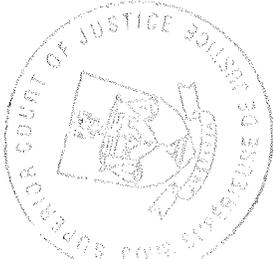


ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST



THE HONOURABLE MR.)

FRIDAY, THE 30th

JUSTICE NEWBOULD)

DAY OF SEPTEMBER 2016

BETWEEN:

**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. (the "Applicants")**

STAY EXTENSION AND APPROVAL AND VESTING ORDER

THIS MOTION, made by the Applicants for an order: (i) approving the extension of the Stay Period (as defined below) until January 27, 2017, (ii) approving the sale transaction (the "Transaction") described in the Sale Agreement with SLM Recycling (the "Purchaser") dated August 24, 2016, (the "Sale Agreement"), and referred to in the Monitor's 7th Report (the "Report"), and (iii) vesting in the Purchaser the Applicants' right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavits of Richard Pinkerton sworn September 23, 2016 and September 28, 2016 (the "Pinkerton Affidavits"), the Report and on hearing the submissions of counsel for the Applicants and Counsel for the Monitor, no one appearing for any other person on the service list, although properly served:

1. THIS COURT ORDERS that the Stay Period (as defined in the Initial Order of the Honourable Regional Senior Justice Morawetz made April 2, 2015 (the "Initial Order")) be and is hereby extended until and including January 27, 2017.

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Applicants is hereby authorized and approved, with such minor amendments as the Applicants, with the approval of the Monitor, may deem necessary. The Applicants are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. THIS COURT ORDERS AND DECLARES that upon the delivery of a certificate from the Monitor to the Purchaser substantially in the form attached as Schedule A hereto (the "Certificate"), all of the Applicants' right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order of the Honourable Regional Senior Justice Morawetz dated April 2, 2015; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; (all of which are collectively referred to as the "Encumbrances"), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (the "Sale Proceeds") shall stand in the place and stead of the Purchased Assets, and that from

and after the delivery of the Certificate all Claims and Encumbrances shall attach to the Sale Proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, 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 sale.

5. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

6. THIS COURT ORDERS that the Monitor may rely on written notice from the Applicants and the Purchaser regarding fulfillment of the conditions to closing under the Sale Agreement and shall incur no liability with respect to delivery of the Monitor's Certificate.

7. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicant;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicants and shall not be void or voidable by creditors of the Applicants, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

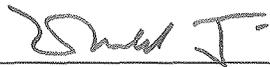
8. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

9. THIS COURT ORDERS that, pending further order of the court, the complete and unredacted Pinkerton Affidavit be sealed, kept confidential, and not form part of the public record, but rather shall be placed separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order.

10. THIS COURT ORDERS AND DIRECTS that the Sale Proceeds shall be received by the Monitor, in trust, and distributed, subject to the approval of the Monitor, to Administration Portuaire de Sept-Îles/Sept-Îles Port Authority ("**SIPA**") in accordance with the terms of the agreement between Labrador Iron Mines Limited, Labrador Iron Mines Holdings Limited and SIPA.

11. THIS COURT ORDERS that the Report and the activities of the Monitor described therein be and are hereby approved.

12. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Applicants and their agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants, as may be necessary or desirable to give effect to this Order or to assist the Applicants and their agents in carrying out the terms of this Order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

SEP 30 2016

PER / PAR:



ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

**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. (the "Applicants")**

CERTIFICATE

RECITALS

A. The Applicant, Labrador Iron Mines Limited (the "Applicant") was granted protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("CCAA"), and Duff & Phelps Canada Restructuring Inc. (later KSV Kofman Inc.) was appointed as Monitor of the Applicants, pursuant to an Initial Order of the Ontario Superior Court of Justice dated April 2, 2015.

B. Pursuant to an Order of the Court dated September 30, 2016 (the "Vesting Order"), the Court authorized and approved the acceptance of an offer from SLM Recycling (the "Purchaser") dated August 24, 2016 (the "Sale Agreement") to purchase certain assets (the "Purchased Assets"), and provided for the vesting in the Purchaser of the Applicant's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that any conditions to closing set forth in the Sale Agreement have been satisfied or waived by the Applicant and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Vesting Order.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Applicant has received the Purchase Price for the Purchased Assets payable pursuant to the Sale Agreement;
2. All conditions pertaining to the Sale Agreement have been satisfied or waived by the Applicant and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

KSV KOFMAN INC., solely in its capacity
as Monitor of the Applicant and not in its
personal or corporate capacity

Per: _____

Name:

Title:

SCHEDULE B

LIM Rail Car Details for 99 cars stored at Trillium Railway – Car Numbers

LABX	2755	LABX	2800	LABX	100436
LABX	2756	LABX	2801	LABX	100438
LABX	2757	LABX	2802	LABX	100439
LABX	2758	LABX	2803	LABX	100448
LABX	2759	LABX	2804	LABX	100451
LABX	2761	LABX	2805	LABX	100452
LABX	2762	LABX	2806	LABX	100453
LABX	2763	LABX	2807	LABX	100460
LABX	2764	LABX	2808	LABX	100462
LABX	2765	LABX	2809		
LABX	2766	LABX	2810		
LABX	2767	LABX	2812		
LABX	2768	LABX	2813		
LABX	2769	LABX	2814		
LABX	2770	LABX	2815		
LABX	2771	LABX	2816		
LABX	2772	LABX	2817		
LABX	2773	LABX	2818		
LABX	2774	LABX	2819		
LABX	2775	LABX	2820		
LABX	2776	LABX	2821		
LABX	2777	LABX	2822		
LABX	2778	LABX	2823		
LABX	2780	LABX	2824		
LABX	2781	LABX	100352		
LABX	2782	LABX	100354		
LABX	2783	LABX	100357		
LABX	2784	LABX	100361		
LABX	2785	LABX	100363		
LABX	2786	LABX	100366		
LABX	2787	LABX	100367		
LABX	2788	LABX	100369		
LABX	2789	LABX	100374		
LABX	2790	LABX	100379		
LABX	2791	LABX	100382		
LABX	2792	LABX	100384		
LABX	2793	LABX	100386		
LABX	2794	LABX	100387		
LABX	2795	LABX	100388		
LABX	2796	LABX	100396		
LABX	2797	LABX	100398		
LABX	2798	LABX	100401		
LABX	2799	LABX	100402		
		LABX	100427		
		LABX	100430		
		LABX	100432		
		LABX	100435		

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.

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

**PROCEEDING COMMENCED AT
TORONTO**

**STAY EXTENSION AND APPROVAL AND
VESTING ORDER**

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Lawyers for the Applicants