

This is the 2nd Affidavit of
Craig Lawrence Boyer in this
case and was made on No-
vember 16th, 2015

No.S-154746
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. c.
C-36, as amended**

**IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,
R.S.C., c. C-44, as amended**

AND

IN THE MATTER OF NORTH AMERICAN TUNGSTEN CORPORATION LTD.

PETITIONER

AFFIDAVIT

I, Craig Lawrence Boyer, businessman, of 4620 – 181 Bay Street, Toronto, Ontario, MAKE
OATH AND SAY AS FOLLOWS:

1. I am a Vice President of Callidus Capital Corporation (“**Callidus**”), which is a senior se-
cured lender to North American Tungsten Corporation Ltd. (“**NATC**”), the Petitioner in
this proceeding (the “**CCAA Proceedings**”) and as such have personal knowledge of the
facts deposed to in this Affidavit, except where facts are stated to be based in information
from an informant I identify, in which case, I believe that both the information from the
informant and the resulting statements are true.

About Callidus

2. Callidus provides flexible and creative funding solutions to companies that cannot access
traditional lending sources. Loans are generally made on the strength of the underlying
assets. This type of lending is often referred to as asset-based lending.
3. Because funding is closely tied to the assets offered as security, we require updated valua-
tions on a regular basis on the assets we have financed.
4. As we usually lend on a fairly high percentage of the liquidation value of the assets, we
must constantly be comfortable with the whereabouts, merchantability, maintenance and
general upkeep of the assets we are financing.

5. We also must have confidence in management. Callidus requires that its customers be fully transparent regarding issues impacting their business.

Callidus loans to NATC

6. On May 15, 2014, Callidus entered into a loan agreement with NATC, pursuant to which Callidus loaned NATC \$11 million (the “**May Loan**”). The terms of the May Loan included:
 - (a) the May Loan would be for a term of one year, repayable on May 31, 2015;
 - (b) the May Loan would accrue interest at a rate of 18% per annum;
 - (c) NATC would pay interest monthly;
 - (d) NATC would make monthly principal payments in the amount of \$150,000; and,
 - (e) NATC would pay the costs Callidus incurred in connection with the May Loan, including legal fees.
7. As security for the May Loan, NATC gave Callidus a general security agreement over all of its assets, except for any assets related to the Mactung Property.
8. In December 2014, NATC required additional funding. On December 30, 2014, Callidus and NATC entered into an agreement amending the May Loan agreement and Callidus agreed to loan NATC an additional \$3.65 million (the “**December Loan**”). The terms of the December Loan included:
 - (a) Callidus would receive a deferred fee of \$154,000;
 - (b) the term of the May Loan would be extended to May 31, 2016 and the December Loan would be repayable on the same date;
 - (c) interest would accrue on the December Loan at a rate of 18% per annum;
 - (d) NATC would pay interest monthly on all outstanding amounts;
 - (e) NATC would continue to make monthly principal payments of \$150,000 as required by the May Loan, and these principal payments until May 31, 2016; and,
 - (f) NATC would pay the costs Callidus incurred in connection with the December Loan, including legal fees.
9. Callidus was paid its monthly interest and principal until August 31, 2015.
10. As of November 11, 2015, NATC owes Callidus approximately \$16,541,392 in respect of the May Loan and the December Loan, which includes principal, accrued interest and fees, but does not include accrued costs or legal fees.

NATC files for CCAA Protection

11. On June 8, 2015, Bruce Penich of NATC informed me that NATC felt compelled to seek Court protection under the CCAA. Mr. Pencich advised that there would be a board meeting, and that NATC had approximately \$13 million in payables. I asked whether additional information could be provided regarding NATC's plans, and he said he could not provide any more detail or information.
12. On June 9, 2015, NATC commenced the CCAA Proceedings and obtained the Initial Order.
13. After the Initial Order was granted, I flew to Vancouver to meet with representatives of NATC (including Dennis Lindahl and Bruce Penich), the Monitor, counsel to NATC and counsel for Callidus. The meeting was held on June 15, 2015. The meeting was stated to be without prejudice. As a result, I am not able to comment on what was said at the meeting.
14. However, based on the discussions at the meeting, I believed that NATC would be transparent and forthright with Callidus, and that there would be an open dialogue between the parties going forward.
15. Based on the discussions and the meeting and my expectation that there would be an open dialogue between the parties, Callidus was inclined to allow the CCAA process to continue so that a potential restructuring could be explored.

The Administration Charge

16. The Initial Order granted an Administration Charge in the amount of \$500,000 over the assets of NATC. The Court granted the Administration Charge over all of the assets of NATC, subordinate to the security in favour of Callidus.
17. On June 10, 2015, NATC filed an Application seeking to amend the Initial Order so that the Administration Charge would have priority over Callidus's security (the "**Amendment Application**"). The Amendment Application was set to be heard on Friday, June 12, 2015.
18. I was very concerned that NATC was seeking a significant charge in priority to Callidus.
19. NATC obtained an order granting the Administration Charge priority on Friday, June 12, 2015.

NATC requests Interim Financing

20. On or about June 15, 2015, NATC requested that Callidus consider providing interim financing.
21. Callidus advised NATC that it was interested in providing interim financing, but that first Callidus required further information from NATC. In particular, Callidus advised NATC

that it required additional information regarding NATC's plans (in general terms) for a potential restructuring.

22. I was concerned that in order to provide interim financing, Callidus needed to understand the plan going forward, or at least have an indication of what NATC plans may be in that regard. I wanted to understand the budget for the time period that the interim financing would cover and also to understand what the implications would be if the mine were shut down immediately.
23. NATC advised that some machinery and equipment would be sold to improve cash flow. I asked what machinery was to be marketed and sold, and the timing for this marketing and sale.
24. I also asked whether NATC planned to sell the entire operation and if so, how or when that sales process would take place.
25. With the forgoing in mind, Callidus issued a draft interim financing term sheet on June 24, 2015 (the "**Draft Term Sheet**") and provided it to NATC. At that time, NATC had not provided answers to my questions regarding the potential marketing and sales process.
26. A call was convened on June 24, 2015 among NATC, the Monitor and Callidus to discuss the Draft Term Sheet. I attended the call, along with William Skelly, John Sandrelli and Todd Martin.
27. On this call:
 - (a) we reviewed the Draft Term Sheet, and I explained the rationale behind the terms and provisions it contained;
 - (b) neither Mr. Sandrelli nor Mr. Martin advised that any of the terms in the Draft Term Sheet were unreasonable;
 - (c) Mr. Sandrelli advised that NATC had an immediate need for cash;
 - (d) I advised that Callidus may be able to provide some immediate funding, but that Callidus would need to see information that would justify the advance before funding;
 - (e) I specifically asked that NATC provide a budget for the advance;
 - (f) I advised that with a budget, I expected Callidus would be able to advance \$250,000 to \$300,000 under the existing financing; and,
 - (g) Mr. Sandrelli advised that NATC would get back to us with any comments on the Draft Term Sheet, and asked that, in the meantime, Callidus seek credit committee approval of the Draft Term Sheet.

28. Based on the call to discuss the Draft Term Sheet, I expected that NATC would contact Callidus very shortly with its comments on the Draft Term Sheet.
29. On June 25, 2015, NATC's counsel advised Callidus's counsel that NATC continued to work through its cash requirements and that it was working through some uncertainties and would provide further details when they could.
30. No further information on these challenges was provided, and no one from NATC contacted me on June 25, 2015 to discuss the Draft Term Sheet or any other issues related to these proceedings.
31. On the morning of June 26, 2015, I received a voicemail on my office phone line from Dennis Lindahl. I received the message when I returned to the office. In the message, Mr. Lindahl did not say what he wanted to talk about or that it was an urgent matter. He did not send me a text or an email to follow up on his message. I travel frequently for work, so my office line is not the best way to reach me.

June 26, 2015 Application

32. On June 24, 2015, NATC filed an Application, scheduled for June 26, 2015 (the "**June 26 Application**"). Counsel for Callidus attended the application.
33. I am advised by William Skelly, counsel to Callidus, that he attended the June 26 Application. I am further advised that shortly before entering the courtroom for the hearing, Jordan Schultz, counsel for NATC, handed Mr. Skelly a term sheet from a third party, Comsup Commodities Inc. ("**Comsup**") which purported to be for interim financing for NATC in the amount of up to \$3 million (the "**Comsup Term Sheet**").
34. I received the Comsup Term Sheet from Mr. Skelly by email on Friday, June 26, 2015 after Mr. Skelly returned to the office from the June 26 Application. I had never seen the Comsup Term Sheet before.
35. I was shocked to learn about the Comsup Term Sheet in this way. I was also concerned that this was a further indication that NATC was not being transparent and forthright with Callidus. I was also concerned that this was a further indication that NATC was not acting in good faith.
36. Because NATC took no steps to advise Callidus directly of the Comsup Term Sheet, I believe that NATC was essentially keeping me in the dark with respect to its plans in the restructuring. This was particularly surprising in light of my expectation that NATC would be transparent with Callidus.
37. I also learned of matters regarding the CCAA Proceedings that I consider significant through materials filed by NATC. In particular, through the Affidavit #3 of Dennis Lindahl, I learned that:

- (a) one of NATC's funding arrangements was a factoring arrangement with the Royal Bank of Scotland ("**RBS**"), and that NATC's cash flow needs were strained by delays in receiving payment for its shipments under this arrangement;
 - (b) Mr. Lindahl learned on June 24, 2015 that RBS would not be making any further payments on the factoring agreement;
 - (c) Mr. Lindahl was working towards a new arrangement that would make-up the cash flow shortage caused by RBS refusing to make any further payments under the factoring agreement; and,
 - (d) at some point between June 24 and June 26, it became clear the new arrangement would not be possible.
38. Neither Mr. Lindahl, nor any other representative of NATC, advised me of the information that I learned from the Lindahl Third Affidavit.

The Gap Advance

39. Despite these concerns, Callidus and NATC began discussions and negotiations with respect to Callidus providing interim financing.
40. On June 29, 2015, Callidus made an advance of \$500,000 (the "**Gap Advance**") to allow NATC sufficient funds to continue its operations until arrangements could be made for interim financing.

Forbearance Agreement

41. On July 6, 2015, Callidus, NATC and others agreed to the terms of a forbearance agreement (the "**Forbearance Agreement**"). On July 9, 2015, this Court made an order authorising NATC to enter into the Forbearance Agreement and perform all obligations set out in the Forbearance Agreement. Attached and marked as **Exhibit "A"** is a true copy of the Forbearance Agreement.
42. The material terms of the Forbearance Agreement include:
- (a) Callidus agreed to forbear from exercising its rights and remedies under the May Loan, the December Loan and the security in favour of each until the earlier of various events, including the date on which NATC fails to comply with its cash flow requirements; and,
 - (b) following the end of the forbearance period, Callidus is entitled to enforce its security granted to secure the payment of the May Loan and the December Loan (the "**Callidus Pre-Filing Security**").

Interim Financing Facility

43. On July 9, 2015, this Court authorised and empowered NATC to borrow under a credit facility offered by Callidus (the "**Interim Facility**"), provided the total borrowings did

not exceed \$2,500,000. The Interim Facility was approved on the terms and conditions set forth in the term sheet dated as of July 6, 2015 (the “**Term Sheet**”). Attached and marked as **Exhibit “B”** is a true copy of the Term Sheet.

44. The material terms of the Term Sheet include:
- (a) that it is an event of default if NATC fails to make any payment due under the Term Sheet or if Callidus believes, on commercially reasonable grounds, that the prospect of payment or performance of NATC’s obligations is impaired;
 - (b) that upon the occurrence of an event of default, the Interim Facility will become immediately due and owing, and Callidus shall be permitted to immediately apply for the appointment of a receiver or to assign NATC into bankruptcy.
45. This Court granted a priority charge over all of NATC’s assets (including the Mactung Property) to secure repayment of the Interim Facility (the “**Priority Charge**”).

Priority of the Gap Advance

46. Pursuant to the terms of the Forbearance Agreement, the Gap Advance was to be deemed the first advance under the Interim Facility.
47. At the request of NATC, and in light of opposition from the Government of the Northwest Territories (the “**GNWT**”), Callidus agreed that the Gap Advance would not form part of the Priority Charge and that it would form part of the debt owed under the May Loan and the December Loan.
48. Callidus did this to facilitate the restructuring proceedings.

Interim AR Facility

49. On July 21, 2015, Callidus and NATC entered into a term sheet pursuant to which Callidus would provide a revolving credit facility, up to a maximum of \$2,500,000 (the “**AR Facility**”). On August 13, 2015, this Court authorised and empowered NATC to borrow under the AR Facility. Delays in Court approval of the AR Facility were the result of set-off rights asserted by one of NATC’s customers and appeals arising from this Court’s stay of the set-off rights.
50. The AR Facility was intended to relieve pressure on NATC’s cash flows caused by the payment terms of NATC’s agreement with one of its customers.
51. The AR Facility advances would be based on accounts receivable owed to NATC from time to time, and payments from NATC’s customer would be deposited into a separate account, which would be subject to a blocked account agreement and would be swept by Callidus as the customers made payments in order to reduce the AR Facility.

Payments under the Forbearance Agreement

52. The Forbearance Agreement provided that NATC would make various payments to Callidus, and that Callidus could terminate the Forbearance Agreement and enforce its rights under the May Loan, the December Loan and related security if the payments were missed.
53. In particular, NATC agreed to pay the following amounts from the sale of certain equipment:
 - (a) \$3,000,000 on or before September 30, 2015; and,
 - (b) \$8,000,000 on or before November 30, 2015.
54. NATC was also to provide Callidus with a copy of its cash flow, to be updated regularly. NATC was to make payments consistent with the cash flow, subject to small permitted variances, unless authorized by Callidus in writing.
55. NATC was also to commence a process to sell equipment on or before July 17, 2015.
56. NATC commenced the sales process with respect to certain equipment, and also commenced a sale process with respect to its other assets. On July 17, 2015, this Court approved a sale and investment solicitation process (the “SISP”).
57. The SISP began shortly after July 17, 2015.

Missed Payments

58. NATC did not pay \$3,000,000 to Callidus on or before September 30, 2015 as required by the Forbearance Agreement.
59. As a result of this default, Callidus discussed next steps with the Monitor and the Company. At that time, the Monitor and the Company encouraged Callidus to “stay the course” because the SISP was ongoing, and they were encouraged by the interest expressed by potential bidders in both the Cantung property and the Mactung property. The Monitor and the Company also suggested that the cost of appointing a receiver at that time would likely be the same as or greater than the cost of the CCAA Proceedings.
60. Despite the missed payment, and Callidus being entitled to enforce its security under the May Loan and the December Loan, Callidus permitted the CCAA Proceedings to continue so that the SISP could be completed.
61. Based on the cash flows provided by the Monitor and the Company in accordance with the Forbearance Agreement, Callidus expected to receive all of its interest and principal payments under the May Loan and the December Loan. However, on October 31, 2015, a payment of principal and interest in the amount of \$381,419 was due. NATC failed to make this payment.
62. As a result of this default, Callidus discussed next steps with the Monitor and the Company. At that time, the Company suggested that it may proceed to expand the Monitor’s powers.

63. Despite the missed payment and Callidus being entitled to enforce its security under the May Loan and the December Loan, Callidus permitted the CCAA Proceedings to continue so that the Company could proceed with its application to enhance the Monitor's powers and arrange for the orderly transition of the Cantung mine into "care and maintenance".
64. Callidus expected that in transitioning the Cantung mine to care and maintenance, that NATC would comply with the cash flows and information provided.

Care and Maintenance

65. As noted above, the Monitor and NATC intend to put the Cantung mine into "care and maintenance" at the request of the Government of the Northwest Territories. Based on my experience as a lender in the mining industry, I do not believe that this will not increase the potential sale value for the mine and that these costs do not provide any benefit to Callidus. The sole benefit is to minimise the environmental risks and costs.
66. Callidus agreed to the care and maintenance plan on the basis that the mine would be sold.

Budgets

67. Throughout these proceedings, I received budgets and cash flows that were attached to Affidavits filed by NATC or Reports filed by the Monitor. Callidus relied on these budgets and cash flows in assessing its position, in particular with respect to its support of the proceedings continuing. From time to time, the information in the budgets and cash flows would change due to actual expenses exceeding the projections or due to unanticipated expenses.
68. Occasionally, these variances were significant. Callidus considers a significant variance one that exceeds \$50,000.
69. The Forbearance Agreement (paragraph 20) provides that NATC will provide Callidus with a cash flow, and that it would comply with that cash flow, provided that the net cash flow line item would not vary by more than \$50,000, unless otherwise authorized by Callidus in writing. The \$50,000 allowable variance was selected because variances above that number are considered significant by Callidus and impact Callidus's risk assessment.

Sale of Mactung

70. In the course of the sales process, NATC received various offers for the purchase of Mactung. One of the offers was subject to conditions, but was for proceeds that would fully repay the Interim Facility and the Administration Charge.
71. Callidus was supportive of this offer, and was prepared to explore the offer and allow the offer to close. GNWT opposed the offer.

72. I have read the Monitor's Tenth Report dated October 23, 2015. In that Report, the Monitor states that it carried out discussions with Callidus and GNWT and that as a result of those discussions, it determined none of the bids on Mactung were likely to result in a transaction being concluded. As a result, the sales process was terminated.
73. Callidus did not request termination of the sales process, and supported the offer. I believe that the Monitor terminated the sales process as a result of GNWT's opposition to a transaction concluding with any of the bidders on the Mactung property, even though at least one of those offers would have fully repaid the Interim Facility. Attached and marked as **Exhibit "C"** is a copy of an email dated October 22, 2015 from William Skelly to Todd Martin.
74. Callidus's support of the offer on Mactung was not mentioned in the Monitor's Tenth Report. Attached and marked as **Exhibit "D"** is an email string between William Skelly and Kibben Jackson dated October 23, 2015.

Outcome of the Sales Process

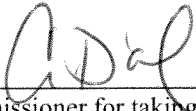
75. By October 21, 2015, the outcome of the sales process was known and it was disappointing. Based on the disappointing outcome of the sales process, Callidus again mentioned the possibility of appointing a receiver over the assets, properties and undertakings of NATC.
76. Again, the Monitor and the Company advised that the cost of doing so would not be significantly less than the cost of the CCAA Proceedings, particularly as the Company was beginning to explore an expansion of the Monitor's powers that would have the same practical effect.

Jeopardy to Callidus

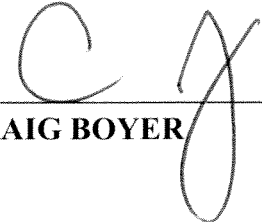
77. Callidus has one of the greatest financial stakes in this proposed restructuring.
78. Earlier this year, Callidus obtained an appraisal of the machinery and equipment that it had financed. This appraisal showed the equipment, over which Callidus had priority security, had liquidation value of approximately USD \$13.75 million (approximately \$16.9 million in Canadian dollars).
79. Industry and market conditions may have weakened since the time of the appraisal and I believe the quantum of recovery on the equipment and machinery is speculative at this time.

81. Callidus has cooperated throughout and allowed the CCAA Proceedings to continue in the hope that this would generate benefits for all stakeholders. Unfortunately, despite its cooperation and accommodation, Callidus has not received any benefit from its cooperation and may bear the brunt of the disappointing outcome of the sales process.

SWORN BEFORE ME at the City)
of Windsor, in the Province)
of Ontario, this 16th day of November, 2015.)



A Commissioner for taking Affidavits for Ontario)



CRAIG BOYER)

THIS IS EXHIBIT "A" REFERRED TO IN THE AFFIDAVIT OF
CRAIG LAWRENCE BOYER MADE BEFORE ME ON THE
12th DAY OF NOVEMBER, 2015

A. D. Del
A COMMISSIONER FOR TAKING AFFIDAVITS FOR

EXECUTION VERSION

FORBEARANCE AGREEMENT

THIS AGREEMENT is made this 6th day of July, 2015.

BETWEEN:

CALLIDUS CAPITAL CORPORATION

AND:

NORTH AMERICAN TUNGSTEN CORPORATION LTD

AND:

QUEENWOOD CAPITAL PARTNERS II LLC

RECITALS:

- A. **WHEREAS** Callidus and NATC entered into the May Loan pursuant to which Callidus would loan NATC \$11 million, and NATC would make monthly payments of principal in the amount of \$150,000 and monthly payments of interest at a rate of 18% per annum;
- B. **AND WHEREAS** Callidus and NATC entered into the December Loan pursuant to which: (i) Callidus would loan NATC an additional \$3.65 million; (ii) the May Loan term would be extended from May 2015 to May 31, 2016; (iii) NATC would pay to Callidus a deferred fee of \$154,000; and (iv) NATC would make monthly payments of principal in the amount of \$150,000 and monthly interest payments at a rate of 18% per annum;
- C. **AND WHEREAS** Queenwood Capital Partners II LLC is a secured creditor of NATC;
- D. **AND WHEREAS** NATC has requested, and Callidus has agreed to, forbear from taking any action in relation to the realization of the Security;
- E. **AND WHEREAS** on June 9, 2015, NATC commenced proceedings under the CCAA pursuant to an order of the Supreme Court of British Columbia dated June 9, 2015;
- F. **AND WHEREAS** on June 12, 2015, the Court made an order amending the June 9, 2015 Order;

NOW THEREFORE in consideration of the mutual covenants and agreements in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties covenant and agree as follows:

Definitions and Interpretation Provisions

1. In this Agreement, unless the context otherwise requires, all capitalized terms used but not otherwise defined shall have the meanings ascribed to them in the Affidavit #1 of Dennis Lindahl, sworn June 8, 2015 and filed in the CCAA Proceedings (the "Lindahl Affidavit"):

- 2 -

- a. "Appraisal" shall mean the M&E appraisal of NATC dated May 12, 2015 (effective dated April 16, 2015) prepared by Hilco Valuation Services for Callidus;
- b. "Bid Deadline" shall mean the milestone date in the SISF by which parties must have submitted qualified bids capable of acceptance, which shall be no later than September 30, 2015;
- c. "Callidus" shall mean Callidus Capital Corporation;
- d. "CCAA" shall mean the *Companies Creditors Arrangement Act*, R.S.C. 1985 c. C-44, as amended;
- e. "CCAA Proceedings" shall mean the proceedings pursuant to the CCAA commenced by NATC before the Court under action no. S-154746;
- f. "Consultant" shall mean an independent mining consultant, or other independent consultant, selected by Callidus;
- g. "Court" shall mean the Supreme Court of British Columbia;
- h. "Current Cash Flow" shall mean the cash flow statement for the 20 week period ending October 23, 2015 attached as Schedule "A" to this Agreement;
- i. "December Loan" shall mean the loan agreement dated December 30, 2014 between Callidus and NATC amending the terms of the May Loan and providing for additional funding;
- j. "DIP Advances" shall mean advances made by Callidus to NATC in accordance with the DIP Term Sheet;
- k. "DIP Term Sheet" shall mean the term sheet attached as Schedule "B" to this Agreement;
- l. "Equipment" shall mean the equipment subject to the Security that has been identified for sale in the Equipment List;
- m. "Equipment List" shall mean the list of Cantung equipment (Callidus collateral) that is attached as Schedule "C" to this Agreement;
- n. "Equipment Sales Process" shall mean the sales process for the Equipment;
- o. "Forbearance Period" shall have the meaning set out in section 8 of this Agreement;
- p. "Gap Advance" shall mean the advance in the amount of \$500,000 made by Callidus to NATC on June 29, 2015;

- 3 -

- q. "Indebtedness" shall mean the amount owed by NATC to Callidus in respect of the May Loan and the December Loan, including accrued interest and costs;
- r. "Initial Order" shall mean the order made June 9, 2015 by the Court in the CCAA Proceedings, as amended on June 12, 2015;
- s. "Mactung Property" shall mean the development property owned by NATC and located on the border of the Yukon Territory and the Northwest Territories, as more particularly described in the Lindahl Affidavit;
- t. "Mactung Report" shall mean the report on the Mactung Property to be prepared for Callidus by an independent consultant;
- u. "May Loan" shall mean the loan agreement dated May 15, 2014 between Callidus and NATC;
- v. "Monitor" shall mean Alvarez & Marsal Canada Inc., the monitor of NATC appointed by the Court in the CCAA Proceedings;
- w. "NATC" shall mean North American Tungsten Corporation Ltd.;
- x. "PPSA" shall mean the *Personal Property Security Act*, R.S.B.C. c.359, as amended;
- y. "Priority Payables" shall mean those obligations of NATC which, under the CCAA or under the *Bankruptcy and Insolvency Act* (Canada), would rank in priority to the security interests and claims of Callidus under the Security;
- z. "Property" shall mean all or substantially all of NATC's present and after acquired personal property, other than any present or after acquired personal property, assets and undertakings related to the Mactung Property;
- aa. "Queenwood" shall mean Queenwood Capital Partners II LLC;
- bb. "Reports" shall have the meaning set out in section 16 of this Agreement;
- cc. "Security" shall mean the general security agreement, the financing statements and other documents evidencing the security interests granted by NATC to Callidus to secure the obligations owed by NATC under the May Loan and the December Loan;
- dd. "Service List" shall mean the service list maintained by the Monitor in the CCAA Proceedings;
- ee. "SISP" shall mean the plan to facilitate an investment in or sale of all or substantially all of the business and assets of NATC (either *en bloc*, piecemeal or otherwise) as approved by the Court in the CCAA Proceedings; and

- 4 -

ff. "WBH" shall mean Wolfram Bergbau und Hütten AG.

2. In this Agreement, unless a contrary intention appears:

- a. an agreement, representation or warranty made by or in favour of more than one (1) person binds or benefits those persons jointly and each of them severally;
- b. headings are for convenience and do not affect interpretation;
- c. the word "person" includes a firm, body corporate and unincorporated association or authority;
- d. a reference to any person is also a reference to their successors or assigns; and,
- e. words importing the singular include the plural and vice versa and importing gender include all genders.

Acknowledgements

- 3. **Acknowledgement of Debt:** NATC acknowledges the Indebtedness and agrees that as of June 26, 2015, not including costs, the Indebtedness is \$13,331,429.34. NATC further acknowledges and agrees that the Indebtedness is unconditionally owing to Callidus, without offset, defence or counterclaim of any kind, nature or description. NATC further acknowledges and agrees that it has no basis to contest, avoid, attack, object, offset, reduce, disallow, counterclaim or make any other claim or challenge of any kind or nature with respect to the Indebtedness.
- 4. **Acknowledgement of Security:** NATC acknowledges and agrees that the Security has been properly entered into, filed or recorded (as applicable). The Security constitutes legal, valid, binding, enforceable, and perfected security interests in the collateral and is not subject to any contest, avoidance, attack, objection, offset, reduction, disallowance, counterclaim or other claim or challenge of any kind or nature with respect to the Security.
- 5. **Acknowledgement of Priority:** NATC acknowledges and agrees that, except as modified by the Initial Order, the Security has a first priority security interest in the Property.

Interim Financing

- 6. Callidus agrees to provide DIP Advances, provided that the DIP Term Sheet is approved by the Court in the CCAA Proceedings, and provided that NATC is in compliance with the terms of this Agreement.
- 7. The Gap Advance shall be deemed to be the first DIP Advance. If the DIP Term Sheet is not approved by the Court in the CCAA Proceedings, upon execution of this Agreement, the December Loan will be amended so as to make NATC liable for the Gap Advance.

- 5 -

The Security shall continue to stand as security for the Gap Advance in addition to all existing obligations under the May Loan and the December Loan.

Forbearance

8. In reliance on the acknowledgements, representations, warranties and covenants of NATC contained in this Agreement, and subject to the terms and conditions of this Agreement, Callidus agrees to forbear from exercising its rights and remedies under the May Loan, the December Loan and the Security until the earlier of:
 - a. July 17, 2015, if NATC has failed to:
 - i. make the payments required by section 10(a) and 10(b) of this Agreement;
 - ii. commence the Equipment Sales Process as required by section 11 of this Agreement;
 - iii. provide Callidus with a plan with respect to the Equipment Sales Process as required by section 12 of this Agreement; or,
 - iv. provide Callidus with a copy of the SISP as required by section 14 of this Agreement;
 - b. July 31, 2015, if NATC has failed to make the payment required by section 10(c) of this Agreement;
 - c. September 4, 2015, if NATC has failed to make the payment required by section 10(d) of this Agreement;
 - d. October 1, 2015, if NATC has failed to make the payment required by section 13(a) of this Agreement;
 - e. October 3, 2015, if NATC has failed to make the payment required by section 10(e) of this Agreement;
 - f. December 1, 2015, if NATC has failed to make the payment required by section 13(b) of this Agreement;
 - g. NATC fails to comply with the reporting requirement in section 15 of this Agreement, and this breach remains uncorrected for a period of two (2) business days following written notice of the breach by Callidus;
 - h. NATC fails to comply with any reporting requirement set out in sections 17, 19 or 23 of this Agreement, and this breach remains uncorrected for a period of ten (10) days following written notice of the breach by Callidus;
 - i. the date on which there is any breach of sections 20, 21, 22, 24, 25 or 26 of this Agreement;

- 6 -

- j. the date that a sale of all or substantially all of the Property is completed;
- k. the business day immediately following the Bid Deadline pursuant to the SISP, if no qualified bids are received by the Bid Deadline;
- l. the date that NATC's obligations under the May Loan, the December Loan and the Security are paid and satisfied in full (including all costs and accrued interest); and,
- m. December 1, 2015

(the "Forbearance Period").

- 9. At the end of the Forbearance Period, Callidus shall be permitted to immediately apply for the appointment of a Receiver or to assign NATC into bankruptcy. NATC agrees to consent to the appointment of a Receiver or to the assignment into bankruptcy, and Queenwood agrees that it will not oppose the application, appointment or assignment.

Loan Payments

- 10. NATC agrees to make the following payments to Callidus on the May Loan and the December Loan:
 - a. on July 17, 2015, principal and interest in the amount of \$383,000;
 - b. on July 17, 2015, the facility fee of \$154,208;
 - c. on July 31, 2015, principal and interest in the amount of \$391,000;
 - d. on September 4, 2015, principal and interest of \$391,000; and,
 - e. on October 2, 2015, principal and interest of \$383,000.

Equipment Sales Process

- 11. On or before July 17, 2015, NATC will commence the Equipment Sales Process to sell the Equipment, provided that this commencement is approved by the Court in the CCAA Proceedings.
- 12. On or before July 17, 2015, NATC agrees to provide Callidus with a plan for the Equipment Sales Process, which will include who will conduct the process, how the process will be conducted, the timeline for the process and the anticipated realization (including supporting information for the anticipated realization, where available). The anticipated realization shall be based on the Appraisal. NATC and Callidus anticipate that the Equipment Sales Process will be part of the SISP.
- 13. NATC agrees to pay the proceeds from the sale of the Equipment to Callidus, subject to Priority Payables (including a reserve of funds as the Monitor considers necessary to pay

- 7 -

Priority Payables), expenses properly payable in accordance with the PPSA or the CCAA Proceedings and specifically agrees to make the following payments to Callidus:

- a. \$3,000,000 on or before September 30, 2015; and,
- b. \$8,000,000 on or before November 30, 2015.

Investment and Sales Process

14. On or before July 17, 2015, NATC agrees to provide Callidus with the SISP, which will include who will conduct the process, how the process will be conducted and the timeline for the process (including milestone dates). One of the milestone dates in the SISP will be the Bid Deadline.
15. NATC agrees to report to Callidus weekly with respect to the Equipment Sales Process and the SISP, and to facilitate access to the party (or parties) conducting the sales process. This reporting may take the form of a weekly report or a weekly call.

Reporting Requirements

16. Callidus confirms that NATC has provided Callidus with the following reports (the "Reports"):

 - a. the Cantung Operational Assessment by PricewaterhouseCoopers performed in November 2014;
 - b. the Cantung Mine TP4 and TP3 Closure Design Presentation by SRK Consulting dated April 27, 2015;
 - c. the Mactung Project Open Pit Scoping Study by JDS Energy and Mining Inc. dated May 15, 2015; and,
 - d. the World Tungsten Outlook to 2025 by Argus Media dated May 2015.

17. NATC agrees to provide Callidus with any updates, modifications or revisions of the Reports within two (2) business days of NATC receiving the update, modification or revision and to provide Callidus with any other mine studies and valuations that NATC may obtain during the Forbearance Period within two (2) business days of NATC receiving such mine study or valuation.
18. Callidus confirms that NATC has provided Callidus with the following operating plans:
 - a. a current operating plan for the four month period ending October 31, 2015 and the six month period ending December 31, 2015; and,
 - b. a current operating plan for the two week period ending July 17, 2015.
19. Beginning July 13, 2015, NATC will provide Callidus with:

- 8 -

- a. every two weeks (on Monday), a current operating plan for the upcoming two week period;
- b. every two weeks (on Monday), a comparison of forecast to actual for the previous operating plan;
- c. every two weeks (on Monday), a maintenance report that (i) identifies any items from the Equipment List that have been damaged or require repair; (ii) outlines the maintenance steps or repairs that were carried out over the preceding two week period; and (iii) outlining any maintenance steps or repairs anticipated or planned for the upcoming two weeks;
- d. every two weeks (on Monday), a schedule of all unpaid Priority Payables;
- e. every month (on the 13th of the month), unaudited financial statements and management reports;
- f. a 13 week cash flow forecast;
- g. every week (on Monday), a comparison of actual to budget comparison for the 13 week cash flow comparison with variance analysis;
- h. every month (on the 13th), a roll-forward of the 13 week cash flow forecast; and
- i. any other financial information with respect to the Property or NATC's business and operations reasonably requested by Callidus.

Current Cash Flow

- 20. NATC has provided Callidus with a copy of the Current Cash Flow. During the Forbearance Period, NATC will comply with the Current Cash Flow (as updated pursuant to section 19), and Callidus shall provide the DIP Advances consistent with the Current Cash Flow, as updated pursuant to section 19, provided that the net cash flow line item will not vary by more than \$50,000, unless otherwise authorized by Callidus in writing.

Maintenance

- 21. NATC covenants and agrees that it will ensure that the Property is properly maintained and in particular, subject to section 26(c), covenants and agrees to ensure that the Equipment will be maintained in good working order.

Access

- 22. Callidus shall have the right to inspect the Property at any time, upon reasonable notice to NATC. NATC agrees to cooperate in any inspection and to facilitate access to the Equipment by Callidus, or a third party or agent authorized to inspect the Property on behalf of Callidus. NATC further agrees to pay any reasonable fees or costs incurred by Callidus in connection with the inspection.

- 9 -

23. NATC agrees to facilitate discussions between Callidus and representatives of WBH and will provide Callidus with copies of any reports received by NATC that are created by WBH with respect to the Property and NATC's business and operations.

Mactung Property

24. NATC can make payments with respect to the Mactung Property in accordance with the Current Cash Flow. Callidus will obtain the Mactung Report. NATC agrees that if the Mactung Report determines that further spending on the Mactung Property is not commercially reasonable, Callidus is entitled to make an application to the Court on notice to the Service List to restrict NATC from spending any further funds or committing to any expense related to the Mactung Property.

Independent Advisors

25. Callidus shall have the right to select a Consultant to prepare an independent review of and/or to provide oversight with respect to NATC's operations. If this right is exercised by Callidus, NATC agrees to retain the Consultant selected, on terms and scope acceptable to Callidus, acting reasonably, and to pay any reasonable expenses associated with the Consultant's engagement, including the Consultant's fees.

Representations and Warranties

26. NATC represents and warrants as follows:
- a. the recitals to this Agreement are true and correct;
 - b. the acknowledgements set out in this Agreement are true and correct;
 - c. NATC has maintained the Property, and in particular has followed a reasonable maintenance schedule such that all items in the Equipment List are currently in good working order, unless specifically identified as not being in good working order in the Equipment List;
 - d. there is no matter fact or event which is known to NATC which has not been disclosed to Callidus which is likely to have a material adverse effect on NATC's ability to perform its obligations under this Agreement and NATC has conducted such investigations as it considers necessary to make this representation and warranty;
 - e. subject to receiving Court approval in the CCAA Proceedings, NATC has the authority to enter into this Agreement and the execution, delivery and performance of this Agreement will not violate any order, declaration or judgment binding upon NATC or any agreement to which NATC is a party;
 - f. all financial and other information provided by or on behalf of NATC to Callidus or their respective advisors with respect to NATC and the Property is true, accurate and complete in all material respects as of the date of this Agreement and

- 10 -

any projections provided to Callidus are based on assumptions believed to be reasonable as of the date of their preparation and there has been no material change in any such assumptions (or in their reasonableness) or in the actual results in operations to date which has not been disclosed in writing to Callidus; and,

- g. this Agreement has been fairly and freely negotiated between sophisticated commercial parties having received the benefit of legal advice as the parties consider necessary.

NATC acknowledges and agrees that, in entering into this Agreement, Callidus is relying on the covenants, acknowledgments, agreements, representations and warranties of NATC being materially true and correct at all times and that all such covenants, acknowledgments, agreements, representations and warranties are and will continue to be in full force and effect at all times, both before, during and after any Forbearance Period, notwithstanding any expiration of the Forbearance Period.

Conditions Precedent

- 27. Other than sections 7 and 31, this Agreement shall not be effective unless and until the Court in the CCAA Proceedings approves this Agreement and the DIP Term Sheet. NATC agrees to apply for this approval no later than July 8, 2015.

Notice and Communications

- 28. A notice, approval, consent or other information in connection with this Agreement:
 - a. must be in writing;
 - b. must be marked for attention as indicated below; and,
 - c. must be:
 - i. left at the address of the addressee;
 - ii. sent by pre-paid ordinary post (airmail if posted to or from a place outside North America) to the address of the addressee; or
 - iii. sent by email to the email address identified below.
- 29. The address and contact details for each party is:

Callidus Capital Corporation
 Attention: Craig Boyer
 4620 – 181 Bay Street, P.O. Box 792
 Toronto ON M5J 2T3
 Email: cboyer@calliduscapital.com

- 11 -

With a copy to:
Borden Ladner Gervais LLP
 Attention: William Skelly/Lisa Hiebert
 1200 – 200 Burrard Street
 Vancouver BC V7X 1T2
 Email: wskelly@blg.com and lhiebert@blg.com

North American Tungsten Corporation Ltd.
 Attention: Dennis Lindahl
 1640 – 1188 West Georgia Street, P.O. Box 19
 Vancouver BC V6E 4A2
 Email: dlindahl@queenwoodcapital.com

With a copy to:
Dentons Canada LLP
 Attention: John Sandrelli/Tevia Jeffries
 20th Floor – 250 Howe Street
 Vancouver BC V6C 3R8
 Email: john.sandrelli@dentons.com and tjeffries@dentons.com

Queenwood Capital Partners II LLC
 Attention: Ronald A. Erickson
 4567 American Boulevard
 West Bloomington MN 55437
 Email: ronald.erickson@holidaycompanies.com

30. A notice, approval, consent or other communication takes effect from the time it is received unless a later time is specified in it.

Miscellaneous

31. **Costs and Expenses:** NATC agrees to pay to Callidus, as often as Callidus may require, and whether or not all or any of the transactions contemplated by this Agreement are consummated, all costs, fees and disbursements of Callidus and its legal advisors in connection with the preparation, negotiation, execution, delivery, administration, interpretation or enforcement of this Agreement, the May Loan, the December Loan and the Security, and all matters related to any of the foregoing.
32. **Survival of Representations and Warranties:** All representations and warranties made in this Agreement shall survive the execution and delivery of this Agreement and no investigation by Callidus or any closing shall affect the representations or warranties or the rights of Callidus to rely on the representations and warranties.
33. **Further Assurances:** The parties agree to execute and deliver such supplemental documents and take such supplemental action as their counterparties may reasonably require to give effect to the provisions and purposes of this Agreement.


- 12 -

34. **No Modification:** No provision of this Agreement may be changed, modified or amended other than by an agreement in writing.
35. **Enurement:** This Agreement shall enure to the benefit of, be binding upon and be enforceable against the parties to this Agreement and their respective heirs, executors, administrators, successors and permitted assigns.
36. **Exercise of Rights:** Failure by a party to exercise or delay in exercising a right, power or remedy under this Agreement does not prevent its exercise.
37. **Severability:** If the whole or any part of a provision of this Agreement is void, unenforceable or illegal in a jurisdiction, it is severed for that jurisdiction. The remainder of this Agreement shall remain in full force and effect and the validity and enforceability of that provision in any other jurisdiction is not affected. This clause has no affect if this severance alters the basic nature of this Agreement or is contrary to public policy.
38. **Jurisdiction:** This Agreement is governed by and construed in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable in British Columbia, and each party to this Agreement irrevocably and unconditionally attorns and submits to the jurisdiction of the courts of British Columbia.
39. **Counterparts:** This Agreement may be executed in counterparts and delivered as a PDF attachment to an email, each of which when so executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument, and shall be effective as of the date specified on page 1 of this Agreement.

[Intentionally blank - Signature page to follow]

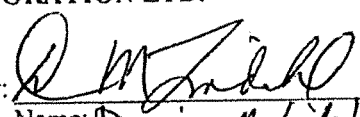
IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first above mentioned.

CALLIDUS CAPITAL CORPORATION

Per: 
 Name: **David Reese**
 Title: **President & Chief Operating Officer**

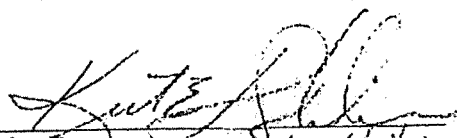
I have the authority to bind the Corporation

NORTH AMERICAN TUNGSTEN CORPORATION LTD.

Per: 
 Name: **Dennis M Lindahl**
 Title: **CFO**

I have the authority to bind the Corporation

QUEENWOOD CAPITAL PARTNERS II LLC

Per: 
 Name: **Kurt Heikilla**
 Title: **Partner**

I have the authority to bind the Corporation

[Signature Page Forbearance Agreement July 2015]

Forbearance Agreement – Schedule “A”**Current Cash Flow (attached)**

Sten Corporation Ltd.

od ending October 23, 2015

	Week 1 to Week 4 Actual 3-Jul-15	Week 5 Forecast 10-Jul-15	Week 6 Forecast 17-Jul-15	Week 7 Forecast 24-Jul-15	Week 8 Forecast 31-Jul-15	Week 9 Forecast 7-Aug-15	Week 10 Forecast 14-Aug-15	Week 11 Forecast 21-Aug-15	Week 12 Forecast 28-Aug-15	Week 13 Forecast 4-Sep-15	Week 14 Forecast 11-Sep-15	Week 15 Forecast 18-Sep-15	Week 16 Forecast 25-Sep-15	Week 17 Forecast 2-Oct-15	Week 18 Forecast 9-Oct-15	Week 19 Forecast 16-Oct-15	Week 20 Forecast 23-Oct-15	Week 1 to Week 20 Total
itions	\$ 2,083	\$ 673	\$ 1,598	\$ 2,046	\$ 1,111	\$ 1,173	\$ 1,161	\$ 1,141	\$ 1,141	\$ 1,203	\$ 1,408	\$ 1,408	\$ 1,408	\$ 1,470	\$ 1,266	\$ 1,266	\$ 868	\$ 22,42
ounts receivable	102	-	-	46	-	-	-	40	-	200	-	40	-	200	-	-	40	66
- mine site	(899)	(809)	(610)	(312)	(225)	(510)	(312)	(540)	(228)	(405)	(349)	(393)	(409)	(309)	(489)	(454)	(552)	(7,80)
erials	(30)	(23)	(23)	(23)	(23)	(59)	(59)	(59)	(59)	(59)	(54)	(54)	(54)	(28)	(28)	(28)	-	(65)
is	(99)	(170)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(120)	(60)	(2,00)
	(559)	(192)	(192)	(192)	(192)	(192)	(192)	(192)	(192)	(192)	(192)	(192)	(192)	(192)	(192)	(192)	(48)	(3,48)
t and supplies	(60)	(76)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(26)	(13)	(51)
and insurance	(65)	-	-	-	(46)	(3)	-	-	-	(46)	-	-	-	(46)	-	-	-	(20)
nding	(226)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(75)	(1,42)
itorial	(189)	-	(73)	-	(74)	-	(74)	-	(73)	-	(70)	-	(71)	-	(71)	-	(71)	(76)
ment and dredging	-	(13)	-	-	-	(15)	(15)	-	-	-	-	-	-	-	-	-	-	(5)
costs	(229)	(218)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(126)	(2,92)
e	-	-	(50)	(100)	(100)	(96)	(100)	-	-	(50)	(75)	(50)	-	-	-	-	(75)	(39)
an operations	(171)	(902)	248	1,027	112	(141)	(30)	(49)	(150)	218	279	295	219	631	22	128	(112)	1,92
lients																		
- head office	(112)	-	(39)	(9)	(39)	(9)	(39)	(9)	(39)	(9)	(39)	(9)	(39)	(9)	(49)	(9)	(49)	(50)
and insurance	(21)	-	-	-	(21)	-	-	-	-	(21)	-	-	-	(21)	-	-	-	(8)
orporate costs	(24)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(25)	(52)
disbursements	(157)	(25)	(64)	(34)	(85)	(34)	(64)	(34)	(164)	(55)	(64)	(34)	(64)	(55)	(74)	(34)	(74)	(1,11)
low																		
ipment sales	-	-	-	-	-	-	-	-	-	-	-	-	3,000	-	-	-	-	3,000
is	-	-	-	-	-	-	(150)	(150)	(100)	-	-	-	-	-	-	-	-	(40)
ists - Mactung	(2)	-	-	-	(150)	(150)	(132)	(32)	(82)	(82)	(32)	(32)	(32)	(32)	(32)	(100)	(110)	(1,00)
essional fees	(20)	(446)	(60)	(37)	(37)	(37)	(37)	(37)	(37)	(37)	(37)	(37)	(37)	(37)	(37)	(37)	(37)	(3,04)
ing cash flow	(22)	(446)	(60)	(37)	(187)	(187)	(319)	(219)	(219)	(119)	(69)	(69)	2,931	(69)	(69)	(137)	(147)	55
interim financing	(350)	(1,373)	124	956	(160)	(362)	(413)	(302)	(233)	44	146	193	3,086	507	(121)	(43)	(333)	1,36
interim financing																		
rim financing	500	1,000	500	-	-	-	500	-	500	-	-	-	-	-	-	-	-	3,000
g fees and interest	-	(55)	-	-	(32)	-	-	-	-	(53)	-	-	-	(49)	-	-	-	(18)
erest on existing Calidus loans	-	-	(537)	-	(391)	-	-	-	-	(391)	-	-	-	(3,383)	-	-	-	(4,70)
an interim financing	500	945	(37)	-	(423)	-	500	-	500	(444)	-	-	-	(3,432)	-	-	-	(3,89)
	150	(428)	87	956	(583)	(362)	87	(302)	267	(400)	146	193	3,086	(2,925)	(121)	(43)	(333)	(52)
n	626	776	348	435	1,391	807	445	532	231	498	98	244	437	3,523	598	477	434	62
	\$ 776	\$ 348	\$ 435	\$ 1,391	\$ 807	\$ 445	\$ 532	\$ 231	\$ 498	\$ 98	\$ 244	\$ 437	\$ 3,523	\$ 598	\$ 477	\$ 434	\$ 101	\$ 10

Forbearance Agreement – Schedule “B”

CALLIDUS
CAPITAL

EXECUTION VERSION

July 6, 2015

North American Tungsten Corporation Ltd.
#1640 – 1188 West Georgia Street
Vancouver, British Columbia
V6E 4A2

Attention: Dennis Lindahl

RE: Term Sheet - \$3 million Senior Secured Super-Priority Debtor-in-Possession Facility

This Term Sheet will provide you with the terms and conditions of the proposed interim financing facility (the “DIP Facility”) that Callidus Capital Corporation proposes to provide, subject to Court approval of this Term Sheet. If this Term Sheet is acceptable to you, please sign below and deliver the Structuring Fee as detailed below.

DIP Borrower: North American Tungsten Corporation Ltd. (the “DIP Borrower”).

DIP Lender: Callidus Capital Corporation (the “DIP Lender”).

DIP Facility: \$3 million multi-draw term loan.

The first draw of \$500,000 has been paid on June 29, 2015. All further draws are to be made in accordance with the cash flow statements provided by the DIP Borrower under the Forbearance Agreement.

Interest: The DIP Facility will bear interest at 21% per annum payable in cash by the DIP Borrower on the last day of each month.

Additional default interest of 2% per annum applies following a payment default.

Structuring Fee: \$30,000

Term: The earlier of November 15, 2015 and the end of the stay of proceedings in the CCAA Proceeding, with the possibility of monthly extensions subject to credit committee approval and the DIP Borrower paying the DIP Lender an extension fee in the amount of \$10,000 per month (the last day of the Term shall be referred to as the “Maturity Date”).

181 BAY STREET
SUITE 4620, P.O. BOX 792
BAY WELLINGTON TOWER – BROOKFIELD PLACE
TORONTO, ONTARIO, CANADA •
M5J 2T3

VAN01:3954823: v6

- 2 -

- Security:** The DIP Facility shall be secured by:
- (a) a super-priority lien and claim to be granted by way of court order of the British Columbia Supreme Court in the proceeding (the "CCAA Proceeding") commenced by the DIP Borrower under the Canadian *Companies' Creditors Arrangement Act* (the "CCAA"), over all of the assets of the DIP Borrower (including without limitation, the Mactung mine and all assets related thereto);
 - (b) a general security agreement providing a first ranking charge on all present and after acquired property of the DIP Borrower (including without limitation, the Mactung mine and all assets related thereto), which shall be perfected under the provisions of the *Personal Property Security Act* in British Columbia, Yukon and the Northwest Territories by registration of a financing statement in respect of the security interest created by the general security agreement in the British Columbia, Yukon and Northwest Territories Personal Property Registries; and,
 - (c) such other security as the DIP Lender and its solicitors may deem necessary, including but not limited to, a first ranking charge over the equipment of the DIP Borrower, subject to section 11.8 claims, over the mining claims of the DIP Borrower and all permits and licenses related to the Cantung Mine and the Mactung Property (as defined in the Initial Order), and any present and after acquired concentrate and inventory from the Cantung Mine (collectively, the "Security").
- Repayment:** Repayment at any time upon the earliest to occur of:
- (a) the Maturity Date;
 - (b) an Event of Default (as defined below);
 - (c) dismissal or termination of the CCAA Proceeding; and
 - (d) the commencement of any proceeding (a "BIA Proceeding") pursuant to the *Bankruptcy and Insolvency Act* (Canada), or the conversion of the CCAA Proceeding into a BIA Proceeding, or the commencement of any similar proceeding in any jurisdiction.
- Use of Proceeds:** To pay for the costs and expenses related to the CCAA Proceeding and the approved (by DIP Lender) budget expenditures.
- Covenants:** Compliance with certain specifically identified line items in the cash flow attached to the forbearance agreement between the DIP Lender, the DIP Borrower and Queenwood Capital Partners II LLC (the "Forbearance Agreement"), and to a 13-week cash flow forecast to be provided in accordance with the Forbearance Agreement (provided that variances to line items shall be permitted, provided the net cash flow line item will not vary by more than \$50,000 unless specifically authorized by Callidus in writing), reported and tested weekly.
- Reporting:** As set out in the Forbearance Agreement.
- Expenses:** All reasonable and documented out-of-pocket fees and expenses of the DIP Lender, including without limitation all reasonable and documented fees and expenses of outside counsel in connection with the DIP Facility, including in connection with due diligence by the DIP Lender associated with the preparation, execution and delivery, waiver or modification, and enforcement of the

- 3 -

documentation contemplated hereby, are to be paid by the DIP Borrower.

**Conditions
Precedent**

Usual and customary for this type of transaction, including:

- (a) approval of the transaction by the DIP Lender's Credit Committee;
- (b) the DIP Lender being satisfied in its sole discretion that there has been no material deterioration of the DIP Borrower's business prior to closing; and
- (c) completion of DIP Credit Agreement and security in form and substance satisfactory to DIP Lender.

Events of Default:

Each of the following events constitutes an "Event of Default" under this Term Sheet, whether any such Event of Default shall be voluntary or involuntary or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any governmental authority:

- (a) **Payment:** The DIP Borrower fails to make any payment of fees, interest or principal when due and payable under this Term Sheet;
- (b) **Breach of default of the DIP Borrower:** The DIP Borrower commits a material breach of, or defaults in the due and prompt performance or observance of any of its covenants, conditions or obligations pursuant to this Term Sheet or any other document executed by the DIP Borrower in relation to this Term Sheet, and such breach is not remedied within 10 days of the DIP Lender delivering written notice of the breach.
- (c) **Change of Monitor:** There is a change in the party appointed by the Court in the CCAA Proceedings as monitor of the DIP Borrower without the prior written consent of the DIP Lender.
- (d) **Breach of Orders:** The DIP Borrower is in violation of, or non-compliance with, any order issued under the CCAA Proceedings.
- (e) **Orders:** There is a further amendment to or variation of the Initial Order or the DIP Order that the DIP Lender, acting reasonably, does not consent to.
- (f) **Proceedings:** Except as permitted by the Initial Order, any proceeding is taken or commenced by any creditor against the DIP Borrower or its assets and such is not remedied within seven days thereof.
- (g) **Failure to Pay:** The DIP Borrower fails to pay any claims ranking in priority to the DIP Lender's Charge when such claims come due and such failure is not remedied within 10 days thereof.
- (h) **Jeopardy:** The DIP Lender, in good faith and on commercially reasonable grounds, believes that the prospect of payment or performance of any of the DIP Borrower's obligations under this Term Sheet or under the Security is impaired.
- (i) **Administration Charge:** The Administration Charge (as defined in the Initial Order) exceeds \$500,000 without the prior written consent of the DIP Lender.
- (j) **Reporting:** Failure of the DIP Borrower to provide the reporting as required by and set out in the Forbearance Agreement.

Upon the occurrence of an Event of Default, the DIP Facility will become immediately due and owing, and Callidus shall be permitted to immediately apply for the appointment of a Receiver or to assign the DIP Borrower into bankruptcy.

- 4 -

Costs: Whether or not the loan pursuant to this Term Sheet is made, the DIP Borrower will reimburse the DIP Lender for all reasonable costs incurred by the DIP Lender, directly or indirectly, including without limitation, the time spent by the DIP Lender's personnel, at a rate based on the DIP Lender's normal hourly rates, the expenses of the DIP Lender's personnel, including reasonable travel expenses, and all legal fees and disbursements actually incurred by the DIP Lender in respect of the DIP Facility (including preparation of this Term Sheet), the enforcement and preservation of the DIP Lender's rights and remedies under this Term Sheet and the Security and preparation of any valuation of the assets of the DIP Borrower (collectively, the "Costs"). The DIP Lender shall be entitled to deduct the Costs from the draws made on the DIP Facility.

Counterparts: This Term Sheet and all related documents, may be executed in any number of counterparts and delivered electronically (including as a PDF attachment to an email), each of which when so executed and delivered shall be deemed to be an original and all taken together will constitute one and the same document.


Closing: No later than July 8, 2015.

This Term Sheet is open for acceptance until the close of business (in Vancouver) on July 7, 2015. Upon acceptance by the DIP Borrower, this Term Sheet shall be deemed to be the Loan Agreement (Interim Financing) between the DIP Borrower and the DIP Lender.

ACCEPTED THIS ____ DAY OF JULY 2015

CALLIDUS CAPITAL CORPORATION

NORTH AMERICAN TUNGSTEN
CORPORATION LTD.

Per: 
Name: _____
Title: **David Reese**
President & Chief Operating Officer
I have the authority to bind the Corporation

Per: _____
Name: _____
Title: _____
I have the authority to bind the Corporation

9

Refuel Qty.		Asset #		Manufacturer		Model		Capacity		Asset Type		Serial No.		Year		Description		\$ FLV		\$ OLV		Condition		Costs		Oct-Nov		KEEP	
1 = SELL / 0 = KEEP																													
1	501	1	501	1	501	1	501	1	501	1	501	1	501	1	501	1	501	1	501	1	501	1	501	1	501	1	501	1	501
1	502	1	502	1	502	1	502	1	502	1	502	1	502	1	502	1	502	1	502	1	502	1	502	1	502	1	502	1	502
1	503	1	503	1	503	1	503	1	503	1	503	1	503	1	503	1	503	1	503	1	503	1	503	1	503	1	503	1	503
1	504	1	504	1	504	1	504	1	504	1	504	1	504	1	504	1	504	1	504	1	504	1	504	1	504	1	504	1	504
1	505	1	505	1	505	1	505	1	505	1	505	1	505	1	505	1	505	1	505	1	505	1	505	1	505	1	505	1	505
1	506	1	506	1	506	1	506	1	506	1	506	1	506	1	506	1	506	1	506	1	506	1	506	1	506	1	506	1	506
1	507	1	507	1	507	1	507	1	507	1	507	1	507	1	507	1	507	1	507	1	507	1	507	1	507	1	507	1	507
1	508	1	508	1	508	1	508	1	508	1	508	1	508	1	508	1	508	1	508	1	508	1	508	1	508	1	508	1	508
1	509	1	509	1	509	1	509	1	509	1	509	1	509	1	509	1	509	1	509	1	509	1	509	1	509	1	509	1	509
1	510	1	510	1	510	1	510	1	510	1	510	1	510	1	510	1	510	1	510	1	510	1	510	1	510	1	510	1	510
1	511	1	511	1	511	1	511	1	511	1	511	1	511	1	511	1	511	1	511	1	511	1	511	1	511	1	511	1	511
1	512	1	512	1	512	1	512	1	512	1	512	1	512	1	512	1	512	1	512	1	512	1	512	1	512	1	512	1	512
1	513	1	513	1	513	1	513	1	513	1	513	1	513	1	513	1	513	1	513	1	513	1	513	1	513	1	513	1	513
1	514	1	514	1	514	1	514	1	514	1	514	1	514	1	514	1	514	1	514	1	514	1	514	1	514	1	514	1	514
1	515	1	515	1	515	1	515	1	515	1	515	1	515	1	515	1	515	1	515	1	515	1	515	1	515	1	515	1	515
1	516	1	516	1	516	1	516	1	516	1	516	1	516	1	516	1	516	1	516	1	516	1	516	1	516	1	516	1	516
1	517	1	517	1	517	1	517	1	517	1	517	1	517	1	517	1	517	1	517	1	517	1	517	1	517	1	517	1	517
1	518	1	518	1	518	1	518	1	518	1	518	1	518	1	518	1	518	1	518	1	518	1	518	1	518	1	518	1	518
1	519	1	519	1	519	1	519	1	519	1	519	1	519	1	519	1	519	1	519	1	519	1	519	1	519	1	519	1	519
1	520	1	520	1	520	1	520	1	520	1	520	1	520	1	520	1	520	1	520	1	520	1	520	1	520	1	520	1	520
1	521	1	521	1	521	1	521	1	521	1	521	1	521	1	521	1	521	1	521	1	521	1	521	1	521	1	521	1	521
1	522	1	522	1	522	1	522	1	522	1	522	1	522	1	522	1	522	1	522	1	522	1	522	1	522	1	522	1	522
1	523	1	523	1	523	1	523	1	523	1	523	1	523	1	523	1	523	1	523	1	523	1	523	1	523	1	523	1	523
1	524	1	524	1	524	1	524	1	524	1	524	1	524	1	524	1	524	1	524	1	524	1	524	1	524	1	524	1	524
1	525	1	525	1	525	1	525	1	525	1	525	1	525	1	525	1	525	1	525	1	525	1	525	1	525	1	525	1	525
1	526	1	526	1	526	1	526	1	526	1	526	1	526	1	526	1	526	1	526	1	526	1	526	1	526	1	526	1	526
1	527	1	527	1	527	1	527	1	527	1	527	1	527	1	527	1	527	1	527	1	527	1	527	1	527	1	527	1	527
1	528	1	528	1	528	1	528	1	528	1	528	1	528	1	528	1	528	1	528	1	528	1	528	1	528	1	528	1	528
1	529	1	529	1	529	1	529	1	529	1	529	1	529	1	529	1	529	1	529	1	529	1	529	1	529	1	529	1	529
1	530	1	530	1	530	1	530	1	530	1	530	1	530	1	530	1	530	1	530	1	530	1	530	1	530	1	530	1	530
1	531	1	531	1	531	1	531	1	531	1	531	1	531	1	531	1	531	1	531	1	531	1	531	1	531	1	531	1	531
1	532	1	532	1	532	1	532	1	532	1	532	1	532	1	532	1	532	1	532	1	532	1	532	1	532	1	532	1	532
1	533	1	533	1	533	1	533	1	533	1	533	1	533	1	533	1	533	1	533	1	533	1	533	1	533	1	533	1	533
1	534	1	534	1	534	1	534	1	534	1	534	1	534	1	534	1	534	1	534	1	534	1	534	1	534	1	534	1	

Environ List to Candidates based on Hilco Report May 2015

Equip List to Callidus based on Hiko Report May 2015

Ref #	Qty	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition	S FLV	S OLV	On-Hldy	NEED
72.00	1	377	Hymer	Model 100	100	Food Truck	ET 15749	1980		P	0	0	1	0
72.00	1	374	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	373	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	372	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	371	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	370	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	369	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	368	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	367	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	366	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	365	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	364	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	363	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	362	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	361	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	360	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	359	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	358	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	357	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	356	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	355	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	354	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	353	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	352	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	351	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	350	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	349	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	348	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	347	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	346	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	345	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	344	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	343	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	342	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	341	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	340	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	339	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	338	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	337	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	336	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	335	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	334	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	333	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	332	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	331	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	330	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	329	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	328	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	327	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	326	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	325	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	324	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	323	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	322	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	321	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	320	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	319	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	318	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	317	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	316	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	315	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	314	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	313	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	312	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	311	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	310	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	309	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	308	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	307	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	306	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	305	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	304	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	303	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	302	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	301	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	300	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	299	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	298	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	297	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	296	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	295	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	294	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	293	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	292	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	291	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	290	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	289	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	288	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	287	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	286	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	285	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	284	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	283	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	282	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	281	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	280	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	279	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	278	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	277	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	276	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	275	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	274	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	273	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	272	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	271	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	270	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	269	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	268	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	267	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	266	Orve	Model 100	100	Food Truck	2007	1980		F	0	0	0	1
72.00	1	265	Orve	Model 100	100	Food Truck	2007							

Notes:

Century Equipment
Detailed Listing - Calhoun Coalfield
Source: May 2015 Price-Callhoun Appraisal
as of: 5-16-15

Ref #	Qty	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Cost	\$ FTV	\$ OLV	1-15-16	1-16-17	1-17-18	1-18-19	1-19-20	1-20-21	1-21-22	1-22-23	1-23-24	1-24-25	1-25-26	1-26-27	1-27-28	1-28-29	1-29-30	1-30-31	1-31-32	1-32-33	1-33-34	1-34-35	1-35-36	1-36-37	1-37-38	1-38-39	1-39-40	1-40-41	1-41-42	1-42-43	1-43-44	1-44-45	1-45-46	1-46-47	1-47-48	1-48-49	1-49-50	1-50-51	1-51-52	1-52-53	1-53-54	1-54-55	1-55-56	1-56-57	1-57-58	1-58-59	1-59-60	1-60-61	1-61-62	1-62-63	1-63-64	1-64-65	1-65-66	1-66-67	1-67-68	1-68-69	1-69-70	1-70-71	1-71-72	1-72-73	1-73-74	1-74-75	1-75-76	1-76-77	1-77-78	1-78-79	1-79-80	1-80-81	1-81-82	1-82-83	1-83-84	1-84-85	1-85-86	1-86-87	1-87-88	1-88-89	1-89-90	1-90-91	1-91-92	1-92-93	1-93-94	1-94-95	1-95-96	1-96-97	1-97-98	1-98-99	1-99-100	1-100-101	1-101-102	1-102-103	1-103-104	1-104-105	1-105-106	1-106-107	1-107-108	1-108-109	1-109-110	1-110-111	1-111-112	1-112-113	1-113-114	1-114-115	1-115-116	1-116-117	1-117-118	1-118-119	1-119-120	1-120-121	1-121-122	1-122-123	1-123-124	1-124-125	1-125-126	1-126-127	1-127-128	1-128-129	1-129-130	1-130-131	1-131-132	1-132-133	1-133-134	1-134-135	1-135-136	1-136-137	1-137-138	1-138-139	1-139-140	1-140-141	1-141-142	1-142-143	1-143-144	1-144-145	1-145-146	1-146-147	1-147-148	1-148-149	1-149-150	1-150-151	1-151-152	1-152-153	1-153-154	1-154-155	1-155-156	1-156-157	1-157-158	1-158-159	1-159-160	1-160-161	1-161-162	1-162-163	1-163-164	1-164-165	1-165-166	1-166-167	1-167-168	1-168-169	1-169-170	1-170-171	1-171-172	1-172-173	1-173-174	1-174-175	1-175-176	1-176-177	1-177-178	1-178-179	1-179-180	1-180-181	1-181-182	1-182-183	1-183-184	1-184-185	1-185-186	1-186-187	1-187-188	1-188-189	1-189-190	1-190-191	1-191-192	1-192-193	1-193-194	1-194-195	1-195-196	1-196-197	1-197-198	1-198-199	1-199-200	1-200-201	1-201-202	1-202-203	1-203-204	1-204-205	1-205-206	1-206-207	1-207-208	1-208-209	1-209-210	1-210-211	1-211-212	1-212-213	1-213-214	1-214-215	1-215-216	1-216-217	1-217-218	1-218-219	1-219-220	1-220-221	1-221-222	1-222-223	1-223-224	1-224-225	1-225-226	1-226-227	1-227-228	1-228-229	1-229-230	1-230-231	1-231-232	1-232-233	1-233-234	1-234-235	1-235-236	1-236-237	1-237-238	1-238-239	1-239-240	1-240-241	1-241-242	1-242-243	1-243-244	1-244-245	1-245-246	1-246-247	1-247-248	1-248-249	1-249-250	1-250-251	1-251-252	1-252-253	1-253-254	1-254-255	1-255-256	1-256-257	1-257-258	1-258-259	1-259-260	1-260-261	1-261-262	1-262-263	1-263-264	1-264-265	1-265-266	1-266-267	1-267-268	1-268-269	1-269-270	1-270-271	1-271-272	1-272-273	1-273-274	1-274-275	1-275-276	1-276-277	1-277-278	1-278-279	1-279-280	1-280-281	1-281-282	1-282-283	1-283-284	1-284-285	1-285-286	1-286-287	1-287-288	1-288-289	1-289-290	1-290-291	1-291-292	1-292-293	1-293-294	1-294-295	1-295-296	1-296-297	1-297-298	1-298-299	1-299-300	1-300-301	1-301-302	1-302-303	1-303-304	1-304-305	1-305-306	1-306-307	1-307-308	1-308-309	1-309-310	1-310-311	1-311-312	1-312-313	1-313-314	1-314-315	1-315-316	1-316-317	1-317-318	1-318-319	1-319-320	1-320-321	1-321-322	1-322-323	1-323-324	1-324-325	1-325-326	1-326-327	1-327-328	1-328-329	1-329-330	1-330-331	1-331-332	1-332-333	1-333-334	1-334-335	1-335-336	1-336-337	1-337-338	1-338-339	1-339-340	1-340-341	1-341-342	1-342-343	1-343-344	1-344-345	1-345-346	1-346-347	1-347-348	1-348-349	1-349-350	1-350-351	1-351-352	1-352-353	1-353-354	1-354-355	1-355-356	1-356-357	1-357-358	1-358-359	1-359-360	1-360-361	1-361-362	1-362-363	1-363-364	1-364-365	1-365-366	1-366-367	1-367-368	1-368-369	1-369-370	1-370-371	1-371-372	1-372-373	1-373-374	1-374-375	1-375-376	1-376-377	1-377-378	1-378-379	1-379-380	1-380-381	1-381-382	1-382-383	1-383-384	1-384-385	1-385-386	1-386-387	1-387-388	1-388-389	1-389-390	1-390-391	1-391-392	1-392-393	1-393-394	1-394-395	1-395-396	1-396-397	1-397-398	1-398-399	1-399-400	1-400-401	1-401-402	1-402-403	1-403-404	1-404-405	1-405-406	1-406-407	1-407-408	1-408-409	1-409-410	1-410-411	1-411-412	1-412-413	1-413-414	1-414-415	1-415-416	1-416-417	1-417-418	1-418-419	1-419-420	1-420-421	1-421-422	1-422-423	1-423-424	1-424-425	1-425-426	1-426-427	1-427-428	1-428-429	1-429-430	1-430-431	1-431-432	1-432-433	1-433-434	1-434-435	1-435-436	1-436-437	1-437-438	1-438-439	1-439-440	1-440-441	1-441-442	1-442-443	1-443-444	1-444-445	1-445-446	1-446-447	1-447-448	1-448-449	1-449-450	1-450-451	1-451-452	1-452-453	1-453-454	1-454-455	1-455-456	1-456-457	1-457-458	1-458-459	1-459-460	1-460-461	1-461-462	1-462-463	1-463-464	1-464-465	1-465-466	1-466-467	1-467-468	1-468-469	1-469-470	1-470-471	1-471-472	1-472-473	1-473-474	1-474-475	1-475-476	1-476-477	1-477-478	1-478-479	1-479-480	1-480-481	1-481-482	1-482-483	1-483-484	1-484-485	1-485-486	1-486-487	1-487-488	1-488-489	1-489-490	1-490-491	1-491-492	1-492-493	1-493-494	1-494-495	1-495-496	1-496-497	1-497-498	1-498-499	1-499-500	1-500-501	1-501-502	1-502-503	1-503-504	1-504-505	1-505-506	1-506-507	1-507-508	1-508-509	1-509-510	1-510-511	1-511-512	1-512-513	1-513-514	1-514-515	1-515-516	1-516-517	1-517-518	1-518-519	1-519-520	1-520-521	1-521-522	1-522-523	1-523-524	1-524-525	1-525-526	1-526-527	1-527-528	1-528-529	1-529-530	1-530-531	1-531-532	1-532-533	1-533-534	1-534-535	1-535-536	1-536-537	1-537-538	1-538-539	1-539-540	1-540-541	1-541-542	1-542-543	1-543-544	1-544-545	1-545-546	1-546-547	1-547-548	1-548-549	1-549-550	1-550-551	1-551-552	1-552-553	1-553-554	1-554-555	1-555-556	1-556-557	1-557-558	1-558-559	1-559-560	1-560-561	1-561-562	1-562-563	1-563-564	1-564-565	1-565-566	1-566-567	1-567-568	1-568-569	1-569-570	1-570-571	1-571-572	1-572-573	1-573-574	1-574-575	1-575-576	1-576-577	1-577-578	1-578-579	1-579-580	1-580-581	1-581-582	1-582-583	1-583-584	1-584-585	1-585-586	1-586-587	1-587-588	1-588-589	1-589-590	1-590-591	1-591-592	1-592-593	1-593-594	1-594-595	1-595-596	1-596-597	1-597-598	1-598-599	1-599-600	1-600-601	1-601-602	1-602-603	1-603-604	1-604-605	1-605-606	1-606-607	1-607-608	1-608-609	1-609-610	1-610-611	1-611-612	1-612-613	1-613-614	1-614-615	1-615-616	1-616-617	1-617-618	1-618-619	1-619-620	1-620-621	1-621-622	1-622-623	1-623-624	1-624-625	1-625-626	1-626-627	1-627-628	1-628-629	1-629-630	1-630-631	1-631-632	1-632-633	1-633-634	1-634-635	1-635-636	1-636-637	1-637-638	1-638-639	1-639-640	1-640-641	1-641-642	1-642-643	1-643-644	1-644-645	1-645-646	1-646-647	1-647-648	1-648-649	1-649-650	1-650-651	1-651-652	1-652-653	1-653-654	1-654-655	1-655-656	1-656-657	1-657-658	1-658-659	1-659-660	1-660-661	1-661-662	1-662-663	1-663-664	1-664-665	1-665-666	1-666-667	1-667-668	1-668-669	1-669-670	1-670-671	1-671-672	1-672-673	1-673-674	1-674-675	1-675-676	1-676-677	1-677-678	1-678-679	1-679-680	1-680-681	1-681-682	1-682-683	1-683-684	1-684-685	1-685-686	1-686-687	1-687-688	1-688-689	1-689-690	1-690-691	1-691-692	1-692-693	1-693-694	1-694-695	1-695-696	1-696-697	1-697-698	1-698-699	1-699-700	1-700-701	1-701-702	1-702-703	1-703-704	1-704-705	1-705-706	1-706-707	1-707-708	1-708-709	1-709-710	1-710-711	1-711-712	1-712-713	1-713-714	1-714-715	1-715-716	1-716-717	1-717-718	1-718-719	1-719-720	1-720-721	1-721-722	1-722-723	1-723-724	1-724-725	1-725-726	1-726-727	1-727-728	1-728-729	1-729-730	1-730-731	1-731-732	1-732-733	1-733-734	1-734-735	1-735-736	1-736-737	1-737-738	1-738-739	1-739-740	1-740-741	1-741-742	1-742-743	1-743-744	1-744-745	1-745-746	1-746-747	1-747-748	1-748-749	1-749-750	1-750-751	1-751-752	1-752-753	1-753-754	1-754-755	1-755-756	1-756-757	1-757-758	1-758-759	1-759-760	1-760-761	1-761-762	1-762-763	1-763-764	1-764-765	1-765-766	1-766-767	1-767-768	1-768-769	1-769-770	1-770-771	1-771-772	1-772-773	1-773-774	1-774-775	1-775-776	1-776-777	1-777-778	1-778-779	1-779-780	1-780-781	1-781-782	1-782-783	1-783-784	1-784-785	1-785-786	1-786-787	1-787-788	1-788-789	1-789-790	1-790-791	1-791-792	1-792-793	1-793-794	1-794-795	1-795-796	1-796-797	1-797-798	1-798-799	1-799-800	1-800-801	1-801-802	1-802-803	1-803-804	1-804-805	1-805-806	1-806-807	1-807-808	1-808-809	1-809-810	1-810-811	1-811-812	1-812-813	1-813-814	1-814-815	1-815-816	1-816-817	1-817-818	1-818-819	1-819-820	1-820-821	1-821-822	1-822-823	1-823-824	1-824-825	1-825-826	1-826-827	1-827-828	1-828-829	1-829-830	1-830-831	1-831-832	1-832-833	1-833-834	1-834-835	1-835-836	1-836-837	1-837-838	1-838-839	1-839-840	1-840-841	1-841-842	1-842-843	1-843-844	1-844-845	1-845-846	1-846-847	1-847-848	1-848-849	1-849-850	1-850-851	1-851-852	1-852-853	1-853-854	1-854-855	1-855-856	1-856-857	1-857-858	1-858-859	1-859-860	1-860-861	1-861-862	1-862-863	1-863-864	1-864-865	1-865-866	1-866-867	1-867-868	1-868-869	1-869-870	1-870-871	1-871-872	1-872-873	1-873-874	1-874-875	1-875-876	1-876-877	1-877-878	1-878-879	1-879-880	1-880-881	1-881-882	1-882-883	1-883-884	1-884-885	1-885-886	1-886-887	1-887-888	1-888-889	1-889-890	1-890-891	1-891-892	1-892-893	1-893-894	1-894-895
-------	-----	---------	--------------	-------	----------	------------	------------	------	-------------	------	--------	--------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	---------	----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------

Equip List to Callicott based on Hilco Report May 2015

Equip Ltd to Cartridges based on Milco Report May 2015

Rate	Qty.	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition	5 FLV	5 OLW	July Sept	Oct-Nov	KEEP
171.00	1.		Marantz Technologies	68-40427	6-242 Speed	Sequencer			7-1/2" x 11" 121 Lines, 50% Pul. Density Bkds. 0.2-0.2mm Film Range, 8 User Duty Volume	G	0	0	0	0	1
172.00	1.		Neuma			Cyclops				F	0	0	0	0	1
173.00	1.		Dualcam			Original Memory Screen			72" W x 151" Rubber Screen Material	F	0	0	0	0	1
174.00	1.		Dualcam			4-Hel			with Rubber Screen Material	F	0	0	0	0	1
175.00	4.		Dualcam	680		Type Dist			with Rubber Screen Material	F	0	0	0	0	1
176.00	2.		Dualcam	9		Percent Dist			with Rubber Screen Material	F	0	0	0	0	1
177.00	3.		Dualcam	10-100		Percent Dist			with Rubber Screen Material	F	0	0	0	0	1
178.00	1.		Unibond Ultra			Screen				F	0	0	0	0	1
179.00	1.		Dominex Engineering			Screen				F	0	0	0	0	1
180.00	1.		Conver			Screen			200-1/2" x 100" AC Gables 25-1/2" x 1-1/2" BR-C Construction	F	0	0	0	0	1
181.00	1.		Conver			Screen				F	0	0	0	0	1
182.00	1.		Daguer			Screen				F	0	0	0	0	1
183.00	1.		Marantz			Cyclops				F	0	0	0	0	1
184.00	1.		Libertech			Variable Beam				F	0	0	0	0	1
185.00	1.		Marantz			Fixed			with Hues	F	0	0	0	0	1
186.00	2.		Libertech			Cab			with Pads	F	0	0	0	0	1
187.00	1.		Marantz			Screen				F	0	0	0	0	1
188.00	1.		Unibond Ultra			Screen				F	0	0	0	0	1
189.00	1.		Conver			Screen				F	0	0	0	0	1
190.00	1.		Daguer			Screen				F	0	0	0	0	1
191.00	2.		Conver			Screen				F	0	0	0	0	1
192.00	1.		Marantz			Screen				F	0	0	0	0	1
193.00	1.		Libertech			Screen				F	0	0	0	0	1
194.00	1.		Marantz			Screen				F	0	0	0	0	1
195.00	1.		Conver			Screen				F	0	0	0	0	1
196.00	1.		Daguer			Screen				F	0	0	0	0	1
197.00	1.		Conver			Screen				F	0	0	0	0	1
198.00	1.		Marantz			Screen				F	0	0	0	0	1
199.00	1.		Libertech			Screen				F	0	0	0	0	1
200.00	1.		Marantz			Screen				F	0	0	0	0	1
201.00	1.		Conver			Screen				F	0	0	0	0	1

Equip Ltd to Celsius based on Hiko Report May 2015

Equip List to Culture based on Milco Report May 2015

Rel'd	Qty.	Asset#	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Cost/Life	\$ FLV	\$ OLV	1 = SELL 10 = KEEP
241.00	1	2277	VEBACIS	PS5500 XLT	5000	Truck	1F7WVW12602A272	2008	Process Line, Ind on Property	F	0	0	1
242.00	1	2278	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
243.00	1	2279	Chrysler	3000	Truck	2004F1C2B0010824	2008	Process Line, Ind on Property	F	0	0	1	
244.00	1	2280	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
245.00	1	2281	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
246.00	1	2282	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
247.00	1	2283	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
248.00	1	2284	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
249.00	1	2285	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
250.00	1	2286	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
251.00	1	2287	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
252.00	1	2288	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
253.00	1	2289	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
254.00	1	2290	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
255.00	1	2291	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
256.00	1	2292	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
257.00	1	2293	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
258.00	1	2294	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
259.00	1	2295	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
260.00	1	2296	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
261.00	1	2297	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
262.00	1	2298	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
263.00	1	2299	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
264.00	1	2300	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
265.00	1	2301	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
266.00	1	2302	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
267.00	1	2303	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
268.00	1	2304	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
269.00	1	2305	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
270.00	1	2306	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
271.00	1	2307	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
272.00	1	2308	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
273.00	1	2309	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
274.00	1	2310	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
275.00	1	2311	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
276.00	1	2312	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
277.00	1	2313	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
278.00	1	2314	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
279.00	1	2315	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
280.00	1	2316	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
281.00	1	2317	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
282.00	1	2318	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
283.00	1	2319	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
284.00	1	2320	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
285.00	1	2321	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
286.00	1	2322	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
287.00	1	2323	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
288.00	1	2324	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
289.00	1	2325	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
290.00	1	2326	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
291.00	1	2327	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
292.00	1	2328	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
293.00	1	2329	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
294.00	1	2330	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
295.00	1	2331	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
296.00	1	2332	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
297.00	1	2333	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
298.00	1	2334	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
299.00	1	2335	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
300.00	1	2336	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
301.00	1	2337	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
302.00	1	2338	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
303.00	1	2339	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
304.00	1	2340	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
305.00	1	2341	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
306.00	1	2342	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
307.00	1	2343	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
308.00	1	2344	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
309.00	1	2345	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
310.00	1	2346	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
311.00	1	2347	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
312.00	1	2348	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
313.00	1	2349	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
314.00	1	2350	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
315.00	1	2351	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
316.00	1	2352	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
317.00	1	2353	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
318.00	1	2354	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
319.00	1	2355	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
320.00	1	2356	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
321.00	1	2357	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
322.00	1	2358	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
323.00	1	2359	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
324.00	1	2360	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
325.00	1	2361	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
326.00	1	2362	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
327.00	1	2363	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
328.00	1	2364	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
329.00	1	2365	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
330.00	1	2366	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
331.00	1	2367	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
332.00	1	2368	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
333.00	1	2369	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
334.00	1	2370	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
335.00	1	2371	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
336.00	1	2372	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
337.00	1	2373	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
338.00	1	2374	Ford	F350 XL	4000	Truck	1F7WVW121R6A1020	2008	Process Line, Ind on Property	F	0	0	1
339.00	1	2375	Ford</										

Equip List to Callidus based on Hico Report May 2015

Centring Equipment
Detailed Listing - Calidus Colateral
Source: May 2015 Hico-Calidus Appraisal
as of 5-18-15

Ref #	Qty	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition	Costs	S FLV	S OLV	July Sept	Oct-Nov	KEEP
									FX Rate at April 18, 2015 - Effective date of valuation	FX	12,968	12,968				
									Net of trading costs	CDN	0	0	0			
									Lending base %	CDN	50%	50%	50%			
									Lending base at 50%	CDN	0	0	0			
									Calidus Loan Balance at April 30, 2015	CDN	0	0	0			
									Calidus Loan Balance at April 30, 2015	CDN	0	0	0			

Note A - Reference Number 20, Tannock Jumbo was sent offsite to be overhauled and due to cash constraints, the overhaul has not been started - as such this asset is not currently in operating condition.
Note B - Reference Number 82, Caterpillar Generator, the generator has been removed from service as it is due for a rebuild and the rebuild has not occurred to conserve cash - as such this asset is not currently in good operating condition.

THIS IS EXHIBIT "B" REFERRED TO IN THE AFFIDAVIT OF
CRAIG LAWRENCE BOYER MADE BEFORE ME ON THE
16th DAY OF NOVEMBER, 2015


A COMMISSIONER FOR TAKING AFFIDAVITS FOR

CALLIDUS CAPITAL

EXECUTION VERSION

July 6, 2015

North American Tungsten Corporation Ltd.
#1640 – 1188 West Georgia Street
Vancouver, British Columbia
V6E 4A2

Attention: Dennis Lindahl

RE: Term Sheet - \$3 million Senior Secured Super-Priority Debtor-in-Possession Facility

This Term Sheet will provide you with the terms and conditions of the proposed interim financing facility (the “**DIP Facility**”) that Callidus Capital Corporation proposes to provide, subject to Court approval of this Term Sheet. If this Term Sheet is acceptable to you, please sign below and deliver the Structuring Fee as detailed below.

DIP Borrower: North American Tungsten Corporation Ltd. (the “**DIP Borrower**”).

DIP Lender: Callidus Capital Corporation (the “**DIP Lender**”).

DIP Facility: \$3 million multi-draw term loan.

The first draw of \$500,000 has been paid on June 29, 2015. All further draws are to be made in accordance with the cash flow statements provided by the DIP Borrower under the Forbearance Agreement.

Interest: The DIP Facility will bear interest at 21% per annum payable in cash by the DIP Borrower on the last day of each month.

Additional default interest of 2% per annum applies following a payment default.

Structuring Fee: \$30,000

Term: The earlier of November 15, 2015 and the end of the stay of proceedings in the CCAA Proceeding, with the possibility of monthly extensions subject to credit committee approval and the DIP Borrower paying the DIP Lender an extension fee in the amount of \$10,000 per month (the last day of the Term shall be referred to as the “**Maturity Date**”).

181 BAY STREET
SUITE 4620, P.O. BOX 792
BAY WELLINGTON TOWER – BROOKFIELD PLACE
TORONTO, ONTARIO, CANADA •
M5J 2T3

VAN01: 3954823.v6

- 2 -

- Security:** The DIP Facility shall be secured by:
- (a) a super-priority lien and claim to be granted by way of court order of the British Columbia Supreme Court in the proceeding (the "**CCAA Proceeding**") commenced by the DIP Borrower under the Canadian *Companies' Creditors Arrangement Act* (the "**CCAA**"), over all of the assets of the DIP Borrower (including without limitation, the Mactung mine and all assets related thereto);
 - (b) a general security agreement providing a first ranking charge on all present and after acquired property of the DIP Borrower (including without limitation, the Mactung mine and all assets related thereto), which shall be perfected under the provisions of the *Personal Property Security Act* in British Columbia, Yukon and the Northwest Territories by registration of a financing statement in respect of the security interest created by the general security agreement in the British Columbia, Yukon and Northwest Territories Personal Property Registries; and,
 - (c) such other security as the DIP Lender and its solicitors may deem necessary, including but not limited to, a first ranking charge over the equipment of the DIP Borrower, subject to section 11.8 claims, over the mining claims of the DIP Borrower and all permits and licenses related to the Cantung Mine and the Mactung Property (as defined in the Initial Order), and any present and after acquired concentrate and inventory from the Cantung Mine (collectively, the "**Security**").
- Repayment:** Repayment at any time upon the earliest to occur of:
- (a) the Maturity Date;
 - (b) an Event of Default (as defined below);
 - (c) dismissal or termination of the CCAA Proceeding; and
 - (d) the commencement of any proceeding (a "**BIA Proceeding**") pursuant to the *Bankruptcy and Insolvency Act* (Canada), or the conversion of the CCAA Proceeding into a BIA Proceeding, or the commencement of any similar proceeding in any jurisdiction.
- Use of Proceeds:** To pay for the costs and expenses related to the CCAA Proceeding and the approved (by DIP Lender) budget expenditures.
- Covenants:** Compliance with certain specifically identified line items in the cash flow attached to the forbearance agreement between the DIP Lender, the DIP Borrower and Queenwood Capital Partners II LLC (the "**Forbearance Agreement**"), and to a 13-week cash flow forecast to be provided in accordance with the Forbearance Agreement (provided that variances to line items shall be permitted, provided the net cash flow line item will not vary by more than \$50,000 unless specifically authorized by Callidus in writing), reported and tested weekly.
- Reporting:** As set out in the Forbearance Agreement.
- Expenses:** All reasonable and documented out-of-pocket fees and expenses of the DIP Lender, including without limitation all reasonable and documented fees and expenses of outside counsel in connection with the DIP Facility, including in connection with due diligence by the DIP Lender associated with the preparation, execution and delivery, waiver or modification, and enforcement of the

- 3 -

documentation contemplated hereby, are to be paid by the DIP Borrower.

**Conditions
Precedent**

Usual and customary for this type of transaction, including:

- (a) approval of the transaction by the DIP Lender's Credit Committee;
- (b) the DIP Lender being satisfied in its sole discretion that there has been no material deterioration of the DIP Borrower's business prior to closing; and
- (c) completion of DIP Credit Agreement and security in form and substance satisfactory to DIP Lender.

Events of Default:

Each of the following events constitutes an "Event of Default" under this Term Sheet, whether any such Event of Default shall be voluntary or involuntary or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any governmental authority:

- (a) **Payment:** The DIP Borrower fails to make any payment of fees, interest or principal when due and payable under this Term Sheet;
- (b) **Breach of default of the DIP Borrower:** The DIP Borrower commits a material breach of, or defaults in the due and prompt performance or observance of any of its covenants, conditions or obligations pursuant to this Term Sheet or any other document executed by the DIP Borrower in relation to this Term Sheet, and such breach is not remedied within 10 days of the DIP Lender delivering written notice of the breach.
- (c) **Change of Monitor:** There is a change in the party appointed by the Court in the CCAA Proceedings as monitor of the DIP Borrower without the prior written consent of the DIP Lender.
- (d) **Breach of Orders:** The DIP Borrower is in violation of, or non-compliance with, any order issued under the CCAA Proceedings.
- (e) **Orders:** There is a further amendment to or variation of the Initial Order or the DIP Order that the DIP Lender, acting reasonably, does not consent to.
- (f) **Proceedings:** Except as permitted by the Initial Order, any proceeding is taken or commenced by any creditor against the DIP Borrower or its assets and such is not remedied within seven days thereof.
- (g) **Failure to Pay:** The DIP Borrower fails to pay any claims ranking in priority to the DIP Lender's Charge when such claims come due and such failure is not remedied within 10 days thereof.
- (h) **Jeopardy:** The DIP Lender, in good faith and on commercially reasonable grounds, believes that the prospect of payment or performance of any of the DIP Borrower's obligations under this Term Sheet or under the Security is impaired.
- (i) **Administration Charge:** The Administration Charge (as defined in the Initial Order) exceeds \$500,000 without the prior written consent of the DIP Lender.
- (j) **Reporting:** Failure of the DIP Borrower to provide the reporting as required by and set out in the Forbearance Agreement.

Upon the occurrence of an Event of Default, the DIP Facility will become immediately due and owing, and Callidus shall be permitted to immediately apply for the appointment of a Receiver or to assign the DIP Borrower into bankruptcy.

- 4 -

Costs: Whether or not the loan pursuant to this Term Sheet is made, the DIP Borrower will reimburse the DIP Lender for all reasonable costs incurred by the DIP Lender, directly or indirectly, including without limitation, the time spent by the DIP Lender's personnel, at a rate based on the DIP Lender's normal hourly rates, the expenses of the DIP Lender's personnel, including reasonable travel expenses, and all legal fees and disbursements actually incurred by the DIP Lender in respect of the DIP Facility (including preparation of this Term Sheet), the enforcement and preservation of the DIP Lender's rights and remedies under this Term Sheet and the Security and preparation of any valuation of the assets of the DIP Borrower (collectively, the "Costs"). The DIP Lender shall be entitled to deduct the Costs from the draws made on the DIP Facility.

Counterparts: This Term Sheet and all related documents, may be executed in any number of counterparts and delivered electronically (including as a PDF attachment to an email), each of which when so executed and delivered shall be deemed to be an original and all taken together will constitute one and the same document.


Closing: No later than July 8, 2015.

This Term Sheet is open for acceptance until the close of business (in Vancouver) on July 7, 2015. Upon acceptance by the DIP Borrower, this Term Sheet shall be deemed to be the Loan Agreement (Interim Financing) between the DIP Borrower and the DIP Lender.


ACCEPTED THIS ____ DAY OF JULY 2015

CALLIDUS CAPITAL CORPORATION

NORTH AMERICAN TUNGSTEN
CORPORATION LTD.

Per: 
Name: **David Reese**
Title: **President & Chief Operating Officer**

I have the authority to bind the Corporation

Per: 
Name: **Dennis M Lindahl**
Title: **CFO**

I have the authority to bind the Corporation

THIS IS EXHIBIT "C" REFERRED TO IN THE AFFIDAVIT OF
CRAIG LAWRENCE BOYER MADE BEFORE ME ON THE
16th DAY OF NOVEMBER, 2015


A COMMISSIONER FOR TAKING AFFIDAVITS FOR

Skelly, William E.J.

From: Skelly, William E.J.
Sent: October-22-15 8:49 AM
To: Martin, Todd
Cc: Buttery, Mary (mary.buttery@dlapiper.com); Kibben Jackson; Boyer Craig
Subject: Re: North American Tungsten Corporation Ltd. - Amended SISP

Just to ensure there is no confusion on the termination of the SISP, Callidus did not request a termination of the SISP. As it was explained to us in the meeting yesterday, the Monitor made this decision on the basis that the GNWT would oppose a sale to [redacted] at the \$4.0 million offer price and there may have been some conditions in the [redacted] offer which would have been difficult to deal with. As the [redacted] offer would have been sufficient to payout the DIP, Callidus would have supported an application to approve the sale to [redacted]

Bill

Sent from my iPhone

On Oct 22, 2015, at 8:38 AM, Martin, Todd <tmartin@alvarezandmarsal.com> wrote:

Bill/Mary, further to our meeting yesterday and discussions surrounding the Amended SISP, please find a copy of a notification of the termination of the Amended SISP that the Monitor's counsel sent to the respective bidders late yesterday afternoon. The email below is directed to counsel for [redacted], and select [redacted] representatives. The notices that went to the other unsuccessful bidders were identical to the email below.

The Monitor plans to post a note of its website today confirming the termination of the Amended SISP and will file an information report with the Court shortly.

Regards,

Todd

Todd M. Martin
 Managing Director
 Alvarez & Marsal Canada ULC
 Commerce Place
 400 Burrard Street, Suite 1680
 Vancouver, BC V6C 3A6
 Direct: 604.638.7445
 Mobile: 778.918.0110
www.alvarezandmarsal.com

From: Kibben Jackson [<mailto:kjackson@fasken.com>]
Sent: Wednesday, October 21, 2015 5:14 PM
To:

Cc: Martin, Todd; Powell, Tom; Beveridge, Callum
Subject: North American Tungsten Corporation Ltd. - Amended SISP

We write in our capacity as counsel for the Monitor and concerning the Amended Sale and Investment Solicitation Process.

At the outset, the Monitor and the Financial Advisor would like to thank your client for submitting a bid in a timely manner, and for their patience in awaiting the Monitor's advice as to the outcome of the Amended SISP.

Since receiving bids, the Monitor has been in communication with NATC and its primary stakeholders, Callidus Capital Corporation and the Government of the Northwest Territories ("GNWT"). The Monitor has concluded its discussions with the stakeholders regarding the bids and the Amended SISP generally, and we advise that, as a result of those discussions, the Monitor has determined that none of the bids received are likely to result in a transaction being consummated. Accordingly, as contemplated by paragraph 24 of the Amended SISP, we advise that the Monitor is terminating the Amended SISP effective immediately.

The Monitor will be making arrangements to return your client's deposit within the next five business days. Please advise whether the deposit should be paid by way of bank draft or by wire (in which case, please provide wire details).

The Monitor will continue to consult with NATC and its stakeholders regarding next steps and will report to the Court in that regard, including the outcome of the Amended SISP, in due course.

Again, thank you for your participation in the Amended SISP. Please feel free to call if you have any questions or wish to discuss the foregoing.

Sincerely,

Kibben Jackson | Partner

T. +1 604 631 4786 | M. +1 604 603 0875 | F. +1 604 632 4786
kjackson@fasken.com | <http://www.fasken.com/en/kibben-jackson>

Fasken Martineau DuMoulin LLP
 2900 - 550 Burrard Street, Vancouver, British Columbia V6C 0A3
 <image002.gif>


<image001.gif>

This email contains privileged or confidential information and is intended only for the named recipients. If you have received this email in error or are not a named recipient, please notify the sender and destroy the email. A detailed statement of the terms of use can be found at the following address http://www.fasken.com/termsfuse_email/.

Ce message contient des renseignements confidentiels ou privilégiés et est destiné seulement à la personne à qui il est adressé. Si vous avez reçu ce courriel par erreur, S.V.P. le retourner à l'expéditeur et le détruire. Une version détaillée des modalités et conditions d'utilisation se retrouve à l'adresse suivante http://www.fasken.com/fr/termsfuse_email/.

This message is intended only for the use of the addressee(s) and may contain information that is PRIVILEGED and CONFIDENTIAL. If you are not the intended recipient(s), you are hereby notified that any dissemination of this communication is strictly prohibited. If you have received this communication in error, please erase all copies of the message and its attachments and notify us immediately.

THIS IS EXHIBIT "D" REFERRED TO IN THE AFFIDAVIT OF
CRAIG LAWRENCE BOYER MADE BEFORE ME ON THE
16th DAY OF NOVEMBER, 2015


A COMMISSIONER FOR TAKING AFFIDAVITS FOR

Skelly, William E.J.

From: Kibben Jackson <kjackson@fasken.com>
Sent: October-23-15 2:55 PM
To: Skelly, William E.J.
Cc: Boyer Craig
Subject: Re: In the Matter of the CCAA and North American Tungsten Corporation | Action No. S-154746

I don't think that's necessary.

Kibben Jackson | Partner

T. +1 604 631 4786 | F. +1 604 632 4786
kjackson@fasken.com | www.fasken.com

Fasken Martineau DuMoulin LLP
 2900 - 550 Burrard Street, Vancouver, British Columbia V6C 0A3

On Oct 23, 2015, at 2:50 PM, Skelly, William E.J. <WSkelly@blg.com> wrote:

Just saw the report. Why did the Monitor not articulate the position of Callidus?
 Sent from my iPhone

On Oct 23, 2015, at 1:58 PM, Nina Wolf <nwolf@fasken.com> wrote:

To the Service List:

Attached please find, for service on you, the Tenth Report of the Monitor dated October 23, 2015. A court-stamped copy will be circulated in due course.

Kindly,

Nina Wolf | Legal Administrative Assistant

T. +1 604 631 3131, 3585 | F. +1 604 631 3232
nwolf@fasken.com | www.fasken.com

Fasken Martineau DuMoulin LLP
 2900 - 550 Burrard Street, Vancouver, British Columbia V6C 0A3

<image002.gif>

<image001.gif>

This email contains privileged or confidential information and is intended only for the named recipients. If you have received this email in error or are not a named recipient, please notify the sender and destroy the email. A detailed statement of the terms of use can be found at the following address http://www.fasken.com/termsfuse_email/.

Ce message contient des renseignements confidentiels ou privilégiés et est destiné seulement à la personne à qui il est adressé. Si vous avez reçu ce courriel par erreur, S.V.P. le retourner à l'expéditeur et le détruire. Une version détaillée des modalités et conditions d'utilisation se retrouve à l'adresse suivante http://www.fasken.com/fr/termsfuse_email/.

<90551112_v(1)_Tenth Report of the Monitor dated October 23, 2015
 UNFILED.PDF>

No. S-154746
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT*
ACT, R.S.C. c. C-36, as amended
IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,
R.S.C., c. C-44, as amended
AND
IN THE MATTER OF NORTH AMERICAN TUNGSTEN
CORPORATION LTD.
PETITIONER

AFFIDAVIT

Borden Ladner Gervais LLP
1200 Waterfront Centre
200 Burrard Street
P.O. Box 48600
Vancouver, BC V7X 1T2
Telephone: 604.687.5744
Attn: William Skelly / Lisa Hiebert
558568.000010