



**No. S154746**  
**Vancouver Registry**

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

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

**AND**

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

**AND**

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

**SUPPLEMENT TO THE TWENTY THIRD REPORT OF THE MONITOR**

**ALVAREZ & MARSAL CANADA INC.**

**APRIL 4, 2022**



**ALVAREZ & MARSAL**

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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 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 Subsequently, on July 16, 2019, Mr. Justice Grauer granted an order (the “**Competitive Selection Process Order**”) approving a competitive selection process (the “**Competitive Selection Process**”) having the purpose of transferring the Cantung mine located in the Northwest Territories and Mactung deposit located on a development property situated on the border of the Yukon and Northwest Territories (together, the “**Assets**”) to the private sector and to evaluate options for the recommencement of mining and processing operations and the management of environmental liabilities at the Cantung mine site.
- 1.3 Further information regarding these CCAA Proceedings, including the Initial Order, Competitive Selection Process Order, affidavits, reports of the Monitor and all other Court-filed documents and notices are available on the Monitor’s website at [www.alvarezandmarsal.com/northamerican](http://www.alvarezandmarsal.com/northamerican).

## **2.0 PURPOSE OF REPORT**

- 2.1 This supplemental report (the “**Twenty Third Supplemental Report**”) should be read in conjunction with the Twenty Third Report of the Monitor dated March 24, 2022 (the “**Twenty Third Report**”). Capitalized terms used but not defined this report have the meaning ascribed to them in the Twenty Third Report.
- 2.2 The Twenty Third Supplemental Report is a special purpose report to provide the Court and the Company’s stakeholders with an update on the Competitive Selection Process.

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

- 3.1 As detailed in the Twenty Third Report, on or before the RFP submission deadline of February 25, 2022, the Monitor received confidential submissions from the Shortlisted Proponents. Pursuant to the RFP, the proposals were evaluated by a committee comprised of the Monitor and one representative nominated by each of: (i) the Government of Canada as represented by the Department of Crown-Indigenous Relations and Northern Affairs (“**DCIRNA**”); and (ii) the

Government of the Northwest Territories (“GNWT” and together, the “**Governments**”) and with the assistance of technical, financial, legal, and other advisors and employees of the Monitor and the Governments (together, the “**Evaluation Committee**”).

- 3.2 The Evaluation Committee met in Vancouver on March 1 and 2, 2022 to commence the evaluation process with the objective to identify a “Preferred Proponent” (as defined in the RFP). The Evaluation Committee adjourned the evaluation meeting without concluding the evaluation process on March 2, 2022.
- 3.3 Following the issuance of the Twenty Third Report, the Evaluation Committee reconvened and decided not to select a Preferred Proponent and has subsequently rejected both of the submitted proposals. In accordance with the RFP, the Competitive Selection Process was then terminated.
- 3.4 On April 1, 2022, the Shortlisted Proponents were notified that their submissions had been rejected and the RFP terminated.
- 3.5 Given the termination of the RFP and notification to the respective Shortlisted Proponents that their proposals had been rejected by the Evaluation Committee, the Monitor in conjunction with DCIRNA and GNWT will be considering and developing next steps, alternative courses of remedial action with respect to the Cantung site and arrangements for consultation with affected Indigenous communities and the regulatory stakeholders. The extension of the stay of proceedings sought by the Monitor as referenced in the Twenty Third Report will allow time to continue site remediation activities and develop alternative plans with respect to the Cantung site as well as the overall restructuring path sought for NATC.

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All of which is respectfully submitted to this Honourable Court this 4<sup>th</sup> day of April, 2022.

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



Per: Vicki Chan  
Vice President