



NO. S-224444
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS 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.**

TWENTY THIRD REPORT OF THE MONITOR

January 20, 2025

INTRODUCTION AND PURPOSE

1. This report (“**Twenty Third Report**”) has been prepared by FTI Consulting Canada Inc. in its capacity as the court-appointed Monitor (the “**Monitor**”) of Canadian Dehua International Mines Group Inc. (“**CDI**” or the “**Company**”) by an order of the Supreme Court of British Columbia (the “**Court**”) pronounced June 3, 2022 (the “**Initial Order**”), pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c.36, as amended (the “**CCAA**”).
2. The purpose of this Twenty Third Report is to seek the approval of this Honourable Court for:
 - (a) An increase in the Administration Charge granted in the Initial Order;
 - (b) The activities of the Monitor since the date of its appointment; and
 - (c) The Monitor’s fees and expenses since the date of its appointment to December 31, 2024 and the Monitor’s legal counsel fees and disbursements from the date of its appointment to December 31, 2024.

TERMS OF REFERENCE

3. In preparing this report, the Monitor has relied upon unaudited financial information, other information available to the Monitor and, where appropriate, the Company’s books and records and discussions with various parties (collectively, the “**Information**”).
4. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.

5. The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
6. Future oriented financial information reported or relied on in preparing this report is based on assumptions regarding future events; actual results may vary from forecast and such variations may be material.
7. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

THE STATUS OF THE ADMINISTRATION CHARGE

8. As indicated in the Twenty Second Report of the Monitor, the Initial Order granted on June 9, 2022 included a provision for an Administration Charge in the amount of \$350,000 for the fees and disbursements of the Petitioners’ counsel, the Monitor and the Monitor’s counsel.
9. The Administration Charge was granted a first ranking security interest against all of the Property of the Petitioners.
10. The Monitor advises this Honourable Court of the current amount outstanding pursuant to the Administration Charge as follows:

Party		
FTI Consulting	97,094.49	Billed to December 31, 2024
Bennett Jones	79,613.88	Billed to December 31, 2024
DLA Piper	236,000.00	Accounts receivable and unbilled WIP
Total	\$ 412,708.37	

11. The Monitor was not provided with a statement from the Petitioners’ counsel but was advised of its outstanding accounts receivable and estimated work in progress as noted in the table above.

12. Although the approved amount of DIP Loan is \$1.68 million, the DIP Lender has only advanced \$1.499 million. The last advance was during the week of August 5, 2024. As a result, the fees of the professionals providing services to the Petitioners in these proceedings have not been paid for several months. There is no indication that the DIP Lender is able or willing to advance the \$181,000 still available under the DIP Loan.
13. Subsequent to the Twenty Second Report, the Monitor and its counsel in addition to the Petitioners' counsel have participated in a further two day hearing in respect of the sale of the Petitioners' Wapiti and Bullmoose projects with a further two day hearing scheduled this week.
14. The Monitor estimates that upon the completion of the current hearing, the fees of the professionals assuming a transaction is approved and subsequently closed, will likely be approaching \$700,000.
15. The Monitor believes it is important to ensure that the Petitioners continue to have the support of its professional advisors to assist the Petitioners through its CCAA proceedings including the closing of a sale transaction for the Wapiti and Bullmoose projects.
16. As such, the Monitor seeks the approval of this Honourable Court to increase the amount of the Administration Charge to \$700,000.

THE ACTIVITIES OF THE MONITOR

17. The activities of the Monitor have largely been covered in its reports to this Court. The primary activities have included:
- (a) Reviewing the Petitioners' cash receipts and disbursements and providing comments on the cash flow statements;
 - (b) Administering the statutory requirements of these CCAA proceedings;
 - (c) Preparing twenty-three Monitor's reports;
 - (d) Overseeing and assisting the Petitioners with their sale and investment solicitation process;
 - (e) Responding to enquiries from creditors and other stakeholders;
 - (f) Administering the Claims Process in accordance with the Claims Process Order;
 - (g) Posting all relevant materials to the Monitor's Website; and
 - (h) Attending to various other matters, as required.
18. For the period from the commencement of these proceedings to December 31, 2024, the Monitor incurred 685.7 hours and billed fees totaling \$406,893.00 and expenses of \$11,609.41, exclusive of GST.
19. A summary of the Monitor's invoices is attached as Appendix A.
20. For the period from the commencement of these proceedings to December 31, 2024, the Monitor's legal counsel incurred 215 hours and billed fees totaling \$170,973.00 and expenses of \$3,696.38, exclusive of GST and PST.

21. A summary of the Monitor's legal counsel's invoices is attached as Appendix B.
22. In the experience of the Monitor, the overall amount charged by Monitor's legal counsel is consistent with the amounts charged by counsel of similar experience and expertise in comparable insolvency mandates.
23. The activities of the Monitor's legal counsel have been covered in the Monitor's reports to this Court. The advice provided to the Monitor related to the activities indicated above.
24. The Monitor notes the following with respect to its fees and those of its legal counsel:
 - (a) The fees were properly incurred;
 - (b) The work completed by the Monitor and its counsel was delegated to appropriate professionals with the appropriate seniority and hourly rates;
 - (c) The Monitor's and its counsel's rates charged in this matter are consistent with the market for similar firms with the capacity to handle a file of comparable size and complexity;
 - (d) The Monitor's counsel's invoices were provided to the Monitor when rendered and all have been approved by the Monitor;
 - (e) The services of the Monitor and its counsel were performed in a prudent and economical manner; and
 - (f) All of the Monitors' invoices and those of its legal counsel have been provided to the Peitioners for their review.

25. The Monitor seeks the approval of this Honourable Court for its fees and expenses and those of its legal counsel from the date of its appointment to December 31, 2024.

All of which is respectfully submitted this 20th day of January, 2025.

FTI Consulting Canada Inc.,
in its capacity as Monitor of Canadian Dehua
International Mines Group Inc., Wapiti Coking
Coal Mines Corp. and Canadian Bullmoose
Mines Co., Ltd.



Name: Craig Munro
Title: Managing Director,
FTI Consulting Canada Inc.

APPENDIX A

#	Invoice #	Invoice Date	Fees	Hours	Distribution	Taxes	Invoice Amount	Cash Flow Status
1	29005395	2022-05-31	\$15,500.50	32.40	\$ -	\$ 775.03	\$ 16,275.53	Paid week Jul 3, 2022
2	29005441	2022-06-30	54,731.00	103.20	4,430.72	2,958.09	62,119.81	Paid week Jul 31, 2022
3	29005467	2022-07-31	10,147.50	19.10	5,175.69	766.16	16,089.35	Paid week Aug 21, 2022
4	29005504	2022-08-31	45,694.00	89.10	143.03	2,291.85	48,128.88	Paid week Oct 23, 2022
5	29005553	2022-09-30	6,258.50	11.40	876.75	356.76	7,492.01	Paid week Oct 23, 2022
6	29005592	2022-10-31	5,720.00	9.60	13.06	286.65	6,019.71	Paid week Dec 25, 2022
7	29005625	2022-11-30	20,635.00	33.80	-	1,031.75	21,666.75	Paid week Dec 25, 2022
8	29005675	2022-12-31	5,962.50	10.80	-	298.13	6,260.63	Paid week Jan 22, 2023
9	29005723	2023-01-31	2,915.00	5.70	19.27	146.71	3,080.98	Paid week Mar 5, 2023
10	29005769	2023-02-28	6,060.00	10.30	876.75	346.84	7,283.59	Paid week Apr 30, 2023
11	29005804	2023-03-31	17,227.50	30.20	-	861.38	18,088.88	Paid week Apr 30, 2023
12	102900000180	2023-04-30	3,150.00	5.40	-	157.51	3,307.51	Paid week May 21, 2023
13	102900000239	2023-05-31	4,650.00	8.70	-	232.51	4,882.51	Paid week Jun 25, 2023
14	102900000319	2023-06-30	10,997.50	18.00	-	549.89	11,547.39	Paid week Aug 20, 2023
15	102900000420	2023-07-31	770.00	1.10	-	38.50	808.50	Paid week Sep 24, 2023
16	102900000496	2023-08-31	7,015.00	12.40	-	350.75	7,365.75	Paid week Sep 24, 2023
17	102900000586	2023-09-30	10,145.00	17.00	-	507.25	10,652.25	Paid week Dec 3, 2023
18	102900000658	2023-10-31	5,677.50	9.30	-	283.88	5,961.38	Paid week Dec 3, 2023
19	102900000729	2023-11-30	14,672.50	24.70	-	733.63	15,406.13	Paid by initial retainer
20	102900000813	2023-12-31	4,080.00	6.60	-	204.00	4,284.00	Paid by initial retainer
21	102900000900	2024-01-31	13,840.00	22.80	-	692.00	14,532.00	Paid by initial retainer
22	102900001001	2024-02-29	7,367.50	11.80	-	368.38	7,735.88	Paid by initial retainer
23	102900001083	2024-03-31	10,790.00	16.70	-	539.50	11,329.50	Paid week Jul 7, 2024
24	102900001175	2024-04-30	4,830.00	8.90	-	241.50	5,071.50	Paid week Jul 7, 2024
25	102900001301	2024-05-31	10,472.50	17.10	-	523.63	10,996.13	Paid week Jul 7, 2024
26	102900001390	2024-06-30	5,852.50	9.40	-	292.63	6,145.13	Paid week Jul 28, 2024
27	102900001472	2024-07-31	9,352.50	14.40	-	467.63	9,820.13	Paid week Sep 8, 2024
28	102900001571	2024-08-31	22,627.50	35.20	-	1,131.38	23,758.88	Outstanding
29	102900001671	2024-09-30	20,310.00	31.20	-	1,015.50	21,325.50	Outstanding
30	102900001774	2024-10-31	37,586.50	45.40	66.22	1,882.64	39,535.36	Outstanding
31	102900001890	2024-11-30	7,945.00	9.40	-	397.25	8,342.25	Outstanding
32	102900001951	2024-12-31	3,910.00	4.60	-	195.50	4,105.50	Outstanding
Total			\$406,893.00	685.70	\$ 11,601.49	\$ 20,924.81	\$ 439,419.30	

APPENDIX B

#	Invoice #	Invoice Date	Fees	Hours	Distribution	Taxes	Invoice Amount	Cash Flow Status
1	1468158	2022-08-17	\$ 13,340.00	16.50	\$ 298.00	\$ 1,615.70	\$ 15,253.70	Paid week Aug 21, 2022
2	1472220	2022-09-14	2,187.00	2.70	-	262.44	2,449.44	Paid week Oct 30, 2022
3	1475731	2022-10-07	7,134.00	8.20	174.00	864.78	8,172.78	Paid week Oct 30, 2022
4	1479118	2022-10-25	261.00	0.30	-	31.32	292.32	Paid week Nov 13, 2022
5	1489899	2022-12-20	8,439.00	9.70	271.50	1,026.26	9,736.76	Paid week Mar 5, 2023
6	1505526	2023-03-23	2,155.00	2.30	-	258.60	2,413.60	Paid week Apr 30, 2023
7	1510780	2023-04-25	4,606.00	4.90	176.50	561.55	5,344.05	Paid week Apr 30, 2023
8	1515382	2023-05-25	1,128.00	1.20	-	135.36	1,263.36	Paid week Aug 27, 2023
9	1520021	2023-06-28	752.00	0.80	244.95	102.49	1,099.44	Paid week Aug 27, 2023
10	1524995	2023-07-24	3,854.00	4.10	142.75	469.62	4,466.37	Paid week Aug 27, 2023
11	1529060	2023-08-18	940.00	1.00	-	112.80	1,052.80	Paid week Sep 24, 2023
12	1534065	2023-09-22	1,692.00	1.80	-	203.04	1,895.04	Paid week Dec 3, 2023
13	1538943	2023-10-24	2,965.00	3.50	41.25	357.86	3,364.11	Paid week Dec 3, 2023
14	1543432	2023-11-23	3,620.00	4.00	3.75	434.59	4,058.34	Paid week Dec 3, 2023
15	1549932	2023-12-22	5,770.00	7.00	33.75	694.09	6,497.84	Paid by initial retainer
16	1555296	2023-12-31	4,932.00	5.80	14.00	592.54	5,538.54	Paid by initial retainer
17	1561012	2024-03-04	4,474.00	4.60	69.70	540.38	5,084.07	Paid by initial retainer
18	1570045	2024-04-29	3,337.00	3.40	65.00	403.69	3,805.69	Paid by initial retainer
19	1574663	2024-05-28	7,069.00	7.30	85.50	852.57	8,007.07	Paid by initial retainer
20	1579743	2024-06-28	5,100.00	5.10	7.25	612.36	5,719.61	Paid by initial retainer
21	1585067	2024-07-31	5,523.00	6.30	74.50	666.49	6,263.99	Paid by initial retainer
22	1589982	2024-09-04	7,364.00	7.70	100.75	888.72	8,353.47	Paid by initial retainer
23	1594631	2024-10-02	9,249.00	9.90	115.25	1,115.64	10,479.89	Outstanding
24	1598408	2024-10-23	14,158.00	16.30	46.50	1,701.30	15,905.80	Outstanding
25	1604051	2024-11-29	17,785.00	28.20	309.50	2,149.69	20,244.19	Outstanding
26	1609682	2024-12-23	12,872.00	14.30	1,423.96	1,615.84	15,911.80	Outstanding
27	1614978	2024-12-31	20,267.00	38.10	-	2,432.04	22,699.04	Outstanding
Total			\$ 170,973.00	215.00	\$ 3,698.36	\$ 20,701.76	\$ 195,373.11	