

**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 OR ARRANGEMENT
OF LABRADOR IRON MINES HOLDINGS LIMITED, LABRADOR IRON MINES
LIMITED and SCHEFFERVILLE MINES INC. (the "Applicants")**

**MOTION RECORD OF THE APPLICANTS
(Plan Sanction Order)
Returnable December 14, 2016**

December 13, 2016

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TO: THE SERVICE LIST

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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")**

**NOTICE OF MOTION
(Sanction Order)**

THE APPLICANTS will make a motion before a Judge of the Ontario Superior Court of Justice (Commercial List) on Wednesday, December 14, 2016 at 10:00 a.m., or as soon after that time as the motion can be heard at 330 University Avenue, in the City of Toronto.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. an Order substantially in the form of the draft order included in the Applicants' Motion Record (the "**Plan Sanction Order**"), seeking the following relief:
 - (a) abridging the time for service of the Notice of Motion, the Motion Record, and the Ninth Report of the Monitor, and dispensing with further service thereof;

- (b) sanctioning the Plan of Compromise and Arrangement dated December 6, 2016 (and as it may be further amended, varied or supplemented from time to time in accordance with the terms thereof, the "**Plan**"); and
- (c) such further and other relief as counsel may request and this Court deems just.

THE GROUNDS FOR THE MOTION ARE:

- 2. All capitalized terms used herein and not defined shall have the meaning ascribed to them in the Plan and in the Kearney Affidavit.
- 3. The Applicants, iron ore mining companies with mining assets located in and around the Labrador trough, were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("**CCAA**") pursuant to an Initial Order of the Ontario Superior Court of Justice (the "Court") dated April 2, 2015 (the "**Initial Order**").
- 4. KSV Kofman Inc. is the monitor of the Applicants in these CCAA proceedings (the "**Monitor**").
- 5. The Initial Order granted a stay of proceedings until May 1, 2015. The Court has since extended the Stay Period (as defined in paragraph 15 of the Initial Order) five times. Most recently, on September 30, 2016 the Stay Period was extended to January 27, 2017.

6. Having commenced these proceedings, and in accordance with the approach contemplated by the Initial Order, the Applicants have, among other steps:
 - (a) implemented a claims procedure in accordance with the order of this Court dated April 18, 2016 (the "**Claims Procedure Order**"), for the purpose of identifying their creditors;
 - (b) engaged in extensive negotiations with stakeholders; and,
 - (c) prepared the Plan for presentation to and consideration by affected unsecured creditors at a meeting.
7. On November 10, 2016, the Court granted an order (the "**Meeting Order**") that accepted the Plan for filing with the Court and authorized the Applicants to hold a meeting of its creditors on December 6, 2016 (the "**Meeting**").
8. The Applicants have complied in all respects with the notice and service requirements contained in the Meeting Order, the other orders made in these proceedings, and the formal requirements of the CCAA.
9. At the Meeting, the Plan was approved by the required majority of the Applicants' creditors that were entitled to vote at the Meeting.
10. The Plan is the culmination of the efforts of the Applicants to restructure its mining business operations as a going concern. The Plan is in the best interests of all of the stakeholders and is supported by the Monitor.

11. The Applicants have acted in good faith and with due diligence and believe that the terms of the Plan are fair and reasonable. As outlined in its Eighth Report, the Monitor concluded that the Plan is fair and reasonable.
12. Rules 1.04, 2.03, 3.02, 16.08 and 37 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and
13. Such further and other grounds as counsel may advise and the Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

- (a) Affidavit of John F. Kearney, sworn November 3, 2016 and the exhibits attached thereto;
- (b) Eighth Report of the Monitor dated November 4, 2016;
- (c) Ninth Report of the Monitor, to be filed; and
- (d) such further and other material as counsel may advise and and this Honourable Court may permit.

Date: December 13, 2016

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TO: THE SERVICE LIST

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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.

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SUPERIOR COURT OF JUSTICE
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PROCEEDING COMMENCED AT
TORONTO

**NOTICE OF MOTION
(Sanction Order)**

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TAB 2

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE _____) _____, THE _____
)
) 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 OR ARRANGEMENT
OF LABRADOR IRON MINES HOLDINGS LIMITED, LABRADOR IRON MINES
LIMITED and SCHEFFERVILLE MINES INC. (the "Applicants")**

Applicants

PLAN SANCTION ORDER

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C36, as amended, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Plan Affidavit, the Plan Report, the Ninth Report of KSV Kofman Inc. ("KSV"), in its capacity as monitor of the Applicants (the "Monitor") dated December 9, 2016 (the "Ninth Report"), and on hearing the submissions of counsel for the Applicants, the Monitor, and those other parties present, no one else appearing although duly served as appears from the affidavit of service of Michelle Jackson sworn December 12, 2016, filed,

DEFINITIONS

1. THIS COURT ORDERS that all capitalized terms not otherwise defined herein shall be as defined in the Applicants' Plan of Compromise and Arrangement dated December 6, 2016 attached as Schedule "A" hereto (as it may be amended, modified or supplemented in accordance with its terms, the "Plan") or, if not therein defined, then as defined in the Meeting Order granted in this proceeding on November 10, 2016 (the "Meeting Order").

SERVICE

2. THIS COURT ORDERS that the time for service of the Notice of Motion and the Ninth Report be and is hereby abridged and validated, such that this Motion is properly returnable today and that any further service of the Notice of Motion, or the Ninth Report is hereby dispensed with.

3. THIS COURT ORDERS AND DECLARES that there has been good and sufficient service, delivery and notice of the Plan, the Meeting Order and the Information Packages to all Persons upon which notice, service and delivery were required, and that the Meeting was duly conducted in conformity with the *Companies' Creditors Arrangement Act* (the "CCAA") and all other Orders of this Court in these proceedings (the "CCAA Proceedings").

SANCTION OF THE PLAN

4. THIS COURT ORDERS AND DECLARES that:

- (a) the Plan has been approved by the Required Majority of Affected Unsecured Creditors in each of the two voting classes, being (1) the class of Affected Unsecured Creditors of LIMH, and (2) the class of the Affected Unsecured Creditors of LIM and SMI, all in conformity with the CCAA and the terms of the Meeting Order;
- (b) the Court is satisfied that the Applicants have acted, and are acting, in good faith and with due diligence, and have complied with the provisions of the CCAA and the Orders of this Court made in the CCAA Proceedings;
- (c) the Court is satisfied that the Applicants have not done nor have they purported to do anything that is not authorized by the CCAA; and
- (d) the Plan, all terms and conditions thereof, and the matters and the transactions contemplated thereby, are fair and reasonable to the parties affected.

5. THIS COURT ORDERS AND DECLARES that the Plan is hereby sanctioned and approved pursuant to Section 6 of the CCAA.

6. THIS COURT ORDERS that the Plan cannot be revoked, withdrawn, amended, modified and/or supplemented by the Applicants prior to the Plan Implementation Date, except in accordance with the express written terms of the Plan.

PLAN IMPLEMENTATION

7. THIS COURT ORDERS that on and as of the Plan Implementation Date, (a) the Plan shall be and shall be deemed to be effective, (b) the steps to be taken and the transactions, arrangements, reorganizations, assignments, cancellations, compromises, settlements, extinguishments, discharges, injunctions and releases to be effected on the Plan Implementation Date shall and shall be deemed to occur and be effected in

accordance with the terms of the Plan in the sequence and at the times contemplated by the Plan, without any further act or formality, (c) the treatment of Affected Claims under the Plan shall be final and binding for all purposes and enure to the benefit of the Applicants, all Affected Creditors, the Released Parties, and all other Persons named or referred to in, or subject to, the Plan and their respective heirs, executors, administrators and other legal representatives, successors and assigns, (d) all Affected Claims shall be and shall be deemed to be forever discharged and released, excepting only the obligations to make distributions in respect of such Affected Claims in the manner and to the extent provided for in the Plan, and (e) each Person named or referred to in, or subject to the Plan, will be deemed to have consented and agreed to all of the provisions of the Plan, in its entirety.

8. THIS COURT ORDERS that the Applicants and the Monitor, as the case may be, are hereby authorized and directed to take all steps and actions necessary or appropriate to implement the Plan in accordance with and subject to its terms and conditions, and enter into, execute, deliver, complete, implement and consummate all of the steps, transactions, distributions, deliveries, allocations, instruments and agreements contemplated by, and subject to the terms and conditions of, the Plan, and all such steps and actions are hereby approved. Neither the Applicants nor the Monitor shall incur any liability as a result of acting in accordance with the terms of the Plan and this Plan Sanction Order.

9. THIS COURT ORDERS that upon the satisfaction or waiver, as applicable, of the conditions set out in Section 7.6 of the Plan in accordance with the terms of the Plan, as confirmed by the Applicants (or counsel on its behalf) to the Monitor in writing, the

Monitor is authorized and directed to deliver to the Applicants (or counsel on its behalf) a certificate substantially in the form attached hereto as Schedule "B" (the "Monitor's Plan Implementation Date Certificate"), signed by the Monitor, stating that all conditions precedent set out in Section 7.6 have been satisfied or waived and that the Plan Implementation Date has occurred. The Monitor shall file the Monitor's Plan Implementation Date Certificate with this Court as soon as reasonably practicable and post a copy of same, once filed, on the Monitor's Website and provide a copy to the Service List.

10. THIS COURT ORDERS that unless otherwise directed by the Court or agreed in writing between the Applicants and an Affected Secured Creditor, with the consent of the Monitor, Affected Secured Creditors with Affected Secured Claims shall:

- (a) within 30 days of the date of this Order, or such later date as the Applicants and the Monitor may agree, take possession of some or all of the collateral for their Claim, at a value that is either (i) agreed between the Affected Secured Creditor and the Applicants, and approved by the Monitor, or (ii) determined by the Court; and,
- (b) participate as Affected Unsecured Creditors for the balance of their Claims,

and for the avoidance of doubt, unless otherwise directed by the Court, where an Affected Secured Creditor fails to take possession of collateral for their Affected Secured Claim within the time contemplated above, they shall be deemed to have

released their security interest in the collateral and shall participate as Affected Unsecured Creditors for the balance of their Claim.

11. THIS COURT ORDERS that each of the Applicants and the Monitor is hereby authorized and empowered to exercise all consent and approval rights provided for in the Plan in the manner set forth in the Plan, whether prior to or after the Plan Implementation Date.

12. THIS COURT ORDERS that the Applicants, the Monitor, and any other Person required to make any distributions, deliveries or allocations or take any steps or actions related thereto pursuant to the Plan are hereby authorized and directed to complete such distributions, deliveries or allocations and to take any such related steps or actions, as the case may be, in accordance with the terms of the Plan, and such distributions, deliveries and allocations, and steps and actions related thereto, are hereby approved.

13. THIS COURT ORDERS that, subject to the payments and steps required by Sections 4.1 - 4.4 of the Plan, each of the Charges shall be terminated, discharged and released on the Plan Implementation Date, with the exception of the Administration Charge.

EFFECT OF PLAN IMPLEMENTATION

14. THIS COURT ORDERS that subject to the performance by the Applicants of their obligations under the Plan, and except to the extent expressly contemplated by the Plan or this Plan Sanction Order, no Person who is a party to any obligations or agreements shall, following the Plan Implementation Date, accelerate, terminate, rescind, refuse to

perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of setoff, option, dilution or other remedy) or make any demand under or in respect of any such obligation or agreement, by reason of:

- (a) any defaults or events of default arising as a result of the insolvency of the Applicants prior to the Plan Implementation Date;
- (b) the fact that the Applicants have sought or obtained relief under the CCAA or that the Plan has been implemented by the Applicants;
- (c) the effect on the Applicants of the completion of any of the transactions contemplated by the Plan;
- (d) any compromises or arrangements effected pursuant to this Plan; or
- (e) in respect of obligations or agreements with an Applicant, any other event(s) which occurred on or prior to the Plan Implementation Date which would have entitled any Person to enforce rights and remedies against an Applicant, subject to any express provisions to the contrary in any agreements entered into with an Applicant after the Filing Date.

15. THIS COURT ORDERS that for greater certainty, (a) nothing in paragraph 14 hereof shall waive, compromise or discharge any obligations of the Applicants in respect of any Excluded Claim, and (b) the designation of any claim as an Excluded Claim is without prejudice to the Applicants' right to dispute the existence, validity or quantum of any Excluded Claim, and (c) nothing in this Plan Sanction Order or the Plan shall affect or waive the Applicants' rights and defences, both legal and equitable, with respect to any Excluded Claim, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Excluded Claim.

16. THIS COURT ORDERS that from and after the Plan Implementation Date, all Persons shall be deemed to have waived any and all defaults of the Applicants then existing or previously committed by the Applicants, or caused by the Applicants, directly or indirectly, or noncompliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any contract, instrument, credit document, lease, guarantee, agreement for sale, deed, licence, permit or other agreement, written or oral, and any and all amendments or supplements thereto, existing between such Person and any of the Applicants arising directly or indirectly from the filing by the Applicants under the CCAA and the implementation of the Plan, including without limitation any of the matters or events listed in paragraph 14 hereof and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under any such agreement shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Applicants from performing their obligations under the Plan or be a waiver of defaults by the Applicants under the Plan and the related documents.

17. THIS COURT ORDERS that from and after the Plan Implementation Date, all Persons with an Affected Claim and all holders of Equity Claims shall be deemed to have granted, and executed and delivered to the Applicants all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the Plan in its entirety.

18. THIS COURT ORDERS that the Claims Procedure Order shall remain in full force, including in respect of the determination, adjudication, barring and extinguishment

of Claims and Restructuring Period Claims, in accordance with its terms. Without limiting the provisions of the Claims Procedure Order, any Person that did not file a Proof of Claim or a Notice of Dispute, as applicable, by the Claims Bar Date or the Restructuring Period Claims Bar Date, whether or not such Person received direct notice of the claims process established by the Claims Procedure Order, shall be and is hereby forever barred from making any Claim and shall not be entitled to any consideration under the Plan, and such Person's Claim shall be and is hereby forever barred and extinguished. Nothing in the Plan extends or shall be interpreted as extending or amending the Claims Bar Date or any other date provided for in the Claims Procedure Order, or gives or shall be interpreted as giving any rights to any Person in respect of Claims that have been barred or extinguished pursuant to the Claims Procedure Order, the Meetings Order, the Plan or this Plan Sanction Order.

19. THIS COURT ORDERS that from and after the Plan Implementation Date, any conflict between:

- (a) the Plan; and
- (b) the covenants, warranties, representations, terms, conditions, provisions or obligations, express or implied, of any contract, mortgage, security agreement, indenture, trust indenture, note, loan agreement, commitment letter, agreement for sale, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between any Person and the Applicants as at the Plan Implementation Date,

will be deemed to be governed by the terms, conditions and provisions of the Plan and this Plan Sanction Order, which shall take precedence and priority.

RELEASES AND INJUNCTIONS

20. THIS COURT ORDERS that at the Plan Implementation Date (a) the releases provided in section 5.1 of the Plan are effective and binding on all Persons, (b) the Released Parties are forever released and discharged from any and all Affected Claims of any nature in accordance with the Plan, (c) the ability of any Person to proceed against the Released Parties in respect of or relating to any Affected Claims is forever barred, estopped, enjoined, discharged and restrained, and (d) all proceedings with respect to, in connection with or relating to such Affected Claims shall be permanently stayed, subject only to resolution of Disputed Claims in accordance with the Claims Procedure Order and the right of Affected Creditors to receive distributions pursuant to the Plan in respect of their Affected Claims.

21. THIS COURT ORDERS that all Persons (regardless of whether or not such Persons are Affected Creditors) are permanently and forever barred, estopped, stayed and enjoined, on and after the Plan Implementation Date, with respect to any and all Released Claims, from (a) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever against the Released Parties, as applicable; (b) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against the Released Parties; (c) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrance of any kind against the Released Parties or their property; or (iv) taking any actions to interfere with the implementation or consummation of the Plan; provided, however, that the foregoing shall not apply to the enforcement of any

obligations under the Plan, or any right or obligation arising pursuant to the Claims Procedure Order.

TERMINATION OF CCAA PROCEEDINGS

22. THIS COURT ORDERS that:

- (a) on the Plan Implementation Date, upon the delivery of the Monitor's Plan Implementation Date Certificate pursuant to this Plan Sanction Order, these CCAA Proceedings shall be terminated;
- (b) the Stay Period (as defined in the Initial Order) shall expire on the earlier of (a) the delivery of the Monitor's Plan Implementation Date Certificate pursuant to the terms of this Plan Sanction Order; and (b) January 27, 2017.
- (c) all Orders made in the CCAA Proceedings shall continue in full force and effect in accordance with their respective terms, except to the extent that such Orders are varied by or are inconsistent with the Plan, this Plan Sanction Order or any further Order of this Court; and
- (d) notwithstanding the termination of the CCAA Proceedings, the Court shall remain seized of any matter arising from these CCAA Proceedings or in respect of the Plan, including in respect of any matters arising from or that are incidental to the CCAA Proceedings, and the Applicants and KSV shall have the authority from and after the date of this Plan Sanction Order to apply to this Court to address matters incidental to these CCAA Proceedings notwithstanding the termination thereof.

THE MONITOR

23. THIS COURT ORDERS that the Eighth Report of the Monitor dated November 4, 2016 and the Ninth Report dated December 9, 2016, and the conduct and activities of the Monitor described therein, including the activities and conduct of the Monitor in relation to conducting and administering the Meetings on December 6, 2016 (as more particularly described in the Ninth Report), be and are hereby ratified and approved.

24. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA and the powers provided to the Monitor herein and in the Orders and the Plan, shall be and is hereby authorized, directed and empowered to perform its functions and fulfill its obligations under the Plan to facilitate the implementation of the Plan.

25. THIS COURT ORDERS that the Monitor has satisfied all of its obligations up to and including the date of this Plan Sanction Order, and that (a) in carrying out the terms of this Plan Sanction Order and the Plan, the Monitor shall have all the protections given to it by the CCAA, the Initial Order, the Meeting Order and the Claims Procedure Order, and as an officer of the Court, including the stay of proceedings in its favour, (b) the Monitor shall incur no liability or obligation for any act or omission as a result of carrying out the provisions of this Plan Sanction Order and/or the Plan and in performing its duties as Monitor in the CCAA Proceedings, save and except for any gross negligence or wilful misconduct on its part, (c) the Monitor shall be entitled to rely on the books and records of the Applicants and any information provided by the Applicants without independent investigation; and (d) the Monitor shall not be liable for any claims or

damages resulting from any errors or omissions in such books, records or information, or with respect to any such information disclosed to or provided by the Monitor, including with respect to reliance thereon by any Person.

26. THIS COURT ORDERS that on the Plan Implementation Date, upon the delivery of the Monitor's Plan Implementation Date Certificate pursuant to this Plan Sanction Order, the Monitor shall be discharged and released from its duties, other than those obligations, duties and responsibilities that are necessary, required or desirable (a) to give effect to the terms of the Plan and this Plan Sanction Order, including assisting with and/or completing any remaining distributions provided for in the Plan; (b) to assist with the resolution of any remaining Disputed Claims pursuant to the Claims Procedure Order; and (c) in connection with the completion by the Monitor of all other matters for which it is responsible in connection with the Plan or pursuant to the Orders of this Court made in the CCAA Proceedings.

27. THIS COURT ORDERS that, subject to paragraph 26 of this Sanction Order, upon the delivery of the Monitor's Plan Implementation Date Certificate, KSV shall be deemed to be discharged from its duties as Monitor and released of all claims relating to its activities as Monitor, whether before or after the date of this Plan Sanction Order, including, for certainty, any activities referenced in paragraph 26 of this Plan Sanction Order.

28. THIS COURT ORDERS that, notwithstanding any provision of this Plan Sanction Order, the termination of the CCAA Proceedings or the discharge of the Monitor, nothing herein shall affect, vary, derogate from, limit or amend, and KSV shall continue

to have the benefit of, any and all of the rights, approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order, any other Order of this Court in these CCAA Proceedings or otherwise, including all approvals, protections and stays of proceedings in favour of KSV in its capacity as Monitor, all of which are expressly continued and confirmed.

GENERAL PROVISIONS

29. THIS COURT ORDERS that the Applicant, the Monitor and any other interested parties are hereby granted leave to apply to this Court for such further advice, directions or assistance as may be necessary to give effect to the terms of the Plan.

EFFECT, RECOGNITION AND ASSISTANCE

30. THIS COURT ORDERS that this Plan Sanction Order shall have full force and effect in all provinces and territories in Canada and abroad and as against all Persons against whom it may apply.

31. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or elsewhere to give effect to this Plan Sanction Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Plan Sanction Order and the Plan. 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 Plan Sanction Order, or to assist the Applicants and the

Monitor and their respective agents in carrying out the terms of this Plan Sanction Order and the Plan.

SCHEDULE "A"

Applicants' Plan of Compromise and Arrangement

SCHEDULE "B"

Monitor's Plan Implementation Date Certificate

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

ONTARIO
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Applicants

CERTIFICATE OF THE COURT-APPOINTED MONITOR**(Plan Implementation)**

All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Plan of Compromise and Arrangement of Labrador Iron Mines Holdings Limited, Labrador Iron Mines Limited and Schefferville Mines Inc. (collectively, the "**Applicants**") dated December 6, 2016 (as it may be amended, modified or supplemented in accordance with its terms, the "**Plan**"), which is attached as Schedule "A" to the Plan Sanction Order of the Honourable ● made in these proceedings on December 14, 2016 (the "**Plan Sanction Order**").

Pursuant to Section 7.8 of the Plan and paragraph 9 of the Sanction Order, KSV Kofman Inc. in its capacity as the Court-appointed monitor of the Applicants (the "**Monitor**") delivers this certificate to counsel to the Applicants (on behalf of the Applicants) and hereby certifies that:

1. The Monitor has received written confirmation from the Applicants that the conditions precedent set out in Section 7.6 of the Plan have been satisfied or waived, as applicable.
2. Pursuant to the terms of the Plan, the Plan Implementation Date has occurred.
3. The Plan is effective in accordance with its terms and the terms of the Plan Sanction Order.
4. This Certificate will be filed with the Court.
5. Effective upon the delivery of this Certificate pursuant to the Plan Sanction Order the Stay Period and the CCAA Proceedings shall be terminated.

DATED at the City of Toronto, in the Province of Ontario, this ____ day of _____, 2016.

KSV KOFMAN INC., in its capacity as Court-appointed Monitor of the Applicants

By:

Name:

Title:

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

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PLAN SANCTION ORDER

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