

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

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

**AND**

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

**AND**

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

**TWENTY SIXTH REPORT OF THE MONITOR**

**ALVAREZ & MARSAL CANADA INC.**

**APRIL 4, 2025**



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**TABLE OF CONTENTS**

1.0	INTRODUCTION.....	- 3 -
2.0	PURPOSE OF REPORT.....	- 5 -
3.0	TERMS OF REFERENCE.....	- 6 -
4.0	UPDATE ON OPERATIONS AND RESTRUCTURING ACTIVITIES.....	- 6 -
5.0	CASH FLOW VARIANCE ANALYSIS .....	- 12 -
6.0	SEVENTEENTH CASH FLOW STATEMENT.....	- 13 -
7.0	EXTENSION OF THE STAY PERIOD.....	- 16 -
8.0	MONITOR'S CONCLUSION AND RECOMMENDATIONS.....	- 17 -

**Appendix A – Seventeenth Cash Flow Statement for the 568-Week Period Ending April 30, 2026**

## 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 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**”).
- 1.3 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 (the “**Cantung Water Licence**”) issued by the Mackenzie Valley Land and Water Board (“**MVLWB**”) and various environmental regulations, preserve the value of the Cantung mine site and mitigate reclamation liabilities associated with the mine. Since on or around November 2015, funding for the care and maintenance program has been provided by the Government of Canada as represented by the Department of Crown-Indigenous Relations and Northern Affairs Canada (“**DCIRNA**”).
- 1.4 On November 16, 2015, the Court pronounced an order which, among other things, granted the Monitor exclusive authority to act in respect of NATC’s property and business.
- 1.5 The Cantung Water Licence was set to expire on January 30, 2016 and the Monitor, on behalf of the Company, worked with the MVLWB in an effort to renew the Cantung Water Licence resulting in the MVLWB issuing a new licence to continue the terms and conditions of the Cantung Water Licence until January 27, 2024 (the “**Licence Expiry Date**”).
- 1.6 On March 13, 2023, in anticipation of the Licence Expiry Date, the Company, through the Monitor, submitted an application to the MVLWB for a Type B water licence<sup>1</sup> for a term of 10 years (the

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<sup>1</sup> The type of water licence issued is based on the criteria provided in the regulations pursuant to the *Mackenzie Valley Resource Management Act* and is generally determined by the type and amount of water use and the associated waste deposit. In the case of the Cantung mine, the applicable criteria are those listed in the *Mackenzie Valley Federal Waters Areas Regulations*: a Type A water licence is required for a mining and milling undertaking that uses water for, or deposit waste from, milling at a rate of 100 or more tonnes of ore per day; a Type B water licence is issued for a mining and milling undertakings that uses water for, or

“**New Water Licence**”) and land use permit for a 5-year term (the “**New LUP**”). The regulatory proceeding to obtain the New LUP was paused while: (i) the Company responded to requests for information from the MVLWB in respect of the New Water Licence; and (ii) the MVLWB considered whether it had the jurisdiction to issue a Type B water licence for a site that historically operated under a Type A water licence.

- 1.7 On July 5, 2023, following discussions with the MVLWB and upon the Monitor’s determination that it was unlikely the New Water Licence would be issued prior to the Licence Expiry Date, the Company submitted an application to the MVLWB for a licence to continue the terms and conditions of the Cantung Water Licence (the “**Extension Licence**”). On February 1, 2024, the MVLWB issued the Extension Licence for a three-year term expiring on January 31, 2027 to provide adequate time to resolve the regulatory process uncertainties associated with the application for the New Water Licence.

#### **Advancing Cantung to Permanent Closure**

- 1.8 On April 9, 2024, upon the application of the Monitor and supported by the Twenty Fifth Report of the Monitor dated March 25, 2024 (the “**Twenty Fifth Report**”), the Court granted an order to extend the Stay Period through to April 30, 2025. The stay extension would allow NATC and the Monitor time to, among other things, further advance the application for the New Water Licence and New LUP which was, at that time, considered an appropriate and necessary cost effective step to continue care and maintenance while planning for permanent closure of the Cantung mine.
- 1.9 On November 6, 2024, more than 18 months after the date of NATC’s application for the New Water Licence, the MVLWB issued its decision to allow the process for the Company’s application for the New Water Licence to continue.
- 1.10 Since the Twenty Fifth Report, the Monitor has worked collaboratively with DCIRNA to fully transition care and maintenance activities at the Cantung mine site to the care and maintenance contractor, Parsons Canada Inc. (the “**C&M Contractor**”), which remains managed and overseen by the Monitor. In parallel, the Monitor and its environmental consultants, in collaboration with DCIRNA, have made considerable advancements to develop, present and engage upon various closure options with the eight affected Indigenous groups in the vicinity of the Cantung mine (the “**Affected Indigenous Groups**”). If final closure planning, public and Indigenous engagement, and progressive reclamation activities continue at the current accelerated pace, the Monitor anticipates

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deposit waste from, milling at a rate of less than 100 tonnes of ore per day, or direct water use of 100 or more cubic meters per day for undertakings other than milling, the latter of which applies to Cantung care and maintenance activities.

that it will be in a position to apply for a closure licence prior to the expiry of the Extension Licence on January 31, 2027. The application for a closure licence within that timeframe will obviate the need for the New Water Licence, streamlining the overall path to closure for the Cantung mine site.

1.11 Concurrent with this report, the Monitor, acting on behalf of the Company, has filed a notice of application seeking an order (the “**Extension Order**”) to further extend the Stay Period through to April 30, 2026 in order to, among other things:

- a) continue care and maintenance activities and maintain compliance with regulatory requirements;
- b) advance selection and engineered design of preferred closure options and prepare a final closure and reclamation plan;
- c) undertake a number of progressive reclamation activities to reduce risk associated with the Cantung mine site; and
- d) advance engagement with the Affected Indigenous Groups, regulatory bodies and the public (including other stakeholders) with respect to, among other things, closure options, regulatory matters and site activities.

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](http://www.alvarezandmarsal.com/northamerican).

## **2.0 PURPOSE OF REPORT**

2.1 The purpose of this Twenty Sixth Report of the Monitor (the “**Twenty Sixth Report**”) is to provide the Court and the Company’s stakeholders with an understanding of the purpose of extending the Stay Period, and the proposed activities of the Company (through the Monitor) during the extended Stay Period, if the Extension Order is granted as sought, as well as:

- a) an overview of the Company’s care and maintenance activities, closure planning progress, regulatory activities and engagement with the Affected Indigenous Groups, among other things, as well as restructuring matters since the last update to Court, which was provided in the Twenty Fifth Report;
- b) an update on the operational and restructuring activities planned for the near-term;
- c) a comparison of actual cash receipts and disbursements for the period June 9, 2015 to March 14, 2024 to those forecast in the cash flow statement (the “**Sixteenth Cash Flow Statement**”) appended to the Twenty Fifth Report;
- d) an updated cash flow statement from March 15, 2024 to April 30, 2026 (the “**Seventeenth Cash Flow Statement**”); and

- e) the Monitor's comments and recommendation with respect to the application for the Extension Order.

### **3.0 TERMS OF REFERENCE**

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

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

- 4.1 Since the date of the Twenty Fifth Report, the Monitor's primary activities have included:
  - a) overseeing the C&M Contractor's transition into management and execution of the care and maintenance activities at the Cantung mine and making modifications to related management plans under the Extension Licence to reflect ongoing care and maintenance activities at site;
  - b) ensuring routine care and maintenance activities are carried out, including weekly, monthly and annual maintenance and inspections of facilities, including engineered facilities;
  - c) preparing and submitting responses to the information requests issued by the MVLWB related to the New Water Licence application;
  - d) attending at meetings with the C&M Contractor to plan for and undertake progressive reclamation activities in 2024 and 2025 as well as to obtain status updates on monthly environmental sampling and site visits, among other things;
  - e) advancing closure planning work including continued analysis of closure options and collection of supplemental data in the form a geotechnical drilling program;
  - f) attending to environmental and regulatory matters including regular reporting to and discussions with the MVLWB and other governmental bodies (including the Department of Fisheries and Oceans Canada, among others) as required;
  - g) communicating with key stakeholders, including DCIRNA, representatives of the Affected Indigenous Groups, and related communities, regarding care and maintenance and

regulatory activities at the Cantung mine as well as engaging on regulatory applications and closure options;

- h) coordinating closure planning workshops and bilateral meetings, in consultation with DCIRNA and the Monitor's environmental consultants, to engage Affected Indigenous Groups on closure and reclamation plans of the Cantung mine;
- i) meeting with certain Affected Indigenous Groups in their communities to discuss various matters related to the Cantung mine including, but not limited to, closure options and the path forward with respect to closure and reclamation planning, operational matters and regulatory applications and processes occurring in parallel;
- j) holding discussions with interested parties and coordinating site visits for representatives of the Government of Canada and certain Affected Indigenous Groups;
- k) attending to weekly meetings with various regulatory and technical consultants to, among other things, advance closure and reclamation planning activities and regulatory applications; and
- l) attending to general corporate reporting and administration matters.

#### **C&M Contractor**

- 4.2 On October 17, 2023, the Company, by and through the Monitor, executed a care and maintenance services agreement with the C&M Contractor. During the period from December 2023 to March 2024, the C&M Contractor mobilized to the site intermittently to perform the requisite water sampling each month pursuant to the terms of Cantung Water Licence and subsequently, the Extension Licence. During the period from late April 2024 to October 31, 2024, the C&M Contractor mobilized to and remained on site full-time to perform regular water sampling and inspection and undertake progressive reclamation and care and maintenance activities.
- 4.3 As further detailed below, effective October 29, 2024, monthly water sampling is no longer required during the months of November to March. During those months, the C&M Contractor monitors the site through three sets of remote cameras and a weather station, which were installed at the Cantung mine site in July 2024 to support site monitoring during such period.
- 4.4 In November 2024, the C&M Contractor secured and shut down the Cantung mine site, which has remained vacant until the C&M Contractor returned to site for three days in March 2025 to initiate preparations for full-time mobilization to site planned for mid-April 2025.
- 4.5 The Monitor continues to oversee the C&M Contractor's management of care and maintenance activities at Cantung in close collaboration with DCIRNA.

### **Environmental and Regulatory Matters**

- 4.6 The Company continues to submit monthly and annual reports to the MVLWB as required under the Extension Licence.
- 4.7 As further described in the Twenty Fifth Report, to plan for the impending expiry of the Cantung Water Licence on January 27, 2024, the Company (through the Monitor) applied for a New Water Licence and New LUP that, if approved, were intended to remain in place for the duration of care and maintenance and closure planning of the Cantung mine site.
- 4.8 On March 24, 2023, the MVLWB commenced a public review process for the New Water Licence. As part of the public review process, the Monitor responded to the following:
- a) comments from certain of the Affected Indigenous Groups and other governmental and regulatory bodies; and
  - b) three information requests from the MVLWB (the “**Information Requests**”) in respect of the New Water Licence. Information request #3 (“**IR3**”) was issued on November 20, 2023 to NATC, and to DCIRNA and the GNWT-Department of Environment and Climate Change. The nature of IR3 required a review and analysis of the legal framework relating to the issuance of a new Type B water licence for a site that historically operated under a Type A water licence, including applicable water board decisions and other legal authorities and preparation of a written response. The Company, through the Monitor with the assistance of its legal counsel, responded to IR3 on February 23, 2024. The MVLWB also received responses to IR3 from DCIRNA and the GNWT-Department of Environment and Climate Change and other parties to the proceeding. On August 28, 2024, NATC responded to those responses.
- 4.9 On November 6, 2024, the MVLWB issued its decision that the Cantung mine site meets the licencing criteria for a Type B water licence. Accordingly, the MVLWB approved the continuation of the Company’s New Water Licence application subject to the Company resubmitting any documents or management plans that were updated under the Extension Licence while the New Water Licence was under public review.
- 4.10 The existing land use permit at the date of the Twenty Fifth Report (the “**Existing LUP**”) was set to expire on June 5, 2024. In order to ensure the continuation of geotechnical drilling at the Cantung mine site to support closure and reclamation planning, the Company submitted an application on March 28, 2024 to extend the Existing LUP for a term of two years to June 5, 2026 (the “**Extension LUP**”). On May 17, 2024, the MVLWB approved the application for the Extension LUP.

- 4.11 The Company is presently carrying out care and maintenance at the Cantung mine under the Extension Licence (expiring on January 31, 2027). As noted above, effective November 2024, the MVLWB approved continuation of the New Water Licence application proceeding subject to submission of certain management plans by the Company. Concurrent with the public review process and NATC's responses to the Information Requests related to the New Water Licence, the Company, with the support of its environmental consultants, and in consultation with DCIRNA, has significantly advanced engagement with the Affected Indigenous Groups on the development and selection of preferred closure options. The Company is further along on its path to closure than originally anticipated and is well-positioned to develop a draft closure and reclamation plan in 2025 and apply for a closure licence prior to the expiry of the Extension Licence. For these reasons, the recommencement of the New Water Licence application proceeding may no longer be required and the Company, through the Monitor, has informally advised the MVLWB and the Affected Indigenous Groups of same.
- 4.12 The Extension LUP is set to expire on June 5, 2026. The Company anticipates either (i) recommencing the New LUP application proceeding (which had been paused by the MVLWB), or (ii) applying for a broader-scope land use permit, in the near term, to continue care and maintenance activities and advance progressive reclamation work anticipated in 2025 and beyond.
- 4.13 On July 23, 2024, the Monitor submitted an application to reduce the sampling frequency to align the Cantung mine site's monitoring needs with the care and maintenance status of the mine and reduce unnecessary risk to workers from accessing a remote site in the winter months. On October 29, 2024, the MVLWB approved a reduction to the requisite water sampling frequency from monthly year-round to monthly during the months of April to October. Water sampling is no longer required during November to March. Engagement with the Affected Indigenous Groups on the reduced sampling frequency occurred through the CWG (defined below) meetings prior to submission to the MVLWB and no objections were presented.
- 4.14 The Monitor continues to hold weekly and/or ad-hoc meetings, as required, with its contractors Tetra Tech Canada Inc. ("**Tetra Tech**"), ERM Consultants Canada Inc. ("**ERM**"), the C&M Contractor, NATC's environmental consultants, and DCIRNA to advance closure and reclamation planning and related activities.

#### **Engagement Activities with Affected Indigenous Groups**

- 4.15 The Company's Engagement Plan, as approved by the MVLWB, provides for engagement, regular communication and consultation with various stakeholders including the Affected Indigenous

Groups. Pursuant to the Engagement Plan, in or around December 2016, the Company and the Monitor established a Communities Working Group (the “**CWG**”), which includes the Affected Indigenous Groups, and holds quarterly CWG meetings to provide, among other things, updates on various matters including care and maintenance activities, regulatory and environmental updates and future planning. Since the Twenty Fifth Report, the Company and the Monitor, with the assistance of its environmental consultants, have held five CWG meetings in May, August and December 2024 and January and March 2025. The next CWG meeting is anticipated to be held in or around summer 2025.

- 4.16 Findings in the Assessment Reports (as defined in the Twenty Fifth Report) prepared by Tetra Tech since its initial environmental and geotechnical investigations commencing in 2017, have informed a failure modes and effects analysis and limited multiple accounts analysis to score a number of closure options of the tailings containment areas which have been presented to, and continues to be engaged upon with, the Affected Indigenous Groups.
- 4.17 In total, four closure planning workshops (“**Closure Workshops**”) facilitated by ERM have been held to date. Since the Twenty Fifth Report, two Closure Workshops have been held virtually and in-person in Calgary, Alberta on May 9, 2024 and in Vancouver, B.C. on January 23, 2025. The Closure Workshops over the past year have provided the Company an opportunity to:
- a) provide an overview of the process of a closure options analysis for selecting preferred closure options for the Cantung mine site;
  - b) review and gather feedback on the findings of the closure options analysis for the selection of the top technical closure options for the Cantung mine site’s tailings components;
  - c) present and discuss feedback received on preferred closure options and consider scenarios for the final closure of the Cantung mine site;
  - d) facilitate discussions on post-closure land and water use considerations and how they will be incorporated into the closure planning framework; and
  - e) present status and progress of the final closure and reclamation plan.
- 4.18 The Monitor anticipates that ERM will continue to support the Company during the Stay Period, should an extension be granted by the Court, to advance engagement on closure-related matters. Potential scopes of work to be undertaken in 2025 are anticipated to include, among other things: (i) two Closure Workshops to be held in the summer and fall/winter; (ii) development and execution of a public engagement strategy with regulatory bodies and other stakeholders; (iii) development of closure criteria; and (iv) development of an initial post-closure monitoring program. The scope

of work is intended to support advancement of a draft closure and reclamation plan and closure planning generally.

- 4.19 Since the Twenty Fifth Report, the Monitor, in consultation with its environmental consultants and DCIRNA, have held bilateral meetings with a number of the Affected Indigenous Groups to engage on various matters including closure planning and economic opportunities in relation to the Cantung mine for the Affected Indigenous Groups and related communities.
- 4.20 Two of the Affected Indigenous Groups and/or their consultants made site visits to the Cantung mine during 2024. Certain of the Affected Indigenous Groups have expressed interest in visiting the site again in 2025 and the Monitor will be making the necessary arrangements to accommodate and coordinate these requests.
- 4.21 The Company continues to work closely with DCIRNA on its consultation and engagement efforts with the Affected Indigenous Groups.
- 4.22 The Company continues to hold weekly conference calls with DCIRNA and prepare monthly reports to DCIRNA on the status of the care and maintenance activities and key contracts including the C&M Contractor's field programs, Tetra Tech's assessment work, the progress of closure planning, the condition of the mine site during environmental sampling events, and the Company's cash receipts and disbursements compared to budget and future planned activities.

#### **Progress Towards Permanent Closure**

- 4.23 Since the date of the Twenty Fifth Report, the Monitor, in consultation with its environmental consultants and with DCIRNA, has made significant progress with respect to closure planning and related Indigenous engagement. As described above in sections 4.15 to 4.22, the Monitor has coordinated five CWG meetings and two Closure Workshops which has supported the identification and selection of certain preferred closure options.
- 4.24 An extension of the Stay Period for a further year will allow the Monitor, with the support of its environmental consultants and contractors, to, among other things, (i) select preferred closure options and advance associated engineering designs; (ii) develop closure criteria and a draft final closure and reclamation plan; (iii) advance a number of progressive reclamation activities with the potential to provide economic opportunities to the Affected Indigenous Groups; and (iv) develop and commence execution of a public engagement strategy with respect to closure planning.
- 4.25 The Monitor is of the view that it is appropriate for the CCAA Proceedings to continue in the near term, at least for a further year, to ensure continuity of closure planning activities that have

progressed considerably over the past year. Maintaining this accelerated momentum with a view to making an application for a closure licence prior to the expiry of the Extension Licence is supported and encouraged by the Affected Indigenous Groups and DCIRNA.

- 4.26 Accordingly, the Monitor, in consultation with DCIRNA, is of the view that altering the current course and pace of closure planning under the CCAA would negatively impact all stakeholders and delay permanent closure. A more suitable time to conclude the CCAA Proceedings may coincide with an application for a closure licence, the timing of which is now contemplated to be achievable prior to the expiry of the Extension Licence (January 31, 2027), absent any interruptions to the planned timelines and activities expected over the next year. Once there is more certainty with respect to the timing of an application for a closure licence, the Monitor will consider how and when to appropriately conclude the CCAA Proceedings and transition the Cantung mine site and related activities (most of which are subject to contracts) to DCIRNA or another third party acceptable to DCIRNA.

## **5.0 CASH FLOW VARIANCE ANALYSIS**

- 5.1 The Monitor manages the Company's cash flow and disbursements pursuant to the terms of the Enhanced Powers Order and continuously reviews the Company's actual cash flows in comparison to the estimates provided to the Court including those in the Sixteenth Cash Flow Statement.
- 5.2 The Company's actual cash receipts and disbursements as compared to the Sixteenth Cash Flow Statement for the period from June 9, 2015 to March 14, 2025 are summarized below. The variance analysis reflects the cash flows from the Company's care and maintenance activities that have been funded by DCIRNA since November 25, 2015.

North American Tungsten Corporation Ltd.  
Unaudited Summary of Actual Versus Forecast Cash Flows  
For the period June 9, 2015 to March 14, 2025  
(\$000's)

	June 9, 2015 to March 14, 2025		
	Actual	Forecast	Variance
<b>Cash Flow from Care and Maintenance</b>			
Advances from DCIRNA	\$ 64,762	\$ 64,762	\$ -
GST refunds and other receipts	2,344	2,324	20
Employee costs	(14,500)	(14,515)	15
Contractor costs	(4,595)	(4,484)	(111)
Fuel	(8,623)	(8,726)	103
Insurance	(2,364)	(2,394)	31
Regulatory initiatives	(16,941)	(18,370)	1,430
Other operating disbursements	(7,475)	(7,722)	247
Professional fees	(9,448)	(9,567)	118
Net cash flow before capital expenditures	3,160	1,308	1,852
Camp capital items	(222)	(233)	11
Net cash flow	2,938	1,075	1,863
<b>Cash Position</b>			
Opening Cash Position	-	-	-
<b>Closing Cash Position</b>	\$ 2,938	\$ 1,075	\$ 1,863

5.3 Over the reported period, the Company realized a net favourable cash flow variance of approximately \$1.86 million in respect of care and maintenance activities.

5.4 There was approximately \$2.9 million of cash on hand in the Company's accounts (under the custody and control of the Monitor) as at March 14, 2025.

## 6.0 SEVENTEENTH CASH FLOW STATEMENT

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

6.2 The Seventeenth Cash Flow Statement has been prepared in consultation with DCIRNA and assumes the continuation of the care and maintenance program from March 15, 2025 to April 30, 2026 (the "Forecast Period").

6.3 DCIRNA has agreed to fund the ongoing costs of the care and maintenance activities and has approved the care and maintenance budget as reflected in the Seventeenth Cash Flow Statement. If the Monitor anticipates any material increase in the funding requirements during the Forecast

Period, DCIRNA will be notified of same to decide whether additional funding will be provided to the Monitor.

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

<b>North American Tungsten Corporation Ltd.</b> <b>Seventeenth Cash Flow Statement</b> <b>For the period June 9, 2015 to April 30, 2024</b> <b>(\$000's)</b>			
	<b>June 9, 2015 to</b> <b>March 14, 2025</b> <b>Actual</b>	<b>March 15, 2025 to</b> <b>April 30, 2026</b> <b>Forecast</b>	<b>Total</b>
<b>Cash Flow from Care and Maintenance (C&amp;M)</b>			
Advances from DCIRNA	\$ 64,762	\$ 6,750	\$ 71,512
GST refunds	2,344	360	2,704
Employee costs	(14,500)	-	(14,500)
Contractor costs	(4,595)	(5,336)	(9,931)
Fuel	(8,623)	(360)	(8,983)
Insurance	(2,364)	(312)	(2,676)
Regulatory initiatives	(16,941)	(2,329)	(19,269)
Other operating disbursements	(7,475)	(284)	(7,759)
Professional fees	(9,448)	(1,065)	(10,513)
Net cash flow before capital expenditures	3,160	(2,575)	585
Camp capital items	(222)	(200)	(422)
Net cash flow	2,938	(2,775)	163
<b>Cash Position - (C&amp;M)</b>			
Opening Cash Position	-	2,938	-
<b>Closing Cash Position (C&amp;M)</b>	\$ 2,938	\$ 163	\$ 163

6.5 The major components of the Seventeenth Cash Flow Statement are summarized below:

- a) cash receipts relate to funding advances from DCIRNA as directed by the Extension Order as well as GST refunds to be collected;
- b) contractor costs include the labour and expenses for the C&M Contractor to manage the care and maintenance activities at the Cantung mine, as well as camp operations and progressive reclamation project costs expected to be overseen by the C&M Contractor. It is anticipated that the C&M Contractor will manage a number of planned progressive reclamation activities in 2025 including, among other things, decommissioning the tank farm, hazardous waste abatement and closing mine openings;
- 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 contemplated

in the Seventeenth Cash Flow forecast are expected to support site activities commencing in April 2025;

- d) insurance costs include pollution, automobile and general liability insurance and reflect actual amounts due over the course of the year;
- e) regulatory costs include various new and ongoing initiatives to reduce the long-term liabilities of the Cantung mine and to better understand the closure options and reclamation liability associated with the mine which include, but are not limited to, the following:
  - i. preparing further technical analysis and advancing engineering designs related to the closure options, as required, and coordinating related closure workshops with the Affected Indigenous Groups on the future plans for the mine site;
  - ii. developing and executing a public engagement strategy with respect to closure planning;
  - iii. developing closure criteria and a draft final closure and reclamation plan;
  - iv. performing monthly reviews of data from the tailings containment areas and annual dam inspections and responding to and/or implementing the recommendations therein;
  - v. planning for and preparing technical analysis and designs to advance progressive reclamation activities including, but not limited to, hazardous waste abatement and decommissioning of the tank farm;
  - vi. communicating with the Affected Indigenous Groups, through the CWG meetings, closure workshops, site visits, bilateral meetings and public engagements, to further engagement and participation in discussions on the analysis of the closure options related to the Cantung mine and other regulatory initiatives; and
  - vii. engaging consultants to advise on various matters related to care and maintenance of the mine and closure options analyses, closure planning and assessment work;
- f) other operating costs include environmental testing, satellite and other communications and related equipment costs, and costs required to maintain and preserve the Company's mineral claims and leases; and
- g) professional fees are primarily related to services rendered by the Monitor and the Monitor's legal counsel in respect of the management and oversight of care and maintenance of Cantung, as well as communicating same to the Affected Indigenous Groups and other stakeholders, and assisting with advancing regulatory applications and related submissions.

- 6.6 The Company is forecasting that it will have approximately \$163,000 of cash on hand as at April 30, 2026 and may request additional advances from DCIRNA in the event of unfavorable variances from forecast.

## **7.0 EXTENSION OF THE STAY PERIOD**

- 7.1 The Stay Period is currently set to expire on April 30, 2025. The Monitor, on behalf of the Company, is bringing an application for the Extension Order. The Extension Order will allow the Monitor to continue with existing and planned activities and to secure funding from DCIRNA. The proposed Extension Order includes the following relief:

- a) an extension of the Stay Period through to April 30, 2026; and
- b) a direction that DCIRNA continue to fund the Company's expenses as set out in the Seventeenth Cash Flow Statement.

- 7.2 Subject to the granting of the Extension Order, DCIRNA has committed to fund care and maintenance expenses of the Company through to the proposed extension date. The Seventeenth Cash Flow Statement indicates that the Company will have sufficient liquidity during that period.

- 7.3 The granting of the Extension Order will enable the Monitor, on behalf of the Company to:

- a) provide oversight to the essential care and maintenance activities being performed by the C&M Contractor, as well as manage progressive reclamation work including removing hazardous waste from the mine site, decommissioning the tank farm and closing mine openings, among other things, which will maintain compliance with existing regulatory and environmental responsibilities, preserve assets and prevent environmental harm;
- b) allow continuity and completion of critical technical studies, as required, and regulatory activities that will advance the selection of preferred closure options and development of closure criteria and a final closure and reclamation plan;
- c) advance engagement on closure options and planning with the Affected Indigenous Groups and the public (regulatory bodies, broader communities, and other stakeholders) in an efficient manner to inform and advance the development of a final closure and reclamation plan with a view to making an application for a closure licence prior to expiry of the Extension Licence; and
- d) keep open the opportunity for potential transactions or commercialization opportunities of the Cantung mine should the market for Canadian tungsten assets materially change.

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

Indicative Timeline					
For the 3 months ended			2025		2026
			June	Sept	Dec
Continue progressive reclamation activities					
Engage with Indigenous Groups on closure options and planning					
Develop and execute public engagement strategy					
Develop preliminary design of preferred closure options					
Develop closure criteria and draft final closure and reclamation plan					
Apply for an extension or new land use permit to support site activities					
Apply for closure water licence					
Proposed extension date					Apr 30

## 8.0 MONITOR’S CONCLUSION AND RECOMMENDATIONS

- 8.1 The Monitor does not consider that the Extension Order will prejudice any creditors, suppliers, the Affected Indigenous Groups or other stakeholders. Rather, those stakeholders will either be unaffected or will benefit from the ongoing advancement of the long-term closure and reclamation plan and care and maintenance activities. Moreover, maintaining momentum to advance closure planning is supported by DCIRNA and certain of the Affected Indigenous Groups.
- 8.2 For the reasons set out above, the Monitor respectfully recommends that this Honourable Court grant the Extension Order.

\*\*\*\*\*

All of which is respectfully submitted to this Honourable Court this 4<sup>th</sup> day of April 2025.

**Alvarez & Marsal Canada Inc.,**  
in its capacity as Monitor of  
North American Tungsten Corporation Ltd.  
and not in its personal capacity

Per: 

Todd M. Martin  
Senior Vice President

## **Appendix A**

### **Seventeenth Cash Flow Statement**

North American Tungsten Corporation Ltd.  
Seventeenth Cash Flow Forecast  
For the period March 15, 2025 to April 30, 2026  
(\$000's)

Week Ending	9-Jun-15 to 14-Mar-25	21-Mar-25	28-Mar-25	4-Apr-25	11-Apr-25	18-Apr-25	25-Apr-25	30-Apr-25	2-May-25	9-May-25
	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
<b>Cash Flow</b>										
Advances from DCIRNA	\$ 64,762	\$ -	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GST refunds and other receipts	2,344	12	-	-	12	-	-	-	-	11
Employee costs	(14,500)	-	-	-	-	-	-	-	-	-
Contractor costs	(4,595)	(97)	-	(97)	-	-	(97)	-	-	-
Fuel	(8,623)	-	-	-	(60)	-	-	-	-	-
Insurance	(2,364)	-	-	-	-	(71)	-	-	-	-
Special projects/regulatory initiatives	(16,941)	(191)	-	(78)	-	(36)	-	(78)	-	(2)
Other operating disbursements	(7,475)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Professional fees	(9,448)	-	-	(90)	-	-	-	-	(85)	-
Total disbursements	(63,946)	(293)	(5)	(270)	(65)	(112)	(102)	(83)	(90)	(7)
Net cash flow before capital expenditures	3,160	(281)	145	(270)	(53)	(112)	(102)	(83)	(78)	(7)
Camp capital items	(222)	-	-	-	-	-	-	-	-	-
Net cash flow	2,938	(281)	145	(270)	(53)	(112)	(102)	(83)	(78)	(7)
<b>Cash Position</b>										
Opening Cash Position	-	2,938	2,657	2,803	2,533	2,480	2,368	2,266	2,183	2,105
Closing Cash Position	\$ 2,938	\$ 2,657	\$ 2,803	\$ 2,533	\$ 2,480	\$ 2,368	\$ 2,266	\$ 2,183	\$ 2,105	\$ 2,098

Note: The purpose of this Seventeenth Cash Flow Statement is to set out the liquidity requirements of North American Tungsten Corporation Ltd. Since projections are based on assumptions regarding future events, actual results may vary from the information presented and the variations may be material. Refer to section 6.5(b) - (g) for detail regarding the underlying assumptions supporting the various cost categories indicated above.

North American Tungsten Corporation Ltd.  
Seventeenth Cash Flow Forecast  
For the period March 15, 2025 to April 30, 2026  
(\$000's)

Week Ending	16-May-25	23-May-25	30-May-25	6-Jun-25	13-Jun-25	20-Jun-25	27-Jun-25	4-Jul-25	11-Jul-25	18-Jul-25
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
<b>Cash Flow</b>										
Advances from DCIRNA	\$ -	\$ 1,300	\$ -	\$ -	\$ -	\$ 1,200	\$ -	\$ -	\$ -	\$ -
GST refunds and other receipts	-	-	21	-	-	-	-	22	-	-
Employee costs	-	-	-	-	-	-	-	-	-	-
Contractor costs	(400)	-	-	-	-	-	(831)	-	-	-
Fuel	-	-	-	-	(75)	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Special projects/regulatory initiatives	(66)	-	-	(8)	(120)	(34)	-	(32)	(58)	(139)
Other operating disbursements	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Professional fees	-	-	-	(85)	-	-	-	-	(85)	-
Total disbursements	(471)	(5)	(5)	(98)	(199)	(39)	(836)	(37)	(148)	(144)
Net cash flow before capital expenditures	(471)	1,295	17	(98)	(199)	1,161	(836)	(15)	(148)	(144)
Camp capital items	-	-	-	-	-	(200)	-	-	-	-
Net cash flow	(471)	1,295	17	(98)	(199)	961	(836)	(15)	(148)	(144)
<b>Cash Position</b>										
Opening Cash Position	2,098	1,627	2,922	2,939	2,841	2,641	3,603	2,767	2,752	2,604
Closing Cash Position	\$ 1,627	\$ 2,922	\$ 2,939	\$ 2,841	\$ 2,641	\$ 3,603	\$ 2,767	\$ 2,752	\$ 2,604	\$ 2,460

North American Tungsten Corporation Ltd.  
Seventeenth Cash Flow Forecast  
For the period March 15, 2025 to April 30, 2026  
(\$000's)

Week Ending	25-Jul-25 Budget	1-Aug-25 Budget	8-Aug-25 Budget	15-Aug-25 Budget	22-Aug-25 Budget	29-Aug-25 Budget	5-Sep-25 Budget	12-Sep-25 Budget	19-Sep-25 Budget	26-Sep-25 Budget
<b>Cash Flow</b>										
Advances from DCIRNA	\$ 1,000	\$ -	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ -	\$ 800	\$ -
GST refunds and other receipts	-	45	-	-	-	-	45	-	-	-
Employee costs	-	-	-	-	-	-	-	-	-	-
Contractor costs	-	(758)	-	-	-	(837)	-	-	-	(704)
Fuel	-	-	(75)	-	-	-	-	(75)	-	-
Insurance	-	-	-	-	-	(71)	-	-	-	-
Special projects/regulatory initiatives	(91)	-	(91)	(69)	(115)	-	(8)	(108)	(152)	(30)
Other operating disbursements	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Professional fees	-	-	(85)	-	-	-	-	(85)	-	-
Total disbursements	(96)	(763)	(255)	(74)	(120)	(912)	(13)	(273)	(157)	(738)
Net cash flow before capital expenditures	904	(718)	(255)	(74)	780	(912)	32	(273)	643	(738)
Camp capital items	-	-	-	-	-	-	-	-	-	-
Net cash flow	904	(718)	(255)	(74)	780	(912)	32	(273)	643	(738)
<b>Cash Position</b>										
Opening Cash Position	2,460	3,364	2,646	2,390	2,316	3,096	2,184	2,216	1,943	2,586
Closing Cash Position	\$ 3,364	\$ 2,646	\$ 2,390	\$ 2,316	\$ 3,096	\$ 2,184	\$ 2,216	\$ 1,943	\$ 2,586	\$ 1,848

North American Tungsten Corporation Ltd.  
 Seventeenth Cash Flow Forecast  
 For the period March 15, 2025 to April 30, 2026  
 (\$000's)

Week Ending	3-Oct-25	10-Oct-25	17-Oct-25	24-Oct-25	31-Oct-25	7-Nov-25	14-Nov-25	21-Nov-25	28-Nov-25	5-Dec-25
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
<b>Cash Flow</b>										
Advances from DCIRNA	\$ -	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 300	\$ -	\$ -	\$ -
GST refunds and other receipts	49	-	-	-	-	45	-	-	-	40
Employee costs	-	-	-	-	-	-	-	-	-	-
Contractor costs	-	-	-	-	(643)	-	-	-	(400)	-
Fuel	-	-	(75)	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Special projects/regulatory initiatives	(10)	-	(122)	(85)	-	(10)	(88)	(86)	(85)	(10)
Other operating disbursements	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Professional fees	-	(85)	-	-	-	-	(75)	-	-	-
Total disbursements	(15)	(90)	(201)	(90)	(648)	(15)	(167)	(91)	(490)	(15)
Net cash flow before capital expenditures	34	(90)	299	(90)	(648)	30	133	(91)	(490)	25
Camp capital items	-	-	-	-	-	-	-	-	-	-
Net cash flow	34	(90)	299	(90)	(648)	30	133	(91)	(490)	25
<b>Cash Position</b>										
Opening Cash Position	1,848	1,882	1,792	2,090	2,000	1,353	1,382	1,515	1,424	934
Closing Cash Position	\$ 1,882	\$ 1,792	\$ 2,090	\$ 2,000	\$ 1,353	\$ 1,382	\$ 1,515	\$ 1,424	\$ 934	\$ 958

North American Tungsten Corporation Ltd.  
Seventeenth Cash Flow Forecast  
For the period March 15, 2025 to April 30, 2026  
(\$000's)

Week Ending	12-Dec-25	19-Dec-25	26-Dec-25	2-Jan-26	9-Jan-26	16-Jan-26	23-Jan-26	30-Jan-26	6-Feb-26	13-Feb-26
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
<b>Cash Flow</b>										
Advances from DCIRNA	\$ 300	\$ -	\$ -	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ 100	\$ -
GST refunds and other receipts	-	-	-	-	29	-	-	-	-	11
Employee costs	-	-	-	-	-	-	-	-	-	-
Contractor costs	-	-	(94)	-	-	-	-	(94)	-	-
Fuel	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	(12)	-	(81)	-	-
Special projects/regulatory initiatives	-	(82)	(4)	-	(10)	(72)	(5)	-	(8)	(38)
Other operating disbursements	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Professional fees	-	(70)	-	-	-	(70)	-	-	-	(70)
Total disbursements	(5)	(157)	(103)	(5)	(15)	(159)	(10)	(180)	(13)	(113)
Net cash flow before capital expenditures	295	(157)	(103)	(5)	214	(159)	(10)	(180)	98	(113)
Camp capital items	-	-	-	-	-	-	-	-	-	-
Net cash flow	295	(157)	(103)	(5)	214	(159)	(10)	(180)	98	(113)
<b>Cash Position</b>										
Opening Cash Position	958	1,254	1,097	993	989	1,203	1,044	1,034	854	952
Closing Cash Position	\$ 1,254	\$ 1,097	\$ 993	\$ 989	\$ 1,203	\$ 1,044	\$ 1,034	\$ 854	\$ 952	\$ 839

North American Tungsten Corporation Ltd.  
Seventeenth Cash Flow Forecast  
For the period March 15, 2025 to April 30, 2026  
(\$000's)

Week Ending	20-Feb-26	27-Feb-26	6-Mar-26	13-Mar-26	20-Mar-26	27-Mar-26	3-Apr-26	10-Apr-26	17-Apr-26	24-Apr-26
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
<b>Cash Flow</b>										
Advances from DCIRNA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GST refunds and other receipts	-	-	10	-	-	-	-	9	-	-
Employee costs	-	-	-	-	-	-	-	-	-	-
Contractor costs	-	(94)	-	-	-	(94)	-	-	-	(94)
Fuel	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-
Special projects/regulatory initiatives	-	-	(8)	(38)	-	-	-	-	-	(78)
Other operating disbursements	(5)	(5)	(5)	(5)	(5)	(5)	(8)	(38)	(5)	-
Professional fees	-	-	(55)	-	-	-	(55)	(5)	(5)	(5)
Total disbursements	(5)	(99)	(68)	(43)	(5)	(99)	(68)	(43)	(5)	(177)
Net cash flow before capital expenditures	(5)	(99)	(58)	(43)	(5)	(99)	(68)	(34)	(5)	(177)
Camp capital items	-	-	-	-	-	-	-	-	-	-
Net cash flow	(5)	(99)	(58)	(43)	(5)	(99)	(68)	(34)	(5)	(177)
<b>Cash Position</b>										
Opening Cash Position	839	834	735	677	634	629	530	462	428	423
Closing Cash Position	\$ 834	\$ 735	\$ 677	\$ 634	\$ 629	\$ 530	\$ 462	\$ 428	\$ 423	\$ 246

North American Tungsten Corporation Ltd.  
Seventeenth Cash Flow Forecast  
For the period March 15, 2025 to April 30, 2026  
(\$000's)

Week Ending	30-Apr-26 Budget	15-Mar-25 to 30-Apr-25 Budget	1-May-25 to 30-Apr-26 Budget	9-Jun-15 to 30-Apr-26 Budget
<b>Cash Flow</b>				
Advances from DCIRNA	\$ -	\$ 150	\$ 6,600	\$ 71,512
GST refunds and other receipts	-	24	337	2,704
Employee costs	-	-	-	(14,500)
Contractor costs	-	(291)	(5,045)	(9,931)
Fuel	-	(60)	(300)	(8,983)
Insurance	-	(71)	(241)	(2,676)
Special projects/regulatory initiatives	(8)	(383)	(1,945)	(19,269)
Other operating disbursements	(5)	(33)	(250)	(7,759)
Professional fees	(70)	(90)	(975)	(10,513)
Total disbursements	(83)	(928)	(8,757)	(73,631)
Net cash flow before capital expenditures	(83)	(755)	(1,820)	585
Camp capital items	-	-	(200)	(422)
Net cash flow	(83)	(755)	(2,020)	163
<b>Cash Position</b>				
Opening Cash Position	246	2,938	2,183	-
Closing Cash Position	\$ 163	\$ 2,183	\$ 163	\$ 163