



No. S154746  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,  
R.S.C. 1985 c. C-44, AS AMENDED

AND

IN THE MATTER OF NORTH AMERICAN TUNGSTEN CORPORATION LTD.

TWENTY THIRD REPORT OF THE MONITOR

ALVAREZ & MARSAL CANADA INC.

MARCH 24, 2022



ALVAREZ & MARSAL

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

**AND**

**IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,  
R.S.C. 1985 c. C-44, AS AMENDED**

**AND**

**IN THE MATTER OF NORTH AMERICAN TUNGSTEN CORPORATION LTD.**

**TABLE OF CONTENTS**

1.0	INTRODUCTION.....	- 3 -
2.0	PURPOSE OF REPORT.....	- 4 -
3.0	TERMS OF REFERENCE.....	- 5 -
4.0	UPDATE ON OPERATIONS AND RESTRUCTURING ACTIVITIES.....	- 5 -
5.0	UPDATE ON THE COMPETITIVE SELECTION PROCESS.....	- 8 -
6.0	CASH FLOW VARIANCE ANALYSIS .....	- 9 -
7.0	FOURTEENTH CASH FLOW STATEMENT .....	- 11 -
8.0	EXTENSION OF THE STAY PERIOD.....	- 13 -
9.0	MONITOR'S CONCLUSION AND RECOMMENDATIONS.....	- 14 -

**Appendix A – Fourteenth Cash Flow Statement for the 411-Week Period Ending April 30, 2023**

## 1.0 INTRODUCTION

- 1.1 On June 9, 2015, on the application of North American Tungsten Corporation Ltd. (the “**Company**” or “**NATC**”), the Supreme Court of British Columbia (the “**Court**”) made an order (the “**Initial Order**”) granting a stay of proceedings against or in respect of the Company and its assets until July 9, 2015 (the “**Stay Period**”) pursuant to the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) and appointing Alvarez & Marsal Canada Inc. as monitor (the “**Monitor**”). The proceedings brought by the Company under the CCAA will be referred to herein as the “**CCAA Proceedings**”.
- 1.2 Pursuant to subsequent orders of the Court made in the CCAA Proceedings, the most recent on March 30, 2021, the Stay Period has been extended until April 30, 2022.
- 1.3 At the date of the Initial Order, NATC was in the business of mine development and tungsten concentrate production. Its key mining assets included one producing mine located in the Northwest Territories (“**Cantung**”) and one development property located on the border of the Yukon and the Northwest Territories (“**Mactung**”).
- 1.4 On October 26, 2015, the Company discontinued production at Cantung and transitioned the mine to care and maintenance. The care and maintenance plan was designed to, among other things, enable the Company to remain in compliance with Cantung’s water licence issued by the Mackenzie Valley Land and Water Board (“**MVLWB**”) and various environmental regulations, preserve the value of the Cantung mine site and mitigate reclamation liabilities associated with the mine. Since on or around November 2015, funding for the care and maintenance program has been provided by the Government of Canada as represented by the Department of Crown-Indigenous Relations and Northern Affairs (“**DCIRNA**”).
- 1.5 On November 16, 2015, the Court pronounced an order which, among other things, granted the Monitor exclusive authority to act in respect of NATC’s property and business.
- 1.6 On November 17, 2015, the Court granted an order approving the sale of the Mactung property to the Government of the Northwest Territories (the “**GNWT**”), in part by way of offset of a portion of the secured debt owing to GNWT by NATC. The transaction to sell Mactung to GNWT closed on December 10, 2015.
- 1.7 In May 2017, NATC entered into a contract with Tetra Tech Canada Inc. (“**Tetra Tech**”) to perform environmental and geotechnical investigations of the Cantung mine site (the “**Phase III ESA**”) to assist with long-term planning for potential remediation. The field work to support the Phase III ESA, including sampling and drill programs, was undertaken during the summer and fall of 2018

and 2019. In or around May 2021, Tetra Tech submitted the analyses of the results of its assessment work in the form of eight separate assessment reports, which were subsequently presented to relevant Indigenous groups over four-day technical sessions held from June 22 to June 25, 2021.

- 1.8 On May 24, 2019, the Monitor entered into a memorandum of understanding with DCIRNA and the GNWT (together, the “**Governments**”) whereby the Governments retained and appointed the Monitor to jointly market for sale the Cantung mine and Mactung deposit (together, the “**Assets**”).
- 1.9 Subsequently, on July 16, 2019, Mr. Justice Grauer granted an order (the “**Competitive Selection Process Order**”) approving a competitive selection process (the “**Competitive Selection Process**”) having the purpose of transferring the Assets to the private sector to ensure timely development of the Mactung deposit towards a producing mine and to evaluate the options for production at the Cantung mine and management of environmental liabilities.
- 1.10 On March 30, 2021, this Honourable Court pronounced an order to extend the Stay Period through to April 30, 2022.
- 1.11 Concurrent with this report, the Monitor, acting on behalf of the Company, has filed a notice of application seeking an order to further extend the Stay Period through to April 30, 2023 (the “**Extension Order**”).
- 1.12 The Initial Order, along with other documents filed in the CCAA Proceedings, are posted on the Monitor’s website at [www.alvarczandmarsal.com/northamerican](http://www.alvarczandmarsal.com/northamerican).

## **2.0 PURPOSE OF REPORT**

- 2.1 The purpose of this Twenty Third Report of the Monitor (the “**Twenty Third Report**”) is to provide the Court and the Company’s stakeholders with the following information:
  - a) an update on the Company’s care and maintenance activities at the Cantung mine site and restructuring matters generally since the last update which was provided in the Twenty Second Report of the Monitor dated March 16, 2021 (the “**Twenty Second Report**”);
  - b) an update on the Competitive Selection Process;
  - c) a comparison of actual cash receipts and disbursements for the period June 9, 2015 to March 18, 2022 to those forecast in the cash flow statement (the “**Thirteenth Cash Flow Statement**”) appended to the Twenty Second Report;
  - d) an updated cash flow statement from March 19, 2022 to April 30, 2023 (the “**Fourteenth Cash Flow Statement**”); and
  - e) the Monitor’s recommendation with respect to the Company’s application for the Extension Order.

### **3.0 TERMS OF REFERENCE**

- 3.1 Certain of the information referred to in this report consists of financial forecasts and/or projections. An examination or review of financial forecasts and projections and procedures as outlined by the Chartered Professional Accountants of Canada has not been performed. Readers are cautioned that since financial forecasts and/or projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from those forecast and/or projected and the variations could be material.
- 3.2 Unless otherwise stated, all monetary amounts contained in this Twenty Third Report are expressed in Canadian dollars.

### **4.0 UPDATE ON OPERATIONS AND RESTRUCTURING ACTIVITIES**

- 4.1 Since the date of the Twenty Second Report, the Monitor's primary activities have included:
- a) managing the care and maintenance activities at the Company's Cantung mine site;
  - b) attending to environmental and regulatory matters including regular reporting to and discussions with the MVLWB;
  - c) attending to various applications and extensions, including in respect of land use permits and the interim closure and reclamation plan, among others, as well as updating various plans and holding discussions with DCIRNA and the various regulatory bodies regarding same;
  - d) communicating with key stakeholders including DCIRNA, GNWT and representatives of relevant Indigenous groups and related communities;
  - e) continuing discussions and coordinating site visits with interested parties, as well as continuing discussion with relevant Indigenous groups and related communities to advance the Competitive Selection Process;
  - f) attending to general site and administrative activities such as road and equipment maintenance, environmental sampling, payroll administration and other related matters; and
  - g) attending to general corporate reporting and administration matters.

#### **Management of Care and Maintenance at Cantung**

- 4.2 The Company continues to employ twelve (12) full time employees on alternating three-week schedules. Staff activities include, among other things, performing regular water sampling and reporting, regular inspections of and repairs to site buildings and infrastructure, and maintaining mobile and other equipment as well as access to the mine site by way of the Nahanni Range Road, site roads and the airstrip.

- 4.3 The Company has taken steps to continue to clean up the Cantung mine site including removing unused fuel totes, scrap metal and hazardous waste from the site. The Company intends to continue performing progressive site clean-up and remediation tasks during the extension period contemplated by the Extension Order provided these activities are permitted under Public Health Orders issued by the territorial governments in respect of COVID-19 pandemic protocols.

#### **Environmental and Geotechnical Investigations**

- 4.4 In May 2017, the Company engaged Tetra Tech to perform a Phase III ESA which included various environmental and geotechnical investigations of the Cantung mine site in order to understand the potential remediation options and related cost estimates. Since the date of the Twenty Second Report, Tetra Tech issued one remaining conceptual site model report in May 2021, resulting in a total of eight assessment reports (the “**Assessment Reports**”).
- 4.5 From June 22, 2021 to June 25, 2021, Tetra Tech facilitated technical engagement sessions (“**Technical Sessions**”), which were attended by representatives of the Company, the Monitor and its technical advisors and DCIRNA, in order to present the findings in the Assessment Reports to the relevant Indigenous groups. The Technical Sessions provided an opportunity to receive comments from the Indigenous groups which will be considered and may inform subsequent additional assessment work.
- 4.6 Tetra Tech continues to review the findings contained in the Assessment Reports in order to conduct further analysis of the remedial options for the Cantung mine site. As a result of a number of factors including (i) delays caused by COVID-19, (ii) comments received on various analyses of the Assessment Reports from an independent peer review panel of environmental and geotechnical professionals, and (iii) additional work having to be completed by Tetra Tech to support its conclusions, the additional assessment work and remedial options analyses are expected to be completed during the summer of 2022.
- 4.7 There continues to be further engagement and consultation with the relevant Indigenous groups and related communities on the progress of the additional assessment work.

#### **Environmental and Regulatory Matters**

- 4.8 The Company continues to submit regular monthly and annual reports to MVLWB as required under the Company’s water licence.
- 4.9 The Company and the Monitor had correspondence with and attended meetings with representatives of:

- a) MVLWB, regarding the water licence, environmental and geotechnical assessment program, Competitive Selection Process, interim closure and reclamation plan applications and extensions, and deferral of certain reports while the Cantung mine is in care and maintenance; and
- b) DCIRNA inspectors, relating to reporting requirements under the water licence and other regulatory requirements. A physical inspection of the Cantung mine site was conducted by DCIRNA's land use inspector ("**Land Use Inspector**") on October 6, 2021 as well as on February 24, 2022.

4.10 Since the date of the last report, the Company reported one minor spill of liquid propane in gaseous form on October 8, 2021. While conducting a routine monthly inspection of the propane storage facilities, the Company identified a leak from a small bleeder-nut on the one of the outdoor storage tanks. The Land Use Inspector and affected Indigenous groups were notified immediately and the cause of spill was rectified by the Company. As an additional precaution, the Company has contacted qualified contractors to empty and remove the storage tank from site. NATC continues to implement and follow spill preventative measures in response to feedback from regulatory bodies and Indigenous groups and the Company has reported on all previous spills and environment-related matters and followed up with various regulators and Indigenous groups and related communities.

#### **Engagement with Indigenous Groups**

- 4.11 The Company's Engagement Work Plan and Engagement Plan, as approved by the MVLWB provides for engagement and regular communication and consultation with various stakeholders including Indigenous groups.
- 4.12 Accordingly, the Company held Technical Sessions in June 2021, as described above in paragraph 4.5, as well as quarterly community working group meetings in July and October 2021 and February 2022. During these community working group meetings, the Company and the Monitor provided an overview of current care and maintenance activities, environmental and geotechnical assessment work and engagement, and the Competitive Selection Process. A further community working group meeting is anticipated to be held in or around May 2022.
- 4.13 There were no site visits to the Cantung mine site by Indigenous groups or their consultants during the summer and fall of 2021 due to concerns over COVID-19 and in accordance with territorial Public Health Orders.

- 4.14 The Company continues to work closely with DCIRNA on its consultation and engagement efforts with Indigenous groups.

#### **Stakeholder Communications**

- 4.15 The Company continues to hold bi-weekly conference calls with DCIRNA and prepare monthly reports to DCIRNA on the status of the care and maintenance activities, the status of key contracts including Tetra Tech's assessment work, the status of the Competitive Selection Process, the Company's cash receipts and disbursements compared to budget and future planned activities.

### **5.0 UPDATE ON THE COMPETITIVE SELECTION PROCESS**

- 5.1 In accordance with the Competitive Selection Process Order, on August 19, 2019, the Monitor commenced the Request for Qualifications (the "**RFQ**") stage of the Competitive Selection Process and set a deadline for interested parties to respond to the RFQ by September 30, 2019.
- 5.2 A number of parties submitted a response to the RFQ on or before the deadline of September 30, 2019. The Company, in consultation with the Monitor, the Governments and their respective legal counsel, evaluated the respondents' submissions against the agreed evaluation criteria and identified a short list of parties (the "**Shortlisted Proponents**") to be invited to the second stage of the Competitive Selection Process, the Request for Proposals (the "**RFP**").
- 5.3 The number and details of the Shortlisted Proponents have not been disclosed publicly in order to maintain confidentiality although their identity has been made available to Indigenous groups subject to confidentiality obligations. As well, in order to facilitate discussions between the Shortlisted Parties and various Indigenous communities, the Company invited and received letters of interest from various Indigenous communities. These letters were provided to the Shortlisted Proponents to aid in the facilitation of discussions between the Shortlisted Proponents and the various Indigenous communities during the RFP phase of the Competitive Selection Process.
- 5.4 The RFP was issued to the Shortlisted Proponents on March 25, 2021 and included an RFP submission deadline of August 20, 2021, which was subsequently extended on multiple occasions at the request of the Shortlisted Proponents and/or Indigenous groups, with the final deadline being 3pm Pacific Standard Time on February 25, 2022. Since issuing the RFP, the Monitor, together and in consultation with the Governments, held a number of collaborative meetings with the Shortlisted Proponents and provided information requested by the Shortlisted Proponents, where appropriate. Notwithstanding the Monitor's efforts to advance the RFP process, the anticipated timelines for the completion of the Competitive Selection Process were impacted by factors beyond the Monitor's control, such as the impact of COVID-19 on the ability for Shortlisted Proponents to



conduct site visits and the engagement and consultation process between the Shortlisted Proponents, the Governments, and the various Indigenous groups.

- 5.5 On or before the RFP submission deadline of February 25, 2022, the Monitor received multiple submissions from Shortlisted Proponents. Pursuant to the RFP, the proposals are to be evaluated by a committee comprised of the Monitor and one representative nominated by each of the Governments and if the committee elects to do so, with the assistance of technical, financial, legal, and other advisors or employees of the Monitor or the Governments (together, the “**Evaluation Committee**”). The Evaluation Committee met in Vancouver on March 1 and 2, 2022 to evaluate the proposals with the objective to identify a preferred proponent. The Evaluation Committee adjourned the evaluation meeting without concluding the evaluation process.
- 5.6 At present, the Governments are continuing to consider the proposals within their respective departments. It is expected that the Evaluation Committee will provide a response to the Shortlisted Proponents before the end of April 2022.

#### **6.0 CASH FLOW VARIANCE ANALYSIS**

- 6.1 The Monitor manages the Company’s cash flow and disbursements pursuant to the terms of the November 16, 2015 Order and continuously reviews the Company’s actual cash flows in comparison to the estimates provided to this Honourable Court including those in the Thirteenth Cash Flow Statement.
- 6.2 The Company’s actual cash receipts and disbursements as compared to the Thirteenth Cash Flow Statement for the period from June 9, 2015 to March 18, 2022 are summarized below. The variance analysis reflects the cash flows from the Company’s care and maintenance activities that have been funded by DCIRNA since November 25, 2015.

**North American Tungsten Corporation Ltd.**  
**Unaudited Summary of Actual Versus Forecast Cash Flows**  
**For the period June 9, 2015 to March 18, 2022**  
**(\$000's)**

	June 9, 2015 to March 18, 2022		
	Actual	Forecast	Variance
<b>Cash Flow from Care and Maintenance (C&amp;M)</b>			
Advances from DCIRNA	\$ 43,600	\$ 43,600	\$ -
GST refunds and other receipts	1,341	1,459	(118)
Employee costs	(11,001)	(10,935)	(65)
Fuel	(6,782)	(6,535)	(248)
Insurance	(1,342)	(1,377)	35
Regulatory initiatives	(13,052)	(14,013)	960
Other operating disbursements	(5,536)	(5,889)	353
Professional fees	(5,853)	(6,053)	200
Net cash flow from care and maintenance	1,376	257	1,118
<b>Cash Position - (C&amp;M)</b>			
Opening Cash Position	-	-	-
<b>Closing Cash Position (C&amp;M)</b>	\$ 1,376	\$ 257	\$ 1,118

6.3 Over the reported period, the Company realized a net favourable cash flow variance of approximately \$1.1 million in respect of care and maintenance activities. The principal components of the variance are described below:

- a) GST refunds and other receipts were \$118,000 lower than forecast due to timing differences between filing returns and collections of same as well as permanent differences resulting from lower than anticipated actual expenditures;
- b) regulatory initiatives, which include the Phase III ESA and related reporting, monthly and yearly dam reviews and site cleanup, among other projects, were \$960,000 lower than forecast due to:
  - (i) deferred work and timing differences with respect to the payments to Tetra Tech relating to the Phase III ESA and other projects; and
  - (ii) delays or postponement of various site projects due to COVID-19;
- c) professional fees were \$200,000 lower than forecast due to timing differences with respect to payment of the Monitor and its legal counsel's fees and disbursements and lower than expected professional fees incurred in respect of care and maintenance activities and matters related to the Competitive Selection Process; and
- d) other favorable net variances totaling approximately \$76,000 were the result of lower than expected expenditures relating to various operating costs and timing differences.

6.4 There was approximately \$1.4 million of cash on hand in the Company's accounts as at March 18, 2022.

## 7.0 FOURTEENTH CASH FLOW STATEMENT

7.1 The Monitor has prepared the Fourteenth Cash Flow Statement, a copy of which is attached as Appendix "A".

7.2 The Fourteenth Cash Flow Statement has been prepared in consultation with DCIRNA and assumes the continuation of the care and maintenance program from March 19, 2022 to April 30, 2023.

7.3 DCIRNA has agreed to fund the ongoing costs of the care and maintenance activities and has approved the care and maintenance budget as reflected in the Fourteenth Cash Flow Statement. If the Monitor anticipates any material increase in the funding requirements, DCIRNA will be notified of same to decide whether additional funding will be provided to the Monitor.

7.4 A summary of the Fourteenth Cash Flow Statement is set out in the table below:

<b>North American Tungsten Corporation Ltd.</b> <b>Fourteenth Cash Flow Statement</b> <b>For the period June 9, 2015 to April 30, 2023</b> <b>(\$000's)</b>			
	<b>June 9, 2015 to</b> <b>March 18, 2022</b> <b>Actual</b>	<b>March 19, 2022 to</b> <b>April 30, 2023</b> <b>Forecast</b>	<b>Total</b>
<b>Cash Flow from Care and Maintenance (C&amp;M)</b>			
Advances from DCIRNA	\$ 43,600	\$ 8,423	\$ 52,024
GST refunds	1,341	359	1,701
Employee costs	(11,001)	(2,159)	(13,160)
Fuel	(6,782)	(2,011)	(8,793)
Insurance	(1,342)	(577)	(1,919)
Regulatory initiatives	(13,052)	(2,501)	(15,553)
Other operating disbursements	(5,536)	(1,402)	(6,937)
Professional fees	(5,853)	(1,386)	(7,239)
Net cash flow from care and maintenance	1,376	(1,254)	122
<b>Cash Position - (C&amp;M)</b>			
Opening Cash Position	-	1,376	-
<b>Closing Cash Position (C&amp;M)</b>	\$ 1,376	\$ 122	\$ 122

7.5 The major components of the Fourteenth Cash Flow Statement are summarized below:

- cash receipts relate to funding advances from DCIRNA as directed by the Extension Order as well as GST refunds to be collected;
- mine employees' costs include salaries, wages, benefits and travel allowances for twelve full-time employees on alternating three-week shift rotations;

- c) fuel costs include diesel required to operate generators which provide power to the site and for operating heavy equipment as well as gasoline for light vehicles. Fuel costs are consistent with consumption levels and include diesel and gasoline prices reflective of recent material increases in global fuel prices;
- d) insurance costs include property, equipment, pollution and general liability insurance and reflect actual amounts due over the course of the year;
- e) remediation costs include various new and ongoing initiatives to reduce the long-term liabilities of the Cantung mine and to better understand the remediation options and reclamation liability associated with the mine which include, but are not limited to, the following:
  - i. preparing further technical analysis of the remedial options and conducting related workshops with affected Indigenous communities on the future plans for the mine site;
  - ii. commencing preliminary discussions and preparations for a renewal application of the current water license, which is set to expire on January 27, 2024;
  - iii. performing monthly reviews of data from the tailings ponds and annual dam inspections and completing the five year dam inspection due in 2022 in compliance with the water licence;
  - iv. removing hazardous wastes, old equipment, fuel tanks and other waste from the mine site;
  - v. completing road and bridge repairs;
  - vi. maintaining generators and performing annual crane inspections;
  - vii. applying dust suppression chemicals to the tailing ponds to address windblown tailings;
  - viii. communicating with affected Indigenous communities to foster engagement and participation in discussions on the analysis of the remedial options and costs related to the Cantung mine and other regulatory initiatives;
  - ix. advancing various other Cantung mine projects which were planned for 2021 but had to be postponed to 2022 due to COVID-19; and
  - x. engaging consultants to advise on various matters related to care and maintenance of the mine and remedial options analyses and assessment work;
- f) other operating costs include environmental testing, monitoring and management, employee transportation to and from the mine site, satellite communications, equipment costs, site administration, environmental consulting fees, catering and custodial expenses and costs required to maintain and preserve the Company's mineral claims and leases; and

- g) professional fees are primarily related to services rendered by the Monitor and the Monitor's legal counsel in respect of the management and oversight of care and maintenance of Cantung as well as facilitating the Competitive Selection Process.

7.6 The Company is forecasting that it will have approximately \$120,000 of cash on hand as at April 30, 2023 and may request additional advances from DCIRNA in the event of unfavorable variances from forecast.

#### **8.0 EXTENSION OF THE STAY PERIOD**

8.1 The Stay Period is currently set to expire on April 30, 2022. The Monitor, on behalf of the Company, is bringing an application for the Extension Order well in advance of the April 30, 2022 expiry of the Stay Period in order to secure funding from DCIRNA and enable the Company to commit to various initiatives, including the ongoing environmental and geotechnical assessment work. The proposed Extension Order includes the following relief:

- a) an extension of the Stay Period through to April 30, 2023; and
- b) a direction that DCIRNA continue to fund the Company's expenses as set out in the Fourteenth Cash Flow Statement.

8.2 The Extension Order will enable the Company to advance its care and maintenance program and conclude the Competitive Selection Process as well as:

- a) prepare further analysis of the remedial options and conduct workshops with the relevant Indigenous groups and related communities on the additional assessment work and the remedial options;
- b) remove hazardous wastes from the mine site;
- c) commence planning and preparation of the renewal application for the water license;
- d) continue ongoing engagement with stakeholders, including Indigenous groups and related communities, with respect to the remedial options analyses and future plans for the mine site;
- e) perform ongoing care and maintenance and progressive remediation activities; and
- f) complete evaluation of the RFP submissions in the Competitive Selection Process to effect a restructuring transaction in respect of the Cantung mine site and the Mactung development.

8.3 An indicative timeline of the prospective activities during the extension of the Stay Period is summarized below.

<b>Indicative Timeline</b>					
For the 3 months ended	<b>2022</b>			<b>2023</b>	
	June	Sept	Dec	Mar	June
Tetra Tech - Remedial Options Analysis					
Engagement with Indigenous Groups on Remedial Options					
Competitive Selection Process and conclusion of transaction					
Water License renewal application					
Preliminary design of Preferred Remedial Options					
Proposed Extension Date				<b>Apr 30</b>	

8.4 The Monitor brings the application for the Extension Order for the following reasons:

- a) the extension provides for the ongoing care and maintenance of the Cantung mine site to preserve the asset and continued compliance with the Company's environmental obligations and the terms of the water licence;
- b) the extension will enable the Company to complete the evaluation of the RFP submissions in the Competitive Selection Process and develop transition plans to potential new owners of Cantung and Mactung and/or develop alternative plans to remediate the Cantung site;
- c) Subject to granting of the Extension Order, DCIRNA has committed to fund care and maintenance expenses of the Company through to the proposed extension date, and the Fourteenth Cash Flow Statement indicates that the Company will have sufficient liquidity during that period;
- d) the Monitor does not believe that there will be any material prejudice to any of NATC's creditors, employees, suppliers or other stakeholders, including the relevant Indigenous groups and related communities, as a result of an extension of the Stay Period; and
- e) the Company's prospects of effecting a viable restructuring and/or transaction through the Competitive Selection Process would be enhanced by an extension of the Stay Period and should transaction(s) not be pursued or found feasible, site remediation plans will be developed.

## 9.0 MONITOR'S CONCLUSION AND RECOMMENDATIONS

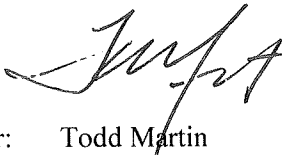
9.1 The Extension Order will enable the Company to continue to facilitate the care and maintenance of the Cantung mine site under the oversight of the Monitor in a measured, orderly and staged manner as well as conclude the Competitive Selection Process to effect a successful restructuring transaction in respect of the Cantung mine.

9.2 For the reasons set out above, the Monitor respectfully recommends that this Honourable Court grant the Extension Order.

\*\*\*\*\*

All of which is respectfully submitted to this Honourable Court this 24<sup>th</sup> day of March, 2022.

**Alvarez & Marsal Canada Inc.,**  
in its capacity as Monitor of  
North American Tungsten Corporation Ltd.

A handwritten signature in black ink, appearing to read 'Todd Martin', written over a horizontal line.

Per: Todd Martin  
Senior Vice President

**APPENDIX A**  
**FOURTEENTH CASH FLOW FORECAST FOR THE 411-WEEK PERIOD ENDING**  
**APRIL 30, 2023**



North American Tungsten Corporation Ltd.  
Fourteenth Cash Flow Statement  
For the period June 9, 2015 to April 30, 2023  
(\$000's)

Week Ending	9-Jun-15 to 18-Mar-22 Actual	25-Mar-22 Budget	1-Apr-22 Budget	8-Apr-22 Budget	15-Apr-22 Budget	22-Apr-22 Budget	29-Apr-22 Budget	6-May-22 Budget	13-May-22 Budget
<b>Cash Flow</b>									
Advances from DCIRNA	\$ 43,600	\$ -	\$ 549	\$ -	\$ -	\$ -	\$ -	\$ 1,147	\$ -
GST refund	1,341	-	-	15	-	-	-	30	-
Employee costs	(11,001)	(71)	(12)	-	(71)	-	(71)	(57)	(71)
Fuel	(6,782)	(35)	-	(69)	-	(69)	-	(69)	-
Insurance	(1,342)	-	-	-	-	-	(90)	-	-
Special projects/regulatory initiatives	(13,052)	(85)	(25)	(56)	(150)	(100)	-	(149)	(83)
Other operating disbursements	(5,536)	(24)	(24)	(24)	(49)	(24)	(24)	(24)	(32)
Professional fees	(5,853)	(126)	-	(90)	-	-	-	(90)	-
Total disbursements	(43,566)	(340)	(61)	(239)	(270)	(193)	(184)	(389)	(186)
Net cash flow	1,376	(340)	488	(224)	(270)	(193)	(184)	788	(186)
<b>Cash Position</b>									
Opening Cash Position	-	1,376	1,036	1,524	1,300	1,029	837	652	1,441
Closing Cash Position	\$ 1,376	\$ 1,036	\$ 1,524	\$ 1,300	\$ 1,029	\$ 837	\$ 652	\$ 1,441	\$ 1,255

Note: The purpose of this Fourteenth Cash Flow Statement is to set out the liquidity requirements of North American Tungsten Corporation Ltd. Since projections are based on assumptions regarding future events, actual results may vary from the information presented and the variations may be material.

North American Tungsten Corporation Ltd.  
Fourteenth Cash Flow Statement  
For the period June 9, 2015 to April 30, 2023  
(\$000's)

Week Ending	20-May-22	27-May-22	3-Jun-22	10-Jun-22	17-Jun-22	24-Jun-22	1-Jul-22	8-Jul-22	15-Jul-22
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
<b>Cash Flow</b>	\$	- \$	- \$	675 \$	- \$	- \$	- \$	722 \$	- \$
Advances from DCIRNA	-	-	-	44	-	-	-	-	41
GST refund	-	-	-	-	-	-	-	-	-
Employee costs	-	(71)	(12)	-	(71)	-	-	(83)	(71)
Fuel	(69)	-	(69)	-	(69)	-	-	(69)	(69)
Insurance	-	(56)	-	-	-	-	-	-	-
Special projects/regulatory initiatives	(110)	(3)	(191)	(35)	(120)	(93)	(145)	(85)	(38)
Other operating disbursements	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)
Professional fees	-	-	-	(90)	-	-	-	(90)	-
Total disbursements	(203)	(154)	(296)	(149)	(284)	(117)	(321)	(199)	(202)
Net cash flow	(203)	(154)	380	(104)	(284)	(117)	401	(199)	(161)
<b>Cash Position</b>									
Opening Cash Position	1,255	1,052	898	1,278	1,174	890	773	1,175	976
Closing Cash Position	\$ 1,052	\$ 898	\$ 1,278	\$ 1,174	\$ 890	\$ 773	\$ 1,175	\$ 976	\$ 815

**North American Tungsten Corporation Ltd.**  
**Fourteenth Cash Flow Statement**  
**For the period June 9, 2015 to April 30, 2023**  
**(\$000's)**

Week Ending	22-Jul-22	29-Jul-22	5-Aug-22	12-Aug-22	19-Aug-22	26-Aug-22	2-Sep-22	9-Sep-22	16-Sep-22
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
<b>Cash Flow</b>	\$	- \$	808 \$	- \$	- \$	- \$	561 \$	- \$	- \$
Advances from DCIRNA	-	-	-	31	-	-	-	24	-
GST refund	-	-	-	-	-	-	-	-	-
Employee costs	-	(71)	(12)	(71)	-	(71)	(12)	-	(71)
Fuel	-	(69)	-	(69)	-	(69)	-	(69)	-
Insurance	-	-	-	-	-	(56)	-	-	-
Special projects/regulatory initiatives	(65)	(110)	(126)	(56)	-	(63)	(126)	(110)	-
Other operating disbursements	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)
Professional fees	-	-	(90)	-	-	-	-	(90)	-
Total disbursements	(89)	(274)	(252)	(219)	(24)	(283)	(162)	(293)	(95)
Net cash flow	(89)	534	(252)	(188)	(24)	(283)	399	(269)	(95)
<b>Cash Position</b>									
Opening Cash Position	815	726	1,261	1,009	821	797	514	913	644
Closing Cash Position	\$ 726	\$ 1,261	\$ 1,009	\$ 821	\$ 797	\$ 514	\$ 913	\$ 644	\$ 549

**North American Tungsten Corporation Ltd.**  
**Fourteenth Cash Flow Statement**  
**For the period June 9, 2015 to April 30, 2023**  
**(\$000's)**

Week Ending	23-Sep-22	30-Sep-22	7-Oct-22	14-Oct-22	21-Oct-22	28-Oct-22	4-Nov-22	11-Nov-22	18-Nov-22
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
<b>Cash Flow</b>									
Advances from DCIRNA	\$ -	\$ 551	\$ -	\$ -	\$ -	\$ 681	\$ -	\$ -	\$ -
GST refund	-	-	22	-	-	-	22	-	-
Employee costs	-	(71)	(12)	(71)	-	(71)	(12)	(171)	-
Fuel	(69)	-	(69)	-	(69)	-	(69)	-	(69)
Insurance	-	(90)	-	-	-	-	-	-	-
Special projects/regulatory initiatives	-	-	(96)	-	-	-	(76)	(20)	-
Other operating disbursements	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)
Professional fees	-	-	(90)	-	-	-	-	(90)	-
Total disbursements	(93)	(184)	(291)	(95)	(93)	(95)	(181)	(305)	(93)
Net cash flow	(93)	367	(269)	(95)	(93)	587	(159)	(305)	(93)
<b>Cash Position</b>									
Opening Cash Position	549	457	823	554	460	367	953	794	490
Closing Cash Position	\$ 457	\$ 823	\$ 554	\$ 460	\$ 367	\$ 953	\$ 794	\$ 490	\$ 397

**North American Tungsten Corporation Ltd.**  
**Fourteenth Cash Flow Statement**  
**For the period June 9, 2015 to April 30, 2023**  
**(\$000's)**

Week Ending	25-Nov-22	2-Dec-22	9-Dec-22	16-Dec-22	23-Dec-22	30-Dec-22	6-Jan-23	13-Jan-23	20-Jan-23
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
<b>Cash Flow</b>									
Advances from DCIRNA	\$ -	\$ 476	\$ -	\$ -	\$ -	\$ 594	\$ -	\$ -	\$ -
GST refund	-	-	32	-	-	-	-	25	-
Employee costs	(71)	(12)	-	(71)	-	(71)	(12)	(71)	-
Fuel	-	(69)	-	(69)	-	(69)	-	(69)	-
Insurance	-	-	-	-	-	(22)	(96)	-	-
Special projects/regulatory initiatives	-	(75)	(21)	-	-	-	(46)	-	-
Other operating disbursements	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)	(24)
Professional fees	-	-	(90)	-	-	-	(90)	-	-
Total disbursements	(95)	(180)	(135)	(164)	(24)	(186)	(268)	(164)	(24)
Net cash flow	(95)	296	(102)	(164)	(24)	408	(268)	(139)	(24)
<b>Cash Position</b>									
Opening Cash Position	397	302	598	496	332	309	716	449	310
Closing Cash Position	\$ 302	\$ 598	\$ 496	\$ 332	\$ 309	\$ 716	\$ 449	\$ 310	\$ 286

North American Tungsten Corporation Ltd.  
Fourteenth Cash Flow Statement  
For the period June 9, 2015 to April 30, 2023  
(\$000's)

Week Ending	27-Jan-23 Budget	3-Feb-23 Budget	10-Feb-23 Budget	17-Feb-23 Budget	24-Feb-23 Budget	3-Mar-23 Budget	10-Mar-23 Budget	17-Mar-23 Budget	24-Mar-23 Budget
<b>Cash Flow</b>									
Advances from DCIRNA	\$ 584	\$ -	\$ -	\$ -	\$ -	\$ 1,075	\$ -	\$ -	\$ -
GST refund	-	-	15	-	-	-	19	-	-
Employee costs	(71)	(12)	(71)	-	(71)	(12)	-	(71)	-
Fuel	(69)	-	(69)	-	(69)	-	(104)	-	(139)
Insurance	-	-	-	-	(65)	-	-	-	-
Special projects/regulatory initiatives	-	(1)	(20)	-	-	(1)	(20)	-	-
Other operating disbursements	(24)	(24)	(24)	(24)	(24)	(24)	(47)	(47)	(47)
Professional fees	-	-	(90)	-	-	-	(90)	-	-
Total disbursements	(164)	(37)	(274)	(24)	(229)	(37)	(261)	(118)	(186)
Net cash flow	421	(37)	(259)	(24)	(229)	1,038	(242)	(118)	(186)
<b>Cash Position</b>									
Opening Cash Position	286	707	670	411	387	159	1,197	955	837
Closing Cash Position	\$ 707	\$ 670	\$ 411	\$ 387	\$ 159	\$ 1,197	\$ 955	\$ 837	\$ 651

**North American Tungsten Corporation Ltd.**  
**Fourteenth Cash Flow Statement**  
**For the period June 9, 2015 to April 30, 2023**  
**(\$000's)**

Week Ending	31-Mar-23	7-Apr-23	14-Apr-23	21-Apr-23	30-Apr-23	19-Mar-22 to 30-Apr-23	6-Jun-15 to 30-Apr-23
	Budget	Budget	Budget	Budget	Budget	Budget	Total
<b>Cash Flow</b>							
Advances from DCIRNA	\$ -	\$ -	-	-	-	\$ 8,423	\$ 52,024
GST refund	-	39	-	-	-	359	1,701
Employee costs	(166)	-	-	-	-	(2,159)	(13,160)
Fuel	(69)	-	-	-	-	(2,011)	(8,793)
Insurance	(103)	-	-	-	-	(577)	(1,919)
Special projects/regulatory initiatives	(2)	-	-	-	-	(2,501)	(15,553)
Other operating disbursements	(47)	-	-	-	-	(1,402)	(6,937)
Professional fees	(180)	-	-	-	-	(1,386)	(7,239)
Total disbursements	(567)	-	-	-	-	(10,036)	(53,602)
Net cash flow	(567)	39	-	-	-	(1,253)	122
<b>Cash Position</b>							
Opening Cash Position	651	83	122	122	122	1,376	-
Closing Cash Position	\$ 83	\$ 122	\$ 122	\$ 122	\$ 122	\$ 122	\$ 122