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TO THE SERVICE LIST

August 25, 2015

VIA EMAIL

Steven J. Weisz
Dir: 416-863-2616
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Reference: 11573/374

Koskie Minsky LLP
200 Queen Street West, Suite 900
Box 52, Toronto, ON
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Email: ahatnay@kmlaw.ca

RE: In the matter of the Plan of Compromise or Arrangement of Wabush Iron Co. Limited and Wabush Resources Inc. *et al.*, as Petitioners, and Wabush Mines, Arnaud Railway Company and Wabush Lake Railway Company Limited *et al.*, as Mises-en-Cause, File No. 500-11-048114-157 (collectively, the "**Wabush CCAA Parties**")

Re: Contributory Pension Plan for Salaried Employees of Wabush Mines, Cliffs Mining Company, Managing Agent Arnaud Company and Wabush Lake Railway Company, Limited Newfoundland Registration Number 021314-000 (the "**Salaried Plan**")

Dear Mr. Hatnay

We are in receipt of your letter to the service list dated August 14, 2015 (the "**August 14 Letter**").

Capitalized terms used and not defined herein have the meaning given to them in your August 13 Letter.

In light of the Judgment of the Honourable Stephen W. Hamilton of the Superior Court (Commercial Division) of Québec dated June 26, 2015 (the "**Benefits and Priority Order**") and the entirely unsuccessful Motion for leave to appeal the Benefits and Priority Order which was dismissed, with costs, by the Québec Court of Appeal on August 18, 2015¹, the position of the Wabush CCAA Parties is that in the circumstances:

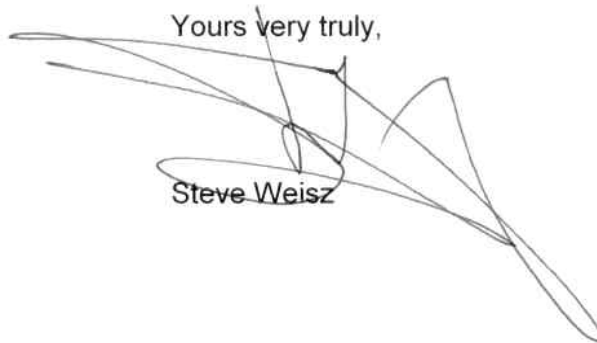
(a) the Monthly Amortization Payments and proportionate share of the Yearly Catch-Up Amortization Payments are not subject to a deemed trust pursuant to the Newfoundland Pension Benefits Act, ("**PBA**"), the Federal Pension Benefits Standards Act ("**PBSA**"), or otherwise; and

¹ A copy of the Québec Court of Appeal decision is enclosed for ease of reference.

(b) in the event that the Salaried Plan is wound up, any amounts in respect of a wind up deficiency are not subject to a deemed trust priority pursuant to the PBA, PBSA, or otherwise.

Finally, please note that the Wabush CCAA Parties and the Monitor are in the process of reviewing and analyzing proposals received pursuant to the sale investment and solicitation process. If and when the Wabush CCAA Parties have, in consultation with the Monitor, decided to pursue a transaction involving the assets of Wabush, the Wabush CCAA Parties will seek the Court's approval. At such time, the service list will be served with prior notice of such approval hearing.

Yours very truly,

A handwritten signature in black ink, appearing to read "Steve Weisz", is written over the typed name. The signature is stylized and somewhat messy, with several loops and a long horizontal stroke extending to the left.

Steve Weisz

Encl.

c: Clifford T. Smith, Wabush Mines
Nigel Meakin, FTI Consulting Canada Inc. in its capacity as Monitor