

Submitted electronically by Email to permits@mvlwb.com

January 31, 2012

Mackenzie Valley Land and Water Board

7th Floor-4922- 48th Street

Box 2130,

Yellowknife, NT

X1A 2P6

Attn: Ms. Lindsey Cymbalisty, Regulatory Officer

Re: Water License MV2002L2-0019 – Surveillance Network Program (SNP) Monthly Reporting – December 2011

Dear Lindsey,

Attached are the results for the sampling and monitoring data carried out during the month of December 2011.

The following table summarizes the monitoring conducted in December, as required by water license **MV2002L2-0019**:

Site ID	Sample Location	Sample Collected
4-5	Flat River Downstream (Landfill Bridge Crossing)	Yes
4-6	Tails Pond 4 Discharge to TP5	Yes
4-13	“E” Zone Discharge from Mine	Not Discharging
4-20	Drain Culvert from Pond Below TP3 (MMER site 4-27-2 Culvert)	Yes
4-28-1	Mill Tails Filtrate	Yes
4-29	Flat River Upstream	Yes
4-30	Mill Tails Filtrate	Yes
4-32	Sardine Creek	Not Flowing
4-33	Flat River Downstream (Far Field)	Not Sampled*
4-33R	Flat River Downstream (Rifle Range)	Yes
4-34	Seepage Down gradient from Fuel Berm	No Seepage
4-36	Seepage between TP3 and Flat River	No Seepage
4-37	Seepage between TP4 and Flat River	No Seepage
4-38	Seepage between TP2 and Flat River	No Seepage
4-39	Seepage between TP4 and Flat River	No Seepage
4-40	Surface Water Point on Flat River between TP2&TP4	Yes
4-41	Surface Water Point on Flat River downstream of TP3	Yes
4-42	Mine water Pump in Mill	Yes

* not sampled due to inaccessibility

Cantung Mine Site: Box 848, Watson Lake, YT Y0A 1C0 Ph. (604) 759-0913 Fax: (604) 759-0918

Mill/Tailings Operations:

Discharge	Volume m³
Total Tailings to TP4 (including solution)	124, 571
Tailings Solids to TP4	9,450
Tailings Solution to TP4	98,924
Treated Sewage Discharge to TP4	8,876
Solution from TP4 to TP5	107,800
Mine water to TP5	24,037
Total Water to TP5	131,837

- Tailings Pond 4 Elevation surveyed at approximately 3744 fasl.
- Freeboard elevations on both Pond 4 and Pond 5 remain well below the allowable 1 meter.
- Sulfuric Acid metering pump available for pH moderation, as required. Moderation not required for month of December.
- Fresh water consumption for December is 124, 571m³, (domestic and process combined)

Included in this report for your review:

- Monthly Water Quality Results.
- Water Quality Trending Data and Graphs.
- Waste Rock Summary for Acid Base Accounting. It should be noted that Waste Rock is no longer being brought to surface for storage. All Waste Rock at this time is being stored underground.
- Tails Pond daily inspection sheets

Although generally included in this report, the monthly Instrumentation data (including piezometers plots and slope indicator/inclinometer graphs) is unavailable at this time. These data reports will be provided under separate cover as soon as the information is available. The instrumentation has been collected for December; however the graphs are not available at this time.

Work on the regulatory requirements of the Water License **MV2002L2-0019** continues. Reports that have been completed and submitted for the month of December 2011 include the following:

- Groundwater Pumping Contingency Plan (F.11);
- Annual Dam Inspection (E.3e);
- Tailings Management Plan (F.10);
- Tailings Operations, Maintenance and Surveillance Plan updates (F.13);
- Waste Management Plan (F.5);
- Water Management and Site Erosion Plan (F.1, F.4);
- Emergency Preparedness Plan (F14);
- TP4 and TP5 As Built Reports

Reports in progress to satisfy the regulatory requirements include the following:

- Tailings Management Plan (F.10)
- TSF 4 Geotechnical Stability Report
- Historical Data Report (F.12)
- Updated QA/QC Manual (F3);

If you require any further information, please do not hesitate to contact myself, Doug Watt, Laura Smithies, Dave Desmarais (Environmental Department) or Jason McKenzie, Gerard Bagnell (Mine Manager), at the minesite.

Yours truly,

North American Tungsten Corporation Ltd.

Chris Werbicki
Environmental Coordinator
North American Tungsten Corp.

Attachments:
Water Analysis/Trending Data
TP Daily Inspection Sheets
Monthly Summary

CC: J. McKenzie, G. Bagnell, Cantungenviro, C. Scott, M. Martin, R. Hoos, T. Morton, P. Kramers

Dayshift

Tailings Pond Inspection Sheet 2011									
Date	Time	Pond 3	Pond 4		Pond 5		Tailings Line	Initial	Comments
Dec-2011		Toe	Toe	Pond	Toe	Pond			
1	2:00	/	/	/	/	/	OK	JP	
2	2:30	/	/	/	/	/	OK	JP	
3	3:00	/	/	/	/	/	OK	JP	
4	1:30	/	/	/	/	/	OK	JP	
5	2:00	/	/	/	/	/	OK	JP	
6	2:30	/	/	/	/	/	OK	JP	Godwin
7	3:00	/	/	/	/	/	OK	JP	Godwin
8	2:30	/	/	/	/	/	OK	JP	Godwin
9	3:00	/	/	/	/	/	OK	JP	Godwin
10	4:00	/	/	/	/	/	OK	JP	Godwin
11	2:50	/	/	/	/	/	OK	JP	17 ft
12	1:30	/	/	/	/	/	OK	JP	Godwin
13	2:30	/	/	/	/	/	OK	JP	17 ft
14	2:00	/	/	/	/	/	OK	JP	Godwin
15	2:30	/	/	/	/	/	OK	JP	Godwin
16	3:00	/	/	/	/	/	OK	JP	Godwin
17	2:00	/	/	/	/	/	OK	JP	Godwin
18	2:30	/	/	/	/	/	OK	JP	Godwin
19	1:30	/	/	/	/	/	OK	JP	Godwin
20 22	9:15	/	/	/	/	40	OK	JP	Godwin ↓
21 23	10:00	/	/	/	/	39	OK	JP	"
22 24	10:15	/	/	/	/	37	OK	JP	"
23 25	13:30	/	/	/	/	35	OK	JP	"
24									
25									
26	9:30	/	/	/	/	34	OK	JP	"
27	10:30	/	/	/	/	33	OK	JP	"
28	9:30	/	/	/	/	32	OK	JP	"
29	9:15	/	/	/	/	31	OK	JP	"
30	13:30	/	/	/	/	31	OK	JP	Godwin ↑ (1650 rpm)
31	9:15	/	/	/	/	39	OK	JP	Godwin ↑

Night Shift

Tailings Pond Inspection Sheet 2011									
Date	Time	Pond 3	Pond 4		Pond 5		Tailings Line	Initial	Comments
Dec-2011		Toe	Toe	Pond	Toe	Pond			
1	12:15	✓	✓	✓	✓	✓	✓	CC	Godwin ↓
2	12:20	✓	✓	✓	✓	✓	✓	CC	Godwin ↓
3	12:15	✓	✓	✓	✓	✓	✓	CC	Godwin ↓
4	12:05	✓	✓	✓	✓	✓	✓	CC	Godwin ↓
5	12:15	✓	✓	✓	✓	✓	✓	CC	Godwin ↓
6	12:10	✓	✓	✓	✓	✓	✓	CC	Godwin ↑ 1650 RPM
7	12:40	✓	✓	✓	✓	✓	✓	CC	Godwin ↑ 1650 RPM
8	12:25	✓	✓	✓	✓	✓	✓	CC	Godwin ↑ 1650
9	12:10	✓	✓	✓	✓	✓	✓	CC	Godwin ↓
10	12:15	✓	✓	✓	✓	✓	✓	CC	Godwin ↓
11	10:30	✓	✓	✓	✓	✓	✓	CC	Godwin ↓
12	12:25	✓	✓	✓	✓	✓	✓	CC	Godwin ↓
13	12:25	✓	✓	✓	✓	47	✓	CC	Godwin ↓ 1622 RPM
14	12:20	✓	✓	✓	✓	49	✓	CC	Godwin ↑
15	12:22	✓	✓	✓	✓	51	✓	CC	Godwin ↓
16	12:15	✓	✓	✓	✓	49	✓	CC	Godwin ↓
17	12:15	✓	✓	✓	✓	47	✓	CC	Godwin ↓
18	12:30	✓	✓	✓	✓	45	✓	CC	Godwin ↓
19	11:05	✓	✓	✓	✓	44	✓	CC	Godwin ↓
20	12:30	✓	✓	✓	✓	42	✓	CC	Godwin ↓
21	10:00 AM	✓	✓	✓	✓	41	✓	GM.	GODWIN DOWN
22	1:00 AM	✓	✓	✓	✓	39	✓	GM.	GODWIN DOWN
23	2:00 AM	✓	✓	✓	✓	CANNO GET IN	✓	GM.	GODWIN DOWN
24									
25	11:00 AM	✓	✓	✓	✓	35	✓	GM.	GODWIN DOWN
26									
27	10:00 PM	✓	✓	✓	✓	32	✓	GM.	GODWIN DOWN
28	1:30 AM	✓	✓	✓	✓	31	✓	GM.	GODWIN DOWN
29	1:00 AM	✓	✓	✓	✓	30	✓	GM.	GODWIN DOWN
30	2:00 AM	✓	✓	✓	✓	33	✓	GM.	GODWIN UP - 1655 RPM
31	10:30 PM	✓	✓	✓	✓	41	✓	GM.	" " @ 1655