



Northwest  
Territories Minister of Lands

SEP 24 2015

MR. BOB BROMLEY  
MLA FOR WELEDEH

**Oral Question 872-17(5): Status On Cantung Mine**

During question period on June 4, 2015, you inquired regarding the status of Cantung Mine. At that time, I committed to a general update on the current status of Cantung Mine and security deposit, as well as the status of security deposits that are currently being held and shortfalls.

I can confirm that, on June 9, 2015, North American Tungsten Corporation Ltd. obtained an Order from the British Columbia Supreme Court pursuant to the Companies' Creditors Arrangement Act (CCAA) in order to restructure its affairs due to its inability to meet its financial obligations as they become due.

On July 9th, an application for interim financing was approved pursuant to the CCAA, and the BC Supreme Court Justice issued a stay until July 17th. At that time, the company put forward a proposal for Sale and Investor Solicitation Process (SISP) in order to put the mine up for sale, which was approved along with an extension to the stay to the end of the SISP process in the end of October 2015.

With regards to the status of security held by the for the Cantung mine, the Government of the Northwest Territories (GNWT) holds security in the amount of \$11,760,694.86. Of this amount, \$11,720,194.86 is the water licence security and \$40,500 is for two land use permits. On June 12, 2015, the Minister of Environment and Natural Resources approved an amended water license, including a revised security amount of \$30,950,000, of which \$27,950,000 is to be posted with the GNWT in accordance with the legislation and approved water license.

In total, the GNWT currently holds approximately \$570 million in securities. These amounts held are variable from day to day as securities are not static and may change in accordance with the terms of the regulatory instrument (i.e. a water licence or land use permit) under which they are required, legislative provisions or a request from a proponent, government department or regulatory agency. In addition, new projects that come online may initiate new security assessments and posting with the relevant Minister of the GNWT.

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The Department of Lands continues to lead the management and coordination of the GNWT's environmental liabilities and financial assurances for resource development projects. Through this work, we ensure that resource development in the Northwest Territories is conducted in a balanced, responsible and sustainable fashion, while simultaneously safeguarding both the environment and public purse.

Thank you for your question.



Robert C. McLeod

c. Mr. Tim Mercer  
Clerk of the Legislative Assembly

Mr. David Hasting  
Legislative Coordinator

Mr. Mark Warren  
Deputy Minister,  
Department of Lands