

WABUSH IRON CO. LIMITED

WABUSH RESOURCES INC.

- and -

ADMINISTRATION PORTUAIRE DE SEPT-ÎLES / SEPT-ÎLES PORT AUTHORITY

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ASSET PURCHASE AGREEMENT

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DATED AS OF JANUARY 26, 2016

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement dated as of January 26, 2016 is made by and between:

**WABUSH IRON CO. LIMITED**

**WABUSH RESOURCES INC.**

(collectively, the "Vendors")

- and -

**ADMINISTRATION PORTUAIRE DE SEPT-ÎLES / SEPT-ÎLES PORT AUTHORITY**

(the "Purchaser")

### RECITALS:

A. Pursuant to an initial order of the Québec Superior Court [Commercial Division] (the "**Court**") dated January 27, 2015 (as the same may be amended and restated from time to time) in the proceedings bearing Court File No. 500-11-048114-157 (the "**CCAA Proceedings**"), Cliffs Québec Iron Mining ULC, Quinto Mining Corporation, 8568391 Canada Limited, The Bloom Lake General Partner Limited, the Bloom Lake Railway Company Limited and the Bloom Lake Iron Ore Mine Limited Partnership (collectively, the "**Bloom Lake CCAA Parties**") obtained protection from their creditors under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") and FTI Consulting Canada Inc. was appointed as monitor in the CCAA Proceedings (in such capacity and not in its personal or corporate capacity, the "**Monitor**").

B. By Order of the Court dated May 20, 2015 in the CCAA Proceedings, Wabush Iron Co. Limited ("**Wabush Iron**") and Wabush Resources Inc. ("**Wabush Resources**"), Arnaud Railway Company ("**Arnaud**"), Wabush Lake Railway Company Limited and Wabush Mines, (collectively, the "**Wabush CCAA Parties**") were added to the CCAA Proceedings and obtained protection from their creditors under the CCAA.

C. Pursuant to Orders of the Court dated April 17, 2015 and June 9, 2015 (as each may be amended, restated, supplemented or modified from time to time, the "**SISP Orders**"), the Vendors, were authorized to conduct the sale and investor solicitation process for the property and business of, among others, each of the Vendors, in accordance with the sale and investor solicitation procedures approved by the Court in the SISP Orders (the "**SISP**").

D. The Vendors therefore desire to sell, transfer and assign to the Purchaser, and the Purchaser desires to acquire and assume from the Vendors, all of the Vendors' right, title and interest in and to the Purchased Assets, on the terms and subject to the conditions contained in this Agreement.

E. The transactions contemplated by this Agreement are subject to the approval of the Court and will be consummated pursuant to the Approval and Vesting Order to be entered by the Court in the CCAA Proceedings.

**NOW THEREFORE**, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party, the Parties agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions. In this Agreement:

**"1097 Property"** means such portion of the Purchased Assets owned by Wabush Iron that consists of "taxable Québec property" other than (a) property described in section 1102.1 of the TAQ and (b) "excluded property" as defined for purposes of sections 1097, 1102 and 1102.1 of the TAQ.

**"116(2) Property"** means such portion of the Purchased Assets owned by Wabush Iron that consists of "taxable Canadian property (other than property described in subsection (5.2) and excluded property)" as defined for purposes of section 116 of the ITA.

**"Action"** means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity and by or before a Governmental Authority.

**"Affiliate"** means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to "**control**" another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term "**controlled**" shall have a similar meaning.

**"Agreement"** means this Asset Purchase Agreement and all the Schedules attached hereto, as they may be amended, restated or supplemented from time to time in accordance with the terms hereof.

**"Applicable Law"** means, with respect to any Person, property, transaction, event or other matter, (a) any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, Order or other requirement having the force of law, (b) any policy, practice, protocol, standard or guideline of any Governmental Authority which, although not necessarily having the force of law, is regarded by such Governmental Authority as requiring compliance as if it had the force of law (collectively, in the foregoing clauses (a) and (b), "**Law**"), in each case relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

**"Approval and Vesting Order"** means an order of the Court issued in the CCAA Proceedings, substantially in the form of Schedule "A", approving the transactions contemplated by this Agreement and vesting in the Purchaser all of the Vendors' right, title and interest in and to the Purchased Assets free and clear of all Encumbrances (other than Permitted Encumbrances).

**"Bloom Lake CCAA Parties"** has the meaning set out in Recital A.

**"Books and Records"** means all books, records, files, papers, books of account and other financial data related to the Purchased Assets in the possession of and reasonably

available to the Vendors, including drawings, engineering information, geologic data, production records, technical reports and environmental studies and reports including (in each case, if applicable), research and development records, and all records, data and information stored electronically, digitally or on computer-related media.

**"Business Day"** means any day except Saturday, Sunday or any day on which banks are generally not open for business in the City of Montréal, Québec, the City of St. John's, Newfoundland and Labrador, the City of Toronto, Ontario, or the City of Cleveland, Ohio.

**"CCAA"** has the meaning set out in Recital A.

**"CCAA Parties"** means collectively the Bloom Lake CCAA Parties and the Wabush CCAA Parties.

**"CCAA Proceedings"** has the meaning set out in Recital A.

**"Certificate of Compliance"** has the meaning set out in Section 3.4(1).

**"Closing"** means the completion of the purchase and sale of the Vendors' right, title and interest in and to the Purchased Assets by the Purchaser in accordance with the provisions of this Agreement.

**"Closing Date"** means the date on which Closing occurs, which date is intended to be the Target Closing Date.

**"Closing Time"** has the meaning set out in Section 6.1.

**"Conditions Certificates"** has the meaning set out in Section 7.3.

**"Contracts"** means all pending and executory contracts, agreements, leases, understandings and arrangements (whether oral or written) related to the Purchased Assets.

**"Court"** has the meaning set out in Recital A.

**"CRA"** means the Canada Revenue Agency or any successor agency.

**"Damages"** means any loss, cost, liability, claim, interest, fine, penalty, assessment, Taxes, damages available at law or in equity (including incidental, consequential, special, aggravated, exemplary or punitive damages), expense (including consultant's and expert's fees and expenses and reasonable costs, fees and expenses of legal counsel on a full indemnity basis, without reduction for tariff rates or similar reductions and reasonable costs, fees and expenses of investigation, defense or settlement) or diminution in value.

**"Deed of Sale"** means a deed of sale, in form and substance satisfactory to the Parties, acting reasonably, evidencing the conveyance to the Purchaser of the Vendors' right, title and interest in and to the Purchased Assets.

**"Deposit"** has the meaning set out in Section 3.2(1).

**“Encumbrances”** means all claims, liabilities (direct, indirect, absolute or contingent), obligations, prior claims, right of retention, liens, security interests, charges, hypothecs, trusts, deemed trusts (statutory or otherwise), judgments, writs of seizure or execution, notices of sale, contractual rights (including purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual rights), encumbrances, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise.

**“Environment”** means any of the following: the water (whether surface or groundwater), atmosphere and soil or generally the ambient milieu with which living species have dynamic relations, and includes, “water”, “atmosphere” and “soil” as such terms are defined pursuant to Environmental Laws.

**“Environmental Claim”** means any Action, Governmental Order, lien, fine, penalty, or, as to each, any settlement or judgment arising therefrom whether incurred or arising before or after Closing by or from any Person alleging liability of whatever kind or nature (including liability or responsibility for the costs of enforcement proceedings, investigations, cleanup, governmental response, removal or remediation, natural resources Damages, property Damages, personal injuries, medical monitoring, penalties, contribution, indemnification and injunctive relief) arising out of, based on or resulting from: (a) the presence, Release of, or exposure to, any Hazardous Materials; or (b) any actual or alleged non-compliance with any Environmental Law or term or condition of any Environmental Permit.

**“Environmental Law”** means any Applicable Law, and any Governmental Order or binding agreement with any Governmental Authority: (a) relating to pollution (or the investigation or cleanup thereof), the management or protection of natural resources, endangered or threatened species, human health or safety, or the protection or quality of the Environment; or (b) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials.

**“Environmental Liabilities”** means all past, all present and all future obligations and Liabilities of whatsoever nature or kind arising from or relating to, directly or indirectly:

- (i) any Environmental Matter; or
- (ii) any Environmental Claim, Environmental Notice or Environmental Permit applicable to (or otherwise involving) the Purchased Assets or any past, any present or any future non-compliance with, violation of or Liability under Environmental Laws or any Environmental Permit applicable to (or otherwise involving) the Purchased Assets,

whenever occurring or arising.

**“Environmental Matters”** means any activity, event or circumstance in respect of or relating to:

- (i) the storage, use, holding, collection, containment, recycling, reclamation, remediation, accumulation, assessment, generation, manufacture, processing, treatment, stabilization, disposition, handling, transportation, management, presence, exposure to or Release of Hazardous Materials;

- (ii) the protection, condition or quality of the Environment;
- (iii) pollution, reclamation, remediation or restoration of the Environment; or
- (iv) any Reclamation Obligation,

in each case relating to the Purchased Assets or the Business or that has or have arisen or hereafter arise from or in respect of past, present or future operations, activities or omissions in or on the Purchased Assets or in respect of or otherwise involving the Purchased Assets, including obligations to compensate third Persons for any Environmental Liabilities.

**“Environmental Notice”** means any written directive, notice of violation, notice of non-compliance or notice of infraction, or notice respecting any Environmental Claim relating to actual or alleged non-compliance with any Environmental Law issued by a Governmental Authority or any term or condition of any Environmental Permit.

**“Environmental Permit”** means any permit, license, authorization, approval, letter, clearance, consent, waiver, exemption, decision, evidence of authority or action required under or issued, granted, given or authorized by a Governmental Authority pursuant to any Environmental Law.

**“Excluded Assets”** means the properties and assets of the Vendors not forming part of the Purchased Assets, including, for greater certainty, any equipment or vehicles located upon the Purchased Assets.

**“Filing Date”** means January 27, 2015 for the Bloom Lake CCAA Parties, and May 20, 2015 for the Wabush CCAA Parties.

**“Governmental Authority”** means:

- (1) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise);
- (2) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government;
- (3) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions; and
- (4) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange or professional association.

**“Governmental Order”** means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

**“GST/HST”** means the goods and services tax and the harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada).

**“Hazardous Materials”** means: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, mineral, gas, odour, heat, sound, vibration, radiation or combination of them that may impair the Environment, injure or damage property or animal life or harm or impair the health of any individual and includes any contaminant, waste or substance or material defined, prohibited, regulated or reportable pursuant to any Environmental Law in each case, whether naturally occurring or manmade; and (b) any petroleum or petroleum-derived products, radon, radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea formaldehyde foam insulation and polychlorinated biphenyls.

**“ICA”** means the *Investment Canada Act, R.S.C. 1985, c. 28 (1<sup>st</sup> Supp.)*

**“Intercompany Claims”** means all present and future claims of any nature or kind whatsoever of any of the Vendors against an Affiliate of such Vendor, whether such Affiliate is a party to this Agreement or otherwise.

**“Interim Period”** means the period from the date that this Agreement is entered into by the Parties to the Closing Time.

**“ITA”** means the *Income Tax Act, R.S.C., 1985, c. 1 (5th Supplement)*.

**“Law”** has the meaning set out in the definition of **“Applicable Law”**.

**“Legal Proceeding”** means any litigation, Action, application, suit, investigation, hearing, claim, complaint, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration proceeding or other similar proceeding, before or by any court or other tribunal or Governmental Authority and includes any appeal or review thereof and any application for leave for appeal or review.

**“Liability”** means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, including any monetary default, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

**“Monitor”** has the meaning set out in Recital A.

**“Monitor’s Certificate”** means the certificate, substantially in the form attached as Schedule “A” to the Approval and Vesting Order, to be delivered by the Monitor to the Vendors and the Purchaser on Closing and thereafter filed by the Monitor with the Court certifying that it has received the Conditions Certificates.

**“Order”** means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

**“Outside Date”** means March 11, 2016.

**“Party”** means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **“Parties”** means more than one of them.

**“Permitted Encumbrances”** means the Encumbrances related to the Purchased Assets listed on Schedule “B”.

“**Person**” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

“**Personal Information**” means information about an identifiable individual as defined in Privacy Law.

“**Privacy Law**” means the *Personal Information Protection and Electronic Documents Act* (Canada), the *Personal Information Protection Act* (British Columbia), the *Act respecting the protection of personal information in the private sector* (Québec) and any comparable Law of any other province or territory of Canada.

“**Purchase Price**” has the meaning set out in Section 3.1.

“**Purchased Assets**” means the immovable property known as “Block Z” as further described in Schedule “C”, which the Parties agree consists of vacant land only. For greater certainty, Purchased Assets does not include the Excluded Assets.

“**Purchaser**” has the meaning set out in the preamble hereto, and includes any successor or permitted assignee thereof in accordance with Section 10.16.

“**QST**” means the Québec sales tax imposed pursuant to the *Act respecting the Québec sales tax*, R.S.Q. c. T-0.1, as amended.

“**Québec Certificate of Compliance**” has the meaning set out in Section 3.5(1).

“**Reclamation Obligation**” means the obligations and commitments of any Vendor of any nature whatsoever under Applicable Law whether asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, or otherwise for the reclamation, rehabilitation, restoration or remediation of the Purchased Assets.

“**Release**” includes any actual or potential release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing or allowing to escape or migrate into or through the Environment, including, indoor air or within any building, structure, facility or fixture.

“**Remittance Date**” has the meaning set out in Section 3.4(3).

“**Representative**” when used with respect to a Person means each director, officer, employee, consultant, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

“**Sale Advisor**” means Moelis & Company LLC.

“**SISP**” has the meaning set out in Recital C.

“**SISP Order**” has the meaning set out in Recital C.

“**SISP Team**” means the CCAA Parties, the Sale Advisor and the Monitor.

“**TAQ**” means the *Taxation Act* (Québec), C.Q.L.R. c. I-3.



**"Target Closing Date"** means the date that is thirty (30) days following the date of this Agreement.

**"Taxes"** means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, mining taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, social security premiums, workers' compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, QST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties.

**"Tax Returns"** means all returns, reports, declarations, elections, notices, filings, information returns, and statements in respect of Taxes that are required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.

**"Transaction Personal Information"** means any Personal Information in the possession, custody or control of the Vendor at the Closing Time, including Personal Information about Employees, suppliers, customers, directors, officers or shareholders that is:

- (1) disclosed to the Purchaser or any Representative of the Purchaser prior to the Closing Time by any member of the SISP Team or any of the SISP Team's Representatives or otherwise; or
- (2) collected by the Purchaser or any Representative of the Purchaser prior to the Closing Time from any member of the SISP Team or any of the SISP Team's Representatives or otherwise,

in either case in connection with the transactions contemplated by the Agreement.

**"Transfer Taxes"** means all applicable Taxes, including where applicable, GST/HST and QST payable upon or in connection with the transactions contemplated by this Agreement and any filing, registration, recording or transfer fees payable in connection with the instruments of transfer provided for in this Agreement.

**"Vendors"** has the meaning set out in the preamble hereto.

**"Wabush CCAA Parties"** has the meaning set out in Recital B.

**"Wabush Iron"** has the meaning set out in Recital B.

**"Wabush Mines"** means an unincorporated contractual joint venture called "Wabush Mines" pursuant to which Wabush Resources and Wabush Iron have, respectively, undivided 73.17% and 26.83% co-ownership interests in the underlying assets and liabilities of the joint venture.

“Wabush Resources” has the meaning set out in Recital B.

**1.2 Actions on Non-Business Days.** If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

**1.3 Currency and Payment Obligations.** Except as otherwise expressly provided in this Agreement: (a) all dollar amounts referred to in this Agreement are stated in the lawful currency of Canada; and (b) any payment contemplated by this Agreement shall be made by wire transfer of immediately available funds to an account of the Monitor specified by the payee, by cash, by certified cheque or by any other method that provides immediately available funds as agreed to between the Parties, with the consent of the Monitor.

**1.4 Calculation of Time.** In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Eastern on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Eastern on the next succeeding Business Day.

**1.5 Tender.** Any tender of documents or money hereunder may be made upon the Parties or, if so indicated, the Monitor, or their respective counsel.

**1.6 Additional Rules of Interpretation.**

(1) *Gender and Number.* In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.

(2) *Headings and Table of Contents.* The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.

(3) *Section References.* Unless the context requires otherwise, references in this Agreement to Articles, Sections or Schedules are to Articles or Sections of this Agreement, and Schedules to this Agreement.

(4) *Words of Inclusion.* Wherever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation” and the words following “include”, “includes” or “including” shall not be considered to set forth an exhaustive list.

(5) *References to this Agreement.* The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.

(6) *Statute References.* Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision and also include,

unless the context otherwise requires, all applicable guidelines, bulletins or policies made in connection therewith.

(7) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules attached thereto.

**1.7 Schedules.** The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

**SCHEDULES**

<u>Schedule "A"</u>	Form of Approval and Vesting Order
<u>Schedule "B"</u>	Permitted Encumbrances
<u>Schedule "C"</u>	Purchased Assets

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

**ARTICLE 2  
PURCHASE OF ASSETS**

**2.1 Purchase and Sale of Purchased Assets.** At the Closing Time, on and subject to the terms and conditions of this Agreement and the Approval and Vesting Order, the Vendors shall sell to the Purchaser, and the Purchaser shall purchase from the Vendors, all of the Vendors' right, title and interest in and to the Purchased Assets, which shall be free and clear of all Encumbrances other than Permitted Encumbrances, to the extent and as provided for in the Approval and Vesting Order. For greater certainty, notwithstanding any other provision of this Agreement, this Agreement does not constitute an agreement by the Purchaser to purchase, or by the Vendors to sell any Excluded Asset. The Purchaser shall be responsible for all expenses and Liabilities accruing in respect of the Purchased Assets as of and from the Closing Date.

**ARTICLE 3  
PURCHASE PRICE & TAXES**

**3.1 Purchase Price.** The consideration payable by the Purchaser to the Vendors for the Vendors' right, title and interest in and to the Purchased Assets (the "**Purchase Price**") shall be \$1,250,000.

**3.2 Satisfaction of Purchase Price.** The Purchase Price shall be paid and satisfied at Closing as follows:

- (1) the deposit in the amount of \$62,500, representing five percent (5%) of the Purchase Price, which was remitted by the Purchaser to the Monitor, in trust, in accordance with the SISP (the "**Deposit**"), shall be applied against the Purchase Price, in reduction thereto; and

- (2) the balance of the Purchase Price shall be paid by the Purchaser to the Vendors by remitting same to the Monitor.

**3.3 Taxes.** In addition to the Purchase Price, the Purchaser shall be liable for and shall pay all applicable Transfer Taxes as follows:

- (1) all Transfer Taxes applicable to the Purchased Assets that are immovable property shall be self-assessed by the Purchaser in accordance with subsections 221(2) and 228(4) of the *Excise Tax Act* (Canada) and subsections 423(2) and 438(1) of *an Act respecting the Québec sales tax*; and

- (2) For all purposes, including for purposes of calculating the applicable Transfer Taxes to be paid by the Purchaser on Closing and remitted by the Vendors (if any), the Parties agree to allocate \$335,000 of the Purchase Price to Wabush Iron (being 26.8% of the Purchase Price) and \$915,000 of the Purchase Price to Wabush Resources (being 73.2% of the Purchase Price). For greater certainty, the Parties agree that the portion of the Purchase Price allocated to any Purchased Assets other than vacant land is nil.

**3.4 Section 116 of ITA.**

- (1) Wabush Iron shall take all reasonable steps to obtain and deliver to the Purchaser on or before Closing a certificate of compliance issued by the Minister of National Revenue (Canada) under subsection 116(2) or 116(4) of the *ITA* in respect of its disposition of the 116(2) Property. A certificate issued by the Minister of National Revenue (Canada) under subsection 116(2) or 116(4) of the *ITA* in respect of the 116(2) Property is hereinafter referred to as a "**Certificate of Compliance**".

- (2) If a Certificate of Compliance in respect of the 116(2) Property is delivered to the Purchaser on or before the Closing, the Purchaser shall be entitled to withhold from the portion of the Purchase Price allocable to the 116(2) Property and payable to Wabush Iron at Closing twenty-five percent (25%) of the amount, if any, by which such portion of the Purchase Price exceeds the certificate limit specified in such certificate. If a Certificate of Compliance in respect of the 116(2) Property is not delivered to the Purchaser on or before the Closing, the Purchaser shall be entitled to withhold from the portion of the Purchase Price allocable to the 116(2) Property and payable to Wabush Iron at Closing twenty-five percent (25%) of such portion of the Purchase Price.

- (3) Where the Purchaser has withheld any amount under Section 3.4(2) and Wabush Iron delivers a Certificate of Compliance to the Purchaser after Closing and on or before the twenty-eighth day of the calendar month following the calendar month in which the Closing occurs (the "**Remittance Date**"), the Purchaser shall, where the certificate is delivered under subsection 116(2) or (4) of the *ITA*, remit forthwith to the Receiver General for Canada for the account of Wabush Iron twenty-five percent (25%) of the amount, if any, by which the portion of the Purchase Price allocable to the 116(2) Property and payable to Wabush Iron exceeds the certificate limit fixed in such certificate, and pay forthwith to Wabush Iron any amount that the Purchaser has withheld in respect of the 116(2) Property in excess of such amount.

- (4) Where the Purchaser has withheld any amount under Section 3.4(2) and no Certificate of Compliance has been delivered to the Purchaser in respect of the 116(2) Property on or prior to the Remittance Date, such amount shall be remitted by the Purchaser to the

Receiver General for Canada for the account of Wabush Iron in accordance with section 116 of the *ITA*.

(5) For the avoidance of doubt, the Purchaser shall not remit any amount referred to in Section 3.4(4) to the Receiver General for Canada before the Remittance Date, as such date may be extended pursuant to Section 3.4(6).

(6) Notwithstanding anything to the contrary in this Section 3.4, if prior to the Remittance Date, the Purchaser has received a comfort letter issued by the CRA in form and substance satisfactory to the Purchaser, acting reasonably, extending the time period under which the Purchaser is required to remit an amount in respect of the Purchase Price for the account of Wabush Iron without being subject to interest or penalties, the Purchaser shall not make any remittance to the Receiver General for Canada on the date that would otherwise be the Remittance Date and the Remittance Date shall be extended indefinitely, or until the Purchaser receives notification from the CRA that such comfort letter is no longer in effect.

(7) Where the Purchaser has withheld any amount under Section (2) such amount shall be paid to and held by the Purchaser's solicitors, in trust and invested by them for the benefit of Wabush Iron in Canadian dollar-denominated interest bearing instruments in such manner as Wabush Iron shall from time to time direct in writing (such ability of Wabush Iron to direct the Purchaser to be limited to instructions pertaining to the investment of the amounts withheld under Section 3.4(2)) until paid to the Monitor on behalf of Wabush Iron (together with the interest earned thereon) or remitted to the Receiver General for Canada for the account of Wabush Iron in accordance with this Section 3.4. For the avoidance of doubt, the Purchaser's solicitors shall be entitled to withhold and remit from interest earned on such amounts any and all amounts required to be withheld and remitted under the *ITA*.

(8) A copy of any Certificate of Compliance, other certificates, notices, comfort letters, correspondence or any other document sent by any Vendor or the Purchaser, or received by any Vendor or the Purchaser, pursuant to this Section 3.4 shall be sent promptly to the Monitor by the applicable Vendor or the Purchaser.

(9) The Parties recognize and acknowledge that Sections 1102.1 of the TAQ and 116 (5.2) of the *ITA* are not applicable to the transactions contemplated pursuant to this Agreement.

### **3.5 Taxable Québec Property**

(1) Wabush Iron shall take all reasonable steps to obtain and deliver to the Purchaser on or before Closing a certificate of compliance issued by the Ministère du Revenu (Québec) under section 1098 or 1100 of the TAQ in respect of its disposition of the 1097 Property. A certificate issued by the Ministère du Revenu (Québec) under section 1098 or 1100 of the TAQ in respect of the 1097 Property is hereinafter referred to as a "**Québec Certificate of Compliance**".

(2) If a Québec Certificate of Compliance in respect of the 1097 Property is delivered to the Purchaser on or before the Closing, the Purchaser shall be entitled to withhold from the portion of the Purchase Price allocable to the 1097 Property and payable to Wabush Iron at Closing twelve percent (12%) of the amount, if any, by which such portion of the Purchase Price exceeds the certificate limit specified in such certificate. If a Québec Certificate of Compliance in respect of the 1097 Property is not delivered to the Purchaser on or before the Closing, the Purchaser shall be entitled to withhold from the portion of the Purchase Price allocable to the

1097 Property and payable to Wabush Iron at Closing twelve percent (12%) of such portion of the Purchase Price.

(3) Where the Purchaser has withheld any amount under Section 3.5(2) and Wabush Iron delivers a Québec Certificate of Compliance to the Purchaser after Closing and on or before the Remittance Date, the Purchaser shall where the Québec Certificate of Compliance is delivered under section 1098 or 1100 of the TAQ, remit forthwith to the Ministère du Revenu (Québec) for the account of Wabush Iron twelve percent (12%) of the amount, if any, by which the portion of the Purchase Price allocable to the 1097 Property and payable to Wabush Iron exceeds the certificate limit fixed in such certificate and pay forthwith to Wabush Iron any amount that the Purchaser has withheld in respect of the 1097 Property in excess of such amount.

(4) Where the Purchaser has withheld any amount under Section 3.5(2) and no Québec Certificate of Compliance has been delivered to the Purchaser in respect of the 1097 Property on or prior to the Remittance Date, such amount shall be remitted by the Purchaser to the Ministère du Revenu (Québec) for the account of Wabush Iron in accordance with section 1101 or 1102.2 as the case may be of the TAQ.

(5) For the avoidance of doubt, the Purchaser shall not remit any amount referred to in Section 3.5(4) to the Ministère du Revenu (Québec) before the Remittance Date, as such date may be extended pursuant to Section 3.5(6).

(6) Notwithstanding anything to the contrary in this Section 3.5, if prior to the Remittance Date, the Purchaser has received a comfort letter issued by the Ministère du Revenu (Québec) in form and substance satisfactory to the Purchaser, acting reasonably, extending the time period under which the Purchaser is required to remit an amount in respect of the Purchase Price for the account of Wabush Iron without being subject to interest or penalties, the Purchaser shall not make any remittance to the Ministère du Revenu (Québec) on the date that would otherwise be the Remittance Date and the Remittance Date shall be extended indefinitely, or until the Purchaser receives notification from the Ministère du Revenu (Québec) that such comfort letter is no longer in effect.

(7) Where the Purchaser has withheld any amount under Section 3.5(2) such amount shall be paid to and held by the Purchaser's solicitors, in trust and invested by them for the benefit of Wabush Iron in Canadian dollar-denominated interest bearing instruments in such manner as Wabush Iron shall from time to time direct in writing (such ability of Wabush Iron to direct the Purchaser to be limited to instructions pertaining to the investment of the amounts withheld under Section under Section 3.5(2)) until paid to the Monitor on behalf of Wabush Iron (together with the interest earned thereon) or remitted to the Ministère du Revenu (Québec) for the account of Wabush Iron in accordance with this Section 3.5. For the avoidance of doubt, the Purchaser's solicitors shall be entitled to withhold and remit from interest earned on such amounts any and all amounts required to be withheld and remitted under the ITA.

(8) A copy of any Québec Certificate of Compliance, other certificates, notices, comfort letters, correspondence or any other document sent by any Vendor or the Purchaser, or received by any Vendor or the Purchaser, pursuant to this Section 3.5 shall promptly be sent to the Monitor by the applicable Vendor or the Purchaser.

**ARTICLE 4  
REPRESENTATIONS AND WARRANTIES**

**4.1 Representations and Warranties of the Purchaser.** As a material inducement to the Vendors entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Vendors are entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 4.1, the Purchaser represents and warrants to the Vendors as follows:

(1) *Incorporation and Corporate Power.* The Purchaser is a Crown corporation created pursuant to the Canada Marine Act, S.C. (1998) ch.10. The Purchaser has the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its obligations under this Agreement and under all such other agreements and instruments.

(2) *Authorization by Purchaser.* The execution and delivery of this Agreement and all other agreements and instruments to be executed by it as contemplated herein and the completion of the transactions contemplated by this Agreement and all such other agreements and instruments have been duly authorized by all necessary corporate action on the part of the Purchaser.

(3) *Approvals.* No consent, waiver, authorization or approval of any Person and no declaration to or filing or registration with any Governmental Authority is required in connection with the execution and delivery by the Purchaser of this Agreement or all other agreements and instruments to be executed by the Purchaser or the performance by the Purchaser of its obligations hereunder or thereunder.

(4) *Enforceability of Obligations.* This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms. There is no Legal Proceeding in progress, pending, or threatened against or affecting the Purchaser, and there are no grounds on which any such Legal Proceeding might be commenced and there is no Order outstanding against or affecting the Purchaser which, in any such case, affects adversely or might affect adversely the ability of the Purchaser to enter into this Agreement or to perform its obligations hereunder.

(5) *ICA.* The Purchaser either is not a "non-Canadian" within the meaning of the *ICA*, or, if the Purchaser is a "non-Canadian", the Purchaser is a "WTO investor" within the meaning of the *ICA*.

(6) *Excise Tax Act.* The Purchaser is registered for GST/HST purposes under Part IX of the *Excise Tax Act (Canada)* and for QST purposes pursuant to the *Act respecting the Québec sales tax*, and its registration numbers are:

- (a) GST/HST - 866792757
- (b) QST - 1022337200TQ0001

(7) *Commissions.* The Vendors will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Purchaser.

(8) *Sufficient Funds.* The Purchaser has sufficient financial resources or has arranged sufficient financing for it to pay on Closing the Purchase Price and the Transfer Taxes and any and all other amounts payable by the Purchaser hereunder.

**4.2 Representations and Warranties of the Vendors.** As a material inducement to the Purchaser's entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Vendors set out in this Section 4.2, the Vendors severally represent and warrant to the Purchaser as follows:

(1) *Incorporation and Corporate Power.* Wabush Iron is a corporation incorporated, organized and subsisting under the laws of the State of Ohio. Wabush Resources is a corporation incorporated, organized and subsisting under the federal laws of Canada. Subject to the granting of the Approval and Vesting Order, the Vendors have the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform their other obligations under this Agreement and under all such other agreements and instruments.

(2) *Authorization by Vendors.* Subject to the granting of the Approval and Vesting Order, the execution and delivery of this Agreement and all other agreements and instruments to be executed by it as contemplated herein and the completion of the transactions contemplated by this Agreement and all such other agreements and instruments have been duly authorized by all necessary corporate action on the part of the Vendors.

(3) *Enforceability of Obligations.* Subject to the granting of the Approval and Vesting Order, this Agreement constitutes a valid and binding obligation of the Vendors enforceable against the Vendors in accordance with its terms.

(4) *ITA and TAQ.* Wabush Resources is not a non-resident of Canada for purposes of the ITA and the TAQ, whereas Wabush Iron is a non-resident of Canada for purposes of the ITA and the TAQ.

(5) *Excise Tax Act.* The Vendors are registered for GST/HST purposes under Part IX of the *Excise Tax Act* (Canada) and for QST purposes pursuant to the *Act respecting the Québec sales tax* and their GST/HST and QST numbers are:

**Wabush Iron:**

- (a) GST/HST - 105566251
- (b) QST – 1000549114

**Wabush Resources:**

- (a) GST/HST - 881498307
- (b) QST – 1205018022

(6) *Commissions.* The Purchaser will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Vendors. The Vendors will be responsible for payment of any fees and other amounts charged by the Sale Advisor.



**4.3 As is, Where is.** Notwithstanding any other provision of this Agreement, the Purchaser acknowledges, agrees and confirms that:

(1) except for the representations and warranties of the Vendors set forth in Section 4.2, it is entering into this Agreement, acquiring the Purchased Assets on an "as is, where is" basis as they exist as of the Closing Time and will accept the Purchased Assets in their state, condition and location as of the Closing Time except as expressly set forth in this Agreement and the sale of the Purchased Assets is made without legal warranty and at the risk and peril of the Purchaser;

(2) it has conducted to its satisfaction such independent searches, investigations and inspections of the Purchased Assets as it deemed appropriate, and based solely thereon, has determined to proceed with the transactions contemplated by this Agreement;

(3) except as expressly stated in Section 4.2, neither the Vendors nor any other Person is making, and the Purchaser is not relying on, any representations, warranties, statements or promises, express or implied, statutory or otherwise, concerning the Purchased Assets, the Environmental Liabilities or the Vendors' right, title or interest in or to the Purchased Assets, including with respect to merchantability, physical or financial condition, description, fitness for a particular purposes, suitability for development, title, description, use or zoning, environmental condition, existence of latent defects, quality, quantity or any other thing affecting any of the Purchased Assets or the Environmental Liabilities or in respect of any other matter or thing whatsoever, including any and all conditions, warranties or representations expressed or implied pursuant to any Applicable Law in any jurisdiction, which the Purchaser confirms do not apply to this Agreement and are hereby waived in their entirety by the Purchaser;

(4) without limiting the generality of the foregoing, no representation, warranty or covenant is given by any member of the SISP Team or any of the SISP Team's Representatives that Purchased Assets are or can be made operational within a specified time frame or will achieve any particular level of service, use, production capacity or actual production if made operational;

(5) without limiting the generality of the foregoing, except as expressly stated in Section 4.2, the Vendors have made no representation or warranty as to any regulatory approvals, consents or authorizations that may be needed to complete the transactions contemplated by this Agreement and the Purchaser is relying entirely on its own investigation, due diligence and inquiries in connection with such matters;

(6) all written and oral information obtained from any member of the SISP Team or any of the SISP Team's Representatives, including in any teaser letter, asset listing, confidential information memorandum or other document made available to the Purchaser (including in certain "data rooms", management presentations, site visits and diligence meetings or telephone calls), with respect to the Purchased Assets and the Environmental Liabilities has been obtained for the convenience of the Purchaser only, and no member of the SISP Team nor any of the SISP Team's Representatives have made any representation or warranty, express or implied, statutory or otherwise as to the accuracy or completeness of any such information;

(7) any information regarding or describing the Purchased Assets and the Environmental Liabilities in this Agreement (including the Schedules hereto), or in any other agreement or instrument contemplated hereby, is for identification purposes only, is not relied upon by the Purchaser, and no representation, warranty or condition, express or implied, has or will be given by any member of the SISP Team or any of the SISP Team's Representatives, or

any other Person concerning the completeness or accuracy of such information or descriptions; and

(8) except as otherwise expressly provided in this Agreement, the Purchaser hereby unconditionally and irrevocably waives any and all actual or potential rights or claims the Purchaser might have against the Vendors, any member of the SISP Team or any of the SISP Team's Representatives pursuant to any warranty, express or implied, legal or conventional, of any kind or type, other than those representations and warranties expressly set forth in Section 4.2. Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties contained in the *Civil Code of Québec*, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights.

For greater certainty and without limiting the generality of the foregoing, the Parties hereby agree to exclude altogether the effect of the legal warranty provided for by article 1716 of the *Civil Code of Québec* and that the Purchaser is purchasing the Purchased Assets at its own risk within the meaning of article 1733 of the *Civil Code of Québec*. This Section 4.3 shall not merge on Closing and is deemed incorporated by reference in all closing documents and deliveries. The Purchaser shall have no recourse or claim of any kind against the proceeds of the transactions contemplated by this Agreement following Closing.

## ARTICLE 5 COVENANTS

**5.1 Target Closing Date.** The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on the Target Closing Date.

**5.2 Motion for Approval and Vesting Order.** Pursuant to and subject to the terms of the SISP, the Vendors shall file with the Court, as soon as practicable after its execution and delivery of this Agreement, a motion seeking the Court's issuance of the Approval and Vesting Order. The Vendors shall diligently use their commercially reasonable efforts to seek the issuance and entry of the Approval and Vesting Order. The Purchaser shall cooperate with the Vendors in their efforts to obtain the issuance and entry of the Approval and Vesting Order. The Purchaser, at its own expense, will promptly provide to the Vendors and the Monitor all such information within its possession or under its control as the Vendors or the Monitor may reasonably require to obtain the Approval and Vesting Order.

**5.3 Access During Interim Period.** During the Interim Period, the Vendors shall, subject to any confidentiality or safety restrictions, give, or cause to be given, to the Purchaser and its Representatives reasonable access during normal business hours to the Purchased Assets, including the Books and Records, to conduct such investigations, inspections, surveys or tests thereof and of the financial and legal condition of the Purchased Assets as the Purchaser deems reasonably necessary or desirable to further familiarize itself with the Purchased Assets. Without limiting the generality of the foregoing, the Purchaser shall be permitted reasonable access during normal business hours to all documents relating to information scheduled or required to be disclosed under this Agreement. Such investigations, inspections, surveys and tests shall be carried out at the Purchaser's sole and exclusive risk, during normal business hours and the Vendors shall co-operate reasonably in facilitating such investigations, inspections, surveys and tests and shall furnish copies of all such documents and materials relating to such matters as may be reasonably requested by or on behalf of the Purchaser.

**5.4 Transaction Personal Information.** Each Party shall comply with Privacy Law in the course of collecting, using and disclosing Transaction Personal Information. The Purchaser shall collect Transaction Personal Information prior to Closing only for purposes related to the transactions contemplated by this Agreement. Following the Closing, the Purchaser shall not, without the consent of the individuals to whom such Personal Information relates or as permitted or required by Applicable Law, use or disclose Transaction Personal Information:

- (1) for purposes other than those for which such Transaction Personal Information was collected by the Vendor prior to the Closing; and
- (2) which does not relate directly to the carrying out of the purposes for which the transactions contemplated by this Agreement were implemented.

The Purchaser shall protect and safeguard the Transaction Personal Information against unauthorized collection, use or disclosure, as provided by Privacy Law. The Purchaser shall cause its Representatives to observe the terms of this Section 5.4 and to protect and safeguard Transaction Personal Information in their possession in accordance with Privacy Law.

**5.5 Risk of Loss.** The Purchased Assets shall be at the risk of the Vendors until Closing. If before the Closing all or substantially all of the Purchased Assets are lost, damaged or destroyed or are expropriated or seized by any Governmental Authority or any other Person in accordance with Applicable Law or if notice of any such expropriation or seizure shall have been given in accordance with Applicable Law, the Purchaser, in its discretion, acting reasonably, shall have the option, exercisable by notice to the Vendors given prior to the Closing Time to terminate this Agreement, as provided in Section 8.1.

**5.6 Care and Maintenance During Interim Period.** During the Interim Period, the Vendors shall continue to maintain the Purchased Assets, in substantially the same state as it was on the date of this Agreement.

**5.7 Indemnity.** The Purchaser hereby indemnifies the Vendors, the Vendors' Affiliates and their respective Representatives, and save them fully harmless against, and will reimburse or compensate them for, any Damages arising from, in connection with or related in any manner whatsoever to:

- (1) Any Taxes including Transfer Taxes (including penalties and interest) which may be assessed against any Vendor;
- (2) the Purchaser's access in accordance with Section 5.3; and
- (3) any Environmental Liabilities.

**5.8 Books and Records.** The Purchaser shall preserve and keep the Books and Records acquired by it pursuant to this Agreement for a period of six (6) years after Closing, or for any longer periods as may be required by any Laws applicable to such Books and Records. The Purchaser shall make such Books and Records, as well as electronic copies of such books and records (to the extent reasonably feasible), available to the Monitor and the Vendors, its successors, and any trustee in bankruptcy or receiver of the Vendors, and shall, at such party's expense, permit any of the foregoing persons to take copies of such Books and Records as they may require.

**5.9 Environmental Liabilities.** The Purchaser acknowledges and agrees that upon Closing, the Purchaser shall become responsible for the payment, performance and discharge of all Environmental Liabilities related to the Purchased Assets, including, as applicable, all obligations of any kind whatsoever under Environmental Laws relating to the Purchased Assets whether arising before, at or after the Closing.

**5.10 Cooperation.** Each Party shall, as promptly as possible, use commercially reasonable efforts to obtain, or cause to be obtained, all consents, authorizations, orders and approvals from all Governmental Authorities that may be or become necessary for its execution and delivery of this Agreement and the performance of its obligations pursuant to this Agreement (including for purpose of clarity any additional letters patent that may be required to fully effect the transaction contemplated pursuant hereto). Each Party shall cooperate reasonably with the other Party and its Affiliates in promptly seeking to obtain all such consents, authorizations, orders and approvals. The Parties shall not willfully take any action that will have the effect of delaying, impairing or impeding the receipt of any required consents, authorizations, orders and approvals. Without limiting the generality of the foregoing, the Vendors undertakes to execute any document to effect any cadastral modification that may be necessary as a result of the transactions contemplated pursuant hereto, it being understood that the costs and fees associated to such cadastral modification shall be borne solely by the Purchaser.

**5.11 Cooperation and Consultation with Governmental Authorities.** All analyses, appearances, meetings, discussions, presentations, memoranda, briefs, filings, arguments, and proposals made by or on behalf of either Party before any Governmental Authority or the staff or regulators of any Governmental Authority, in connection with the consummation of the transactions contemplated hereunder (but, for the avoidance of doubt, not including any interactions between the Vendors or the Purchaser with Governmental Authorities in the ordinary course of business, any disclosure which is not permitted by Law or any disclosure containing confidential information) shall be disclosed to the other Party hereunder in advance of any filing, submission or attendance, it being the intent that the Parties will consult and cooperate with one another, and consider in good faith the views of one another, in connection with any such analyses, appearances, meetings, discussions, presentations, memoranda, briefs, filings, arguments, and proposals. Each Party shall give notice to the other Party with respect to any meeting, discussion, appearance or contact with any Governmental Authority or the staff or regulators of any Governmental Authority, with such notice being sufficient to provide the other Party with the opportunity to attend and participate in such meeting, discussion, appearance or contact.

## **ARTICLE 6 CLOSING ARRANGEMENTS**

**6.1 Closing.** The Closing shall take place at 10:00 a.m. Eastern time (the "Closing Time") on the Closing Date at the offices of the Vendors' counsel in Montréal, Québec, or at such other

time on the Closing Date or such other place as may be agreed orally or in writing by the Vendors and the Purchaser.

**6.2 Vendors' Closing Deliveries.** At the Closing, the Vendors shall deliver or cause to be delivered to the Purchaser the following:

- (1) the Purchased Assets, provided that delivery shall occur *in situ* wheresoever such Purchased Assets are located at the Closing Time;
- (2) a true copy of the Approval and Vesting Order;
- (3) the Deed of Sale, duly executed by the Vendors;
- (4) a bring-down certificate executed by a senior officer of the Vendors dated as of the Closing Date, in form and substance satisfactory to the Purchaser, acting reasonably, certifying that (i) all of the representations and warranties of the Vendors hereunder remain true and correct in all material respects as of the Closing Date, and (ii) all of the terms and conditions set out in this Agreement to be complied with or performed by the Vendors at or prior to Closing have been complied with or performed by the Vendors in all material respects; and
- (5) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

**6.3 Purchaser's Closing Deliveries.** At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendors (or to the Monitor, if so indicated below), the following:

- (1) the payment referred to in Section 3.2(2), which shall be remitted to the Monitor;
- (2) a bring-down certificate executed by a senior officer of the Purchaser dated as of the Closing Date, in form and substance satisfactory to the Vendors, acting reasonably, certifying that (a) all of the representations and warranties of the Purchaser hereunder remain true and correct in all material respects as of the Closing Date, and (b) all of the terms and conditions set out in this Agreement to be complied with or performed by the Purchaser at or prior to Closing have been complied with or performed by the Purchaser in all material respects;
- (3) the Deed of Sale, duly executed by the Purchaser; and
- (4) such other agreements, documents and instruments and Deeds of Sale as may be reasonably required by the Vendors to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

## ARTICLE 7 CONDITIONS OF CLOSING

**7.1 Purchaser's Conditions.** The Purchaser shall not be obligated to complete the transactions contemplated by this Agreement, unless, at or before the Closing Time, each of the conditions listed below in this Section 7.1 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Purchaser, and may be waived by the

Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. The Vendors shall take all such actions, steps and proceedings as are reasonably within their control as may be necessary to ensure that the conditions listed below in this Section 7.1 are fulfilled at or before the Closing Time.

(1) *Court Approval.* The Approval and Vesting Order shall have been issued and entered by the Court and shall not have been vacated, set aside or stayed.

(2) *Vendors' Deliverables.* The Vendors shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 6.2.

(3) *No Violation of Orders or Law.* During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has the effect of (a) making any of the transactions contemplated by this Agreement illegal, or (b) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement.

(4) *No Breach of Representations and Warranties.* Each of the representations and warranties contained in Section 4.2 shall be materially true and correct (i) as of the Closing Date as if made on and as of such date or (ii) if made as of a date specified therein, as of such date.

(5) *No Breach of Covenants.* The Vendor shall have performed in all material respects all material covenants, obligations and agreements contained in this Agreement required to be performed by the Vendor on or before the Closing.

**7.2 Vendors' Conditions.** The Vendors shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 7.2 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Vendors, and may be waived by the Vendors in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Vendors only if made in writing. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser's control as may be necessary to ensure that the conditions listed below in this Section 7.2 are fulfilled at or before the Closing Time.

(1) *Court Approval.* The Approval and Vesting Order shall have been issued and entered by the Court and shall not have been vacated, set aside or stayed.

(2) *Purchaser's Deliverables.* The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendors at the Closing all the documents and payments contemplated in Section 6.3.

(3) *No Violation of Orders or Law.* During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has the effect of (a) making any of the transactions contemplated by this Agreement illegal, or (b) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement.

(4) *No Breach of Representations and Warranties.* Each of the representations and warranties contained in Section 4.1, shall be materially true and correct (i) as of the Closing

Date as if made on and as of such date or (ii) if made as of a date specified therein, as of such date.

(5) *No Breach of Covenants.* The Purchaser shall each have performed in all material respects all material covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.

**7.3 Monitor's Certificate.** When the conditions to Closing set out in Section 7.1 and Section 7.2, have been satisfied and/or waived by the Vendors or the Purchaser, as applicable, the Vendors and the Purchaser will each deliver to the Monitor written confirmation that such conditions of Closing, as applicable, have been satisfied and/or waived (the "**Conditions Certificates**"). Upon receipt of payment in full of the Purchase Price and of each of the Conditions Certificates, the Monitor shall (i) issue forthwith its Monitor's Certificate concurrently to the Vendors and the Purchaser, at which time the Closing will be deemed to have occurred; and (ii) file as soon as practicable a copy of the Monitor's Certificate with the Court (and shall provide a true copy of such filed certificate to the Vendors and the Purchaser). In the case of (i) and (ii), above, the Monitor will be relying exclusively on the basis of the Conditions Certificates and without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

## **ARTICLE 8 TERMINATION**

**8.1 Grounds for Termination.** This Agreement may be terminated on or prior to the Closing Date:

- (1) by the mutual written agreement of the Vendors and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require either the consent of the Monitor, or approval of the Court;
- (2) by written notice from the Purchaser to the Vendors in accordance with Section 5.5;
- (3) by the Purchaser, on the one hand, or by the Vendors, on the other hand, upon written notice to the other Parties if (i) the Approval and Vesting Order has not been obtained by February 15, 2016 or (ii) the Court declines at any time to grant the Approval and Vesting Order, in each case for reasons other than a breach of this Agreement by either the Purchaser, on the one hand, or the Vendors, on the other hand;
- (4) by written notice from the Purchaser to the Vendors if there has been a material breach by the Vendors of any representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and (i) such breach is not curable and has rendered the satisfaction of any condition in Section 7.1 impossible by the Outside Date, or (ii) if such breach is curable, the Purchaser has provided prior written notice of such breach to the Vendors, and such breach has not been cured within ten (10) days following the date upon which the Vendors received such notice;
- (5) by written notice from the Purchaser to the Vendors any time after the Outside Date, if the Closing has not occurred by the Outside Date for reasons other than

as set out in Section 8.1(3), and such failure to close was not caused by or as a result of the Purchaser's breach of this Agreement;

- (6) by written notice from the Vendors to the Purchaser if there has been a material breach by the Purchaser of any representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendors, and (i) such breach is not curable and has rendered the satisfaction of any condition in Section 7.2 impossible by the Outside Date, or (ii) if such breach is curable, the Vendors have provided prior written notice of such breach to the Purchaser, and such breach has not been cured within ten (10) days following the date upon which the Purchaser received such notice; or
- (7) by written notice from the Vendors to the Purchaser any time after the Outside Date, if the Closing has not occurred by the Outside Date for reasons other than as set out in Section 8.1(3), and such failure to close is not caused by or as a result of the Vendors' breach of this Agreement.

**8.2 Effect of Termination.** If this Agreement is terminated pursuant to Section 8.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder, except as contemplated in Sections, 5.4 (*Transaction Personal Information*), 8.3 (*Treatment of Deposit*), 9.2 (*Expenses*), 9.3 (*Public Announcements*), 9.4 (*Notices*), 9.8 (*Amendment*), 9.12 (*Governing Law*), 9.13 (*Dispute Resolution*), 9.14 (*Attornment*), 10.15 (*Successors and Assigns*), 9.16 (*Assignment*), 9.17 (*Monitor's Capacity*), 9.18 (*Third Party Beneficiaries*) and 9.20 (*Language*), which shall survive such termination. For the avoidance of doubt, any Liability incurred by a Party prior to the termination of this Agreement shall survive such termination.

### **8.3 Treatment of Deposit.**

(1) *Retention of Deposit.* In the event that this Agreement is terminated by the Vendors pursuant to Section 8.1(6) or 8.1(7), the Deposit shall be forfeited by the Purchaser and retained by the Monitor on behalf of the Vendors as a genuine estimate of liquidated damages, and not as a penalty. The retention of the Deposit by the Vendors shall be the Vendors' sole and exclusive remedy for any termination of this Agreement.

(2) *Return of Deposit.* In the event that this Agreement is terminated pursuant to Section 8.1(1), 8.1(2), 8.1(3), 8.1(4) or 8.1(5) the Deposit shall be returned to the Purchaser. The return of the Deposit shall be the Purchaser's sole and exclusive remedy for any termination of this Agreement.

(3) *GST/HST Gross Up.* In the event that any payment or forfeiture under this Agreement is deemed by the *Excise Tax Act* (Canada) to include GST/HST, or is deemed by the *Act respecting the Québec Sales Tax* to include QST, the amount of such payment or forfeiture shall be increased accordingly.

## **ARTICLE 9 GENERAL**

**9.1 Survival.** All representations, warranties, covenants and agreements of the Vendors or the Purchaser made in this Agreement or any other agreement, certificate or instrument delivered pursuant to this Agreement shall not survive the Closing except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or



obligations extending after the Closing, or as otherwise expressly provided in this Agreement. For greater certainty, Sections 3.3 (*Taxes*), 4.3 (*As is, Where is*), 5.4 (*Transaction Personal Information*), 5.7 (*Indemnity*), 5.8 (*Books and Records*), 6.9 (*Environmental Liabilities*), 10.1 (*Survival*), 9.2 (*Expenses*), 9.3 (*Public Announcements*), 9.4 (*Notices*), 9.8 (*Amendment*), 9.12 (*Governing Law*), 9.13 (*Dispute Resolution*), 9.14 (*Attornment*), 9.15 (*Successors and Assigns*), 9.16 (*Assignment*), 9.17 (*Monitor's Capacity*), 9.18 (*Third Party Beneficiaries*) and 9.20 (*Language*), shall survive Closing.

**9.2 Expenses.** Except as otherwise expressly provided herein, each Party shall be responsible for all costs and expenses (including any Taxes imposed on such expenses) incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisers). Notwithstanding the foregoing, the cost of retaining a notary and a land surveyor, if deemed necessary by the Purchaser, in connection with the preparation of the Deed of Sale and its registration in the appropriate land registry, shall be borne by the Purchaser.

**9.3 Public Announcements.** The Vendors shall be entitled to disclose this Agreement and all information provided by the Purchaser in connection herewith to the Court and parties in interest in the CCAA Proceedings, and this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein), the Vendors and the Purchaser shall not issue (prior to or after the Closing) any press release or make any public statement or public communication with respect to this Agreement or the transactions contemplated hereby without the prior written consent of the other Party, which shall not be unreasonably withheld or delayed, provided, however, that a Party may, without the prior consent of the other Party, issue such press release or make such public statement as may, upon the advice of counsel, be required by Applicable Law or by any Governmental Authority with competent jurisdiction including any applicable securities Laws. Notwithstanding any other provision of this Agreement, the Purchaser shall not disclose the quantum of the Purchase Price or Deposit to any Person prior to the Closing without the prior written consent of the Vendors and the Monitor.

**9.4 Notices.**

(1) *Mode of Giving Notice.* Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service, or (iii) sent by e-mail or other similar means of electronic communication, in each case to the applicable address set out below:

(1) if to the Vendors, to:

c/o Cliffs Québec Iron Mining ULC.  
1155 Robert Bourassa Boul (formerly University Street)  
Suite 508, Montréal, QC H3B 3A7

Attention: James Graham, Executive Vice President  
General Counsel and Secretary AND  
Clifford T. Smith, Executive Vice President

Email: [James.Graham@CliffsNR.com](mailto:James.Graham@CliffsNR.com) / [Clifford.Smith@CliffsNR.com](mailto:Clifford.Smith@CliffsNR.com)

with a copy (which shall not constitute notice) to:

Blake, Cassels & Graydon LLP  
199 Bay Street, Suite 4000, Commerce Court West  
Toronto, ON M5L 1A9  
Attention: Thomas A. McKee/ Milly Chow  
Email: [tom.mckee@blakes.com](mailto:tom.mckee@blakes.com) / [milly.chow@blakes.com](mailto:milly.chow@blakes.com)

(2) if to the Purchaser, to:

Administration Portuaire de Sept-Îles/Sept-Îles Port Authority  
1, Quai Mgr-Blanche  
Sept-Îles (Québec) G4R 5P3  
Attention: Mr. Pierre Gagnon, President & CEO  
Email: [pgagnon@portsi.com](mailto:pgagnon@portsi.com)

with a copy (which shall not constitute notice) to:

Fasken Martineau DuMoulin LLP  
Stock Exchange Tower  
Suite 3700, P.O. Box 242  
800, Place Victoria  
Montréal, Québec, H4Z 1E9  
Attention: Luc Morin / Guillaume-Pierre Michaud  
Email: [lmorin@fasken.com](mailto:lmorin@fasken.com) / [gmichaud@fasken.com](mailto:gmichaud@fasken.com)

(3) and in either case, with a copy to the Monitor, to:

FTI Consulting Canada Inc.  
TD South Tower, 790 Wellington Street West  
Toronto Dominion Centre, Suite 2010, P.O. Box 104  
Toronto, ON M5K 1G8  
Attention: Nigel Meakin  
Email: [nigel.meakin@fticonsulting.com](mailto:nigel.meakin@fticonsulting.com)

and

Norton Rose Fullbright Canada LLP  
1 Place Ville Marie, Suite 2500  
Montréal, QC H3B1R1  
Attention: Sylvain Rigaud  
Email: [sylvain.rigaud@nortonrosefulbright.com](mailto:sylvain.rigaud@nortonrosefulbright.com)

(2) *Deemed Delivery of Notice.* Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 5:00 p.m. Eastern on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

(3) *Change of Address.* Any Party may from time to time change its address under this Section 9.4 by notice to the other Party given in the manner provided by this Section 9.4.

**9.5 Time of Essence.** Time shall be of the essence of this Agreement in all respects.

**9.6 Further Assurances.** The Vendors and the Purchaser shall, at the sole expense of the requesting Party, from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Party may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

**9.7 Entire Agreement.** Other than any confidentiality agreement, non-disclosure agreement or similar undertaking or agreement signed by the Purchaser in favour of the CCAA Parties, or any of them, which remain in full force and effect, unamended by this Agreement, this Agreement and the agreements contemplated hereby constitute the entire agreement between the Parties or any of them pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, (including the letter of intent submitted by the Purchaser pursuant to the SISP dated May 19, 2015. There are no conditions, representations, warranties, obligations or other agreements between the Parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as explicitly set out in this Agreement.

**9.8 Amendment.** No amendment of this Agreement shall be effective unless made in writing and signed by the Parties.

**9.9 Waiver.** A waiver of any default, breach or non-compliance under this Agreement shall not be effective unless in writing and signed by the Party to be bound by the waiver and then only in the specific instance and for the specific purpose for which it has been given. No waiver shall be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

**9.10 Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

**9.11 Remedies Cumulative.** The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

**9.12 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Québec and the laws of Canada applicable therein.

**9.13 Dispute Resolution.** If any dispute arises with respect to the interpretation or enforcement of this Agreement, including as to what constitutes a breach or material breach of

this Agreement for the purposes of Article 8, such dispute shall be determined by the Court within the CCAA Proceedings, or by such other Person or in such other manner as the Court may direct. Without prejudice to the ability of the Vendors to enforce this Agreement in any other proper jurisdiction, the Purchaser and the Vendors irrevocably submit and attorn to the non-exclusive jurisdiction of the courts of Québec.

**9.14 Attornment.** Each Party agrees (a) that any Legal Proceeding relating to this Agreement may (but need not) be brought in the Court, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of the Court; (b) that it irrevocably waives any right to, and shall not, oppose any such Legal Proceeding in the Court on any jurisdictional basis, including *forum non conveniens*; and (c) not to oppose the enforcement against it in any other jurisdiction of any Order duly obtained from the Court as contemplated by this Section 9.14. Each Party agrees that service of process on such Party as provided in Section 9.4 shall be deemed effective service of process on such Party.

**9.15 Successors and Assigns.** This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns.

**9.16 Assignment.** Prior to the issuance of the Approval and Vesting Order, the Purchaser may assign all of its rights and obligations under this Agreement to an Affiliate, provided that (a) the Purchaser shall remain liable to perform all of its obligations hereunder, and (b) the Purchaser and its assignee execute and deliver to the Vendors an assignment and assumption agreement, in form and substance satisfactory to the Vendors, acting reasonably, evidencing such assignment. Other than in accordance with the preceding sentence, neither the Purchaser nor the Vendors may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement.

**9.17 Monitor's Capacity.** The Purchaser acknowledges and agrees that the Monitor, acting in its capacity as the Monitor of the Vendors and the other CCAA Parties in the CCAA Proceedings, will have no Liability in connection with this Agreement whatsoever in its capacity as Monitor, in its personal capacity or otherwise.

**9.18 Third Party Beneficiaries.** This Agreement is for the sole benefit of the Parties, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

**9.19 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Party by e-mail in pdf format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

**9.20 Language.** The Parties have required that this Agreement and all deeds, documents and notices relating to this Agreement be drawn up in the English language. Les parties aux présentes ont exigé que le présent contrat et tous autres contrats, documents ou avis afférents aux présentes soient rédigés en langue anglaise.

**[REMAINDER OF THE PAGE INTENTIONALLY LEFT BLANK. SIGNATURE PAGE  
FOLLOWS]**

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IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**WABUSH IRON CO. LIMITED**

By: Clifford T Smith  
Name: Clifford Smith  
Title: President

I have authority to bind the corporation

**WABUSH RESOURCES INC.**

By: Clifford T Smith  
Name: Clifford Smith  
Title: President

I have authority to bind the corporation

**ADMINISTRATION PORTUAIRE DE SEPT-ÎLES /  
SEPT-ÎLES PORT AUTHORITY**

By: Pierre Gagnon  
Name: Pierre Gagnon  
Title: President & CEO

I have authority to bind the corporation.

**Schedule "A"**  
**Form of Approval and Vesting Order**

**SUPERIOR COURT**  
(Commercial Division)

CANADA

PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

N°: 500-11-048114-157

DATE: [DATE]\_\_, 2016

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**PRESIDING: [THE HONOURABLE STEPHEN W. HAMILTON J.S.C.]**

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

**WABUSH IRON CO. LIMITED**

**WABUSH RESOURCES INC.**

Petitioners

-and-

**WABUSH MINES**

Mise-en-cause

-and-

**ADMINISTRATION PORTUAIRE DE SEPT-ÎLES / SEPT-ÎLES PORT AUTHORITY**

Mise-en-cause

-and-

**THE LAND REGISTRAR FOR THE REGISTRY OFFICE FOR THE REGISTRATION DIVISION  
OF SEPT-ÎLES**

Mise-en-cause

-and-

**FTI CONSULTING CANADA INC.**

Monitor

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**APPROVAL AND VESTING ORDER**

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- [1] **ON READING** the Petitioners' *Motion for the Issuance of an Approval and Vesting Order* (the "Motion"), the affidavit and the exhibits in support thereof, as well as the [NUMBER] Report of the Monitor dated [REDACTED], 2016 (the "Report");
- [2] **SEEING** the service of the Motion;
- [3] **SEEING** the submissions of the Petitioners' and the Monitor's attorneys and the submissions of [REDACTED];
- [4] **SEEING** that it is appropriate to issue an order approving the transaction (the "Transaction") contemplated by the agreement entitled Asset Purchase Agreement (the "Purchase Agreement") dated as of January 26, 2016 by and among the Petitioners *Wabush Iron Co. Limited* and *Wabush Resources Inc.*, as vendors (collectively, the "Vendors"), and *Administration Portuaire de Sept-Îles / Sept-Îles Port Authority* as purchaser (the "Purchaser"), a copy of which was filed as Exhibit R-[●] to the Motion, and vesting in the Purchaser all of the Vendors' right, title and interest in and to all of the Purchased Assets (as defined in the Purchase Agreement).

**FOR THESE REASONS, THE COURT HEREBY:**

- [5] **GRANTS** the Motion.
- [6] **ORDERS** that all capitalized terms in this Order shall have the meaning given to them in the Purchase Agreement unless otherwise indicated herein.

**SERVICE**

- [7] **ORDERS** that any prior time period for the presentation of this Motion is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
- [8] **PERMITS** service of this Order at any time and place and by any means whatsoever.

**SALE APPROVAL**

- [9] **ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Purchase Agreement by the Vendors is hereby authorized and approved, *nunc pro tunc*.
- [10] **AUTHORIZES AND DIRECTS** the Monitor to hold the Deposit, *nunc pro tunc*, and to apply, disburse and/or deliver the Deposit or the applicable portions thereof in accordance with the provisions of the Purchase Agreement and this Order.

**EXECUTION OF DOCUMENTATION**

- [11] **AUTHORIZES AND DIRECTS** the Vendors, the Purchaser and the Monitor to perform all acts, sign all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or undertaking stipulated in or contemplated by the Purchase Agreement (Exhibit R-[●]), with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to but only with the consent of the Monitor, and any other ancillary document which could be required or useful to give full and complete effect thereto.

### AUTHORIZATION

- [12] **ORDERS and DECLARES** that this Order shall constitute the only authorization required by the Vendors to proceed with the Transaction and that no shareholder approval, if applicable, shall be required in connection therewith.

### VESTING OF THE PURCHASED ASSETS

- [13] **ORDERS and DECLARES** that upon the issuance of a Monitor's certificate substantially in the form appended as **Schedule "A"** hereto (the "**Certificate**"), all rights, title and interest in and to the Purchased Assets shall vest free and clear, absolutely and exclusively in and with the Purchaser, from any and all right, title, benefits, priorities, claims (including claims provable in bankruptcy in the event that the Vendors should be adjudged bankrupt), liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, charges, hypothecs, mortgages, pledges, trusts, deemed trusts (whether contractual, statutory, or otherwise), assignments, judgments, executions, writs of seizure or execution, notices of sale, options, agreements, rights of distress, legal, equitable or contractual setoff, adverse claims, levies, taxes, disputes, debts, charges, options to purchase, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer of title, or other claims or encumbrances, whether or not they have attached or been perfected, registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**" ), including without limiting the generality of the foregoing all Encumbrances created by order of this Court and all charges, security interests or charges evidenced by registration, publication or filing pursuant to the Civil Code of Québec, or any other applicable legislation providing for a security interest in personal or movable property, excluding however, the permitted encumbrances, easements and restrictive covenants listed on **Schedule "B"** hereto (the "**Permitted Encumbrances**") and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Assets, other than the Permitted Encumbrances, be expunged and discharged as against the Purchased Assets, in each case effective as of the applicable time and date of the Certificate.
- [14] **ORDERS and DIRECTS** the Monitor, upon receipt of payment in full of the Purchase Price and of each of the Conditions Certificates, to (i) issue forthwith the Certificate concurrently to the Vendors and the Purchaser; and (ii) file forthwith after issuance thereof a copy of the Certificate with the Court.
- [15] **DECLARES** that the Monitor shall be at liberty to rely exclusively on the Conditions Certificates in issuing the Certificate, without any obligation to independently confirm or verify the waiver or satisfaction of the applicable conditions.
- [16] **AUTHORIZES and DIRECTS** the Monitor to receive and hold the Purchase Price and to remit the Purchase Price in accordance with the provisions of this Order.

### CANCELLATION OF SECURITY REGISTRATIONS

- [17] **ORDERS** the Land Registrar of the Registry Office for the Registration Division of Sept-Îles, upon presentation of the Certificate in the form appended as Schedule "A" and a certified copy of this Order accompanied by the required application for registration and upon payment of the prescribed fees, to publish this Order and (i) to make an entry on the Land Register showing the Purchaser as the owner of the immovable property identified in **Schedule "C"** hereto (the "**Immovable Property**") and (ii) to cancel any and all Encumbrances on the Immovable Property (other than Permitted Encumbrances), including, without limitation, the registrations published at the said Registry Office listed on **Schedule "D"** hereto.

**NET PROCEEDS**

- [18] **ORDERS** that the Purchase Price payable to the Vendors in accordance with the Purchase Agreement (the "**Net Proceeds**") shall be remitted to the Monitor and shall, subject to the provisions of this Order, be held by the Monitor on behalf of the Vendors pending further order of the Court.
- [19] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the Net Proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that upon issuance of the Certificate, all Encumbrances except for the Permitted Encumbrances shall attach to the Net Proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the Closing, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the Closing.
- [20] **ORDERS** that upon the issuance of the Certificate, the Purchaser shall have no recourse or claim of any kind against the Net Proceeds.

**RELEASE OF FUNDS TO FUND COSTS AND EXPENSES OF THE WABUSH CCAA PARTIES**

- [21] **AUTHORIZES and DIRECTS** the Monitor to fund the costs and expenses of the Wabush CCAA Parties (the "**Expense Payments**") by way of weekly draws against the Net Proceeds, on the basis of cash flow projections to be prepared by the Wabush CCAA Parties from time to time and as approved by the Monitor and subject to the Monitor holding such reserves as it considers necessary to secure the CCAA Charges (as defined in the initial order rendered by this Court dated May 20, 2015, as amended, rectified, restated or otherwise modified from time to time).
- [22] **ORDERS** that notwithstanding:
- a) the pendency of these proceedings;
  - b) any assignment in bankruptcy;
  - c) any application for a bankruptcy or receivership order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act (the "**BIA**") or otherwise and any order issued pursuant to any such application; or
  - d) the provisions of any federal or provincial legislation;

the remittance of the Expense Payments in accordance with this Order is to be binding on any trustee in bankruptcy or receiver that may be appointed, and shall not be void or voidable nor deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Vendors, the Purchaser or the Monitor, and shall not constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- [23] **AUTHORIZES** the Monitor to take any and all steps which the Monitor, in its sole discretion and in consultation with the Vendors, may deem necessary in order to give effect to the above order for the Expense Payments. Any such payments made by the Monitor will be made without prejudice to any arguments concerning the allocation of such payments amongst the Vendors and the Vendors will subsequently bring a motion on notice to the service list for an order allocating the payments amongst the Vendors.

### **PROTECTION OF PERSONAL INFORMATION**

[24] **ORDERS** that, pursuant to sub-section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or any similar provision of any applicable provincial legislation, the Vendors are authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Vendors' records pertaining to the Vendors' past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Vendors.

### **VALIDITY OF THE TRANSACTION**

[25] **ORDERS** that notwithstanding:

- a) the pendency of these proceedings;
- b) any assignment in bankruptcy;
- c) any application for a bankruptcy or receivership order now or hereafter issued pursuant to the BIA or otherwise and any order issued pursuant to any such application; or
- d) the provisions of any federal or provincial legislation;

the vesting of the Purchased Assets contemplated in this Order, as well as the execution of the Purchase Agreement pursuant to this Order, are to be binding on any trustee in bankruptcy or receiver that may be appointed, and shall not be void or voidable nor deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Vendors, the Purchaser or the Monitor, and shall not constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

### **LIMITATION OF LIABILITY**

[26] **DECLARES** that, subject to other orders of this Court, nothing herein contained shall require the Monitor to take control, or to otherwise manage all or any part of the Purchased Assets. The Monitor shall not, as a result of this Order, be deemed to be in possession of any of the Purchased Assets within the meaning of environmental legislation, the whole pursuant to the terms of the CCAA.

[27] **DECLARES** that no action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court. The entities related to the Monitor or belonging to the same group as the Monitor shall benefit from the protection arising under the present paragraph.

### **GENERAL**

[28] **DECLARES** that the Vendors and the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.

[29] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.

[30] **DECLARES** that the Monitor shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement this Order. All

courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Monitor as may be deemed necessary or appropriate for that purpose.

- [31] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.
- [32] **ORDERS** the provisional execution of the present Order, including without limiting the general application of the foregoing, the Interim Lender Repayment and the Sales Advisor Fee, notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

**THE WHOLE WITHOUT COSTS**, save in case of contestation.

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[STEPHEN W. HAMILTON J.S.C.]

SCHEDULE "A" TO APPROVAL AND VESTING ORDER  
FORM OF CERTIFICATE OF THE MONITOR

**SUPERIOR COURT**  
(Commercial Division)

C A N A D A

PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

File: No: 500-11-048114-157

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

WABUSH IRON CO. LIMITED

WABUSH RESOURCES INC.

Petitioners

-and-

WABUSH MINES

Mise-en-cause

-and-

ADMINISTRATION PORTUAIRE DE SEPT-ÎLES / SEPT-ÎLES PORT AUTHORITY

Mise-en-cause

-and-

THE LAND REGISTRAR FOR THE REGISTRY OFFICE FOR THE REGISTRATION DIVISION  
OF SEPT-ÎLES

Mise-en-cause

-and-



FTI CONSULTING CANADA INC.

Monitor

CERTIFICATE OF THE MONITOR

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## RECITALS

- A. Pursuant to an initial order rendered by the Honourable Mr. Justice Martin Catouguay, J.S.C., of the Superior Court of Québec, [Commercial Division] (the "**Court**") on January 27, 2015 (as amended on February 20, 2015 and as may be further amended from time to time, the "**Initial Order**"), FTI Consulting Canada Inc. (the "**Monitor**") was appointed to monitor the business and financial affairs of Cliffs Québec Iron Mining ULC, Quinto Mining Corporation, 8568391 Canada Limited, Bloom Lake General Partner Limited, the Bloom Lake Railway Company Limited and The Bloom Lake Iron Ore Mine Limited Partnership (collectively, the "**Bloom Lake CCAA Parties**").
- B. Pursuant to an order of the Court granted May 20, 2015, the Monitor was appointed to monitor the business and financial affairs of Wabush Iron Co. Limited, Wabush Resources Inc., Arnaud Railway Company, Wabush Lake Railway Company Limited and Wabush Mines (collectively, the "**Wabush CCAA Parties**"). The Wabush CCAA Parties and the Bloom Lake CCAA parties are referred to herein collectively as the "**CCAA Parties**".
- C. Pursuant to an order (the "**Approval and Vesting Order**") rendered by the Court on , 2016, the transaction contemplated by the Asset Purchase Agreement dated as of January , 2016 (the "**Purchase Agreement**") by and among Wabush Iron Co. Limited and Wabush Resources Inc., as vendors, and Administration Portuaire De Sept-Îles / Sept-Îles Port Authority, as purchaser (the "**Purchaser**") was authorized and approved, with a view, *inter alia*, to vest in and to the Purchaser, all of the Vendors' right, title and interest in and to the Purchased Assets (as defined in the Purchase Agreement).
- D. Each capitalized term used and not defined herein has the meaning given to such term in the Purchase Agreement.
- E. The Approval and Vesting Order provides for the vesting of all of the Vendors' right, title and interest in and to the Purchased Assets in the Purchaser, in accordance with the terms of the Approval and Vesting Order and upon the delivery of a certificate (the "**Certificate**") issued by the Monitor confirming that the Vendors and the Purchaser have each delivered Conditions Certificates to the Monitor.
- F. In accordance with the Approval and Vesting Order, the Monitor has the power to authorize, execute and deliver this Certificate.
- G. The Approval and Vesting Order also directed the Monitor to file with the Court, a copy of this Certificate forthwith after issuance thereof.

**THEREFORE, IN RELIANCE UPON THE CONDITIONS CERTIFICATES ADDRESSED AND DELIVERED TO THE MONITOR BY EACH OF THE VENDORS AND THE PURCHASER, THE MONITOR CERTIFIES THE FOLLOWING:**

1. The Monitor has received payment in full of the Purchase Price in accordance with the Purchase Agreement.

2. The Vendors and the Purchaser have each delivered to the Monitor the Conditions Certificates evidencing that all applicable conditions under the Purchase Agreement have been satisfied and/or waived, as applicable.
3. The Closing Time is deemed to have occurred on at <TIME> on <M>, 2016.

**THIS CERTIFICATE** was issued by the Monitor at <TIME> on <M>, 2016.

**FTI Consulting Canada Inc., in its capacity as  
Monitor of the CCAA Parties, and not in its personal  
or corporate capacity.**

By: \_\_\_\_\_  
Name: Nigel Meakin



**SCHEDULE "B" TO APPROVAL AND VESTING ORDER**  
**PERMITTED ENCUMBRANCES**

1. Servitude registered at the Registry Office for the Registration Division of Sept-Îles, under number 2 161;
2. Servitude registered at the Registry Office for the Registration Division of Sept-Îles, under number 32 464;
3. Servitudes or rights-of-way for the passage, ingress and egress of Persons and vehicles over parts of the Purchased Assets, provided such servitudes or rights-of-way are registered on title of the Purchased Assets;
4. Servitudes for the supply of utilities to the Purchased Assets and for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services, provided such servitudes are registered on title of the Purchased Assets;
5. Any unregistered servitudes or rights of way by Hydro-Québec to occupy a part of the Purchased Assets to install any circuits, poles and necessary equipment required for the connection or the network, in accordance to its by-law number 634 relating to the supply of electricity and any servitudes granted prior to January 1, 1917 which affect the Purchased Assets;
6. Restrictive covenants, private deed restrictions and other similar land use control agreements, provided they are registered on title to the Purchased Assets;
7. Any minor encroachments by any structure located on the Purchased Assets onto any adjoining lands and any minor encroachment by any structure located on adjoining lands onto the Purchased Assets;
8. Any title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Purchased Assets;
9. The provisions of Applicable Laws, including by-laws, regulations, airport zoning regulations, ordinances and similar instruments relating to development and zoning;
10. Any reservations, exceptions, limitations, provisos and conditions contained in the original Crown grant or patent; and
11. Servitudes in favour of Hydro-Québec registered at the Registry Office for the Registration Division of Sept-Îles, under numbers 75 876 and 75-877.

## SCHEDULE "C" TO APPROVAL AND VESTING ORDER

### DESCRIPTION OF IMMOVABLE PROPERTY

The immovable known and described as being composed of a part of lot 3 931 541, lot 3 931 539 and part of lot 3 669 214, all of the cadastre of Québec, registration division of Sept-Îles, such lot and parts of lots being for purposes hereof particularly described as follows:

- a) Une partie du lot 3 931 541 du cadastre du Québec, circonscription foncière de Sept-Îles, décrite comme suit :

Une partie du lot 3 931 541, de figure irrégulière, bornée vers le nord-est et le nord par les lots 3 708 360 et 3 708 361, chemin de la Pointe-Noire, vers le nord-est, l'est, le nord, l'ouest et le sud-ouest par le lot 3 931 533, vers le nord et l'est par le lot 3 708 360, chemin de la Pointe-Noire, vers le nord par la partie restante du lot 3 931 541, vers le nord-est par le lot 3 708 376, vers le sud et le sud-est par un territoire non cadastré, vers le sud-ouest et le sud par la limite des hautes eaux (marées) de la Baie-des-Sept-Îles (Territoire non cadastré), vers l'ouest par le lot 3 669 046, par un territoire non cadastré et par les lots 3 669 047 et 4 711 908, vers le sud-ouest par le lot 4 711 908 et vers le nord-ouest par le lot 3 708 359, rue Alband-Bancharde; mesurant successivement 505,92 mètres, 30,04 mètres, 150,00 mètres, 50,02 mètres, 657,10 mètres, 7,87 mètres d'arc le long d'une courbe ayant un rayon de 5985,00 mètres, 94,78 mètres, 49,86 mètres, 49,98 mètres, 148,10 mètres d'arc le long d'une courbe ayant un rayon de 5985,00 mètres, 394,80 mètres et 338,91 mètres de long d'une courbe ayant un rayon de 815,00 mètres vers le nord-est, 104,06 mètres, 60,01 mètres, 90,00 mètres, 30,33 mètres, 51,32 mètres; 92,25 mètres d'arc le long d'une courbe ayant un rayon de 615,00 mètres, 35,95 mètres, 25,76 mètres, 21,05 mètres, 31,26 et 25,82 mètres vers le nord, 6,83 mètres vers le nord-ouest, 20,63 mètres, 51,45 mètres et 29,29 mètres vers le nord, 48,07 mètres, 5,39 mètres et 430,00 mètres vers le nord-ouest, 7,07 mètres vers le nord-est, 67,89 mètres vers l'est, 51,05 mètres d'arc le long d'une courbe ayant un rayon de 45,00 mètres vers le nord-est, 32,02 mètres vers le nord, 37,34 mètres vers l'est, 22,02 mètres vers le sud, 77,00 mètres vers l'est, 57,00 mètres vers le nord, 44,00 mètres vers l'ouest, 55,00 mètres vers le nord, 25,00 mètres vers l'ouest, 41,82 mètres et 25,72 mètres d'arc le long d'une courbe ayant un rayon de 40,00 mètres vers le sud-ouest, 40,70 mètres vers le sud, 98,10 mètres vers l'ouest, 35,21 mètres et 38,89 mètres d'arc le long d'une courbe ayant un rayon de 782,00 mètres vers le nord, 14,99 mètres vers le nord-ouest, 29,76 mètres vers le nord, 24,96 mètres vers le nord-ouest, 19,63 mètres d'arc le long d'une courbe ayant un rayon de 785,00 mètres, 24,55 mètres, 34,28 mètres d'arc le long d'une courbe ayant un rayon de 783,50 mètres, 29,45 mètres, 107,02 mètres d'arc le long d'une courbe ayant un rayon de 785,00 mètres, 180,94 mètres, 50,00 mètres, 35,00 mètres et 15,04 mètres vers le nord, 35,33 mètres vers l'est, 20,00 mètres, 70,46 mètres, 25,96 mètres, 63,00 mètres, 64,57 mètres, 61,30 mètres, 81,51 mètres d'arc le long d'une courbe ayant un rayon de 917,00 mètres vers le nord, 5,47 mètres vers le nord-ouest, 159,48 mètres d'arc le long d'une courbe ayant un rayon de 915,00 mètres, 193,99 mètres et 313,53 mètres vers le nord, 617,36 mètres vers le nord-est, 2111,36 mètres, 936,11 mètres et 232,24 mètres vers le sud, 265,84 mètres vers le sud-est, 1694,70 mètres mesurée en suivant une ligne sinueuse vers le sud-ouest et le sud, 135,90 mètres mesurée en suivant une ligne sinueuse vers le sud, 94,29 mètres, 1056,76 mètres et 389,82 mètres vers l'ouest, 78,00 mètres vers le sud-ouest et 89,56 mètres d'arc le long d'une courbe ayant un rayon de 522,92 mètres, 22,33 mètres d'arc le long d'une courbe ayant un rayon de 50,53 mètres et 30,67 mètres vers le nord-ouest; contenant une superficie de 3 321 872 mètres carrés.

- b) Le lot 3 931 539 du cadastre du Québec, circonscription foncière de Sept-Îles, lequel est plus particulièrement décrit comme suit:

De figure irrégulière, borné vers le nord-est par le lot 3 708 384, vers le sud-est et le nord-est par le lot 3 669 214, vers le sud, le sud-est, le sud-ouest et le sud par le lot 3 708 360, chemin de la Pointe-Noire, vers l'ouest, le sud et l'est par le lot 3 931 537 et vers le sud et le sud-ouest par le lot 3 708 361, chemin de la Pointe-Noire; mesurant successivement 235,54 mètres d'arc le long d'une courbe ayant un rayon de 813,35 mètres, 1535,40 mètres, 186,61 mètres d'arc le long d'une courbe ayant un rayon de 1796,57 mètres et 331,60 mètres vers le nord-est, 72,09 mètres vers le sud-est, 877,32 mètres vers le nord-est, 151,85 mètres, 31,62 mètres et 19,37 mètres vers le sud, 30,53 mètres vers le sud-est, 48,54 mètres et 19,57 mètres vers le sud, 6,62 mètres vers le sud-ouest, 72,62 mètres, 24,33 mètres, 34,11 mètres, 87,75 mètres d'arc le long d'une courbe ayant un rayon de 585,00 mètres, 48,70 mètres, 29,68 mètres, 90,00 mètres, 60,01 mètres et 45,00 mètres vers le sud, 45,00 mètres vers l'ouest, 40,00 mètres vers le sud, 45,00 mètres vers l'est, 19,06 mètres vers le sud, 326,43 mètres d'arc le long d'une courbe ayant un rayon de 785,00 mètres, 394,80 mètres, 148,84 mètres d'arc le long d'une courbe ayant un rayon de 6 015,00 mètres, 50,26 mètres, 50,16 mètres, 95,29 mètres, 7,91 mètres d'arc le long d'une courbe ayant un rayon de 6 015,00 mètres, 657,10 mètres, 50,02 mètres, 150,00 mètres, 30,04 mètres et 522,35 mètres vers le sud-ouest; contenant une superficie de ~~622 919,9~~ 622 919,9 mètres carrés.

- c) Une partie du lot 3 669 214 du cadastre du Québec, circonscription foncière de Sept-Îles, décrite comme suit :

De figure irrégulière, bornée vers le nord-ouest par une partie du lot 3 669 214, vers l'est, le nord et l'ouest par la partie du lot 3 669 214 qui remplace le lot Z-1 du bloc Z du cadastre du canton d'Arnaud, vers le nord par une partie du lot 3 669 214, vers le sud, le sud-est et le sud-ouest par le lot 3 708 360, chemin de la Pointe-Noire; mesurant successivement 420,43 mètres vers le nord-ouest, 55,32 mètres vers l'est, 434,95 mètres vers le nord, 24,08 mètres vers l'ouest, 390,14 mètres vers le nord, 52,21 mètres, 25,50 mètres, 25,50 mètres, 48,13 mètres, 154,25 mètres d'arc le long d'une courbe ayant un rayon de 885,00 mètres, 5,30 mètres et 78,49 mètres d'arc le long d'une courbe ayant un rayon de 883,00 mètres vers le sud, 5,30 mètres vers le sud-est, 44,24 mètres vers le sud, 17,89 mètres vers le sud-ouest, 24,75 mètres, 99,96 mètres, 50,00 mètres, 44,28 mètres, 20,62 mètres, 27,07 mètres, 35,00 mètres, 50,00 mètres, 180,94 mètres, 111,11 mètres d'arc le long d'une courbe ayant un rayon de 815,00 mètres, 30,63 mètres, 35,72 mètres d'arc le long d'une courbe ayant un rayon de 816,50 mètres et 25,54 mètres vers le sud; contenant une superficie de 122 810 mètres carrés.

For purpose of clarity, the Block Z is identified in the attached land survey plan as being delimited by the red colored borders.

**SCHEDULE "D" TO APPROVAL AND VESTING ORDER**  
**REGISTRATIONS PUBLISHED AT THE REGISTRY OFFICE FOR THE REGISTRATION**  
**DIVISION OF SEPT-ÎLES**

- Legal Hypothec (construction) in favour of Axor Experts-Consell Inc. registered at the Registry Office for the Registration Division of Sept-Îles, under number **21 306 859**;
- Legal Hypothec (construction) in favour of Kilotech Contrôle (1995) Inc. registered at the Registry Office for the Registration Division of Sept-Îles, under number **21 231 306**;
- Prior Notice of the exercise of a sale by judicial authority in favour of Kilotech Contrôle (1995) Inc. registered at the Registry Office for the Registration Division of Sept-Îles, under number **21 540 652**;
- Legal Hypothec (construction) in favour of Kilotech Contrôle (1995) Inc. registered at the Registry Office for the Registration Division of Sept-Îles, under number **21 231 351**;
- Prior Notice of the exercise of a sale by judicial authority in favour of Kilotech Contrôle (1995) Inc. registered at the Registry Office for the Registration Division of Sept-Îles, under number **21 540 654**;
- Legal Hypothec (construction) in favour of 3887952 Canada Inc. registered at the Registry Office for the Registration Division of Sept-Îles, under number **21 269 941**;
- Prior Notice of the exercise of a sale by judicial authority in favour of 3887952 Canada Inc. registered at the Registry Office for the Registration Division of Sept-Îles, under number **21 503 424**.

## Schedule "B"

### Permitted Encumbrances

1. Servitude registered at the Registry Office for the Registration Division of Sept-Îles, under number 2 161;
2. Servitude registered at the Registry Office for the Registration Division of Sept-Îles, under number 32 464;
3. Servitudes or rights-of-way for the passage, ingress and egress of Persons and vehicles over parts of the Purchased Assets, provided such servitudes or rights-of-way are registered on title of the Purchased Assets;
4. Servitudes for the supply of utilities to the Purchased Assets and for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services, provided such servitudes are registered on title of the Purchased Assets;
5. Any unregistered servitudes or rights of way by Hydro-Québec to occupy a part of the Purchased Assets to install any circuits, poles and necessary equipment required for the connection or the network, in accordance to its by-law number 634 relating to the supply of electricity and any servitudes granted prior to January 1, 1917 which affect the Purchased Assets;
6. Restrictive covenants, private deed restrictions and other similar land use control agreements, provided they are registered on title to the Purchased Assets;
7. Any minor encroachments by any structure located on the Purchased Assets onto any adjoining lands and any minor encroachment by any structure located on adjoining lands onto the Purchased Assets;
8. Any title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Purchased Assets;
9. The provisions of Applicable Laws, including by-laws, regulations, airport zoning regulations, ordinances and similar instruments relating to development and zoning;
10. Any reservations, exceptions, limitations, provisos and conditions contained in the original Crown grant or patent; and
11. Servitudes in favour of Hydro-Québec registered at the Registry Office for the Registration Division of Sept-Îles, under numbers 75 876 and 75-877.

## Schedule "C"

### Purchased Assets

The immovable known and described as being composed of a part of lot 3 931 541, lot 3 931 539 and part of lot 3 669 214, all of the cadastre of Québec, registration division of Sept-Îles, such lot and parts of lots being for purposes hereof particularly described as follows:

- a) Une partie du lot 3 931 541 du cadastre du Québec, circonscription foncière de Sept-Îles, décrite comme suit :

Une partie du lot 3 931 541, de figure irrégulière, bornée vers le nord-est et le nord par les lots 3 708 360 et 3 708 361, chemin de la Pointe-Noire, vers le nord-est, l'est, le nord, l'ouest et le sud-ouest par le lot 3 931 533, vers le nord et l'est par le lot 3 708 360, chemin de la Pointe-Noire, vers le nord par la partie restante du lot 3 931 541, vers le nord est par le lot 3 708 376, vers le sud et le sud-est par un territoire non cadastré, vers le sud-ouest et le sud par la limite des hautes eaux (marées) de la Baie-des-Sept-Îles (Territoire non cadastré), vers l'ouest par le lot 3 669 046, par un territoire non cadastré et par les lots 3 669 047 et 4 711 908, vers le sud-ouest par le lot 4 711 908 et vers le nord-ouest par le lot 3 708 359, rue Alband-Bancharde; mesurant successivement 505,92 mètres, 30,04 mètres, 150,00 mètres, 50,02 mètres, 657,10 mètres, 7,87 mètres d'arc le long d'une courbe ayant un rayon de 5985,00 mètres, 94,78 mètres, 49,86 mètres, 49,98 mètres, 148,10 mètres d'arc le long d'une courbe ayant un rayon de 5985,00 mètres, 394,80 mètres et 338,91 mètres de long d'une courbe ayant un rayon de 815,00 mètres vers le nord-est, 104,06 mètres, 60,01 mètres, 90,00 mètres, 30,33 mètres, 51,32 mètres; 92,25 mètres d'arc le long d'une courbe ayant un rayon de 615,00 mètres, 35,95 mètres, 25,76 mètres, 21,05 mètres, 31,26 et 25,82 mètres vers le nord, 6,83 mètres vers le nord-ouest, 20,63 mètres, 51,45 mètres et 29,29 mètres vers le nord, 48,07 mètres, 5,39 mètres et 430,00 mètres vers le nord-ouest, 7,07 mètres vers le nord-est, 67,89 mètres vers l'est, 51,05 mètres d'arc le long d'une courbe ayant un rayon de 45,00 mètres vers le nord-est, 32,02 mètres vers le nord, 37,34 mètres vers l'est, 22,02 mètres vers le sud, 77,00 mètres vers l'est, 57,00 mètres vers le nord, 44,00 mètres vers l'ouest, 55,00 mètres vers le nord, 25,00 mètres vers l'ouest, 41,82 mètres et 25,72 mètres d'arc le long d'une courbe ayant un rayon de 40,00 mètres vers le sud-ouest, 40,70 mètres vers le sud, 98,10 mètres vers l'ouest, 35,21 mètres et 38,89 mètres d'arc le long d'une courbe ayant un rayon de 782,00 mètres vers le nord, 14,99 mètres vers le nord-ouest, 29,76 mètres vers le nord, 24,96 mètres vers le nord-ouest, 19,63 mètres d'arc le long d'une courbe ayant un rayon de 785,00 mètres, 24,55 mètres, 34,28 mètres d'arc le long d'une courbe ayant un rayon de 783,50 mètres, 29,45 mètres, 107,02 mètres d'arc le long d'une courbe ayant un rayon de 785,00 mètres, 180,94 mètres, 50,00 mètres, 35,00 mètres et 15,04 mètres vers le nord, 35,33 mètres vers l'est, 20,00 mètres, 70,46 mètres, 25,96 mètres, 63,00 mètres, 64,57 mètres, 61,30 mètres, 81,51 mètres d'arc le long d'une courbe ayant un rayon de 917,00 mètres vers le nord, 5,47 mètres vers le nord-ouest, 159,48 mètres d'arc le long d'une courbe ayant un rayon de 915,00 mètres, 193,99 mètres et 313,53 mètres vers le nord, 617,36 mètres vers le nord-est, 2111,36 mètres, 936,11 mètres et 232,24 mètres vers le sud, 265,84 mètres vers le sud-est, 1694,70 mètres mesurée en suivant une ligne sinueuse vers le sud-ouest et le sud, 135,90 mètres mesurée en suivant une ligne sinueuse vers le sud, 94,29 mètres, 1056,76 mètres et 389,82 mètres vers l'ouest, 78,00 mètres vers le sud-ouest et 89,56 mètres d'arc le long d'une courbe ayant un rayon de 522,92 mètres, 22,33 mètres d'arc le long d'une courbe ayant un rayon de 50,53 mètres et 30,67 mètres vers le nord-ouest; contenant une superficie de 3 321 872 mètres carrés.

- b) Le lot 3 931 539 du cadastre du Québec, circonscription foncière de Sept-Îles, lequel est plus particulièrement décrit comme suit:

De figure irrégulière, borné vers le nord-est par le lot 3 708 384, vers le sud-est et le nord-est par le lot 3 669 214, vers le sud, le sud-est, le sud-ouest et le sud par le lot 3 708 360, chemin de la Pointe-Noire, vers l'ouest, le sud et l'est par le lot 3 931 537 et vers le sud et le sud-ouest par le lot 3 708 361, chemin de la Pointe-Noire; mesurant successivement 235,54 mètres d'arc le long d'une courbe ayant un rayon de 813,35 mètres, 1535,40 mètres, 186,61 mètres d'arc le long d'une courbe ayant un rayon de 1796,57 mètres et 331,60 mètres vers le nord-est, 72,09 mètres vers le sud-est, 877,32 mètres vers le nord-est, 151,85 mètres, 31,62 mètres et 19,37 mètres vers le sud, 30,53 mètres vers le sud-est, 48,54 mètres et 19,57 mètres vers le sud, 6,62 mètres vers le sud-ouest, 72,62 mètres, 24,33 mètres, 34,11 mètres, 87,75 mètres d'arc le long d'une courbe ayant un rayon de 585,00 mètres, 48,70 mètres, 29,68 mètres, 90,00 mètres, 60,01 mètres et 45,00 mètres vers le sud, 45,00 mètres vers l'ouest, 40,00 mètres vers le sud, 45,00 mètres vers l'est, 19,06 mètres vers le sud, 326,43 mètres d'arc le long d'une courbe ayant un rayon de 785,00 mètres, 394,80 mètres, 148,84 mètres d'arc le long d'une courbe ayant un rayon de 6 015,00 mètres, 50,26 mètres, 50,16 mètres, 95,29 mètres, 7,91 mètres d'arc le long d'une courbe ayant un rayon de 6 015,00 mètres, 657,10 mètres, 50,02 mètres, 150,00 mètres, 30,04 mètres et 522,35 mètres vers le sud-ouest; contenant une superficie de 622 919,9 mètres carrés.

622 919,9 H&M

- c) Une partie du lot 3 669 214 du cadastre du Québec, circonscription foncière de Sept-Îles, décrite comme suit :

De figure irrégulière, bornée vers le nord-ouest par une partie du lot 3 669 214, vers l'est, le nord et l'ouest par la partie du lot 3 669 214 qui remplace le lot Z-1 du bloc Z du cadastre du canton d'Arnaud, vers le nord par une partie du lot 3 669 214, vers le sud, le sud-est et le sud-ouest par le lot 3 708 360, chemin de la Pointe-Noire; mesurant successivement 420,43 mètres vers le nord-ouest, 55,32 mètres vers l'est, 434,95 mètres vers le nord, 24,08 mètres vers l'ouest, 390,14 mètres vers le nord, 52,21 mètres, 25,50 mètres, 25,50 mètres, 48,13 mètres, 154,25 mètres d'arc le long d'une courbe ayant un rayon de 885,00 mètres, 5,30 mètres et 78,49 mètres d'arc le long d'une courbe ayant un rayon de 883,00 mètres vers le sud, 5,30 mètres vers le sud-est, 44,24 mètres vers le sud, 17,89 mètres vers le sud-ouest, 24,75 mètres, 99,96 mètres, 50,00 mètres, 44,28 mètres, 20,62 mètres, 27,07 mètres, 35,00 mètres, 50,00 mètres, 180,94 mètres, 111,11 mètres d'arc le long d'une courbe ayant un rayon de 815,00 mètres, 30,63 mètres, 35,72 mètres d'arc le long d'une courbe ayant un rayon de 816,50 mètres et 25,54 mètres vers le sud; contenant une superficie de 122 810 mètres carrés.

For purpose of clarity, the Block Z is identified in the attached land survey plan as being delimited by the red colored borders.

- b) Le lot 3 931 539 du cadastre du Québec, circonscription foncière de Sept-Îles, lequel est plus particulièrement décrit comme suit:

De figure irrégulière, borné vers le nord-est par le lot 3 708 384, vers le sud-est et le nord-est par le lot 3 669 214, vers le sud, le sud-est, le sud-ouest et le sud par le lot 3 708 360, chemin de la Pointe-Noire, vers l'ouest, le sud et l'est par le lot 3 931 537 et vers le sud et le sud-ouest par le lot 3 708 361, chemin de la Pointe-Noire; mesurant successivement 235,54 mètres d'arc le long d'une courbe ayant un rayon de 813,35 mètres, 1535,40 mètres, 186,61 mètres d'arc le long d'une courbe ayant un rayon de 1796,57 mètres et 331,60 mètres vers le nord-est, 72,09 mètres vers le sud-est, 877,32 mètres vers le nord-est, 151,85 mètres, 31,62 mètres et 19,37 mètres vers le sud, 30,53 mètres vers le sud-est, 48,54 mètres et 19,57 mètres vers le sud, 6,62 mètres vers le sud-ouest, 72,62 mètres, 24,33 mètres, 34,11 mètres, 87,75 mètres d'arc le long d'une courbe ayant un rayon de 585,00 mètres, 48,70 mètres, 29,68 mètres, 90,00 mètres, 60,01 mètres et 45,00 mètres vers le sud, 45,00 mètres vers l'ouest, 40,00 mètres vers le sud, 45,00 mètres vers l'est, 19,06 mètres vers le sud, 326,43 mètres d'arc le long d'une courbe ayant un rayon de 785,00 mètres, 394,80 mètres, 148,84 mètres d'arc le long d'une courbe ayant un rayon de 6 015,00 mètres, 50,26 mètres, 50,16 mètres, 95,29 mètres, 7,91 mètres d'arc le long d'une courbe ayant un rayon de 6 015,00 mètres, 657,10 mètres, 50,02 mètres, 150,00 mètres, 30,04 mètres et 522,35 mètres vers le sud-ouest ; contenant une superficie de 622 919,9 mètres carrés.

- c) Une partie du lot 3 669 214 du cadastre du Québec, circonscription foncière de Sept-Îles, décrite comme suit :

De figure irrégulière, bornée vers le nord-ouest par une partie du lot 3 669 214, vers l'est, le nord et l'ouest par la partie du lot 3 669 214 qui remplace le lot Z-1 du bloc Z du cadastre du canton d'Arnaud, vers le nord par une partie du lot 3 669 214, vers le sud, le sud-est et le sud-ouest par le lot 3 708 360, chemin de la Pointe-Noire; mesurant successivement 420,43 mètres vers le nord-ouest, 55,32 mètres vers l'est, 434,95 mètres vers le nord, 24,08 mètres vers l'ouest, 390,14 mètres vers le nord, 52,21 mètres, 25,50 mètres, 25,50 mètres, 48,13 mètres, 154,25 mètres d'arc le long d'une courbe ayant un rayon de 885,00 mètres, 5,30 mètres et 78,49 mètres d'arc le long d'une courbe ayant un rayon de 883,00 mètres vers le sud, 5,30 mètres vers le sud-est, 44,24 mètres vers le sud, 17,89 mètres vers le sud-ouest, 24,75 mètres, 99,96 mètres, 50,00 mètres, 44,28 mètres, 20,62 mètres, 27,07 mètres, 35,00 mètres, 50,00 mètres, 180,94 mètres, 111,11 mètres d'arc le long d'une courbe ayant un rayon de 815,00 mètres, 30,63 mètres, 35,72 mètres d'arc le long d'une courbe ayant un rayon de 816,50 mètres et 25,54 mètres vers le sud; contenant une superficie de 122 810 mètres carrés.

For purpose of clarity, the Block Z is identified in the attached land survey plan as being delimited by the red colored borders.