



This is the 12th affidavit
of Dennis M. Lindahl in this case
and was made on 12 / Oct / 2015

NO. S-154746
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

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

AND

IN THE MATTER OF NORTH AMERICAN TUNGSTEN CORPORATION LTD.

PETITIONER

AFFIDAVIT

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

1. I am the chief financial officer and a director of North American Tungsten Corporation Ltd., the petitioner in this proceeding ("**NATC**" or the "**Company**"), and as such have personal knowledge of the matters deposed to in this Affidavit except where I depose to a matter based on the information from an informant I identify, in which case, I believe that both the information from the informant and the resulting statement are true.

2. I am authorized to make this Affidavit on behalf of the Company in support of the relief sought in the Notices of Application filed in the above-captioned proceedings seeking approval of an extension of the Stay Period, as defined in the Amended and Restated Initial Order made in the above-captioned proceeding on July 9, 2015 (the "**ARIO**"), and as extended on July 17, 2015.

Sale and Investment Solicitation Process

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

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

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

4. In addition, the Court has approved and the Company has assisted the Monitor and financial advisor, Alvarez & Marsal Canada Securities ULC (the "**Financial Advisor**") in implementing a Sale and Investment Solicitation Process (the "**SISP**"), running parallel with the Operating Plan, to identify long term investors or purchasers of some or all of its assets, with the aim of closing a transaction by late 2015.

5. At the same time, the SISP contemplates the opportunity for parties to acquire a significant number of pieces of certain of the Company's underground mining equipment (the "**Equipment**") in bulk.

6. The deadline for potential bidders to submit Qualified Bids (as defined in the SISP) was September 30, 2015.

7. I have been informed by Company counsel that the Financial Advisor, the Monitor and the Company are assessing Qualified Bids received; in consultation with Callidus and the Government of the Northwest Territories ("**GNWT**").

8. The Company remains committed to finding a solution for the long term success of the mine, and is engaging with GNWT and Callidus in relation to potential options.

9. The Company is carrying out the Operating Plan to transition the Cantung Mine to care and maintenance over the winter, and I am informed by Company counsel that discussions are ongoing with Callidus and GNWT for the funding of same after the end of November.

10. I have been informed by Company counsel that the Financial Advisor, the Monitor and the Company are also assessing bids on the Equipment, in consultation with Callidus, in accordance with the Operating Plan.

11. The Company expects to file a Notice of Application during the requested extension to the Stay Period in respect of one or more transactions and a further extension of the Stay Period to facilitate an appropriate care and maintenance plan over the winter.

The AR Facility

12. After the Court granted an order on August 20, 2015, authorizing the Company to enter into a revolving credit facility with Callidus (the "**AR Facility**"), the Company resumed regular shipments to GTP in order the access funding under the AR Facility.

13. The Company and Callidus were not able to settle the AR Facility term sheet and related security with Callidus. However, Callidus did advance \$1.17 million on or about September 18, 2015 (the "**Advance**").

14. On or about October 1, 2015, Callidus and the Company came to an agreement regarding the AR Facility and the Advance whereby Callidus agreed to continue to provide the revolving facility at the limit of that initial Advance.

15. Callidus recently informed the Company that it is not prepared to advance in respect of amounts for which the invoices from GTP are due after the current expiration of the Stay Period.

16. The Company's last shipment to GTP was on September 29, 2015. The Company has further shipments planned through the end of October 2015 and into early November.

17. GTP has been paying for shipments made on 30-day terms in accordance with the sale agreement between GTP and the Company.

18. Due to its liquidity challenges, without ongoing advances from Callidus, the Company will not be able to pay its employees and contractors to produce and ship product to GTP in the month of October, and is therefore seeking an extension of the Stay Period to November 30, 2015.

19. If the Stay Period is extended until the end of November 2015, additional shipments will be made to GTP in accordance with the contract under which the Company continues to perform.

Extension of CCAA Proceedings

20. The cash flow forecast attached hereto as Schedule "A" demonstrates that the Company can satisfy its post-filing liabilities through the requested extension of the Stay Period to the end of November 2015.

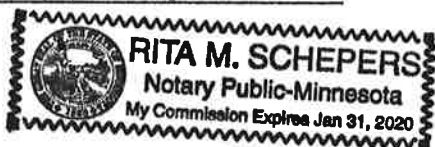
21. I believe the Company continues to work in good faith and with due diligence towards finalizing one or more transactions in respect of its property and ultimately proposing a restructuring plan to its creditors.

22. In my view, it is appropriate in the circumstances to extend the Stay Period to enable the Company to work towards these aims.

SWORN (OR AFFIRMED) BEFORE ME at
Minneapolis, Minnesota, on 12 / Oct / 2015.

Rita M. Schepers
A Commissioner for taking Affidavits within
Minnesota

Dennis M. Lindahl
DENNIS M. LINDAHL



	Actuals					Production Ends		Transitioning to Care and Maintenance	
	17 02-Oct-15	18 09-Oct-15	19 16-Oct-15	20 23-Oct-15	21 30-Oct-15	22 06-Nov-15	23 13-Nov-15	No Production	
Receipts									
Collection of accounts receivable	\$ 1,283,259	\$ 1,294,700	\$ 1,274,742	\$ 1,307,923	\$ 802,565	\$ 493,480	\$ -	\$ -	\$ -
Callidus A/R Financing	(1,170,000)	603,501	(11,009)	265,490	292,018	40,000	-	-	-
Other receipts	22,527	-	-	-	-	-	-	-	-
Total Receipts	135,786	1,898,201	1,263,733	1,573,412	1,134,583	433,480	-	-	-
Disbursements									
Employee costs - mine site	(76,747)	(624,533)	(294,364)	(377,500)	(283,000)	(158,550)	(148,000)	-	-
Key employee retention costs	-	-	(145,000)	-	-	-	-	-	-
Equipment parts / supplies	(54,196)	(14,603)	(10,000)	(20,000)	(35,000)	(2,000)	(2,000)	(2,000)	-
Mining direct materials (including pit program)	-	(96)	(30,000)	(5,000)	(10,000)	-	-	-	-
Mill direct materials	(64,300)	(55,894)	(72,720)	(15,000)	(15,000)	(13,751)	(13,751)	(13,751)	-
Other operating costs	(78,942)	(119,226)	(156,000)	(65,000)	(78,000)	(38,262)	(40,000)	(20,262)	-
Diesel	(23,117)	(3,329)	(156,000)	(156,000)	(67,637)	(40,000)	-	-	-
Operating leases and insurance	(78,198)	(399,770)	(78,000)	(86,064)	(60,000)	(41,064)	(10,000)	(37,200)	-
Freight and Expediting	(23,117)	(37,051)	(95,418)	(80,000)	(60,000)	-	-	-	-
Mine site catering and janitorial	(66,751)	(80,113)	(80,000)	-	-	-	-	-	-
Tailings management and dredging	-	(20,890)	-	-	-	-	-	-	-
Fallings pond 4 - Reclamation study	-	-	-	-	-	-	-	-	-
Mill maintenance / improvements	-	-	-	-	-	-	-	-	-
Contingency	(440,336)	(1,295,443)	(863,502)	(724,564)	(786,314)	(293,627)	(232,213)	-	-
Net Cash Flows - Contingency	(304,553)	602,798	400,231	856,848	348,269	199,853	(232,213)	-	-
Receipts									
Interim financing proceeds	-	-	-	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-	-	-	-
Disbursements									
Employee costs - head office	(10,080)	(37,500)	(10,080)	(10,000)	(48,080)	(10,000)	(40,080)	(40,080)	-
Head office and corporate costs	(142,104)	(36,100)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(5,000)	-
Machinery purchases	(10,839)	(1,711)	-	-	-	-	-	-	-
Restructuring professional fees	-	(182,114)	(203,241)	(234,390)	(190,432)	(165,000)	(165,000)	-	-
Interim financing interest and fees	-	(51,781)	-	-	(40,516)	-	-	-	-
Callidus principal & interest on regular loan	-	(389,078)	-	-	(391,419)	-	-	-	-
Callidus A/R financing interest and fees	-	(8,078)	-	-	(20,868)	-	-	-	-
Contingency	-	(6,078)	(25,000)	-	(25,000)	-	-	-	-
Total Disbursements	(303,361)	(1,980,805)	(1,111,823)	(993,954)	(1,502,630)	(488,627)	(442,293)	-	-
Net Cash Flow	\$(467,575)	\$ 82,604	\$ 151,911	\$ 599,458	\$ 368,047	\$ 24,853	\$ (442,293)	\$ -	\$ -
Cash Balance									
Opening Cash Balance	621,202	153,627	71,023	222,934	822,392	454,344	479,197	479,197	36,904
Closing Cash Balance	\$ 153,627	\$ 71,023	\$ 222,934	\$ 822,392	\$ 454,344	\$ 479,197	\$ 36,904	\$ -	\$ -

*Suorn before me on
 October 12, 2015 at Minneapolis, Minnesota*



*Rita M. Schepers,
 Notary*

North American Tungsten Corporation Ltd.
 Cash Flow Projection
 For the 29 weeks ended December 25
 October 9, 2015

		20-Nov-15	27-Nov-15	04-Dec-15	11-Dec-15	18-Dec-15	25-Dec-15	Total for week 1 to week 29
Receipts								
	Collection of accounts receivable	\$ 1,007,630	\$ 503,815	\$ 180,857	\$ -	\$ -	\$ -	\$ 19,494,801
	Callidus A/R Financing	(503,815)	(503,815)	(162,370)	-	-	-	371,820
	Other receipts	-	-	-	-	-	-	-
	Total Receipts	503,815	-	18,487	-	-	-	19,866,622
Disbursements								
	Employee costs - mine site	(49,280)	(106,800)	-	(61,000)	-	(61,000)	(8,263,135)
	Key employee retention costs	-	-	-	(2,000)	-	(2,000)	(145,000)
	Equipment parts / supplies	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(540,925)
	Mining direct materials (including pit program)	(13,751)	(13,751)	(13,751)	(13,751)	(13,751)	(13,751)	(201,310)
	Mill direct materials	(13,262)	(24,752)	(266,262)	(13,262)	(13,262)	(20,262)	(1,016,935)
	Other operating costs	(40,000)	-	(40,000)	-	(40,000)	-	(1,985,154)
	Diesel	-	-	(66,380)	-	-	-	(3,366,889)
	Operating leases and insurance	-	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(391,377)
	Freight and Expediting	-	(12,400)	(5,000)	(12,400)	-	-	(1,431,797)
	Mine site catering and janitorial	-	-	-	-	-	-	(926,951)
	Tailings management and dredging	-	-	-	-	-	-	(20,690)
	Tailings pond 4 - Reclamation study	-	-	-	-	-	-	(54,920)
	Mill maintenance / improvements	-	-	(14,607)	-	-	-	-
	Callidus Disbursements	(123,293)	(164,713)	(393,403)	(107,413)	(74,013)	(114,413)	(18,340,780)
	Net Cash Flows - Cantung Operations	380,522	(164,713)	(374,916)	(107,413)	(74,013)	(114,413)	1,525,842
Receipts								
	Interim financing proceeds	-	-	-	-	-	-	3,000,000
	Other receipts	-	-	-	-	-	-	-
Disbursements								
	Employee costs - head office	-	(20,000)	-	(10,000)	-	(10,000)	(584,430)
	Head office and corporate costs	(5,000)	(3,000)	(124,700)	-	-	-	(486,485)
	Machinery purchases	-	-	-	-	-	-	(31,157)
	Restructuring professional fees	(100,000)	(100,000)	(130,000)	(65,000)	(65,000)	(65,000)	(2,796,538)
	Interim financing interest and fees	-	-	(50,000)	-	-	-	(262,662)
	Callidus principal & interest on regular loan	-	-	(14,607)	-	-	-	(2,037,356)
	Callidus A/R financing interest and fees	-	-	(25,000)	-	-	-	(43,553)
	Contingency	-	-	(25,000)	-	-	-	(175,000)
	Total Disbursements	(228,283)	(289,713)	(737,710)	(207,413)	(164,013)	(214,413)	(24,774,762)
Net Cash Flow		\$ 275,222	\$ (289,713)	\$ (719,223)	\$ (207,413)	\$ (164,013)	\$ (214,413)	\$ (24,248,920)
Cash Balance								
	Opening Cash Balance	\$ 38,904	\$ 312,426	\$ 22,713	\$ (996,510)	\$ (903,923)	\$ (1,067,595)	\$ 625,990
	Closing Cash Balance	\$ 312,426	\$ 22,713	\$ (696,510)	\$ (903,923)	\$ (1,067,595)	\$ (1,282,349)	\$ (1,282,349)