

This is the 1st affidavit of Roland Willson in this case and was made on January 7, 2025

No. S-224444 Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE COMPANIES' CREDITORS AND ARRANGEMENT ACT, R.S.C., 1985 c. C-36, AS AMENDED

AND

IN THE MATTER OF A PLAN OR COMPROMISE AND ARRANGEMENT OF CANADIAN DEHUA INTERNATIONAL MINES GROUP INC., WAPITI COKING COAL MINES CORP. AND CANADIAN BULLMOOSE MINES CO., LTD.

PETITIONERS

AFFIDAVIT #1 of ROLAND WILLSON

- I, Roland Willson, West Moberly First Nations' Chief, of Hudson's Hope, British Columbia, SOLEMNLY AFFIRM THAT:
- 1. I am the Chief of West Moberly First Nations. As such, I have personal knowledge of the facts set out below, except where stated to be on information and belief, in which case I verily believe them to be true.

West Moberly First Nations

2. West Moberly First Nations ("West Moberly") is a "band" as defined in the *Indian Act*, R.S.C. 1985, c. I-5, and is an "Aboriginal people" within the meaning of section 35 of the *Constitution Act*, 1982. West Moberly is one of the successors to the Hudson's Hope Band of Indians, who became a party to Treaty No. 8 in 1914.

3. The "band" did not exist before contact with Europeans. West Moberly's ancestors were part of a larger Dunne-za community that lived along and were connected by the Peace River and its tributaries. Our Dunne-za ancestors have a distinct culture and have occupied the lands along the Peace River and its tributaries since time immemorial. West Moberly today also includes descendants of Tse'khene, Cree and Saulteau peoples that migrated and settled in these lands several centuries ago.

Stewardship of the land

- 4. West Moberly has a long record of advocating for responsible stewardship of land and resources. We are committed to sustaining our way of life and culture and to preserving the rights we hold under Treaty 8.
- 5. As part of this commitment, West Moberly has taken a leadership role in the protection and preservation of caribou. Due to declining caribou herds, in 1977 our community, at the advice of our elders, put in place a self-imposed moratorium on hunting caribou in and around the south Peace River region. This moratorium continues today, and West Moberly has, for decades, worked to preserve, protect, and recover the caribou herds back to a level that would sustain a meaningful cultural hunt in accordance with our rights and way of life.
- 6. This work has included the 2020 Intergovernmental Partnership Agreement: Central Group Southern Mountain Caribou with the Province of British Columbia (the "Province"), the Federal Government, and Saulteau First Nations (the "Caribou Partnership Agreement"). The Caribou Partnership Agreement, among other things, creates 'moratorium zones' where recovery of caribou and caribou habitat is prioritized these moratorium zones are established by Order-in-Council by the Province, and prohibit any resource developments within them. West Moberly and Saulteau also work with the Fish and Wildlife Compensation Program to protect the Klinse-Za Caribou herd through an innovative maternal caribou penning project.
- 7. West Moberly has also successfully litigated to protect caribou habitat from the threat posed by coal development, see for example *West Moberly First Nations v. British Columbia (Chief Inspector of Mines)*, 2011 BCCA 247.

- 8. West Moberly appreciates that its interests in responsible stewardship of the lands must strike a balance between conservation and development of the land. Certain areas are more suited to and more important to us for conservation purposes, including wildlife preservation than other areas where development, including coal development, would be more suitable provided appropriate protections exist for our interests, in particular protection of the caribou and their habitat.
- 9. To this end, in 2015, I signed the *Regional Coal Agreement* on behalf of West Moberly (the "RCA"). The RCA is a 20-year government-to-government agreement with the Province and was developed as a process tool to inform coal development within designated areas in the northeast coal belt. Areas under the RCA are identified as possible candidate sites where West Moberly believes that sustainable levels of coal development are possible, within acceptable limits of change to the receiving environment. Within these areas, development of a coal mine still requires significant effort and meaningful engagement for collaborative management and requires that key issues, especially water management issues and impacts to caribou, are addressed. It also establishes coal reserve areas, where coal tenures are surrendered and placed in reserve, where they will not be developed.
- 10. In recent years, West Moberly began exploring the acquisition of coal tenures as a means of furthering its stewardship goals, with the broad objective of conservation. I believe if West Moberly acquires coal tenures, it would give us authority and considerable power towards our achieving our broad conservation objectives and preserving our rights and interests.
- 11. With ownership of coal tenures, West Moberly would have multiple options to consider in furthering its stewardship objectives, including placing any acquired coal tenures into a reserve to ensure there would not be coal development on them. We may also consider negotiating a trade of those tenures for other tenures which have a higher priority conservation value for us and negotiating protections on any tenures that are developed to ensure it is consistent with our land stewardship values. Achieving our land stewardship objectives is a dynamic process and there are many variables which can influence how we approach this.
- 12. In this case, the acquisition of the Wapiti and Bullmoose coal tenures is of importance to West Moberly. Parts of them are covered by the Caribou Partnership Agreement and parts of them

are covered by the RCA. This contributes to the complexity of achieving our stewardship goals. Achieving those goals is a dynamic process that may involve placing them in reserve or trading them in whole or in part for other tenures that may have higher priority conservation value for West Moberly. There may also be other options for these tenures that arise in the future for West Moberly that involve development which is to the benefit of West Moberly and conforms to its stewardship responsibilities.

13. West Moberly considers that its approach to stewardship is complex and multi-factored and commercially sensitive.

West Moberly Seeks to Acquire the Wapiti and Bullmoose Coal Assets

- 14. In September 2023, I learned that certain coal tenures related to the Wapiti and Bullmoose projects might be sold as part of this proceeding. On September 30, 2023, I wrote a letter to the Monitor expressing West Moberly's position, which is attached hereto as **Exhibit A**.
- 15. For the reasons set out above, West Moberly wanted to explore the acquisition of these coal assets.
- 16. West Moberly's Council and I thought West Moberly should keep its role in any acquisition private for these reasons:
 - (a) We thought that the letter I sent to the Monitor, which is attached as Exhibit A, would not have been well received by the debtor company.
 - (b) We wanted to avoid speculation in the north about our intentions, given the complex process we envisioned to best achieve our conservation goals; from people with environmental concerns about the priority West Moberly was giving to conservation and from people in favour of coal development who were concerned about loss of employment.
 - (c) We thought speculation about an acquisition by West Moberly might feed into a racist backlash, as had occurred when caribou-related initiatives like the Caribou Partnership Agreement was announced. Attached as **Exhibit B** is an article from the Narwhal dated April 16, 2019 in that regard.

- (d) We thought premature public disclosure of our role could interfere with negotiations between West Moberly and others in relation to conservation issues and coal development in our territory.
- 17. At around the same time, in September 2023, West Moberly retained Aref Amanat to deal with the acquisition on our behalf and to do so without disclosing our role and interests. We became aware he did this through a company he controlled, TaneMahuta Capital Ltd. ("TMC"). Stikeman Elliot was also retained by West Moberly to assist in this possible acquisition.
- 18. I understood that many companies use agents to acquire interests in resources without disclosing the fact of their agency. I did not consider that using an agent and not disclosing our role was in any way inappropriate.
- 19. In July 2024, West Moberly authorized the transfer of funds to make bids for the coal assets, and transferred funds to Stikeman Elliot, in trust. Mr. Amanat had instructions from West Moberly to make initial bids on the assets, as well as revised bids of \$650,000 on September 6, 2024, and \$2 million on October 15, 2024.

Band Council Resolutions and Source of Funding

- 20. West Moberly is a "band" that governs itself under a custom governance code. Decisions are made by a quorum of Council. A quorum is 3 of 4 Councillors, not including myself, as the Chief is a non-voting member of Council. When we make decisions, certain business requires Band Council Resolutions, certain business of West Moberly can be transacted based upon a quorum of Council sitting in session (which are usually captured in decision notes and motions in the meeting minutes), and certain business can be transacted on the basis of instructions given by a quorum of Council over email or by less formal means.
- 21. There is a Band Council Resolution and a Decision Note that concern the authority to make offers to purchase the coal assets in this proceeding. Those documents contain information that is both commercially sensitive to West Moberly and, in some instances, subject to other confidentiality obligations.

22. West Moberly's source of funds for these offers comes from a wholly Canadian source under an agreement which requires West Moberly to maintain confidentiality.

West Moberly bids in its name

- 23. West Moberly's Council and I understood in late October that an issue had developed in the hearings before the Court as to the source of TMC's funding and the objectives of the acquisition. We thought these issues were getting in the way of a decision by the Court about whether a higher bid should be considered and approved. We thought this would be best addressed by making West Moberly's role public. West Moberly instructed Mr. Amanat to withdraw the TMC bid and its previous submissions and West Moberly decided to make an offer in its own name.
- 24. Attached hereto as **Exhibit** C to my affidavit is a letter from Joshua Lam to the Monitor dated November 25, 2024. Mr. Lam is general counsel to West Moberly, including in relation to the efforts to acquire the coal licenses in issue. In that letter, Mr. Lam advises that West Moberly was submitting a bid for the coal assets for \$2.2 million. Similarly, the letter states that the \$650,000 deposit paid in respect of TMC's earlier bids are funds belonging to West Moberly. This letter was sent on the instructions of West Moberly.
- 25. Since making the offer in Exhibit C, the court has ordered \$350,000 of the \$650,000 deposit paid by TMC to be sequestered. As West Moberly's offer to purchase for \$2.2 million, which is attached to Exhibit C, was made before the sequestration order, West Moberly has given instructions to have a further \$350,000 delivered to the Monitor as part of its deposit.
- 26. Sufficient funds to pay the balance due on closing are being held in trust for West Moberly at Stikeman Elliott.
- 27. I was not physically present before the lawyer commissioning this affidavit, but was in the lawyer's electronic presence linked with the lawyer using video technology and the process described in the Law Society of British Columbia Code of Professional Conduct for remote commissioning of affidavits was used.

28. I acknowledge the solemnity of making the affidavit and acknowledge that I am aware of the consequences of making an untrue statement in this affidavit.

AFFIRMED BEFORE ME at Vancouver, British Columbia, on January 7, 2025.

A Commissioner for taking affidavits for British Columbia

Julia K Lockhart Nathanson, Schachter & Thompson LLP 750 – 900 Howe Street Vancouver, B.C. V6Z 2M4

Tel: 604-662-8840 Email: jlockhart@nst.ca Roland Willson



[中文翻译如下 Chinese Translation Follows]

September 30, 2023

Craig Munro
Managing Director
FTI Consulting Canada Inc.

This is Exhibit A referred to in the affidavit of Roland Wilson affirmed before me at day of January 2025

A Commissioner for taking Affidavits for British Columbia

Dear Mr. Munro, Je aa haanach'e,

Re: Sale of Assets of Canadian Dehua International Mines Group Inc.

I am the Chief of West Moberly First Nations, an indigenous government in north-east British Columbia ("West Moberly"). I represent my people of Dunne-za and Cree heritage who have lived in this area since time immemorial. We are holders of inherent rights and rights recognized by Treaty No. 8 with Canada, and stewards of our lands and waters. I am writing to you, the court-appointed monitor of Canadian Dehua International Mines Group Inc. ("CDI"), to provide information to a potential commercial acquiror of the assets of CDI as well as the Court as it determines how to deal with CDI in proceedings pursuant to the *Companies Creditors Arrangement Act*.

West Moberly is opposed to the development of CDI's coal assets.

For decades West Moberly has sought to protect its way of life from the unreasonable encroachment of industrial development. In 2020 we entered into the *Intergovernmental Partnership Agreement for the Conservation of the Central Group of the Southern Mountain Caribou*, along with the governments of British Columbia and Canada, which imposed significant restrictions on coal mining in our territory. In addition, the 2021 decision of the British Columbia Supreme Court in *Yahey v. British Columbia* held that, in light of the Treaty rights of First Nations and the cumulative effects of existing development, further natural resources development in our region cannot be carried out without our consent. British Columbia's formal adoption of the United Nations Declaration on the Rights of Indigenous Peoples has further established our rights into law. Another British Columbia Supreme Court decision earlier this week clarified that First Nations must be consulted before any mineral claims are staked in their territories.

All of the above developments make clear that there can be no mining for coal in our traditional territory without our free, prior and informed consent. The coal mining assets held by CDI, including the interests held in the Wapiti, Bullmoose, and Murray River projects, all sit squarely within West Moberly's territory and within the boundaries of Treaty No. 8. We understand now that CDI is considering a sale of its interests in the Wapiti project to a new owner from China.

Any potential buyer of CDI's coal assets should be very clear: we will oppose, including through litigation if necessary, any development of coal projects in our territory that are conducted

without our consent. The Wapiti and Bullmoose coal assets – as well as other CDI coal properties, whether wholly or partially owned – sit within areas of high cultural and environmental value for our people, and include high value caribou habitat, and for the foreseeable future any development of those sites are incompatible with our objective to recover caribou populations. We wish to warn any bidder for these assets that the likelihood of their development is extremely low, and any financial commitments they may make at this time for their acquisition will result only in a loss.

CDI has a history of acting in bad-faith

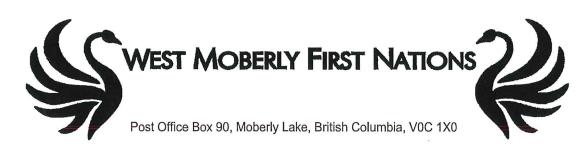
Your reports in your capacity as court-appointed Monitor have stated that you believe CDI is acting in good faith. Our experience with CDI's principal, Mr. Naishan Liu, is quite different. We have observed how the management of CDI has misled both us and its business partners, resulting in broken trust. We refer in particular to actions with respect to the Gething mine now owned by Canadian Kailuan Dehua Mines Co., Ltd. ("CKD"), in which CDI now has a minority interest. Prior to 2008, CDI was the sole owner of the Gething mine and Mr. Naishan Liu was spearheading its development. CDI brought in additional investors from China and kept a minority stake, yet Mr. Liu remained in a leadership role (much in the same way it now proposes to do with a new investor into Wapiti). For years, West Moberly had consistently expressed its fierce opposition to the development of the Gething mine in light of cultural and environmental concerns. After many discussions, Mr. Liu and CKD agreed with West Moberly in writing to defer the development of the Gething mine and to focus their attentions elsewhere. Despite his commitment, shortly after Mr. Liu had obtained some assurance that his other projects could proceed, Mr. Liu then caused CKD to backtrack on the commitment to West Moberly and continued to pursue the development of Gething. Mr. Liu's breach of his commitments to West Moberly resulted in a rupture of trust not only with West Moberly but also with his own partners in the CKD venture, partners who were apparently unaware of his prior commitment to West Moberly to defer the Gething project, and the same partners who are now owed significant debts by CDI. To this day the Gething mine remains unpermitted in large part due to our continuing opposition, resulting in a financial loss to CKD and its investors.

Again, we urge any buyer of CDI's Wapiti or other coal assets to recognize that our opposition to their development means their commercial value will not be realized. We would expect this position to be made clear to potential buyers in advance of any commitments to purchase being made.

CDI's coal assets may have some conservation value for which CDI can receive certain limited funds from conservation organizations that would work in partnership with West Moberly. We are in a position to pursue that discussion should the Monitor and CDI so wish.

Wuujo aasana laa

Chief Roland Willson
West Moberly First Nations



2023年9月30日

Craig Munro 总经理 FTI Consulting Canada Inc.

尊敬的 Munro 经理, Je aa haanach'e,

关于: 加拿大德华国际矿业集团公司资产出售事宜

我是不列颠哥伦比亚省东北部的原住民政府西莫伯利原住民("西莫伯利")的首领。我是我们 Dunne za和Cree 族人的代表,我们自古以来就生活在这片地区。我们系与加拿大签订的 《8号条约》所承认之固有权利及权利的持有者,同时也是我们土地和水域的管理者。您作为法院指定的加拿大德华国际矿业集团公司(Canadian Dehua International Mines Group Inc.,以下简称德华公司)的监督员,我致函于您的目的在于,向德华公司资产的潜在商业购买者及法院提供信息,以便法院确定根据《公司债权人安排法案》在诉讼过程中对待德华公司的方式。

西莫伯利反对开发德华公司的煤炭资产。

数十年以来,西莫伯利一直在努力保护自己的生活方式,使其免受工业发展的不合理侵犯。2020年,我们与不列颠哥伦比亚省和加拿大政府签订了《保护南部山栖北美驯鹿中央群政府间伙伴关系协定》,该协定对该地区的煤矿开采活动进行了重大限制。此外,2021年,在Yahey 诉不列颠哥伦比亚省案件中,不列颠哥伦比亚最高法院裁定认为,鉴于原住民的条约权利及现有开发活动产生的累积影响,未经我们同意,不得在这片地区进行

进一步自然资源开发。不列颠哥伦比亚省正式通过《联合国土著人民权利宣言》,进一步将我们的权利纳入法律。本周早些时候,不列颠哥伦比亚最高法院的另一项裁决也明确,在原住民领土上攫取任何矿产之前必须征求原住民的意见。

所有上述发展情况均表明,未经我们自由、事先和知情同意,不得在我们的传统领土上进行煤炭开采。德华公司持有的煤矿资产,包括Wapiti、Bullmoose和Murray River项目权益,都位于西莫伯利的领土及《8号条约》调整的边界内。我们目前了解到德华公司正在考虑将其在Wapiti项目中的权益出售给一家来自中国的新所有权人。

德华公司煤炭资产的任何潜在购买者必须非常清楚:我们反对(包括必要时通过诉讼) 在未经我们同意的情况下在我们的领土上开发煤炭项目。Wapiti、Bullmoose煤炭资产以及德华公 司的其他煤炭资产,无论是否由德华公司全部或部分拥有,均位于对我们原住民具有较高文化和环境价值的地区,包括具有高价值的驯鹿栖息地,在可预见的未来,在这些地区进行任何开发活动都不符合我们恢复驯鹿种群的目标。我们希望向这些资产的竞标人发出警示,他们进行开发的可能性极低,他们此时可能为收购做出的任何财务承诺都只会以遭受损失而告终。

德华公司存在不诚信行为历史。

您方**以**法院指定监督员的身份作出的报告表明,您方认为德华公司诚信行事。但我们与德华公司 负责人刘奈山先生打交道的经历却截然不同。我们曾观察到德华公司的管理层是如何误导我们及 其商业伙伴的,并因此导致双方失去信任。我们特此提及有关加拿大开滦德华矿业有限公司("开 滦德华公司")目前拥有的Gething 矿山的行动,德华公司目前拥有该矿山 的少数股权。2008年之前,德华公司是Gething 矿山的唯一所有者,刘奈山先生负责该矿山的 开发。德华公司从中国引进了更多投资者,而自己则保留了少数股权,但刘先生仍担任领导(这与 德华公司现在提议对Wapiti新投资者采取的方式大致相同)。多年来,基于文化及 环境考虑,西莫伯利一直强烈反对开发Gething矿山。经过多次讨论,刘先生和开滦德华公司 与西莫伯利达成书面协议,同意推迟Gething矿山的开发,并将注意力集中在其他地方。尽管刘先 生做出了承诺,但在刘先生获得其他项目可以继续进行的保证后不久,刘先生就让开滦德华公司 背弃了对西莫伯利做出的承诺,继续开发 Gething 矿山。刘先生违背了其对西莫伯利的承诺,这 不仅导致其与西莫伯利之间的信任关系破裂,还导致了刘先生与其在开滦德华公司合资公司 的合作伙伴之间的信任关系破裂,这些合作伙伴显然不知道刘先生之前对西莫伯利做出的 推迟Gething项目开发的承诺,并且目前德华公司拖欠这些合作伙伴 巨额债务。直到今天,由于我们持续反对,Gething 项目仍未获批,这给开滦德华公司 及其投资者造成了经济损失。

我们再次敦促德华公司 Wapiti 矿山或其他煤炭资产的任何购买方认识到,我们反对开发这些煤炭资源即意味着这些资源的商业价值将无法实现。我们希望在潜在购买者作出任何购买承诺之前向他们表明这一立场。

德华公司的煤炭资产可能具有一定的保护价值,因此德华公司可以从与西莫伯利合作的保护组织获得某些有限的资金。如果监管员和德华公司希望继续进行讨论,我们将继续进行讨论。

致敬,

首领 Roland Willson

西莫伯利原住民(West Moberly First Nations)



NEWS

Caribou protection plan spawns racist backlash in northeast B.C.

Misinformation is running rampant, but Treaty 8 chiefs say the proposed plan for the Peace region would not close any existing mining operations, affect approved pipelines or restrict backcountry access for activities such as mountain biking, fishing or hunting

By Sarah Cox

① This article is more than 5 years old

Two Treaty 8 First Nations chiefs are alarmed by the racism and misinformation that has surfaced in recent weeks during consultations about draft agreements to save B.C.'s endangered <u>caribou</u> herds from local extinction.

"All three of them bands will sell the lives of all those caribou for a few bucks in their pockets," says one Facebook post with 20 likes.

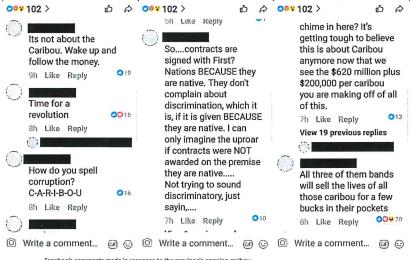
"I guarantee the Indians don't know who they signed up," says another Facebook post. "Cause there [sic] fuckin stupid... There [sic] using the Indians and there [sic] too dumb to know it."

"Its $[\mathit{sic}]$ not about the caribou," says yet another Facebook post with 19 likes. "Wake up and follow the money."

West Moberly Chief Roland Willson. Photo: Jayce Hawkins / The Narwhal

This is Exhibit B referred to in the affidavit of Roland Wilson affirmed before me at day of January 2025

A Control short of Taking Affidavits for British Columbia



Facebook comments made in response to the province's ongoing caribou consultations.

West Moberly First Nations chief Roland Willson and Saulteau First Nation chief Ken Cameron called on British Columbians to denounce racism and to dispel myths and conspiracy theories about the proposed caribou agreements that are circulating in local communities.

Racism "includes 'dog whistle' statements in social media posts that promote stereotypes or invite others to imagine that there are some concealed motives lurking behind these agreements," Willson said in a statement.

"There are no hidden agendas, and there is no need to stoke racism in the Peace region," Cameron said. "We invite everyone to read the agreements and provide comments in a spirit of respect and friendship."

The chiefs said the proposed caribou agreement for the Peace region would not close any existing mining operations, affect approved pipelines or infrastructure, close mills, cost jobs or restrict backcountry access for activities such as hiking, mountain biking, fishing, camping or hunting.

Premier John Horgan announced Monday that <u>consultation</u> timelines for the caribou recovery partnership agreement will be extended by four weeks, until May 31, saying his government "didn't do enough work to prepare the public for this process."

The premier also announced the appointment of Dawson Creek city councillor Blair Lekstrom, a former south Peace MLA and energy minister for the BC Liberals, as the community liaison for the consultations, which have drawn hundreds of people to public meetings that are often acrimonious.



In Dawson Creek on Monday, April 15, premier John Horgan appointed Blair Lekstrom, left, as community liaison for the province's ongoing caribou consultations. The province also extended the engagement period amid heightened tensions and misinformation. Photo: Province of B.C. / Flickr

Horgan said his biggest concern is that the Peace region is "coming to confrontation over the caribou question," expressing hope that Lekstrom's appointment will help to reduce the rancour and find common ground to protect caribou.

Almost 30 of B.C.'s 52 surviving caribou herds are at risk of local extinction, and a dozen of those herds now have fewer than 25 animals. Two herds in the Kootenay region were declared locally extinct early this year.

The provincial government released two draft caribou agreements in March, one for the Peace region and one for the rest of the province.

The proposed caribou partnership agreement for the Peace — reached by Saulteau and West Moberly First Nations and the federal and provincial governments — features habitat protection, including the designation of a new protected area for caribou.

It also includes an Indigenous guardian program, building on efforts by the two First Nations to save the Klinse-za herd, one of six imperilled herds in the region, through a <u>maternal penning project</u>.

The second, far less detailed conservation agreement — between the federal and provincial governments — covers the remainder of B.C.'s imperilled southern mountain caribou herds and does not include habitat protections or proposed restrictions on industrial development.

At a press conference following a meeting with the two chiefs on Monday, Horgan said there has been a "significant amount of misinformation" about the caribou agreements, noting the issue has "enraged some people and inflamed passions."

"Sometimes it's malicious communication and not always with the best of intentions and we need to be mindful of that," the premier told reporters.

"It's a challenge in the 21st century to wade through what is a stock response and what is a heartfelt concern — but that's not just my problem, that's the problem of elected representatives around the world."

The chiefs pointed out that the caribou partnership agreement would have a "limited and manageable" effect on timber supply in the Peace, with a reduction in annual cut allowances distributed among three different timber supply areas.

The provincial government increased the annual allowable cut in those areas in recent years to harvest merchantable timber following the mountain pine beetle outbreak, the chiefs noted.

"There is no evidence that the agreements will cost jobs or close mills," Cameron said.

Willson said if forestry companies Canfor or West Fraser "drop a shift or close the doors" at local mills, "it won't be because of these agreements."

"The grandstanding has to stop. It's not factual and it's not productive," the chief said.

Horgan said the annual allowable cut would have been reduced even without the caribou agreements, noting "the beetle kill is come and gone."

"Regardless of government changes, regardless of caribou, there is a dwindling fibre supply," the premier told reporters.

Horgan said he has reached out to the B.C. Council of Forest Industries to talk about how to manage timber supply areas around the province, particularly in the north, with an eye to figuring out "how we make the best out of the wood we have available."

"Not so much high volume, but high value when we're working in the woods and we're creating jobs and economic opportunity."

The chiefs also took aim at false claims that the caribou partnership agreement will close existing mining operations and affect approved pipelines and other

infrastructure.

They pointed out that the Mining Association of B.C. voiced support for the proposed agreements, saying during the engagement process that "it can't be overstated that there is universal agreement that these draft agreements are the optimal outcome."

Horgan noted that B.C. will "run afoul" of federal laws if it does not take action to protect caribou.

Last May, following decades of inaction by the B.C. government, federal Environment Minister Catherine McKenna's declared that southern mountain caribou face "imminent threats" to their recovery and said immediate intervention was required.

If McKenna is not satisfied that B.C. has a suitable plan of action to protect endangered herds, she can ask the federal Cabinet to approve an emergency protection order under the federal Species at Risk Act.

That would allow Ottawa to make decisions that are normally within the jurisdiction of the B.C. government, such as whether or not to grant logging permits and close backcountry access.

The chiefs also zeroed in on a <u>Facebook comment</u> made by Conservative MP Bob Zimmer following an April 10 public meeting in Mackenzie at which it was confirmed that the proposed caribou agreement for the Peace contains no plans for backcountry closures.

Zimmer posted a statement the next day citing "plans to effectively shut down the back country to not only industry but to all activity . . . including hikers, mountain bikers, snowmobilers and campers."

In an online Q & A about the caribou agreements, the B.C. government said it is "not true" that the caribou agreements will close all snowmobile trails and access to the backcountry.

The government said it will begin a dialogue with recreation users in the south Peace to ensure people understand "the potential risks and impacts that snowmobiling within critical habitat can pose to caribou" and to help the province understand how recreational management measures could impact communities "before decisions are made."

Future open houses will focus on how to manage snowmobiling in critical caribou habitat, the government said.

"The open houses will focus on the latest caribou science, as well as on identifying key areas and trails that are important to snowmobilers and discussing what makes those places important to them," the Q & A explained, noting that some snowmobiling "could be redirected to areas that do not pose a risk to caribou."

 $\label{thm:continuous} Horgan said governments have an obligation to work with First Nations to protect caribou.$

"Their constitutional rights to access caribou have been forgone by them in the interest of preserving the stocks," the premier said, pointing out that West Moberly and Saulteau nations "have been working tenaciously for a long time to protect these animals."



November 25, 2024

File: 00059

Craig Munro
FTI Consulting Canada Inc.
craig.munro@fticonsulting.com

Dear Mr. Munro,

Sage Legal LLP

2312 McNeill Avenue Victoria, BC V8S 2Y9 www.sagelegal.ca

Reply to: Joshua J. Lam Email: josh@sagelegal.ca Phone: 778.922.6595

This is Exhibit <u>C</u> referred to in the affidavit of Roland Wilson affirmed before me at <u>Vancouve</u>, this <u>fin</u> day of January 2025

A Commissioner for taking Affidavits for British Columbia

Via Email

Re: Canadian Dehua International Mines Group Inc., et al. ("Dehua")

Proceedings under the Companies Creditors Arrangement Act

Court File number: S-22444 ("CCAA Proceedings")

I am legal counsel for West Moberly First Nations ("West Moberly") and I write on their behalf with respect to the Dehua CCAA Proceedings. In particular, I write to clarify the relationship between West Moberly and TaneMahuta Capital Ltd. ("TaneMahuta") and to submit a bit on behalf of West Moberly to the Dehua CCAA Proceedings.

West Moberly First Nations is a community of Dunne-za, Saulteau, Cree, and Tse'khene peoples located in northeast British Columbia. West Moberly is dedicated to protecting and revitalizing their community, culture, and way of life, including through efforts to restore caribou populations and regulate industrial activities like coal mining.

In the context of West Moberly's long-term efforts towards recovery of caribou populations, land stewardship, and, ultimately, self-determination, West Moberly has been seeking to purchase the Wapiti and Bullmoose projects of Dehua. West Moberly asked TaneMahuta and Aref Amanat to bid in the CCAA Proceedings on West Moberly's behalf, as the Nation preferred not to be directly involved. To confirm and clarify, West Moberly is the sole and exclusive investor and source of funds for TaneMahuta's bids in the CCAA Proceedings. The funds for TaneMahuta's \$2 Million bid, including the \$650,000 already deposited with you, are all West Moberly's funds which have been dedicated to this particular purpose.

West Moberly understands that distracting questions have been raised in the CCAA Proceedings concerning the source of TaneMahuta's funds and the purposes of its bid. I trust that those questions have now been put to rest.

West Moberly has decided to step into the CCAA Proceedings directly, with its own bid. To avoid further delay, West Moberly hereby submits a bid of \$2,200,000 (Two Million Two Hundred Thousand Dollars) for the Wapiti and Bullmoose projects. West Moberly has adopted the same form of asset purchase agreement and vesting order previously negotiated between TaneMahuta and Dehua. Both documents are attached hereto. We can confirm that sufficient funds continue to sit in trust with counsel, and confirm that, in accordance with TaneMahuta's recent letter, the \$650,000 deposit of TaneMahuta can continue to be held by the CCAA Monitor for West Moberly's bid.

We understand that there was also an insider bid submitted by one of Dehua's owners in these CCAA Proceedings. We are supportive of whatever bid process the Court and you connsider fair in the circumstances and will participate and engage in the bid process as directed by the Court.

Should you have any questions or require any further information from me or West Moberly, please feel free to call (778-922-6595) or email me (josh@sagelegal.ca).

Yours truly,

Sage Legal LLP

Joshua J. Lam* Managing Partner

*Law Corporation

CC:

David Gruber, Bennett Jones Mia Laity, Bennett Jones Jeffrey Bradshaw, DLA Piper Holly Yuen, DLA Piper Eamonn Watson, Dentons Erin Hatch, Harper Grey Barry Fraser, Fraser Litigation