



This is the 6th affidavit
of Dennis M. Lindahl in this case
and was made on 15 / Jul / 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. 1985, c. C-36, as amended

AND

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

AND

IN THE MATTER OF NORTH AMERICAN TUNGSTEN CORPORATION LTD.

PETITIONER

AFFIDAVIT

I, **DENNIS M. LINDAHL**, of 1640 – 1188 West Georgia Street, Vancouver, British Columbia, businessperson, SWEAR (OR AFFIRM) THAT:

1. I am the chief financial officer and a director of North American Tungsten Corporation Ltd., the petitioner in this proceeding ("**NATC**" or the "**Company**"), and as such have personal knowledge of the matters deposed to in this Affidavit except where I depose to a matter based on the information from an informant I identify, in which case, I believe that both the information from the informant and the resulting statement are true.
2. I am authorized to make this Affidavit on behalf of the Petitioner in support of the relief sought in the Notices of Application filed in the above-captioned proceedings seeking approval of, among other things, a Sale and Investment Solicitation Process.

Sale and Investment Solicitation Process

3. Further to my Affidavit sworn July 2, 2015 (the "**Fourth Lindahl Affidavit**"), the Company has developed an operating plan to:

- (a) continue operations at the Cantung mine until the end of October, 2015, including management of environmental care;
- (b) conduct an orderly wind down of underground mining activities, including a staged disposition of underground mining equipment (primarily mobile equipment) to reduce amounts owed to Callidus Capital Corporation ("**Callidus**"), and positioning the Cantung mine for care and maintenance through to the spring of 2016;
- (c) continue efforts to reconfigure its mill facilities for tailings reprocessing and progressive reclamation, which will create additional operating flexibility for an investor or purchaser; and
- (d) continue to work and negotiate with the Government of the Northwest Territories to preserve the long term value of the Mactung property and mitigate reclamation liabilities at Cantung,

(the "**Operating Plan**").

4. In addition, and as disclosed in the Fourth Lindahl Affidavit, NATC intended to develop and carry out a Sale and Investment Solicitation Process (the "**SISP**") to identify long term investors or purchasers of some or all of its assets, which SISP would run parallel to the Operating Plan, with the aim of closing a transaction by late 2015.

5. Further to my Affidavit sworn July 6, 2015, NATC entered into a forbearance agreement with Callidus (the "**Forbearance Agreement**"), as part of the interim financing provided by Callidus. Pursuant to the Forbearance Agreement, NATC agreed to meet certain timelines consistent with its Operating Plan and the anticipated SISP. The Forbearance Agreement was approved by the Court pursuant to the Amended and Restated Initial Order, made July 9, 2015.

6. NATC has now had an opportunity to develop a proposed SISP, with input from the Monitor. Now shown to me and attached hereto as **Exhibit "A"** is a copy of the proposed SISP.

7. Some of the key terms and timelines incorporated into the SISP include (capitalize terms not otherwise defined herein have the meaning ascribed to them in the SISP):

- (a) Engaging Alvarez & Marsal Canada Securities ULC as financial advisor to assist the company through the Solicitation Process (the “**Financial Advisor**”);
- (b) Broad solicitation of known potential bidders and other potentially interested parties, with the assistance of the Financial Advisor in identifying bidders and preparing marketing materials;
- (c) A period of over ten weeks (assuming the process commences July 20, 2015) for potential bidders or investors to execute the necessary confidentiality documents and conduct their due diligence;
- (d) The option of identifying a stalking horse purchaser, subject to Court approval, if determined by the Company, the Financial Advisor and the Monitor to be in the best interest of the Solicitation Process;
- (e) A Bid Deadline of September 30, 2015 for potential bidders to submit Qualified Bids;
- (f) In the event multiple Qualified Bids are received, the option to proceed with an Auction Process to identify the highest Successful Bid;
- (g) If a Successful Bid is identified, an anticipated Court Approval date on or about October 30, 2015; and
- (h) An anticipated closing date on or about November 30, 2015.

8. In addition, and as identified in the Operating Plan, throughout the Solicitation Process the Company will retain the flexibility to conduct sales of the underground mining equipment (the “**Equipment**”) that was identified in the Forbearance Agreement, as part of its orderly wind down of underground mining operations. In addition to the terms of the SISP, NATC will be seeking an Order from the Court authorizing it to conduct individual equipment sales without further Court approval.

9. At the same time, the SISP contemplates the opportunity for parties to acquire a significant number of pieces of the Equipment in bulk, with an earlier deadline for such offers of August 15, 2015.

10. In short, the SISP is flexible enough to accommodate all potential avenues to maximize value.

11. In regards to the individual Equipment sales, to ensure there is appropriate oversight and protection of the stakeholders, the Company is proposing that all such sales must be approved by the Monitor, and that a condition of any such approval be that the value of any such sale meet or exceed the forced liquidation value of the Equipment, as set out in the confidential Appraisal commissioned by Callidus (as identified in my Third Affidavit, sworn June 29, 2015).

12. Overall, the Solicitation Process proposed by the SISP is consistent with the Operating Plan developed by the Company, and will allow the Company to meet its obligations under the Court approved Forbearance Agreement. In my view, the SISP is reasonable in the circumstances, and represents the best opportunity for the Company to successfully restructure in these proceedings.

Retention of Alvarez & Marsal Canada Securities ULC

13. As noted above, pursuant to the SISP, the Company is proposing to retain the Financial Advisor to assist it through the Solicitation Process. In my view, the Company requires the assistance of a financial advisor to work through the Solicitation Process, and give it the best chance possible of emerging from that process with a Successful Bid which provides the best possible value for the stakeholders.

14. Given the familiarity that the Monitor, Alvarez & Marsal Canada Inc. (which is affiliated with the Financial Advisor), has with the Company and these proceedings, retaining the Financial Advisor is the most efficient option in the circumstances.

15. I have met with Callum Beveridge, Senior Director of the Financial Advisor, and am satisfied he is reasonably familiar with NATC's business and assets. I understand Mr. Beveridge has personally attended the Cantung Mine, and that the Financial Advisor is ready to assist NATC with the Solicitation Process immediately after approval of the SISP.

16. Now shown to me and attached hereto as **Exhibit "B"** is a copy of the engagement letter proposed to be entered into between the Company and the Financial Advisor (the "**Engagement Letter**"), subject to Court approval.

17. Some of the key terms under the Engagement Letter include:

- (a) An overview of services to be provided through the various stages of the Solicitation Process, including preparation of materials, formal marketing,

assisting with buyer and investor due diligence, and assisting in evaluating and finalizing offers;

- (b) The Financial Advisor will charge fees based on the standard hourly rates of its employees and agents, and will be invoiced monthly through the process;
- (c) 50% of the fees are payable within 10 days of invoice, while the remaining 50% will be payable on the earlier of October 31, 2015 and closing of a transaction; and
- (d) The Financial Advisor will be entitled to a Court ordered charge of \$150,000 on the assets of NATC (the "**Financial Advisor's Charge**") as security for its unpaid fees, in priority to all other charges other than the Administration Charge and the Interim Lender's Charge.

18. The terms of the Engagement Letter that relate to payment of fees will further assist the Company in managing its cashflow. As noted in the Fourth Lindahl Affidavit and indicated by the Cashflow, NATC's anticipated cashflow is very tight, so the Financial Advisor's fee proposal will give the Company further flexibility until it has greater liquidity (namely, at closing of a transaction).

19. However, the Financial Advisor should not be required to incur significant risk for accepting payment terms which are merely designed to assist NATC in its current financial situation. As a result, the Company supports the Financial Advisor's request for the Financial Advisor's Charge.

20. The alternative to the Financial Advisor's Charge, which is to have the Financial Advisor's fees paid in full on a monthly basis, would only put added pressure on NATC's cashflow.

21. As a result, in my view, the terms set out in the Engagement Letter are fair and reasonable.

Extension of CCAA Proceedings

22. Given the foregoing, the Company is seeking an extension of the stay of proceedings to October 31, 2015, to coincide with the anticipated conclusion of the Solicitation Process under the SISF.

23. As detailed herein, the Company continues to work in good faith and with due diligence towards completing a solicitation process, finalizing a transaction and ultimately proposing a restructuring plan to its creditors.

SWORN (OR AFFIRMED) BEFORE ME at
Vancouver, BC, on 15 / 07 / 2015.

Minneapolis, Minnesota USA

Rita M. Schepers

A Commissioner for taking Affidavits within
Minnesota

Dennis M. Lindahl

DENNIS M. LINDAHL



SALE AND INVESTMENT SOLICITATION PROCESS

On June 9, 2015, North American Tungsten Corporation Ltd. ("NATC" or the "Company") obtained an initial order, as amended and restated by the Order dated July 9, 2015, (the "ARIO") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c.C-36, as amended (the "CCAA") from the Supreme Court of British Columbia, Vancouver Registry (the "Court").

On July 6, 2015, the Company entered into a forbearance agreement with Callidus, as approved by the Court pursuant to the ARIO (the "**Forbearance Agreement**"), pursuant to which it agreed to produce a plan to facilitate an investment in or sale of all or substantially all of its assets, business and undertakings, and obtain approval of the same from the Court in the CCAA Proceeding, on or before July 17, 2015.

The Solicitation Process Order and this SISP shall exclusively govern the process for soliciting and selecting bids for the investment in or sale of all or substantially all of the assets or business of NATC.

Unless otherwise indicated, any event occurring on a day that is not a Business Day shall be deemed to occur on the next Business Day.

Defined Terms

"Approval Hearing" has the meaning set out in paragraph 31 herein;

"Approval Order" has the meaning set out in paragraph 31 herein;

"ARIO" has the meaning set out above;

"Auction" has the meaning set out in paragraph 24 herein;

"Auction Bidders" has the meaning set out in paragraph 24(a) herein;

"Backup Bid" has the meaning set out in paragraph 27 herein;

"Backup Bid Expiration Date" has the meaning set out in paragraph 29 herein;

"Backup Bidder" has the meaning set out in paragraph 27 herein;

"Bid Deadline" has the meaning set out in paragraph 17 herein;

"Bid Package" means the package of information to be provided by the Financial Advisor to each Potential Bidder, which shall describe the opportunity to acquire all or substantially all of the NATC Property or to invest in the Company and which shall include a draft Purchase Agreement;

"Business Day" means any day other than (a) a Saturday or Sunday; or (b) a day that is a statutory holiday in Vancouver, British Columbia;

"Callidus" means Callidus Capital Corporation;

"CCAA" has the meaning set out above;

"Claims and Interests" has the meaning set out in paragraph 5 herein;

This is Exhibit " A " referred to in the
affidavit of Dennis M. Lindahl
sworn before me at Minneapolis, MN
this 15 day of July, 2015
Rita M. Schepers
A Commissioner for taking Affidavits
for British Columbia Minnesota



“Company” has the meaning set out above;

“Court” has the meaning set out above;

“Deposit” has the meaning set out in paragraphs 18(j) and 19.f) herein;

“Equipment” means the eighty-nine (89) pieces of equipment listed as to be sold in the equipment list attached to the Forbearance Agreement as may be supplemented by the removal or addition of other pieces on the equipment list, a copy of which is attached hereto as Schedule “A”;

“Equipment Deadline” has the meaning set out in paragraph 6 herein;

“Forbearance Agreement” has the meaning set out above;

“Financial Advisor” means Alvarez & Marsal Canada Securities ULC;

“Investment Agreement” has the meaning set out in paragraph 19.b) herein;

“Investment Proposal” means an indication of interest or proposal to invest in NATC;

“Known Potential Bidders” has the meaning set out in paragraph 8 herein;

“Leading Bid” has the meaning set out in paragraph 24(i) herein;

“Minimal Incremental Overbid” has the meaning set out in paragraph 24(i) herein;

“Monitor” means Alvarez & Marsal Canada Inc., in its capacity as Monitor of the Company pursuant to the ARIQ;

“NATC” has the meaning set out above;

“NATC Business” means the business carried on by NATC;

“NATC Property” means the property, assets and undertakings of the Company;

“Notice Parties” has the meaning set out in paragraph 36 herein;

“Parcels” means a part or portion of the NATC Property, including some or all of the NATC Property relating to the Cantung mine, or some or all of the NATC Property relating to the Mactung property;

“Parcels Sale Proposal” means a Sale Proposal for one or more Parcels;

“Potential Bidder” has the meaning set out in paragraph 10 herein;

“Purchase Agreement” has the meaning set out in paragraph 18(b) herein;

“Purchase Price” has the meaning set out in paragraph 18(b) herein;

“Qualified Bid” has the meaning set out in paragraphs 18 and 19 herein;

“Qualified Bidder” has the meaning set out in paragraph 17 herein;

“Sale Proposal” means an indication of interest or proposal to purchase all or substantially all, or one or more of the Parcels, of the NATC Property or the NATC Business;

“SISP” means this Sale and Investment Solicitation Process;

“Solicitation Process” has the meaning set out in paragraph 1 herein;

“Solicitation Process Order” means the Order of the Court approving this SISP and the Solicitation Process and making other orders and directions with respect thereto;

“Stalking Horse Bidder” has the meaning set out in paragraph 11 herein;

“Stalking Horse Purchase Agreement” has the meaning set out in paragraph 11 herein;

“Starting Bid” has the meaning set out in paragraph 24(b) herein;

“Subsequent Bid” has the meaning set out in paragraph 24(i) herein;

“Successful Bid” has the meaning set out in paragraph 27 herein;

“Successful Bidder” has the meaning set out in paragraph 27 herein; and

“Teaser” has the meaning set out in paragraph 8 herein.

Solicitation Process

1. This SISP describes, among other things, the NATC property, assets and undertakings available for sale, the manner in which prospective bidders or investors may gain access to or continue to have access to due diligence materials concerning NATC, the NATC Property and the NATC Business, the manner in which bidders and bids become Qualified Bidders and Qualified Bids, respectively, the receipt and negotiation of bids and investment offers received, the ultimate selection of one or more Successful Bids, and the approval thereof by the Court (collectively, the “**Solicitation Process**”).
2. The Company, with the assistance of the Financial Advisor and under the supervision of the Monitor, shall conduct the Solicitation Process as outlined in this SISP. In addition, the closing of any sale or investment transaction may involve additional intermediate steps or transactions to facilitate consummation of such sale or investment, including additional Court filings.
3. In the event that there is a disagreement or clarification required as to the interpretation or application of this SISP or the Solicitation Process Order or the responsibilities of the Monitor, the Financial Advisor or NATC thereunder, the Court will have the jurisdiction to hear such matters and provide advice and directions upon the application of the Monitor or NATC with a hearing on no less than two (2) Business Days’ notice.

“As Is, Where Is”

4. The sale of the NATC Property or the NATC Business or investment in NATC will be on an “as is, where is” basis and without surviving representations, warranties, covenants or indemnities of any

kind, nature or description by NATC, the Monitor, the Financial Advisor, or any of their agents, advisors, professionals or otherwise, except to the extent expressly set forth in any relevant Purchase Agreement or Investment Agreement entered into by NATC.

“Free of any and all Claims and Interests”

5. In the event of a sale, all of the rights, titles and interests of NATC in and to the NATC Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, royalties and interests thereon and there against (collectively, the **“Claims and Interests”**) pursuant to approval and vesting orders made by the Court. Contemporaneously with such approval and vesting orders being made, all such Claims and Interests, to the extent valid and enforceable, shall attach to the net proceeds of the sale of such property (without prejudice to any claims or causes of action regarding priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant sale agreement with a Successful Bidder.

Sale of Equipment

6. Notwithstanding anything in this SISP, NATC will be entitled to sell some or all of the Equipment, in part or in whole, at any point during the Solicitation Process described herein, in order to meet its obligations under the Forbearance Agreement. With respect to parties interested in making a bid solely for the Equipment, there shall be an Equipment Bid Deadline of August 15, 2015.
7. Without limiting the generality of the foregoing, NATC may, after consultation with the Financial Advisor and the Monitor, solicit from any interested entities offers to purchase, or liquidation proposals in respect of, some or all of the Equipment, either before or after the Bid Deadline.

Solicitation of Interest

8. As soon as reasonably practicable, the Company, in conjunction with its advisors, including the Financial Advisor, and the Monitor, will finalize a list of potential bidders (the **“Known Potential Bidders”**) for an investment in NATC or the purchase of some or all of the NATC Business or the NATC Property. Such list will include both strategic and financial parties who, in the Financial Advisor’s reasonable business judgment, may be interested in investing in NATC or acquiring the NATC Business or the NATC Property. NATC and the Financial Advisor have prepared a solicitation letter summarizing the opportunity (the **“Teaser”**) and will notify Known Potential Bidders of the existence of the Solicitation Process and invite the Known Potential Bidders to enter into a confidentiality agreement with NATC and to express their interest in making an offer to acquire all or substantially all of the NATC Business, the NATC Property, or one or more of the Parcels. The Financial Advisor and NATC will distribute the Teaser to the Known Potential Bidders and any other party which the Financial Advisor, NATC and the Monitor deem appropriate. NATC in consultation with the Financial Advisor and the Monitor reserves the right to consider other channels to solicit interest of Known Potential Bidders as deemed appropriate, including direct advertisement in print and electronic media.

Participation Requirements

9. Unless otherwise ordered by the Court, in order to receive the Bid Package, conduct its due diligence and participate in the Solicitation Process, an interested party must deliver the following to the Financial Advisor:
 - a. An executed confidentiality agreement in form and substance acceptable to NATC, the Financial Advisor and the Monitor, which shall inure to the benefit of any purchaser of the NATC Business or NATC Property or any investor in NATC;
 - b. A letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect owners of the Potential Bidder and their principals; and,
 - c. An executed letter acknowledging receipt of a copy of the Solicitation Process Order and agreeing to accept and be bound by the provisions contained in the Solicitation Process Order and this SISP.
10. An interested party will be deemed in each case a “**Potential Bidder**” after they have satisfied all of the requirements described above.

Stalking Horse

11. At the discretion of NATC and the Financial Advisor, and with the consent of the Monitor, a stalking horse bidder (a “**Stalking Horse Bidder**”) may be approved and permitted to submit a stalking horse purchase agreement (the “**Stalking Horse Purchase Agreement**”) upon such terms as may be agreed upon by NATC. Any such Stalking Horse Purchase Agreement and Stalking Horse Bidder shall be subject to approval by the Court the terms of which may include break-fees, expense reimbursement or other similar type of payment..

Due Diligence

12. The Financial Advisor will provide to each Potential Bidder a Bid Package, including a confidential information memorandum prepared in conjunction with NATC, describing the opportunity to acquire all, or substantially all, of the NATC Business or the NATC Property, the Equipment, one or more of the Parcels, or to invest in NATC.
13. Each Potential Bidder shall have such access to materials and information relating to the NATC Property and the NATC Business for the purpose of conducting due diligence as NATC and the Financial Advisor, in their collective reasonable business judgment, in consultation with the Monitor, deem appropriate.
14. At the discretion of NATC, due diligence access may include management presentations (as may be scheduled by NATC), access to physical and online data-rooms, on-site inspections and such other matters as a Potential Bidder may reasonably request and as to which NATC, in its reasonable

exercise of discretion, may agree. NATC shall not be obligated to furnish any due diligence information after the Bid Deadline.

15. NATC, the Financial Advisor and the Monitor (and their respective officers, directors, employees, agents, counsel and professionals) are not responsible for, and will have no liability with respect to, any information obtained by any Known Potential Bidder, Potential Bidder or Qualified Bidder in connection with the NATC Business or the NATC Property. NATC, the Financial Advisor and the Monitor (and their respective officers, directors, employees, agents, counsel and professionals) do not make any representations or warranties whatsoever as to the information or the material provided, except in the case of NATC, to the extent expressly provided under a Purchase Agreement or Investment Agreement executed and delivered by a Successful Bidder (or Backup Bidder, if any, as the case may be).
16. Prior to the Bid Deadline, NATC, the Financial Advisor and the Monitor may engage in discussions with any or all of the Potential Bidders to determine and explore the level of interest of any such Potential Bidder and may request from any such Potential Bidder such further information as NATC, the Financial Advisor and the Monitor may deem appropriate.

Sale Bidding Process

17. In order to qualify as a “**Qualified Bidder**”, a Potential Bidder must deliver a Qualified Bid to the Notice Parties **so as to be received by the Notice Parties no later than 12:00pm (Vancouver time) on September 30, 2015** (the “**Bid Deadline**”).
18. A Sale Proposal will be considered a “**Qualified Bid**” only if the Sale Proposal complies with all of the following:
 - a. It includes a letter stating that the Sale Proposal is irrevocable until the earlier of (a) the approval by the Court of a Successful Bid; and (b) 30 days following the Bid Deadline; provided however that if such Sale Proposal is selected as the Successful Bid or the Backup Bid, it shall remain irrevocable until the closing of the Successful Bid or the Backup Bid, as the case may be;
 - b. It includes a duly authorized and executed purchase and sale agreement (the “**Purchase Agreement**”) specifying the purchase price (the “**Purchase Price**”) and requiring a closing of the purchase transaction no later than November 30, 2015, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Qualified Bidder with all exhibits and schedules thereto (or term sheets that describe the material terms and provisions of such ancillary agreements), as well as copies of such materials marked to show the amendments and modifications to the Purchase Agreement and such ancillary agreements and the proposed orders to approve the sale by the Court;
 - c. It does not include any request or entitlement to any break-fee, expense reimbursement or similar type of payment except in the event that the Qualified Bidder hereunder is the Stalking Horse Bidder;

- d. It includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction, or other evidence satisfactory to NATC, in consultation with the Financial Advisor and the Monitor, to allow NATC to make a reasonable determination as to the Potential Bidder's (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Sale Proposal;
- e. It is not conditioned on (i) the outcome of unperformed due diligence by the Potential Bidder; and/or (ii) obtaining any financing and includes an acknowledgement and representation that the Potential Bidder has had an opportunity to conduct any and all required due diligence prior to making its Sale Proposal;
- f. It fully discloses the identify of each entity that is bidding or otherwise that will be sponsoring or participating in the Sale Proposal, including the identification of the Potential Bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
- g. It includes an acknowledgement and representation that the Potential Bidder will assume the obligations of NATC under any executory contracts and unexpired leases proposed to be assigned and, to the extent applicable, contains full details of the Potential Bidder's proposal for the treatment thereof; and it identifies with particularity any executory contract or unexpired leases the assumption and assignment of which is a condition to closing;
- h. It includes an acknowledgement and representation that the Potential Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents, information and other due diligence materials, and/or the assets to be acquired and liabilities to be assumed in making its Sale Proposal; (ii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, including by NATC, the Financial Advisor or the Monitor (and their respective officers, directors, employees, agents, counsel and professionals), except as expressly stated in the Purchase Agreement submitted by it; (iii) is a sophisticated party capable of making its own assessments in respect of making its Sale Proposal; and (iv) has had the benefit of independent legal, tax, accounting and other relevant professional advice in connection with its Sale Proposal;
- i. It includes evidence, in form and substance reasonably satisfactory to NATC, the Financial Advisor and the Monitor, of authorization and approval from the Potential Bidder's board of directors (or comparable governing body), with respect to the submission, execution, delivery and closing of the transaction contemplated by the Sale Proposal;

- j. It is accompanied by a refundable deposit (the “**Deposit**”) in the form of a wire transfer (to a trust account specified by the Monitor) or such other form acceptable to the Monitor, payable to the order of Alvarez & Marsal Canada Inc., Monitor, in trust, in an amount equal to ten percent (10%) of the Purchase Price, to be held in accordance with paragraph 33 hereof and the terms of the Solicitation Process Order;
 - k. If the Potential Bidder is an entity newly formed for the purpose of the transaction, the bid shall contain an equity or debt commitment letter from the parent entity or sponsor, which is satisfactory to NATC, the Financial Advisor and the Monitor, that names NATC as third party beneficiary of any such commitment letter with recourse against such parent entity or sponsor;
 - l. It includes evidence, in form and substance reasonably satisfactory to NATC, the Financial Advisor and the Monitor, of compliance or anticipated compliance with any and all applicable regulatory approvals (including, if applicable, anti-trust regulatory approval) or the anticipated time frame for such compliance and any outstanding conditions or anticipated impediments for obtaining such approvals;
 - m. It includes evidence of the Potential Bidder’s ability to comply with section 11.3 of the CCAA (to the extent applicable), which includes providing adequate assurance of the Potential Bidder’s ability to perform the contracts and leases proposed in its Sale Proposal to be assumed by the Potential Bidder, in a form that will permit the immediate dissemination of such evidence to the counterparties to such contracts and leases; and,
 - n. It contains any other information reasonably requested by NATC or the Financial Advisor, in consultation with the Monitor.
19. An Investment Proposal will be considered a “**Qualified Bid**” only if the Investment Proposal complies with all of the following:
- a. It includes a letter stating that the Investment Proposal is irrevocable until the earlier of (a) the approval by the Court of a Successful Bid; and (b) 30 days following the Bid Deadline; provided however that if such Investment Proposal is selected as the Successful Bid or the Backup Bid, it shall remain irrevocable until the closing of the transactions contemplated by the Investment Proposal;
 - b. It includes duly authorized and executed binding definitive documentation (collectively, the “Investment Agreement”) setting out the terms and conditions of the proposed transaction, including the aggregate amount of the proposed equity and debt investment and details regarding the proposed equity and debt structure of NATC following completion of the proposed transaction, and providing for a closing of the transaction no later than November 30, 2015;

- c. It does not include any request or entitlement to any break-fee, expense reimbursement or similar type of payment in the event that the Qualified Bidder hereunder is the Stalking Horse Bidder;
 - d. It includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction, or other evidence satisfactory to NATC, in consultation with the Financial Advisor and the Monitor, to allow NATC to make a reasonable determination as to the Potential Bidder's (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Investment Proposal;
 - e. It is not conditioned on (i) the outcome of unperformed due diligence by the Potential Bidder and/or (ii) obtaining any financing capital, and includes an acknowledgement and representation that the Potential Bidder has had an opportunity to conduct any and all required due diligence prior to making its Investment Proposal;
 - f. It is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a trust account specified by the Monitor) or such other form acceptable to the Monitor, payable to the order of Alvarez & Marsal Canada Inc., Monitor, in trust, in an amount equal to ten percent (10%) of the total value of the consideration under the Investment Agreement, to be held in accordance with paragraph 33 hereof and the terms of the Solicitation Process Order;
 - g. If the Potential Bidder is an entity newly formed for the purpose of the transaction, the bid shall contain an equity or debt commitment letter from the parent entity or sponsor, which is satisfactory to NATC, the Financial Advisor and the Monitor, that names NATC as third party beneficiary of any such commitment letter with recourse against such parent entity or sponsor; and
 - h. It contains any other information reasonably requested by NATC or the Financial Advisor, in consultation with the Monitor.
20. Notwithstanding paragraphs 17, 18 and 19, NATC, in consultation with the Financial Advisor and the Monitor, may waive compliance with any one or more of the Qualified Bid requirements specified above, and deem such non-compliant bids to be Qualified Bids.

No Qualified Bids

21. NATC, in consultation with the Financial Advisor and the Monitor, will assess the Qualified Bids received, if any, and will determine whether it is likely that the transactions contemplated by such Qualified Bids are likely to be consummated and whether proceeding with this SISP is in the best interests of NATC and its stakeholders. Such assessments will be made as promptly as practicable but no later than five (5) Business Days after the Bid Deadline.

22. If NATC, in accordance with paragraph 21 above determines that (a) no Qualified Bid was received, (b) at least one Qualified Bid was received but it is not likely that the transactions contemplated in any such Qualified Bids will be consummated; or (c) proceeding with this SISP is not in the best interests of NATC and its stakeholders, NATC shall forthwith (i) terminate this SISP; (ii) notify each Potential Bidder (including any Qualified Bidder(s)) that this SISP has been terminated; (iii) consult with its stakeholders and the Monitor regarding NATC's next steps; and (iv) report to the Court if deemed appropriate by NATC or the Monitor.
23. If NATC, in accordance with paragraph 21 above, determines that (a) one or more Qualified Bids were received, (b) it is likely that the transactions contemplated by one or more of such Qualified Bids will be consummated, and (c) proceeding with this SISP is in the best interests of NATC and its stakeholders, this SISP will not be terminated and NATC, in consultation with the Financial Advisor and the Monitor, will either: (i) proceed to negotiate with one or more of the Qualified Bidders in an attempt to conclude a transaction, or (ii) proceed to an Auction; and the Financial Advisor will promptly notify all Qualified Bidders that they are entitled to participate in the Auction. In considering whether to proceed with an Auction, due regard will be given to whether or not all Qualified Bids are either all Sale Proposals or Investment Proposals.

Auction

24. If, in accordance with paragraph 23 above, the Auction is to be held, the Monitor will conduct an auction (the "**Auction**") commencing at 9:30 a.m. (Vancouver time) on October 14, 2015, at the offices of Dentons Canada LLP, 20th Floor, 250 Howe Street, Vancouver, British Columbia, or such other location as shall be communicated on a timely basis to all entities entitled to attend at the Auction, which Auction may be adjourned by the Monitor, after consultation with NATC and the Financial Advisor. The Auction shall be run in accordance with the following procedures, which may be modified by the Monitor in its discretion, after consultation with NATC and the Financial Advisor:
- a. At least three (3) Business Days prior to the Auction, each Qualified Bidder must inform NATC and the Financial Advisor in writing whether it intends to participate in the Auction (the parties who so inform NATC and the Financial Advisor, the "**Auction Bidders**");
 - b. At least two (2) Business Days prior to the Auction, the Financial Advisor will provide copies of the Qualified Bid(s) which NATC (after consultation with the Financial Advisor and the Monitor), believes (individually or in the aggregate) to be the highest or otherwise best Qualified Bid(s) (the "**Starting Bid**") to all Auction Bidders;
 - c. Only representatives of the Auction Bidders, NATC, the Financial Advisor and the Monitor, and such other persons permitted by NATC and the Monitor (and the advisors to each of the forgoing) are entitled to attend the Auction;
 - d. At the commencement of the Auction, each Auction Bidder shall be required to confirm that it has not engaged in any collusion with any other Auction Bidder with respect to the bidding or any sale or investment;

- e. Only the Auction Bidders will be entitled to make any bids at the Auction (each a “**Subsequent Bid**”), provided however that in the event that any Qualified Bidder elects not to attend and/or participate in the Auction and such Qualified Bidder’s Qualified Bid is the Starting Bid, it shall nevertheless remain fully enforceable against such Qualified Bidder if it is selected as the Successful Bid or the Backup Bid at the conclusion of the Auction;
- f. All Subsequent Bids presented during the Auction shall be made and received in one room on an open basis. All Auction Bidders will be entitled to be present for all Subsequent Bids at the Auction with the understanding that the true identity of each Auction Bidder at the Auction will be fully disclosed to all other Auction Bidders at the Auction and that all material terms of each Subsequent Bid will be fully disclosed to all other Auction Bidders throughout the entire Auction;
- g. All Auction Bidders must have at least one individual representative with authority to bind such Auction Bidder present in person at the Auction;
- h. The Monitor, after consultation with NATC and the Financial Advisor, may employ and announce at the Auction additional procedural rules that are reasonable under the circumstances, (e.g. the amount of time allotted to make Subsequent Bids, requirement to bid in each round, and the ability of multiple Auction Bidders to combine to present a single bid) for conducting the Auction, provided that such rules are (i) not inconsistent with any applicable law, and (ii) disclosed to each Auction Bidder at the Auction;
- i. Bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one Subsequent Bid is submitted by an Auction Bidder that NATC determines, after consultation with the Financial Advisor and the Monitor, is (A) for the first round, a higher or otherwise better offer than the Starting Bid, and (B) for subsequent rounds, a higher or otherwise better offer than the Leading Bid; in each case by net value to NATC of at least \$250,000 over the Starting Bid or the Leading Bid, as the case may be (the “**Minimal Incremental Overbid**”); provided however that the Monitor, after consultation with NATC and the Financial Advisor, shall retain the right to modify the incremental requirements at the Auction and provided further that the Monitor, in determining the net value of an incremental bid, shall not be limited to evaluating the incremental dollar value of such bid and may consider any other factors as set out in paragraph 26. After each Subsequent Bid, the Monitor shall, after consultation with NATC and the Financial Advisor, announce whether such bid (including the value and material terms thereof) is higher or otherwise better than the prior bid (the “**Leading Bid**”). A round of bidding will conclude after each Auction Bidder has the opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid;
- j. The Monitor reserves the right, in its reasonable business judgment after consultation with NATC and the Financial Advisor, to make one or more adjournments in the Auction of no

more than 24 hours each to, among other things (i) facilitate discussions between NATC and any or more of the Auction Bidders; (ii) allow the individual Auction Bidders to determine how they wish to proceed; (iii) consider and determine the Leading Bid at any given time in the Auction; and (iv) give Auction Bidders the opportunity to provide NATC with such additional evidence as NATC, in its reasonable business judgment, may require to establish that the Auction Bidder has sufficient internal resources, or has received such non-contingent debt and/or equity funding commitments to consummate the transaction proposed in that Auction Bidder's most recent Subsequent Bid;

- k. If, in any round of bidding, no new Subsequent Bid is made that becomes a Leading Bid, the Auction shall be closed;
- l. The Auction shall be closed within five (5) Business Days of the start of the Auction unless extended by the Monitor with the consent of NATC; and,
- m. No bids (from Qualified Bidders or otherwise) shall be considered after the conclusion of the Auction.

Selection Criteria

- 25. In selecting any Starting Bid or Leading Bid, the Successful Bid and any Backup Bid, NATC, in consultation with the Financial Advisor and the Monitor, will review each Qualified Bid. In determining the highest and best offer among Qualified Bids, a single Qualified Bid for all or substantially all of the NATC Property and/or NATC Business generally will be viewed as preferable to a combination of Qualified Bids consisting of multiple Parcels.
- 26. Evaluation criteria with respect to any Qualified Bid may include, but are not limited to, items such as (a) the purchase price and the net value, including assumed liabilities or other obligations to be performed or assumed by the bidder, provided by such bid; (b) the claims likely to be created by such bid in relation to the other bids; (c) the counterparties to the transaction; (d) the proposed revisions to the Purchase Agreement or Investment Agreement and the terms of the transaction documents; (e) other factors affecting the speed, certainty and value of the transaction, including conditions and any regulatory approvals required to close the transaction; (f) the assets included or excluded from the bid and the transaction costs and risks associated with closing multiple transactions versus a single transaction for all or substantially all of the NATC Property and/or the NATC Business; (g) the estimated number of employees of NATC that will be offered post-closing employment by the bidder and any proposed measures associated with their continued employment; (h) the transition services required from NATC post-closing and any related restructuring costs; (i) any proposed relationships or engagement with First Nations communities and (j) the likelihood and timing of consummating the transaction.
- 27. Upon the conclusion of the bidding, the Auction (if any) shall be closed and the Monitor, after consultation with NATC and the Financial Advisor, will identify the highest or otherwise best Qualified Bid received (such offer, the "**Successful Bid**") and the next highest or otherwise best Qualified Bid received (such offer, the "**Backup Bid**"), if any. The Qualified Bidder(s) who made

the Successful Bid is the “**Successful Bidder**” and the Qualified Bidder(s) who made the Backup Bid is the “**Backup Bidder**”. Within five (5) Business Days of the later of the Bid Deadline or the conclusion of the Auction (if any), the Monitor will notify the Qualified Bidders of the identities of the Successful Bidder and the Backup Bidder (if any).

28. NATC shall finalize a definitive agreement in respect of the Successful Bid and the Backup Bid, if any, conditional upon the approval of the Court.
29. The Backup Bid shall remain open until the later of the consummation of the transaction contemplated by the Successful Bid or the consummation of the transactions contemplated by the Backup Bid, if applicable (the “**Backup Bid Expiration Date**”).
30. All Qualified Bids (other than the Successful Bid and the Backup Bid) shall be deemed rejected by NATC on and as of the later of the date of approval of the Successful Bid and the Backup Bid by the Court.

Approval Hearing

31. Within five (5) Business Days of the date of the definitive agreement(s) with the Successful Bidder and the Backup Bidder (if any), NATC shall seek a hearing to be held on a date, no later than October 31, 2015, to be scheduled by NATC (the “**Approval Hearing**”) to authorize NATC to enter into an agreement with the Qualified Bidder or in respect to the Successful Bid, and in the event that the Successful Bid does not close for any reason, to enter into an agreement with respect to any Backup Bid (the “**Approval Order**”). The Approval Hearing may be adjourned or rescheduled by NATC in consultation with the Monitor, without further notice, by notice to the service list maintained by NATC and the Monitor in the CCAA proceedings.
32. If, following the approval of the Successful Bid by the Court, the Successful Bidder fails to consummate the transaction for any reason, then the Backup Bid, if any, will be deemed to be the Successful Bid hereunder and NATC shall effect a transaction with the Backup Bidder subject to the terms of the Backup Bid, without further order of the Court.

Deposits

33. All Deposits shall be retained by the Monitor and invested in an interest bearing trust account in a Schedule I Bank in Canada. Upon closing of the transaction with the Successful Bidder, the Deposit (plus accrued interest) paid by the Successful Bidder shall be released by the Monitor to NATC (and/or to other third parties as otherwise directed by Court Order) and applied to the purchase price to be paid by the Successful Bidder. The Deposit (plus accrued interest) paid by the Backup Bidder (if any) shall be retained by the Monitor until the Backup Bid Expiration Date (at which time it (plus applicable interest) shall be returned to the Backup Bidder), or, if the Backup Bid becomes the Successful Bid, shall be released by the Monitor to NATC and applied to the purchase price or investment amount under the Purchase Agreement or Investment Agreement upon closing of the Backup Bid. The Deposits (plus applicable interest) of all Qualified Bidders not selected as the Successful Bidder or Backup Bidder shall be returned to such bidders within five

(5) Business Days of the date upon which the Qualified Bidder, the Successful Bid and the Backup Bid are approved by the Court. If the this SISP is terminated in accordance with the terms in this document, all Deposits shall be returned to the bidders within five (5) Business Days of the date upon which it is determined that this SISP is terminated.

34. If the Successful Bidder and/or Backup Bidder as applicable breaches its obligations to close, it shall forfeit its Deposit to NATC, provided however that the forfeit of such Deposit shall be in addition to, and not in lieu of, any other rights in law or equity that NATC has against such breaching entity.

Approvals

35. For greater certainty, the approvals required pursuant to the terms of this SISP are in addition to and not in substitution for any other approvals required by the CCAA or any other statute or are otherwise required at law in order to implement a definitive agreement with a Successful Bidder or a Backup Bidder, as the case may be.

Notice Parties

36. As used herein, the “**Notice Parties**” are, collectively, NATC, the Financial Advisor and the Monitor. The addresses to be used for delivering documents to the Notice Parties are as follows:

To NATC:

North American Tungsten Corporation Ltd.
c/o Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, BC V6C 3R8

Attn: John R. Sandrelli
Email: john.sandrelli@dentons.com
AND
Attn: Michael Axford
Email: michael.axford@dentons.com

To the Monitor:

Alvarez & Marsal Canada Inc.
400 Burrard Street
Suite 1680, Commerce Place
Vancouver, BC V6C 3A6

Attn: Todd Martin
Email: tmartin@alvarezandmarsal.com
AND
Attn: Tom Powell
Email: tpowell@alvarezandmarsal.com

with copy to:

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

Attn: Kibben Jackson
Email: kjackson@fasken.com
AND
Attn: Vicki Tickle
E-mail: vtickle@fasken.com

To the Financial Advisor:

Alvarez & Marsal Securities Canada ULC
400 Burrard Street
Suite 1680, Commerce Place
Vancouver, BC V6C 3A6

Attn: Callum Beveridge
Email: cbeveridge@alvarezandmarsal.com

37. A bid shall be delivered to all Notice Parties at the same time by electronic mail, personal delivery or courier.
38. Interested bidders requesting information about the qualification process, including the form of Purchase Agreement, and information in connection with their due diligence should contact the Financial Advisor.

Reservation of Rights

39. NATC, after consultation with the Financial Advisor and the Monitor:
- a. May reject, at any time any bid that is (i) inadequate or insufficient; (ii) not in conformity with the requirements of the CCAA, this SISP or any orders of the Court applicable to NATC; and/or (iii) contrary to the interests of NATC, its estate or stakeholders, as determined by NATC, the Financial Advisor and the Monitor;
 - b. In accordance with the terms hereof, may impose additional terms and conditions and otherwise seek to modify this SISP at any time in order to maximize the results obtained;

- c. In accordance with the terms hereof, may accept bids not in conformity with this SISP to the extent that NATC, the Financial Advisor and the Monitor determine, in their reasonable business judgment, that doing so will benefit NATC, its estate and its stakeholders; and,
 - d. With the prior consent of the Monitor, extend the deadlines contained in this SISP, provided that the Bid Deadline shall not be extended beyond September 30, 2015 and a potential Auction shall not be extended beyond October 16, 2015, without the prior written consent of Callidus.
40. At or before the Approval Hearing, NATC may impose such other terms and conditions in the negotiation of a Purchase Agreement or Investment Agreement, as applicable, as NATC may, in consultation with the Monitor, determine to be in the best interest of their estates and stakeholders, provided that such terms and conditions are not inconsistent with this SISP.
41. This SISP does not, and shall not be interpreted to, create any contractual or other legal relationship between NATC and any other party, other than as specifically set forth in definitive agreements that may be executed by NATC.

No Amendment

42. Except as provided herein, there shall be no amendments to this SISP, including for greater certainty the process and procedures set out in this document, without the prior written consent of the Monitor unless otherwise ordered by the Court upon application and appropriate notice.

Further Orders

43. At any time during this SISP, NATC may, following consultation with the Monitor, apply to the Court for advice and directions with respect to the discharge of its powers and duties hereunder.

SCHEDULE "A"

Equipment List

Cantung Equipment
Detailed Listing -- Callidus Collateral
Source: May 2015 Hilco-Callidus Appraisal
as of: 6-18-15

Ref#	Qty	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition Codes	1 = SELL 70 = KEEP			
											\$ FLY	\$ OLV	KEEP	
UNDERGROUND														
EQUIPMENT														
20.00	1-	501	Tamrock	H205-D	Jumbo Core	Drill	97AD902	1997	1,132 Hours At Time of Inspection, 2-Boom, with NA 2-Spare Driller booms Please Note: Not Inspected Out for Rebuild	NA	0	1	0	Note A
86.00	1-	614	Caterpillar	3516B	1,812-KVA	Generator Set	N/A		60-Hz, 4,160-Volt, 252-Amp, 1200-RPM, with 20-HP Fan, Radiator, 22,603-Hours Please Note: Out for Rebuild	NA	0	0	1	
1.00	1-	543	Caterpillar	AD30	30-Ton	Haul Truck	DXR00474	2012	9,889.9 Hours At Time of Inspection	VG	0	0	1	0
2.00	1-	549	Caterpillar	AD30	30-Ton	Haul Truck	DXR00395	2010	7,931.3 Hours At Time of Inspection	E	0	0	1	0
3.00	1-	541	Caterpillar	AD30	30-Ton	Haul Truck	DXR00481	2012	Please Note: Rebuild in House 2015	VG	0	0	1	0
4.00	1-	548	Caterpillar	AD45	45-Ton	Haul Truck	CXM00437	2011	1,569 Hours At Time of Inspection	G	0	0	1	0
5.00	1-	547	Caterpillar	AD40	45-Ton	Haul Truck	JCX00769		1,603 Hours At Time of Inspection	F	0	0	1	0
6.00	1-	529	Caterpillar	R1700G		Scoop Tram	4LZ00171		720 Hours At Time of Inspection, 8-Yd. Bucket	F	0	1	1	0
7.00	1-	522	Caterpillar	R1600G		Scoop Tram	9Y200566	2010	1,259 Hours At Time of Inspection, 6-Yd. Bucket	G	0	0	1	0
9.00	1-	546	Jarvis Clark	EJC430	30-Ton	Haul Truck	2199		2,199 Hours At Time of Inspection	F	0	1	1	0
10.00	1-	538	Caterpillar	R1600G		Scoop Tram	9PP00220	2007	1,017 Hours At Time of Inspection, 6-Yd. Bucket	G	0	1	1	0
12.00	1-	532	Jarvis Clark	EJC210		Scoop Tram	2657		2,039 Hours At Time of Inspection, 6-Yd. Bucket	F	0	1	1	0
13.00	1-	530	Caterpillar	R1700G		Scoop Tram	8XZ00375	2004	5,907 Hours At Time of Inspection, 8-Yd. Bucket	G	0	0	1	0
14.00	1-	536	Jarvis Clark	EJC130		Scoop Tram	2420		1,692 Hours At Time of Inspection, 3-1/2-Yd. Bucket	F	0	1	1	0
15.00	1-	535	Jarvis Clark	EJC220		Scoop Tram	14837		1,223 Hours At Time of Inspection, 2-2-Yd. Bucket	F	0	1	1	0
16.00	1-	537	Caterpillar	R1300G		Scoop Tram	LJB01190	2006	3-1/2-Yd. Bucket	F	0	0	1	0
17.00	1-	505	Boyard Longyear	R322	Core	Drill	203-02R	2006	5,470 Hours at Time of Inspection	G	0	1	1	0
18.00	1-	504	Tamrock	R322	Jumbo Core	Drill	95D485A		1,199 Hours at Time of Inspection, 2-Boom	G	0	0	0	1
21.00	1-	581	Caterpillar	966H		Wheel Loader	ABD00674	2007	12,593 Hours at Time of Inspection	G	0	0	0	1
22.00	1-	304	Caterpillar	TH220		Telehandler	SLA01108	2007	1,306 Hours at Time of Inspection	G	0	0	1	0
23.00	1-	566	Jarvis Clark	JUT4SSL41	Scissor	Deck	6893			F	0	0	1	0
24.00	1-	506	McLean	928-MEM	Rock	Boiler	928-184	2005	1,627 Hours at Time of Inspection	G	0	0	1	0
25.00	1-	510	Miller	M75		Motor Grader	6218	2005	1,587 Hours at Time of Inspection	F	0	0	1	0
26.00	1-	367	Caterpillar	416	Loader	Backhoe	4ZN05702	2005		F	0	1	1	0
27.00	1-	553	Caterpillar	TH220B		Telehandler	SLA00584	2005	7,848 Hours at Time of Inspection	F	0	1	1	0
28.00	1-	569	Jarvis Clark	JUT415	Scissor	Deck	465		1,024 Hours at Time of Inspection	F	0	1	1	0
29.00	1-	584	Jarvis Clark	PK7000A		Boom Lift	71135		1,775 Hours at Time of Inspection	F	0	1	1	0
30.00	1-	580	Emco	975	Antlo	Loader	794			F	0	1	1	0
31.00	1-	583	Kubota	RTV1140		All Terrain Vehicle	CE4163		1,355 Hours at Time of Inspection Please Note: Out of Service at Time of Inspection	P	0	1	1	0
32.00	1-	562	Kubota	L4600		Agricultural Tractor	53592		1,359 Hours at Time of Inspection	F	0	1	1	0
35.00	1-	584	Kubota	RTV1140		All Terrain Vehicle	25099		754 Hours at Time of Inspection	F	0	0	1	0
36.00	1-	579	Kubota	RTV1140		All Terrain Vehicle	19178			NA	0	1	1	0
37.00	1-	582	Kubota	RTV1140		All Terrain Vehicle	21298		Please Note: Not Inspected by Appraiser	NA	0	0	1	0
39.00	1-	577	Toyota	Land Cruiser	Man	Carrier	JTFLB717B8025741		Please Note: Not Inspected by Appraiser Unit #6309 Please Note: Not Inspected by Appraiser	NA	0	1	1	0
40.00	Lot		Undefined Make	Miscellaneous Transformers	Transformer				(7) Transformers 750 KVA to 200 KVA	G	0	0	0	1

Cantung Equipment
Detailed Listing -- Callidus Collateral
Source: May 2015 Hilco-Callidus Appraisal
as of: 6-18-15

Ref #	Qty	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition Codes	1 = SELL / 0 = KEEP				
											\$ FLV	\$ OLV	July-Sept	Oct-Nov	KEEP
UNDERGROUND															
MAINTENANCE															
40.10	2-		ASEA		5-Ton x 25' Span x 90' Travel Single Girder	Bridge Cranes			with Chain Host	G	0	0	0	0	1
41.00	2-		Nordico												
42.00	2-		Lincoln Electric	DC655		Welders				G	0	0	0	0	1
43.00	1-		Lincoln Electric	LF-74		Wire Feed				G	0	0	0	0	1
44.00	1-		Miller	Spectrum 825		Wire Feed				G	0	0	0	0	1
45.00	1-		Miller	Fillar SWX-D Furne		Extractor				G	0	0	0	0	1
46.00	1-		Victor	VCM200		Plasma Cutter	CM0026525		Table Mounted	G	0	0	0	0	1
47.00	1-		Manufacturer Unknown		15-Ton x 30' Span x 135' Travel Double Girder	Bridge Crane			with Chain Host	G	0	0	0	0	1
48.00	Lot		Undefined Make						Shop Equipment, Consisting of: Torch Sets, Tool Boxes, 6,000-Lb. Engine Host, SPX Power Team 55-Ton Shop Press, Benches, Shop Lamps	F	0	0	0	0	1
48.001									Storage Cabinets, Battery Chargers, Desks, Chairs, Hand Jacks, Double End Grinders, Cut Off Saw, Parts Washer, Shop Fans		0	0	0	0	1
SHOP															
48.10	1-		Rotary Lift	SM012N-000	12,000-Lb. Rotary Above Ground 4-Pad	Vehicle Lift	J0D0610002			G	0	0	0	0	1
49.00	1-		Omega	TK-100120-02M	10-HP Air Compressor		OC-5884		Tank Mounted	E	0	0	0	0	1
50.00	1-		Rigid	535	Pipe Threader					F	0	0	0	0	1
51.00	1-		Rigid	300	Pipe Threader				with Rigid 918 Attachment	F	0	0	0	0	1
52.00	1-		Rigid	1224	Pipe Threader					F	0	0	0	0	1
53.00	1-		Westward	DP270F	1-HP Drill Press		136000322	2013		F	0	0	0	0	1
54.00	1-		Miller	SRH-333	Welder		JK658460			G	0	0	0	0	1
55.00	1-		Miller	Millermatic 251	Welder					G	0	0	0	0	1
56.00	1-		Miller	Spectrum 625X	Plasma Cutter					G	0	0	0	0	1
57.00	1-		Gallant	Robocut	Grinder		380			P	0	0	0	0	1
58.00	1-		Ben Pearson	OF-C2	Oil Filter		CM0112135			F	0	0	0	0	1
59.00	1-		Landa	Hot 4	Hot Water Pressure Washer		1.1091E+13			F	0	0	0	0	1
60.00	1-		Caterpillar	20024A	LPG Forklift Truck		6AM-00309	1995		G	0	0	1	1	0
62.00	1-		Coats	GP-25	Rim Clamp Tire Machine					F	0	0	0	0	1
63.00	1-		GM	Tech II	Diagnostic System					G	0	0	0	0	1
64.00	1-		Western		5-Ton x 30' Span x 80' Travel Single Girder	Bridge Crane			with Chain Host	G	0	0	0	0	1
65.00	1-		Western		10-Ton x 30' Span x 80' Travel Single Girder	Bridge Crane			with Chain Host	G	0	0	0	0	1
66.00	1-		Undefined Make						Maintenance Shop, Consisting of: Work Tables, Shop Lights, Torch Sets, Tools, Tire Racks, Shelving, Cabinets, Table Vices, Parts Bins, Parts Washers, Blast Cabinet, Tool Boxes, Battery Chargers, Diagnostic Tools	F	0	0	0	0	1
67.00	Lot														
68.00	1-	363	Volvo		Tandem Axle Dump Truck		4V2SCBJHLU505105	1991	with PTO and Road Grader Blade	P	0	0	1	1	0
69.00	1-	318	Volvo	G950	Motor Grader		VCE0G990V0039339	2007		G	0	0	0	0	1
70.00	1-	375	Champion	736A-111	Motor Grader		X02463EX	1994		F	0	0	1	1	0
71.00	1-	373	Caterpillar	D6D	Crawler Tractor		4X5555	1981		P	0	0	1	1	0

Equip List to Callidus based on Hilco Report May 2015

Cantung Equipment
Detailed Listing -- Callidus Collateral
Source: May 2015 Hilco-Callidus Appraisal
as of: 6-18-15

Ref# Qty		Asset#	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition Codes	\$ FLV	\$ OLIV	July-Sept	Oct-Nov	KEEP
1 = SELL 70 = KEEP															
72.00	1-	377	Hyster	Challenge H50H	LPG	Forklift Truck	E317674B	1990		P	0	0	1	0	0
73.00	1-	374	Grove	R1620S		Rough Terrain Crane	36007			F	0	0	0	0	1
74.00	1-	317	Caterpillar	950F		Tout Carrier	55K01176	1994		F	0	0	0	0	1
75.00	Lot		Undefined Make						Spare Buckets, Snow Blade, Breaker Attachment, Hards High	G	0	0	0	0	1
76.00	1-		Undefined Make		10' x 10' Grizzly	Screen				F	0	0	1	1	0
77.00	1-	361	Komatsu	PC400LC-7EO	Excavator	Unit	60008			G	0	0	0	0	1
77.10			SURFACE EQUIPMENT								0	0			
78.00	1-	607?	Caterpillar	3406	455-KVA	Generator Set	2W1315688	1996	438-Amp, 600-Volt, 60-Hz.	G	0	0	0	1	0
79.00	1-	609?	Newage	HC1434C1H	312.5-KVA	Generator Set	MD4A05070-1		250-KW, 60-Hz, 600-Volt, 300-Amp, with Caterpillar 3406 Engine	G	0	0	0	1	0
80.00	1-		Tidy Tank		2,140-Liter Fuel Oil Tank	Generator Set	CGZ700154	2007		G	0	0	1	1	0
81.00	1-	616	Caterpillar	3516HD	1,812-KVA	Generator Set		2010	1,450-Kw, 60-Hz., with Can Industries Model UTR, U-Tube Heat Recovery Unit, Amendex Plate Heat Exchanger, SIN 5153, 25,858 Hours, with endorsed sound proof container, roof mounted condensation unit.	VG	0	0	1	1	0
82.00	1-	615	Caterpillar	3516HD	1,812-KVA	Generator Set	HGZ700152	2010	1,450-Kw, 60-Hz., with Can Industries Model UTR, U-Tube Heat Recovery Unit, Amendex Plate Heat Exchanger, SIN 5153, 23,407 Hours Rebuild with endorsed sound proof container, roof mounted condensation unit.	VG	0	0	0	0	1
83.00	1-	617	Caterpillar	3516HD	1,812-KVA	Generator Set	HGZ700165	2014		G	0	0	0	0	1
83.00	1-	606	Tamper	SG-1518	1,000-KVA	Generator Set	360-323-301	1998	1,200-RPM, 800-KW, 60-Hz, with Cat 3212 Engine, with Radiator, 20-HP Fan, 4,342 Hours	G	0	0	1	1	0
84.00	1-	602	Caterpillar	3512	1,125-KVA	Generator Set	N/A	1998	60-Hz, 600-Volt, 1,082-Amp, 900-KW, with 6 x 6, 6' Radiator, 20-HP Fan, 7,336-Hours.	G	0	0	0	1	0
87.00	1-	601	Caterpillar	3512	1,214-KVA	Generator Set	4M000737	1998	60-Hz, 600-Volt, 1,163-Amp, 850-KW, with 20-HP Fan, Radiator, 8,427-Hours.	G	0	0	0	0	1
88.00	1-	605	Caterpillar	SR4	875-KVA	Generator Set	82D00796	1998	700-KW, 842-AMP, 600-Volt, 1,200-RPM, 3,512 G Engine, with 20-HP Fan, Radiator, 88,306-Hours	G	0	0	0	0	1
89.00	1-	603	Kato	1030-	1,030-KVA	Generator Set	84891-33	1981	60-Hz, 1,200-RPM, 600-Volt, 1,240-RPM, 3,516 G Caterpillar Engine, with 20-HP Fan, Radiator, 7,905-Hours.	G	0	0	1	1	0
90.00	1-	621	Atlas Copco	GA1107	147-HP	Air Compressor	ARP820603			F	0	0	0	0	1
91.00	2-		Amendex		Plate	Heat Exchangers	94364, 94144		with Receiver Tank	G	0	0	0	0	1
92.00	1-		Manufacturer Unknown		5-Ton x 40' Span x 40' Travel Single Girder	Bridge Crane			with Cable Hoist	G	0	0	0	0	1
93.00	Lot		Armstrong Glycon							VG	0	0	0	0	1
93.01	3-		Heat Loop Skid, Consulting of	S-46-BF	Vertical Inline	Pumps			1/3 HP bronze fitted circulator pump		0	0	0	0	1
93.02	1-		Armstrong	SN025-750-29	Plate	Heat Exchanger	AC111600-2013	2011	150-psi at 230°F Hot MAWP, 324°F at 150-psi Hot MDMT, 150-psi at 230°F Cold MAWP, 324°F at 150-psi Cold MDMT.		0	0	0	0	1
93.03	4-		Armstrong	SN025-750-29	Plate	Pressure Vessels					0	0	0	0	1
93.04	2-		Armstrong	SN025-750-37	Plate	Heat Exchangers	AC111600-201	2011	150-psi at 230°F Hot MAWP, 324°F at 150-psi Hot MDMT, 150-psi at 230°F Cold MAWP, 324°F at 150-psi Cold MDMT.		0	0	0	0	1
93.05	2-		Armstrong	4300TC	Circulating	Pumps	691707, 691706	2011			0	0	0	0	1
93.06	1-		Armstrong	4030	Circulating	Pump	687736	2011			0	0	0	0	1
95.00	Lot		Veolia Waste Water Treatment System, Consulting of							E	0	0	0	0	1
95.01	1-		Hapman	Super Sac	Bag	Dispenser	H-14408BA	2014	with 2-Ton Crane, with Chain Hoist		0	0	0	0	1

Note B

Cantung Equipment
Detailed Listing -- Callidus Collateral
Source: May 2015 Hilco-Callidus Appraisal
as of: 6-18-15

Ref #	Qty	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition Codes	\$ FLV	\$ OLIV	1 = SELL 10 = KEEP		
													July-Sept	Oct-Nov	KEEP
95.02	1-		Les Plastquest	CY-80	Coagulant Poly Mix Tank			2014	with (2) 12-HP Centrifugal Pumps		0	0	0	0	1
95.03	1-		Les Plastquest	CY-90	Coagulant Poly Mix Tank			2014			0	0	0	0	1
95.04	2-		Chemtuff	CT16HEP3V	Pulse Feeder	Pumps	AA963715-01 & AA963715-02	2014			0	0	0	0	1
95.05	1-		Undefined Make	A091200L	4W x 4L x 8H Tank			2014	with (2) 15-HP, 3 x 3-10 Centrifugal Pump		0	0	0	0	1
95.06	1-		Undefined Make		27L x 15W x 8H Carbon Steel Tank			2014	with (2) 7.5-HP Centrifugal Pumps, (4) Mixers		0	0	0	0	1
95.07	3-		Undefined Make		Water Softeners			2014			0	0	0	0	1
95.08	1-		Undefined Make		6L x 20W x 9H Carbon Steel Tank			2014	with (2) 15-HP Goulds 2 x 3-10 Centrifugal Pumps		0	0	0	0	1
95.09	1-		Grand Fos		Hydro Solo E Service	Water Pump		2014			0	0	0	0	1
95.10	2-		Goulds	XL72	50-HP, 6x8-13 Centrifugal	Pumps		2014			0	0	0	0	1
95.11	1-		Goulds		3-HP, 2X3-10 SRL Centrifugal	Pump		2014			0	0	0	0	1
95.12	1-		Vedla	Hydrex 6105	Polymer Flocculant System			2014			0	0	0	0	1
95.13	1-		John Wood		Hot Water Heater			2014			0	0	0	0	1
95.14	1-		Undefined Make		Polymer System	Screw		2014	with (2) Stainless Steel Open Top 3H x 4Dia Tanks, with Mixer		0	0	0	0	1
95.15	3-		Geant	1023C-3-15	85-Gallon	Tanks	A8561240	2014			0	0	0	0	1
95.16	4-		Reznor		Gas Fired Building Heaters			2014			0	0	0	0	1
95.17	1-		Undefined Make		Portable Building Station			2014			0	0	0	0	1
95.18	1-		Undefined Make					2014	Miscellaneous Valves, Pipes, Gauges, Motor Control Center, Transformers Please Note: Valued for Salvageable Components Only		0	0	0	0	1
96.00	1-	343	Gene	Z6034J	350,000-BTU	Boiler	26608-8991	2008		G	0	0	0	0	1
97.00	1-		Industrial Commercial	IDF-350-II	Heater					G	0	0	0	0	1
98.00	1-		Industrial Commercial	IDF-500-II	Heater					G	0	0	0	0	1
99.00	1-		Workman	Multimixer II	Mixer				with Gas Engine	VG	0	0	1	1	0
100.00	1-	345	Godwin	CD100	4" Diesel Pump					VG	0	0	1	1	0
101.00	2-		Manufacturer Unknown		Inchenerators				with Rialto Model 40F-10 Type 263T Burner, SN 135031692	X	0	0	1	1	0
102.00	1-		Honda	4000X	Trailer Mounted Generator					G	0	0	1	1	0
103.00	1-		Atlas Copco	LS-5	Tank Mounted Air Compressor		QU1309170125			G	0	0	0	0	1
104.00	1-		Atlas Copco	FXH11	Air Dryer					G	0	0	1	1	0
105.00	1-		Miller	Millermatic 252	Welder					G	0	0	0	0	1
106.00	1-	344	Godwin	CD100	4" Diesel Pump			2011		VG	0	0	0	0	1
108.00	1-		Mettler Toledo	AE200	Digital Scale				with Granite Plate	G	0	0	0	0	1
109.00	1-		Thermo Scientific	Precision 658	Oven		491804-1050			F	0	0	0	0	1
110.00	4-		Surelame	S1500	150,000-BTU Heaters					F	0	0	0	0	1
111.00	Lot		Backkill Paste Plant, Consisting of Retas							VG	0	0	1	1	0
111.01	1-		Undefined Make	30,300-Gallon Pig Tank			3R9121655CM001482	2011	SIN 212-RTE-IT-6482		0	0	1	1	0
111.02	1-		Undefined Make	Cone Bottom Bulk Tank					with (2) Thermo Fisher Model 90,125A-18 Feedlot Valves		0	0	1	1	0
111.03	1-		Thermo Scientific	Microtech 2000	Belt Feed Control System						0	0	1	1	0
111.04	1-		Undefined Make	10" Dia. x 8H Carbon Steel Tank					with MixPro 316TC, 15-HP Mixer, (2) 20-HP Centrifugal Pumps		0	0	1	1	0
111.05	1-		Undefined Make	10" Dia. x 8H Carbon Steel Tank					with MixPro 316TC, 15-HP Mixer, (2) 20-HP Centrifugal Pumps, with Centrifugal Mixer		0	0	1	1	0
111.06	1-		Undefined Make	10" Dia. x 8H Carbon Steel Tank					with MixPro 316TC, 15-HP Mixer, 3-HP Centrifugal Pumps		0	0	1	1	0

Equip List to Callidus based on Hilco Report May 2015

Canting Equipment
Detailed Listing -- Callidus Collateral
Source: May 2015 Hilco-Callidus Appraisal
as of: 6-18-15

Ref#	Qty	Asset#	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition	\$ FLV	\$ OLIV	July-Sept	Oct-Nov	KEEP
1 = SELL / 0 = KEEP															
111.07	1-		Donaldson Torit	DL100/1475		Dust Collector	18300				0	0	1	1	0
111.08	1-		Ar Products	1000278D	Cone Bottom	Blower			with (9) Krebs Model DF68B-12-1769 Cyclones		0	0	1	1	0
111.09	1-		Undefined Make			Tank					0	0	1	1	0
111.10	1-		Pulzmeister	KOS 1480	Concrete	Pump	290100204	2004	50 Bar Max. Pressure, with Pompacon Power Unit		0	0	1	1	0
111.11	1-		ATS		Pressure	Tank	83411	2012	725-PSIG at 200A°F		0	0	1	1	0
111.12	1-		Ancaster	1L100	Air Conveyor	Blower	19329				0	0	1	1	0
111.13	1-		Techno	MH800-125G	Diesel Power	Pump	411011		200-GPM Capacity, 1,400 Max. Head Feed		0	0	1	1	0
112.00	1-	626	Sullair	LS25-200/LA	200-HP	Air Compressor	003-124883		100/110 PSIG, 1,780-RPM, 58,358 Hours	F	0	0	0	1	0
113.00	1-	623	Sullair	LS25-200/LA	200-HP	Air Compressor	2.00512E+11		100/110 PSIG, 1,780-RPM, 48,343 Hours at Time of Inspection	F	0	0	0	1	0
114.00	1-	622	Sullair	LS25-200/LA	200-HP	Air Compressor	3137149		100/110 PSIG, 1,780-RPM, 59,538 Hours at Time of Inspection	F	0	0	1	1	0
115.00	1-		Manufacturer Unknown		200-PSIG at 400°F	Tank		2006		G	0	0	0	0	1
116.00	1-		Eco Waste Solutions	CA-100	Waste	Incinerator	12-MS	2012	600V / 3.65-Hz Power Supply, Pot 31685, with VG Waste Oil Tank, Fixed Oil Tank	with VG	0	0	0	0	1
117.00	Lot		FMC	3000	Aggregate	Belt Conveyor			42" x 231", 42" x 234", 42" x 247", 26" x 62", 26" x 215, 26" x 33, 20" x 362, 26" x 112, 26" x 96, 26" x 63, 26" x 96, 26" x 63, 20" x 347		0	0	0	0	1
118.00	1-		Pioneer	4248	200 HP Jaw	Crusher	4248-5		with Pioneer 42" x 10" Pan Feeder, SIN OF-42-347	G	0	0	0	0	1
119.00	1-		Eclipse Combustion	Eclipse 16007AH V.2	Mine Air	Burner	CM2942-2	2010	Propane Fixed 16,000,000 BTU, with 72" Dia 100-HP Fan, with Variable Frequency Drive	VG	0	0	0	0	1
120.00	1-		Eclipse Combustion	Eclipse 16007AH V.2	Mine Air	Burner	CM2942-1	2010	Propane Fixed 16,000,000 BTU, with 72" Dia 100-HP Fan, with Variable Frequency Drive	VG	0	0	0	0	1
121.00	1-		Allis Chalmers		18" x 30" Jaw	Crusher			with JEFFERY MFG. CO. R2-4 Feeder	G	0	0	0	0	1
122.00	Lot		Undefined Make			Office Furniture, Fixtures & Equipment			Desks, Chairs, Computers, Filing Cabinets, cabinets, conference tables, TVs, break room tables and chairs, lockers, printers, fax machines, telephones, etc.	F	0	0	0	0	1
123.00	1-		Sullair	LS-25-200	200-HP	Air Compressor	003-129554		100/110-psi, 1,785-RPM	F	0	0	0	0	1
124.00	1-		Parker Boiler	CRN-1/ASUL	Steam	Boiler	48047	1997	573 Sq. Ft. Heating Surface, 3,680-Lb./Hr. Steam, 125-psi	F	0	0	0	0	1
125.00	1-		APV		Plate	Heat Exchanger			31 Plates	G	0	0	0	0	1
126.00	1-		Amerdex	X-20	Plate	Heat Exchanger	95644			G	0	0	0	0	1
127.00	1-		Well Meatin	480	Gas Fired	Boiler			297 Steam BTU, 1,238 Sq. Ft. Steam, 297-MBTU Water, 80-psi	F	0	0	0	0	1
128.00	1-		Manufacturer Unknown			Dust Collector			with 30-HP Blower	F	0	0	0	0	1
129.00	1-		Cleaver Brooks	CB100-200	Oil Fired	Boiler	S-64376	1977	8,359,000-BTU, 15-psi	F	0	0	0	0	1
130.00	2-		Chrysler	414	Pipe Fusion	Machines				G	0	0	0	0	1
132.00	1-		Diesler	15-S-S4-SL	Concentrator		115-02383			F	0	0	0	0	1
133.00	1-		Undefined Make		1,000-Ton Course Ore	Bin				F	0	0	0	0	1
134.00	2-		Undefined Make		800-Ton Fine Ore	Bins				F	0	0	0	0	1
135.00	2-		FMC		24"W x 30"L V-Belt	Conveyors				F	0	0	0	0	1
136.00	2-		FMC		24"W x 45"L V-Belt	Conveyors				F	0	0	0	0	1
137.00	1-		Allis Chalmers		9' x 12' Rod	Mill	C-2476		with Lubrirol Gear Spray System, Lube Pump, Falk Model 1120TE 11S Gear Reducer, Rod	F	0	0	0	0	1
138.00	1-		Hardinge		7' x 10'	Ball Mill	R349		Chaparral 1120TE 11S Gear Reducer, Rod	F	0	0	0	0	1

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Cantung Equipment
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Source: May 2015 Hilco-Callidus Appraisal
as of: 6-18-15

Ref #		Qty	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition Codes	\$ FLV	\$ OLV	1 = SELL 0 = KEEP		
														July-Sept	Oct-Nov	KEEP
139.00	1-			Marcy	#65		Ball Mill	1002CH		with Howard Marlen Gear Spray System, with (2) 15-HP Discharge Pumps	F	0	0	0	0	1
140.00	1-			Nordberg Symons		4-1/4' Cone	Crusher	C-42174	1970	50-Ton Per Hour	F	0	0	0	0	1
141.00	1-			Nordberg Symons		4' Cone	Crusher	C-41238	1970	50-Ton Per Hour	F	0	0	0	0	1
142.00	2-			Undefined Make		25-HP SRC-C5X4	Centrifugal Pump				G	0	0	0	0	1
143.00	2-			Undefined Make		40-HP 8X6-18	Centrifugal Pump				G	0	0	0	0	1
144.00	7-			Derrick Corporation	K48-96A-35	Single Gravity Concentration	Tables	8711-00-001	1989	48" x 96" Rubber Deck	F	0	0	0	0	1
145.00	3-			Krebs	015B	Classifying	Cyclones	77K7567-3			F	0	0	0	0	1
146.00	1-			Szelac		42" W x 11' L Sizing	Table				F	0	0	0	0	1
147.00	1-			Manufacturer Unknown		60" Dia x 10' H Carbon Steel	Tank				F	0	0	0	0	1
148.00	1-			Denver		4-Cell 240 Cu. Ft. Cell	Cell			with 6x6 15 pump	F	0	0	0	0	1
						Talc Froth Flotation										
149.00	1-			Denver		4-Cell 295 Cu. Ft. Cell	Cell			with 6x6 15 pump	F	0	0	0	0	1
						Talc Froth Flotation										
150.00	3-			Manufacturer Unknown		20' Dia. x 40' H Bridge Type	Tanks				F	0	0	0	0	1
151.00	1-			Manufacturer Unknown		4-Cell 400 Cu. Ft. Cell	Cell			with (2) 6x6 SRL Pumps, 3x3x10 pumps, Toyo DL3p pump	F	0	0	0	0	1
152.00	3-			Undefined Make		6' Dia. x 8' H	Tanks			with Mixer	F	0	0	0	0	1
153.00	6-			Outotec	TC-5	Froth Flotation	Cells	27165	2010	15-HP Motors	VG	0	0	0	0	1
154.00	1-			Manufacturer Unknown		218 Cu. Ft. Sub A	Cell			with Paddles, 6-Cells	F	0	0	0	0	1
155.00	1-			Manufacturer Unknown		8' Dia. x 20' H	Column			with (2) AC Goulds 5X4X14 SRL-C Pumps	F	0	0	0	0	1
156.00	1-			Eriez	MD1-091-000-36"	Scavenger Cleaner	Column				G	0	0	0	0	1
157.00	1-			Manufacturer Unknown		32' Dia. x 20' H	Column			with (4) AC Goulds 2x2x10 SRL pumps	F	0	0	0	0	1
158.00	1-			Manufacturer Unknown		18' Dia. x 10' H Bridge Type	Tank				F	0	0	0	0	1
159.00	2-			Manufacturer Unknown		6' Dia. x 12' H Cone	Tanks				F	0	0	0	0	1
160.00	1-			Szelac	VGSS10-6	Devastating Belt	Filter			24" W x 60" Belt	P	0	0	0	0	1
161.00	1-			Manufacturer Unknown		32' Dia. x 21' L	Dryer				F	0	0	0	0	1
162.00	1-			Manufacturer Unknown		400 Cu. Ft. 4-Cell	Cell			with (2) Galgher 6x6 SRL Pumps, Denver 3x3x10 pump, Toto DL3B Pump	F	0	0	0	0	1
163.00	1-			Manufacturer Unknown		7' Dia. x 6' H	Tank			with Mixer	F	0	0	0	0	1
164.00	1-			Manufacturer Unknown		7' Dia. x 6' H	Tank			with Mixer	F	0	0	0	0	1
165.00	1-			Manufacturer Unknown		400 Cu. Ft. 4-Cell	Cell			with (2) Denver 5X4X14 SRL-C Pumps	F	0	0	0	0	1
166.00	1-			Manufacturer Unknown		500 Cu. Ft. 5-Cell	Cell			with (2) Galgher 6x6 SRL Pumps, Denver 3x3x10 pump, Toto DL3B Pump	F	0	0	0	0	1
167.00	1-			Dierster		15-Head Distributor	Manifold				F	0	0	0	0	1
168.00	10-			Dierster	666	Triple Deck Vibratory	Screens				F	0	0	0	0	1
170.00	1-			Mineral Technologies	4P-MG-4CF	4-Pack Spiral Separator	Separator			7-Turns, 3.2 T/H Solids, 55% Pulp Density Solids, .03-2.0mm Size Range, 8 M3N Slurry Volume	G	0	0	0	0	1

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Ref #	Qty	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition Codes	\$ FLV	\$ OLV	July-Sept	Oct-Nov	KEEP
1 = SELL 0 = KEEP															
171.00	1-		Mineral Technologies	6P-M4C4F	6-Pack Spiral	Separator			7-Turns 3.2 TH Solids, 55% Pulp Density Volume	G	0	0	0	0	1
172.00	1-		Krebs			Cyclone				F	0	0	0	0	1
173.00	11-		Dexter		Diagonal Vibratory	Screens			72" W x 15L Rubber Screen Material	F	0	0	0	0	1
174.00	1-		Dexter		4-Head	Distributor				F	0	0	0	0	1
175.00	4-		Dexter	999	Triple Deck	Tables			with Rubber Screen Material	F	0	0	0	0	1
176.00	4-		Dexter	9	Concentrating	Tables			with Rubber Screen Material	F	0	0	0	0	1
177.00	3-		Dexter	RH65D	Vibratory	Screens				F	0	0	0	0	1
178.00	3-		Krebs			Cyclones				F	0	0	0	0	1
179.00	1-		Undefined Make		12-Head	Distributor				F	0	0	0	0	1
180.00	1-		Dominion Engineering		6' x 8'	Ball Mill			200-HP, with AC Goulds 25-HP 5 x 4-14 SRL-C Discharge Pump	F	0	0	0	0	1
181.00	1-		Denver		256 Cu. Ft. 4-Cell	Cell				F	0	0	0	0	1
182.00	1-		Denver		256 Cu. Ft. 4-Cell	Cell				F	0	0	0	0	1
183.00	1-		Manufacturer Unknown		Secondary Sulphide Froth Flotation					F	0	0	0	0	1
184.00	1-		Manufacturer Unknown	530-0066		Vibratory Bowl Feeder				F	0	0	0	0	1
185.00	1-		Manufacturer Unknown		4' Dia. x 8'H	Tank			with Mixer	F	0	0	0	0	1
186.00	3-		Manufacturer Unknown		800 Cu. Ft. Single Froth Flotation	Cells			with Paddles	F	0	0	0	0	1
187.00	1-		Manufacturer Unknown		8' Dia. x 8'H Holding Tank					F	0	0	0	0	1
188.00	1-		Undefined Make		Skimmer Roaster 10' Unit		3132		850 - 1,100A°F, Fuel Oil, with Allied Engineering Scrubber	F	0	0	0	0	1
189.00	1-		FL Smith		18" Dia., 19'	Clamp	130E.110			F	0	0	0	0	1
190.00	1-		Dings	EBK	Wemco Classifier High Intensity Magnetic	Separator		1978	18" Belt Width, with 4KW Powertronic Rectifier, SN S752604Z	F	0	0	0	0	1
191.00	2-		Carpco	HTP-(25)121-46	Magnetic	Separators	M1-118-62			F	0	0	0	0	1
192.00	1-		Manufacturer Unknown		Primary Cleaner Cell				240-Cu. Ft. 4-Cell	F	0	0	0	0	1
193.00	1-		Manufacturer Unknown		Secondary Cleaner Cell				108-Cu. Ft. 6-Cell	F	0	0	0	0	1
194.00	1-		Krebs		Froth Flotation	Cyclone Pump				F	0	0	0	0	1
195.00	1-		Allis Chalmers		10-HP SRL					G	0	0	0	0	1
196.00	1-		Manufacturer Unknown		Cone Bottom	Tank			4' Dia. x 20'H, with 5-HP 2x2-10 SRL Pump	F	0	0	0	0	1
197.00	1-		Union Iron		Pachuga	Mill			Howard Martin GSS404 Gear Spray System, with 10-HP 3x3-10 SRL Pump	F	0	0	0	0	1
198.00	1-		Undefined Make		4' x 15' Straight Line Belt	Filler Press	72828			P	0	0	0	0	1
199.00	1-		PJ Hamah	365-10-30	Dual Compartment Hopper		CD781025			P	0	0	0	0	1
200.00	1-		Manufacturer Unknown							P	0	0	0	0	1
201.00	1-		Undefined Make		3-Ton x 20' Span x 100' Travel	Bridge Crane				G	0	0	0	0	1
202.00	1-		Undefined Make		15-Ton x 30' Span x 150' Travel	Bridge Crane				G	0	0	0	0	1
203.00	1-		Undefined Make		5-Ton x 30' Span x 60' Travel	Bridge Crane				G	0	0	0	0	1
204.00	1-		Undefined Make		10-Ton x 36' Span x 50' Travel	Bridge Crane				G	0	0	0	0	1

Cantung Equipment
Detailed Listing – Callidus Collateral
Source: May 2015 Hilco-Callidus Appraisal
as of: 6-18-15

Ref#	Qty	Asset#	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition Codes	\$ FLV	\$ QLV	July-Sept	Oct-Nov	KEEP
1 = SELL 70 = KEEP															
205.00	Lot		Undefined Make		Miscellaneous					G	0	0	0	0	1
Pumps & Motors															
Throughput Process															
Mill															
205.10			LAB		Sieve	Shaker	20-1248	2015		N	0	0	0	0	1
206.00	1-		Tyler	RX-64	5' x 5' Double Door Oven					P	0	0	0	0	1
207.00	1-		Grieve		Gas Fired Sound	Endcure	976			P	0	0	0	0	1
208.00	1-		Pro-Tap		Lab Jaw	Crusher	3341915			F	0	0	0	0	1
209.00	1-		Marcy		Lab Jaw	Crusher				F	0	0	0	0	1
210.00	1-		TM Engineering		Lab Jaw	Crusher				P	0	0	0	0	1
211.00	3-		Manufacturer		4' x 3'	Fume Hoods				F	0	0	0	0	1
212.00	1-		TM Engineering		Lapping Machine		60512			F	0	0	0	0	1
213.00	1-	637	TM Engineering		Lapping Machine					F	0	0	0	0	1
214.00	1-		Blue M	POM-1406C-1	Oven		P142814		343A/C650A/F	P	0	0	0	0	1
215.00	1-		Barstead Thermolyne	62700	Furnace					P	0	0	0	0	1
216.00	1-		Thermo Scientific	280	Water Bath				Precision Microprocessor Controlled	F	0	0	0	0	1
217.00	2-		Lindberg Blue M		24" x 36"	Hot Plates				F	0	0	0	0	1
218.00	3-		Manufacturing Technologies		48" x 60"	Fume Hoods				P	0	0	0	0	1
219.00	1-		Weller Toledo		New Classic Analytical Scale					F	0	0	0	0	1
220.00	1-		Chaus	Valor 1000	Scale					F	0	0	0	0	1
221.00	1-		Eltra	CS800	Carbon Sulfide	Determinator				G	0	0	0	0	1
222.00	1-		Ohaus	Explorer Pro	Digital	Scale				F	0	0	0	0	1
223.00	1-		Perkin Elmer	A Analyst 100	Spectrophotometer					G	0	0	0	0	1
224.00	1-		Carver	3853	Manual Pellet Press		110951			F	0	0	0	0	1
225.00	1-		Carver	3867	Automatic Pellet Press		3887-022	1998		F	0	0	0	0	1
226.00	1-		Siemens		Sequential X-Ray Spectrometer					G	0	0	0	0	1
227.00	1-		Gene	VLC-100	Personal	Lit	VLC-001-154			G	0	0	0	0	1
228.00	1-		Cyclonezer	MK-4	Sub-Sieve Sizer		51071			G	0	0	0	0	1
228.10			MILL RIGHT SHOP								0	0	0	0	
229.00	1-		ABEA		10-Ton Shop Press					F	0	0	0	0	1
230.00	1-		Undefined Make		Pipe Threader					F	0	0	0	0	1
231.00	1-		Undefined Make	535	Double End Pedestal Drill	Ginder			4" Wheel	F	0	0	0	0	1
232.00	1-		Princess	LCN-11	Press					G	0	0	0	0	1
233.00	1-		First	LC-18SC5	3-HP Vertical Milling Machine		20304935		with Digital Readout	F	0	0	0	0	1
234.00	1-		Clausing Melosa		24" x 12' Engine Lathe				with Tool Post, Steady Rest, 4" Hole Through Spindle Digital Readout	F	0	0	0	0	1
235.00	1-		Navvik	2060	20" x 60" Engine Lathe		EZ06		with Digital Readout	P	0	0	0	0	1
236.00	1-		Hydro Mech	DM-10	Saw					G	0	0	0	0	1
237.00	1-		Miller	Millermatic 251	Welding Power Source					G	0	0	0	0	1
238.00	1-		Miller	XMT350	CC/CV Welding Power Source					G	0	0	0	0	1
239.00	Lot		Undefined Make						Miscellaneous Shop Equipment, Consisting of Shop Tables, Table Vices, Tool Boxes, Cabinets, Shop Lights, Parts Bins, Torch Sets, Welding Tables, Etc.	G	0	0	0	0	1
240.00	1-		Mod-U-Blast		2-Hole Blast Cabinet					G	0	0	1	0	0
241.00	1-		Ingersoll Rand	SSR-UP6-30-125-HP	Air Compressor		PY1330008323		125-PSIG	F	0	0	0	0	1

Equip List to Callidus based on Hilco Report May 2015

Cantung Equipment
Detailed Listing -- Callidus Collateral
Source: May 2015 Hilco-Callidus Appraisal
as of: 6-18-15

Ref #		Qty	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition Codes	1 = SELL 70 = KEEP		
												July-Sept	Oct-Nov	KEEP
VEHICLES														
241.00	1-	2277		Ford	F350SD XL	Crew Cab 4WD	Pickup Truck	1FTWW31R85E42727	2008	Procon Unit Not on Property	F	0	0	1
242.00	1-	2276		Ford	F350 XL	Crew Cab 4WD	Pickup Truck	1FTWW31R19E1420	2008	Procon Unit Not on Property	F	0	0	1
243.00	1-	2299		Chevrolet	Suburban 1500 LT	4D Utility 4WD	Sport Utility Vehicle	3GNFK16386G188924	2008	Procon Unit Not on Property	F	0	0	1
244.00	1-	379		Ford	F8000	Flatbed Crane	Truck	1FDPK4P0LVA6254	1990	Single Axle with Wajax Crane	P	0	0	1
245.00	1-	378		Ford	F700	Van	Truck	K74NVJD8420	1980	with Landis model SLT6-32824E Steam Pressure Washer SIN 100002	G	0	0	1
246.00	1-	303		Kenworth	1470	Plow/Sander	Truck	2NKBKNDX8CM953605	2011	with PTO, Road Grading Blade	VG	0	0	1
247.00	1-	2400		Chevrolet	Suburban 1500 LS	4D Utility 4WD	Sport Utility Vehicle	1GNFK16309J100920	2009	Procon Unit Not on Property	G	0	0	1
248.00	1-	358		Kenworth	W900B	Day Cab	Tractor	1GJH39K281T72310	1986		P	1	1	0
249.00	1-	305		GMC	G3500	Extended	Van	1GJH39K281T72310	2008		F	1	1	0
250.00	1-	305		GMC	G3500	Extended	Van	1GJH39K281T72310	2008		F	1	1	0
251.00	1-	305		GMC	G3500	Extended	Van	1GJH39K281T72310	2008		F	1	1	0
252.00	1-	305		GMC	G3500	Extended	Van	1GJH39K281T72310	2008		F	1	1	0
253.00	1-	307		GMC	G3500	Extended	Van	1GJH39K281T72310	2008		F	1	1	0
254.00	1-	308		GMC	G3500	Extended	Van	1GJH39K281T72310	2008		F	1	1	0
255.00	1-	309		Ford	F350SD XL	Crew Cab 4WD	Pickup Truck	1FTWW31P05EC4719	2005	Scrap	F	0	0	0
256.00	1-	310		Chevrolet	G3500	Extended	Van	1GAH39K181181449	2008		F	1	1	0
257.00	1-	311		Chevrolet	G3500	Extended	Van	1GAH39K181181449	2008		F	1	1	0
258.00	1-	316		Chevrolet	G3500	Extended	Van	1GAH39K181181449	2008		F	1	1	0
259.00	1-	381		Dodge	Ram 2500	Club Cab 4WD	Pickup Truck	1GAZG1FG2B1129098	2011	Please Note: Leased	G	0	0	1
260.00	1-	382		Ford	E350 XL	4D Utility 4WD	Sport Utility Vehicle	1FBS331F62H41717	2002	Scrap	P	0	0	0
261.00	1-	383		GMC	Yukon XL 1500 SLE	4D Utility 4WD	Sport Utility Vehicle	1GKFK16233J715049	2003	Scrap	F	0	0	0
262.00	1-	384		Ford	E350 XL	4D Utility 4WD	Sport Utility Vehicle	1FBS331F62H41717	2002	Scrap	F	0	0	0
263.00	1-	385		Dodge	Ram 1500	Quad Cab 4WD	Pickup Truck	3B7HF13Z1G796514	2001	Scrap	F	0	0	0
264.00	1-	387		Ford	F250 XL	Reg Cab 4WD	Pickup Truck	2FTHF26H3CA75945	1990	Scrap	P	0	0	0
265.00	1-	390		Ford	F350SD XL	Crew Cab 4WD	Pickup Truck	1FTSW31P4E9A8116	2004	Scrap	F	0	0	0
266.00	1-	391		Ford	E350 XL	SuperCab 4WD	Pickup Truck	1FBS331L9XHA79228	1999	Scrap	P	0	0	0
267.00	1-	392		Ford	F250SD XL	SuperCab 4WD	Pickup Truck	1FTNX21L31EC67840	2001	Scrap	P	0	0	0
268.00	1-	393		Ford	F250SD XL	SuperCab 4WD	Pickup Truck	1FTNX21L31EC67840	2001	Scrap	P	0	0	0
269.00	1-	394		Ford	F250SD XL	SuperCab 4WD	Pickup Truck	1FTNX21L31EC67840	2001	Scrap	P	0	0	0
270.00	1-	397		Ford	F250 XL	Reg Cab 4WD	Pickup Truck	2FTEF26N3CB19490	1990	Scrap	P	0	0	0
271.00	1-	398		Ford	F250 XL	Reg Cab 4WD	Pickup Truck	2FTHF26H3CA75945	1990	Scrap	P	0	0	0
272.00	1-	399		Chevrolet	Silverado 3500 WIT	Crew Cab 4WD	Pickup Truck	1GCHK33274F259843	2004	Scrap	F	0	0	0
273.00	1-	970		Ford	F250SD XL	Crew Cab 4WD	Pickup Truck	1FTW2B55CED2658	2012	Parts Canada	VG	0	0	1
274.00	1-			Volvo	ACL	Tractor		4V2SCB48L506105	1990		P	1	1	0
TOTAL CALLIDUS												70	89	212

Net change	0
Net valuation	0
Less cost to sell	15%
Net of selling costs	0
USD	0

Cantung Equipment
Detailed Listing -- Callidus Collateral
Source: May 2015 Hilco-Callidus Appraisal
as of: 6-18-15

Ref #	Qty	Asset #	Manufacturer	Model	Capacity	Asset Type	Serial No.	Year	Description	Condition Codes	FX Rate at April 16, 2015 - effective date of valuation				1 = SELL 70 = KEEP		
											\$ FLV	\$ OLV	July-Sept	Oct-Nov	KEEP		
											1,2459	1,2459					
									Net of selling costs	CDN	0	0					
									Lending base %	CDN	90%	90%					
									Lending base at 90%	CDN	0	0					
									Callidus Loan Balance at April 30, 2015	CDN	0	0					
									Positive lending base	CDN	0	0					

Note A - reference Number 20, Tamrock 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.



Alvarez & Marsal Canada Securities ULC
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
Toronto, ON M5J 2J1
Phone: +1 416 847 5200
Fax: +1 416 847 5201

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July 14, 2015

North American Tungsten Corporation Limited
1188 West Georgia Street, Suite 1640
Vancouver, BC V6E 4A2

This is Exhibit " B " referred to in the
affidavit of ... Dennis Lindahl
sworn before me at Minneapolis, MN
this 15 day of July, 2015
Rita M. Schepers
A Commissioner for taking Affidavits
for British Columbia Minnesota

Attn: Mr. Dennis Lindahl – Chief Financial Officer and Director



Dear Mr. Lindahl:

Thank you for requesting the services of Alvarez & Marsal Canada Securities ULC ("A&M Securities"). This letter (the "Agreement") confirms the terms of our engagement to assist North American Tungsten Corporation Ltd. ("NATC" or the "Company") in connection with a transaction involving NATC or its assets (the "Transaction").

The Company is currently under *Companies' Creditors Arrangement Act* (the "CCAA") Proceedings ("CCAA Proceedings"). A&M Securities will act as the exclusive lead advisor for the Sale and Investor Solicitation Process (the "SISP") which is expected to form part of the CCAA Proceedings. The Company wishes to consider all available options including divestiture of the Company or its assets, investment from new or existing investors as well as a debt/equity restructuring. A&M Securities will work closely on all aspects of the Transaction with the Court-appointed monitor, Alvarez & Marsal Canada Inc. (the "Monitor"), who is an affiliate of A&M Securities.

A&M Securities will in all instances lead and manage the SISP from initiation through to the completion of the Transaction. We will assist and advise the Company on all aspects of the proposed engagement, while permitting the Company's management to remain focused on running the businesses.

This letter outlines the services to be provided by us to you as described herein (the "Services") and the fees to be paid in respect of the Services.

1. Description of Services

In acting as your advisor with a goal of completing a Transaction under the SISP in the most expedient manner, we utilize the approach described below. The following provides an overview of the approach to the Transaction process and as part of our engagement, we will, if appropriate and requested, do the following:

Phase 1: SALE STRATEGY, PREPARATION OF CONFIDENTIAL MEMORANDUM & BUYER LIST, STAGING OF EQUIPMENT SALES	<ul style="list-style-type: none">• Formulate & recommend go-to-market strategy• Compile industry & company information• Assist in preparation of the teaser document & confidential information memorandum• Assist the Company with preparing the prospective buyer/investor list & contact strategy• Agree strategy to stage equipment sales with senior secured
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	creditor and the Company <ul style="list-style-type: none"> • Assist in assembly of an electronic due diligence data room
Phase 2: FORMAL MARKETING	<ul style="list-style-type: none"> • Contact prospective buyers and distribute teaser • Assist the Company in selecting qualified parties and assessing their level of interest • Distribute confidentiality agreements to prospective parties • Distribute confidential information memorandum
Phase 3: BUYER DUE DILIGENCE	<ul style="list-style-type: none"> • Arrange due diligence visits & assist in managing and providing access to the electronic due diligence data room • Respond to questions & requests for information • Coordinate management presentations and site visits • Assist legal counsel to draft Transaction documentation
Phase 4: OBTAIN INITIAL OFFERS	<ul style="list-style-type: none"> • Request proposals and expressions of interest/letters of intent • Assist the Company in obtaining conforming qualified bids and selecting preferred bidder/investor(s) • Assist in evaluation of offers
Phase 5: COURT APPROVAL/ NEGOTIATION / CLOSING	<ul style="list-style-type: none"> • Assist the Company in negotiations with top bidder/investor(s) and deciding if a further auction stage is required • Finalize the Transaction which has been approved by the Court

For purposes of this agreement, the term "Transaction" is defined to include any of the following (whether in one or a series of transactions): (a) a merger or plan of arrangement involving the Company or any of its subsidiaries, (b) a sale of the Company and/or its assets whether by sale, exchange, tender offer or otherwise, (c) any transaction which results in a third party having the right to elect a majority of the members of the Board of Directors of the Company, (d) a sale (including, without limitation, by sale, lease, license, exchange or other acquisition) of a significant amount of the assets (tangible or intangible) of the Company, (e) any recapitalization or restructuring (including spin-off or split-off of assets) of the Company, or (f) any other form of disposition which results in the effective disposition of all or a substantial amount of the business and operations of the Company. The Company understands that the services to be rendered by A&M Securities may include the preparation of projections and other forward-looking statements regarding NATC, and numerous factors can affect the actual results of NATC's operations, which may materially and adversely differ from those projections.

The Company acknowledges that A&M Securities' engagement shall not constitute an audit, review or compilation, or any other type of financial statement reporting engagement that is subject to the rules of any provincial or national professional or regulatory body.

A&M Securities makes no representation or guarantee that an appropriate Transaction can be formulated, that any Transaction in general or any Transaction in particular is the best course of action for the Company or, if formulated, that the execution of any proposed Transaction will, if required, be accepted or approved by the Board of Directors (including any special committee of the Board of Directors) or the Company's stockholders and other constituents. Any Transaction will be subject to Court approval as part of the CCAA Proceedings. Further A&M Securities assumes no responsibility for the selection and approval of any strategic alternative presented to

the Company or the Company's Board of Directors (including any special committee of the Board of Directors), which determination shall rest with the Company and the Board.

Callum Beveridge, Senior Director of A&M Securities, will be responsible for the overall engagement subject to the supervision and guidance of Dean Mullett, Managing Director. They will be assisted by other A&M Securities personnel, as appropriate. A&M Securities will work in conjunction with the Monitor who will be providing oversight of the SISF and reporting to the Court and Company stakeholders. A&M Securities personnel providing services to the Company may also work with other A&M Securities clients in conjunction with unrelated matters.

In connection with A&M Securities' engagement, the Company will furnish A&M Securities with all information concerning the Company which A&M Securities reasonably deems appropriate and will provide A&M Securities with access to the Company's officers, directors, employees, accountants, counsel and other representatives (collectively, the "**Representatives**"), it being understood that A&M Securities will rely solely upon such information supplied by the Company and its Representatives and/or the Monitor without assuming any responsibility for independent investigation or verification thereof.

The Company represents and warrants that any financial projections provided to A&M Securities have been, or will be, prepared on a basis that reflects the best currently available estimates and judgements of the future financial results and condition of the Company. The Company will, in writing, promptly notify A&M Securities of any material inaccuracy or misstatement in, or material omission from, any information previously delivered to A&M Securities or any interested party.

The Company will be solely responsible for the contents of any teaser, confidential memorandum and any and all other written or oral communications provided by or on behalf of the Company to any investors and/or purchasers ("**Investor Communications**"). The Company represents and warrants that the Investor Communications will not contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading. If an event occurs as a result of which the Investor Communication, would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading, the Company will promptly notify A&M Securities and A&M Securities will suspend solicitations of prospective investors and/or purchasers until such time as the Company prepares a supplement or amendment to the applicable Investor Communications that corrects such statement(s) and/or omission(s).

The Company agrees that it will be solely responsible for ensuring that any Transaction complies with applicable law. The Company understands that A&M Securities is not undertaking to provide any legal, regulatory, accounting, insurance, or similar professional advice.

It is understood and agreed that A&M Securities' services hereunder will not include providing any tax advice or developing any tax strategies for the Company. It is further understood and agreed that A&M Securities' services hereunder will not include the preparation of a due diligence report, presentation or otherwise for the Company. If you should request additional services not otherwise contemplated by this letter agreement, the Company and A&M Securities will enter into an additional letter agreement which will set forth the nature and scope of the services, appropriate compensation and other customary matters, as mutually agreed upon by the Company and A&M Securities.

2. Compensation

(a) As compensation for our services hereunder, the Company agrees to pay A&M Securities fees based on time spent by its employees and agents in connection with this engagement at its standard hourly rates, which may be adjusted from time to time.

(b) A&M Securities shall be reimbursed for the reasonable fees and expenses incurred by it as part of this engagement including, without limitation, that of its counsel incurred in connection with the enforcement of this agreement (including the Indemnification Agreement attached hereto).

(c) All fees and expenses incurred by A&M Securities will be billed on a monthly basis. Fifty (50) per cent of the amount invoiced each month will be paid by the Company within ten days of receipt of the invoice. The remaining balance due being the cumulative total of 50 per cent of each invoice submitted, will be payable upon the earlier of (i) October 31, 2015 and (ii) the closing of any Transaction approved by the Court. Security for A&M Securities' unpaid fees will be limited to \$150,000 by way of a Court-ordered charge in the CCAA Proceedings ranking in priority behind the Administrative Charge (\$500,000) and the Interim Lender's Charge (\$2.5 million).

(d) All fees will be subject to applicable taxes.

3. Term

The engagement will commence as of the date hereof and may be terminated by either party without cause by giving 30 days' written notice to the other party. In the event of any such termination, any fees and expenses due to A&M Securities shall be remitted to A&M promptly (including fees and expenses that accrued prior to but were invoiced subsequent to such termination).

The Company may immediately terminate A&M Securities' services hereunder for Cause (as defined below) by giving written notice to A&M Securities. For purposes of this agreement, "**Cause**" shall mean a breach by A&M Securities of any of its material obligations hereunder not cured within 15 days after the Company has given written notice of such breach to A&M Securities describing in reasonable detail the nature of the alleged breach or gross negligence, willful default or fraud by A&M Securities. A&M Securities shall be entitled to immediately terminate its services hereunder for Good Reason. For purposes of this agreement, termination for "**Good Reason**" shall mean A&M Securities' resignation caused by the Company's misrepresentation of or failure to disclose material facts, failure to pay fees or expenses when due (or circumstances indicating to A&M Securities that fees or expenses will not be paid when due), circumstances such that it is unethical or unreasonably difficult for A&M Securities to continue performance of the engagement, or a breach by the Company of any of its material obligations under this agreement that is not cured within 15 days after A&M Securities has given written notice of such breach to the Company describing in reasonable detail the nature of the alleged breach.

4. Relationship of the Parties

The parties intend that an independent contractor relationship will be created by this engagement letter. Neither A&M Securities nor any of its personnel or subcontractors is to be considered an employee of the Company and the personnel and subcontractors of A&M Securities are not entitled to any of the benefits that the Company provides for the Company's employees.

5. No Third Party Beneficiary

The Company acknowledges that all advice (written or oral) given by A&M Securities to the Company in connection with this engagement is intended solely for the benefit and use of the Company in considering the matters to which this engagement relates. The Company agrees that no such advice shall be used for any other purpose or reproduced, disseminated, quoted or

referred to at any time in any manner or for any purpose without A&M Securities' prior approval (which shall not be unreasonably withheld), except as required by law.

6. Conflicts

A&M Securities is not currently aware of any relationship that would create a conflict of interest with the Company or those parties-in-interest of which you have made us aware; however, as noted above, A&M Securities' affiliate is engaged as Monitor. A&M Securities accepts this engagement on the understanding that with respect to the matters related to its role hereunder, the Company and the Monitor are and will be fully aligned. However, in an abundance of caution, and as a material condition to A&M Securities entering into this Agreement, the Company hereby waives any and all conflicts of interest which exist or may arise as a result of A&M Securities' affiliate serving as Monitor. Because A&M Securities and its affiliates comprise a consulting firm (the "**Firm**") that serves clients on an international basis in numerous assignments, it is possible that A&M Securities may have rendered or will render services to or have business associations with other entities or people which had or have or may have relationships with the Company, including potential purchasers of the Company and/or its assets. A&M Securities will not be prevented or restricted by virtue of providing the services under this Agreement from providing services to other entities or individuals, including entities or individuals whose interests may be in competition or conflict with the Company's, provided the A&M Securities makes appropriate arrangements to ensure that the confidentiality of information is maintained.

7. Confidentiality / Non-Solicitation

A&M Securities shall keep as confidential all non-public information received from the Company in conjunction with this engagement, except: (i) as requested by the Company or its legal counsel; (ii) as required by legal proceedings; or (iii) as reasonably required in the performance of this engagement. All non-disclosure obligations as to any part of such information shall cease to the extent that such information is or becomes public other than as a result of a breach of this provision. Termination of this Agreement or this engagement shall not affect the confidentiality provisions and non-disclosure obligations set forth in this Agreement. For the avoidance of doubt, the Company consents and directs A&M Securities to share any and all information arising from this engagement with the Monitor.

The Company, on behalf of itself and its subsidiaries and affiliates and any person which may acquire all or substantially all of its assets agrees that, until two (2) years subsequent to the termination of this engagement, it will not solicit, recruit, hire or otherwise engage any employee of A&M Securities or any of its affiliates who worked on this engagement while employed by A&M Securities or its affiliates ("**Solicited Person**"). Should the Company or any of its subsidiaries or affiliates or any person who acquires all or substantially all of its assets extend an offer of employment to or otherwise engage any Solicited Person and should such offer be accepted, A&M Securities shall be entitled to a fee from the party extending such offer equal to the Solicited Person's hourly client billing rate at the time of the offer multiplied by 4,000 hours for a Managing Director, 3,000 hours for a Senior Director and 2,000 hours for any other A&M Securities employee. The Company acknowledges and agrees that this fee fairly represents the loss that A&M Securities will suffer if the Company breaches this provision. The fee shall be payable at the time of the Solicited Person's acceptance of employment or engagement.

8. Covenants and Representations of the Client

The Client agrees to cause to be furnished to A&M Securities, at the closing of each Transaction, copies of such agreements, opinions, certificates and other documents directly relating to the Transaction as A&M Securities may reasonably request. The Client hereby acknowledges and agrees that A&M Securities shall be entitled to rely upon any representations and warranties

made by the Company to purchasers and, furthermore, that the Company shall be deemed to have made such representations and warranties to, and for the benefit of, A&M Securities.

9. Indemnification

The attached Indemnification Agreement is incorporated herein by reference and shall be executed upon the acceptance of this Agreement. Termination of this engagement shall not affect these indemnification provisions, which shall remain in full force and effect.

As to the Services the Company has requested and A&M Securities has agreed to provide as set forth in this Agreement, the total aggregate liability of A&M Securities under this Agreement to the Company and its successors and assigns, shall be limited to the actual damages incurred by the Company or its successors or assigns, respectively. In no event will A&M Securities or any of its affiliates be liable to the Company or their successors or assigns for consequential, special or punitive damages, including loss of profit, data, business or goodwill. In no event shall the total aggregate liability of A&M Securities under this Agreement to the Company and their successors and assigns exceed the total amount of fees received and retained by A&M Securities hereunder.

10. Data Hosting

From time to time, as an accommodation to the Client, A&M Securities will arrange for a third party data hosting provider (i.e., Firmex or IntraLinks) (the "**Provider**") to host documents and information in a web/data room environment for the client's and/or certain authorized parties' review. For client convenience, the Provider's service is generally provided based upon an agreement between A&M Securities and the Provider to which the Client is not a party. Notwithstanding anything herein, it is understood and agreed that A&M Securities does not warrant and is not responsible for the Provider's conduct and services. Otherwise, should the Client wish to arrange for a direct agreement with a Provider, A&M Securities is happy to assist in that pursuit.

11. Miscellaneous

No waiver, amendment or other modification of this Agreement shall be effective unless in writing and signed by each party to be bound thereby. This Agreement (together with the attached Indemnification Agreement): (a) shall be governed and construed in accordance with the laws of the Province of British Columbia without giving effect to such province's rules concerning conflicts of laws that might provide for any other choice of law; (b) incorporates the entire understanding of the parties with respect to the subject matter hereof; (c) may not be amended or modified except in writing executed by each of the parties hereto; (d) may be executed by facsimile and in counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same agreement; and (e) this agreement may not be assigned nor may the obligations of a party hereunder be delegated without the prior written consent of the other party hereto. The obligations of this Agreement shall be binding upon and shall only inure to the benefit of the parties hereto, the Indemnified Parties (as defined in the Indemnification Agreement) and any of their successors, permitted assigns, heirs and personal representatives.

This agreement sets forth the entire understanding of the parties relating to the subject matter hereof and supersedes and cancels any prior communications, understandings and agreements between the parties relating to the subject matter hereof.

A&M Securities is delighted to accept this engagement and looks forward to working with you on this assignment. If the foregoing is acceptable to you, kindly sign the enclosed copy to acknowledge your agreement with its terms and return an executed copy of this Agreement, whereupon, after execution by A&M Securities, it shall become a binding agreement between the

parties hereto. A telecopy of a signed original of this Agreement shall be sufficient to bind the parties whose signatures appear hereon.

Very truly yours,

ALVAREZ & MARSAL CANADA SECURITIES ULC

By: _____
Name: Dean Mullett
Title: Managing Director

By: _____
Name: Callum Beveridge
Title: Senior Director

Accepted and agreed to:

NORTH AMERICAN TUNGSTEN CORPORATION LTD.,

By: _____
Name: Dennis Lindahl
Title: Chief Financial Officer and Director

INDEMNIFICATION AGREEMENT

This indemnity is made part of an agreement, dated July 13, 2015 (which together with any renewals, modifications or extensions thereof, is herein referred to as the "**Agreement**") by and between Alvarez & Marsal Canada Securities ULC ("**A&M Securities**") and North American Tungsten Corporation Ltd. ("**NATC**", or the "**Company**") for services to be rendered by A&M Securities to the Company.

Indemnity Provisions

- A. The Company agrees to indemnify and hold harmless each of A&M Securities, its affiliates and their respective shareholders, managers, members, employees, agents, representatives and subcontractors (each, an "**Indemnified Party**" and collectively, the "**Indemnified Parties**") against any and all losses, claims, damages, liabilities, penalties, obligations, disbursements and expenses, including the costs (fees and disbursements) for counsel or others (including employees of A&M Securities, based on their then current hourly billing rates) in investigating, preparing or defending any action or claim, whether or not in connection with litigation in which any Indemnified Party is a party, or enforcing the Agreement (including these indemnity provisions), as and when incurred, caused by, relating to, based upon or arising out of (directly or indirectly) the Indemnified Parties' acceptance of or the performance or non-performance of their obligations under the Agreement; provided, however, such indemnity shall not apply to any such loss, claim, damage, liability or expense to the extent it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from such Indemnified Party's gross negligence or wilful misconduct. The Company also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company for or in connection with the engagement of A&M Securities, except to the extent of any such liability for losses, claims, damages, liabilities or expenses that are found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from such Indemnified Party's gross negligence or wilful misconduct. The Company further agrees that it will not, without the prior consent of an Indemnified Party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which such Indemnified Party seeks indemnification hereunder (whether or not such Indemnified Party is an actual party to such claim, action, suit or proceeding) unless such settlement, compromise or consent includes an unconditional release of such Indemnified Party from all liabilities arising out of such claim, action, suit or proceeding.
- B. These indemnification provisions shall be in addition to any liability which the Company may otherwise have to the Indemnified Parties. In the event that, at any time whether before or after termination of the engagement or the Agreement, as a result of or in connection with the Agreement or A&M Securities' and its personnel's role under the Agreement, A&M Securities or any Indemnified Party is required to produce any of its personnel (including former employees) for examination, discovery, deposition or other written, recorded or oral presentation, or A&M Securities or any of its personnel (including former employees) or any other Indemnified Party is required to produce or otherwise review, compile, submit, duplicate, search for, organize or report on any material within such Indemnified Party's possession or control pursuant to a subpoena or other legal (including administrative) process, the Company will reimburse the Indemnified Party for its out of pocket expenses, including the reasonable fees and expenses of its counsel, and will compensate the Indemnified Party for the time expended by its personnel based on such personnel's then current hourly rate.

- C. If any action, proceeding or investigation is commenced in respect of which any Indemnified Party proposes to demand indemnification hereunder, such Indemnified Party will notify the Company with reasonable promptness; provided, however, that any failure by such Indemnified Party to notify the Company will not relieve the Company from its obligations hereunder, except to the extent that such failure shall have actually prejudiced the defence of such action. The Company shall promptly pay expenses reasonably incurred by any Indemnified Party in defending, participating in, or settling any action, proceeding or investigation in which such Indemnified Party is a party or is threatened to be made a party or otherwise is participating in by reason of the engagement under the Agreement, upon submission of invoices therefor, whether in advance of the final disposition of such action, proceeding, or investigation or otherwise. Each Indemnified Party hereby undertakes, and the Company hereby accepts its undertaking, to repay any and all such amounts so advanced if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified therefor. If any such action, proceeding or investigation in which an Indemnified Party is a party is also against the Company, the Company may, in lieu of advancing the expenses of separate counsel for such Indemnified Party, provide such Indemnified Party with legal representation by the same counsel who represents the Company, provided such counsel is reasonably satisfactory to such Indemnified Party, at no cost to such Indemnified Party; provided, however, that if such counsel or counsel to the Indemnified Party shall determine that due to the existence of actual or potential conflicts of interest between such Indemnified Party and the Company such counsel is unable to represent both the Indemnified Party and the Company, then the Indemnified Party shall be entitled to use separate counsel of its own choice, and the Company shall promptly advance A&M Securities' reasonable expenses of such separate counsel upon submission of invoices therefor. Nothing herein shall prevent an Indemnified Party from using separate counsel of its own choice at its own expense. The Company will be liable for any settlement of any claim against an Indemnified Party made with the Company's written consent, which consent shall not be unreasonably withheld.
- D. In order to provide for just and equitable contribution if a claim for indemnification pursuant to these indemnification provisions is made but it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) that such indemnification may not be enforced in such case, even though the express provisions hereof provide for indemnification, then the relative fault of the Company, on the one hand, and the Indemnified Parties, on the other hand, in connection with the statements, acts or omissions which resulted in the losses, claims, damages, liabilities and costs giving rise to the indemnification claim and other relevant equitable considerations shall be considered; and further provided that in no event will the Indemnified Parties' aggregate contribution for all losses, claims, damages, liabilities and expenses with respect to which contribution is available hereunder exceed the amount of fees actually received by the Indemnified Parties pursuant to the Agreement. No person found liable for a fraudulent misrepresentation shall be entitled to contribution hereunder from any person who is not also found liable for such fraudulent misrepresentation.
- E. In the event the Company and A&M Securities seek judicial approval for the assumption of the Agreement or authorization to enter into a new engagement agreement pursuant to either of which A&M Securities would continue to be engaged by the Company, the Company shall promptly pay expenses reasonably incurred by the Indemnified Parties, including counsel's fees and expenses, in connection with any motion, action or claim made either in support of or in opposition to any such retention or authorization, whether in advance of or following any judicial disposition of such motion, action or claim, promptly upon submission of invoices therefor and regardless of whether such retention or authorization is approved by any court. The Company will also promptly pay the Indemnified Parties for any expenses reasonably incurred by them, including counsel's fees and expenses, in seeking payment of all amounts owed to A&M Securities under the

Agreement (or any new engagement agreement) whether through submission of a fee application or in any other manner, without offset, recoupment or counterclaim, whether as a secured claim, an administrative expense claim, an unsecured claim, a pre-filing claim or a post-filing claim.

- F. Neither termination of the Agreement nor termination of A&M Securities' engagement shall affect these indemnification provisions, which shall hereafter remain operative and in full force and effect.
- B. The rights provided herein shall not be deemed exclusive of any other rights to which the Indemnified Parties may be entitled under the certificate of incorporation or by-laws of the Company, any policy of insurance, any other agreements, any vote of shareholders or disinterested directors of the Company, any applicable law or otherwise.

ALVAREZ & MARSAL CANADA SECURITIES ULC

By: _____
Name: Dean Mullett
Title: Managing Director

By: _____
Name: Callum Beveridge
Title: Senior Director

AGREED TO:

North American Tungsten Corporation Ltd.

By: _____
Name: Dennis Lindahl
Title: Chief Financial Officer and Director