

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.

NINETEENTH REPORT OF THE MONITOR

ALVAREZ & MARSAL CANADA INC.

NOVEMBER 30, 2018



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1.0 INTRODUCTION

- 1.1 On June 9, 2015, on the application of North American Tungsten Corporation Ltd. (the “**Company**” or “**NATC**”), the Supreme Court of British Columbia (the “**Court**”) made an order (the “**Initial Order**”) granting a stay of proceedings against or in respect of the Company and its assets until July 9, 2015 (the “**Stay Period**”) pursuant to the provisions of the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) and appointing Alvarez & Marsal Canada Inc. as monitor (the “**Monitor**”). The proceedings brought by the Company under the CCAA will be referred to herein as the “**CCAA Proceedings**”.
- 1.2 Pursuant to subsequent orders of the Court made in the CCAA Proceedings, the most recent on September 11, 2017, the Stay Period has been extended until March 31, 2019.
- 1.3 At the date of the Initial Order, NATC was in the business of mine development and tungsten concentrate production. Its key mining assets included one producing mine located in the Northwest Territories (“**Cantung**”) and one development property located on the border of the Yukon and the Northwest Territories (“**Mactung**”).
- 1.4 On July 17, 2015, the Court granted an order (the “**SISP Order**”) approving and authorizing NATC to, among other things, conduct a sale and investment solicitation process (“**SISP**”) in respect of the Company, its business and/or its assets. The SISP Order was subsequently varied by the Court to provide for the Monitor assuming conduct of the SISP.
- 1.5 In accordance with the terms of the SISP, a number of bids were delivered to the Monitor by September 30, 2015. The Monitor, in consultation with two of the Company’s senior secured creditors, Callidus Capital Corp. (“**Callidus**”) and the Government of the Northwest Territories (“**GNWT**”), considered each of the bids and determined that none of the bids received were likely to result in a transaction being consummated. Accordingly, the Monitor terminated the SISP effective October 21, 2015.
- 1.6 On October 26, 2015, the Company discontinued production at Cantung and transitioned the mine to care and maintenance. The care and maintenance plan was designed to, among other things, enable the Company to remain in compliance with Cantung’s water licence issued by the Mackenzie Valley Land and Water Board (“**MVLWB**”) and various environmental regulations, preserve the value of the Cantung mine site and mitigate reclamation liabilities associated with the mine. Since on or around November 2015, funding for the care and maintenance program has been provided by the Government of Canada as represented by the Department of Indian Affairs and Northern Development (“**DIAND**”).

- 1.7 On November 16, 2015, the Court granted an order which, among other things, granted the Monitor exclusive authority to act in respect of NATC's property and business (the "**Enhanced Powers Order**").
- 1.8 On November 17, 2015, the Court granted an order approving the sale of the Company's Mactung property to GNWT, in part by way of offset of a portion of the secured debt owing to GNWT by NATC. The transaction to sell Mactung to GNWT closed on December 10, 2015.
- 1.9 On September 29, 2017, an order was granted that provided for, among other things, the approval of an auction services agreement ("**ASA**") between the Company and a joint venture comprised of Hilco Industrial Acquisitions Canada ULC, Gordon Brothers Canada ULC and A. M. King Industries, Inc. (collectively, the "**Auctioneer**") to sell certain assets subject to Callidus' security interests and authorizing the Company to distribute the net sales proceeds to Callidus. The Auctioneer sold certain of the Company's assets during the period September 2017 to September 2018 and the ASA has now terminated in accordance with its terms.
- 1.10 The Company, Callidus and DIAND have negotiated an agreement pursuant to which Callidus would release and discharge its security interest in NATC's assets in consideration for an all-inclusive payment by NATC in the amount of \$800,000 (the "**Security Release Agreement**"). The assets of NATC in which Callidus continues to have a security interest include a number of pieces of mobile equipment used in the care and maintenance activities at the Cantung mine. The Security Release Agreement, a copy of which is attached hereto as Appendix "A", is subject only to Court approval.
- 1.11 On November 30, 2018, the Monitor, acting on behalf of the Company, filed a Notice of Application seeking the following orders:
- a) an order approving and authorizing NATC to enter into the Security Release Agreement (the "**Security Release Agreement Order**"); and
 - b) an order extending the Stay Period through until April 30, 2020 (the "**Extension Order**").
- 1.12 The Initial Order, along with other documents filed in the CCAA Proceedings, are posted on the Monitor's website at www.alvarezandmarsal.com/northamerican.

2.0 PURPOSE OF REPORT

- 2.1 The purpose of this Nineteenth Report of the Monitor (the "**Nineteenth Report**") is to provide the Court and the Company's stakeholders with:

- a) an update on the Company's care and maintenance activities at the Cantung mine site and restructuring matters generally since the last update which was provided in the Eighteenth Report of the Monitor dated June 15, 2018 (the "**Eighteenth Report**");
- b) a comparison of actual cash receipts and disbursements for the period June 9, 2015 to November 23, 2018 to those forecast in the cash flow statement (the "**Tenth Cash Flow Statement**") which was appended to the Sixteenth Report of the Monitor dated September 5, 2017;
- c) an updated cash flow statement for the 256-week period ending May 1, 2020 (the "**Eleventh Cash Flow Statement**");
- d) information and the Monitor's recommendation with respect to the Security Release Agreement and the Company's application for the Security Release Agreement Order; and
- e) information and the Monitor's recommendation with respect to the Company's application for the Extension Order.

3.0 TERMS OF REFERENCE

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

4.0 UPDATE ON OPERATIONS AND RESTRUCTURING ACTIVITIES

- 4.1 Since the date of the Eighteenth Report, the Monitor's primary activities have included:
 - a) managing the care and maintenance of the Company's Cantung mine site;
 - b) preserving the Company's mining equipment and assisting in the sale of certain equipment pursuant to the ASA;
 - c) attending to environmental and regulatory matters including regular reporting to the MVLWB and Environment and Climate Change Canada ("**ECCC**");
 - d) communicating with key stakeholders including DIAND, Callidus and representatives of affected First Nations communities; and
 - e) continuing discussions with potential investors and other interested parties.

Management of Care and Maintenance at Cantung

- 4.2 The Company continues to employ twelve full time employees on alternating three week schedules whose activities include, among other things, performing regular water sampling and reporting, regular inspections of and repairs to site buildings and infrastructure, and maintaining mobile and other equipment as well as access to the mine site by way of the Nahanni Range Road, site roads and the airstrip.
- 4.3 The Company has taken steps to clean up the Cantung mine site including removing unused fuel tanks, scrap metal and hazardous waste from the site and relocating equipment from the underground mine. The Company plans to continue performing site clean-up and progressive remediation tasks during the extension period contemplated by the Extension Order.

Equipment

- 4.4 The Company has concluded sales of certain mining equipment and related assets pursuant to the ASA. The majority of the net sales proceeds were distributed directly to Callidus on account of its secured claim, with a portion being remitted to the Company to cover costs incurred by NATC in respect of Callidus' collateral. The ASA has since terminated, and the Auctioneers are no longer engaged to sell equipment at the Cantung mine site.
- 4.5 The Company is continuing to safeguard the remaining mobile equipment and perform regular preventative maintenance on equipment being used for care and maintenance activities in accordance with a support agreement (the "**Support Agreement**") between Callidus and the Company. The Support Agreement has recently been extended until January 31, 2019.
- 4.6 Callidus, DIAND and the Company have negotiated the Security Release Agreement which is described in further detail in Section 7.0. Pursuant to the terms of the Security Release Agreement, the Support Agreement will terminate upon the completion of the Security Release Agreement.

Environmental and Regulatory Matters

- 4.7 In May 2017, the Company engaged Tetra Tech Canada Inc. ("**Tetra Tech**") to perform environmental and geotechnical investigations of the Cantung mine site (the "**Phase III ESA**") in order to understand the potential remediation options and related cost estimates. Tetra Tech has completed the majority of its field work which has included the following:
- a) human health and ecological risk assessments;
 - b) geochemistry assessments and tailings cover design;

- c) tailings geotechnical assessments;
 - d) underground and open pit stability assessments;
 - e) borrow source assessments; and
 - f) remedial options analysis and preliminary liability estimates.
- 4.8 Tetra Tech is continuing to perform analysis of the stability of the tailings ponds and expects to deliver its final Phase III ESA report to the Company by mid-2019.
- 4.9 The Company plans to increase the scope of Tetra Tech's services in 2019 to include the following:
- a) contracting and supervising drilling contractors;
 - b) gathering and interpreting data on the stability of the tailings ponds;
 - c) engaging and consulting with affected First Nations regarding potential remedial options;
 - d) preparing a preliminary design for the preferred remedial options selected;
 - e) preparing long-term monitoring plans and related cost estimates; and
 - f) conducting an archaeological study of the Cantung mine site.
- 4.10 The Company is continuing to submit regular reports to ECCC under the *Metal Mining Effluent Regulations* and the *Environmental Effects Monitoring Program* and to MVLWB as required under the Company's water licence. The Company met with MVLWB and ECCC in November 2018 to provide an overview of the potential future options for the Cantung mine site.
- 4.11 The Company's Engagement Work Plan and Engagement Plan, as approved by the MVLWB, provides for engagement and regular communication and consultation with various stakeholders including First Nations. The Company held community working group calls in April 2018 and arranged a site visit for affected First Nations in September 2018 to provide an overview of current care and maintenance activities, site conditions and planned future remediation options at the Cantung mine site. The Company has worked closely with DIAND on its consultation and engagement efforts. A further community working group call is scheduled for December 4, 2018.

Discussions with Potential Investors and Other Interested Parties

- 4.12 The Company, the Monitor and DIAND have continued to receive enquiries from potential investors and other interested parties regarding opportunities with respect to Cantung including the possibilities of restarting mining and milling operations, reprocessing the tailings and/or performing the long-term remediation of the mine site.

- 4.13 The Monitor and DIAND plan to increase engagement with potential investors and other interested parties once the Tetra Tech Phase III ESA has been completed in mid-2019.

Stakeholder Communications

- 4.14 The Company, represented by the Monitor, has maintained regular correspondence with Callidus with respect to Callidus' collateral, the ASA, the Security Release Agreement and related matters. The Company also continues to hold bi-weekly conference calls with DIAND and prepare monthly reports to DIAND on the status of the care and maintenance activities and the Company's cash receipts and disbursements.

5.0 CASH FLOW VARIANCE ANALYSIS

- 5.1 The Monitor manages the Company's cash flow and disbursements pursuant to the terms of the November 16, 2015 Order and continuously reviews the Company's actual cash flows in comparison to the estimates provided to this Honourable Court including those in the Tenth Cash Flow Statement.
- 5.2 The Company's actual cash receipts and disbursements as compared to the Tenth Cash Flow Statement for the period from June 9, 2015 to November 23, 2018 are summarized below. The variance analysis reflects the cash flows for each of the two stages of the CCAA Proceedings: (i) cash flows from the Company's operations and financing activities, and (ii) cash flows from the Company's care and maintenance activities that have been funded by DIAND since November 25, 2015.

North American Tungsten Corporation Ltd.
Unaudited Summary of Actual Versus Forecast Cash Flows
For the period June 9, 2015 to November 23, 2018
(\$000's)

	June 9, 2015 to November 23, 2018		
	Actual	Forecast	Variance
Operations and Finance			
Cash Flow from Operations			
Collection of accounts receivable and other receipts	\$ 20,940	\$ 20,738	\$ 202
Operating disbursements and mine site employee costs	(17,600)	(17,600)	-
Head office and corporate disbursements	(2,136)	(1,972)	(165)
Restructuring professional fees	(2,477)	(2,440)	(37)
Net cash flow from operations	(1,273)	(1,273)	-
Net Cash Flow from Financing			
Proceeds from interim financing	3,000	3,000	-
Proceeds from AR Financing Facility	-	-	-
Interim financing fees and interest	(280)	(280)	-
AR financing fees and interest	(30)	(30)	-
Principal and interest on existing Callidus loans	(1,668)	(1,668)	-
Repayment of interim financing	(319)	(319)	-
Net cash flow from financing	703	703	-
Net Cash Flow from Operations and Finance	(570)	(570)	-
Cash Position - Operations			
Opening Cash Position	626	626	-
Closing Cash Position - Operations	\$ 56	\$ 56	\$ -
Care and Maintenance			
Cash Flow Re. Care and Maintenance (C&M)			
Advances from DIAND	\$ 19,738	\$ 19,738	\$ -
GST refunds	519	541	(22)
Employee costs	(5,152)	(5,187)	35
Fuel	(2,981)	(2,502)	(478)
Insurance	(260)	(259)	(2)
Administration	(153)	(184)	31
Regulatory initiatives	(4,448)	(5,505)	1,057
Other operating disbursements	(2,631)	(2,730)	100
Professional fees	(2,891)	(3,182)	291
Net cash flow from care and maintenance	1,741	730	1,012
Cash Position - (C&M)			
Opening Cash Position	-	-	-
Closing Cash Position (C&M)	\$ 1,741	\$ 730	\$ 1,012
Cash Position - Consolidated	\$ 1,797	\$ 786	\$ 1,012

Operations and Finance

5.3 The principal cash flow variances with respect to operations and finance are described below:

- a) collections of accounts receivable and other receipts were \$202,000 higher than forecast as a portion of the net proceeds of equipment sales pursuant to the ASA were remitted to NATC to fund certain disbursements in respect of Callidus' collateral. Additional net proceeds from the ASA were distributed directly to Callidus on account of its secured claim and are not reflected in the cash flow variance analysis;

- b) head office and insurance disbursements were approximately \$165,000 higher than forecast due to the renewal of insurance policies premium instalments in respect of Callidus' collateral; and
 - c) restructuring professional fees were \$37,000 higher than forecast due to professional fees relating to the negotiation and administration of the ASA.
- 5.4 There was approximately \$56,000 of cash on hand in the Company's operating and finance accounts as at November 23, 2018.

Care and Maintenance

- 5.5 Over the reported period, the Company realized a net favourable cash flow variance of approximately \$1.0 million in respect of care and maintenance activities. The principal components of the variance are described below:
- a) fuel costs were \$478,000 higher than forecast due to increased fuel prices and increased consumption levels as cold temperatures during the winter of 2018 resulted in higher than expected heating costs;
 - b) regulatory initiatives were \$1.1 million lower than forecast due to timing differences with respect to the payments to Tetra Tech relating to the Phase III ESA, delayed site projects and deferral of a forecast payment to Callidus to discharge its security in respect of certain equipment;
 - c) professional fees were \$291,000 lower than forecast due to timing differences with respect to payment of the Monitor and its legal counsel's fees and disbursements and lower than expected professional fees incurred; and
 - d) other favorable net variances totaling approximately \$164,000 were the result of lower than expected run rates for various operating costs and timing differences.
- 5.6 There was approximately \$1.7 million of cash on hand in the Company's care and maintenance accounts as at November 23, 2018.

6.0 ELEVENTH CASH FLOW STATEMENT

- 6.1 The Monitor has prepared the Eleventh Cash Flow Statement, a copy of which is attached as Appendix "B".
- 6.2 The Eleventh Cash Flow Statement has been prepared in consultation with DIAND and assumes the continuation of the care and maintenance program from November 24, 2018 to May 1, 2020.

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

6.4 A summary of the Eleventh Cash Flow Statement is set out in the table below:

North American Tungsten Corporation Ltd. Eleventh Cash Flow Statement For the period June 9, 2015 to May 1, 2020 (\$000's)			
	June 9, 2015 to November 23, 2018 Actual	November 24, 2018 to May 1, 2020 Forecast	Total
Operations and Finance			
Cash Position - Operations			
Opening Cash Position	\$ 626	\$ 56	\$ 626
Closing Cash Position - Operations	\$ 56	\$ 56	\$ 56
Care and Maintenance			
Cash Flow Re. Care and Maintenance (C&M)			
Advances from DIAND	\$ 19,738	\$ 12,435	\$ 32,173
GST refunds	519	475	993
Employee costs	(5,152)	(2,404)	(7,556)
Fuel	(2,981)	(1,665)	(4,646)
Insurance	(260)	(306)	(566)
Administration	(153)	(34)	(187)
Regulatory initiatives	(4,448)	(6,870)	(11,318)
Other operating disbursements	(2,631)	(1,575)	(4,206)
Professional fees	(2,891)	(1,730)	(4,621)
Net cash flow re. care and maintenance	1,741	(1,675)	67
Cash Position - (C&M)			
Opening Cash Position	-	1,741	-
Closing Cash Position (C&M)	\$ 1,741	\$ 67	\$ 67
Cash Position - Consolidated	\$ 1,797	\$ 123	\$ 123

Operations and Finance

6.5 The Company is retaining approximately \$56,000 in its operations and finance account to pay for any outstanding claims in respect of post-filing obligations of the Company relating to Callidus' collateral and to make payments to or as directed by Callidus.

Care and Maintenance

6.6 The major components of the care and maintenance portion of the Eleventh Cash Flow Statement are summarized as follows:

- a) cash receipts relate to funding advances from DIAND as directed by the Extension Order as well as GST refunds collected;

- b) mine employees' costs include salaries, wages, benefits and travel allowances for twelve full-time employees on alternating three-week shift rotations;
- c) fuel costs include diesel required to operate generators which provide power to the site and for operating heavy equipment as well as gasoline for light vehicles. Fuel costs are consistent with increased consumption levels and diesel and gasoline prices in recent periods;
- d) insurance costs include property, equipment and general liability insurance. The current policies expire on December 1, 2018 and will be renewed for a further year. The premiums have been estimated based on prior year costs and discussions with the Company's insurance broker;
- e) regulatory costs include various new and ongoing initiatives to reduce the long-term liabilities of the Cantung mine and to better understand the reclamation liability associated with the mine which include, but are not limited to, the following:
 - i. completing the Phase III ESA;
 - ii. commencing the geotechnical drilling program pursuant to the contract with Tetra Tech;
 - iii. preparing a design for the selected remedial options and conducting related workshops with affected First Nations communities on the future plans for the mine site;
 - iv. conducting an archaeological study on the Cantung mine site;
 - v. performing monthly dam reviews and annual dam inspections in compliance with the water licence;
 - vi. removing hazardous wastes from the mill workshop, guest houses and town site and completing other clean-up initiatives;
 - vii. removing scrap tires and equipment, fuel tanks and other waste;
 - viii. completing road work and bridge repairs;
 - ix. purchasing equipment for care and maintenance activities;
 - x. communicating with affected First Nations to foster engagement and participation in discussions surrounding the traditional knowledge study, remedial options analysis, and other regulatory projects;
 - xi. advancing various other Cantung mine projects planned for 2019 and 2020; and
 - xii. engaging consultants to advise on various care and maintenance matters;
- f) other operating costs include environmental testing, monitoring and management, employee transportation to and from the mine site, satellite communications, equipment

- costs, site administration, consulting fees, catering and custodial expenses and costs required to maintain and preserve the Company's mineral claims and leases; and
- g) professional fees are for services rendered by the Monitor and the Monitor's legal counsel in respect of the management and oversight of care and maintenance of Cantung as well as an increased scope of work relating to a potential tender process for the remediation of the mine site.

- 6.7 The Company is forecasting that it will have \$67,000 on hand in its care and maintenance accounts as at May 1, 2020. The Company may request additional advances from DIAND in the event of unfavorable variances from forecast.

7.0 SECURITY RELEASE AGREEMENT

Security Release Agreement

- 7.1 The key commercial terms of the Security Release Agreement are as follows:
- a) NATC will make a payment to Callidus of \$800,000 (the "**Funds**") in consideration for which Callidus will release any security interest it has in any and all assets of NATC;
 - b) NATC and Callidus will execute a mutual release of all claims relating to the parties' involvement in the CCAA Proceedings and matters relating thereto;
 - c) DIAND will provide a release to Callidus in respect of any claims it may have for environmental remediation costs;
 - d) Callidus agrees that it will not oppose any application which may subsequently be brought by NATC for Court approval of a sale or other commercial arrangement involving the monetization or the Cantung mine and ancillary assets and settlement of mine related reclamation and remediation liabilities;
 - e) the Funds shall be applied by Callidus on account of the indebtedness owing from NATC to Callidus;
 - f) the Support Agreement will be terminated upon completion of the Security Release Agreement;
 - g) Callidus will not to oppose any application which may be brought by NATC for Court approval of a sale of all or any part of its assets; and
 - h) the Security Release Agreement is conditional upon Court approval, which is to be obtained no later than December 5, 2018.

Security Release Agreement Order

- 7.2 The Security Release Agreement Order provides for, among other things, the following:

- a) approval of the Security Release Agreement;
- b) a declaration that the Security Release Agreement is commercially reasonable; and
- c) a declaration that the funding to be provided to the Company by DIAND in accordance with the Eleventh Cash Flow Statement includes the Funds and that the DIAND Charge (as defined in the Enhanced Powers Order) shall attach to any of the Company's assets secured under any security interests in favour of Callidus as security for the repayment of the amounts so funded by DIAND.

Monitor's Comments

7.3 The Monitor's comments with respect to its application for the Security Release Agreement Order are as follows:

- a) the Security Release Agreement will enable the Company to continue to use the equipment subject to Callidus' security interests to continue the Company's care and maintenance program and advance its environmental and regulatory initiatives without requiring the negotiation of additional extensions to the Support Agreement or the procurement of replacement equipment;
- b) DIAND has agreed to advance the Funds to the Company to redeem Callidus' security interest and such advances are secured by the DIAND Charge;
- c) the disbursement to Callidus is provided for in the Eleventh Cash Flow Statement;
- d) the Monitor's legal counsel, Fasken Martineau DuMoulin LLP, has conducted a review of the security interest held by Callidus against the subject assets and concluded that the security is valid and enforceable, subject to standard qualifications;
- e) based on the potential replacement cost of the subject assets, the results of the ASA and SISP and other indications of value, the Monitor is of the view that the payment amount and related releases are fair and commercially reasonable in the circumstances; and
- f) Callidus and DIAND have each advised the Monitor that they are supportive of the Company's application for the Security Release Agreement Order.

8.0 EXTENSION OF THE STAY PERIOD

8.1 The Stay Period is currently set to expire on March 31, 2019. The Monitor, on behalf of the Company, is bringing an application for the Extension Order well in advance of the March 31, 2019 expiry of the Stay Period in order to secure funding from DIAND and enable the Company to commit to environmental and regulatory initiatives during the extended Stay Period. The proposed Extension Order includes the following relief:


- a) an extension of the Stay Period until April 30, 2020; and
 - b) a direction that DIAND continue to fund the Company's expenses as set out in the Eleventh Cash Flow Statement.
- 8.2 The Extension Order will enable the Company to advance its care and maintenance program which includes:
- a) conducting further environmental site investigations including completion of the Phase III ESA;
 - b) commencing a geotechnical drilling program;
 - c) preparing a plan design for remedial options analysis and conducting workshops with affected First Nations related to same;
 - d) removing hazardous wastes from various facilities and structures and investigating options to tear down or remove the structures from site;
 - e) ongoing engagement with stakeholders, including First Nations, with respect to planned regulatory initiatives; and
 - f) performing ongoing care and maintenance progressive remediation activities.
- 8.3 The Monitor supports the application for the Extension Order for the following reasons:
- a) the Company and DIAND require additional time to assess alternative commercialization or transactional strategies with respect to the Cantung mine site and related assets;
 - b) the extension provides for the ongoing care and maintenance of the Cantung mine site to preserve the asset and continued compliance with the Company's environmental obligations and the terms of the water licence;
 - c) the extension will enable the Company to continue undertaking regulatory initiatives in order to position the Cantung assets for a potential future transaction including completion of the Phase III ESA and carrying out studies to investigate the potential for reducing reclamation liabilities;
 - d) DIAND has committed to fund care and maintenance expenses of the Company through to the proposed extension date, and the Eleventh Cash Flow Statement indicates that the Company will have sufficient liquidity during that period;
 - e) the Monitor does not believe that there will be any material prejudice to any of NATC's creditors, employees, suppliers or other stakeholders, including affected First Nations, as a result of an extension of the Stay Period; and
 - f) the Company's prospects of affecting a viable restructuring and/or transaction involving the Cantung mine would be enhanced by an extension of the Stay Period.


9.0 MONITOR'S CONCLUSION AND RECOMMENDATIONS

- 9.1 The Extension Order and the Security Release Agreement Order will enable the Company to continue to facilitate the care and maintenance of the Cantung mine site under the oversight of the Monitor in a measured, orderly and staged manner. The planned completion of the Phase III ESA in 2019 will enhance the Company's prospects of effecting a successful restructuring transaction (including a possible contemporaneous remediation program) in respect of the Cantung mine.
- 9.2 For the reasons set out above, the Monitor respectfully recommends that this Honourable Court grant both the Security Release Agreement Order and the Extension Order.

All of which is respectfully submitted to this Honourable Court this 30th day of November, 2018.

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


Per: Todd Martin
Senior Vice President


Per: Tom Powell
Vice President

SECURITY DISCHARGE AND RELEASE AGREEMENT

The Agreement is dated for reference November 30, 2018.

Between:

Callidus Capital Corporation (“**Callidus**”)

and:

North American Tungsten Corporation Ltd. (“**NATC**”)

WHEREAS:

A. On June 9, 2015, on the application of **NATC**, the Supreme Court of British Columbia (the “**Court**”) made an order (the “**Initial Order**”) granting a stay of proceedings (the “**Stay of Proceedings**”) against or in respect of **NATC** and its assets and Alvarez & Marsal Canada Inc. (“**A & M**” or the “**Monitor**”) was appointed the Monitor.

B. The relief granted under the Initial Order, including the stay of proceedings thereunder, was extended by subsequent orders of the court, most recently until March 31, 2019 pursuant to an order made September 11, 2017.

C. By Order of the Court made November 16, 2015, the Monitor’s powers were enhanced so as to, among other things, grant the Monitor the exclusive authority to act in respect of **NATC**’s property and business.

D. The parties entered into a Support Agreement dated November 15, 2016 (the “**Support Agreement**”) concerning the use, care and maintenance of certain equipment in which **Callidus** has a security interest. The expiration date under the Support Agreement was subsequently extended pursuant to amending agreements dated March 31 and September 15, 2016 and October 31, 2018.

E. On or about September 28, 2017, the parties entered into the **Third Support Agreement Amending Agreement**, which, among other things, extended the Care and Maintenance Period (as defined in the Support Agreement) until October 31, 2018, and facilitated the sale of certain of the **Callidus Collateral** pursuant to an Auction Services Agreement (as those terms are defined in the Third Support Agreement Amending Agreement).

F. NATC wishes to make a payment to Callidus in consideration for Callidus releasing its security interest in the Callidus Collateral.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The parties hereby acknowledge and agree that the recitals hereto are true and correct and form part of this Agreement.

PAYMENT TO CALLIDUS AND RELEASE OF SECURITY INTEREST

2. By no later than December 11, 2018, NATC shall:
 - (a) pay to legal counsel for Callidus, MLT Aikins LLP ("**MLT**"), in trust, the all-inclusive sum of \$800,000 (the "**Funds**"); and
 - (b) deliver to MLT the executed releases in the forms attached as Schedules "A" (the "**Mutual Release**") and "B" (the "**Environmental Release**") hereto (together, the "**Releases**").
3. Callidus acknowledges and agrees that upon receipt of the Funds and the Releases by MLT, it releases any security interest it has in any and all assets of NATC.
4. NATC acknowledges that Callidus makes no representations or warranties with respect to the Callidus Collateral, including without limitation as to title, fitness for use, value or merchantability, and NATC acknowledges that Callidus is releasing its security interest in the Callidus Collateral on the basis that NATC will retain its interest in such assets on an "as is, where is" basis.
5. Callidus hereby irrevocably instructs MLT to hold the Funds and Releases in escrow and not release same to Callidus until such time as Callidus has delivered to legal counsel for NATC, Fasken Martineau DuMoulin LLP: (i) a fully-executed copy of the Mutual Release; and (ii) the general release and discharge of security in the form attached hereto as Schedule "C".

6. The Funds shall be applied by Callidus on account of the indebtedness owing from NATC to Callidus. The parties acknowledge and agree that after application of the Funds to the amount owing to Callidus by NATC, the amount remaining outstanding to Callidus as of December 1, 2018 is \$23,597,677 (the "**Remaining Callidus Indebtedness**") and interest on the Remaining Callidus Indebtedness shall continue to accrue at an annual rate of 21% from December 1, 2018 to the date of payment.
7. Callidus agrees that it will not oppose any application which may subsequently be brought by NATC for court approval of a sale of all or any part of NATC's assets, including without limitation any transfer, conveyance, joint venture or other commercial arrangement involving the monetization of the Cantung mine and ancillary assets and/or the settlement of mine related reclamation and remediation liabilities.
8. Upon payment of the Funds to Callidus and the delivery of the collateral documents and agreements contemplated hereby, including the Releases, the Support Agreement, as amended, shall terminate.

CONDITION PRECEDENT

9. This Agreement is conditional upon the Court making an order in NATC's *Companies' Creditors Arrangement Act* proceedings approving and authorizing NATC to enter into and complete this Agreement. NATC shall make an application for such order as soon as reasonably practicable and in any event by no later than December 5, 2018.

GENERAL

10. This Agreement shall be binding upon and enure to the benefit of the parties and their successors and permitted assigns.
11. This Agreement is governed and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and the parties hereto irrevocably attorn to the exclusive jurisdiction of the Courts of the Province of British Columbia.

12. This Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. The parties acknowledge and agree that electronically transmitted (pdf) copies hereof or any part hereof shall be treated as originals, fully binding and with full legal force and effect, and hereby waive any rights that may have to object to said treatment.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

CALLIDUS CAPITAL CORPORATION

Per: _____
Authorized Signatory

Name: _____

Title: _____

Per: _____
Authorized Signatory

Name: _____

Title: _____

**NORTH AMERICAN TUNGSTEN
CORPORATION LTD. by Alvarez & Marsal
Canada Inc., the Monitor appointed pursuant to
the Initial Order (as amended)**

Per: _____
Authorized Signatory

Name: _____

Title: _____

SCHEDULE "A"

MUTUAL RELEASE

MUTUAL RELEASE OF CLAIMS BETWEEN NORTH AMERICAN TUNGSTEN CORPORATION LTD. AND CALLIDUS CAPITAL CORPORATION

IN CONSIDERATION of the payment of the sum of \$10.00, paid by and on behalf of Callidus Capital Corporation (hereinafter called "the **Releasee**") to North American Tungsten Corporation Ltd. (hereinafter called "the **Releasor**") and other good and valuable consideration, the Releasor for their successors and assigns do hereby remise, release and forever discharge the Releasee of and from all manner of actions, causes of action, claims or demands which, against the Releasee, the Releasor ever had, now have or can, shall or may hereafter have, whether known or unknown, arising out of or in any way connected with the Releasee's participation in the proceeding commenced by the Releasor in the Supreme Court of B.C. Action No S.154746, Vancouver Registry (the "**Proceeding**") and the entering into and performance under the Support Agreement made between the Releasor and the Releasee made effective as of November 16, 2015 as amended by a Support Agreement Amending Agreement made effective March 31, 2016, a Second Support Agreement Amending Agreement made effective September 15, 2016, a Third Support Agreement Amending Agreement made effective September 28, 2017 and a Fourth Support Agreement Amending Agreement made effective October 31, 2018 (as amended, the "**Support Agreement**") and any related agreements, and in particular any obligation on the part of the Releasee for Maintenance Costs (as defined in the Support Agreement) or any obligation to remove any of the assets over which the Releasee may have had a security interest (perfected or otherwise) as contemplated in the Support Agreement as of the Effective Date of this General Release (the foregoing are collectively defined as the "**Released Matters**").

IN CONSIDERATION of the payment of the sum of \$10.00, paid by and on behalf of the Releasor to the Releasee and other good and valuable consideration, the Releasee for their successors and assigns do hereby remise, release and forever discharge the Releasor of and from all manner of actions, causes of action, claims or demands which, against the Releasee, the Releasor ever had, now have or can, shall or may hereafter have, whether known or unknown, arising out of or in any way connected with the Released Matters.

AND IT IS AGREED that for the consideration herein the Releasor and the Releasee each agree not to make or proceed with any claim or take or proceed with any proceedings in

respect of any of the Released Matters against any other person or corporation who might claim contribution or indemnity, or any other remedy whatsoever from the persons or corporations released herein;

THE RELEASOR AND THE RELEASEE DO HEREBY AGREE that they shall indemnify the other and save the other harmless from and against all loss, damage, cost and expense including legal fees and all other sums which the other party may hereafter incur, pay, be required or become obliged to pay in the event either of them makes or proceeds with any claim or takes or proceeds with any proceedings in respect of any of the Released Matters or in the event either of them attempt to modify, change, reform, break, set aside, nullify, cancel or negate this Release or any part or provision of the said Release for any reason whatsoever.

AND IT IS HEREBY DECLARED that the terms of this settlement are fully understood, that the amount stated herein is the sole consideration of this Release, and that the said payments are accepted voluntarily, uninfluenced by representation on the part of the Releasor or the Releasee or anyone representing either such party, for the purpose of making a full and final compromise, adjustment and settlement of all claims for loss and damage resulting or to result from the above.

AND IT IS AGREED that neither the payment of the sums nor anything herein contained shall be deemed to be an admission of liability on the part of any of the parties.

AND IT IS AGREED that this Release binds, as well as the Releasor, the successors and assigns of the Releasor and enures to the benefit, as well to the Releasee, as to the successors, assigns and insurers of the Releasee and wherever the singular number is used in this Release, the same shall include the plural where the context so requires.

THE RELEASEE hereby acknowledges and agrees that Alvarez & Marsal Canada Inc. is executing this agreement on behalf of the Releasor and solely in its capacity as court-appointed monitor of the Releasor in the Proceeding, and not on its own behalf or in its personal capacity.

This Release may be executed and delivered by electronic copy, and shall be deemed to be an original copy and as legally binding as the original signature.

IN WITNESS WHEREOF I have hereunto set my hand and seal this _____ day of

_____, 2018 (the "Effective Date").

**NORTH AMERICAN TUNGSTEN
CORPORATION LTD. by Alvarez & Marsal
Canada Inc. in its sole capacity as Monitor of
North American Tungsten Corporation Ltd.
appointed in the Proceeding**

Per: _____
Authorized Signatory
Name:
Title:

CALLIDUS CAPITAL CORPORATION

Per: _____
Authorized Signatory
Name:
Title:

Per: _____
Authorized Signatory
Name:
Title:

SCHEDULE "B"
ENVIRONMENTAL RELEASE

**RELEASE OF CLAIMS BY HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS
REPRESENTED BY THE MINISTER OF INDIAN AFFAIRS AND NORTHERN
DEVELOPMENT CANADA**

IN CONSIDERATION of the payment of the sum of \$10 paid by and on behalf of Callidus Capital Corporation (hereinafter called the "**Releasee**") to Her Majesty the Queen in Right of Canada as represented by the Minister of Indian Affairs and Northern Development Canada (the "**Releasor**"), the Releasor for its successors and assigns does hereby remise, release and forever discharge the Releasee of and from all manner of actions, causes of action, claims or demands which, against the Releasee, the Releasor ever had, now has or can, shall or may hereafter have, whether known or unknown, arising out of or in any way connected with any liabilities at or arising in relation to the Cantung mine site owned by North American Tungsten Corporation Ltd. under or in respect of any federal, territorial or other jurisdictional legislation, statute, regulation or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, 1999, S.C. 1999, c. 33, the *Fisheries Act*, R.S.C. 1985, c. F 14, the *Environmental Protection Act*, R.S.N.T. 1988, c E-7, and the *Environmental Rights Act*, R.S.N.W.T. 1988, c 83 (Supp), and regulations thereunder as of the Effective Date of this General Release (the foregoing are collectively referred to as the "**Released Matters**").

AND IT IS AGREED that for the consideration herein the Releasor agrees not to make or proceed with any claim or take or proceed with any proceedings in respect of any of the Released Matters against any other person or corporation who might claim contribution or indemnity, or any other remedy whatsoever from the persons or corporations released herein;

THE RELEASOR HEREBY AGREES that it shall indemnify and save the Releasee harmless from and against all loss, damage, cost and expense including legal fees and all other sums which the Releasee may hereafter incur, pay, be required or become obliged to pay in the event the Releasor makes or proceeds with any claim or takes or proceeds with any proceedings in respect of any of the Released Matters, or in the event the Releasor attempts to modify, change, reform, break, set aside, nullify, cancel or negate this Release or any part or provision of the said Release for any reason whatsoever.

IT IS UNDERSTOOD AND AGREED that the Releasee does not, by the payment aforesaid, or otherwise, admit any liability to the Releasor and that such liability is denied, the said payment being made solely to compromise a claim or potential claim in respect of any of the released matters that is otherwise disputed.

AND IT IS HEREBY DECLARED that the terms of this settlement are fully understood, that the amount stated herein is the sole consideration of this Release, and that the said sum is accepted voluntarily, uninfluenced by representation on the part of the Releasee or anyone representing the Releasee, for the purpose of making a full and final compromise, adjustment and settlement of all claims for loss and damage resulting or to result from the said claim or potential claim.

AND IT IS AGREED that this Release binds, as well as the Releasor, the successors and assigns of the Releasor and enures to the benefit, as well to the Releasee, as to the successors, assigns and insurers of the Releasee and wherever the singular number is used in this Release, the same shall include the plural where the context so requires.

This Release may be executed and delivered by electronic copy, and shall be deemed to be an original copy and as legally binding as the original signature.

IN WITNESS WHEREOF I have hereunto set my hand and seal this _____ day of _____, 2018 (the "Effective Date").

**Her Majesty the Queen in right of Canada as
represented by the Minister of Indian Affairs
and Northern Development Canada**

Per: _____

Title: _____

SCHEDULE "C"

GENERAL RELEASE AND DISCHARGE

GENERAL RELEASE AND DISCHARGE

FOR VALUABLE CONSIDERATION, the undersigned releases and discharges all security agreements, and other documents which create a security interest, previously executed by North American Tungsten Corporation Ltd. in favour of the undersigned, in respect of which lien(s) may be filed in the personal property registries of British Columbia and Northwest Territories (together, the “PPR’s”);

AND the undersigned certifies that it has not assigned, negotiated or otherwise dealt with any such documents or such registration;

AND the undersigned authorizes Fasken Martineau DuMoulin LLP to file in the PPR’s the required document(s) necessary to discharge the above-mentioned lien(s).

IN WITNESS WHEREOF this general release and discharge has been duly executed by the undersigned on _____, 2018.

CALLIDUS CAPITAL CORPORATION

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

North American Tungsten Corporation Ltd.
Eleventh Cash Flow Statement
For the period June 9, 2015 to May 1, 2020
(\$000's)

Week Ending	9-Jun-15 to 23-Nov-18 Actual	30-Nov-18 Budget	7-Dec-18 Budget	14-Dec-18 Budget	21-Dec-18 Budget	28-Dec-18 Budget	4-Jan-19 Budget	11-Jan-19 Budget	18-Jan-19 Budget	25-Jan-19 Budget	1-Feb-19 Budget	8-Feb-19 Budget
Operations and Financing												
Cash Flow from Operations												
Collection of accounts receivable and other receipts	\$ 20,940	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating disbursements and mine site employee costs	(17,600)	-	-	-	-	-	-	-	-	-	-	-
Head office and corporate disbursements	(2,136)	-	-	-	-	-	-	-	-	-	-	-
Restructuring professional fees	(2,477)	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from operations	(1,273)	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Financing												
Proceeds from interim financing	3,000	-	-	-	-	-	-	-	-	-	-	-
Proceeds from AR Financing Facility	-	-	-	-	-	-	-	-	-	-	-	-
Interim financing fees and interest	(280)	-	-	-	-	-	-	-	-	-	-	-
AR financing fees and interest	(30)	-	-	-	-	-	-	-	-	-	-	-
Principal and interest on existing Callidus loans	(1,668)	-	-	-	-	-	-	-	-	-	-	-
Repayment of interim financing	(319)	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from financing	703	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Operations and Financing	(570)	-	-	-	-	-	-	-	-	-	-	-
Cash Position - Operations												
Opening Cash Position	626	56	56	56	56	56	56	56	56	56	56	56
Closing Cash Position - Operations	56	56	56	56	56	56	56	56	56	56	56	56
Care and Maintenance												
Cash Flow from Care and Maintenance												
Advances from DIAND	\$ 19,738	\$ 596	\$ -	\$ -	\$ -	\$ 436	\$ -	\$ -	\$ -	\$ 410	\$ -	\$ -
GST refund	519	-	33	-	-	27	-	-	-	18	-	-
Employees costs	(5,152)	-	-	(64)	-	(69)	-	(64)	-	-	(69)	-
Fuel	(2,981)	-	(45)	-	(45)	-	-	-	(45)	-	(45)	-
Insurance	(260)	-	(95)	-	-	-	-	-	-	-	-	-
Special projects/regulatory initiatives	(4,448)	(13)	(800)	-	-	(243)	-	-	-	-	(218)	-
Other operating disbursements	(2,784)	(21)	(21)	(21)	(23)	(21)	(21)	(21)	(23)	(21)	(21)	(21)
Professional fees	(2,891)	-	(65)	-	-	-	-	(65)	-	-	-	(90)
Total disbursements	(18,516)	(34)	(1,026)	(85)	(68)	(333)	(66)	(150)	(68)	(21)	(353)	(111)
Net cash flow	1,741	562	(994)	(85)	(68)	130	(66)	(150)	(68)	407	(353)	(111)
Cash Position - (C&M)												
Opening Cash Position	-	1,741	2,303	1,310	1,225	1,157	1,287	1,221	1,071	1,003	1,410	1,058
Closing Cash Position - (C&M)	1,741	2,303	1,310	1,225	1,157	1,287	1,221	1,071	1,003	1,410	1,058	947
Cash Position - Consolidated												
	\$ 1,797	\$ 2,359	\$ 1,365	\$ 1,280	\$ 1,212	\$ 1,343	\$ 1,277	\$ 1,127	\$ 1,059	\$ 1,466	\$ 1,113	\$ 1,002

Note 1 - The purpose of this Eleventh Cash Flow Statement is to set out the liquidity requirements of North American Tungsten Corporation Ltd. Since projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

Note 2 - The final week of the cash flow statement is for the 7 day period ending May 1, 2020

North American Tungsten Corporation Ltd.
Eleventh Cash Flow Statement
For the period June 9, 2015 to May 1, 2020
(\$000's)

Week Ending	15-Feb-19	22-Feb-19	1-Mar-19	8-Mar-19	15-Mar-19	22-Mar-19	29-Mar-19	5-Apr-19	12-Apr-19	19-Apr-19	26-Apr-19	3-May-19
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Operations and Financing												
Cash Flow from Operations	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Collection of accounts receivable and other receipts	-	-	-	-	-	-	-	-	-	-	-	-
Operating disbursements and mine site employee costs	-	-	-	-	-	-	-	-	-	-	-	-
Head office and corporate disbursements	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring professional fees	-	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Financing												
Proceeds from interim financing	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from AR Financing Facility	-	-	-	-	-	-	-	-	-	-	-	-
Interim financing fees and interest	-	-	-	-	-	-	-	-	-	-	-	-
AR financing fees and interest	-	-	-	-	-	-	-	-	-	-	-	-
Principal and interest on existing Calidus loans	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of interim financing	-	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from financing	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Operations and Financing	-	-	-	-	-	-	-	-	-	-	-	-
Cash Position - Operations												
Opening Cash Position	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56
Closing Cash Position - Operations	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56
Care and Maintenance												
Cash Flow from Care and Maintenance	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Advances from DIAND	-	347	-	-	-	-	-	2,897	-	-	-	1,005
GST refund	-	20	-	-	-	-	18	-	-	-	-	71
Employee costs	(64)	-	(69)	-	(64)	-	(69)	-	(64)	-	(69)	-
Fuel	(45)	-	(45)	(45)	(45)	-	(45)	-	(45)	-	(45)	-
Insurance	-	-	(29)	-	-	-	-	-	-	-	-	-
Special projects/regulatory initiatives	-	-	(218)	(21)	(23)	(21)	(1,602)	(21)	(38)	(21)	(1,210)	(169)
Other operating disbursements	(23)	(21)	(21)	(21)	(21)	(21)	(21)	(21)	(21)	(21)	(21)	(21)
Professional fees	-	-	-	(90)	(90)	-	-	(90)	(90)	-	(50)	(90)
Total disbursements	(132)	(21)	(382)	(111)	(132)	(21)	(1,737)	(111)	(168)	(23)	(1,395)	(280)
Net cash flow	(132)	346	(382)	(111)	(132)	(21)	1,178	(111)	(168)	(23)	(319)	(280)
Cash Position - (C&M)												
Opening Cash Position	\$ 947	\$ 815	\$ 1,160	\$ 779	\$ 668	\$ 536	\$ 515	\$ 1,692	\$ 1,581	\$ 1,413	\$ 1,390	\$ 1,072
Closing Cash Position - (C&M)	\$ 815	\$ 1,160	\$ 779	\$ 668	\$ 536	\$ 515	\$ 1,692	\$ 1,581	\$ 1,413	\$ 1,390	\$ 1,072	\$ 792
Cash Position - Consolidated	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	\$ 870	\$ 1,216	\$ 834	\$ 723	\$ 591	\$ 570	\$ 1,748	\$ 1,637	\$ 1,469	\$ 1,446	\$ 1,127	\$ 847

North American Tungsten Corporation Ltd.
Eleventh Cash Flow Statement
For the period June 9, 2015 to May 1, 2020
(\$1000's)

Week Ending	10-May-19	17-May-19	24-May-19	31-May-19	7-Jun-19	14-Jun-19	21-Jun-19	28-Jun-19	5-Jul-19	12-Jul-19	19-Jul-19	26-Jul-19
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Operations and Financing												
Cash Flow from Operations												
Collection of accounts receivable and other receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating disbursements and mine site employee costs	-	-	-	-	-	-	-	-	-	-	-	-
Head office and corporate disbursements	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring professional fees	-	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Financing												
Proceeds from interim financing	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from AR Financing Facility	-	-	-	-	-	-	-	-	-	-	-	-
Interim financing fees and interest	-	-	-	-	-	-	-	-	-	-	-	-
AR financing fees and interest	-	-	-	-	-	-	-	-	-	-	-	-
Principal and interest on existing Callidus loans	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of interim financing	-	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from financing	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Operations and Financing	-	-	-	-	-	-	-	-	-	-	-	-
Cash Position - Operations												
Opening Cash Position	56	56	56	56	56	56	56	56	56	56	56	56
Closing Cash Position - Operations	56	56	56	56	56	56	56	56	56	56	56	56
Care and Maintenance												
Cash Flow from Care and Maintenance												
Advances from DIAND	\$ -	\$ -	\$ -	\$ 1,064	\$ -	\$ -	\$ -	\$ -	\$ 871	\$ -	\$ -	\$ 820
GST refund	-	-	59	-	35	-	-	-	-	-	-	36
Employee costs	(64)	-	-	(69)	-	(64)	-	-	(69)	-	(64)	(69)
Fuel	(45)	-	(45)	-	(45)	-	(45)	-	-	(45)	-	-
Insurance	-	-	-	-	(29)	-	-	-	-	-	-	-
Special projects/regulatory initiatives	-	-	-	(475)	(159)	(35)	-	-	(403)	-	-	(433)
Other operating disbursements	(21)	(23)	(21)	(21)	(21)	(21)	(23)	(21)	(21)	(21)	(23)	(21)
Professional fees	-	-	-	-	(165)	-	-	-	-	(165)	-	-
Total disbursements	(130)	(23)	(66)	(565)	(419)	(120)	(68)	(493)	(231)	(85)	(68)	(523)
Net cash flow	(130)	(23)	(7)	499	(419)	(85)	(68)	378	(231)	(85)	(32)	297
Cash Position - (C&M)												
Opening Cash Position	792	662	639	632	1,131	712	628	560	938	707	622	589
Closing Cash Position - (C&M)	\$ 662	\$ 639	\$ 632	\$ 1,131	\$ 712	\$ 628	\$ 560	\$ 938	\$ 707	\$ 622	\$ 589	\$ 886
Cash Position - Consolidated												
	\$ 717	\$ 694	\$ 688	\$ 1,186	\$ 768	\$ 683	\$ 615	\$ 993	\$ 762	\$ 677	\$ 645	\$ 942

Week Ending	2-Aug-19	9-Aug-19	16-Aug-19	23-Aug-19	30-Aug-19	6-Sep-19	13-Sep-19	20-Sep-19	27-Sep-19	4-Oct-19	11-Oct-19	18-Oct-19
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Operations and Financing												
Cash Flow from Operations												
Collection of accounts receivable and other receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating disbursements and mine site employee costs	-	-	-	-	-	-	-	-	-	-	-	-
Head office and corporate disbursements	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring professional fees	-	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Financing												
Proceeds from interim financing	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from AR Financing Facility	-	-	-	-	-	-	-	-	-	-	-	-
Interim financing fees and interest	-	-	-	-	-	-	-	-	-	-	-	-
AR financing fees and interest	-	-	-	-	-	-	-	-	-	-	-	-
Principal and interest on existing Callidus loans	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of interim financing	-	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from financing	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Operations and Financing												
Cash Position - Operations												
Opening Cash Position	56	56	56	56	56	56	56	56	56	56	56	56
Closing Cash Position - Operations	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56
Care and Maintenance												
Cash Flow from Care and Maintenance												
Advances from DIAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 640	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GST refund	-	-	-	36	-	-	-	20	-	-	-	-
Employee costs	-	(34)	(64)	-	(69)	-	(64)	-	(69)	-	-	(64)
Fuel	(45)	-	(45)	-	(45)	-	(45)	-	(45)	-	(45)	-
Insurance	-	-	-	-	-	(29)	-	-	-	-	-	-
Special projects/regulatory initiatives	(100)	-	-	(5)	(226)	-	-	-	(207)	(1)	-	-
Other operating disbursements	(21)	(21)	(21)	(23)	(21)	(21)	(21)	(23)	(21)	(21)	(21)	(23)
Professional fees	-	(115)	-	-	-	(115)	-	-	-	-	(90)	-
Total disbursements	(166)	(170)	(130)	(28)	(361)	(165)	(130)	(23)	(342)	(22)	(156)	(87)
Net cash flow	(166)	(170)	(130)	8	279	(165)	(130)	(3)	(30)	(22)	(156)	(87)
Cash Position - (C&M)												
Opening Cash Position	886	720	550	420	428	707	542	412	409	379	357	201
Closing Cash Position - (C&M)	\$ 720	\$ 550	\$ 420	\$ 428	\$ 707	\$ 542	\$ 412	\$ 409	\$ 379	\$ 357	\$ 201	\$ 114
Cash Position - Consolidated												
	\$ 776	\$ 606	\$ 476	\$ 484	\$ 763	\$ 598	\$ 468	\$ 465	\$ 434	\$ 412	\$ 256	\$ 169

Week Ending	25-Oct-19	1-Nov-19	8-Nov-19	15-Nov-19	22-Nov-19	29-Nov-19	6-Dec-19	13-Dec-19	20-Dec-19	27-Dec-19	3-Jan-20	10-Jan-20
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Operations and Financing												
Cash Flow from Operations												
Collection of accounts receivable and other receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating disbursements and mine site employee costs	-	-	-	-	-	-	-	-	-	-	-	-
Head office and corporate disbursements	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring professional fees	-	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Financing												
Proceeds from interim financing	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from AR Financing Facility	-	-	-	-	-	-	-	-	-	-	-	-
Interim financing fees and interest	-	-	-	-	-	-	-	-	-	-	-	-
AR financing fees and interest	-	-	-	-	-	-	-	-	-	-	-	-
Principal and interest on existing Callidus loans	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of interim financing	-	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from financing	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Operations and Financing												
	-	-	-	-	-	-	-	-	-	-	-	-
Cash Position - Operations												
Opening Cash Position	56	56	56	56	56	56	56	56	56	56	56	56
Closing Cash Position - Operations	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56	\$ 56
Care and Maintenance												
Cash Flow from Care and Maintenance												
Advances from DIAND	\$ 765	\$ -	\$ -	\$ -	\$ -	\$ 531	\$ -	\$ -	\$ -	\$ 473	\$ -	\$ -
GST refund	19	-	-	-	16	-	-	-	13	-	-	-
Employee costs	-	(69)	-	(65)	-	(157)	-	(65)	-	(72)	-	(65)
Fuel	(45)	-	(45)	-	(45)	-	-	(45)	-	-	(45)	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Special projects/regulatory initiatives	-	(131)	-	-	-	(72)	-	-	-	(46)	-	-
Other operating disbursements	(21)	(21)	(21)	(21)	(23)	(21)	(21)	(21)	(23)	(21)	(21)	(21)
Professional fees	-	-	(90)	-	-	-	(90)	-	-	-	-	(90)
Total disbursements	(66)	(221)	(156)	(86)	(68)	(250)	(251)	(86)	(68)	(139)	(66)	(176)
Net cash flow	718	(221)	(156)	(86)	(52)	281	(251)	(86)	(55)	334	(66)	(176)
Cash Position - (C&M)												
Opening Cash Position	114	831	611	455	369	316	598	347	261	205	540	474
Closing Cash Position - (C&M)	\$ 831	\$ 611	\$ 455	\$ 369	\$ 316	\$ 598	\$ 347	\$ 261	\$ 205	\$ 540	\$ 474	\$ 298
Cash Position - Consolidated												
	\$ 887	\$ 666	\$ 510	\$ 424	\$ 372	\$ 653	\$ 402	\$ 316	\$ 261	\$ 595	\$ 529	\$ 333

Week Ending	17-Jan-20	24-Jan-20	31-Jan-20	7-Feb-20	14-Feb-20	21-Feb-20	28-Feb-20	6-Mar-20	13-Mar-20	20-Mar-20	27-Mar-20	3-Apr-20
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Operations and Financing												
Cash Flow from Operations												
Collection of accounts receivable and other receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating disbursements and mine site employee costs	-	-	-	-	-	-	-	-	-	-	-	-
Head office and corporate disbursements	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring professional fees	-	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Financing												
Proceeds from interim financing	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from AK Financing Facility	-	-	-	-	-	-	-	-	-	-	-	-
Interim financing fees and interest	-	-	-	-	-	-	-	-	-	-	-	-
AR financing fees and interest	-	-	-	-	-	-	-	-	-	-	-	-
Principal and interest on existing Callidus loans	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of interim financing	-	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from financing	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow from Operations and Financing	-	-	-	-	-	-	-	-	-	-	-	-
Cash Position - Operations												
Opening Cash Position	56	56	56	56	56	56	56	56	56	56	56	56
Closing Cash Position - Operations	56	56	56	56	56	56	56	56	56	56	56	56
Care and Maintenance												
Cash Flow from Care and Maintenance												
Advances from DI/AND	\$ -	\$ -	\$ 410	\$ -	\$ -	\$ -	\$ 452	\$ -	\$ -	\$ -	\$ -	\$ 406
GST refund	-	12	-	-	-	13	-	-	-	-	-	11
Employee costs	-	-	(72)	-	(65)	-	(72)	-	(65)	-	-	(72)
Fuel	(45)	-	(45)	-	(45)	-	(45)	-	(45)	-	-	(45)
Insurance	-	-	-	-	-	-	-	(29)	-	-	-	-
Special projects/regulatory initiatives	-	-	(16)	-	-	-	(20)	-	-	-	-	(31)
Other operating disbursements	(23)	(21)	(21)	(21)	(23)	(21)	(21)	(21)	(23)	(21)	(21)	(21)
Professional fees	-	-	-	(90)	-	-	-	(90)	-	-	-	(90)
Total disbursements	(68)	(21)	(154)	(111)	(133)	(21)	(158)	(140)	(133)	(21)	(169)	(111)
Net cash flow	(68)	(9)	256	(111)	(133)	(8)	294	(140)	(133)	(21)	248	(111)
Cash Position - (C&M)												
Opening Cash Position	298	230	220	476	365	232	225	519	379	246	225	473
Closing Cash Position - (C&M)	230	220	476	365	232	225	519	379	246	225	473	362
Cash Position - Consolidated												
	\$ 285	\$ 276	\$ 532	\$ 421	\$ 288	\$ 280	\$ 574	\$ 434	\$ 301	\$ 280	\$ 529	\$ 418

North American Tungsten Corporation Ltd.
Eleventh Cash Flow Statement
For the period June 9, 2015 to May 1, 2020
(\$000's)

Week Ending	10-Apr-20 Budget	17-Apr-20 Budget	24-Apr-20 Budget	1-May-20 Budget	24-Nov-18 to 1-May-20 Budget	6-Jun-15 to 1-May-20 Total
Operations and Financing						
Cash Flow from Operations						
Collection of accounts receivable and other receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,940
Operating disbursements and mine site employee costs	-	-	-	-	-	(17,600)
Head office and corporate disbursements	-	-	-	-	-	(2,136)
Restructuring professional fees	-	-	-	-	-	(2,477)
Net cash flow from operations	-	-	-	-	-	(1,273)
Net Cash Flow from Financing						
Proceeds from interim financing	-	-	-	-	-	3,000
Proceeds from AR Financing Facility	-	-	-	-	-	-
Interim financing fees and interest	-	-	-	-	-	(280)
AR financing fees and interest	-	-	-	-	-	(30)
Principal and interest on existing Callidus loans	-	-	-	-	-	(1,668)
Repayment of interim financing	-	-	-	-	-	(319)
Net cash flow from financing	-	-	-	-	-	703
Net Cash Flow from Operations and Financing	-	-	-	-	-	(570)
Cash Position - Operations	56	56	56	56	626	626
Opening Cash Position	\$ 56	\$ 56	\$ 56	\$ 56	\$ 626	\$ 56
Closing Cash Position - Operations						
Care and Maintenance						
Cash Flow from Care and Maintenance						
Advances from DIAND	\$ -	\$ -	\$ -	\$ -	\$ 12,435	\$ 32,173
GST refund	-	-	-	18	475	993
Employee costs	-	(65)	-	(72)	(2,404)	(7,556)
Fuel	(45)	-	(45)	-	(1,665)	(4,646)
Insurance	-	-	-	-	(306)	(566)
Special projects/regulatory initiatives	-	-	-	-	(6,870)	(11,318)
Other operating disbursements	(23)	(21)	(21)	(21)	(1,609)	(4,393)
Professional fees	-	-	-	-	(1,730)	(4,621)
Total disbursements	(68)	(86)	(66)	(93)	(14,584)	(33,100)
Net cash flow	(68)	(86)	(66)	(75)	(1,675)	67
Cash Position - (C&M)						
Opening Cash Position	362	294	208	142	1,741	-
Closing Cash Position - (C&M)	\$ 294	\$ 208	\$ 142	\$ 67	\$ 67	\$ 67
Cash Position - Consolidated	\$ 350	\$ 264	\$ 198	\$ 123	\$ 693	\$ 123