

August 18, 2009

Mr. Jason Ash
Regulatory Officer
Mackenzie Valley Land and Water Board
P.O. Box 2130
Yellowknife, NT X1A 2P6

By Email: jason@mvlwb.com, permits@mvlwb.com

Re: **Water License MV2002L2-0019** – Short Term Closure Plan – Environmental Deferral

Dear Mr. Ash:

As you are aware, NATC has announced the temporary suspension of operations at the Cantung Minesite effective October 15, 2009. The length of the shutdown is not known, but NATC is hopeful that the operations will be able to resume in 2010, if economic and market conditions improve sufficiently.

NATC has developed a shut-down strategy and a Care and Maintenance (CAM) Plan that protects the environment and maintains the minesite in a condition of readiness for a quick resumption of operations in the future. The CAM Plan attached for consideration by the Mackenzie Valley Land and Water Board, details the procedures planned for the closure of the mine facilities, including the specific jobs and site monitoring requirements for each area of the operation.

With the priority of ensuring the safety of the CAM personnel and the environment during the shutdown, the site care and maintenance team will include regular inspection tours of site facilities, continued sampling under the SNP monitoring program, submission of monthly reports to the MVLWB, and submission of the annual report due in March 2010.

To ensure the financial integrity of the company in the face of the present difficult world economic climate, NATC must reduce expenditures to the greatest extent possible so as to preserve cash for the future startup of the operation. As part of this survival strategy, NATC has identified a number of Water License regulated items that can be safely deferred during the short term closure, and that as well will not negatively impact on the present or future integrity of the environment or of the mine operation.

In general, the **Deferral Period** is defined as *the Length of temporary shutdown + 6 Months*. Therefore as an example, the new submission date after production start up would generally be: *the Condition submission date originally specified in the WL + Length of temporary shutdown + 6 Months*. The 6 months additional time is required to allow NATC to focus its resources on a controlled progressive start-up of the operation.

In Section 6.0 and Appendix F of the CAM Plan is a summary of the environmental deferral plan for the Short Term Shutdown. As well, the table from Appendix F is included as a separate attachment to this letter. The table includes those items that will continue to be completed normally as per the WL (coded in green), and those items requiring a partial deferral (blue) or full deferral (red).

Additional information on selected specific items from the table is detailed below:

1) Geochemical Risk Assessment Study & Report (Item 16, 17, 33-WL Condition F6)

Due to the time sensitive nature of the Field Barrel Kinetic tests, this testwork is presently being setup and will continue during the short term closure. The Tailings Humidity Cell, which has been running since 2007, will be suspended by sealing and refrigeration as per the consultant's recommendations. When operations resume, it will be reactivated. All other Geochemical site work and reports will be deferred until after operations resume.

2) Erosion & Sediment Protection Plan (Item 20, 25-WL Condition F4)

The erosion control plan for the Flat River is complete and submitted to the MVLWB. The site visit for the site erosion control plan was completed by the engineer in June and the data has been compiled. The report will be completed when operations resume.

3) Geotech Drill Program (Item 26-WL Condition E4-8, F2, F8, F10)

The Geotech drill program planned for 2009 to install monitoring wells for TCAMP, Hydrogeology, Geochemistry and TP3 stability has been deferred. An available exploration drill is being used to install the required water monitoring wells, which will be included in the SNP program once they are developed and activated.

4) Post \$1.3 M Security Deposit in February and July, 2010 (Item 27, 32-WL Condition C1d, e)

- a) The final 2 payments for posting of the \$13.1 M Security Deposit are due in February and July 2010. Over 80% of the security has been deposited (\$10.5 M) to date; NATC requests that the remaining 2 payments be deferred during the short term closure.
- b) In addition, NATC is presently in discussions with INAC regarding the applicability of certain portions of the model used to calculate the security amount. The areas of concern include unit costs used in the model, the Market Price Adjustment factor and the inclusion of excavation of the historic tailings from the Flat River floodplain. Based on this, NATC requests that the total security requirement be capped at the present amount deposited (\$10.5 M) until the review of the security model applicability is complete.

5) Hydrogeological Synoptic Survey & Hydrogeological Study (Item 30, 35-WL Condition F2)

Defer the Hydrogeological Study, including the plume survey scheduled for May 2010. It is unlikely that the mine will be running again within that time frame.

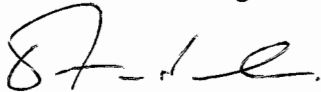
6) Dam Safety Review (Item 34-WL Condition E3d)

- a) The WL requires a follow up Dam Safety Review be completed by September 2010. NATC requests the DSR be deferred during the short term closure.
- b) A DSR was just completed in 2007, and Table 5-1 in the Dam Safety Guidelines specifies 10 or 7 years respectively, between DSR's for dams with a significant or high dam consequence classification. SRK Engineering in Section 4.6 of the 2007 DSR (January 2008) suggested the next DSR be completed in 2010, *if the mine was entering closure*. Present exploration at Cantung is indicating reserves in the range equivalent to about 2½ years operation, with the ore body still open to further exploration. Based on the above facts, NATC requests that the next DSR be scheduled to occur no sooner than September 2012.

NATC is committed to meeting all of its environmental regulatory obligations now and into the future, but requires deferral and leniency of the present and future obligations listed in the table to ensure it remains viable. NATC requests that the MVLWB consider the above facts in its consideration of the Care and Maintenance Plan submitted for its approval.

If you require further information, or have any questions or concerns, please do not hesitate to contact the undersigned or the Environmental Department at the Cantung Mine at (604) 759 0913.

Yours sincerely,
North American Tungsten Corporation Ltd.

A handwritten signature in black ink, appearing to read 'Ken Fedak', written in a cursive style.

Ken Fedak
Mine Manager, Cantung Minesite

Attachments (2)

CANTUNG MINE

CARE AND MAINTENANCE PLAN FOR

SHORT TERM CLOSURE COMMENCING

OCTOBER 2009

Prepared by

North American Tungsten Corp.

Cantung Minesite

Submitted to

Mackenzie Valley Land and Water Board

August, 2009

CanTung Mine,

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1.0 Introduction

1.1 Terms of Reference

This document has been prepared by North American Tungsten Corporation Ltd. (NATCL) to summarize the Care and Maintenance Plan (CAMP) for the short term closure commencing at the Cantung Minesite on October 15, 2009. A copy of the official news release announcing this planned closure is attached in Appendix A.

The CAMP is based on the *Short Term Closure Plan Sep 05.doc* submitted to the MVLWB on September 25, 2005, and is deemed to be a “temporary suspension of operation”, with the duration of the shutdown unknown at this time. NATC is hopeful that market conditions in 2010 will have improved to the point that the operation can resume full operation at that time.

Experience gained during 2 previous recent shutdowns, one of 15 years and the other of 1½ years duration, is used as a base for many of the shutdown procedures included in this plan, and will be used for finalizing the start-up procedures.

1.2 Objectives of the Plan

The objective of the Plan is to maintain the financial and physical integrity of the Cantung Mine, and the surrounding area, to facilitate the future start-up of the operation.

The primary goals of the short term closure Plan for the Cantung site are to:

- prevent degradation of the environment;
- maintain protection of public health and safety;
- protect and maintain the existing infrastructure to ensure that it is ready for start-up on short notice.

In order to achieve these goals, the specific objectives of the short term closure plan are to:

- suspend operations in a manner that minimizes care and maintenance monitoring and the costs associated with restarting the operation;
- ensure that water licence and MMER regulatory requirements and responsibilities are maintained to the best ability possible, based on economic realities that exist;
- protect the services and facilities from damage;
- provide for the safety of the care and maintenance team.

This plan outlines the general procedures for the closure of the mine facilities, including the specific jobs required to be completed in all areas of the operation. As well a basic schedule is included that outlines the expected steps to be followed for the start-up of the mine in the future. Detailed planning for start up will continue during the winter.

2.0 Overview of Mine Closure Strategy

2.1 Employees and Contractors

The official closure date for the shutdown is October 15, 2009, with planning of required closure activities commencing immediately following the June 29, 2009 closure announcement. All staff

and contractors are being laid off over a period of time spanning the October 15, 2009 closure date, except for a skeleton staff of 19 people (plus 2 catering support staff) that will form the 2 rotating care and maintenance (CAM) crews remaining on-site. The CAM crew will work a rotating 3 week schedule, flying out of either of the minesite airstrip or Watson Lake, depending upon weather conditions.

NATC staff designated to remain onsite for the CAM crew include:

- Ken Fedak, Mine Manager;
- Murray Weddell, Maintenance Superintendent / Acting Mine Manager;
- Mark Goebel, Safety and First Aid;
- Donnie Tibbo, First Aid and Safety Relief;
- Doug Watt, Environmental Superintendent;
- Chris Werbicki, Environmental Coordinator;
- Mike Jenkins, Maintenance Superintendent;
- Brian Harvey, Electrical Supervisor;
- Jon MacCurdy, Electrical Supervisor;
- Mike Dagelman, UG Mine Superintendent;
- Finley Bakker, Chief Geologist;
- Rob Baldwin, Mine Engineer;
- Lil Schindel, Warehouse Superintendent;
- Rob Robson, Mill Superintendent;
- Vince Sager, Assistant Mill Superintendent;
- Doug Shippam, Mill Maintenance Foreman;
- Lloyd Sturge, Mill Maintenance Foreman;
- Al Glada, Surface Maintenance Foreman;
- Wayne Hinson, Equipment Operator.

2.2 Site facilities and Services

All buildings and services onsite, except as noted below, will be shut-down and winterized in a manner that will facilitate future activation of the site in an accelerated manner. More detailed information is found in Section 5.0 and Appendix D.

Minesite buildings, facilities and operating areas that will remain active during the care and maintenance phase include:

- Administration Building (contains 12 bedrooms for personnel & a kitchen);
- Power house (partial);
- Freshwater pumphouse (partial);
- Sewage Treatment Plant;
- Surface Maintenance Shop;
- Carpenter Shop (partial);
- Underground Mine (partial - dewatering only).

2.3 Safety, First Aid and Communications

The care and maintenance crew remaining on site includes safety and emergency medical personnel holding registration as Canadian Registered Safety Professional, Primary Care Paramedic, and Emergency Medical Assistant and valid certification as Occupational First Aid Level III. All of the remaining staff holds valid standard first aid certification. In addition, there are 6 people with Mine Rescue/Emergency Response certification and this may be increased depending on consultation with Mine Health and Safety WSCC inspection branch. An ambulance will be available for emergency transport to Watson Lake and the option for medical air evacuation provision is in order. A certified instructor is employed in the group able to provide recertification and maintenance of first aid and mine rescue training as required.

Communications to the outside world will be maintained by road, air, telephone and internet, with 2 emergency satellite telephones available as backup. The onsite 2 way radio system will be maintained for onsite communications with mobile equipment and personnel.

Regulatory agencies – WCB, Mines Inspector, Transport Canada, INAC, MVLWB, Environment Canada, Parks Canada, and RCMP – will be notified of the change in activities level at the minesite.

Confirmation will be made with the Yukon Territorial Government of the requirement to continue to maintain the Nahanni Range Road.

2.4 Environmental and Site Monitoring

NATC is in a severe cash crunch due to the present economic climate, and must reduce costs to the greatest extent possible to ensure survival and future operation of the minesite. That being said, NATC intends to continue to meet its environmental obligations under the Water License (WL) issued by the Mackenzie Valley Land and Water Board (MVLWB) as well as under the Metal Mining Effluent Regulations (MMER) administered by Environment Canada.

With the priority of ensuring the safety of the environment during the shutdown, the site care and maintenance crew will include regular inspection tours of site facilities, continued sampling under the SNP monitoring program, submission of monthly reports to the MVLWB, and submission of the annual report due in March 2010. Conversely, NATC has examined in detail the continuing and future requirements contained in the WL, and has identified a number of items that can be deferred until after the mine restarts. These items were selected on the basis that deferring them will have little or no impact on the environment in the near future, but will save NATC from depleting critical cash resources at this time. More detailed information is found in Section 6.0.

3.0 Overview of Mine Closure Plan

3.1 Minesite

Access to the minesite will be limited to authorized persons only, with signs posted and the gate on the access road closed & locked between 6 PM and 6 AM each day.

3.2 Mine Workings

3.2.1 Open Pit and PUG Portal Workings

No work was completed in this area in 2009, and there are no issues of concern for the open pit and PUG (4900 level) workings. To ensure no access during the closure period, the road to the pit beyond the ventilation fans will be blocked with barricades and signs indicating no unauthorized entry.

3.2.2 Underground Workings

The mine will be closed up with doors on the Conveyor Gallery (3750 level), E Zone Portal (3959 level) and Ventilation Portal (4410 level). Access to the underground entries will be marked with barricades and signs that indicate no unauthorized entry.

Monitoring of the underground will occur daily by a qualified 2 man team whose primary duties will be to check the UG dewatering and ground conditions. Ground conditions underground are generally stable.

Underground power and ventilation will be turned off except for that required to operate the dewatering pumping system, and provide minimal power to keep transformers warm.

Electrical contactor boxes will be sealed with desiccant inside.

As has been demonstrated during the past shutdowns and with present operational sampling, UG minewater is generally of good quality. During active mining operation, the primary area of concern is with elevated suspended solids loading caused by the use of the water in underground production, and the movement of ore, waste and equipment within the mine. The minewater draining from UG presently flows to the Mill for use in the mill process, with excess being pumped directly to the tails ponds. For a time after mine shutdown, the UG minewater will be pumped to tails. The water quality will be monitored weekly, and as the water quality improves sufficiently (primary concern is suspended solids), and after consulting with the INAC Inspector, the minewater will be allowed to go back to the natural drainage patterns as in previous shutdowns. Based on recent operational measurements, and historical measurements taken during previous shutdown periods, flows are expected to range from about 1700 M3 per day in the summer, down to 850 M3 per day in the winter. Historically the flow has been as low as 290 M3 per day in the winter.

All oil & fuel stored underground will be moved to surface.

The underground mobile equipment will be removed from underground and stored on the surface, primarily in the Copper Con Shed or on the top of the Mine Waste Stockpile.

All equipment will be prepared and stored consistent with the Waste Management Plan, including the use of drip trays.

A copy of the Mine Closure Checklist is in Appendix C.

3.3 Industrial Facilities

As indicated in section 2.2 above, only 7 facilities will remain partially or fully activated during the short term shutdown period. Monitoring of the 6 CAM buildings (see section 3.2.2 for the UG mine monitoring) will occur daily as per the CAM Daily Monitoring Checklist shown in Appendix E.

All other buildings will be deactivated, winterized (non-toxic plumbing antifreeze used where required) and secured to prevent unauthorized access. All presently active buildings, except as noted below, will be checked and monitored weekly, as per the Weekly Inactive Building & Facility Checks shown in Appendix E.

Power will be turned off in all buildings as applicable, and all temperature sensitive equipment (computers, LCD screens, electronic instrumentation...) will be removed into appropriate storage areas, heated if required.

3.3.1 Mill – Crushing Plant, Concentrator, Assay Lab and Chemical Storage

Prior to shutdown the mill will be flushed to remove any remaining ore material from the mill circuits, floor sumps and other areas. This material will be sent to the tailings impoundment. All pipelines, pumps and other process equipment will be opened, flushed and drained, using non-toxic plumbing antifreeze where required to ensure frost damage is minimized.

Chemical and reagent inventories will be reduced at closure to the minimum possible by judicious ordering as closure approaches. Remaining stock will be stored in safe, dry, secure areas as is applicable to the chemical involved, or returned to the manufacturer.

The mill and associated buildings will be secured to prevent unauthorized access, and will be monitored daily as per the Mill Monitoring Checklist shown in Appendix B.

3.3.2 Tanks and Pipelines

There are presently three separate fuel tank farms all located within containment berms, as well as numerous smaller dispensing tanks and pipelines and several former propane tank farms. Fuel distribution pipelines are generally contained within a utility corridor (“utilidor”).

All tanks that do not require fuel will be drained to minimize the potential for spills over the course of the shutdown.

Tanks to be used to provide fuel during the shutdown will have the fluid levels monitored by tank dips on a regular basis.

3.3.3 Hazardous Materials

During this short term mine closure, all hazardous materials will continue to be stored and disposed as per the Waste Management Plan. Potentially hazardous soils such as those that may contain hydrocarbon or metal contamination will continue to be handled as per procedures in the Waste Management Plan and the Abandonment and Reclamation Plan.

4.0 Mine Waste Management Facilities

4.1 Mine Waste Rock Dumps and Ore Piles

All mine waste rock dumps are physically stable with no work planned during the short term closure. If any work was to be undertaken on the waste stockpiles during the short term closure, it will be completed as per the Abandonment and Reclamation Plan. With no production from underground, the weekly sampling for ARD potential of waste rock hauled to the surface will be suspended for the duration.

The surface Ore Stockpiles will be consumed prior to Mill shutdown, and any residual ore remaining on surface will be hauled back underground.

4.2 Tailings Ponds

The Tailings storage facilities will be checked daily as per the Mill Monitoring Checklist shown in Appendix E. In addition, the tails ponds are all inspected annually as part of the annual tails facility inspection required by the water license, with the next inspection scheduled for early September 2009 prior to the short term closure.

4.2.1 Tails Ponds 1 and 2

TP 1 and 2 are reclaimed tails ponds last used for tails deposition in 1973. The ponds and dams are stable with the surface presently covered by 1 to 2 m of fill. The surface of the 2 ponds is used as a storage area (boneyard) for equipment and spare parts held for recycle. Some equipment may be stored in the boneyard during the short term closure, and will be prepared and stored consistent with the Waste Management Plan, including the use of drip trays.

4.2.2 Tails Pond 3

TP3 was last used for tails deposition in early 2007, but has been sitting idle since and is uncovered. TP3 is stable and as per the Tails Management Plan, is under consideration for a possible future raise and use for tailings disposal. Water from precipitation (rain and snow) from TP3 drains via the decant tower and line into Tails Pond 4.

4.2.3 Tails Pond 4

TP4 is the current repository for all tailings from the Mill, though NATC is presently moving ahead with plans to reactivate the disposal of a portion of the tailings underground in the near future. TP4 was scheduled for the Stage 3 raise on the berm in

2009, from the present 3730 ft elevation to 3742.5 ft. Due to the announced short term closure in October 2009, most of this raise has been delayed. For 2009, construction on TP4 was limited to the placing of the upstream wedge in preparation for the completion of the raise in the future.

Tailings water from TP4 is pumped to the exfiltration pond (Tails Pond 5) using the 2 available Grindex submersible pumps, and a diesel powered pump (Godwin). Within a few days of cessation of tailings and water being pumped from the Mill, it is expected that the water in TP4 will stabilize at a relatively low level. Thereafter, the only water other than natural precipitation expected to enter TP4, will be the small volume discharging from the Sewage Treatment Plant (after closure this will probably be significantly less than the normal operation annual average of ~200 M3/day). It is expected that to some degree, exfiltration of water will continue from TP4.

The Godwin pump will remain in position to pump water from TP4 if required, ensuring TP4 remains below the freeboard limits as required by the Water License. The 2 Grindex pumps will be available as standby in case more pumping capacity is required.

4.2.4 Tails Pond 5

Tails Pond 5 was constructed in 2006 and is presently acting as the exfiltration pond, receiving tails water pumped from TP4 and minewater from underground. The upstream modification, placement of a buttress of coarse waste rock, was completed to the 3740 foot elevation in August 2009.

After shutdown of the Mill, it is expected that water will continue to be pumped to TP4 for a week or so as the Mill is decommissioned, with minewater being pumped directly to TP5. Once the Tails Pumps are decommissioned and the Mill is totally down, all minewater will be pumped directly to TP5, either directly from underground or via the Flygt pump in the minewater sump outside the Conveyor Gallery. With the cessation of water pumping from TP4 and the mine (see UG Mine and the Mill sections), the water level in TP5 is expected to drop, and then to fluctuate up & down somewhat dependant on the seasonal natural groundwater levels. TP5 is constructed to 3743 ft elevation (permitted to 3760 ft), and recent spring water operating levels have been around 3720 ft elevation. It is expected that TP5 may drop significantly down towards the 3700 – 3710 ft level.

4.2.5 Underground Tailings Disposal

NATC is presently moving ahead with plans to reactivate the disposal of a portion of the tailings underground. It was expected that this system would have been commissioned in August 2009, but due to the announced mine closure in October, the schedule has been slowed down somewhat. NATC is hopeful that some trial runs will be made prior to shutting down, but does not know for sure at this time if this will occur. If any tails are pumped underground, it will likely be only a small volume, and will all be contained in an isolated low area of the mine (Shop Zone) below the main mine portal.

5.0 Infrastructure

5.1 Town site Housing

Of the townsite housing facilities, only the 80 person bunkhouse, 14 townhouse units and the Kitchen were fully reactivated in 2005. Partially reactivated were the laundry facilities and the gymnasium portion of the Recreational Complex. All other buildings have been left decommissioned, and though no work is planned on them, if it were to occur during the short term closure, it would be based on the Abandonment and Reclamation Plan.

The 80 person bunkhouse, 14 townhouse units, the Kitchen, the laundry facilities and the Recreational Complex will be fully deactivated, winterized, secured and monitored on a regular basis. See section 2.2 for those areas of the minesite that will remain in operation during the short term shutdown.

5.2 Roads

Access to the mine site is via 310 km of public all-weather gravel roads from Watson Lake in the Yukon, with the last 14 km of this public road in the NWT. The Yukon Territorial Government (YTG) maintains the majority of the access roads, with NATC maintaining the last 64 km of the mine access road. The access roads will continue to be maintained during this short term closure. Access to the minesite will be controlled by locking the front gate.

As well, NATC will maintain those onsite roads required for monitoring, care and maintenance of the minesite.

5.3 Landfill and site garbage

The landfill site will continue to be used and maintained during the short term closure. Garbage and combustible refuse will be burned and buried at this location as per the Waste Management Plan during the short term closure.

5.4 Airstrip

The airstrip will be maintained as required during the short term shutdown, as the CAM crew will work a rotating 3 week schedule, flying out of either the minesite airstrip or Watson Lake depending upon weather conditions. Airstrip use would continue to be restricted to Company business and authorized visitors.

5.5 Freshwater Pumping System

The existing fresh water pumping, storage and distribution system will be shut down, drained and winterized for the duration of the short term shutdown. To provide potable water for the CAM crew, a smaller system using a 13 HP Flygt pump will be installed in the present pumphouse sump, with a new (twinned) 2" poly pipeline run up to the Administration Building. Due to winter conditions, water consumption could range up to ~200 M3 per day. A flowmeter will be installed on the line to record the volume of water used.

5.6 Sewage Treatment Plant

The sewage treatment plant will remain in service during the short term closure, with the discharge continuing to be pumped into TP4. The discharge rate could range up to ~200 M3

per day, dependent on winter conditions, but should normally be significantly less. The existing flowmeter on the STP discharge line will continue to be monitored.

5.7 Mobile Equipment

The mobile equipment fleet on site, including light vehicles, loaders, a dozer, a grader and a crane will be maintained for use as needed over the course of the short term shutdown.

6.0 Environmental Considerations

With NATC suffering a severe cash crunch with the present economic climate, the announced short term closure is designed to reduce costs to the greatest extent possible over the next few months to ensure the survival and future operation of the minesite. NATC has examined in detail the continuing and future requirements contained in the WL and has identified a number of items that can be deferred that will have little or no impact on the environment during this closure. These items were selected on the basis that deferring them will save NATC from further depleting critical cash resources that will be required in the future.

In general, the Deferral Period is defined as the *Length of temporary shutdown + 6 Months*. Therefore the new submission date after production start up would be: *The Condition submission date specified in WL + Length of temporary shutdown + 6 Months*. The 6 months additional time is required to allow NATC to focus its resources on a controlled progressive start-up of the operation.

NATC will continue to ensure the safety of the environment during the shutdown, including regular inspection tours of site facilities, continuation of the SNP monitoring program, the submission of the monthly reports to the MVLWB, and submission of the annual report due in March 2010.

Attached in Appendix F, is a detailed table that summarizes the status of WL conditions and site projects within the jurisdiction of the MVLWB. Additional information on selected specific items from the table is detailed below.

6.1 Geochemical Risk Assessment Study & Report (Item 16, 17, 33-WL Condition F6)

Due to the time sensitive nature of the Field Barrel Kinetic tests, this testwork is presently being setup and will continue during the short term closure. The Tailings Humidity Cell, which has been running since 2007, will be suspended by sealing and refrigeration as per the consultant's recommendations. When operations resume, it will be reactivated. All other Geochemical site work and reports will be deferred until after operations resume.

6.2 Erosion & Sediment Protection Plan (Item 20, 25-WL Condition F4)

The erosion control plan for the Flat River is complete and submitted to the MVLWB. The site visit for the site erosion control plan was completed by the engineer in June and the data has been compiled. The report will be completed when operations resume.

6.3 Geotech Drill Program (Item 26-WL Condition E4-8, F2, F8, F10)

The Geotech drill program planned for 2009 to install monitoring wells for TCAMP, Hydrogeology, Geochemistry and TP3 stability has been deferred. An available exploration

drill is being used to install the required water monitoring wells, which will be included in the SNP program once they are developed and activated.

6.4 Post \$1.3 M Security Deposit in February and July, 2010 (Item 27, 32-WL Condition C1d, e)

- a) The final 2 payments for posting of the \$13.1 M Security Deposit are due in February and July 2010. Over 80% of the security has been deposited (\$10.5 M) to date; NATC requests that the remaining 2 payments be deferred during the short term closure.
- b) In addition, NATC is presently in discussions with INAC regarding the applicability of certain portions of the model used to calculate the security amount. The areas of concern include unit costs used in the model, the Market Price Adjustment factor and the inclusion of excavation of the historic tailings from the Flat River floodplain. Based on this, NATC requests that the total security requirement be capped at the present amount deposited (\$10.5 M) until the review of the model applicability is complete.

6.5 Hydrogeological Synoptic Survey & Hydrogeological Study (Item 30, 35-WL Condition F2)

Defer the Hydrogeological Study, including the plume survey scheduled for May 2010. It is unlikely that the mine will be running again within that time frame.

6.6 Dam Safety Review (Item 34-WL Condition E3d)

- a) The WL requires a follow up Dam Safety Review be completed by September 2010. NATC requests the DSR be deferred during the short term closure.
- b) A DSR was just completed in 2007, and Table 5-1 in the Dam Safety Guidelines specify 10 or 7 years respectively, between DSR's for dams with a significant or high dam consequence classification. SRK Engineering in Section 4.6 of the 2007 DSR (January 2008) suggested the next DSR be completed in 2010, **if the mine was entering closure**. Present exploration at Cantung is indicating reserves in the range equivalent to about 2½ years operation, with the ore body still open to further exploration. Based on the above facts, NATC requests that the next DSR be scheduled to occur no sooner than September 2012.

7.0 Start-up Plans for Cantung

As this short term shutdown is the result of world economic conditions, NATC does not know at this time when the mine will reopen for operation. NATC will be monitoring the market conditions closely, and is hopeful that conditions will improve sufficiently to allow resumption in 2010.

Retaining a Care and Maintenance team of 19 management and experienced employees over the winter will ensure that the facilities remain in the best condition possible, and will provide the core group with which to successfully launch the next resumption of operations.

Detailed start up plans are not yet formulated, but will be worked on over the winter to be ready for the spring. The general plan for resumption of operation would probably be as shown in the table below.

Table 1 – Cantung Mine Start-up Timeline

Month	Action
0	NATC decision to resume operations announced—notify regulatory authorities, suppliers, employees...
1	Commission UG Mine for ore development work; Commission Mill Tails Pump & Tails Ponds.
2	Start TP4 Stage 3 Raise construction to 3742.5 ft.
3	Commission Mine & Mill operation with full production.
9	Deferral period ends for Environmental regulatory deferrals.

APPENDIX A

NEWS RELEASE JUNE 29, 2009

NORTH AMERICAN TUNGSTEN ANNOUNCES CANTUNG MINE TO BE
PLACED ON CARE AND MAINTENANCE

CANTUNG MINE

CARE AND MAINTENANCE PLAN FOR
SHORT TERM CLOSURE COMMENCING
OCTOBER 2009



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DATE: June 29, 2009

TSX VENTURE EXCHANGE (NTC)

NORTH AMERICAN TUNGSTEN ANNOUNCES CANTUNG MINE TO BE PLACED ON CARE AND MAINTENANCE

North American Tungsten Corporation Ltd. (the "Company") announces that it will temporarily suspend production at its CanTung tungsten mine in the Northwest Territories, effective October 15, 2009 due to increased product inventory and declining tungsten prices. The mine will be placed on a care and maintenance program that will enable a timely and cost effective return to production when market conditions improve.

The Company will continue to sell product from inventory and will have sufficient material to satisfy all contractual sales obligations. The Company further plans to continue spot sales of product through early 2010. The Company intends to meet all its financial obligations while conserving cash for future growth. In addition, the Company is developing strategies for both short and long term funding.

'This has been a difficult decision as we have seen our tungsten team evolve to be among the best in the world. I am very proud of our team." said Stephen Leahy, Chairman and CEO. He further added "I expect that a tungsten supply shortfall will develop as the world economy improves. We fully intend to pursue plans to return the mine to full operations after markets have significantly firmed."

The Company will continue with its planned summer exploration drilling program at both the CanTung Mine and the MacTung Deposit to expand known resources. The majority of funds will be spent on the MacTung Deposit.

Permitting and development work will continue on the MacTung project.

ABOUT NORTH AMERICAN TUNGSTEN CORPORATION LTD.

The Company is a publicly listed Tier 1 Junior Resource Company engaged primarily in the operation, development, and acquisition of tungsten and other related mineral properties in Canada. The Company's 100% owned CanTung Mine and MacTung development project make it one of the few tungsten producers with both a producing mine and strategic development asset in the western world. MacTung is one of the world's largest known undeveloped high grade tungsten-skarn deposits.

ON BEHALF OF THE BOARD OF DIRECTORS

“Stephen Leahy”

Stephen M. Leahy
Chairman & CEO

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release." **Cautionary Note:** *The Company relies upon litigation protection for “forward-looking” statements.*

Cautionary Note

Safe Harbour Statement under the United States Private Securities Litigation Reform Act of 1995 and similar Canadian legislation: *Except for the statements of historical fact contained herein, the information presented contains “Forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and similar Canadian legislation. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects,” “budget,” “scheduled,” “estimates,” “forecasts,” “intends,” “anticipates,” “believes,” or variation of such words and phrases that refer to certain actions, events or results to be taken, and other factors which may cause the actual results, performance or achievements of North American Tungsten Corporation Ltd. To be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual results of reclamation activities, the estimation or realization of mineral reserves and resources, the timing and amount of estimated future production, costs of production, capital expenditures, future prices of commodities, possible variations in ore grade or recovery rates, efficacy and efficiency of milling process, failure of plant, equipments or processes to operate as anticipated, accidents, labour disputes and other risks in the mining industry. Although North American Tungsten Corporation Ltd. has attempted to identify important factors that could cause actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements contained herein and in North American Tungsten Corporation Ltd.’s other filing incorporated by reference.*

Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources: *This press release may use the terms “Measured,” “indicated” and “inferred” Resources. United States investors are advised that while such terms are recognized and required by Canadian regulators, the United States Securities and Exchange Commission does not recognize them. “Inferred Mineral Resources” have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of Measured or Indicated Mineral Resources will ever be converted into Mineral Reserves. United States investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable.*

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APPENDIX B
MILL/CONCENTRATOR
CARE AND MAINTENANCE
SHORT TERM SHUTDOWN PROCEDURE

CANTUNG MINE
CARE AND MAINTENANCE PLAN FOR
SHORT TERM CLOSURE COMMENCING
OCTOBER 2009

The following is the short term shutdown procedure for the Mill/Concentrator:

- Shut off feed, run #8 conveyor empty, grind out mills 10mins min with flush water on, then shut down both AC and Hardinge mills, shut off lube pumps, shut off discharge pump, shut off primary cyclone u/flow pump, shut down Fred's pump.
- Remove grinding media, lift and block up the AC, Hardinge, Marcy, and Dominion mills.
- Pull density down to 20% on #1-40 ft thickener, drain, shut down rakes and hose out all 3 decks, shut off discharge pump.
- Shut off reagents to #1 conditioner, drain conditioner to basement floor and shut off agitator, auto sampler should now be off.
- Empty out copper cells, hose clean, and shut down agitators.
- Reagents should now be off #2 conditioner: shut off discharge pump, drain conditioner and shut off agitator, empty out sulphide cells, hose clean, shut down agitators.
- Derrick screens-rougher and cleaner tables should have been shut down by now.
- Shut down #1 reclaim water pump.
- Empty out talc cells, shut down agitators, and chip screens .
- Empty, drain and wash down all remaining components of the Cu circuit (thickener and filter system).
- Pull down density on #2 and #3 thickeners to approx 20% or less, drain thickeners, hose out the fine slimes on the beds, raise rakes, shut off rakes and discharge pumps, shut off reagents to conditioners, drain conditioners and shut off agitators, reagent and flotation operators to work together flushing out all reagent lines to discharge points and cleaning all reagent pumps and feeders. Reagent operators clean out all head tanks.
- Shut down Dominion mill and sulphide scavenger cells, hose out cells and shut down agitators.
- All secondary tables should be down, and #2 reclaim water pump shut down.
- Once feed to roaster is off, start slowly decreasing temperature, shut down rake drive around 400 degrees and leave one burner on low flame; will need electrician to jumper out control for this. Once the burners are off and the roaster cooled down all material from inside the roaster will be cleaned out. Load should be pulled out of 20 ft thickener, drained and rakes shut down. All components of the WO₃ flot con filtering and drying system washed and cleaned out and all water drained.
- Check all water is off to circuits, pump out sumps.

- Gland water – Jacuzzi -Flygte - and tails pump should be left running; water from underground will be diverted to tails box, manually adding enough water to tails box for proper pump operation.
- Shut down lube pumps on crushers, drain water lines
- Dump pockets and bin storage to be scaled down. All conveyor belts slackened off. Partial disassembly of the cone crushers to facilitate water drainage from the water jackets.
- All lines to be drained and broken. All pump casings to be split.
- The final tails area sump will be piped to the mine water box to facilitate the shut down of the fresh water and the final tails pump. Basement sump pumps will be diverted to the main basement sump. The main basement sump will be piped to final tails box.
- When the Fresh water system is ready to be shut off, the Jacuzzi and tailings pump will be shut down, drained and pump casings split.
- To drain the fresh water and fire water systems, the water will go directly into the final tails box. The fresh and fire water lines will be broken at the low spots and completely drained. Basement sumps will pump this water to the final tails box. The final tails box will be drained into the sump that reports to the mine water box which is pumped directly to #5 tailings pond.
- When all water is drained and pumped from the mill then all basement sumps will be pumped out, shut down and the pumps pulled.

APPENDIX C
UNDERGROUND MINE
CARE AND MAINTENANCE
SHORT TERM SHUTDOWN PROCEDURE

CANTUNG MINE
CARE AND MAINTENANCE PLAN FOR
SHORT TERM CLOSURE COMMENCING
OCTOBER 2009

The following is the short term shutdown procedure for the Underground Operation:

- All underground Mechanized equipment will be winterized and brought to surface and stored in the Copper Con Shed or the waste Rock Stockpile;
- All portable Electrical Transformers, Panels, etc that could become flooded by water will be taken down and moved to dry locations either underground or on the surface.
- Moisture absorbent will be used for sensitive electrical components underground as required.
- The Main High Voltage Sub station will be shut down and all breakers left open.
- All fans will be down but operational, with the exception on the 2 – Main Ventilation Fans which will remain in place but be shrouded.
- Most of the power will be disconnected, except that required for the dewatering pumps and small ventilation fans.
- All portable pumps not required to maintain UG dewatering will be removed to surface.
- All exposed electrical cables will be taped over.
- The Main 4160 Volt electrical feed cable down the West Decline will be pulled back up the ramp and laid up the West Incline in order to prevent damage if the decline floods.
- All headings will be mucked out and ground support carried to the face. Those headings currently being utilized for re-muck point and storage will be left as is.
- All explosives and detonators from the 4 satellite magazines will be cleaned out and brought back to the Main Magazine for Transport off the property to the supplier. All loose explosives and detonators will be destroyed.
- All greases and oils in the Underground Shop will be removed to surface.
- All Compressed Gas Cylinders will be removed to surface.
- All Surface Accesses to the mine will be secured so as to prevent unauthorized access to the Mine.

Check list of work to be carried out by level:

Secure Decline		Items to be done	Check / Date
		Muck out and bolt unsecured faces.	
4200 level		Drain off water and air lines	
		Bolt and Screen Face	
4125 level		Clean out 4125 Refuge Station	
		Drain off water and air lines	
		Bolt and Screen Face	
4100 Level		Drain off water and air lines	
East		Bolt and Screen Face	
4100 Level		Drain off water and air lines	
West		Bolt and Screen Face	
4050 Level		Ground support clean up	
		Bolt and Screen Face	
3950 Level		Empty Fresh water staging tank	
		Set up Doors	
		Blow main air line	
		Drain Water Lines	
Vent Decline		Secure Vent Portal	
		Shroud Fans- Close and secure Vent Doors.	
		Open line at bottom of Dam (2")	
		Empty out reservoir	
		Drain off water and air lines	
Stinky		Drain off water and air lines	
Central Flats		Drain off water and air lines	
West Decline		Screen and bolt all headings going to face	
		Drain off water and air lines to header	

Shop		426 Trucks out to surface	
		Jumbo's out to surface	
		Scissor Lift to Surface.	
		Tractors to surface	
		Scoops to surface.	
		Gas Bottles to surface	
		Clean out Refuge station	
		Major tools - Drill Press, Bench Press, Welders, Pressure Washer to surface	
		Hand held drills, Weldon pumps, 538 drifters palletized and to surface	
		Employee Tools to surface.	
		Crane Hooks to be lowered and blocked	
		Oil Skimmer sump cleaned out	
		Oil Skimmer Cleaned & Decommissioned	
		Oil Cubes and Waste oil drums to surface.	
Mine Dry		Clean up Baskets	
		Clean up Lockers	
		Bits to Warehouse	
		Computers, plotter, survey gear to be packed up.	
		Plans and sections to the vault.	

APPENDIX D

SURFACE MAINTENANCE

CARE AND MAINTENANCE

SHORT TERM SHUTDOWN PROCEDURE

CANTUNG MINE

CARE AND MAINTENANCE PLAN FOR

SHORT TERM CLOSURE COMMENCING

OCTOBER 2009

The following is the short term shutdown procedure for the Surface and Underground Maintenance Department:

Regulatory agencies – WCB, Mines Inspector, Transport Canada, INAC, MVLWB, Environment Canada, Parks Canada, and RCMP – will be notified of the change in activities level at the minesite.

Confirmation will be made with the Yukon Territorial Government of the requirement to continue to maintain the Nahanni Range Road.

Surface Power:

Power will be required during the Care & Maintenance period to supply heat, light and power to facilities and equipment (i.e. administration building, equipment heaters, pumps etc.) as deemed necessary:

- 1 – 3512 Power generation unit will facilitate this need in an economical fashion;
- A second 3512 Power generation unit will be maintained on a standby basis for back up;
- The remaining power generation units (1-3612, 2-3516, 2 – 3512, 1-3406) will be moth balled according to acceptable Caterpillar standards for short term shut down in cold weather;
- Heat recovery will be initiated with 3512 units to heat Power House Area;
- All building & associated water lines, heat exchangers etc will be shut down & drained of water ;
- All breakers not required will be placed in an “open circuit” position;
- Power House Compressor (supplies Mill) will be shut down.

Surface Buildings:

- The current domestic water & fire systems will be shut down and drained in all areas (moth balled);
- Power will be shut off to all non essential buildings;
- Non toxic RV anti freeze will used in all necessary areas to avoid potential freezing;
- Access to all site buildings will be restricted and monitored allowing entry only to authorized personal only;
- All buildings with the exception of the following will be moth balled:
 - Fresh Water Pump House,
 - Heavy Duty Equipment Garage (Critical Equipment Storage),
 - 3500 Series Power House,
 - Administration Building (Utilized to house C&M team),
 - Carpenter Shop,
 - Sewage Treatment Building,
 - Treated Sewage Pump House,
- Utilities will be supplied in the following fashion to these areas:
 - **Fresh Water Pump House** – Power only, provide lights, heat and power to a single domestic 13 Hp water pump,

- **Heavy Duty Equipment Garage** – Power only, provide lights, minimal heat for equipment being maintained, and facilitate power requirements for necessary maintenance tools,
- **3500 Series Power House** – Power only, provide lights, heat for equipment block heaters. Waste engine heat to be utilized for building heat,
- **Administration Building** – Power, water, sewer, telephone, internet and 2 way radio communications,
 - Domestic water provided via 13 Hp pump installed at Fresh Water Pump House, new 2" lines to building (chlorination to be continued),
 - Utilize existing sewage system,
- **Carpenter Shop** – Power up for heat & lights as required,
- **Sewage Treatment Building** – Power only, provides lights, sewage treatment plant power and heat,
- **Treated Sewage Pump House** – Power only, provides lights, heat and power for sewage lift station pumps and monitoring devices,
- All computers, monitors and LCD display equipment in moth balled / non heated areas will be moved to warm storage (mezzanine area of the Power House).

Underground Heavy Duty Shop:

- All petroleum storage containers and high pressure gas cylinders will be moved to an acceptable storage area on Surface;
- All utilities will be shut down in this area for the duration of the Care and Maintenance program.

Surface Equipment:

- A list of critical equipment for use during the Care and Maintenance Program has been defined. All other equipment will be "moth balled" to the required manufacture standard and parked in the "Lower Yard" area (will facilitate easy snow removal);
- Drip trays will be placed under all moth balled equipment and monitored on an ongoing basis;
- The Heavy Duty Shop will be used to house "critical" mobile & safety equipment;
- All maintenance records, PM's, Work Orders etc. will be kept in their current location in the Heavy Duty Shop Supervisors / Planning Office.

Underground Equipment:

- All UG mobile equipment will be moth balled to acceptable manufactures standards;
- UG equipment will be stored on the surface, either in the Copper Con Shed or the area on top of the Waste Rock Stockpile opposite the Main Portal;
- Drip trays will be placed under all moth balled equipment and monitored on an ongoing basis.

APPENDIX E

CARE AND MAINTENANCE

SHORT TERM SHUTDOWN

CHECKLISTS

CANTUNG MINE

CARE AND MAINTENANCE PLAN FOR

SHORT TERM CLOSURE COMMENCING

OCTOBER 2009

The following is the preliminary daily/weekly checklists to be used by the CAM Crew during the short term shutdown:

Daily Mill & Tails Pond Checks:

- Mill checks for equipment condition, water & ice build-up;
- Underground water pumped/flowing;
- Drive along tailings line check for any leaks;
- Drive around tails pond check pipelines, berms, water levels;
- Check Godwin/Grindex pumps and lines;
- Check TP4 & TP5 water level;
- Check base of tails pond for any leaks;
- Check fire and emergency response equipment;
- Make sure all doors are kept closed.

Daily Surface Checks:

- Check site security – access gates closed, air strip for any unauthorized personnel;
- Check river pumphouse, pump, heaters and chlorine system;
- Check sewage treatment plant, pumphouse, outflow pipe;
- Check admin building water system and general building conditions;
- Fresh water bleeds at Admin;
- Power house general, fuel piping;
- Generator radiator supply and return temperatures, piping, valves, leaks;
- Mechanical shop piping and heating;
- All fuel and gas dispensing areas, tanks, berms;
- Monitor avalanche hazard following the Snow Safety Plan;
- Ensure that site gates are closed and that the site is secure;
- Check fire and emergency response equipment;
- Check site buildings, tanks and facilities for any unusual items.

Daily Mine Checks:

- Check entrances, ensure they are secure;
- Check pumps and water out flows;
- Check fire and emergency response equipment;
- Depending upon where equipment is stored a daily or weekly underground inspection to check on services, ground conditions and equipment may be necessary.

Daily Environmental Checks:

- Chlorine in potable water;
- Check water discharges;
- Check Flat River for any unusual conditions;
- Examine site for spills or over flows;
- As required, collect samples for environmental monitoring;
- Check emergency response equipment.

Weekly Inactive Building & Facility Checks:

- Mine Vent Fan Area – Ensure intake covers secure (x2)
- Mine Dry Complex
- Mill Building
- 80 Man Facility – Focus on top floor, 3 lobby areas and basement areas
- Kitchen Facility

APPENDIX F

CARE AND MAINTENANCE

MVLWB WATER LICENSE CONDITION AND PROJECT DEFERRAL TABLE

CANTUNG MINE

**CARE AND MAINTENANCE PLAN FOR
SHORT TERM CLOSURE COMMENCING
OCTOBER 2009**

NATC Cantung Regulatory Project Plan for Temporary Shutdown Period (Oct 15, 2009)

Note: best printed in colour on tabloid size (11" X 17") paper.

Year Shading:

2009
2010
2011

Font Legend: Black Complete
 Green In Progress & Continuing
 Blue Partial deferral
 Red Deferred

Deferral Period: Length of temporary shutdown + 6 Months.

Revised Submission Date: The Condition submission date specified in WL + Length of temporary shutdown + 6 Months

Line #	Regulation or WL Condition	Target or Submission	Subject	Progress %	Comments	Status Completed	Review			Deferral	Oct. 2009 Operations Suspension Commentary	
							Approved	Contractor	In Progress			
Projects In Progress & Continuing:												
1	MVLWB WL & SNP		Water monitoring & reporting	100	Will continue as normal - Monthly, tri-annually...					Yes	No	Sampling of surface & groundwater and TP instrumentation, and reporting will continue as per WL requirements
2	WL Condition F15	15-Feb-09	Environmental Site Assessment (ESA)	100	ESA complete & submitted - in MVLWB review process	Yes		12-Aug-09	9-Sep-09	Yes	No	NATC response to review scheduled for submittal to MVLWB on Sept 9, 2009.
3	WL Condition F16	31-Mar-09	Qualitative ERA Report on Flat River Tails.	100	QERA complete & submitted - in MVLWB review process	31-Mar-09		16-Sep-09	7-Oct-09	Yes	No	NATC response to review scheduled for submittal to MVLWB on Oct 7, 2009.
4	WL Condition F8	01-Apr-09	Tails Containment Area Monitoring Plan (TCAMP)	100	TCAMP complete & submitted - in MVLWB review process.	1-Apr-09		17-Jun-09	6-Jul-09	Yes	No	NATC response to review submitted to MVLWB on July 6, 2009.
5	WL Condition F5/B3e&f	01-Apr-09	Waste Management Plan.	100	Waste Management Plan complete & submitted - in MVLWB review process.	1-Apr-09		24-Jul-09	5-Aug-09	Yes	No	NATC response to review submitted to MVLWB on Aug 5, 2009.
6	WL Condition E4, E5, E6, E7, E8, F6d&vi, F8c(7), F11g	01-Jun-09	Groundwater Well Installation (SNP); SNP S4-40 & 4-41 on Flat River	85	SNP S4-40/S4-41 activated; available exploration drill rig completed 5 good water monitoring wells July 2, 2009; 2 more to replace a bad hole are to be drilled mid August.					Yes	No	
7	WL Condition F10	30-Jun-09	Tailings Management Plan revision including UG Backfill	100	WL completion of Dec 1/09 revised to July 7/09 re: UG Backfill Project. Complete & submitted - in MVLWB review process.					Yes	No	Submitted to MVLWB July 7, 2009, and has been sent out for review (ends Aug 6, 2009).
8	WL Condition E3e	01-Sep-09	Annual Dam Inspection.		Booked for Sept - Submittal to MVLWB within 60 days of study completion.					Yes	No	
9	WL Condition B3	31-Mar-10	MVLWB Annual Report.									
10	WL Condition H1	31-Mar-10	ARP (2009) Plan Update		Abandonment & Reclamation planning will continue though at a slower rate					Yes	Yes	Defer full revision C&R Plan. Will continue on reclamation planning to update the 2009 ARP with available information (See items 29).
11	WL Condition E3e	01-Sep-10	Annual Dam Inspection.		Scheduled for week of Sept. 8, 2009; Submittal to MVLWB is required within 60 days of inspection completion.						No	
12	WL Condition E3e	01-Sep-11	Annual Dam Inspection.		Submittal to MVLWB within 60 days of inspection completion.						No	
Projects with Partial Deferral:												
13	NATC		2009/2010 Progressive Reclamation Planning	5	LBP sampling for TCLP test; Buildings & Structures/Hazmat - demolition & disposal					Yes	Yes	Partial deferment - projects will continue to move ahead, but at a slower rate.
14	NATC	Summer 2009	TP4 Dam Construction 2009	40	TP4 Raise 3 permitted to 3742.5 ft; in 2009 constructed upstream keyway only to 3730 ft.					Yes	Yes	As built report will be submitted within 60 days. Deferral of TP4 raise above present 3730 ft elevation (see item 23).
15	NATC	Summer 2009	TP5 Dam Modification Completion 2009	75	TP5 upstream waste rock wedge completed to 3740 ft in 2009.					Yes	Yes	As built report will be submitted within 60 days. Deferral of remainder of modification (see item 24).
16	WL Condition F6	01-Sep-10	Geochemical Risk Assessment Report	5	2009: Kinetic test field barrels on-site; tests will be started as per consultant recommendations.					Yes	Yes	Defer all geochem work except setup, operation & monitoring of on-site Kinetic (field barrel) tests (see item 17, 33).
Projects to be Deferred (From Condition Date specified in WL + length of temporary shutdown + 6 months):												
17	WL Condition F6		Lab Kinetic Test (Humidity Cell) - Tailings	40	Running since March 2007					Yes	Yes	Defer by putting into freezer storage as per consultant recommendation (see item 16, 33).
18	WL Condition F11/E9c/E13	28-Apr-09	Groundwater Pumping Contingency Plan revision	100	Complete & submitted to MVLWB; No review response received yet.	28-Apr-09				Yes	Yes	Defer review. At end of deferral period, schedule into a 1/Month review response frequency plan.
19	WL Condition F1	01-May-09	Water Management Plan	100	Complete & submitted to MVLWB; No review response received yet.	1-May-09				Yes	Yes	Defer review. At end of deferral period, schedule into a 1/Month review response frequency plan.
20	WL Condition F4	15-Jun-09	Erosion & Sediment Protection Plan - Flat River	100	Complete & submitted to MVLWB; No review response received yet.	15-Jun-09				Yes	Yes	Defer review. At end of deferral period, schedule into a 1/Month review response frequency plan (see item 25).
21	WL Condition F13	15-Jun-09	Tails OMS Manual .	100	Complete & submitted to MVLWB; No review response received yet.	15-Jun-09				Yes	Yes	Defer review. At end of deferral period, schedule into a 1/Month review response frequency plan.
22	WL Condition F14	15-Jun-09	Tails EPP .	100	Complete & submitted to MVLWB; No review response received yet.	15-Jun-09				Yes	Yes	Defer review. At end of deferral period, schedule into a 1/Month review response frequency plan.
23	NATC	Summer 2009	TP4 Dam Construction 2009	40	TP4 Raise 3 -> 3742.5 ft					Yes	Yes	In 2009 completed keyway portion (upstream) only to 3730 ft elevation (see item 14).
24	NATC	Summer 2009	TP5 Dam Construction 2009	50	TP5 Modification Completion					Yes	Yes	Completed upstream wedge coarse rock buttress in 2009 to 3740 ft. Defer remainder of modification work (see item 15).
25	WL Condition F4	24-Jun-09	Erosion & Sediment Protection Plan - Minesite	25	EBA completed on site fieldwork June 24 to 26, 2009.					Yes	Yes	Defer data interpretation and report (see item 20).
26	WL Condition E4-8, F2, F8, F10	01-Jul-09	Geotech Drill Plan (for TCAMP, Hydrogeology, Geochemistry & TP3 raise design)	40	Geotech drilling program delayed - available exploration drill rig used for water monitoring wells was mobilized July 2, 2009.					Yes	Yes	Defer remainder of Geotech drill program (\$400,000+).
27	WL Condition C1d	01-Feb-10	Post \$1.3 M Security Deposit	80	Over 80% of the \$13.1 Million Security Deposit required has been posted.						Yes	Defer & leniency: \$1.3 M security deposit, & cap total security at \$10.5 M as NATC/INAC reclamation model discussions continue.
28	WL Condition F12	01-Feb-10	Historical Data & Interpretation Report.	10	Some historical data received from INAC; Data review continuing.					Yes	Yes	Defer.
29	WL Condition H1	31-Mar-10	C&R Plan (revised).		Closure planning - drawings, maps, conceptual, criteria & implementation for each mine component.					Yes	Yes	Defer full revision. Work will continue as possible; the 2009 ARP will be updated with available information (see item 10).
30	WL Condition F2g,h,i	01-May-10	Hydrogeological synoptic survey (& Flat River plume study)		Was scheduled for May 2010.						Yes	Defer - mine unlikely to be in operation.
31		Summer 2009	TP3 Dam Construction 2010		TP3 15 ft raise -> 3780 ft (concept as per Tails Management Plan).					Yes	Yes	Defer
32	WL Condition C1e	01-Jul-10	Post \$1.3 M Security Deposit	80	Over 80% of the \$13.1 Million Security Deposit required has been posted.						Yes	Defer & leniency: \$1.3 M security deposit, & cap total security at \$10.5 M as NATC/INAC reclamation model discussions continue.
33	WL Condition F6	01-Sep-10	Geochemical Risk Assessment Report	5	Defer all geochem work except setup, operation & monitoring of on-site Kinetic (barrel) tests.					Yes	Yes	Defer all except monitoring of on-site Kinetic (barrel) tests (see item 16, 17).
34	WL Condition E3d	30-Sep-10	Dam Safety Review		As per Dam Safety Guidelines.						Yes	Defer & leniency: Last DSR completed in 2007, so next DSR can be deferred to 2012 (7 - 10 years in Dam Safety Guidelines).
35	WL Condition F2	01-Dec-10	Hydrogeological Groundwater Study	15	Data review continuing.					Yes	Yes	Defer
36	WL Condition F7	31-Jan-11	Geochemical Load Balance Model	5	Data review continuing.					Yes	Yes	Defer
37	WL Condition F17	01-Dec-11	Quantitative ERA of Flat River Tails Report.		Followup to the Qualitative ERA (WL Condition F16).						Yes	Defer, particularly as it is a redundant study based on recommendations in the Qualitative ERA (WL Condition F16).
38	WL Condition F9	01-Dec-11	Tails Cover Design Study		Based on F8 Tails Containment Area Monitoring Plan (TCAMP).						Yes	Defer

NATC Cantung Regulatory Project Plan for Temporary Shutdown Period (Oct 15, 2009)

Note: best printed in colour on tabloid size (11" X 17") paper.

Year Shading:

2009
2010
2011

Font Legend: Black Complete
 Green In Progress & Continuing
 Blue Partial deferral
 Red Deferred

Deferral Period: Length of temporary shutdown + 6 Months.

Revised Submission Date: The Condition submission date specified in WL + Length of temporary shutdown + 6 Months

Line #	Regulation or WL Condition	Target or Submission	Subject	Progress %	Comments	Status Completed	Review			Deferral	Oct. 2009 Operations Suspension Commentary	
							Approved	Contractor	In Progress			
Projects In Progress & Continuing:												
1	MVLWB WL & SNP		Water monitoring & reporting	100	Will continue as normal - Monthly, tri-annually...					Yes	No	Sampling of surface & groundwater and TP instrumentation, and reporting will continue as per WL requirements
2	WL Condition F15	15-Feb-09	Environmental Site Assessment (ESA)	100	ESA complete & submitted - in MVLWB review process	Yes		12-Aug-09	9-Sep-09	Yes	No	NATC response to review scheduled for submittal to MVLWB on Sept 9, 2009.
3	WL Condition F16	31-Mar-09	Qualitative ERA Report on Flat River Tails.	100	QERA complete & submitted - in MVLWB review process	31-Mar-09		16-Sep-09	7-Oct-09	Yes	No	NATC response to review scheduled for submittal to MVLWB on Oct 7, 2009.
4	WL Condition F8	01-Apr-09	Tails Containment Area Monitoring Plan (TCAMP)	100	TCAMP complete & submitted - in MVLWB review process.	1-Apr-09		17-Jun-09	6-Jul-09	Yes	No	NATC response to review submitted to MVLWB on July 6, 2009.
5	WL Condition F5/B3e&f	01-Apr-09	Waste Management Plan.	100	Waste Management Plan complete & submitted - in MVLWB review process.	1-Apr-09		24-Jul-09	5-Aug-09	Yes	No	NATC response to review submitted to MVLWB on Aug 5, 2009.
6	WL Condition E4, E5, E6, E7, E8, F6d&vi, F8c(7), F11g	01-Jun-09	Groundwater Well Installation (SNP); SNP S4-40 & 4-41 on Flat River	85	SNP S4-40/S4-41 activated; available exploration drill rig completed 5 good water monitoring wells July 2, 2009; 2 more to replace a bad hole are to be drilled mid August.					Yes	No	
7	WL Condition F10	30-Jun-09	Tailings Management Plan revision including UG Backfill	100	WL completion of Dec 1/09 revised to July 7/09 re: UG Backfill Project. Complete & submitted - in MVLWB review process.					Yes	No	Submitted to MVLWB July 7, 2009, and has been sent out for review (ends Aug 6, 2009).
8	WL Condition E3e	01-Sep-09	Annual Dam Inspection.		Booked for Sept - Submittal to MVLWB within 60 days of study completion.					Yes	No	
9	WL Condition B3	31-Mar-10	MVLWB Annual Report.									
10	WL Condition H1	31-Mar-10	ARP (2009) Plan Update		Abandonment & Reclamation planning will continue though at a slower rate					Yes	Yes	Defer full revision C&R Plan. Will continue on reclamation planning to update the 2009 ARP with available information (See items 29).
11	WL Condition E3e	01-Sep-10	Annual Dam Inspection.		Scheduled for week of Sept. 8, 2009; Submittal to MVLWB is required within 60 days of inspection completion.						No	
12	WL Condition E3e	01-Sep-11	Annual Dam Inspection.		Submittal to MVLWB within 60 days of inspection completion.						No	
Projects with Partial Deferral:												
13	NATC		2009/2010 Progressive Reclamation Planning	5	LBP sampling for TCLP test; Buildings & Structures/Hazmat - demolition & disposal					Yes	Yes	Partial deferral - projects will continue to move ahead, but at a slower rate.
14	NATC	Summer 2009	TP4 Dam Construction 2009	40	TP4 Raise 3 permitted to 3742.5 ft; in 2009 constructed upstream keyway only to 3730 ft.					Yes	Yes	As built report will be submitted within 60 days. Deferral of TP4 raise above present 3730 ft elevation (see item 23).
15	NATC	Summer 2009	TP5 Dam Modification Completion 2009	75	TP5 upstream waste rock wedge completed to 3740 ft in 2009.					Yes	Yes	As built report will be submitted within 60 days. Deferral of remainder of modification (see item 24).
16	WL Condition F6	01-Sep-10	Geochemical Risk Assessment Report	5	2009: Kinetic test field barrels on-site; tests will be started as per consultant recommendations.					Yes	Yes	Defer all geochem work except setup, operation & monitoring of on-site Kinetic (field barrel) tests (see item 17, 33).
Projects to be Deferred (From Condition Date specified in WL + length of temporary shutdown + 6 months):												
17	WL Condition F6		Lab Kinetic Test (Humidity Cell) - Tailings	40	Running since March 2007					Yes	Yes	Defer by putting into freezer storage as per consultant recommendation (see item 16, 33).
18	WL Condition F11/E9c/E13	28-Apr-09	Groundwater Pumping Contingency Plan revision	100	Complete & submitted to MVLWB; No review response received yet.	28-Apr-09				Yes	Yes	Defer review. At end of deferral period, schedule into a 1/Month review response frequency plan.
19	WL Condition F1	01-May-09	Water Management Plan	100	Complete & submitted to MVLWB; No review response received yet.	1-May-09				Yes	Yes	Defer review. At end of deferral period, schedule into a 1/Month review response frequency plan.
20	WL Condition F4	15-Jun-09	Erosion & Sediment Protection Plan - Flat River	100	Complete & submitted to MVLWB; No review response received yet.	15-Jun-09				Yes	Yes	Defer review. At end of deferral period, schedule into a 1/Month review response frequency plan (see item 25).
21	WL Condition F13	15-Jun-09	Tails OMS Manual .	100	Complete & submitted to MVLWB; No review response received yet.	15-Jun-09				Yes	Yes	Defer review. At end of deferral period, schedule into a 1/Month review response frequency plan.
22	WL Condition F14	15-Jun-09	Tails EPP .	100	Complete & submitted to MVLWB; No review response received yet.	15-Jun-09				Yes	Yes	Defer review. At end of deferral period, schedule into a 1/Month review response frequency plan.
23	NATC	Summer 2009	TP4 Dam Construction 2009	40	TP4 Raise 3 -> 3742.5 ft					Yes	Yes	In 2009 completed keyway portion (upstream) only to 3730 ft elevation (see item 14).
24	NATC	Summer 2009	TP5 Dam Construction 2009	50	TP5 Modification Completion					Yes	Yes	Completed upstream wedge coarse rock buttress in 2009 to 3740 ft. Defer remainder of modification work (see item 15).
25	WL Condition F4	24-Jun-09	Erosion & Sediment Protection Plan - Minesite	25	EBA completed on site fieldwork June 24 to 26, 2009.					Yes	Yes	Defer data interpretation and report (see item 20).
26	WL Condition E4-8, F2, F8, F10	01-Jul-09	Geotech Drill Plan (for TCAMP, Hydrogeology, Geochemistry & TP3 raise design)	40	Geotech drilling program delayed - available exploration drill rig used for water monitoring wells was mobilized July 2, 2009.					Yes	Yes	Defer remainder of Geotech drill program (\$400,000+).
27	WL Condition C1d	01-Feb-10	Post \$1.3 M Security Deposit	80	Over 80% of the \$13.1 Million Security Deposit required has been posted.						Yes	Defer & leniency: \$1.3 M security deposit, & cap total security at \$10.5 M as NATC/INAC reclamation model discussions continue.
28	WL Condition F12	01-Feb-10	Historical Data & Interpretation Report.	10	Some historical data received from INAC; Data review continuing.					Yes	Yes	Defer.
29	WL Condition H1	31-Mar-10	C&R Plan (revised).		Closure planning - drawings, maps, conceptual, criteria & implementation for each mine component.					Yes	Yes	Defer full revision. Work will continue as possible; the 2009 ARP will be updated with available information (see item 10).
30	WL Condition F2g,h,i	01-May-10	Hydrogeological synoptic survey (& Flat River plume study)		Was scheduled for May 2010.						Yes	Defer - mine unlikely to be in operation.
31		Summer 2009	TP3 Dam Construction 2010		TP3 15 ft raise -> 3780 ft (concept as per Tails Management Plan).					Yes	Yes	Defer
32	WL Condition C1e	01-Jul-10	Post \$1.3 M Security Deposit	80	Over 80% of the \$13.1 Million Security Deposit required has been posted.						Yes	Defer & leniency: \$1.3 M security deposit, & cap total security at \$10.5 M as NATC/INAC reclamation model discussions continue.
33	WL Condition F6	01-Sep-10	Geochemical Risk Assessment Report	5	Defer all geochem work except setup, operation & monitoring of on-site Kinetic (barrel) tests.					Yes	Yes	Defer all except monitoring of on-site Kinetic (barrel) tests (see item 16, 17).
34	WL Condition E3d	30-Sep-10	Dam Safety Review		As per Dam Safety Guidelines.						Yes	Defer & leniency: Last DSR completed in 2007, so next DSR can be deferred to 2012 (7 - 10 years in Dam Safety Guidelines).
35	WL Condition F2	01-Dec-10	Hydrogeological Groundwater Study	15	Data review continuing.					Yes	Yes	Defer
36	WL Condition F7	31-Jan-11	Geochemical Load Balance Model	5	Data review continuing.					Yes	Yes	Defer
37	WL Condition F17	01-Dec-11	Quantitative ERA of Flat River Tails Report.		Followup to the Qualitative ERA (WL Condition F16).						Yes	Defer, particularly as it is a redundant study based on recommendations in the Qualitative ERA (WL Condition F16).
38	WL Condition F9	01-Dec-11	Tails Cover Design Study		Based on F8 Tails Containment Area Monitoring Plan (TCAMP).						Yes	Defer