



**Fifth Report of
KSV Kofman Inc. as CCAA Monitor of
Labrador Iron Mines Holdings Limited,
Labrador Iron Mines Limited and
Schefferville Mines Inc.**

April 12, 2016

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COURT FILE NO: CV-15-10926-00CL

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
LABRADOR IRON MINES HOLDINGS LIMITED, LABRADOR IRON MINES LIMITED AND
SCHEFFERVILLE MINES INC.

FIFTH REPORT OF
KSV KOFMAN INC.
AS CCAA MONITOR

APRIL 12, 2016

1.0 Introduction

1. Pursuant to an order (“Initial Order”) of the Ontario Superior Court of Justice (Commercial List) (“Court”) made on April 2, 2015, Labrador Iron Mines Holdings Limited (“LIMH”), Labrador Iron Mines Limited (“LIM”) and Schefferville Mines Inc. (together, the “Company”) were granted protection under the *Companies’ Creditors Arrangement Act* (the “CCAA”) and Duff & Phelps Canada Restructuring Inc. (“D&P”) was appointed the monitor (“Monitor”).
2. On June 30, 2015, D&P was acquired by KSV Kofman Inc. (“KSV”). Pursuant to an Order of the Court made on July 10, 2015, the name of the firm handling D&P’s mandates was changed from D&P to KSV, including acting as Monitor in these proceedings. The licensed trustees/restructuring professionals overseeing this mandate prior to June 30, 2015 remain unchanged.
3. On December 16, 2015, the Court made an Order extending the Stay Period (as defined in the Initial Order) to June 30, 2016 (“Extension Order”).
4. The Affidavit of John Kearney, the Company’s Chairman and Chief Executive Officer, sworn March 31, 2015, and filed in support of the Company’s application for CCAA protection, describes, *inter alia*, the Company’s background, including the reasons for the commencement of these proceedings. Materials filed in these proceedings can be found on the Monitor’s website at www.ksvadvisory.com.
5. The principal purpose of these restructuring proceedings is to create a stabilized environment in order to allow the Company the opportunity to restructure its key contracts and refinance its business such that it will be in a position to resume its mining activities when iron ore prices recover from their current multi-year lows.

1.1 Purposes of this Report

1. The purposes of this report ("Report") are to:
 - a) Provide background information about the Company and these proceedings;
 - b) Summarize a claims procedure proposed by the Company ("Claims Procedure");
 - c) Provide an overview of the Company's activities since December 11, 2015, the date of the Monitor's Fourth Report to Court ("Fourth Report");
 - d) Provide an overview of the Monitor's activities since the Fourth Report; and
 - e) Recommend that this Court make an Order approving the Claims Procedure ("Claims Procedure Order").

1.2 Currency

1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

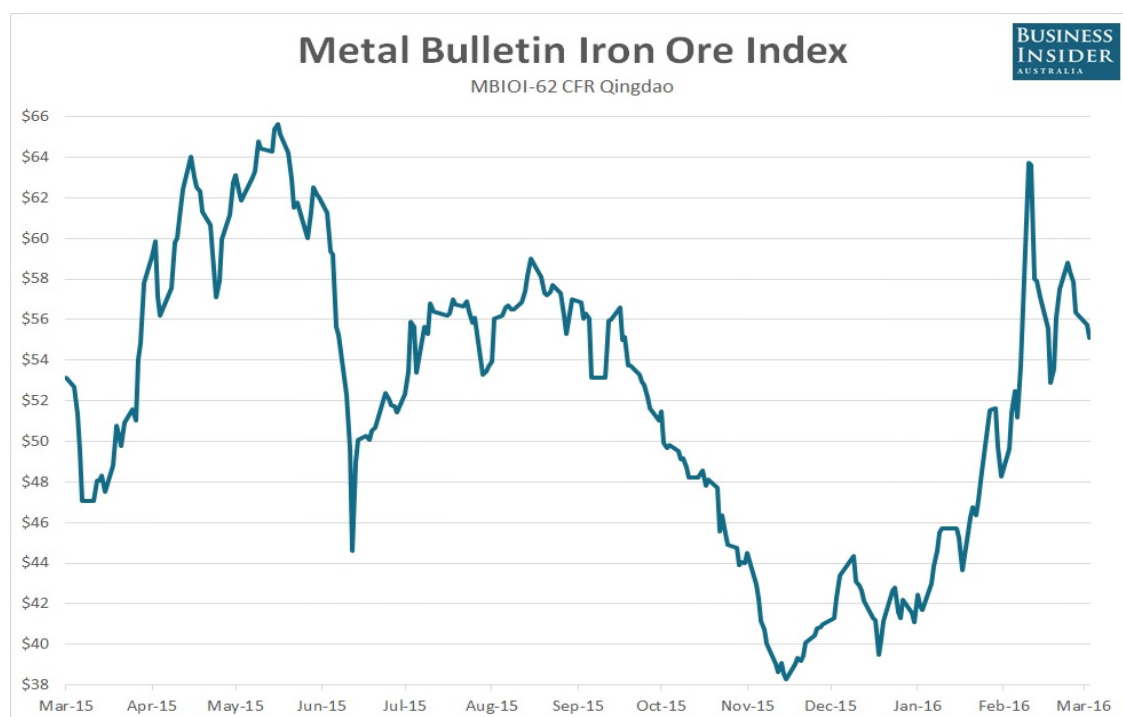
1.3 Restrictions

1. In preparing this Report, the Monitor has relied upon unaudited financial information prepared by the Company's representatives, the Company's books and records, discussions with management and discussions with the Company's legal counsel. The Monitor has not performed an audit or other verification of such information. An examination of the Company's cash flows and/or financial forecasts as outlined in the Canadian Institute of Chartered Accountants Handbook has not been performed.

2.0 Background

1. The Company develops and mines iron ore projects in the central part of the Labrador Trough iron ore region, between the Province of Newfoundland and Labrador and the Province of Quebec. The Labrador Trough is one of the world's major iron ore producing regions and has a history of mining dating to the early 1950s.
2. The Company's mine sites are located in Labrador near Schefferville, Quebec, located approximately 600 kilometres north of the Port of Sept-Îles, from which the Company's iron ore is sold and shipped to China.

3. The Company historically operates seasonally from approximately the beginning of April to the end of November. As a result of market conditions since 2013, including the price of iron ore, and the Company's cost to transport and ship under its contracts, the Company did not commence production in April, 2014 or 2015. The Company does not expect to go into production in 2016. The Company's mining operations have been suspended and maintained on a standby basis since the end of 2013.
4. The shares of LIMH were listed on the Toronto Stock Exchange ("TSX") under the symbol "LIM" until February 23, 2015. Due to LIMH's low market capitalization, and in contemplation of its potential CCAA proceedings, LIMH submitted a voluntary delisting application to the TSX, which became effective at the close of markets on February 23, 2015.
5. As at the date of the Initial Order, the price of iron ore was approximately US\$48/tonne. A chart reflecting the price in US dollars of iron ore since that time is provided below¹. Operating the mine is uneconomic at the prices reflected in the table below.



6. The Company believes that, in time, it will be able to generate profits and refinance its operations if its major operating contracts are renegotiated on terms more favourable to the Company and the price of iron ore recovers.

¹ Business Insider Australia, "The spot iron ore price continues to tumble", March 30, 2016.

3.0 Claims Procedure²

1. The Claims Procedure is intended to identify claims against the Company and its directors and officers for the purpose of assisting the Company to further develop a plan of compromise or arrangement (“Plan”). A copy of the proposed Claims Procedure Order is included as Appendix “A”.
2. The key terms of the Claims Procedure Order are summarized below:
 - The Monitor shall, forthwith after the making of the Claims Procedure Order, publish in *The Globe & Mail*, *The Telegram* (St. John’s, NL; English) and *Le Journal Nord-Côtier* (Sept-Îles, Québec; French) the Notice to Creditors for at least two Business Days (the circulation of the latter two publications is near the location of the Company’s mine projects);
 - The Monitor shall send, within five Business Days of the making of the Claims Procedure Order, a Claims Package to each of the Scheduled Creditors. The Monitor shall specify in the Notice of Claim the Scheduled Creditor’s Claim against the Company for voting and distribution purposes as determined by the Company based on its books and records;
 - If a Scheduled Creditor disputes the amount of the Claim (for voting and/or distribution purposes) as set out in the Notice of Claim, it must file a Notice of Dispute with the Monitor by no later than May 31, 2016, the proposed Claims Bar Date. Should a Notice of Dispute not be filed by the Claims Bar Date, the Scheduled Creditor shall be deemed to have accepted the valuation of its Claim as set out in the Notice of Claim. Claims may be accepted for voting purposes but remain disputed for distribution purposes;
 - All Claims shall be denominated in Canadian dollars. Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada noon exchange rate in effect on the Filing Date. For example, U.S. dollar denominated claims shall be converted to Canadian dollars at a USD/CAD exchange rate of 1.2585;
 - The Monitor shall send a Claims Package to any Unscheduled Creditor who makes a request prior to the Claims Bar Date. A Proof of Claim must be filed by these parties, if any, prior to the Claims Bar Date;
 - The Monitor shall notify each Unscheduled Creditor who files a Proof of Claim as to whether such claim has been admitted or send a Notice of Revision or Disallowance. If any Unscheduled Creditor intends to dispute a Notice of Revision or Disallowance, it has 21 days to do so;

² Defined terms in this section have the meanings provided to them in the Claims Procedure Order.

- The Claims Procedure will also solicit any claims against the Company's current and former directors and officers. Any claims against the directors and officers must be filed by the Claims Bar Date, or such later date as the Monitor consents, in its sole discretion;
- The Claims Procedure will solicit any claims against the Company arising after the date of the Initial Order and resulting from the restructuring, disclaimer, rescission, termination or breach by the Company of any contract, lease or other agreement ("Restructuring Period Claim"). In this regard, a Claims Package will be provided to those parties that received a notice of disclaimer. If any disclaimer notices are to be issued after the date of the Claims Procedure Order, then they shall be accompanied by a Claims Package;
- The Restructuring Period Claims Bar Date is the later of: a) the Claims Bar Date; and b) 21 calendar days after the date of termination, repudiation or rescission of the applicable agreement or other event giving rise to the applicable Restructuring Period Claim;
- Should the Company, with the assistance of the Monitor, be unable to resolve a dispute with any Claim, the dispute shall be referred by the Monitor, in consultation with the Company and on written notice to the applicable Creditor or claimant, to a Claims Officer or the Court, at the Monitor's election, for resolution. If a dispute is referred to a Claims Officer, then the Claims Officer is to be selected and appointed by the Company, with the consent of the Monitor and without any further Order of this Court, to resolve Disputed Claims and Disputed Director/Officer Claims on such terms and in accordance with such process as the Claims Officer may direct. Appeals from decisions of a Claims Officer shall be subject to the rules set out in paragraphs 12 to 13 of the Claims Procedure Order;
- Any and all Claims not filed by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, or such later date as the Monitor may permit in its discretion, will be extinguished and forever barred against the Company and its directors and officers; and
- The proposed forms, including the Notice to Creditors, Proof of Claim form, Notice of Dispute, Notice of Claim and Notice of Revision or Disallowance are appended as schedules to the Claims Procedure Order.

3. The Monitor has reviewed the draft Claims Procedure materials, including the notices and forms, and is of the view that the key terms of the Claims Procedure are appropriate in the circumstances, particularly with a view to assisting the Company to quantify the Claims against it, including those arising from its contractual obligations, and formulate a Plan for the benefit of its stakeholders.

4.0 Company's Activities

1. Details of the Company's activities since the Fourth Report are set out in the Affidavit of Richard Pinkerton, the Company's Chief Financial Officer, sworn April 7, 2016. A summary of those activities include:
 - a. Maintaining the Company's business and assets on a care and maintenance basis, which includes carrying out required environmental monitoring, conducting water quality sampling and dealing with reporting and other regulatory requirements;
 - b. Considering processes to sell surplus assets;
 - c. Continuing to refine a five-year business plan to both maximize the revenue from an orderly sale of non-core assets and to preserve the value of the business following an exit from the CCAA process ("Preliminary Plan");
 - d. Keeping employees, key vendors, significant creditors (including RBRG Trading (UK) Limited (formerly RB Metalloyd Ltd.) and Grey Rock Services Inc.), local community leaders, government agencies and other stakeholders apprised of developments in these proceedings;
 - e. Providing rail car repair and maintenance services at the location of the Company's subsidiary in Sept Îles;
 - f. Filing on SEDAR LIMH's unaudited interim consolidated Financial Statements and Management's Discussion and Analysis for the three and nine month periods ended December 31, 2015; and
 - g. Making payments for goods and services received following the date of the Initial Order.

5.0 Overview of the Monitor's Activities

1. Since the Fourth Report, the Monitor's activities have included:
 - a. Reviewing the Preliminary Plan, as well as documents prepared by the Company in connection with the Preliminary Plan;
 - b. Meeting with the Company's management team to discuss the Preliminary Plan;
 - c. Monitoring the Company's receipts and disbursements;
 - d. Reviewing the Company's variance analyses;
 - e. Keeping apprised of industry developments;
 - f. Corresponding with Goodmans LLP, the Monitor's counsel, regarding the Preliminary Plan and the Claims Procedure;
 - g. Posting Court materials filed in these proceedings on the Monitor's website; and
 - h. Preparing this Report.

6.0 Conclusion

1. Based on the foregoing, the Monitor respectfully recommends that this Court make an Order granting the relief detailed in Section 1.1(e) of this Report.

* * *

All of which is respectfully submitted,

KSV Kofman Inc.

**KSV KOFMAN INC.
IN ITS CAPACITY AS CCAA MONITOR OF
LABRADOR IRON MINES HOLDINGS LIMITED,
LABRADOR IRON MINES LIMITED AND SCHEFFERVILLE MINES INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

DRAFT ORDER

Court File No. CV-15-10926-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**THE HONOURABLE
JUSTICE ●**

**MONDAY, THE 18TH DAY
OF APRIL, 2016**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
LABRADOR IRON MINES HOLDINGS LIMITED, LABRADOR IRON MINES
LIMITED AND SCHEFFERVILLE MINES INC.**

Applicants

CLAIMS PROCEDURE ORDER

THIS MOTION made by Labrador Iron Mines Holdings Limited, Labrador Iron Mines Limited and Schefferville Mines Inc. (the “**Applicants**”) for an order establishing a claims procedure for the identification and quantification of certain claims against the Applicants and their directors and officers was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Affidavit of Richard Pinkerton sworn April 7, 2016, 2016 (the “**Claims Procedure Affidavit**”) and the ● report of KSV Kofman Inc. in its capacity as Court-appointed monitor of the Applicants (the “**Monitor**”), and on hearing from counsel for the Applicants, the Monitor, and such other counsel as were present and wished to be heard, no one else appearing although duly served as appears from the affidavit of service, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record herein be and is hereby abridged and that the motion is properly returnable today

and service upon any interested party other than those parties served is hereby dispensed with.

DEFINITIONS AND INTERPRETATION

2. **THIS COURT ORDERS** that, for the purposes of this Order (the “**Claims Procedure Order**”), in addition to terms defined elsewhere herein, the following terms shall have the following meanings:

- (a) “**Affected Secured Claims**” means all Claims against one or more of the Applicants that are secured by a valid security interest over assets or property of the Applicants that are not (i) Unaffected Claims, (ii) Affected Unsecured Claims or (iii) Equity Claims;
- (b) “**Affected Secured Creditor**” means the holder of an Affected Secured Claim in respect of and to the extent of such Affected Secured Claim, whether a Scheduled Creditor or an Unscheduled Creditor;
- (c) “**Affected Unsecured Claims**” means all Claims against one or more of the Applicants that are not secured by a valid security interest over assets or property of the Applicants and that are not (i) Unaffected Claims, (ii) Affected Secured Claims or (iii) Equity Claims;
- (d) “**Affected Unsecured Creditor**” means the holder of an Affected Unsecured Claim in respect of and to the extent of such Affected Unsecured Claim, whether a Scheduled Creditor or an Unscheduled Creditor;

- (e) “**Assessments**” means Claims of Her Majesty the Queen in Right of Canada or of any Province or Territory or Municipality or any other taxation authority in any Canadian or foreign jurisdiction, including, without limitation, amounts which may arise or have arisen under any notice of assessment, notice of reassessment, notice of appeal, audit, investigation, demand or similar request from any taxation authority;
- (f) “**Business Day**” means a day, other than a Saturday, Sunday or a statutory holiday in the Province of Ontario, Canada, on which banks are generally open for business in Toronto, Ontario;
- (g) “**Calendar Day**” means a day, including Saturday, Sunday and any statutory holiday in the Province of Ontario, Canada;
- (h) “**CCAA**” means the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;
- (i) “**CCAA Proceedings**” means the within proceedings commenced by the Applicants under the CCAA;
- (j) “**Claim**” means:
 - (i) any right or claim of any Person against any of the Applicants, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of any such Applicant in existence on the Filing Date, and costs payable in respect thereof to and including the Filing Date, whether or not such right or claim is reduced to judgment, liquidated,

unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessment and the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts that existed prior to the Filing Date and any other claims that would have been claims provable in bankruptcy had such Applicant become bankrupt on the Filing Date, including for greater certainty any Equity Claim and any claim against any of the Applicants for indemnification by any Director or Officer in respect of a Director/Officer Claim (but excluding any such claim for indemnification that is covered by the Directors' Charge (as such term is defined in the Initial Order) (each, a "**Prefiling Claim**", and collectively, the "**Prefiling Claims**");

- (ii) any right or claim of any Person against any of the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever owed by any such Applicant to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach by such Applicant on or after the Filing Date of any contract, lease or other agreement whether written or oral (each, a "**Restructuring Period Claim**", and collectively, the "**Restructuring Period Claims**"); and

(iii) any right or claim of any Person against one or more of the Directors and/or Officers howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessment and any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, including any right of contribution or indemnity, for which any Director or Officer of the Applicants is alleged to be by statute or otherwise by law liable to pay in his or her capacity as a Director or Officer (each a “**Director/Officer Claim**”, and collectively, the “**Director/Officer Claims**”),

in each case other than any Unaffected Claim;

- (k) “**Claims Bar Date**” means 5:00 p.m. on May 31, 2016;
- (l) “**Claims Officer**” has the meaning given to it in paragraph 11 of this Claims Procedure Order;
- (m) “**Claims Package**” means the materials to be provided by the Applicants to Persons who may have a Claim in accordance with this Claims Procedure Order, which materials shall include:

- (i) in the case of a Scheduled Creditor, a Notice of Claim, a Notice of Dispute of Claim, an Instruction Letter, and such other materials as the Applicants, with the consent of the Monitor, may consider appropriate or desirable; or
 - (ii) in the case of an Unscheduled Creditor, a blank Proof of Claim and Proof of Claim Instruction Letter, and such other materials as the Applicants, with the consent of the Monitor, may consider appropriate or desirable.

- (n) “**Claims Schedule**” means a list of all known secured and unsecured Creditors with Claims against one or more of the Applicants prepared by the Applicants, with the assistance of the Monitor, showing the name, last known address, last known facsimile number, and last known email address of each such Creditor (except that where such Creditor is represented by counsel known by the Applicants, the address, facsimile number, and email address of such counsel may be substituted) and the amount of each such Creditor’s Claim against the applicable Applicants as valued by the Applicants;

- (o) “**Court**” means the Superior Court of Justice (Commercial List) in the City of Toronto in the Province of Ontario;

- (p) “**Creditor**” means any Person having a Claim and includes, without limitation, the transferee or assignee of a Claim transferred and recognized as a Creditor in accordance with paragraph 44 hereof or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through such Person;

- (q) “**Directors**” means all current and former directors (or their estates) of the Applicants in such capacity and “**Director**” means any one of them;

- (r) **“Disputed Claim”** means a Disputed Voting Claim or a Disputed Distribution Claim;
- (s) **“Disputed Director/Officer Claim”** means a Director/Officer Claim that is validly disputed in accordance with this Claims Procedure Order and that remains subject to adjudication in accordance with this Claims Procedure Order;
- (t) **“Disputed Distribution Claim”** means an Affected Unsecured Claim or an Affected Secured Claim (including a contingent Affected Unsecured Claim or a contingent Affected Secured Claim that may crystallize upon the occurrence of an event or events occurring after the date of the Initial Order) or such portion thereof that is not barred by any provision of this Claims Procedure Order which has not been allowed as a Distribution Claim, which is validly disputed for distribution purposes in accordance with this Claims Procedure Order and which remains subject to adjudication for distribution purposes in accordance with this Claims Procedure Order;
- (u) **“Disputed Voting Claim”** means an Affected Unsecured Claim or an Affected Secured Claim (including a contingent Affected Unsecured Claim or a contingent Affected Secured Claim that may crystallize upon the occurrence of an event or events occurring after the date of the Initial Order) or such portion thereof that is not barred by any provision of this Claims Procedure Order, which has not been allowed as a Voting Claim, which is validly disputed for voting purposes in accordance with this Claims Procedure Order and which remains subject to adjudication for voting purposes in accordance with this Claims Procedure Order;

- (v) **“Distribution Claim”** means any Claim against the Applicants, or such portion thereof, that is not barred by any provision of this Claims Procedure Order and which has been finally accepted and determined for distribution purposes in accordance with this Claims Procedure Order and the CCAA;
- (w) **“Equity Claim”** has the meaning set forth in Section 2(1) of the CCAA;
- (x) **“Filing Date”** means the date of the Initial Order;
- (y) **“Government Authority”** means any federal, provincial, state or local government, agency or instrumentality thereof or similar entity, howsoever designated or constituted exercising executive, legislative, judicial, regulatory or administrative functions in Canada, the United States, or elsewhere;
- (z) **“Initial Order”** means the Initial Order in respect of the Applicants granted by the Court on April 2, 2015, as amended, restated or varied from time to time;
- (aa) **“Instruction Letter”** means the instruction letter to Scheduled Creditors, substantially in the form attached as Schedule “B” hereto, regarding the Notice of Claim, completion of a Notice of Dispute of Claim by a Scheduled Creditor and the claims procedure described herein;
- (bb) **“Meetings”**, and each a **“Meeting”**, means a meeting of the Creditors of the Applicants called for the purpose of considering and voting in respect of a Plan;
- (cc) **“Meetings Order”** means an Order of this Court pursuant to the CCAA that, among other things, sets the date for the Meetings, as same may be amended, restated or varied from time to time;

- (dd) **“Notice of Claim”** means the notice substantially in the form attached as Schedule “C” hereto, advising each Scheduled Creditor of its Claim against the Applicants as determined by the Applicants based on the books and records of the Applicants;
- (ee) **“Notice of Dispute of Claim”** means the notice substantially in the form attached as Schedule “D” hereto, which must be delivered to the Monitor by any Scheduled Creditor wishing to dispute a Notice of Claim, with reasons for its dispute;
- (ff) **“Notice of Dispute of Revision or Disallowance”** means the notice substantially in the form attached as Schedule “F” hereto, which must be delivered to the Monitor by any Unscheduled Creditor or a Person asserting a Director/Officer Claim wishing to dispute a Notice of Revision or Disallowance, with reasons for its dispute;
- (gg) **“Notice of Revision or Disallowance”** means the notice substantially in the form of Schedule “E” advising an Unscheduled Creditor or a Person asserting a Director/Officer Claim that the Applicants, with the consent of the Monitor, have revised or rejected all or part of such Unscheduled Creditor’s Claim set out in their Proof of Claim;
- (hh) **“Notice to Creditors”** means the notice for publication by the Monitor substantially in the form attached as Schedule “A” hereto;
- (ii) **“Officers”** means all current and former officers (or their estates) of the Applicants in such capacity and **“Officer”** means any one of them;

- (jj) **“Person”** means any individual, corporation, firm, limited or unlimited liability company, general or limited partnership, association (incorporated or unincorporated), trust, unincorporated organization, joint venture, trade union, Government Authority or any agency, regulatory body or officer thereof or any other entity, wherever situate or domiciled, and whether or not having legal status;
- (kk) **“Plan”** means any plan of compromise or arrangement filed by the Applicants pursuant to the CCAA, as the same may be amended, supplemented or restated from time to time in accordance with the terms thereof;
- (ll) **“Plan Implementation Date”** shall have the meaning ascribed thereto in the Plan;
- (mm) **“Prefiling Claim”** has the meaning ascribed to that term in paragraph 2(j)(i) of this Claims Procedure Order;
- (nn) **“Proof of Claim”** means the Proof of Claim referred to in paragraph 24 hereof to be filed by Unsecured Creditors, substantially in the form attached as Schedule **“H”** hereto;
- (oo) **“Proof of Claim Instruction Letter”** means the instruction letter to Unsecured Creditors, substantially in the form attached as Schedule **“G”** hereto, regarding the completion of a Proof of Claim by an Unsecured Creditor;
- (pp) **“Restructuring Period Claim”** has the meaning ascribed to that term in paragraph 2(j)(ii) of this Claims Procedure Order;

- (qq) “**Restructuring Period Claims Bar Date**” means the later of (i) the Claims Bar Date, and (ii) twenty-one (21) Calendar Days after the date of termination, repudiation or resiliation of the applicable agreement or other event giving rise to the applicable Restructuring Period Claim;
- (rr) “**Scheduled Creditor**” means an Affected Unsecured Creditor or an Affected Secured Creditor whose Claim against one or more of the Applicants is included in the Claims Schedule;
- (ss) “**Unaffected Claims**” and each an “**Unaffected Claim**” shall mean:
- (i) any Claim secured by any of the Charges (as defined in the Initial Order);
and
 - (ii) any Claim of the Toronto Dominion Bank in connection with letters of credit deposited with the environmental authorities of the province of Newfoundland & Labrador as security for the fulfillment of the Applicants’ site reclamation obligations under applicable environmental laws of such province, to the extent that Toronto Dominion Bank holds cash collateral in respect of such letters of credit.
- (tt) “**Unscheduled Creditor**” means an Affected Unsecured Creditor or an Affected Secured Creditor other than a Scheduled Creditor with respect to its Claim against the Applicants included in the Claims Schedule;
- (uu) “**Voting Claim**” means any Claim of a Creditor against the Applicants, or such portion thereof, that is not barred by any provision of this Claims Procedure Order

and which has been finally accepted and determined for voting at a Meeting, in accordance with the provisions of this Claims Procedure Order and the CCAA.

3. **THIS COURT ORDERS** that all references as to time herein shall mean local time in Toronto, Ontario, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.
4. **THIS COURT ORDERS** that all references to the word “including” shall mean “including without limitation”.
5. **THIS COURT ORDERS** that all references to the singular herein include the plural, the plural include the singular, and any gender includes the other gender.

GENERAL PROVISIONS

6. **THIS COURT ORDERS** that the Applicants and the Monitor are hereby authorized to (a) use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed and the time in which they are submitted, and may, where they are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Procedure Order in respect of the completion, execution and delivery of such forms; and (b) request any further documentation from a Creditor that the Applicants or the Monitor may require in order to enable them to determine the validity of a Claim.
7. **THIS COURT ORDERS** that all Claims shall be denominated in Canadian dollars. Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada noon exchange rate in effect on the Filing Date. For greater certainty,

U.S. dollar denominated claims shall be converted at the Bank of Canada Canadian/U.S. dollar noon exchange rate in effect on the Filing Date.

8. **THIS COURT ORDERS** that interest and penalties that would otherwise accrue after the Filing Date shall not be included in any Claim. Amounts claimed in Assessments issued after the Filing Date shall be subject to this Claims Procedure Order and there shall be no presumption of validity or deeming of the amount due in respect of the Claim set out in any Assessment.
9. **THIS COURT ORDERS** that copies of all forms delivered hereunder, as applicable, and determinations of Claims by the Court shall be maintained by the Monitor.
10. **THIS COURT ORDERS** that, notwithstanding anything to the contrary herein, the Applicants may, with the consent of the Monitor, refer any Affected Unsecured Creditor's Claim, Affected Secured Creditor's Claim or Director/Officer Claim for resolution to the Court, where in the Applicants' view such a referral is preferable or necessary for the resolution or determination of the Claim.

CLAIMS OFFICER

11. **THIS COURT ORDERS** that the Applicants, with the consent of the Monitor and without any further Order of this Court, are authorized to appoint one or more claims officers acceptable to the Monitor (each a "**Claims Officer**") to resolve Disputed Claims and Disputed Director/Officer Claims on such terms and in accordance with such process as the Claims Officer may direct.
12. **THIS COURT ORDERS** that the Applicants, the Monitor or the Person asserting the Disputed Claim or Disputed Director/Officer Claim may, within fourteen (14) Calendar

Days of such party receiving notice of a Claims Officer's determination of the Disputed Claim or Disputed Director/Officer Claim, as applicable, appeal such determination or any other matter determined by such Claims Officer by filing a notice of appeal, which appeal shall be initially returnable within fourteen (14) Calendar Days of the filing of such notice of appeal and be subject to the following conditions:

- (a) appeals from interlocutory decisions of a Claims Officer shall be permitted only as part of an appeal from the Claim Officer's final decision of the Disputed Claim or Disputed Director/Officer Claim, on the merits;
- (b) appeals shall be in the nature of true appeals and shall not be by way of hearing *de novo*, provided that this Court retains discretion to permit the parties to introduce evidence of the law of another jurisdiction where the evidence is relevant to the appeal and it was reasonable for the parties not to have tendered that evidence before the Claims Officer;
- (c) appeals shall be made to and heard by this Court, provided that this Court retains discretion to seek the assistance of another Court or tribunal for the purpose of resolving appeals involving the law of another jurisdiction; and
- (d) subject to the foregoing and to the terms of this Claims Procedure Order, the procedure on appeal shall be governed by the CCAA and by the ordinary procedural rules of the court presiding over the appeal.

13. **THIS COURT ORDERS** that if no party appeals the determination of a Disputed Claim or a Disputed Director/Officer Claim within the timeframe set out in paragraph 12 hereof, the decision of the Claims Officer in determining the Claim shall be final and binding and

there shall be no further right of appeal, review or recourse to the Court from the Claim Officer's final determination of such Claim.

MONITOR'S ROLE

14. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Initial Order, is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Claims Procedure Order or incidental thereto.

15. **THIS COURT ORDERS** that the Monitor (i) shall have all of the protections given to it by the CCAA, the Initial Order, any other orders of the Court in the CCAA Proceedings, and this Claims Procedure Order, or as an officer of the Court, including the stay of proceedings in its favour; (ii) shall incur no liability or obligation as a result of the carrying out of the provisions of this Claims Procedure Order, other than in respect of its gross negligence or wilful misconduct; (iii) shall be entitled to rely on the books and records of the Applicants and any information provided by the Applicants, all without independent investigation; and (iv) shall not be responsible for any claims or damages resulting from any errors or omissions in such books, records or information.

16. **THIS COURT ORDERS** that the Applicants and their current and former shareholders, Officers, Directors, employees, agents and representatives shall fully cooperate with the Monitor in the exercise of its powers and discharge of its duties pursuant to this Claims Procedure Order.

NOTICE TO CREDITORS

17. **THIS COURT ORDERS** that forthwith after the date of this Claims Procedure Order the Monitor shall publish the Notice to Creditors, for at least two (2) Business Days in The Globe & Mail (National Edition; English), The Telegram (St. John's, NL; English) and Le Journal Nord-Côtier (Sept-Îles, Québec: French).

CLAIMS PROCEDURE FOR SCHEDULED CREDITORS

(i) Notice of Claims

18. **THIS COURT ORDERS** that the Monitor shall send a Claims Package to each of the Scheduled Creditors by prepaid ordinary mail to the address as shown on the Claims Schedule before 11:59 p.m. on the date that is not more than five (5) Business Days after the date hereof. The Monitor shall specify in the Notice of Claim the Scheduled Creditor's Claim against the Applicants for voting and distribution purposes as determined by the Applicants based on the books and records of the Applicants.

(ii) Adjudication of Claims against the Applicants

19. **THIS COURT ORDERS** that if a Scheduled Creditor wishes to dispute the Claim as set out in the Notice of Claim, the Scheduled Creditor shall deliver to the Monitor a Notice of Dispute of Claim which must be received by the Monitor by no later than the Claims Bar Date. Such Scheduled Creditor shall specify therein the details of the dispute with respect to its Claim and shall specify whether it disputes the determination of the Claim for voting and/or distribution purposes.
20. **THIS COURT ORDERS** that if a Scheduled Creditor does not deliver to the Monitor a completed Notice of Dispute of Claim such that it is received by the Monitor by the

Claims Bar Date, or such later date as the Monitor may, in writing, permit, in its discretion, disputing its Claim as determined in the Notice of Claim for voting and distribution purposes; then (a) such Scheduled Creditor shall be deemed to have accepted the valuation of the Scheduled Creditor's Claim as set out in the Notice of Claim; (b) such Scheduled Creditor's Claim as determined in the Notice of Claim shall be treated as both a Voting Claim and a Distribution Claim; and (c) any and all of the Scheduled Creditor's rights to dispute the Claim as determined in the Notice of Claim or to otherwise assert or pursue such Claim other than as it is determined in the Notice of Claim shall be forever extinguished and barred without further act or notification. A Scheduled Creditor may accept a determination of a Claim for voting purposes as set out in the Notice of Claim and dispute the determination of the Claim for distribution purposes provided that it does so in its Notice of Dispute of Claim and such Notice of Dispute of Claim is received by the Monitor by the Claims Bar Date. A determination of a Voting Claim of a Scheduled Creditor does not in any way affect and is without prejudice to the process to determine such Scheduled Creditor's Distribution Claim.

(iii) Resolution of Claims against the Applicants

21. **THIS COURT ORDERS** that the Applicants and the Monitor shall attempt to resolve any Disputed Voting Claim with a Scheduled Creditor. In the event that a dispute with respect to such Disputed Voting Claim is not resolved within a time period or in a manner satisfactory to the Monitor, the Monitor, in consultation with the Applicants and on written notice to the applicable Scheduled Creditor, shall refer the dispute to the Court or the Claims Officer (if a Claims Officer has been appointed), at the Monitor's election, for adjudication; provided, however that to the extent a Disputed Voting Claim is referred

under this paragraph to the Court or to the Claims Officer, it shall be on the basis that the Disputed Claim against the Applicants shall be resolved or adjudicated both for voting and distribution purposes (and that it shall remain open to the parties to agree that the Creditor's Voting Claim may be settled without prejudice to a future determination of the Creditor's Distribution Claim by the Court or the Claims Officer, as applicable). The Court or the Claims Officer, as applicable, shall thereafter resolve the dispute between the Applicants and the Scheduled Creditor.

22. **THIS COURT ORDERS** that where the Scheduled Creditor's Disputed Voting Claim has not been finally determined in accordance with this Claims Procedure Order by the date on which a vote is held at a Meeting, the ability of such Scheduled Creditor to vote its Disputed Voting Claim and the effect of casting any such vote shall be governed by the Meetings Order.

23. **THIS COURT ORDERS** that the Applicants and the Monitor shall attempt to resolve any Disputed Distribution Claim with a Scheduled Creditor. In the event that a dispute with respect to such Disputed Distribution Claim is not resolved within a time period or in a manner satisfactory to the Monitor, the Monitor, in consultation with the Applicants and on written notice to the applicable Scheduled Creditor, shall refer the dispute to the Court or the Claims Officer (if a Claims Officer has been appointed), at the Monitor's election, for adjudication. The Court or the Claims Officer, as applicable, shall thereafter resolve the dispute between the Applicants and the Scheduled Creditor.

CLAIMS PROCEDURE FOR UNSCHEDULED CREDITORS

(i) Proof of Claim

24. **THIS COURT ORDERS** that the Monitor shall send a Claims Package to any Unscheduled Creditor who makes a request therefor prior to the Claims Bar Date. Any Unscheduled Creditor that wishes to assert a Claim must file a completed Proof of Claim such that it is received by the Monitor by no later than the Claims Bar Date.

25. **THIS COURT ORDERS** that, notwithstanding anything to the contrary in paragraphs 24 and 26 hereof, the following shall apply with respect to any Restructuring Period Claims:

(a) the Monitor shall send a Claims Package to any Creditor who:

(i) received or receives a notice of disclaimer or rescission after the Filing Date;

(ii) any Creditor who makes a request therefor in respect of a Restructuring Period Claim prior to the Restructuring Period Claims Bar Date;

(b) any Creditor that wishes to assert a Restructuring Period Claim must return a completed Proof of Claim to the Monitor such that it is received by the Monitor by no later than 5:00 p.m. on the Restructuring Period Claims Bar Date; and

(c) any Creditor that does not return a Proof of Claim to the Monitor by 5:00 p.m. on the Restructuring Period Claims Bar Date, or such later date as the Monitor may, in writing, permit, in its discretion, shall not be entitled to attend or vote at any Meeting and shall not be entitled to receive any distribution from any Plan in

respect of a Restructuring Period Claim and any and all Restructuring Period Claims of such Creditor shall be forever extinguished and barred without any further act or notification.

(ii) **Adjudication of Claims against the Applicants**

26. **THIS COURT ORDERS** that any Unscheduled Creditor that does not file a Proof of Claim such that it is received by the Monitor by the Claims Bar Date, or such later date as the Monitor may, in writing, permit, in its discretion, with respect to any Claim against the Applicants shall not be entitled to attend or vote at any Meeting and shall not be entitled to receive any distribution from any Plan in respect of such Claims and any and all such Claims of such Unscheduled Creditor shall be forever extinguished and barred without any further act or notification and irrespective of whether or not such Unscheduled Creditor received a Claims Package.
27. **THIS COURT ORDERS** that the Applicants and the Monitor shall review all Proofs of Claim received by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, and shall accept, revise or reject each Claim against the Applicants set out therein for voting and/or distribution purposes. The Monitor shall notify each Unscheduled Creditor who has delivered a Proof of Claim by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, as to whether such Unscheduled Creditor's Claim against the Applicants as set out therein has been revised or rejected for voting purposes (and/or for distribution purposes if the Applicants elect to do so), and the reasons therefor, by sending a Notice of Revision or Disallowance.
28. **THIS COURT ORDERS** that any Unscheduled Creditor that wishes to dispute a Notice of Revision or Disallowance sent pursuant to the immediately preceding paragraph shall

deliver a Notice of Dispute of Revision or Disallowance to the Monitor such that it is received by no later than 5:00 p.m. on the date that is twenty-one (21) Calendar Days after the date of delivery to the applicable Unscheduled Creditor of the Notice of Revision or Disallowance. Such Unscheduled Creditor shall specify in the Notice of Dispute of Revision or Disallowance the details of the dispute with respect to its Claim and shall specify whether it disputes the determination of the Claim for voting and/or distribution purposes, as applicable.

29. **THIS COURT ORDERS** that where an Unscheduled Creditor that receives a Notice of Revision or Disallowance pursuant to paragraph 27 above does not file a Notice of Dispute of Revision or Disallowance by the time set out in paragraph 28 above, then such Unscheduled Creditor's Voting Claim (and Distribution Claim if the Notice of Revision or Disallowance also dealt with the Distribution Claim) shall be deemed to be as determined in the Notice of Revision or Disallowance and any and all of the Unscheduled Creditor's rights to dispute the Claim(s) as determined in the Notice of Revision or Disallowance or to otherwise assert or pursue such Claims other than as they are determined in the Notice of Revision or Disallowance, in each case for voting purposes and distribution purposes (if the Notice of Revision or Disallowance dealt with the Distribution Claim), shall be forever extinguished and barred without further act or notification. An Unscheduled Creditor may accept a determination of a Claim for voting purposes as set out in the Notice of Revision or Disallowance and may dispute the determination of the Claim for distribution purposes, provided that it does so in its Notice of Dispute of Revision or Disallowance and such Notice of Dispute of Revision or Disallowance is received by the Monitor by the date and time set forth in paragraph 28.

A determination of a Voting Claim of an Unscheduled Creditor does not in any way affect and is without prejudice to the process to determine such Unscheduled Creditor's Distribution Claim.

30. **THIS COURT ORDERS** that the Applicants and the Monitor shall review and consider the Proofs of Claim filed in accordance with this Claims Procedure Order in order to determine the Distribution Claims of Unscheduled Creditors. The Monitor shall notify each Unscheduled Creditor who filed a Proof of Claim and who did not receive a Notice of Revision or Disallowance for distribution purposes pursuant to paragraph 27 herein as to whether such Unscheduled Creditor's Claim as set out in such Unscheduled Creditor's Proof of Claim has been revised or rejected for distribution purposes, and the reasons therefor, by delivery of a Notice of Revision or Disallowance.
31. **THIS COURT ORDERS** that any Unscheduled Creditor that wishes to dispute a Notice of Revision or Disallowance for distribution purposes sent pursuant to the immediately preceding paragraph shall deliver a Notice of Dispute of Revision or Disallowance to the Monitor such that it is received by the Monitor by no later than 5:00 p.m. on the date that is twenty-one (21) Calendar Days after the date of delivery to the applicable Unscheduled Creditor of the Notice of Revision or Disallowance.
32. **THIS COURT ORDERS** that where an Unscheduled Creditor that receives a Notice of Revision or Disallowance pursuant to paragraph 30 above does not file a Notice of Dispute of Revision or Disallowance for distribution purposes by the time set out in paragraph 31 above, the determination of such Unscheduled Creditor's Distribution Claim shall be deemed to be as set out in the Notice of Revision or Disallowance for distribution purposes and any and all of the Unscheduled Creditor's rights to dispute the

Distribution Claim as determined in the Notice of Revision or Disallowance or to otherwise assert or pursue such Distribution Claim in an amount that exceeds the amount set forth on the Notice of Revision or Disallowance shall be forever extinguished and barred without further act or notification.

(iii) Resolution of Claims against the Applicants

33. **THIS COURT ORDERS** that the Applicants and the Monitor shall attempt to resolve any Disputed Voting Claim with an Unscheduled Creditor.

34. In the event that a dispute with respect to such Disputed Voting Claim is not resolved within a time period or in a manner satisfactory to the Monitor, the Monitor, in consultation with the Applicants and on written notice to the applicable Unscheduled Creditor, shall refer the dispute to the Court or the Claims Officer (if a Claims Officer has been appointed), at the Monitor's election, for adjudication; provided, however that to the extent a Disputed Voting Claim is referred under this paragraph to the Court or to the Claims Officer, it shall be on the basis that the Disputed Claim against the Applicants shall be resolved or adjudicated both for voting and distribution purposes (and that it shall remain open to the parties to agree that the Creditor's Voting Claim may be settled without prejudice to a future determination of the Creditor's Distribution Claim by the Court or the Claims Officer, as applicable). The Court or the Claims Officer, as applicable, shall thereafter resolve the dispute between the Applicants and the Unscheduled Creditor.

35. **THIS COURT ORDERS** that where the value of an Unscheduled Creditor's Voting Claim has not been finally determined by the date of the Meetings, the ability of such

Unscheduled Creditor to vote its Disputed Voting Claim and the effect of casting any such vote shall be governed by the Meetings Order.

36. **THIS COURT ORDERS** that the Applicants and the Monitor shall attempt to resolve any Disputed Distribution Claim with an Unscheduled Creditor. In the event that a dispute with respect to such Disputed Distribution Claim is not resolved within a time period or in a manner satisfactory to the Monitor, the Monitor, in consultation with the Applicants and on written notice to the applicable Unscheduled Creditor, shall refer the dispute to the Court or the Claims Officer (if a Claims Officer has been appointed), at the Monitor's election, for adjudication. The Court or the Claims Officer, as applicable, shall thereafter resolve the dispute between the Applicants and the Unscheduled Creditor.

(iv) Adjudication of Director/Officer Claims

37. **THIS COURT ORDERS** that, for greater certainty, the procedures in paragraphs 18 to 36 shall not apply to adjudication of Director/Officer Claims.

38. **THIS COURT ORDERS** that if a Person does not file a Proof of Claim with respect to a Director/Officer Claim with the Monitor such that it is received by the Monitor by the Claims Bar Date, or such later date as the Monitor may, in writing, permit, in its discretion, any and all such Claims of such Person shall be forever extinguished and barred without any further act or notification and irrespective of whether or not such Person received a Claims Package, and the Directors and Officers shall have no liability whatsoever in respect of such Director/Officer Claims.

39. **THIS COURT ORDERS** that the Applicants and the Monitor shall review all Proofs of Claim received by the Claims Bar Date in respect of Director/Officer Claims and shall

accept, revise or reject each Director/Officer Claim set out therein. The Monitor shall notify each Person who has delivered a Proof of Claim by the Claims Bar Date in respect of Director/Officer Claims as to whether such Person's Claim as set out therein has been revised or rejected and the reasons therefor, by sending a Notice of Revision or Disallowance.

40. **THIS COURT ORDERS** that any Person who wishes to dispute a Notice of Revision or Disallowance sent pursuant to the immediately preceding paragraph shall deliver a Notice of Dispute of Revision or Disallowance to the Monitor such that it is received by the Monitor by no later than 5:00 p.m. on the date that is twenty-one (21) Calendar Days after the date of delivery to the applicable Person of the Notice of Revision or Disallowance.
41. **THIS COURT ORDERS** that where a Person that receives a Notice of Revision or Disallowance pursuant to paragraph 39 above does not file a Notice of Dispute of Revision or Disallowance by the time set out in paragraph 40 above, such Person's Director/Officer Claim shall be deemed to be as determined in the Notice of Revision or Disallowance and any and all of such Person's rights to dispute the Director/Officer Claim(s) as determined in the Notice of Revision or Disallowance or to otherwise assert or pursue such Director/Officer Claims other than as they are determined in the Notice of Revision or Disallowance shall be forever extinguished and barred without further act or notification.

(v) **Resolution of Director/Officer Claims**

42. **THIS COURT ORDERS** that the Applicants and the Monitor, with the consent of the applicable Directors and Officers, shall attempt to resolve any disputed Director/Officer Claim with the Person asserting such Director/Officer Claim. In the event that a dispute with respect to such Director/Officer Claim is not resolved within a time period or in a manner satisfactory to the Monitor, the Monitor, in consultation with the Applicants and on written notice to the applicable Person asserting the Director/Officer Claim and the applicable Directors and Officers, shall refer the dispute to the Court or the Claims Officer (if a Claims Officer has been appointed), at the Monitor's election, for adjudication. The Court or the Claims Officer, as applicable, shall thereafter resolve the dispute with respect to the disputed Director/Officer Claim.

SET-OFF

43. **THIS COURT ORDERS** that the Applicants may set-off (whether by way of legal, equitable or contractual set-off) against payments, obligations or other distributions to be made pursuant to or in connection with the Plan to any Creditor, any claims of any nature whatsoever that the Applicants may have against such Creditor, however, neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Applicants of any such claim that the Applicants may have against such Creditor.

NOTICE OF TRANSFEREES

44. **THIS COURT ORDERS** that if, after the Filing Date, the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Monitor nor the Applicants shall be obligated to give notice or otherwise deal with the transferee or

assignee of such Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the Applicants and the Monitor in writing and thereafter such transferee or assignee shall for the purposes hereof constitute the "Creditor" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Claims Procedure Order prior to receipt and acknowledgement by the Applicants and the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which the Applicants may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not, without further order of this Court, entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to the Applicants. The effect of a transfer or assignment of a Claim for purposes of voting at any Meeting shall be governed by the Meetings Order. Reference to transfer in this Claims Procedure Order includes a transfer or assignment whether absolute or intended as security.

45. **THIS COURT ORDERS** that, subject to any restrictions contained in applicable law, a Creditor may transfer or assign the whole of its Claim after the Meetings provided that the Applicants or the Monitor shall not be obliged to make distributions to any such transferee or assignee or otherwise deal with such transferee or assignee as a Creditor in respect thereof unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment and such other documentation as the Applicants and the Monitor may reasonably require, has been received by the Applicants

and the Monitor on or before the Plan Implementation Date, or such other date as the Monitor may agree, failing which the original transferor shall have all applicable rights as the “Creditor” with respect to such Claim as if no transfer of the Claim had occurred. Thereafter, such transferee or assignee shall, for all purposes in accordance with this Claims Procedure Order constitute the Creditor in respect of the transferred or assigned Claim and shall be bound by notices given and steps taken in respect of such Claim. For greater certainty, the Applicants shall not recognize partial transfers or assignments of Claims.

SERVICE AND NOTICES

46. **THIS COURT ORDERS** that the Applicants and the Monitor may, unless otherwise specified by this Claims Procedure Order, serve and deliver the Claims Package, any letters, notices or other documents to Creditors or any other interested Person by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or email to such Persons at the physical or electronic address, as applicable, last shown on the books and records of the Applicants or set out in such Creditor’s Proof of Claim. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within Ontario, the fifth Business Day after mailing within Canada (other than within Ontario), and the tenth Business Day after mailing internationally; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by facsimile transmission or email by 5:00 p.m. on a Business Day, on such Business Day and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

47. **THIS COURT ORDERS** that any notice or communication required to be provided or delivered by a Creditor to the Monitor or the Applicants under this Claims Procedure Order shall be in writing in substantially the form, if any, provided for in this Claims Procedure Order and will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email addressed to:

If to the Applicants:

c/o Labrador Iron Mines Limited
Suite 1200, 220 Bay Street,
Toronto, Ontario M5J 2W4
Attention: Richard Pinkerton, Chief Financial Officer

Fax: (416) 368-5344
Email: pinkerton.r@labradorironmines.ca

With a copy, which does not constitute notice, to:

Steenberglaw Professional Corporation
Suite 1200, 220 Bay Street,
Toronto, Ontario M5J 2W4
Attention: Neil J. F. Steenberg

Fax: (416) 941-9417
Email: neil@steenberglaw.ca

If to the Monitor:

KSV Kofman Inc., Court-appointed Monitor of Labrador Iron Mines Limited,
Labrador Iron Mines Holdings Limited and Schefferville Mines Inc.

Claims Process

150 King Street West
Suite 2308
Toronto, Ontario M5H 1J9
Attention: Mitch Vininsky

Fax: (416) 932-6266
Email: mvininsky@ksvadvisory.com

With a copy, which does not constitute notice, to:

Goodmans LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7
Attention: Melaney Wagner

Fax: (416) 979-1234
Email: mwagner@goodmans.ca

Any such notice or communication delivered by a Creditor shall be deemed to be received upon actual receipt by the Monitor thereof during normal business hours on a Business Day or if delivered outside of normal business hours, the next Business Day.

48. **THIS COURT ORDERS** that if during any period during which notices or other communications are being given pursuant to this Claims Procedure Order a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this Claims Procedure Order.
49. **THIS COURT ORDERS** that in the event that this Claims Procedure Order is later amended by further Order of the Court, the Applicants or the Monitor may post such further Order on the Monitor's website and such posting shall constitute adequate notice to Creditors of such amended claims procedure.

MISCELLANEOUS

50. **THIS COURT ORDERS** that notwithstanding any other provision of this Claims Procedure Order, the solicitation by the Monitor or the Applicants of Proofs of Claim, the

delivery of a Notice of Claim, and the filing by any Person of any Proof of Claim shall not, for that reason only, grant any Person any standing in these proceedings or rights under any proposed Plan.

51. **THIS COURT ORDERS** that nothing in this Claims Procedure Order shall constitute or be deemed to constitute an allocation or assignment of Claims into particular classes for the purpose of a Plan and, for greater certainty, the treatment of Claims, or any other claims and the classification of Creditors for voting and distribution purposes shall be subject to the terms of any proposed Plan, the Meetings Order or further Order of this Court.
52. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court to amend, vary, supplement or replace this Claims Procedure Order or for advice and directions concerning the discharge of their respective powers and duties under this Claims Procedure Order or the interpretation or application of this Claims Procedure Order.
53. **THIS COURT ORDERS** that this Claims Procedure Order shall have full force and effect in all provinces and territories in Canada, outside Canada and against all Persons against whom it may be enforceable.
54. **THIS COURT REQUESTS** the aid and recognition of other Canadian and foreign courts, tribunal, regulatory or administrative bodies to act in aid of and to be complementary to this Court in carrying out the terms of this Claims Procedure Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the

Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Claims Procedure Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Claims Procedure Order.

SCHEDULE “A”

NOTICE TO CREDITORS OF LABRADOR IRON MINES LIMITED, LABRADOR IRON MINES HOLDINGS LIMITED AND SCHEFFERVILLE MINES INC. (the “Applicants”) and/or its Directors or Officers

RE: NOTICE OF CLAIMS BAR DATE IN COMPANIES’ CREDITORS ARRANGEMENT ACT (“CCAA”) PROCEEDINGS

NOTICE IS HEREBY GIVEN that pursuant to an Order of the Ontario Superior Court of Justice made ●, 2016 (the “**Order**”), a claims procedure has been commenced for the purpose of identifying and determining all claims against the Applicants and the Directors and Officers of the Applicants that are to be affected in the Applicants’ Plan of Compromise and Arrangement under the CCAA.

PLEASE TAKE NOTICE that the claims procedure applies only to the Claims described in the Order. A copy of the Order and other public information concerning the CCAA Proceedings can be found at the following website: <http://www.ksvadvisory.com/insolvency-cases-2/labrador-iron-mines-holdings-limited/>. Any creditor that has not received a Notice of Claim and who believes that he or she has a Claim against the Applicants or a Director or Officer under the Order must contact the Monitor in order to obtain a Proof of Claim form.

THE CLAIMS BAR DATE is 5:00 p.m. (Toronto Time) on May 31, 2016. Proofs of Claim in respect of Prefiling Claims and Director/Officer Claims must be completed and filed with the Monitor on or before the Claims Bar Date.

THE RESTRUCTURING PERIOD CLAIMS BAR DATE is 5:00 p.m. (Toronto Time) on the date that is the later of (i) May 31, 2016, and (ii) twenty-one (21) Calendar Days after the date of termination, repudiation or resiliation of the applicable agreement or other event giving rise to the applicable Restructuring Period Claim. Proofs of Claim in respect of Restructuring Period Claims must be completed and filed with the Monitor on or before the Restructuring Period Claims Bar Date.

HOLDERS OF CLAIMS who have not received a Notice of Claim and who do not file a Proof of Claim by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, shall not be entitled to vote at any meeting of creditors regarding the plan of compromise and arrangement being proposed by the Applicants or to participate in any distribution under such plan, and any Claims such creditor may have against the Applicants and/or any of the Directors or Officers of the Applicants shall be forever extinguished and barred.

CREDITORS REQUIRING INFORMATION or claim documentation may contact the Monitor at the following address by prepaid registered mail, courier, personal delivery, facsimile transmission, email or telephone:

KSV Kofman Inc., Court-appointed Monitor of Labrador Iron Mines Limited,
Labrador Iron Mines Holdings Limited and Schefferville Mines Inc.

Claims Process

150 King Street West
Suite 2308
Toronto, Ontario M5H 1J9
Attention: Adam Zeldin

Telephone: (416) 932-6016
Fax: (416) 932-6266
Email azeldin@ksvadvisory.com

SCHEDULE “B”

INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE FOR SCHEDULED CREDITORS OF LABRADOR IRON MINES LIMITED, LABRADOR IRON MINES HOLDINGS LIMITED AND SCHEFFERVILLE MINES INC. (the “Applicants”)

CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) dated ●, 2016 (as such Order may be amended from time to time, the “**Claims Procedure Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “**CCAA**”), the Applicants and KSV Kofman Inc., in its capacity as Court-appointed monitor of the Applicants (the “**Monitor**”), have been authorized to conduct a claims procedure (the “**Claims Procedure**”). A copy of the Claims Procedure Order and other public information concerning these proceedings can be obtained from the Monitor’s website at <http://www.ksvadvisory.com/insolvency-cases-2/labrador-iron-mines-holdings-limited/>.

This letter provides general instructions for completing a Notice of Dispute of Claim form. Capitalized terms not defined within this instruction letter shall have the meaning ascribed thereto in the Claim Procedure Order.

The Claims Procedure is intended to identify and determine the amount of any claims against the Applicants or any or all of the Directors or Officers of the Applicants, whether unliquidated, contingent or otherwise, that are to be affected in the plan of compromise and arrangement being pursued by the Applicants under the CCAA. Please review the Claims Procedure Order for the full terms of the Claims Procedure.

All notices and inquiries with respect to the Claims Procedure should be directed to the Monitor by prepaid registered mail, courier, personal delivery, facsimile transmission, email, or telephone at the address below:

KSV Kofman Inc., Court-appointed Monitor of Labrador Iron Mines Limited,
Labrador Iron Mines Holdings Limited and Schefferville Mines Inc.

Claims Process

150 King Street West
Suite 2308
Toronto, Ontario M5H 1J9
Attention: Mitch Vininsky

Telephone: (416) 932-6013
Fax: (416) 932-6266
Email mvininsky@ksvadvisory.com

FOR CREDITORS DISPUTING A NOTICE OF CLAIM

If you have received a Notice of Claim and you dispute the determination of your Claims as set forth therein for voting and/or distribution purposes, you must file a Notice of Dispute of Claim form with the Monitor. All Notices of Dispute of Claim **must be received by the Monitor on or before 5:00 p.m. (Toronto Time) on May 31, 2016**. If a Notice of Dispute of Claim is not received on or before that time then you shall be deemed to have accepted the determination of your Claims as set out in the Notice of Claim for both voting and distribution purposes, and any and all of your rights to dispute such Claims as so valued or to otherwise assert or pursue such Claims in an amount that exceeds the amount set forth on the Notice of Claim shall be forever extinguished and barred without further act or notification.

If you believe you have any additional Claims other than the Claims set out in the Notice of Claim (including a Pre-Filing Claim, a Director/Officer Claim or a Restructuring Period Claim) you must file a Proof of Claim to assert any such additional Claims so that it is received by the Monitor by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, otherwise any such Claim shall be forever extinguished and barred without further act or notification.

All Claims shall be converted to Canadian dollars at the Bank of Canada Canadian Dollar noon exchange rate in effect on the Filing Date.

Additional Notices of Dispute of Claim forms and Proof of Claim forms can be obtained from the Monitor's website at <http://www.ksvadvisory.com/insolvency-cases-2/labrador-iron-mines-holdings-limited/> or by contacting the Monitor.

DATED this _____ day of _____, 2016.

SCHEDULE “C”

Court File No. CV-15-10926-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
IN THE MATTER OF THE COMPANIES’ CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE
AND ARRANGEMENT OF LABRADOR IRON MINES LIMITED, LABRADOR IRON
MINES HOLDINGS LIMITED AND SCHEFFERVILLE MINES INC.**

NOTICE OF CLAIM

TO: **[insert name and address of creditor]**

This notice is issued pursuant to the Claims Procedure for Claims in respect of Labrador Iron Mines Limited, Labrador Iron Mines Holdings Limited and Schefferville Mines Inc. (the “**Applicants**”), and its Directors and Officers, which was approved by the Order of the Ontario Superior Court of Justice (Commercial List) granted ●, 2016 in the CCAA Proceedings (“**Claims Procedure Order**”). Capitalized terms used herein are as defined in the Claims Procedure Order unless otherwise noted. A copy of the Claims Procedure Order can be obtained from the website of KSV Kofman Inc., the Court-appointed Monitor of the Applicants, at <http://www.ksvadvisory.com/insolvency-cases-2/labrador-iron-mines-holdings-limited/>.

According to the books, records and other relevant information in the possession of the Applicants, your total Claim(s) are as follows:

Applicant(s) to which the Claim relates	Type of Claim (Pre-Filing Claim, Restructuring Claim or Director/Officer Claim)	Amount (CDN\$)	Secured/Unsecured

If you are prepared to accept the foregoing determination, you are not required to respond to this Notice of Claim. Conversely, if you disagree with and wish to dispute the determination of your

Claim(s) against the Applicants as set out herein, you must deliver a Notice of Dispute of Claim to the Monitor such that it is received by the Monitor by no later than **5:00 p.m. (Toronto Time) on May 31, 2016** (the “**Claims Bar Date**”).

You may accept the Claim(s) set out in this Notice of Claim for voting purposes without prejudice to your rights to dispute the Claim for distribution purposes. If you fail to deliver a Notice of Dispute of Claim for voting and distribution purposes such that it is received by the Monitor by the Claims Bar Date, then you shall be deemed to have accepted your Claim(s) as set out in this Notice of Claim.

If you wish to advance a Claim that has not been provided for in this Notice of Claim, including any additional Prefiling Claim, any Restructuring Period Claim or any Directors/Officer Claim, you must contact the Monitor to request a Claims Package and you must complete a Proof of Claim form in respect of such Claim and deliver it to the Monitor at the address or facsimile noted below such that it is received by the Monitor by the Claims Bar Date (in respect of a Prefiling Claim or a Director/Officer Claim) or by 5:00 p.m. (Toronto Time) on the date that is the later of (i) May 31, 2016, and (ii) twenty-one (21) Calendar Days after the date of termination, repudiation or resiliation of the applicable agreement or other event giving rise to the applicable Restructuring Period Claim (in respect of a Restructuring Period Claim). If you fail to deliver such Proof of Claim by such date, you shall not be entitled to vote at any Meeting of creditors regarding the plan of compromise and arrangement by the Applicants or participate in any distribution under such plan in respect of such Claim, and such Claim shall be forever extinguished and barred.

DATED at Toronto, this ____ day of ●, 2016.

KSV Kofman Inc., Court-appointed Monitor of Labrador Iron Mines Limited,
Labrador Iron Mines Holdings Limited and Schefferville Mines Inc.

Claims Process

150 King Street West
Suite 2308
Toronto, Ontario M5H 1J9
Attention: Mitch Vininsky

Telephone: (416) 932-6013
Fax: (416) 932-6266
Email mvininsky@ksvadvisory.com

SCHEDULE "D"

Court File No. CV-15-10926-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE
AND ARRANGEMENT OF LABRADOR IRON MINES LIMITED, LABRADOR IRON
MINES HOLDINGS LIMITED AND SCHEFFERVILLE MINES INC.**

NOTICE OF DISPUTE OF CLAIM

1. PARTICULARS OF CREDITOR

(a) Full Legal Name of Creditor:

(b) Full Mailing Address of Creditor:

(c) Telephone Number of Creditor:

(d) Facsimile Number of Creditor:

(e) E-mail Address of Creditor:

(f) Attention (Contact Person):

2. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes No
(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

3. **DISPUTE OF DETERMINATION OF CLAIM FOR VOTING AND/OR DISTRIBUTION PURPOSES:**

(Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada Canadian Dollar noon exchange rate in effect as of the date of the Initial Order.)

We hereby disagree with the determination of our Claim as set out in the Notice of Claim dated _____, as set out below:

	As specified in Notice of Claim	Disputed for (check all that apply)	Claim asserted by Creditor
Claim against: Name of Applicant or Director/Officer			
Voting Claim			
Distribution Claim			
Secured or Unsecured?			

(Insert particulars of Claim per Notice of Claim and the value of your claim as asserted by you.)

4. **REASONS FOR DISPUTE:**

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, particulars and copies of any security and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. The particulars provided must support the description of the Claim as stated by you in item 3, above.)

This Notice of Dispute of Claim must be returned to and received by the Monitor by no later than **5:00 p.m. (Toronto Time) on May 31, 2016**, the Claims Bar Date, at the following address by prepaid registered mail, courier, personal delivery, facsimile transmission or email:

KSV Kofman Inc., Court-appointed Monitor of Labrador Iron Mines Limited,
Labrador Iron Mines Holdings Limited and Schefferville Mines Inc.

Claims Process

150 King Street West
Suite 2308
Toronto, Ontario M5H 1J9
Attention: Mitch Vininsky

Telephone: (416) 932-6013
Fax: (416) 932-6266
Email mvininsky@ksvadvisory.com

Dated at _____ this _____ day of _____, 2016

Type of Claim allowed (Prefiling Claim, Restructuring Period Claim or Director/Officer Claim):

	Amount	Secured or Unsecured?
Per Proof of Claim		
Revised / Rejected for Voting/Distribution		
Allowed as Revised for Voting / Distribution		

If you intend to dispute this Notice of Revision or Disallowance, you must notify the Monitor of such intent by delivery to the Monitor of a Notice of Dispute of Revision or Disallowance in accordance with the Claims Procedure Order such that it is received by the Monitor by no later than twenty-one (21) Calendar Days after you receive such Notice of Revision or Disallowance at the following address by prepaid registered mail, courier, personal delivery, facsimile transmission, email or telephone:

KSV Kofman Inc., Court-appointed Monitor of Labrador Iron Mines Limited,
Labrador Iron Mines Holdings Limited and Schefferville Mines Inc.

Claims Process

150 King Street West
Suite 2308
Toronto, Ontario M5H 1J9
Attention: Mitch Vininsky

Telephone: (416) 932-6013
Fax: (416) 932-6266
Email mvininsky@ksvadvisory.com

If you do not deliver a Notice of Dispute of Revision or Disallowance in accordance with the Claims Procedure Order, the determination of your Claim shall be deemed to be as set out in this Notice of Revision or Disallowance.

DATED at _____ this _____ day of _____, 2016.

SCHEDULE “F”

Court File No. CV-15-10926-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE
AND ARRANGEMENT OF LABRADOR IRON MINES LIMITED, LABRADOR IRON
MINES HOLDINGS LIMITED AND SCHEFFERVILLE MINES INC.**

NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE

1. PARTICULARS OF CREDITOR

(a) Full Legal Name of Creditor:

(b) Full Mailing Address of Creditor:

(c) Telephone Number of Creditor:

(d) Facsimile Number of Creditor:

(e) E-mail Address of Creditor:

(f) Attention (Contact Person):

2. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes No
(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

3. **DISPUTE OF REVISION OR DISALLOWANCE OF CLAIM FOR VOTING AND/OR DISTRIBUTION PURPOSES:**

(Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada Canadian Dollar noon exchange rate in effect as of the date of the Initial Order.)

We hereby disagree with the determination of our Claim as set out in the Notice of Revision or Disallowance dated _____, as set out below:

	As specified in Notice of Revision or Disallowance	Disputed for (check all that apply)	Claim asserted by Creditor
Claim against: Name of Applicant or Director/Officer			
Voting Claim			
Distribution Claim			
Secured or Unsecured?			

(Insert particulars of Claim per Notice of Revision or Disallowance, and the value of your Claim as asserted by you).

4. **REASONS FOR DISPUTE:**

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, particulars and copies of any security, and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. The particulars provided must support the determination of the Claim as stated by you in item 3, above.)

If you intend to dispute the Notice of Revision or Disallowance, you must notify the Monitor of such intent by delivery to the Monitor of a Notice of Dispute of Revision or Disallowance in accordance with the Claims Procedure Order such that it is received by the Monitor by no later than twenty-one (21) Calendar Days after you receive such Notice of Revision or Disallowance at the following address by prepaid registered mail, courier, personal delivery, facsimile transmission, email or telephone:

KSV Kofman Inc., Court-appointed Monitor of Labrador Iron Mines Limited,
Labrador Iron Mines Holdings Limited and Schefferville Mines Inc.

Claims Process

150 King Street West
Suite 2308
Toronto, Ontario M5H 1J9
Attention: Mitch Vininsky

Telephone: (416) 932-6013
Fax: (416) 932-6266
Email mvininsky@ksvadvisory.com

Dated at _____ this _____ day of _____, 2016.

SCHEDULE “G”

PROOF OF CLAIM INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE FOR UNSCHEDULED CREDITORS OF LABRADOR IRON MINES LIMITED, LABRADOR IRON MINES HOLDINGS LIMITED AND SCHEFFERVILLE MINES INC. (the “Applicants”)

CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) dated ●, 2016 (as such Order may be amended from time to time the “**Claims Procedure Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “**CCAA**”), the Applicants and KSV Kofman Inc., in its capacity as Court-appointed Monitor of the Applicants (the “**Monitor**”), have been authorized to conduct a claims procedure (the “**Claims Procedure**”). A copy of the Claims Procedure Order and other public information concerning these proceedings can be obtained from the Monitor’s website at: <http://www.ksvadvisory.com/insolvency-cases-2/labrador-iron-mines-holdings-limited/>.

This letter provides general instructions for completing a Proof of Claim form. Capitalized terms not defined within this instruction letter shall have the meanings ascribed thereto in the Claims Procedure Order.

The Claims Procedure is intended to identify and determine any claims against the Applicants and the Directors or Officers of the Applicants, whether unliquidated, contingent or otherwise, that are to be affected in the plan of compromise and arrangement being pursued by the Applicants under the CCAA. Please review the Claims Procedure Order for the full terms of the Claims Procedure.

All notices and inquiries with respect to the Claims Procedure should be directed to the Monitor by prepaid registered mail, courier, personal delivery, facsimile transmission or email at the address below:

KSV Kofman Inc., Court-appointed Monitor of Labrador Iron Mines Limited,
Labrador Iron Mines Holdings Limited and Schefferville Mines Inc.

Claims Process

150 King Street West
Suite 2308
Toronto, Ontario M5H 1J9
Attention: Mitch Vininsky

Telephone: (416) 932-6013
Fax: (416) 932-6266
Email mvininsky@ksvadvisory.com

FOR CREDITORS SUBMITTING A PROOF OF CLAIM

If you wish to make a Claim against the Applicants or a Director or Officer of the Applicants and you have not already received a Notice of Claim in respect of such Claim, you must complete and file a Proof of Claim form with the Monitor. All Proofs of Claim for Prefiling Claims (i.e. Claims against the Applicants arising prior to April 2, 2015 and all Director/Officer Claims **must be received by the Monitor before 5:00 p.m. (Toronto Time) on May 31, 2016** (the “**Claims Bar Date**”). If you do not file a Proof of Claim in respect of any such Claims by the Claims Bar Date, you shall not be entitled to vote at any meeting of creditors regarding the plan of compromise and arrangement being proposed by the Applicants or participate in any distribution under such plan in respect of such Claims and any such Claims shall be forever extinguished and barred.

All Proofs of Claim for Restructuring Period Claims (i.e. Claims against the Applicants arising on or after April 2, 2015) **must be received by the Monitor by 5:00 p.m. (Toronto Time) on the date that is the later of (i) May 31, 2016, and (ii) twenty-one (21) Calendar Days after the date of termination, repudiation or resiliation of the applicable agreement or other event giving rise to the applicable Restructuring Period Claim** (the “**Restructuring Period Claims Bar Date**”), unless the Monitor and the Applicants agree in writing or the Court orders that the Proof of Claim be accepted after that date. If you do not file a Proof of Claim in respect of any such Restructuring Period Claims by the Restructuring Period Claims Bar Date, you shall not be entitled to vote at any meeting of creditors regarding the plan of compromise and arrangement being proposed by the Applicants or participate in any distribution under such plan in respect of such Claims and any such Claims you may have against the Applicants and/or any of the Directors and Officers of the Applicants shall be forever extinguished and barred.

All Claims denominated in a foreign currency shall be converted to Canadian dollars at the applicable Bank of Canada noon exchange rate in effect as of April 2, 2015.

ADDITIONAL FORMS

Additional Proof of Claim forms can be obtained from the Monitor’s website at <http://www.ksvadvisory.com/insolvency-cases-2/labrador-iron-mines-holdings-limited/> or by contacting the Monitor.

DATED this _____ day of _____, 2016.

SCHEDULE "H"

Court File No. CV-15-10926-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE
AND ARRANGEMENT OF LABRADOR IRON MINES LIMITED, LABRADOR IRON
MINES HOLDINGS LIMITED AND SCHEFFERVILLE MINES INC.**

PROOF OF CLAIM

1. PARTICULARS OF CREDITOR

(a) Full Legal Name of Creditor:

(b) Full Mailing Address of Creditor:

(c) Telephone Number of Creditor:

(d) Facsimile Number of Creditor:

(e) E-mail Address of Creditor:

(f) Attention (Contact Person):

2. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes No
(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

3. **PROOF OF CLAIM**

THE UNDERSIGNED CERTIFIES AS FOLLOWS:

(a) That I am a Creditor of the Applicants /hold the position of _____ of the Creditor and have knowledge of all the circumstances connected with the Claim described herein;

(b) That I have knowledge of all the circumstances connected with the Claim described and set out below;

(c) The Applicants and/or the Director(s) or Officer(s) of the Applicants were and still are indebted to the Creditor as follows (*Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada Canadian Dollar noon exchange rate in effect as of the date of the Initial Order.*)

(i) Name(s) of the Applicant and/or Director/Officer to which the Claim relates:

(ii) Prefiling Claims against the Applicants:

\$ _____

(iii) Restructuring Period Claims against the Applicants:

\$ _____

(iv) Director/Officer Claims against the Directors and/or Officers of the Applicants:

\$ _____

(v) TOTAL CLAIM:

\$ _____

Total of (ii), (iii) and (iv)

4. **NATURE OF CLAIM AGAINST THE APPLICANTS**
(CHECK AND COMPLETE APPROPRIATE CATEGORY)

Unsecured Claim of \$ _____

Secured Claim of \$ _____

In respect of this debt, I hold security over the assets of the Applicants valued at \$ _____, the particulars of which security and value are attached to this Proof of Claim form.

(If the Claim is secured, provide full particulars of the security, including the date on which the security was given the value for which you ascribe to the assets charged by your security, the basis for such valuation and attach a copy of the security documents evidencing the security.)

5. **PARTICULARS OF CLAIM:**

The particulars of the undersigned's total Claim (including Prefiling Claims, Restructuring Period Claims, and Director/Officer Claims) are attached.

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. If a claim is made against any Directors or Officer, specify the applicable Directors or Officers and the legal basis for the Claim against them.)

6. **FILING OF CLAIM**

For Prefiling Claims, this Proof of Claim must be returned to and received by the Monitor by **5:00 p.m. (Toronto Time) on the Claims Bar Date (May 31, 2016)**.

For Restructuring Period Claims, Claim must be returned to and received by the Monitor by **5:00 p.m. (Toronto Time) on the date that is the later of (i) May 31, 2016, and (ii) twenty-one (21) Calendar Days after the date of termination, repudiation or resiliation of the applicable agreement or other event giving rise to the applicable Restructuring Period Claim.**

In both cases, completed forms must be delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email at the address below to the Monitor at the following address:

KSV Kofman Inc., Court-appointed Monitor of Labrador Iron Mines Limited,
Labrador Iron Mines Holdings Limited and Schefferville Mines Inc.

Claims Process

150 King Street West
Suite 2308
Toronto, Ontario M5H 1J9
Attention: Mitch Vininsky

Telephone: (416) 932-6013
Fax: (416) 932-6266
Email mvininsky@ksvadvisory.com

Dated at _____ this _____ day of _____, 2016.

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36,
AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT
OF LABRADOR IRON MINES LIMITED, LABRADOR IRON MINES HOLDINGS LIMITED AND
SCHEFFERVILLE MINES INC.**

Court File No.: CV-15-10926-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

CLAIMS PROCEDURE ORDER

PALIARE ROLAND ROSENBERG
ROTHSTEIN LLP

Barristers

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Toronto ON M5V 3H1

Tel: 416.646.4300

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Email: max.starnino@paliareroland.com

Lawyers for the Applicants