



Northwest Territories Environment and Natural Resources

Mr. Julian Morse, Regulatory Officer
Mackenzie Valley Land and Water Board
7th Floor – 4910 50th Avenue
PO BOX 2130
YELLOWKNIFE NT X1A 2P6

Mackenzie Valley Land & Water Board
October 27 2015

File _____

10/16 2015

Application # MV2015L2-003

Copied To SP/JM/Ry

Dear Mr. Morse:

North American Tungsten Corporation Ltd.
Water Licence Renewal – MV2015L2-0003 - ENR Closing Statements

As requested by the Mackenzie Valley Land and Water Board (the Board), the Government of the Northwest Territories – Department of Environment and Natural Resources (GNWT - ENR) is pleased to provide its closing statements in relation to the Water Licence renewal process for North American Tungsten Corporations Ltd's (NATCL) Cantung mine operation. ENR has participated in all aspects of the Board process, including; attending technical sessions, submission of information requests, submission of a technical intervention, and submission of comments on the draft water licence.

At this time, ENR does not have any substantive closing comments with respect to its technical review and recommendations to the Board on the renewal water licence. However, the GNWT would like to provide a brief update to the Board with respect to the ongoing legal proceedings pursuant to the Companies' Creditors Arrangement Act ("CCAA"). As the Board is already aware, on June 9, 2015, NATCL commenced restructuring proceedings pursuant to an Initial Order granted by the Supreme Court of British Columbia under the CCAA. Recently, the Court has extended the period of the Stay until the end of November. NATCL continues to operate the site, and as the Board is also aware, is planning to commence the process to place the mine into care and maintenance at the end of October.

The Sales and Investor Solicitation Process ("SSIP") was terminated by the Court Appointed Monitor on October 21, 2015. The Monitor continues to consult with NATCL and its stakeholders, including the GNWT, regarding next steps and will report to the Court in that regard. The GNWT continues active discussions with the Monitor, NATCL, and Canada, with respect to ensuring the site is properly managed, from an environmental perspective, whilst the CCAA process continues and decisions are made regarding next steps for the Cantung mine site. The GNWT will continue to keep the Board informed of this process as it moves forward.

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If you have any questions or require any additional information regarding this submission, feel free to contact Mr. Paul Green at (867) 765-6776 or Paul.Green@gov.nt.ca or Mr. Robert Jenkins at (867) 765-6731 or Robert.jenkins@gov.nt.ca.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Holder', with a long horizontal flourish extending to the right.

Joel Holder
Director
Conservation, Assessment and
Monitoring