herein and such payments shall constitute payment in full of the Loan to Borrower pursuant to the Loan Schedule.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

BORROWER:

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X   
Name: Matthew C. Biltner  
Title: Authorized Officer

X \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer

BORROWER:

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP;  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X

Name: Matthew C. Bittner  
Title: Authorized Officer

X

*James D. Graham*  
Name: James D. Graham  
Title: Authorized Officer

**SCHEDULE A****DETAILS OF WIRE INSTRUCTIONS**

Intermediary Bank:	Wells Fargo NY International
Bank Address:	375 Park Avenue New York, NY 10152
ABA #:	026005092
Beneficiary Bank:	Bank of Montreal
Bank Address:	100 King Street West Toronto, Ontario M5X 1A1
SWIFT Code:	BOFMCAT2
Bank Number:	001
Transit Number:	00022
USD Account Number:	0002-4789-041
Account Name:	The Bloom Lake Iron Ore Mine Limited Partnership 1155 Rue University, Suite 508 Montreal, Quebec H3B 3A7







Loan Schedule Number 11

## LOAN SCHEDULE

THIS LOAN SCHEDULE NO. 11 dated as of December 18, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "this **Loan Schedule**") between the undersigned Borrower ("**Borrower**"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "**Lender**") and Key Equipment Finance Inc., as administration agent (in such capacity, the "**Agent**").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "**Loan**") in the principal amount equal to the Principal Amount specified below:

3. **Details of Loan.**

Principal Amount: US\$4,007,305.66

Interest Rate: 4.32% per annum

Funding Date: December 18, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on **Schedule A**

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to \$55,367.29 commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

**7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "**Collateral**"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$8,000,000 (the "**Notional Amount**"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "**Hypothecated Property**"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

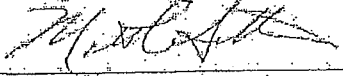
**12. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignee of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that the Collateral shall only secure the Secured Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).

**13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule, provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X 

Name: Matthew G. Bittner  
Title: Authorized Officer

X \_\_\_\_\_

Name: James D. Graham  
Title: Authorized Officer

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X \_\_\_\_\_  
Name: Matthew C. Bittner  
Title: Authorized Officer

X James D. Graham  
Name: James D. Graham  
Title: Authorized Officer

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_ of \_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,**  
By its general partner,  
**BLOOM LAKE GENERAL PARTNER LIMITED:**

X \_\_\_\_\_  
Name:  
Title:

X \_\_\_\_\_  
Name:  
Title:

**LENDER:**

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Lender

By: \_\_\_\_\_  
Name: **RICHARD ANDERSEN**  
Title: **Vice President**

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Administration Agent

By: \_\_\_\_\_  
Name: **RICHARD ANDERSEN**  
Title: **Vice President**

**ATTACHMENT:**

Schedule A- Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

**Schedule A**  
**to**  
**Loan Schedule No. 11**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessories, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any); and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein.

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SEC Mine de fer du Lac Bloom  
Lac Bloom -- Route 389  
Fermont, Quebec G0G 1J0

**Equipment Description:**

One (1) 2012 Komatsu 830E Electric Dump Truck, S/N: A30775, also including accessories and attachments hereto.

**Schedule B  
to  
Loan Schedule No. 11**

**Stipulated Loss Values for Equipment**

Date	% of cost	Date	% of cost
12/18/2013	103.0000	7/18/2017	55.2033
1/18/2014	103.3153	8/18/2017	53.9751
2/18/2014	102.2450	9/18/2017	52.7427
3/18/2014	101.1707	10/18/2017	51.5067
4/18/2014	100.0927	11/18/2017	50.2664
5/18/2014	99.0118	12/18/2017	49.0219
6/18/2014	97.9271	1/18/2018	47.7737
7/18/2014	96.8395	2/18/2018	46.5211
8/18/2014	95.7480	3/18/2018	45.2643
9/18/2014	94.6526	4/18/2018	44.0031
10/18/2014	93.5543	5/18/2018	42.7381
11/18/2014	92.4520	6/18/2018	41.4688
12/18/2014	91.3459	7/18/2018	40.1956
1/18/2015	90.2368	8/18/2018	38.9180
2/18/2015	89.1237	9/18/2018	37.6360
3/18/2015	88.0066	10/18/2018	36.3502
4/18/2015	86.8856	11/18/2018	35.0599
5/18/2015	85.7615	12/18/2018	33.7653
6/18/2015	84.6335	1/18/2019	32.4668
7/18/2015	83.5023	2/18/2019	31.1638
8/18/2015	82.3671	3/18/2019	29.8564
9/18/2015	81.2279	4/18/2019	28.5445
10/18/2015	80.0856	5/18/2019	27.2285
11/18/2015	78.9392	6/18/2019	25.9081
12/18/2015	77.7888	7/18/2019	24.5835
1/18/2016	76.6352	8/18/2019	23.2544
2/18/2016	75.4776	9/18/2019	21.9208
3/18/2016	74.3158	10/18/2019	20.5830
4/18/2016	73.1500	11/18/2019	19.2407
5/18/2016	71.9808	12/18/2019	17.8939
6/18/2016	70.8076	1/18/2020	16.5429
7/18/2016	69.6310	2/18/2020	15.1873
8/18/2016	68.4503	3/18/2020	13.8272
9/18/2016	67.2655	4/18/2020	12.4625
10/18/2016	66.0773	5/18/2020	11.0934
11/18/2016	64.8849	6/18/2020	9.7197
12/18/2016	63.6884	7/18/2020	8.3415
1/18/2017	62.4885	8/18/2020	6.9587
2/18/2017	61.2844	9/18/2020	5.5713
3/18/2017	60.0760	10/18/2020	4.1794
4/18/2017	58.8636	11/18/2020	2.7828
5/18/2017	57.6474	12/18/2020	1.3817
6/18/2017	56.4272		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.

Loan Schedule Number: 11

Effective Date: December 18, 2013

This **ASSIGNMENT AND ACCEPTANCE AGREEMENT** ("this Assignment Agreement") is entered into as of December 18, 2013 between **Key Equipment Finance Inc.** ("Assignor") and **Signature Financial LLC** ("Assignee"). Reference is made to the loan schedule dated as of December 18, 2013 and identified by the Loan Schedule Number set forth above (as amended, restated, modified and otherwise supplemented from time to time, the "Loan Schedule"); the master loan and security agreement dated as of September 27, 2013 (as amended, restated, modified or otherwise supplemented from time to time, the "Master Loan Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Loan Schedule, either directly or incorporated by reference therein.

1. In accordance with the terms and conditions of Section 12(b) of the Master Loan Agreement, as of the Effective Date set forth above, the Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, all of the Assignor's right, title and interest in the Loan, the Loan Schedule, the other Loan Documents with respect to the Loan and the Collateral including, for greater certainty, all Encumbrances granted by the Borrower in the Collateral under the Loan Schedule (collectively, the "Assigned Interest"). The Borrower and the Agent hereby approve the Assignee as an Eligible Lender (as defined by the Master Loan Agreement).
2. The Assignor covenants, represents and warrants that:
  - a. the Assignor is duly established and organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or formation and has the corporate power and authority to own its property and assets and to carry on its business as now being conducted by it;
  - b. the Assignor has the corporate power and authority to enter into, execute and deliver this Assignment Agreement and to perform and carry out the terms and provisions hereof, and when executed and delivered this Assignment Agreement will constitute a legal, valid and binding obligation of the Assignor enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and by applicable laws (including the *Civil Code of Quebec* and any applicable common law and equity) and judicial decisions which may affect the remedies provided therein;
  - c. the Assignor is the sole Lender with respect to the Loan, the Loan Documents with respect to the Loan and the Collateral;
  - d. it is the legal and beneficial owner of the Assigned Interest; and
  - e. the Assigned Interest is free and clear of any Encumbrances.
3. The Assignee: (a) confirms that it has received copies of the Master Loan Agreement, the Loan Schedule and the other Loan Documents with respect to the Loan, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to



enter into this Assignment Agreement; (b) agrees that it will, independently and without reliance upon the Agent, the Assignor or any other Lender, based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents with respect to the Loan; (c) confirms that it is eligible as an assignee under the terms of the Master Loan Agreement; (d) appoints and authorizes the Agent to take such action as the Agent (on its behalf) and to exercise such powers under the Loan Documents with respect to the Loan as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto; and (e) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents with respect to the Loan are required to be performed by it as a Lender.

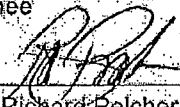
4. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest and other amounts) to the Assignee, whether such amounts have accrued prior to the Effective Date or accrued subsequent to the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Agent for the periods prior to the Effective Date or with respect to the making of this Assignment Agreement directly between themselves.
5. If required by the terms of the Master Loan Agreement, the Borrower hereby consents to this Assignment Agreement by the Assignor to the Assignee under the terms and conditions contained in this Assignment Agreement and as set out in the Master Loan Agreement.
6. This Assignment Agreement constitutes the entire agreement and understanding of the parties hereto relating to the subject matter hereof, and supersedes all prior discussions and understandings, if any, as to such subject matter.
7. No provision of this Assignment Agreement may be waived, modified or discharged orally, by course of dealings or otherwise, except in writing, duly executed and delivered by the Assignee and the Assignor.
8. This Assignment Agreement shall enure to the benefit of, and be binding upon, the successors and assigns of the parties hereto.
9. This Assignment Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
10. This Assignment Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Assignment Agreement by facsimile or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Assignment Agreement.

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IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

**SIGNATURE FINANCIAL LLC**

Assignee

By:   
Name: Richard Pelcher  
Title: Vice President

**KEY EQUIPMENT FINANCE INC.**

Assignor

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

**THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP, by its general  
partner, BLOOM LAKE GENERAL  
PARTNER LIMITED  
Borrower**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**KEY EQUIPMENT FINANCE INC., in its  
capacity as Lead Arranger and  
Administration Agent**

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

**SIGNATURE FINANCIAL LLC**

Assignee

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC.**

Assigner

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

**THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP, by its general  
partner, BLOOM LAKE GENERAL  
PARTNER LIMITED**  
Borrower

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC., in its  
capacity as Lead Arranger and  
Administration Agent**

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement as of the Effective Date.

**SIGNATURE FINANCIAL LLC**

**Assignee**

By: \_\_\_\_\_  
Name:  
Title:

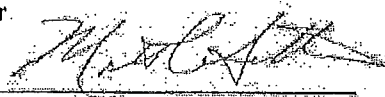
**KEY EQUIPMENT FINANCE INC.**

**Assignor**

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

**THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP, by its general  
partner, BLOOM LAKE GENERAL  
PARTNER LIMITED**

**Borrower**

By:   
Name: Matthew C. Bittner  
Title: Authorized Officer

By: \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer

**KEY EQUIPMENT FINANCE INC., in its  
capacity as Lead Arranger and  
Administration Agent**

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

**SIGNATURE FINANCIAL LLC**  
Assignee

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC.**  
Assignor

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

**THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP**, by its general  
partner, **BLOOM LAKE GENERAL  
PARTNER LIMITED**  
Borrower

By: \_\_\_\_\_  
Name: Matthew C. Bittner  
Title: Authorized Officer

By: James D. Graham  
Name: James D. Graham  
Title: Authorized Officer

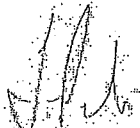
**KEY EQUIPMENT FINANCE INC.**, in its  
capacity as Lead Arranger and  
Administration Agent

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

The undersigned hereby acknowledges in favour of the Assignee the Lender Transfer of the Assigned Interest by the Assignor to the Assignee.

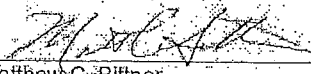
CLIFFS NATURAL RESOURCES INC.  
Guarantor

By:



Name: Terrance M. Paradie  
Title: Executive Vice President & Chief Financial Officer

By:



Name: Matthew C. Bittner  
Title: Vice President & Treasurer



**Borrower Acknowledgment**  
(Certificate of Acceptance)

**THIS IS A CERTIFICATE ACKNOWLEDGING  
ACCEPTANCE OF THE EQUIPMENT FOR  
PURPOSES OF THE BELOW-REFERENCED LOAN DOCUMENTS.**

**THIS IS NOT A DELIVERY RECEIPT.**

Borrower Name: **THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**

Loan Schedule Number: 11

All the items of Equipment subject to the Encumbrances granted by the undersigned in favour of Key Equipment Finance Inc. (the "**Lender**") under the Loan Schedule identified by the Loan Schedule Number set forth above (the "**Loan Schedule**"), which Loan Schedule was entered into pursuant to the Master Loan and Security Agreement identified by the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") (a) were received by the undersigned, (b) are satisfactory to the undersigned in all respects and are acceptable to the undersigned for financing under the Loan Schedule and the other related Loan Documents, (c) are suitable for the undersigned's purposes, (d) are in good order, repair and condition, ordinary wear and tear excepted, (e) have been installed and operate properly, and (f) are subject to all of the terms and conditions of the Loan Schedule and the other related Loan Documents.

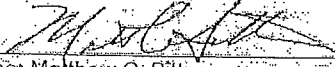
Capitalized terms used herein without definition shall have the meaning given them in the Loan Schedule, whether directly or incorporated by reference therein.

Dated: December 18, 2013

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

BORROWER:

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X   
Name: Matthew C. Bittner  
Title: Authorized Officer

X \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer



**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X \_\_\_\_\_  
Name: Matthew C. Bittner  
Title: Authorized Officer

X James D. Graham  
Name: James D. Graham  
Title: Authorized Officer



## Payment of Proceeds Instructions

December 18, 2013.

Key Equipment Finance Inc.  
1000 South McCaslin Blvd.  
Superior, CO 80027.

RE: Loan Schedule No. 11 dated as of December 18, 2013 (the "Loan Schedule") between Key Equipment Finance Inc. as lender (in such capacity, "Lender") and as administration agent (in such capacity, the "Agent") and the undersigned Borrower ("Borrower"); entered into pursuant to Master Loan and Security Agreement dated as of September 27, 2013 (the "Master Loan Agreement") between, among others, Lender, the Agent and Borrower.

Ladies and Gentlemen:

The Borrower hereby directs and authorizes Lender or its assigns to disburse the principal amount of U.S. \$4,007,305.66 (the "Loan"), by wire transfer (in accordance with the wire transfer details specified in Schedule A) or otherwise, in the following amounts to the following persons or accounts:

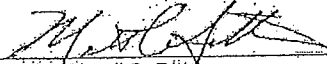
The Bloom Lake Iron Ore Mine Limited Partnership	<u>\$4,007,305.66</u>
<b>Total</b>	<b>\$4,007,305.66</b>

This document shall be your good and sufficient authorization for the directions described herein and such payments shall constitute payment in full of the Loan to Borrower pursuant to the Loan Schedule.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X   
Name: Matthew C. Bittner  
Title: Authorized Officer

X \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer

BORROWER:

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X

Name: Matthew C. Bittner  
Title: Authorized Officer

X

*James D. Graham*  
Name: James D. Graham  
Title: Authorized Officer

**SCHEDULE A****DETAILS OF WIRE INSTRUCTIONS**

Intermediary Bank:	Wells Fargo NY International
Bank Address:	375 Park Avenue New York, NY 10152
ABA #:	026005092
Beneficiary Bank:	Bank of Montreal
Bank Address:	100 King Street West Toronto, Ontario M5X 1A1
SWIFT Code:	BOFMCAT2
Bank Number:	001
Transit Number:	00022
USD Account Number:	0002-4789-041
Account Name:	The Bloom Lake Iron Ore Mine Limited Partnership 1155 Rue University, Suite 508 Montreal, Quebec H3B 3A7





Loan Schedule Number 12

## LOAN SCHEDULE

THIS LOAN SCHEDULE NO. 12 dated as of December 18, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "**this Loan Schedule**") between the undersigned Borrower ("**Borrower**"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "**Lender**") and Key Equipment Finance Inc., as administration agent (in such capacity, the "**Agent**").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "**Loan**") in the principal amount equal to the Principal Amount specified below.

### 3. Details of Loan.

Principal Amount: US\$4,010,488.00

Interest Rate: 4.32% per annum

Funding Date: December 18, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on **Schedule A**

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to \$55,411.25 commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment, provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

**7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "Collateral"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$8,000,000 (the "Notional Amount"), with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "Hypothecated Property"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

**12. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignee of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that, the Collateral shall only secure the Secured Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).

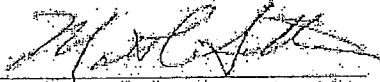
**13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule; provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.



IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X   
Name: Matthew C. Bittner  
Title: Authorized Officer

X \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,**  
By its general partner,  
**BLOOM LAKE GENERAL PARTNER LIMITED**

X \_\_\_\_\_  
Name: Matthew C. Bittner  
Title: Authorized Officer

X James D. Graham  
Name: James D. Graham  
Title: Authorized Officer

**LENDER:**

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above,

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,**  
By its general partner,  
**BLOOM LAKE GENERAL PARTNER LIMITED**

X \_\_\_\_\_  
Name:  
Title:

X \_\_\_\_\_  
Name:  
Title:

**LENDER:**

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Lender.

By: \_\_\_\_\_  
Name: **RICHARD ANDERSEN**  
Title: **Vice President**

**KEY EQUIPMENT FINANCE INC.,** in its capacity as Administration Agent

By: \_\_\_\_\_  
Name: **RICHARD ANDERSEN**  
Title: **Vice President**

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

**Schedule A**  
to  
**Loan Schedule No. 12**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein.

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SEC Mine de fer du Lac Bloom  
Lac Bloom - Route 389  
Fermont, Quebec G0G 1J0

**Equipment Description:**

One (1) 2012 Komatsu 830E Electric Dump Truck, S/N: A30787, also including accessories and attachments hereto

**Schedule B  
to  
Loan Schedule No. 12**

**Stipulated Loss Values for Equipment**

Date	% of cost	Date	% of cost
12/18/2013	103.0000	7/18/2017	55.2033
1/18/2014	103.3153	8/18/2017	53.9751
2/18/2014	102.2450	9/18/2017	52.7427
3/18/2014	101.1707	10/18/2017	51.5067
4/18/2014	100.0927	11/18/2017	50.2664
5/18/2014	99.0118	12/18/2017	49.0219
6/18/2014	97.9271	1/18/2018	47.7737
7/18/2014	96.8395	2/18/2018	46.5211
8/18/2014	95.7480	3/18/2018	45.2643
9/18/2014	94.6526	4/18/2018	44.0031
10/18/2014	93.5543	5/18/2018	42.7381
11/18/2014	92.4520	6/18/2018	41.4688
12/18/2014	91.3459	7/18/2018	40.1956
1/18/2015	90.2368	8/18/2018	38.9180
2/18/2015	89.1237	9/18/2018	37.6360
3/18/2015	88.0066	10/18/2018	36.3502
4/18/2015	86.8856	11/18/2018	35.0599
5/18/2015	85.7615	12/18/2018	33.7653
6/18/2015	84.6335	1/18/2019	32.4668
7/18/2015	83.5023	2/18/2019	31.1638
8/18/2015	82.3671	3/18/2019	29.8564
9/18/2015	81.2279	4/18/2019	28.5445
10/18/2015	80.0856	5/18/2019	27.2285
11/18/2015	78.9392	6/18/2019	25.9081
12/18/2015	77.7888	7/18/2019	24.5835
1/18/2016	76.6352	8/18/2019	23.2544
2/18/2016	75.4776	9/18/2019	21.9208
3/18/2016	74.3158	10/18/2019	20.5830
4/18/2016	73.1500	11/18/2019	19.2407
5/18/2016	71.9808	12/18/2019	17.8939
6/18/2016	70.8076	1/18/2020	16.5429
7/18/2016	69.6310	2/18/2020	15.1873
8/18/2016	68.4503	3/18/2020	13.8272
9/18/2016	67.2655	4/18/2020	12.4625
10/18/2016	66.0773	5/18/2020	11.0934
11/18/2016	64.8849	6/18/2020	9.7197
12/18/2016	63.6884	7/18/2020	8.3415
1/18/2017	62.4885	8/18/2020	6.9587
2/18/2017	61.2844	9/18/2020	5.5713
3/18/2017	60.0760	10/18/2020	4.1794
4/18/2017	58.8636	11/18/2020	2.7828
5/18/2017	57.6474	12/18/2020	1.3817
6/18/2017	56.4272		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.



**Borrower Acknowledgment**  
(Certificate of Acceptance)

---

**THIS IS A CERTIFICATE ACKNOWLEDGING  
ACCEPTANCE OF THE EQUIPMENT FOR  
PURPOSES OF THE BELOW-REFERENCED LOAN DOCUMENTS.**

**THIS IS NOT A DELIVERY RECEIPT.**

Borrower Name: **THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**

Loan Schedule Number: **12**

All the items of Equipment subject to the Encumbrances granted by the undersigned in favour of Key Equipment Finance Inc. (the "**Lender**") under the Loan Schedule identified by the Loan Schedule Number set forth above (the "**Loan Schedule**"), which Loan Schedule was entered into pursuant to the Master Loan and Security Agreement identified by the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") (a) were received by the undersigned, (b) are satisfactory to the undersigned in all respects and are acceptable to the undersigned for financing under the Loan Schedule and the other related Loan Documents, (c) are suitable for the undersigned's purposes, (d) are in good order, repair and condition, ordinary wear and tear excepted, (e) have been installed and operate properly, and (f) are subject to all of the terms and conditions of the Loan Schedule and the other related Loan Documents.


Capitalized terms used herein without definition shall have the meaning given them in the Loan Schedule, whether directly or incorporated by reference therein.

Dated: December 18, 2013

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

BORROWER:

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

x   
Name: Matthew C. Bjttner  
Title: Authorized Officer

X \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer

BORROWER:

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP;  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X

Name: Matthew C. Bittner  
Title: Authorized Officer

X

Name: James D. Graham  
Title: Authorized Officer





## Payment of Proceeds Instructions

---

December 18, 2013

Key Equipment Finance Inc.  
1000 South McCaslin Blvd.  
Superior, CO 80027

RE: Loan Schedule No. 12 dated as of December 18, 2013 (the "**Loan Schedule**") between Key Equipment Finance Inc., as lender (in such capacity, "**Lender**") and as administration agent (in such capacity, the "**Agent**") and the undersigned Borrower ("**Borrower**"), entered into pursuant to Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") between, among others, Lender, the Agent and Borrower.

Ladies and Gentlemen:

The Borrower hereby directs and authorizes Lender or its assigns to disburse the principal amount of U.S. \$4,010,488.00 (the "**Loan**"), by wire transfer (in accordance with the wire transfer details specified in Schedule A) or otherwise, in the following amounts to the following persons or accounts:

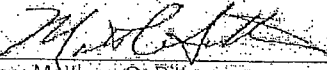
The Bloom Lake Iron Ore Mine Limited Partnership	<u>\$4,010,488.00</u>
<b>Total</b>	<b>\$4,010,488.00</b>

This document shall be your good and sufficient authorization for the directions described herein and such payments shall constitute payment in full of the Loan to Borrower pursuant to the Loan Schedule.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

BORROWER:

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP  
By its general partner  
BLOOM LAKE GENERAL PARTNER LIMITED

x   
Name: Matthew C. Biltner  
Title: Authorized Officer

x \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X \_\_\_\_\_  
Name: Matthew C. Biltner  
Title: Authorized Officer

X James D. Graham  
Name: James D. Graham  
Title: Authorized Officer

## SCHEDULE A

## DETAILS OF WIRE INSTRUCTIONS

Intermediary Bank:	Wells Fargo NY International
Bank Address:	375 Park Avenue New York, NY 10152
ABA #:	026005092
Beneficiary Bank:	Bank of Montreal
Bank Address:	100 King Street West Toronto, Ontario M5X 1A1
SWIFT Code:	BOFMCAT2
Bank Number:	001
Transit Number:	00022
USD Account Number:	0002-4789-041
Account Name:	The Bloom Lake Iron Ore Mine Limited Partnership 1155 Rue University, Suite 508 Montreal, Quebec H3B 3A7



Loan Schedule Number 13

## LOAN SCHEDULE

THIS LOAN SCHEDULE NO. 13 dated as of December 18, 2013 (together with any addenda, riders, schedules and amendments made or attached to it from time to time, "**this Loan Schedule**") between the undersigned Borrower ("**Borrower**"), Key Equipment Finance Inc., as lender (together with its successors and assigns, "**Lender**") and Key Equipment Finance Inc., as administration agent (in such capacity, the "**Agent**").

1. **Relationship to Master Loan and Security Agreement.** This Loan Schedule is entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**"). By their execution and delivery of this Loan Schedule, Borrower, Lender and the Agent reaffirm and incorporate into this Loan Schedule by reference all of the terms and conditions of the Master Loan Agreement (as they relate to the parties to this Loan Schedule), except as specifically modified in this Loan Schedule, as if such terms and conditions were fully set forth in this Loan Schedule. Capitalized terms used and not defined in this Loan Schedule will have the meanings given to them in the Master Loan Agreement.

2. **Loan.** Lender has agreed to make to Borrower a loan (the "**Loan**") in the principal amount equal to the Principal Amount specified below.

3. **Details of Loan.**

Principal Amount: US\$6,624,576.12

Interest Rate: 4.32% per annum

Funding Date: December 18, 2013

Equipment: See **Schedule A** attached hereto and made a part hereof.

Collateral: See definition in paragraph 8 below.

Hypothecated Property: See definition in paragraph 9 below.

Stipulated Loss Value for item(s) of Equipment: See **Schedule B** attached hereto and made a part hereof.

Location of Equipment Delivery: As set out on **Schedule A**

Insurance Coverage: See the insurance certificate that has been delivered by Borrower to Lender pursuant to Section 7(b)(1)(v) of the Master Loan Agreement.

4. **Interest Rate.** Borrower shall pay Lender, in accordance with the terms of the Master Loan Agreement, interest on the balance of the Principal Amount outstanding from the Funding Date, before making demand, before default, or before judgment and until actual payment in full, at the annual interest rate equal to the Interest Rate specified above, monthly in arrears. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

5. **Repayment Terms.** The Principal Amount and interest thereon shall be due and payable in 84 consecutive monthly installments payable in the lawful currency of the United States of America, each in an amount equal to **\$91,529.03** commencing and payable on a date that is one month after the Funding Date and on the same day of each month thereafter (or, if there is no such date, on the last Business Day of such month). Any payment not made on its due date will accrue interest at an interest rate equal to the Default Rate.

6. **Prepayment in Full.** Borrower may prepay the Principal Amount, in whole, on any scheduled repayment date but with at least 10 days' written notice to Lender, together with all accrued and unpaid interest thereon to the date fixed for prepayment; provided that: (i) no such prepayment is permitted within 12 months of the Funding Date; (ii) any such prepayment made to Lender on a date that is more than 12 months after the Funding Date and within 24 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 1.0% of the Principal Amount outstanding at that date of prepayment; (iii) any prepayment made to Lender on a date that is more than 24 months after the Funding Date and within 36 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.75% of the Principal Amount outstanding at that date of prepayment; (iv) any prepayment made to Lender on a date that is more than 36 months after the Funding Date and within 48 months of the Funding Date shall be accompanied by a payment of a prepayment charge equal to 0.5% of the Principal Amount outstanding at that date of prepayment; and (v) no prepayment charge shall be paid by Borrower with respect to any prepayment made to Lender on a date that is more than 48 months after the Funding Date.

**7. Application of Payments.** Except during the continuance of a Default with respect to the Loan, payments matching specific scheduled payments then due under this Loan Schedule shall be applied to those scheduled payments. Upon the occurrence and during the continuance of a Default with respect to the Loan, any payments made by Borrower in respect of the Secured Obligations with respect to the Loan and any proceeds of the Collateral when received by Lender in cash or its equivalent, will be applied first to costs of collection and, thereafter, in reduction of the Secured Obligations with respect to the Loan in such order and manner as Lender may direct in its sole discretion. Borrower irrevocably waives the right to direct, during the continuance of a Default with respect to the Loan, the application of such payments and proceeds and acknowledges and agrees that Lender shall have the continuing and exclusive right to apply, during the continuance of such Default, any and all such payments and proceeds in the Lender's sole discretion, notwithstanding any entry to the contrary upon any of Lender's books and records.

**8. Security Interest.** To secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby grants to Lender a continuing security interest in all of Borrower's right, title and interest in, to and under the following property (collectively, together with the Hypothecated Property, the "Collateral"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing.

**9. Hypothec.** Without limiting the security granted under paragraph 8 above, to secure the prompt payment in full when due of the Principal Amount and the interest thereon and the performance of the other Secured Obligations with respect to the Loan, Borrower hereby hypothecates in favour of Lender, for a principal amount of Cdn\$13,000,000 (the "Notional Amount"); with interest thereon at the rate of 20% per annum from the Funding Date, all of Borrower's right, title and interest in, to and under the following universalities of property, present and future, (collectively, the "Hypothecated Property"): (i) the Equipment; (ii) all substitutions, replacements or exchanges therefor, but only to extent provided for pursuant to section 11(f) or 13(b)(i) of the Master Loan Agreement; and (iii) all proceeds (both cash and non-cash and including insurance proceeds) receivable or received from the sale, lease, license, collection, use, exchange or other disposition of any of the foregoing. To secure the payment of interest not secured by the hypothec created in this paragraph, the fees and expenses incurred by Lender to preserve the Hypothecated Property and to enforce the hypothec and its rights hereunder, Borrower hereby hypothecates in favour of Lender the Hypothecated Property for an additional amount equal to 20% of the Notional Amount, with interest thereon at the rate of 20% per year from the Funding Date.

**10. Governing Law.** THIS LOAN SCHEDULE (EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH) SHALL BE GOVERNED BY, AND IS TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN, EXCEPT FOR THE HYPOTHECS CREATED UNDER PARAGRAPH 9 ABOVE AND ALL RIGHTS AND RECOURSES RELATING TO OR ARISING UNDER SUCH HYPOTHECS, WHICH ARE GOVERNED BY, AND ARE TO BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE PROVINCE OF QUEBEC AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

**11. Conflict between this Loan Schedule and Master Loan Agreement.** If a term or provision contained in this Loan Schedule shall conflict or be inconsistent with any term or provision of the Master Loan Agreement, the terms and provisions of this Loan Schedule shall govern.

**12. No Cross-Collateralization.** Lender acknowledges and agrees with Borrower that, and the Lender Assignee of the Loan, upon completing any Lender Transfer of this Loan Schedule, the related Loan Documents and the Collateral, shall be deemed to have acknowledged and agreed with Borrower that, the Collateral shall only secure the Secured Obligations with respect to the Loan and the Collateral shall not secure any other Secured Obligations with respect to any other Loan (as defined in the Master Loan Agreement) made to Borrower or any other Borrower (as defined in the Master Loan Agreement).

**13. Execution in Counterparts.** This Loan Schedule may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Loan Schedule by telecopier or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Loan Schedule, provided, however, if Borrower has delivered its executed signature page by telecopier or electronic mail as aforesaid, then Borrower shall provide to Lender the manually executed original of such signature page within 10 days by overnight courier.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X Matthew C. Bittner

Name: Matthew C. Bittner  
Title: Authorized Officer

X \_\_\_\_\_

Name: James D. Graham  
Title: Authorized Officer

**LENDER:**

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_

Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_

Name:  
Title:

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

BORROWER:

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED.

X \_\_\_\_\_  
Name: Matthew C. Bittner  
Title: Authorized Officer

X James D. Graham  
Name: James D. Graham  
Title: Authorized Officer

LENDER:

KEY EQUIPMENT FINANCE INC., in its capacity as Lender

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Administration Agent

By: \_\_\_\_\_  
Name:  
Title:

ATTACHMENT:

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_ of \_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable *Personal Property Security Act*.



IN WITNESS WHEREOF, the parties hereto have executed this Loan Schedule on the day and year first written above.

**BORROWER:**

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X \_\_\_\_\_

Name:  
Title:

X \_\_\_\_\_

Name:  
Title:

**LENDER:**

KEY EQUIPMENT FINANCE INC. in its capacity as Lender

By: 

Name: RICHARD ANDERSEN  
Title: Vice President

KEY EQUIPMENT FINANCE INC. in its capacity as Administration Agent

By: 

Name: RICHARD ANDERSEN  
Title: Vice President

**ATTACHMENT:**

Schedule A - Description of Equipment

This is Originally Executed Copy No. \_\_\_\_\_ of \_\_\_\_\_ originally executed copies. Possession and transfer of Originally Executed Copy No. 1 is the only effective means to perfect by possession of a transfer of ownership of, or a grant of a security interest in, this Loan Schedule under the applicable Personal Property Security Act.

\_\_\_\_\_

**Schedule A  
to  
Loan Schedule No. 13**

**Description of Equipment**

For the purposes of the Loan made pursuant to this Loan Schedule, the term "Equipment" means each of the following items of property that is described below, together with, in each case, all replacement parts, accessions, additions and accessories incorporated therein or affixed thereto (including, without limitation, any software that is a component or integral part of, or is included or used in connection with, any such item of property, but with respect to such software, only to the extent of Borrower's interest therein, if any), and all books, logs, manuals and records relating thereto, but only to the extent of Borrower's interest therein:

**Equipment Location:**

The Bloom Lake Iron Ore Mine Limited Partnership  
SEC Mine de fer du Lac Bloom  
Lac Bloom - Route 389  
Fermont, Quebec G0G 1J0

**Equipment Description:**

2013 Caterpillar MD6640 Rotary Blasthole Drill, S/N DR612159, including accessories and attachments hereto

**Schedule B**  
to  
**Loan Schedule No. 13**

**Stipulated Loss Values for Equipment**

Date	% of cost	Date	% of cost
12/18/2013	103.0000	7/18/2017	55.2033
1/18/2014	103.3153	8/18/2017	53.9751
2/18/2014	102.2450	9/18/2017	52.7427
3/18/2014	101.1707	10/18/2017	51.5067
4/18/2014	100.0927	11/18/2017	50.2664
5/18/2014	99.0118	12/18/2017	49.0219
6/18/2014	97.9271	1/18/2018	47.7737
7/18/2014	96.8395	2/18/2018	46.5211
8/18/2014	95.7480	3/18/2018	45.2643
9/18/2014	94.6526	4/18/2018	44.0031
10/18/2014	93.5543	5/18/2018	42.7381
11/18/2014	92.4520	6/18/2018	41.4688
12/18/2014	91.3459	7/18/2018	40.1956
1/18/2015	90.2368	8/18/2018	38.9180
2/18/2015	89.1237	9/18/2018	37.6360
3/18/2015	88.0066	10/18/2018	36.3502
4/18/2015	86.8856	11/18/2018	35.0599
5/18/2015	85.7615	12/18/2018	33.7653
6/18/2015	84.6335	1/18/2019	32.4668
7/18/2015	83.5023	2/18/2019	31.1638
8/18/2015	82.3671	3/18/2019	29.8564
9/18/2015	81.2279	4/18/2019	28.5445
10/18/2015	80.0856	5/18/2019	27.2285
11/18/2015	78.9392	6/18/2019	25.9081
12/18/2015	77.7888	7/18/2019	24.5835
1/18/2016	76.6352	8/18/2019	23.2544
2/18/2016	75.4776	9/18/2019	21.9208
3/18/2016	74.3158	10/18/2019	20.5830
4/18/2016	73.1500	11/18/2019	19.2407
5/18/2016	71.9808	12/18/2019	17.8939
6/18/2016	70.8076	1/18/2020	16.5429
7/18/2016	69.6310	2/18/2020	15.1873
8/18/2016	68.4503	3/18/2020	13.8272
9/18/2016	67.2655	4/18/2020	12.4625
10/18/2016	66.0773	5/18/2020	11.0934
11/18/2016	64.8849	6/18/2020	9.7197
12/18/2016	63.6884	7/18/2020	8.3415
1/18/2017	62.4885	8/18/2020	6.9587
2/18/2017	61.2844	9/18/2020	5.5713
3/18/2017	60.0760	10/18/2020	4.1794
4/18/2017	58.8636	11/18/2020	2.7828
5/18/2017	57.6474	12/18/2020	1.3817
6/18/2017	56.4272		

Stipulated Loss Values are due in lieu of any advance or arrears installments due on the same date.

Loan Schedule Number: 13

Effective Date: December 18, 2013

This **ASSIGNMENT AND ACCEPTANCE AGREEMENT** ("this Assignment Agreement") is entered into as of December 18, 2013 between **Key Equipment Finance Inc.** ("Assignor") and **Cole Taylor Equipment Finance, LLC** ("Assignee"). Reference is made to the loan schedule dated as of December 18, 2013 and identified by the Loan Schedule Number set forth above (as amended, restated, modified and otherwise supplemented from time to time, the "Loan Schedule") the master loan and security agreement dated as of September 27, 2013 and identified by the Master Loan Agreement (as amended, restated, modified or otherwise supplemented from time to time, the "Master Loan Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Loan Schedule, either directly or incorporated by reference therein.

1. In accordance with the terms and conditions of Section 12(b) of the Master Loan Agreement, as of the Effective Date set forth above, the Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, all of the Assignor's right, title and interest in the Loan, the Loan Schedule, the other Loan Documents with respect to the Loan and the Collateral including, for greater certainty, all Encumbrances granted by the Borrower in the Collateral under the Loan Schedule (collectively, the "Assigned Interest").
2. The Assignor covenants, represents and warrants that:
  - a. the Assignor is duly established and organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or formation and has the corporate power and authority to own its property and assets and to carry on its business as now being conducted by it;
  - b. the Assignor has the corporate power and authority to enter into, execute and deliver this Assignment Agreement and to perform and carry out the terms and provisions hereof, and when executed and delivered this Assignment Agreement will constitute a legal, valid and binding obligation of the Assignor enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and by applicable laws (including the *Civil Code of Quebec* and any applicable common law and equity) and judicial decisions which may affect the remedies provided therein;
  - c. the Assignor is the sole Lender with respect to the Loan, the Loan Documents with respect to the Loan and the Collateral;
  - d. it is the legal and beneficial owner of the Assigned Interest; and
  - e. the Assigned Interest is free and clear of any Encumbrances.
3. The Assignee: (a) confirms that it has received copies of the Master Loan Agreement, the Loan Schedule and the other Loan Documents with respect to the Loan, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to

enter into this Assignment Agreement; (b) agrees that it will, independently and without reliance upon the Agent, the Assignor or any other Lender, based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents with respect to the Loan; (c) confirms that it is eligible as an assignee under the terms of the Master Loan Agreement; (d) appoints and authorizes the Agent to take such action as the Agent (on its behalf) and to exercise such powers under the Loan Documents with respect to the Loan as are delegated to the Agent by the terms thereof, together with such powers as are reasonably incidental thereto; and (e) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents with respect to the Loan are required to be performed by it as a Lender.

4. From and after the Effective Date, the Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest and other amounts) to the Assignee, whether such amounts have accrued prior to the Effective Date or accrued subsequent to the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Agent for the periods prior to the Effective Date or with respect to the making of this Assignment Agreement directly between themselves.
5. If required by the terms of the Master Loan Agreement, the Borrower hereby consents to this Assignment Agreement by the Assignor to the Assignee under the terms and conditions contained in this Assignment Agreement and as set out in the Master Loan Agreement.
6. This Assignment Agreement constitutes the entire agreement and understanding of the parties hereto relating to the subject matter hereof, and supersedes all prior discussions and understandings, if any, as to such subject matter.
7. No provision of this Assignment Agreement may be waived, modified or discharged orally, by course of dealings or otherwise, except in writing duly executed and delivered by the Assignee and the Assignor.
8. This Assignment Agreement shall enure to the benefit of, and be binding upon, the successors and assigns of the parties hereto.
9. This Assignment Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
10. This Assignment Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Assignment Agreement by facsimile or electronic mail (in .pdf or .tif format) shall be effective as delivery of a manually executed counterpart of this Assignment Agreement.

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IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

COLE TAYLOR EQUIPMENT FINANCE, LLC

Assignee

By: Markell D. Brundage  
Name: Markell D. Brundage - Smith  
Title: Vice President

KEY EQUIPMENT FINANCE INC.

Assignor

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP, BY ITS GENERAL PARTNER, BLOOM LAKE GENERAL PARTNER LIMITED

Borrower

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

KEY EQUIPMENT FINANCE INC., in its capacity as Lead Arranger and Administration Agent

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

COLE TAYLOR EQUIPMENT FINANCE, LLC  
Assignee

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC.  
Assignor


By:   
Name: Richard Andersen  
Title: Vice President

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
BY ITS GENERAL PARTNER,  
BLOOM LAKE GENERAL PARTNER LIMITED  
Borrower

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC., in its capacity as Lead Arranger and Administration Agent

By:   
Name: Richard Andersen  
Title: Vice President

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement as of the Effective Date.

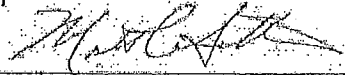
COLE TAYLOR EQUIPMENT FINANCE, LLC  
Assignee

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC.  
Assignor

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
BY ITS GENERAL PARTNER,  
BLOOM LAKE GENERAL PARTNER LIMITED  
Borrower

By:   
Name: Matthew C. Bittner  
Title: Authorized Officer

By: \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer

KEY EQUIPMENT FINANCE INC., in its capacity as Lead Arranger and Administration Agent

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President



IN WITNESS WHEREOF the parties hereto have executed this Assignment Agreement as of the Effective Date.

COLE TAYLOR EQUIPMENT FINANCE,  
LLC  
Assignee

By: \_\_\_\_\_  
Name:  
Title:

KEY EQUIPMENT FINANCE INC.  
Assignor

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP,  
BY ITS GENERAL PARTNER,  
BLOOM LAKE GENERAL PARTNER  
LIMITED  
Borrower

By: \_\_\_\_\_  
Name: Matthew C. Bittner  
Title: Authorized Officer

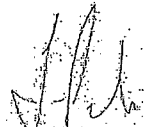
By: James D. Graham  
Name: James D. Graham  
Title: Authorized Officer

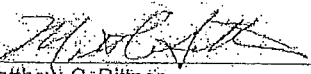
KEY EQUIPMENT FINANCE INC., in its  
capacity as Lead Arranger and  
Administration Agent

By: \_\_\_\_\_  
Name: Richard Andersen  
Title: Vice President

The undersigned hereby acknowledges in favour of the Assignee the Lender Transfer of the Assigned Interest by the Assignor to the Assignee.

**CLIFFS NATURAL RESOURCES INC.**  
Guarantor

By:   
Name: Terrance M. Paradie  
Title: Executive Vice President & Chief Financial Officer

By:   
Name: Matthew C. Bittner  
Title: Vice President & Treasurer



**Borrower Acknowledgment**  
(Certificate of Acceptance)

**THIS IS A CERTIFICATE ACKNOWLEDGING  
ACCEPTANCE OF THE EQUIPMENT FOR  
PURPOSES OF THE BELOW-REFERENCED LOAN DOCUMENTS.**

**THIS IS NOT A DELIVERY RECEIPT.**

Borrower Name: **THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP**

Loan Schedule Number: 13

All the items of Equipment subject to the Encumbrances granted by the undersigned in favour of Key Equipment Finance Inc. (the "**Lender**") under the Loan Schedule identified by the Loan Schedule Number set forth above (the "**Loan Schedule**"), which Loan Schedule was entered into pursuant to the Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**"), except for the items of Equipment associated with the Holdback Amount (as such term is defined by that certain Payment of Proceeds Instructions for the Loan Schedule (a) were received by the undersigned, (b) are satisfactory to the undersigned in all respects and are acceptable to the undersigned for financing under the Loan Schedule and the other related Loan Documents, (c) are suitable for the undersigned's purposes, (d) are in good order, repair and condition, ordinary wear and tear excepted, (e) have been installed and operate properly, and (f) are subject to all of the terms and conditions of the Loan Schedule and the other related Loan Documents.

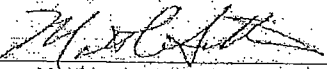
Capitalized terms used herein without definition shall have the meaning given them in the Loan Schedule, whether directly or incorporated by reference therein.

Dated: December 18, 2013

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BORROWER:

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED

X   
Name: Matthew C. Bittner  
Title: Authorized Officer

X \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X \_\_\_\_\_  
Name: Matthew C. Bittner  
Title: Authorized Officer

X James D. Graham  
Name: James D. Graham  
Title: Authorized Officer



## Payment of Proceeds Instructions

December 18, 2013

Key Equipment Finance Inc.  
1000 South McCaslin Blvd.  
Superior, CO 80027

RE: Loan Schedule No. 13 dated as of December 18, 2013 (the "**Loan Schedule**") between Key Equipment Finance Inc. as lender (in such capacity, "**Lender**") and as administration agent (in such capacity, the "**Agent**") and the undersigned Borrower ("**Borrower**"), entered into pursuant to Master Loan and Security Agreement dated as of September 27, 2013 (the "**Master Loan Agreement**") between, among others, Lender, the Agent and Borrower.

Ladies and Gentlemen:

The Borrower hereby directs and authorizes Lender or its assigns to disburse the principal amount of U.S. \$6,624,576.12 (the "**Loan**") in accordance with the terms hereof, by wire transfer (in accordance with the wire transfer details specified in Schedule A) or otherwise, in the following amounts to the following persons or accounts:

**The Bloom Lake Iron Ore Mine Limited Partnership**

The Loan <i>less</i> the holdback amount of \$238,365.52 (the " <b>Holdback Amount</b> "), to be disbursed as of the date hereof:	<u>\$6,386,210.60</u>
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The Holdback Amount, agreed by the parties to be disbursed upon delivery of proof of payment, satisfactory to Lender or its assigns, of Lumen Invoice #11676691:	<u>\$238,365.52</u>
--	---------------------


<b>Total</b>	<u><b>\$6,624,576.12</b></u>
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This document shall be your good and sufficient authorization for the directions described herein and such payments shall constitute payment in full of the Loan to Borrower pursuant to the Loan Schedule.

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**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP,  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

x   
Name: Matthew C. Biltner  
Title: Authorized Officer

X \_\_\_\_\_  
Name: James D. Graham  
Title: Authorized Officer

**BORROWER:**

**THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP;  
By its general partner,  
BLOOM LAKE GENERAL PARTNER LIMITED**

X

Name: Matthew C. Bittner  
Title: Authorized Officer

X

*James D. Graham*  
Name: James D. Graham  
Title: Authorized Officer



**SCHEDULE A****DETAILS OF WIRE INSTRUCTIONS**

Intermediary Bank:	Wells Fargo NY International
Bank Address:	375 Park Avenue New York, NY 10152
ABA #:	026005092
Beneficiary Bank:	Bank of Montreal
Bank Address:	100 King Street West Toronto, Ontario M5X 1A1
SWIFT Code:	BOFMCAT2
Bank Number:	001
Transit Number:	00022
USD Account Number:	0002-4789-041
Account Name:	The Bloom Lake Iron Ore Mine Limited Partnership 1155 Rue University, Suite 508 Montreal, Quebec H3B 3A7

