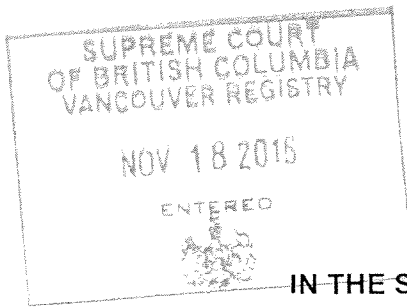




NO. S-154746
VANCOUVER REGISTRY

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

AND

IN THE MATTER OF NORTH AMERICAN TUNGSTEN CORPORATION LTD.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE	)	)	<i>Tuesday</i>
	)	)	MONDAY , THE 17 TH DAY
	)	)	OF NOVEMBER, 2015
	)	)	
	)	)	

ON THE APPLICATION of The Government of the Northwest Territories ("**GNWT**") coming on for hearing at 800 Smithe Street, Vancouver, BC V6Z 2E1 on November 16, 2015 and November 17, 2015, and on hearing Mary I.A. Buttery and H. Lance Williams and those other counsel listed on **Schedule "A"** hereto;

THIS COURT ORDERS AND DECLARES THAT:

1. The sale transaction (the "**Transaction**") contemplated by the Asset Purchase Agreement dated November 9, 2015 (the "**Sale Agreement**") between the Petitioner and GNWT, a copy of which is attached as **Schedule "B"** hereto, is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Petitioner is hereby authorized and approved, and the Petitioner and GNWT are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to GNWT of the assets described in the Sale Agreement (the "**Purchased Assets**").
2. Upon delivery by Alvarez & Marsal Canada Inc., in its capacity as Court-appointed Monitor of the Petitioner (the "**Monitor**") to GNWT of a certificate substantially in the form attached as **Schedule**

“C” hereto (the “**Monitor’s Certificate**”), all of the Petitioner’s right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Commissioner of the Northwest Territories (the “**Commissioner**”), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) the Administration Charge, the Interim Lender’s Charge, the Directors’ Charge (each as defined in the Amended and Restated Initial Order pronounced herein on July 9, 2015) and the AR Lender’s Charge (as defined in the Order pronounced herein August 13, 2015, and collectively the “**CCAA Charges**”); and (ii) those charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia, the Northwest Territories, Yukon, or any other personal property registry system (collectively referred to as the “**Encumbrances**”), but excepting those set out in **Schedule “D”** hereto (the “**Permitted Encumbrances**”), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets. In particular, the relevant mining recorders of the Northwest Territories and Yukon are directed to enter a notation that all Encumbrances are expunged and discharged from the Purchased Assets as at the date of this Order.

3. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets, including any portion of the GNWT Debt (as defined in the Sale Agreement) paid as part of the Purchase Price (as defined in the Sale Agreement) which becomes payable to the Petitioner, shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Monitor’s Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
4. The Monitor is to file with the Court a copy of the Monitor’s Certificate forthwith after delivery thereof.
5. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets, including any real property, shall be delivered by the Petitioner to GNWT at 12:00 noon on the Closing Date (as defined in the Sale Agreement), subject to the Permitted Encumbrances.

6. The Petitioner, with the consent of GNWT, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.
7. Notwithstanding:
 - (a) these proceedings;
 - (b) any applications for a bankruptcy order in respect of the Petitioner now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made by or in respect of the Petitioner,

the vesting of the Purchased Assets in the Commissioner pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioner and shall not be void or voidable by creditors of the Petitioner, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.
8. The Monitor is directed to prepare a methodology concerning the allocation of the CCAA Charges among the assets comprising the Property (as defined in the Amended and Restated Initial Order pronounced July 9, 2015, the “**ARIO**”) for approval by this Court (the “**Allocation**”).
9. On the Closing (as defined in the Sale Agreement), GNWT will pay all amounts owing under the CCAA Charges (to a maximum of \$4,500,000) to the Petitioner (or as otherwise directed by the Monitor) to be distributed to the beneficiaries thereof (the “**Charges Payment**”). Upon making the Charges Payment:
 - (a) the CCAA Charges are terminated and discharged;
 - (b) GNWT is entitled to charge interest on the balance of the Charges Payment outstanding from time to time at the rate of 6.85% per annum from the date GNWT makes the Charges Payment until it is paid in full;
 - (c) GNWT is entitled to the benefit of and is granted a charge (the “**Allocation Charge**”) on the Property (as defined in the ARIO) other than the Mactung Property (as defined in the Order pronounced November 16, 2015, the “**Cantung Order**”) (the “**Cantung Property**”),

to secure the portion of the Charges Payment and all interest accrued and unpaid thereon which is allocated to the Cantung Property pursuant to the Allocation (as may be amended by this Court); and

- (d) the Allocation Charge will form one of the Charges (as defined in the ARIO) and will have priority behind only the DIAND Charge and the Second - Administration Charge (each as defined in the Cantung Order), and the ARIO (as amended) is hereby further amended *mutatis mutandis*.

10. The Petitioner, GNWT or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
11. The endorsement of this order by counsel appearing, other than counsel for GNWT, is hereby dispensed with.

THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Petitioner, the Monitor, the GNWT and their agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioner, the Monitor and the GNWT, as may be necessary or desirable to give effect to this Order or to assist the Petitioner, the Monitor and the GNWT and their agents in carrying out the terms of this Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of lawyers for The Government of
the Northwest Territories
DLA Piper (Canada) LLP
(Mary I.A. Buttery and H. Lance Williams)

BY THE COURT



REGISTRAR

SCHEDULE “A”

COUNSEL LIST	
Name	Party Represented
Kieran Siddall and Scott Boucher	Global Tungsten & Powders Corp.
William E.J. Skelly and Lisa Hiebert	Callidus Capital Corporation
John Sandrelli and Tevia Jefferies	North American Tungsten Corporation
Kibben Jackson and Fergus McDonnell	Alvarez & Marsal Canada Inc., the court-appointed Monitor
Tom Isaac and Ken Landa	Her Majesty the Queen in Right of Canada
Jonathan McLean and Angela Crimeni	Wolfram Bergbau und Hütten AG

SCHEDULE “B”

ASSET PURCHASE AGREEMENT

See Attached.

ASSET PURCHASE AGREEMENT
BY AND AMONG
NORTH AMERICAN TUNGSTEN CORPORATION LTD.
AND
GOVERNMENT OF THE NORTHWEST TERRITORIES
DATED AS OF NOVEMBER 9, 2015

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SCHEDULES

The following Schedules form an integral part of this Agreement.

Schedule A CCAA Charges

Schedule 1.1(a) Knowledge

Schedule 1.1(b) Permitted Encumbrances

Schedule 2.1.1(b) Mineral Tenures

Schedule 2.1.1(d) Permits

Schedule 2.1.1(g) Water Rights

Schedule 2.1.2(e) Excluded Assets

Schedule 7.1(e) Required Consents

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement is dated November 9, 2015, among North American Tungsten Corporation Ltd., a company organized under the Laws of Canada (the "**Seller**") and the Government of the Northwest Territories (the "**Purchaser**").

WHEREAS

- A. The Seller beneficially owns the Assets and operates the Business (each as defined below);
- B. On June 9, 2015 (the "**CCAA Filing Date**"), the Seller filed with the Supreme Court of British Columbia, Vancouver Registry (the "**Court**") an application for protection under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") (the proceedings commenced by such application as Action No. S-154746, the "**CCAA Proceedings**") and was granted certain initial creditor protection pursuant to an order (the "**Initial Order**") issued by the Court on the same date as amended by the Orders of the Court on June 12, 2015 and July 8, 2015, and as amended and restated on July 9, 2015 (the "**Amended and Restated Initial Order**"), as the same may be amended and restated from time to time;
- C. The Purchaser holds a first priority security interest in and to the Assets (as defined below), subject only to the CCAA Charges (as defined below), as security for debts and obligations owing by the Seller to the Purchaser (the "**GNWT Debt**");
- D. The Assets are subject to certain Court ordered priority charges pursuant to the CCAA Proceedings, the details and amounts of which are set out in Schedule A hereto (the "**CCAA Charges**"); and
- E. The Seller has agreed to transfer to the Purchaser, and the Purchaser has agreed to purchase and to assume, the Assets (as defined below) and the Assumed Liabilities (as defined below) from the Seller upon the terms and conditions set forth hereinafter.

NOW, THEREFORE, in consideration of the respective covenants, representations and warranties made herein, and of the mutual benefits to be derived hereby (the sufficiency of which are acknowledged), the Parties (as defined below) agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Capitalized terms used but not otherwise defined herein shall have the meanings set forth below:

"**Action**" means any litigation, action, suit, charge, binding arbitration or other legal, administrative or judicial proceeding.

"**Additional MacTung Allocation**" has the meaning set forth in Section 2.2.4.

"**Affiliate**" means, as to any Person, any other Person that directly or indirectly through one or more intermediaries Controls, or is under common Control with, or is Controlled by, such Person.

"Agreement" means this Asset Purchase Agreement and all Schedules attached hereto and all amendments hereto made in accordance with Section 10.6.

"Amended and Restated Initial Order" has the meaning set forth in the recitals to this Agreement.

"Ancillary Agreements" means, in each case in a form reasonably acceptable to the Seller and the Purchaser: (i) a Bill of Sale for the assignment and conveyance of the Assets from the Seller to the Purchaser; (ii) deeds transferring title to the water rights described in Schedule 2.1.1(g) to the Purchaser; (iii) an Assignment and Assumption Agreement for the assignment and assumption of the Assumed Liabilities from the Seller to the Purchaser; and (iv) any necessary agreements to effect the transfer of the Mineral Tenures in accordance with applicable Laws.

"Approval and Vesting Order" has the meaning set forth in Section 5.1.2.

"Assets" has the meaning set forth in Section 2.1.1.

"Assumed Liabilities" has the meaning set forth in Section 2.1.3.

"Bankruptcy Laws" means the CCAA, the *Bankruptcy and Insolvency Act* (Canada) and the other applicable insolvency Laws of any jurisdiction where the CCAA Proceedings are held.

"Business" means the exploration activities of the Seller carried on at the MacTung Property, and all operations, maintenance and other activity related thereto.

"Business Day" means a day on which the banks are open for business (Saturdays, Sundays, statutory and civic holidays excluded) in Vancouver, British Columbia, Canada.

"Business Information" means all books, records, files, catalogues, data, information (including tangible and intangible information such as drill core, drill logs, assays, metallurgical test work, mine plans and similar information), agreements, operating records, operating, safety and maintenance manuals, engineering and design plans, blueprints and as-built plans, specifications, drawings, reports, procedures, facility compliance plans, test records and results, other records and filings made with regulatory agencies regarding operations of the Business, environmental procedures and similar records, correspondence with present or prospective, customers and suppliers, advertising materials, software programs, documentation and sales literature owned by the Seller and in the possession or under control of the Seller that are used or held for use in connection with the Business, including information, policies and procedures, manuals and materials and procurement documentation used in the Business and information received pursuant to Section 2.1.1(c), including all data and documents contained in the Data Site as of the Closing Date.

"CanTung Mine" means the Seller's mine and processing and other ancillary facilities located in Tungsten, Northwest Territories, Canada, known as the "CanTung Mine".

"CCAA" has the meaning set forth in the recitals to this Agreement.

"CCAA Charges" has the meaning set forth in the recitals to this Agreement.

"CCAA Charges Beneficiaries" has the meaning set forth in Section 2.2.2.

"CCAA Filing Date" has the meaning set forth in the recitals to this Agreement.

"CCAA Proceedings" has the meaning set forth in the recitals to this Agreement.

"Claim" has the meaning set forth in Section 2(1) of the CCAA.

"Closing" has the meaning set forth in Section 2.3.1.

"Closing Date" has the meaning set forth in Section 2.3.1.

"Consent" means any approval, authorization, consent, order, license, permission, permit, including any Permit, qualification, exemption or waiver by any Government Entity or other Third Party.

"Contract" means any legally binding contract, agreement, obligation, license, undertaking, instrument, lease, ground lease, commitment or other arrangement, whether written or oral.

"Control", including, with its correlative meanings, "Controlled by" and "under common Control with", means, in connection with a given Person, the possession, directly or indirectly, of the power to either (i) elect more than 50% of the directors of such Person; or (ii) direct or cause the direction of the management and policies of such Person, whether through the ownership of securities, Contract or otherwise.

"Court" has the meaning set forth in the recitals to this Agreement.

"CRA" means the Canada Revenue Agency.

"Data Site" means the online data-room maintained by the Financial Advisor.

"Environmental Law" means any applicable Law relating to contamination, pollution or protection of the environment (including ambient air, surface water, ground water, subsurface or subsurface strata), plant life, animal and fish or other natural resources or human health, including Laws relating to the exposure to, or Releases or threatened Releases of, Hazardous Materials or otherwise relating to the manufacture, presence, processing, distribution, use, treatment, storage, Release, transport, disposal, transfer, discharge, control, recycling, production, generation or handling of Hazardous Materials and all Laws with regard to monitoring, recordkeeping, notification, disclosure and reporting requirements respecting Hazardous Materials, each as amended and as now in effect.

"Environmental Liabilities" shall mean any and all liability arising out of, based on or resulting from (i) the presence, Release, threatened Release, discharge or emission into the environment of any Hazardous Materials or substances existing or arising on, beneath or above the MacTung Property and/or emanating or migrating and/or threatening to emanate or migrate from the MacTung Property to other properties; (ii) storage, disposal or treatment of or the arrangement for the storage, disposal or treatment of Hazardous Materials originating or transported from the MacTung Property to an off-site treatment, storage or disposal facility; (iii) physical disturbance of the environment on or from the MacTung Property, including any reclamation obligations; or (iv) the violation or alleged violation of any Environmental Laws relating to the MacTung Property.

"Excluded Assets" has the meaning set forth in Section 2.1.2.

"Excluded Assets Allocation" has the meaning set forth in Section 2.2.4.

"Excluded Liabilities" has the meaning set forth in Section 2.1.4.

"Final Order" means an action taken or Order issued by the applicable Government Entity as to which: (i) no request for stay of the action or order is pending, no such stay is in effect, and, if any deadline for filing any such request is designated by statute or regulation, it is passed, including any extensions thereof; (ii) no petition for rehearing or reconsideration of the action or order, or protest of any kind, is pending before the Government Entity and the time for filing any such petition or protest is passed; (iii) the Government Entity does not have the action or order under reconsideration or review on its own motion and the time for such reconsideration or review has passed; and (iv) the action or order is not then under judicial review, there is no notice of application for leave to appeal, appeal or other application for judicial review pending, and the deadline for filing such notice of appeal or other application for judicial review has passed, including any extensions thereof.

"Financial Advisor" means Alvarez & Marsal Canada Securities ULC.

"GNWT Debt" has the meaning set forth in the recitals to this Agreement.

"Government Entity" means any Canadian, foreign, domestic, federal, territorial, provincial, state, municipal or local governmental authority, quasi-governmental authority, instrumentality, court, government or self-regulatory organization, bureau, commission, tribunal or organization or any regulatory, administrative or other agency, or any political or other subdivision, department or branch of any of the foregoing having jurisdiction.

"GST/HST" means goods and services tax, including harmonized sales tax, interest, penalties and fines payable under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder.

"Hazardous Materials" means (i) petroleum, petroleum products, asbestos in any form, mold, urea formaldehyde foam insulation, lead based paints, polychlorinated biphenyls or any other material or substance regulated pursuant to Environmental Laws; and (ii) any chemical, material or other substance, contaminant or pollutant which is regulated, defined or listed, alone or in any combination as "hazardous", "hazardous waste", "solid waste", "radioactive", "deleterious", "effluent", "toxic", "caustic", "dangerous", a contaminant, a pollutant, a "waste", a "special waste", a "source of contamination" or "source of pollution", under any Environmental Law.

"Interest" means any legal or equitable assertion of right in Property, including a royalty, net smelter production royalty, production royalty, restrictive covenant, or assertion of a right or interest in a percentage of income, production, minerals, profit, revenue, payment or sale, or any other right of payment asserted in the nature of a royalty or interest, other than the net smelter returns royalty of which Teck Resources Limited is the beneficial holder over the MacTung Property, pursuant to a royalty agreement dated October 7, 1997, between the Seller and Aur Resources Inc.

"Knowledge" or **"aware of"** or **"notice of"** or a similar phrase shall mean, with reference to the Seller, the actual knowledge of those Persons listed in Schedule 1.1(a) after reasonable inquiry,

and with reference to the Purchaser, the actual knowledge of those Persons listed in Schedule 1.1(a) after reasonable inquiry.

"Law" means any Canadian, foreign, domestic, federal, territorial, state, provincial, local, regional or municipal statute, law, common law, ordinance, rule, regulation, order, writ, injunction, directive, judgment, decree or policy or guideline having the force of law.

"Liabilities" means debts, liabilities, obligations and Claims, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or undeterminable, including those arising under any Law or Action and those arising under any Contract or otherwise, including any Tax liability, or under Environmental Laws that are required to be assumed or accepted in order to effectuate or achieve the Transfer Approvals of the Permits.

"Lien" means as to all Assets any lien, mortgage, deed of trust, judgment lien, pledge or security interest, hypothec (including legal hypothecs), encumbrance, mechanics lien, materialmen's lien, miner's lien, servitude, easement, encroachment, right-of-way, restrictive covenant on real or immovable property, real property license, other real rights in favor of Third Parties, charge, prior claim, lease, occupancy agreement, leasing agreement, statutory or deemed trust or conditional sale arrangement, including the liens in support of the CCAA Charges.

"MacTung Allocation" has the meaning set forth in Section 2.2.1.

"MacTung Property" means the Seller's property located in the Selwyn mountain range in an area straddling the territorial border between Yukon and the Northwest Territories, including, the Mineral Tenures related to the MacTung Property listed in Schedule 2.1.1(b).

"Mineral Tenures" means the mineral claims, mining leases, recorded claims, leased claims, leases of recorded claims, locations, quartz claims, placer claims, placer leases, undersurface rights and other mining rights, tenures and concessions of which the Seller is the recorded holder related to the MacTung Property, including those Mineral Tenures listed in Schedule 2.1.1(b).

"Monitor" means Alvarez & Marsal Canada Inc.

"Order" means any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award of a Government Entity.

"Party" or **"Parties"** means individually or collectively, as the case may be, the Seller and the Purchaser.

"Permit" means any approval, license, authorization, certificate, consent, decree, consent decree, registration, exemption, permit (including where applicable, export permit), certificate of authorization, waste management plan, operational certificate, approval in principle, certificate of compliance, voluntary remediation agreement, mine development permit or other Governmental Entity approval required by applicable Law to (i) conduct the Business as currently conducted; or (ii) in relation to the Assets, including those dealing with mining, air, water and Environmental Laws, including the Permits identified in Schedule 2.1.1(d).

"Permitted Encumbrances" means (i) statutory Liens for Taxes or governmental assessments, charges or claims the payment of which is not yet due, or for Taxes which are being contested in good faith by appropriate proceedings, provided any such statutory Liens shall be discharged

pursuant to the Approval and Vesting Order to the extent permitted by Law; (ii) any other Liens set forth in Schedule 1.1(b); and (iii) zoning, entitlement, building and land use regulations, minor defects of title, servitudes, easements, rights of way, restrictions and other similar charges or encumbrances which do not impair in any material respect the use or the value of the related assets in the Business as currently conducted, and which are not listed as Excluded Assets.

"Person" means an individual, a partnership, a corporation, an association, a limited or unlimited liability company, a joint stock company, a trust, a joint venture, an unincorporated organization or other legal entity or Government Entity.

"Property" means any interest in any kind of property or asset, whether real (including chattels real), personal or mixed, movable or immovable, tangible or intangible.

"Purchase Price" has the meaning set forth in Section 2.2.1.

"Purchaser" has the meaning set forth in the preamble to this Agreement.

"Release" means any release, spill, emission, discharge, leaking, pouring, emptying, escaping, dumping, injection, deposit, disposal, dispersal, leaching or migration into the indoor or outdoor environment (including ambient air, surface water, groundwater and surface or subsurface strata) or into or out of any property.

"Required Consents" has the meaning set forth in Section 7.1(e).

"Sale Hearing" has the meaning set forth in Section 5.1.2.

"Seller" has the meaning set forth in the preamble to this Agreement.

"Subsidiary" of any Person means any Person Controlled by such first Person.

"Tax" means any domestic or foreign federal, state, local, provincial, territorial or municipal taxes or other impositions by any Government Entity, including Transfer Taxes and the following taxes and impositions: net income, gross income, capital, value added, goods and services, capital gains, alternative, net worth, harmonized sales, gross receipts, sales, use, ad valorem, business rates, transfer, franchise, profits, business, environmental, real or immovable property, municipal, school, Canada Pension Plan, withholding, workers' compensation levies, payroll, employment, unemployment, employer health, occupation, social security, excise, stamp, customs, and all other taxes, fees, duties, assessments, deductions, contributions, withholdings or charges of the same or of a similar nature, however denominated, together with any interest and penalties, additions to tax or additional amounts imposed or assessed with respect thereto.

"Tax Act" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended from time to time.

"Tax Authority" means any local, municipal, governmental, state, provincial, territorial, federal, including any Canadian or other fiscal, customs or excise authority, body or officials anywhere in the world with responsibility for, and competent to impose, collect or administer, any form of Tax.

"Tax Returns" means all returns, reports (including elections, declarations, disclosures, statements, schedules, estimates and information returns) and other information filed or required to be filed with any Tax Authority relating to Taxes.

"Third Party" means any Person that is neither a Party nor an Affiliate of a Party.

"Transaction Documents" means this Agreement, the Ancillary Agreements and all other ancillary agreements to be entered into, or documentation delivered by, any Party pursuant to this Agreement.

"Transfer Approvals" has the meaning set forth in Section 5.3.5.

"Transfer Taxes" means all goods and services, sales, excise, use, transfer, gross receipts, documentary, filing, recordation, value-added, stamp, stamp duty reserve, and all other similar taxes, duties or other like charges, however denominated, in each case including interest, penalties or additions attributable thereto whether or not disputed, but excluding GST/HST, arising out of or in connection with the transactions provided for herein, regardless of whether the Government Entity seeks to collect the Transfer Tax from the Seller or the Purchaser.

1.2 Interpretation

1.2.1 Gender and Number

Any reference in this Agreement to gender includes all genders and words importing the singular include the plural and vice versa.

1.2.2 Certain Phrases and Calculation of Time

- (a) In this Agreement (i) the words "including" and "includes" mean "including (or includes) without limitation" and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it; (ii) the terms "hereof", "herein", "hereunder" and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement and not to any particular provision of this Agreement, and Article, Section, paragraph, and Schedule references are to the Articles, Sections, paragraphs, and Schedules to this Agreement unless otherwise specified; and (iii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding". If the last day of any such period is not a Business Day, such period will end on the next Business Day.
- (b) When calculating the period of time "within" which, "prior to" or "following" which any act or event is required or permitted to be done, notice given or steps taken, the date which is the reference date in calculating such period is excluded from the calculation. If the last day of any such period is not a Business Day, such period will end on the next Business Day.

1.2.3 Headings

The inclusion of a table of contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect or be used in the

construction or interpretation of this Agreement. All references in this Agreement to any "Section" are to the corresponding Section of this Agreement unless otherwise specified.

1.2.4 Currency

All monetary amounts in this Agreement, including the symbol "\$", unless otherwise specifically indicated, are stated in Canadian currency. All calculations and estimates to be performed or undertaken, unless otherwise specifically indicated, are to be expressed in Canadian currency. All payments required under this Agreement shall be paid in Canadian currency in immediately available funds, unless otherwise specifically indicated herein.

1.2.5 Statutory References

Unless otherwise specifically indicated, any reference to a statute in this Agreement refers to that statute and to the regulations made under that statute as in force from time to time.

1.2.6 Schedules

All Schedules attached hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set in full herein. Any capitalized terms used in any Schedule but not otherwise defined therein shall be defined as set forth in this Agreement.

ARTICLE 2 PURCHASE AND SALE OF ASSETS

2.1 **Purchase and Sale**

2.1.1 Assets

Subject to the terms and conditions of this Agreement, at the Closing, the Purchaser shall purchase or cause to be assigned and assumed from the Seller, and the Seller shall sell, transfer, assign, convey and deliver to the Purchaser all of its right, title and interest in and to the following properties and assets of the Seller (other than the Excluded Assets), wherever located, real, personal or mixed, tangible or intangible, owned, leased, licensed, used or held for use in or relating to the Business (herein collectively called the "**Assets**") free and clear of all Liens, Claims and Interests (other than the Permitted Encumbrances) pursuant to the Approval and Vesting Order, when granted, including, but not limited to, all right, title and interest of the Seller in, to and under:

- (a) the MacTung Property;
- (b) the Mineral Tenures, including the Mineral Tenures listed in Schedule 2.1.1(b);
- (c) the Business Information, subject to Section 2.1.2(c);
- (d) the Consents of Government Entities (including those listed in Schedule 8.3(g)) to the extent transferable at Law including all Permits listed in Schedule 2.1.1(d);
- (e) all pre-paid expenses of the Business, including any deposits, but not including any rights described in Section 2.1.2(f);

- (f) copies of Tax records related to the Assets and the Business;
- (g) all water rights, permits, Consents and other riparian rights of any kind relating to the Business, the MacTung Property, or the Mineral Tenures, including all rights and interests listed in Schedule 2.1.1(g).

2.1.2 Excluded Assets

Notwithstanding anything in this Section 2.1 or elsewhere in this Agreement or in any of the Transaction Documents to the contrary, the Seller shall retain its right, title and interest in and to, and the Purchaser shall not acquire and shall have no rights with respect to the right, title and interest of the Seller in and to, the following assets (collectively, the "**Excluded Assets**"):

- (a) the minute books and stock ledgers of the Seller;
- (b) all rights of the Seller under this Agreement and the Ancillary Agreements;
- (c) all records prepared in connection with the sale of the Assets to the Purchaser, except that the Business Information contained in the Data Site will be transferred as stated in Section 2.1.1(c) above;
- (d) all assets related to the Seller's head office operations and operations at the CanTung Mine;
- (e) any assets set forth in Schedule 2.1.2(e);
- (f) deposits held in trust accounts to secure payment of the reasonable fees and disbursements of the Monitor and the Financial Advisor and the professional advisors of the Seller and of the Monitor;
- (g) following the Closing, copies of any book, record, literature, list and any other written or recorded information constituting Business Information (the original of which has already been assigned or transferred to Purchaser) to which the Seller in good faith determine they are reasonably likely to need access for *bona fide* Tax or legal purposes;
- (h) all information, materials, documents, reports and/or records, whether written or electronic, prepared by the Seller's legal counsel, whether or not prepared before or after Closing, that is attorney-client privileged and any and all attorney work product; and
- (i) all cash and cash equivalents.

2.1.3 Assumed Liabilities

On the terms and subject to the conditions set forth in this Agreement, at the Closing, the Purchaser shall assume and become responsible for, and perform, discharge and pay when due, the following Liabilities (the "**Assumed Liabilities**"):

- (a) all Liabilities of the Seller in respect of the Mineral Tenures which are assumed and assigned pursuant to the Approval and Vesting Order arising from and after the Closing;

- (b) all Liabilities for, or related to any obligation for, any Tax that the Purchaser bears under Article 6 (including, for the avoidance of doubt, Transfer Taxes imposed in connection with this Agreement and the transactions contemplated hereunder or any other Transaction Document and the transactions contemplated thereunder);
- (c) all Liabilities with respect to the post-Closing operation of the Business or ownership of the Assets, but in each case only in respect of those Liabilities arising from and after Closing; and
- (d) all amounts payable to obtain Consents, including filing and other fees related thereto, excluding any penalties or interest.

2.1.4 Excluded Liabilities

Notwithstanding any provision in this Agreement to the contrary, other than the Assumed Liabilities, the Purchaser shall not assume or shall not be obligated to assume or be obligated to pay, perform or otherwise discharge any Liability of the Seller, and the Seller shall be solely and exclusively liable with respect to all Liabilities of the Seller, including Liabilities owed by the Seller to its current or former employees or service providers, accounts payable accrued in the Business prior to the Closing, Tax Liabilities accrued prior to the Closing, and Environmental Liabilities which accrued prior to the Closing which are not expressly assumed (collectively, the "**Excluded Liabilities**").

2.2 **Purchase Price**

2.2.1 Purchase Price

Pursuant to the terms and subject to the conditions set forth in this Agreement, the purchase price for the sale of the Assets shall be \$4,500,000.00, which amount shall be paid by the Purchaser at Closing by, firstly, satisfying and paying in full the CCAA Charges allocated to the Assets by the Court in the CCAA Proceedings (the "**MacTung Allocation**") and, secondly, (but subject to Section 2.2.4) by offsetting the remainder, if any, against the GNWT Debt owed by the Seller to the Purchaser. In addition, at the Closing, the Purchaser shall assume from the Seller and become obligated to pay, perform and discharge, when due, the Assumed Liabilities (collectively, the "**Purchase Price**").

2.2.2 Payment of CCAA Charges

Notwithstanding Section 2.2.1, on Closing, the Purchaser shall pay all amounts outstanding under the CCAA Charges (up to a maximum of \$4,500,000) to the Seller (or as directed by the Monitor) for distribution to the beneficiaries thereof (the "**CCAA Charges Beneficiaries**"). Upon making such payments, the Purchaser shall be fully subrogated to the rights, claims and security of the CCAA Charges Beneficiaries, including the right to charge interest at the rate currently charged by the CCAA Charges Beneficiaries.

2.2.3 Allocation of CCAA Charges

The Parties will seek as part of the Approval and Vesting Order terms confirming the subrogation of the Purchaser in relation to the CCAA Charges and that the Monitor forthwith prepare the MacTung Allocation.

2.2.4 Adjustment to CCAA Charges

In the event that the Excluded Assets are not sold for consideration sufficient to pay the CCAA Charges allocated to them by the Court in the CCAA Proceedings (the "**Excluded Assets Allocation**"), the Purchaser agrees that it will be responsible for any portion of the Excluded Assets Allocation subsequently allocated to the Assets after Closing as a result of such shortfall (the "**Additional MacTung Allocation**"). The Additional MacTung Allocation shall form part of the Purchase Price, and in order to reflect the payment of the Additional MacTung Allocation, the offset of the GNWT Debt shall be reduced by the amount of the Additional MacTung Allocation, such that the total Purchase Price remains unchanged.

2.2.5 No Payment Beyond Purchase Price

For greater certainty, in no circumstances will the Purchaser be required to pay total consideration, including the payment of the CCAA Charges, in excess of \$4,500,000.

2.3 **Closing**

2.3.1 The completion of the purchase and sale of the Assets and the assumption of the Assumed Liabilities (the "**Closing**") shall take place at the offices of Dentons Canada LLP, 20th Floor, 250 Howe Street, Vancouver, British Columbia, commencing at 10:00 a.m. local time on November 18, 2015, or at such other place and on such other date and at such other time as shall be mutually agreed upon in writing (which date shall be no later than November 25, 2015) by the Purchaser and the Seller (the day on which the Closing takes place being the "**Closing Date**"). Accordingly, the parties agree to use commercially reasonable efforts to satisfy the conditions set forth under Article 7 (other than conditions to be satisfied at the Closing, but subject to the waiver or fulfillment of those conditions) on or before November 18, 2015. Legal title, equitable title and risk of loss with respect to the Assets will transfer to the Purchaser, and the Assumed Liabilities will be assumed by the Purchaser at the Closing.

2.3.2 At the Closing:

- (a) the Seller and the Purchaser shall deliver duly executed copies of and enter into the Ancillary Agreements to which it is contemplated that they will be parties, respectively;
- (b) the Seller shall deliver a certified copy of the Approval and Vesting Order; and
- (c) each Party shall deliver, or cause to be delivered, to the other any other documents reasonably requested by such other Party in order to effect, or evidence the consummation of, the transactions contemplated herein or otherwise provided for under this Agreement.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser hereby represents and warrants to the Seller as follows:

3.1 **Power and Authority**

The Purchaser has the requisite power and authority to enter into, deliver and perform its obligations pursuant to each of the Transaction Documents to which it is or will become a party.

3.2 Authorization; Binding Effect

The execution, delivery and performance of each Transaction Document to which the Purchaser is a party, or is to be a party to, have been, or will be, duly authorized by the Purchaser at the time of its execution and delivery. Assuming due authorization, execution and delivery by the Seller, each Transaction Document to which the Purchaser is a party constitutes, or upon execution thereof will constitute, a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its respective terms, except as such enforceability is limited by general principles of public policy.

3.3 No Other Representations or Warranties

Notwithstanding anything contained in this Agreement to the contrary, the Purchaser acknowledges and agrees that none of the Seller or any other Person is making any representations or warranties whatsoever, express or implied, beyond those expressly given by the Seller in Article 4, or with respect to any other information provided to the Purchaser in connection with the transactions contemplated hereby, including as to the probable success or profitability of the ownership, use or operation of the Business and the Assets after Closing. The Purchaser further represents that none of the Seller or any other Person has made any representation or warranty, express or implied, as to the accuracy or completeness of any information regarding the Seller, the Business or the transactions contemplated by this Agreement not expressly set forth in this Agreement, and none of the Seller or any other Person will have or be subject to liability to the Purchaser or any other Person resulting from the distribution to the Purchaser or its representatives or the Purchaser's use of any such information, including data room information provided to the Purchaser or its representatives, in connection with the sale of the Business. The Purchaser acknowledges that it has conducted to its satisfaction its own independent investigation of the Business and the Assets and, in making the determination to proceed with the transactions contemplated by this Agreement, the Purchaser has relied on the results of its own independent investigation.

3.4 As Is Transaction

The Purchaser hereby acknowledges and agrees that, except as otherwise expressly provided in Article 4 of this Agreement, the Seller makes no representations or warranties whatsoever, express or implied, with respect to any matter relating to the Assets, the Business and Seller's ownership and operation thereof or liabilities, including environmental liabilities, associated therewith, and the quantity, quality, suitability for mining or costs of mining of any mineral reserves and resources included in the Assets. Without in any way limiting the foregoing, the Purchaser acknowledges that the Seller has not given, will not be deemed to have given and hereby disclaims any warranty, express or implied, of merchantability or fitness for any particular purpose as to any portion of the Assets. Accordingly, the Purchaser shall accept the Assets at the Closing "as is", "where is" and "with all faults".

3.5 Brokers

No broker, finder or investment banker is entitled to any brokerage, finder's or similar fee or commission in connection with the transactions contemplated by this Agreement and the other Transaction Documents based upon arrangements made by or on behalf of the Purchaser or any of its Affiliates.

3.6 GST/HST

The Purchaser is exempt from the application of the *Excise Tax Act* (Canada) and as such the transactions contemplated under this Agreement are not subject to GST/HST.

3.7 Financing

The Purchaser has, and at all times from the date hereof through and after the Closing, will have, sufficient funds available to pay the Purchase Price and all other amounts payable under the Transaction Documents and to otherwise consummate the transactions contemplated hereby and thereby, and to pay all fees and expenses related thereto. The Purchaser acknowledges that its obligations under this Agreement and the other Transaction Documents are not subject to any conditions regarding its ability to obtain financing for any portion of the foregoing amounts.

3.8 Regulatory, Transfer and Other Approvals

The Purchaser acknowledges and agrees that time is of the essence in effecting the Closing and otherwise consummating the transactions contemplated herein, and that it will promptly and timely provide written requests, execute and deliver all required documents and materials and perform all necessary and required actions to obtain Transfer Approvals for Permits from appropriate Government Entities.

3.9 Purchaser's Qualifications to Obtain Transfer Approvals and Hold Permits

The Purchaser is aware of no facts that would prevent the issuance of Transfer Approvals from any Government Entities for the transfer of the Permits from the Seller to the Purchaser or for the obtaining of replacement Permits by the Purchaser for those Permits presently held by the Seller that are not transferable.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller represents and warrants to the Purchaser as follows:

4.1 Organization and Corporate Power

The Seller exists under the Laws of Canada. Subject to the entry of the Approval and Vesting Order in the Court in connection with the transactions contemplated hereby and in the other Transaction Documents, the Seller has the requisite corporate power and authority to own or lease and to operate and use the Assets and carry on the Business as now conducted and to enter into, deliver and perform its obligations pursuant to each of the Transaction Documents to which it is or will become a party.

4.2 Authorization; Binding Effect; No Breach

4.2.1 Subject to the entry of the Approval and Vesting Order in the Court in connection with the transactions contemplated hereby and in the other Transaction Documents, the execution, delivery and performance by the Seller of each Transaction Document to which the Seller is a party, or is to be a party to, have been, or will be, duly authorized at the time of its execution and delivery. Subject to the entry of the Approval and Vesting Order in the Court in connection with the transactions contemplated hereby and in the other Transaction Documents, and assuming due authorization, execution and delivery by the

Purchaser, each Transaction Document to which the Seller is a party constitutes, or upon execution thereof will constitute, a legal, valid and binding obligation of the Seller, enforceable against it in accordance with its respective terms.

4.2.2 The execution, delivery and performance by the Seller of the Transaction Documents to which the Seller is, or on the Closing Date will be, a party do not and will not conflict with or result in a breach of the terms, conditions or provisions of, constitute a default under, result in a violation of, result in the creation or imposition of any Lien upon any of the Assets, or require any Consent (other than the Transfer Approvals and the entry of the Approval and Vesting Order) or other action by or declaration or notice to any Government Entity pursuant to (i) the articles and by-laws of the Seller; (ii) any material Contract to which the Seller is a party or to which any of its assets is subject; (iii) any Order to which the Seller or any of the Assets are subject; or (iv) any Laws to which the Seller or any of the Assets are subject.

4.3 Title to Tangible Assets

Upon delivery to the Purchaser on the Closing Date of the instruments of transfer contemplated by Section 2.3.2, and subject to the terms of the Approval and Vesting Order, the Seller will thereby transfer to the Purchaser good, legal, and valid title to, or, in the case of property leased or licensed by the Seller, a valid leasehold or licensed interest in, all of the Assets, free and clear of all Liens, Claims and Interests pursuant to the Approval and Vesting Order, except for Permitted Encumbrances.

4.4 No Other Representations and Warranties

Except for the representations and warranties of the Seller contained in this Article 4, none of the Seller or any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of the Seller, the Assets, the Business or otherwise, including any representation or warranty as to the accuracy or completeness of any information regarding the Seller furnished or made available to the Purchaser and its representatives or as to the future revenue, profitability or success of the Seller, the Assets, the Business, or any representation or warranty arising from statute or otherwise in Law.

4.5 Regulatory, Transfer and Other Approvals

The Seller acknowledges and agrees that time is of the essence in effecting the Closing and otherwise consummating the transactions contemplated herein, and that it will promptly and timely provide written requests, execute and deliver all required documents and materials and perform all necessary and required actions to obtain Transfer Approvals for Permits from appropriate Government Entities. Except for the Transfer Approvals and entry of the Approval and Vesting Order, to the best of the Seller's Knowledge, no notice, filing, authorization, approval, Order or Consent is required to be given, filed or obtained by the Seller to or from any Government Entity or Third Party in connection with the execution, delivery and performance by the Seller of this Agreement or the transactions contemplated hereby.

ARTICLE 5 COVENANTS AND OTHER AGREEMENTS

5.1 CCAA Proceedings

5.1.1 The Seller and the Purchaser acknowledge that this Agreement and the transactions contemplated hereby are subject to the approval of the Court in the CCAA Proceedings.

5.1.2 The Purchaser shall use its commercially reasonable efforts to have the Court enter on or before November 18, 2015, upon a hearing to be held on a date specified by the Court (the "**Sale Hearing**"), an order in form and in substance acceptable to the Purchaser approving the sale of the Assets to the Purchaser pursuant to this Agreement and vesting in and to the Purchaser the Assets free and clear of all Liens, Claims and Interests (other than Permitted Encumbrances) (the "**Approval and Vesting Order**").

5.1.3 The Seller and the Purchaser acknowledge and agree that, in the event leave to appeal is sought, the Closing Date as defined in Section 2.3.1 shall be extended until two Business Days following dismissal of (i) the application for leave to appeal, or (ii) if leave is granted, the appeal.

5.2 Cooperation

5.2.1 Prior to the Closing, upon the terms and subject to the conditions of this Agreement, each of the Parties shall use its commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, and cooperate with each other in order to do, all things necessary, proper or advisable under applicable Law to consummate the transactions contemplated by this Agreement as soon as practicable, including the preparation and filing of all forms, registrations and notices required to be filed to consummate the Closing, making witnesses available in the Court or by declaration, as necessary, in obtaining the entry of the Approval and Vesting Order, and the taking of such actions as are necessary to obtain any requisite Consent; provided, however, at no time shall the Seller be obligated to make any payment or deliver anything of value to any Third Party (other than filing with and payment of any application fees to Government Entities, all of which shall be paid or reimbursed by the Purchaser unless otherwise provided herein) in order to obtain any Consent.

5.2.2 The Seller and the Purchaser shall promptly notify the other of the occurrence, to such Party's Knowledge, of any event or condition, or the existence, to such Party's Knowledge, of any fact, that would reasonably be expected to result in (i) any of the conditions set forth in Article 7 not being satisfied; or (ii) in the case of the Seller only, any of the representations and warranties in Article 4 not being true and correct.

5.3 Transfer Approvals

5.3.1 To the extent required by applicable Laws, each of the Parties agrees to prepare and file as promptly as practicable and in any event, within 10 Business Days from the execution of this Agreement, all necessary documents, registrations, statements, petitions, filings and applications for Transfer Approvals and any other Consent of any other Government Entities required to satisfy the conditions set forth in Article 7.

5.3.2 Each of the Parties shall use commercially reasonable efforts to (i) cooperate with each other in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party; (ii) keep the other Parties informed in all material respects of any material communication received by such Party from, or given by such Party to, any Government Entity and of any material communication received or given in connection with any proceeding by a private party, in each case regarding any of the transactions contemplated hereby; and (iii) permit the other Party to review any material communication given to it by, and consult with each other in advance of any meeting or conference with any Government Entity, including in connection with any proceeding by a private party. The foregoing obligations in this Section 5.3 shall be subject to any attorney-client, work product, or other privilege, and each of the Parties hereto shall coordinate and cooperate fully with the other Parties hereto in exchanging such information and providing such assistance as such other Parties may reasonably request in connection with the foregoing. The Parties

will not take any action that will have the effect of delaying, impairing or impeding the receipt of any required authorizations, consents, Orders or approvals. Fees incurred in connection with complying with any Law pursuant to Section 5.3 shall be borne solely by the Seller.

5.3.3 If any objections are asserted with respect to the transactions contemplated hereby under any Law or if any suit is instituted by any Government Entity or any private party challenging any of the transactions contemplated hereby as in violation of any Law or if the filing pursuant to Section 5.3 is reasonably likely to be rejected or conditioned by a federal, provincial or territorial Government Entity, each of the Parties shall use commercially reasonable efforts to resolve such objections or challenge as such Government Entity or private party may have to such transactions, including to vacate, lift, reverse or overturn any Action, whether temporary, preliminary or permanent, so as to permit consummation of the transactions contemplated by this Agreement.

5.3.4 Each of the Seller and the Purchaser shall use its commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to such Party's obligations hereunder as set forth in Section 7.1(a) to the extent the same is within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to consummate the transactions contemplated by this Agreement, including using its commercially reasonable efforts with respect to any Consent of a Government Entity required to be obtained in order for the Parties to consummate the transactions contemplated by this Agreement.

5.3.5 No later than three Business Days after the date hereof, the Purchaser agrees to contact the applicable Government Entities and use its commercially reasonable efforts to understand what information those Government Entities will require in order to timely grant the transfer of the Permits from the Seller to the Purchaser or what information those Government Entities will require the Purchaser to submit in order for the Purchaser to obtain replacement Permits for those Permits presently held by the Seller that are not transferable. Prior to the Closing, the Purchaser (i) will file with the appropriate Government Entities all applications and other instruments of transfer for all of the Assets and the Permits which are subject to approval or other processing by such Government Entities, including the posting and acceptance by the appropriate Government Entity or private party of whatever financial assurance instruments are required in connection with such approval or other processing; (ii) will file with the appropriate Government Entity all required notices of transfers of Permits or any of the other Assets; and (iii) will file with the appropriate Government Entities all applications, instruments or notices for all of the Assets for approval or other processing by such Government Entities, including the posting and acceptance by the appropriate Government Entity or private party of whatever financial assurance instruments are required in connection with such approval or other processing, as necessary to obtain replacement Permits for those Permits presently held by the Seller that are not transferable (with those items referenced in sub-clauses (i), (ii), and (iii) above collectively referred to as the "**Transfer Approvals**"). The Purchaser will diligently pursue on a commercially reasonable efforts basis all Transfer Approvals necessary to complete transfer of such Assets and Permits from the Seller to the Purchaser or obtain Permits in the Purchaser's own name as of the Closing Date (provided that all such Transfer Approvals shall be contingent on the consummation of the Closing unless the terms of this Agreement provide otherwise), and will keep the Seller apprised of the status of its efforts to secure such Transfer Approvals (provided that use of "commercially reasonable efforts" shall not require the Purchaser to undertake extraordinary or unreasonable measures to obtain such Transfer Approvals as of the Closing Date, such as the payment of fees in excess of normal and usual filing and processing fees). All of the Transfer Approvals must be in place and effective as of the Closing Date, and the Purchaser shall have no right to conduct any activities under any Permit or Contract that has not been assigned, transferred or re-issued to the Purchaser; provided, however, that with respect to any Transfer Approval not obtained as

of the Closing Date through no fault of the Purchaser, the Purchaser may, at its election, waive in writing pursuant to Section 10.5 the requirement for such Transfer Approval to be in place and effective as of the Closing Date. The Seller agrees that they will cooperate in good faith with the Purchaser in its efforts to obtain the Transfer Approvals, and upon written request by the Purchaser, use their good faith efforts to make the appropriate employees available to assist the Purchaser in that process.

5.4 Pre-Closing Access to Information

Prior to the Closing, the Seller shall (a) give the Purchaser and its authorized representatives, upon advance notice and during regular business hours, access to all books, records, reports, plans, certificates, files, documents and information related to the Assets, personnel, officers and other facilities and properties of the Business; and (b) permit the Purchaser to make such copies and inspections thereof, upon advance notice and during regular business hours, as the Purchaser may reasonably request; provided, however, that any such access shall be conducted at Purchaser's expense, in accordance with Law (including any applicable Bankruptcy Law), under the supervision of the Seller's personnel and in such a manner as to maintain confidentiality and not to interfere with the normal operations of the business of the Seller; and (c) permit the Purchaser to undertake (at the Purchaser's sole cost and expense) a non-invasive environmental assessment of the Mineral Tenures.

5.5 Further Actions

From and after the Closing Date, each of the Parties shall execute and deliver such documents and other papers and take such further actions as may reasonably be required to carry out the provisions of this Agreement and give effect to the transactions contemplated herein, including the execution and delivery of such assignments, deeds and other documents as may be necessary to transfer any Assets as provided in this Agreement; provided that, the Seller shall not be obligated to make any payment or deliver anything of value to any Third Party (other than filing with and payment of any application fees to Government Entities, all of which shall be paid or reimbursed by the Purchaser unless otherwise specified herein) in order to obtain any Consent to the transfer of Assets or the assumption of Assumed Liabilities.

5.6 Transaction Expenses

Except as otherwise provided in this Agreement or the Ancillary Agreements (including Section 8.2), each of the Purchaser and the Seller shall bear its own costs and expenses (including brokerage commissions, finders' fees or similar compensation, and legal fees and expenses) incurred in connection with this Agreement, the other Transaction Documents and the transactions contemplated hereby and thereby. Without limiting the foregoing, Purchaser shall pay all recording costs associated with transferring the Mineral Tenures in accordance with applicable Laws.

5.7 Certain Payments or Instruments Received from Third Parties

To the extent that, after the Closing Date, (a) the Purchaser receives any payment or instrument that is for the account of the Seller according to the terms of this Agreement, the Purchaser shall promptly deliver such amount or instrument to the Seller; and (b) the Seller receives any payment that is for the account of the Purchaser according to the terms of this Agreement or relates to the Business, the Seller shall hold such payment in trust for the Purchaser and promptly deliver such amount or instrument to the Purchaser. All amounts due and payable under this Section 5.7 shall be due and payable by the applicable Party in immediately available funds, by wire transfer to the account designated in writing by the relevant Party. Notwithstanding the foregoing, each Party hereby undertakes to use reasonable best efforts to direct or forward all bills, invoices or like instruments to the appropriate Party.

5.8 Notification of Certain Matters

The Seller shall give written notice to the Purchaser and the Purchaser shall give written notice to the Seller, as applicable, promptly after becoming aware of (a) the occurrence of any event, which would be likely to cause any condition set forth in Article 7 to be unsatisfied in any material respect at any time from the date hereof to the Closing Date; or (b) any notice or other communication from (i) any Person alleging that the Consent of such Person is or may be required in connection with any of the transactions contemplated by this Agreement; or (ii) any Government Entity in connection with any of the transactions contemplated by this Agreement; provided, however, that the delivery of any notice pursuant to this Section 5.8 shall not limit or otherwise affect the remedies available hereunder to the Seller or the Purchaser.

5.9 Casualty Loss

Notwithstanding any provision in this Agreement to the contrary, if, before the Closing, all or any portion of the Assets is (a) condemned or taken by eminent domain; or (b) a material portion is damaged or destroyed by fire or other casualty, the Seller shall notify the Purchaser promptly in writing of such fact, and (i) in the case of condemnation or taking, the Seller shall assign or pay, as the case may be, any proceeds thereof to the Purchaser at the Closing; and (ii) in the case of fire or other casualty, the Seller shall, at their option, either restore such damage or assign the insurance proceeds therefrom to the Purchaser at Closing. Notwithstanding the foregoing, the provisions of this Section 5.9 shall not in any way modify the Purchaser's other rights under this Agreement.

ARTICLE 6 TAX MATTERS

6.1 Transfer Taxes

6.1.1 The Parties agree that the Purchase Price is exclusive of any Transfer Taxes. Subject to Section 5.6, the Purchaser shall promptly pay directly to the appropriate Tax Authority, or promptly reimburse the Seller upon demand and delivery of proof of payment, all applicable Transfer Taxes that are properly payable by the Purchaser under applicable Law in connection with this Agreement and the transactions contemplated herein and the other Transaction Documents and the transactions contemplated therein.

6.1.2 If the Purchaser wishes to claim any exemption relating to, or a reduced rate of, Transfer Taxes, in connection with this Agreement or the transactions contemplated herein or the other Transaction Documents and the transactions contemplated therein, the Purchaser shall be solely responsible for ensuring that such exemption or election applies and, in that regard, shall provide the Seller prior to Closing with its permit number, or other similar registration numbers and/or any appropriate certificate of exemption, election and/or other document or evidence to support the claimed entitlement to such exemption or reduced rate by the Purchaser. The Seller shall make reasonable efforts to cooperate to the extent necessary to obtain any such exemption or reduced rate.

6.2 Tax Characterization of Payments Under This Agreement

The Seller and the Purchaser agree to treat all payments made either to or for the benefit of the other Party under this Agreement as adjustments to the Purchase Price for Tax purposes and that such treatment shall govern for purposes hereof to the extent permitted under applicable Tax Law.

6.3 Records

After the Closing Date, the Purchaser and the Seller will make available to the other, as reasonably requested, and to any Tax Authority, all information, records or documents relating to liability for Taxes with respect to the Assets, the Assumed Liabilities, and the Business for all periods prior to or including the Closing Date, and will preserve such information, records or documents until the expiration of any applicable statute of limitations or extensions thereof. In the event that one Party needs access to records in the possession of the other Party relating to any of the Assets, the Assumed Liabilities, the Business for purposes of preparing Tax Returns or complying with any Tax audit request, subpoena or other investigative demand by any Tax Authority, or for any other legitimate Tax-related purpose not injurious to the other Party, the other Party will allow representatives of the first Party access to such records during regular business hours at the other Party's place of business for the sole purpose of obtaining information for use as aforesaid and will permit the other Party to make extracts and copies thereof as may be necessary or convenient. The obligation to cooperate pursuant to this paragraph shall terminate at the time the relevant applicable statute of limitations expires (giving effect to any extension thereof).

ARTICLE 7 CONDITIONS TO THE CLOSING

7.1 Conditions to Each Party's Obligation

The Parties' obligation to effect the Closing is subject to the satisfaction or the express written waiver of the Parties, at or prior to the Closing, of the following conditions:

- (a) to the extent required by applicable Laws, all Transfer Approvals shall have been obtained pursuant to Section 5.3;
- (b) there shall be in effect no Law or Order prohibiting the consummation of the transactions contemplated hereby that has not been withdrawn or terminated;
- (c) no judgment, injunction, order or decree shall be in effect that prohibits the consummation of the transactions contemplated hereby;
- (d) none of the Parties nor any of their respective directors, officers, employees or agents, will be a defendant or third party to or threatened with any litigation or proceedings before any Governmental Entity which could prevent or restrict that Party from performing any of its obligations in this Agreement or any Transaction Document;
- (e) all Consents listed in Schedule 7.1(e) or waivers thereof shall have been obtained ("**Required Consents**"); and
- (f) the Approval and Vesting Order shall have been entered, in form and substance acceptable to the Purchaser and the Seller, and shall have become a Final Order.

7.2 Conditions to the Seller's Obligation

The Seller's obligation to effect the Closing shall be subject to the fulfillment (or express written waiver by the Seller), at or prior to the Closing, of each of the following additional conditions:

- (a) except for any inaccuracy that has not had a material adverse effect on the ability of the Purchaser or the Seller to consummate the transactions contemplated by this Agreement, each representation and warranty contained in Article 3 shall be true and correct (i) as if restated on and as of the Closing Date; or (ii) if made as of a date specified therein, as of such date;
- (b) the covenants, obligations, and agreements contained in this Agreement to be complied with by the Purchaser on or before the Closing shall have been complied with and not been breached in any material respect as determined in the sole discretion of the Seller; and
- (c) each of the deliveries required to be made to the Seller pursuant to Section 2.3.2 shall have been so delivered.

7.3 Conditions to Purchaser's Obligation

The Purchaser's obligation to effect the Closing shall be subject to the fulfillment (or express written waiver by the Purchaser), at or prior to the Closing, of each of the following additional conditions:

- (a) the Commissioner of the Northwest Territories having issued a special warrant authorizing the expenditure of \$4,500,000 in respect of the Purchase Price payable hereunder pursuant to s.33 of the *Financial Administration Act*, R.S.N.W.T. 1988 c.F-4;
- (b) except for any inaccuracy that has not had a material adverse effect on the ability of the Purchaser or the Seller to consummate the transactions contemplated by this Agreement, each representation and warranty contained in Article 4 shall be true and correct (i) as if restated on and as of the Closing Date; or (ii) if made as of a date specified therein, as of such date;
- (c) the covenants, obligations and agreements contained in this Agreement to be complied with by the Seller on or before the Closing shall have been complied with and not been breached in any material respect as determined in the sole discretion of the Purchaser; and
- (d) each of the deliveries required to be made to the Purchaser pursuant to Section 2.3.2 shall have been so delivered.

ARTICLE 8 TERMINATION

8.1 Termination

This Agreement may be terminated at any time prior to the Closing:

- (a) by mutual written consent of the Seller and the Purchaser;

- (b) by either Party, upon written notice to the other:
 - (i) in the event of a material breach by such other Party of such other Party's representations, warranties, agreements or covenants set forth in this Agreement, which breach (A) would result in a failure of the conditions to Closing set forth in Section 7.2 or Section 7.3, as applicable; and (B) is not cured within seven days from receipt of a written notice from the non-breaching Party; or
 - (ii) if a Government Entity issues an Order prohibiting the transactions contemplated hereby;
- (c) by the Purchaser, upon written notice to the Seller:
 - (i) if the Approval and Vesting Order is not entered by November 18, 2015; or
 - (ii) if the Closing does not take place by November 25, 2015;

provided, however, that the right to terminate this Agreement pursuant to Section 8.1(b)(ii) shall not be available to any Party whose breach hereof has been the principal cause of, or has directly resulted in, the event or condition purportedly giving rise to a right to terminate this Agreement under such clauses.

8.2 Effects of Termination

If this Agreement is terminated pursuant to Section 8.1, all further obligations of the Parties under or pursuant to this Agreement shall terminate without further liability of any Party to the other except for the provisions of (a) Section 5.6 (Transaction Expenses); (b) Section 8.2 (Effects of Termination); (c) Section 10.7 (Successors and Assigns); (d) Section 10.8 (Governing Law; Submission to Jurisdiction); and (e) Section 10.9 (Notices).

ARTICLE 9 POST-CLOSING ACTIVITIES AND AGREEMENTS

9.1 Responsibility for Services to the MacTung Property

All charges for water, electricity, natural gas, propane, diesel, telephone, sewer, trash disposal and other recurring services provided to the MacTung Property which relate to such services provided prior to the Closing Date will be for the account of the Seller, and all charges for such services provided on and after the Closing Date will be for the account of Purchaser, regardless of the date on which the invoice or other statement for such services is rendered.

9.2 General Post-Closing Access to the Assets

In addition to the other provisions hereof granting to the Seller access to the MacTung Property after the Closing Date for certain specified purposes, the parties agree that upon reasonable prior notice to Purchaser, the Seller will be given reasonable access to the MacTung Property and to the Assets as necessary to enable the Seller to carry out or respond to day-to-day operational requirements, reporting requirements of Government Entities, removal of Excluded Assets from the MacTung Property, ongoing tax and accounting functions and obligations, and other activities of the Seller with respect to the sale of the Assets and the winding down of the Seller's responsibilities with respect thereto. All such activities of

the Seller will be conducted in a manner which complies with the Purchaser's safety and operating procedures and in a manner which will not interfere unreasonably with the activities of the Purchaser.

9.3 Post-Closing Cooperation

Notwithstanding the Purchaser's commercially reasonable efforts, in the event that the Purchaser and the Seller agree that the Transfer Approvals cannot be completed, or the issuance of new Permits cannot be achieved prior to the Closing pursuant to Section 5.3.5 above, the Parties shall cooperate after the Closing Date for the purpose of giving effect to the Transfer Approvals or achieving the issuance of new Permits and thereafter providing the complete, immediate and unrestricted release of the Seller's liabilities with respect thereto. In furtherance thereof, each Party shall prepare and submit such documents and applications as shall be necessary or appropriate, and cooperate with reasonable requests of the Government Entities to effectuate the Transfer Approvals or to achieve the issuance of new Permits.

ARTICLE 10 MISCELLANEOUS

10.1 No Survival of Representations and Warranties or Covenants

No representations or warranties, covenants or agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall survive beyond the Closing Date. Accordingly, no Claim of any nature whatsoever for breach of such representations, warranties, covenants or agreements may be made, or Action instituted, after the Closing Date. Notwithstanding the foregoing, the covenants and agreements that by their terms are to be satisfied after the Closing Date shall survive until satisfied in accordance with their terms.

10.2 Seller Disclosure Supplements

From time to time prior to the Closing, the Seller shall supplement or amend the Schedules hereto with respect to any matter that, if existing, occurring or known at the date of this Agreement, would have been required to be set forth or described in the respective Schedules. The Schedules shall be deemed amended by all such supplements and amendments for all purposes (except for purposes of determining whether the conditions set forth in Section 7.3(b) of the Agreement have been satisfied).

10.3 Purchaser Disclosure Supplements

From time to time prior to the Closing, the Purchaser shall supplement or amend the Schedules hereto with respect to any matter that, if existing, occurring or known at the date of this Agreement, would have been required to be set forth or described in the respective Schedules. The Schedules shall be deemed amended by all such supplements and amendments for all purposes.

10.4 Remedies

No failure to exercise, and no delay in exercising, any right, remedy, power or privilege under this Agreement by any Party will operate as a waiver of such right, remedy, power or privilege, nor will any single or partial exercise of any right, remedy, power or privilege under this Agreement preclude any other or further exercise of such right, remedy, power or privilege or the exercise of any other right, remedy, power or privilege.

10.5 No Third-Party Beneficiaries

This Agreement is for the sole benefit of the Parties and their permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

10.6 Consent to Amendments; Waivers

No Party shall be deemed to have waived any provision of this Agreement or any of the other Transaction Documents unless such waiver is in writing, and then such waiver shall be limited to the circumstances set forth in such written waiver. This Agreement and the Ancillary Documents shall not be amended, altered or qualified except by an instrument in writing signed by all the Parties hereto or thereto, as the case may be.

10.7 Successors and Assigns

Except as otherwise expressly provided in this Agreement, all representations, warranties, covenants and agreements set forth in this Agreement or any of the Ancillary Agreements by or on behalf of the Parties thereto will be binding upon and enure to the benefit of such Parties and their respective successors and permitted assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by any Party without the prior written consent of the other Party, which consent may be withheld in such Party's sole discretion, except for assignment by the Purchaser to an Affiliate of the Purchaser (provided that the Purchaser remains liable jointly and severally with its assignee Affiliate for the assigned obligations to the Seller).

10.8 Governing Law; Submission to Jurisdiction

10.8.1 Any questions, claims, disputes, remedies or Actions arising from or related to this Agreement, and any relief or remedies sought by any Parties, shall be governed exclusively by the Laws of the Province of British Columbia and the federal laws of Canada applicable therein without regard to the rules of conflict of laws applied therein or any other jurisdiction.

10.8.2 To the fullest extent permitted by applicable Law, each Party (i) agrees that any claim, action or proceeding by such Party seeking any relief whatsoever arising out of, or in connection with, this Agreement or the transactions contemplated hereby shall be brought only in the Court; (ii) agrees to submit to the non-exclusive jurisdiction of the Court for purposes of all legal proceedings arising out of, or in connection with, this Agreement or the transactions contemplated hereby; (iii) waives and agrees not to assert any objection that it may now or hereafter have to the laying of the venue of any such Action brought in such a court or any Claim that any such Action brought in such a court has been brought in an inconvenient forum; (iv) agrees that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 10.9 or any other manner as may be permitted by Law shall be valid and sufficient service thereof; and (v) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law.

10.9 Notices

10.9.1 All demands, notices, communications and reports provided for in this Agreement shall be deemed given if in writing and delivered, if sent by facsimile, electronic mail, courier or sent by reputable overnight courier service (delivery charges prepaid) to any Party at the address specified below, or at

such other address, to the attention of such other Person, and with such other copy, as the recipient Party has specified by prior written notice to the sending Party pursuant to the provisions of this Section 10.9.

(a) If to the Purchaser, to:

Mark Warren, Deputy Minister - Department of Lands
GOVERNMENT OF THE NORTHWEST TERRITORIES
2nd Floor Gallery Building
4923 - 52nd Street, PO Box 1320
Yellowknife, NT X1A 2L9

Facsimile: 867-765-5667
Email: mark_warren@gov.nt.ca

with copies (which shall not constitute notice) to:

Lance Williams and Mary Buttery
DLA PIPER (CANADA) LLP
2800 - 666 Burrard Street
Vancouver, BC V6C 2Z7

Facsimile: 604-605-4877
Email: lance.williams@dlapiper.com

(b) If to the Seller, to:

Todd Martin
NORTH AMERICAN TUNGSTEN CORPORATION LTD. c/o ALVAREZ & MARSAL
CANADA INC.
in its capacity as court-appointed Monitor and not in its personal capacity
400 Burrard Street
Suite 1680
Vancouver, BC, V6C 3A6

Facsimile: []
Email: tmartin@alvarezandmarsal.com

and to:

John Sandrelli and Michael Axford
DENTONS CANADA LLP
250 Howe Street, 20th Floor
Vancouver, BC, V6C 3R8

Facsimile: 604-683-5214
Email: john.sandrelli@dentons.com
michael.axford@dentons.com

10.9.2 Any such demand, notice, communication or report shall be deemed to have been given pursuant to this Agreement when delivered personally, when confirmed if by facsimile transmission or electronic mail, or on the calendar day after deposit with a reputable overnight courier service, as applicable.

10.10 Schedules

The Schedules attached hereto constitute a part of this Agreement and are incorporated into this Agreement for all purposes as if fully set forth herein.

10.11 Counterparts

The Parties may execute and deliver this Agreement in two or more counterparts (no one of which need contain the signatures of all Parties), including facsimile or scanned PDF document, with the same effect as if all Parties had executed and delivered the same copy, each of which will be deemed an original and all of which together will constitute one and the same instrument.

10.12 No Presumption

The Parties agree that this Agreement was negotiated fairly among them at arm's length and that the final terms of this Agreement are the product of the Parties' negotiations. Each Party represents and warrants that it has sought and received experienced legal counsel of its own choosing with regard to the contents of this Agreement and the rights and obligations affected hereby. The Parties agree that this Agreement shall be deemed to have been jointly and equally drafted by them, and that the provisions of this Agreement therefore should not be construed against a Party on the grounds that such Party drafted or was more responsible for drafting the provisions.

10.13 Severability

If any provision, clause, or part of this Agreement, or the application thereof under certain circumstances, is held invalid, illegal or incapable of being enforced in any jurisdiction, (i) as to such jurisdiction, the remainder of this Agreement or the application of such provision, clause or part under other circumstances; and (ii) as for any other jurisdiction, any provision of this Agreement, shall not be affected and shall remain in full force and effect, unless, in each case, such invalidity, illegality or unenforceability in such jurisdiction materially impairs the ability of the Parties to consummate the transactions contemplated by this Agreement. Upon such determination that any clause or other provision is invalid, illegal or incapable of being enforced in such jurisdiction, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible even in such jurisdiction.

10.14 Specific Performance

10.14.1 The Seller acknowledges and agrees that any breach of the terms of this Agreement by the Seller would give rise to irreparable harm for which money damages would not be an adequate remedy, and, accordingly agrees that, in addition to any other remedies, the Purchaser shall be entitled to enforce the terms of this Agreement.

10.14.2 The Seller agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief when expressly available pursuant to the terms of this Agreement on the basis that (i) there is adequate remedy at law; or (ii) an award of specific performance is not an appropriate remedy

for any reason at law or equity. In the event the Purchaser seeks an injunction or injunctions to prevent breaches of this Agreement when expressly available pursuant to the terms of this Agreement and to enforce specifically the terms and provisions of this Agreement when expressly available pursuant to the terms of this Agreement, it shall not be required to provide any bond or other security in connection with any such order or injunction.

10.15 Entire Agreement

This Agreement and the Ancillary Agreements set forth the entire understanding of the Parties relating to the subject matter thereof, and all prior or contemporaneous understandings, agreements, representations and warranties, whether written or oral, are superseded by this Agreement and the Ancillary Agreements, and all such prior or contemporaneous understandings, agreements, representations and warranties are hereby terminated. In the event of any irreconcilable conflict between this Agreement and any of the Ancillary Agreements, the provisions of this Agreement shall prevail, regardless of the fact that certain Ancillary Agreements may be subject to different governing Laws (unless the Ancillary Agreement expressly provides otherwise).

10.16 Damages

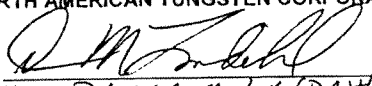
Under no circumstances shall any Party be liable for punitive damages or indirect, special, incidental, or consequential damages arising out of or in connection with this Agreement or the transactions contemplated hereby or any breach or alleged breach of any of the terms hereof, including damages alleged as a result of tortious conduct.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have duly executed this Asset Purchase Agreement as of the date first written above.

SELLER:

NORTH AMERICAN TUNGSTEN CORPORATION LTD.

By: 
Name: DENNIS M LYNDALH
Title: CFO

PURCHASER:

GOVERNMENT OF THE NORTHWEST TERRITORIES

By: _____
Name:
Title:

By: _____
Name:
Title:

IN WITNESS WHEREOF, the Parties have duly executed this Asset Purchase Agreement as of the date first written above.

SELLER:

NORTH AMERICAN TUNGSTEN CORPORATION LTD.

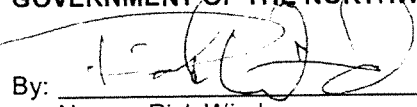
By: _____

Name:

Title:

PURCHASER:

GOVERNMENT OF THE NORTHWEST TERRITORIES

By:  _____

Name: Rick Wind

Title: Acting Deputy Minister

By: _____

Name:

Title:

SCHEDULES

The following Schedules form an integral part of this Agreement.

Schedule A CCAA Charges

Schedule 1.1(a) Knowledge

Schedule 1.1(b) Permitted Encumbrances

Schedule 2.1.1(b) Mineral Tenures

Schedule 2.1.1(d) Permits

Schedule 2.1.1(g) Water Rights

Schedule 2.1.2(e) Excluded Assets

Schedule 7.1(e) Required Consents

SCHEDULE A
CCAA CHARGES

1. Administration Charge (as defined in the Amended and Restated Initial Order) to a maximum of \$500,000;
2. Interim Lender's Charge (as defined in the Amended and Restated Initial Order) to a maximum of \$2,500,000 plus permitted interest, costs, fees and expenses;
3. Directors' Charge (as defined in the Amended and Restated Initial Order) to a maximum of \$250,000; and
4. AR Lender's Charge (as defined in the Order of the Court dated August 13, 2015 in the CCAA Proceedings) to a maximum of \$2,500,000 plus permitted interest, costs, fees and expenses.

SCHEDULE 1.1(a)
KNOWLEDGE

- With respect to the Seller, Dennis Lindahl (Chief Financial Officer) and Kurt Heikkila (Chief Executive Officer)
- With respect to the Purchaser, Mark Warren (Deputy Minister, Department of Lands)

SCHEDULE 1.1(b)
PERMITTED ENCUMBRANCES

1. The net smelter returns royalty of which Teck Resources Limited is the beneficial holder over the MacTung Property, pursuant to a royalty agreement dated October 7, 1997, between the Seller and Aur Resources Inc.

SCHEDULE 2.1.1(b)
MINERAL TENURES

Northwest Territories Mining Leases

The following eight mining leases located in the Northwest Territories:

Lease Number	Purpose
2605	Mining lease
2692	Mining lease
2886	Mining lease
2887	Mining lease
2888	Mining lease
2889	Mining lease
2890	Mining lease
2891	Mining lease

Yukon Claims and Leases

The following quartz claims and leases located in the Mayo Mining District in the Yukon Territory, NTS Map Sheet 105O08:

Claim Name and No.	Grant No.	Leases
Betty 1 – 2	Y 26638 – Y 26639	
Betty 13 – 20	Y 26650 – Y 26657	
Betty 13 Extens	YA77402	
Betty 3 Entensi	YA77399	
Betty 3A Extens	YA77400	
Betty 4 Extensi	YA77398	
BETTY NO. 3	Y 26642	Lease
BETTY NO. 4 – 5	Y26643 – Y 26644	Lease
BETTY NO. 6	Y 26645	Lease
BETTY NO. 7	Y 26646	Lease
BETTY NO. 8	Y 26647	Lease
BETTY NO. 9	Y 26648	Lease
BETTY NO. 10	Y 26649	Lease
BETTY NO. 11	Y 26640	Lease
BETTY NO. 12	Y 26641	Lease
Border 1 Extens	YA77390	

Claim Name and No.	Grant No.	Leases
Border 10 Exten	YA77397	
Border 3 Extens	YA77391	
Border 3A Exten	YA77392	
Border 5 Extens	YA77393	
Border 5A Extens	YA77394	
Border 6 Extens	YA77395	
Border 9 Extens	Y77396	
Border No. 1	Y 26946	Lease
Border No. 2	Y 26947	Lease
Border No. 3	Y 26948	Lease
Border No. 4	Y 26949	Lease
Border No. 6	Y 26951	Lease
Border 7 – 8	Y 26952 – Y26953	Lease
Border 9	Y 26954	Lease
Border NO. 5	Y 26950	Lease
BORDER NO. 10	Y 26955	Lease
Dawn 1 Extensio	YA77401	
DONNA 1	Y 68380	Lease
Grind 1 - 8	YC39588 – YC39595	
Grind 9	YC39596	
Grind 10 – 36	YC39597 – YC39623	
Gull 1 - 6	Y 68355 – Y 68360	
Gull 7	Y 68361	
NAT1F 1	YC01358	
NAT10F 10	YC01367	
NAT11F 11	YC01368	
NAT12F 12	YC01369	
NAT13F 13	YC01370	
NAT14F 14	YC01371	
NAT2F 2	YC01359	
NAT3F 3	YC01360	
NAT4F 4	YC01361	
NAT5F 5	YC01362	
NAT6F 6	YC01363	

Claim Name and No.	Grant No.	Leases
NAT7F 7	YC01364	
NAT8F 8	YC01365	
NAT9F 9	YC01366	
Par 1 – 24	Y 33480 – Y 33503	
Pat No. 1	Y 14731	Lease
Pat No. 3 – 8	Y 14733 – Y14738	Lease
Pat No. 18	Y 14748	Lease
Pat No. 20	Y 14750	Lease
Pat No. 22	Y 14752	Lease
Pat No. 24	Y 14754	Lease
Pat No. 25 – 26	Y 26801 – Y 26802	Lease
PAT NO. 17	Y 14747	Lease
PAT NO. 19	Y 14749	Lease
PAT NO. 21	Y 14751	Lease
PAT NO. 23	Y 14753	Lease
Pit 1 – 8	Y 33471 – Y 33478	
Wasteful 1	YB03251	

SCHEDULE 2.1.1(d)
PERMITS

	Permit	Issuing Body	Expiry
1.	Class 4 Land Use Permit	Yukon Mineral Resources Branch	21 December 2018

SCHEDULE 2.1.1(g)
WATER RIGHTS

NIL

SCHEDULE 2.1.2(e)
EXCLUDED ASSETS

NIL

SCHEDULE 7.1(e)
REQUIRED CONSENTS

Consents of Government Entities:

1. Environmental Regulators and Permit Granting Agencies listed at Permits, Approvals and Registrations below; and
2. the Approval and Vesting Order, as required by section 5.1 of the Agreement.

Permits, Approvals and Registrations

1. Consents necessary to transfer the following permits, approvals and registrations:

	Permit/Registration/Approval	Granting Agency
a.	Class 4 Land Use Permit	Yukon Mineral Resources Branch

SCHEDULE "C"

MONITOR'S CERTIFICATE

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

AND

IN THE MATTER OF NORTH AMERICAN TUNGSTEN CORPORATION LTD.

PETITIONER

MONITOR'S CERTIFICATE

1. Pursuant to an Order of the Court pronounced November 17, 2015 (the "**Approval and Vesting Order**"), the Court approved the Asset Purchase Agreement dated November 9, 2015, (the "**Sale Agreement**") between North American Tungsten Corporation Ltd. (the "**Seller**") and GNWT (the "**Purchaser**"), and ordered that all of the Seller's right, title and interest in and to the Assets, vest in the Purchaser effective upon the delivery by Alvarez & Marsal Canada Inc., in its capacity as Court-appointed Monitor of the Petitioner (the "**Monitor**") of this certificate to the Purchaser confirming: (i) the payment by the Purchaser of the Purchase Price for the Assets pursuant to the Sale Agreement; (ii) that the conditions to the Closing as set out in the Sale Agreement have been satisfied or waived by the Seller and the Purchaser; and (iii) the purchase and sale of the Assets has been completed pursuant to the Sale Agreement.
2. Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Sale Agreement.

THE MONITOR HEREBY CERTIFIES as follows:

- (a) The Purchaser has paid and the Seller has received the Purchase Price for the Assets (on terms and as adjusted pursuant to the Sale Agreement) payable on the Closing Date pursuant to the Sale Agreement; and
- (b) The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Purchaser and the Seller, as applicable.

DATED at the City of Vancouver, in the Province of British Columbia, this ____ day of November, 2015.

**ALVAREZ AND MARSAL CANADA INC.,
in its capacity as Court-appointed Monitor
of North American Tungsten Corporation
and not in its personal capacity**

Name:
Title:

SCHEDULE “D”

Permitted Encumbrances

1. The net smelter returns royalty of which Teck Resources Limited is the beneficial holder over the MacTung Property (as defined in the Sale Agreement), pursuant to a royalty agreement dated October 7, 1997, between the Petitioner and Aur Resources Inc.

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

AND

IN THE MATTER OF NORTH AMERICAN TUNGSTEN
CORPORATION LTD.

PETITIONER

ORDER MADE AFTER APPLICATION

DLA Piper (Canada) LLP
Barristers & Solicitors
2800 Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

Tel. No. 604.687.9444
Fax No. 604.687.1612

File No. 28515-00011

TAG/mlf

(1) DLD
(2) 3 CERTIFIED COPIES