

No. S-224444  
Vancouver Registry

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

AND

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

PETITIONERS

**ORDER MADE AFTER APPLICATION  
(APPROVAL AND VESTING ORDER)**

BEFORE ) THE HONOURABLE JUSTICE WALKER ) FEBRUARY 3, u  
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) ) )

ON THE APPLICATION of the Petitioners coming on for hearing at 800 Smithe Street, Vancouver, BC V6Z 2E1 on ~~January 28~~<sup>February 03</sup>, 2025, and on hearing Jeffrey D. Bradshaw, counsel for the Petitioners and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed herein, including the Twenty-Fourth Report of the Monitor dated ~~January 30~~<sup>FEBRUARY 3</sup>, 2025 (the "Twenty-Fourth Report"); AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "CCAA"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court; and further to the Initial Order pronounced by this Court on June 3, 2022, as revised, amended and restated from time to time (the "Initial Order") including pursuant to the Amended and Restated Initial Order pronounced by this Court on June 9, 2022, as amended from time to time (the "ARIO");

THIS COURT ORDERS that:

**SERVICE**

1. The time for service of the Notice of Application for this order and the supporting materials therefor is hereby abridged so that this application is properly returnable today and further service thereof is hereby dispensed with.
2. Unless otherwise stated herein, capitalised definitions shall bear the same meaning as set out in the ARIO.

**APPROVAL OF SALE TRANSACTION**

3. The sale transaction (the "**Transaction**") contemplated by the sale and purchase agreement (the "**Sale Agreement**") between Canadian Dehua International Mines Group Inc. ("**CDI**"), Wapiti Coking Coal Mines Corp. ("**Wapiti**") and Canadian Bullmoose Mines Co., Ltd. ("**Bullmoose**", and together with CDI and Wapiti, the "**Petitioners**") and West Moberly First Nations (the "**Purchaser**"), a copy of which is attached at Schedule "**B**" herein, is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Petitioners is hereby authorized and approved, and the Petitioners are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Sale Agreement (the "**Purchased Assets**").
4. Upon delivery by the Monitor to the Purchaser of a certificate substantially in the form attached as **Schedule "C"** hereto (the "**Monitor's Certificate**"), all of the Petitioners' right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order, as amended and restated from time to time, including, without limitation, by the ARIO; (ii) all charges, security interests or claims evidenced by

registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system (all of which are collectively referred to as the "Encumbrances") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Monitor's Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
6. The Monitor is to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof.
7. The Petitioners, with the consent of the Monitor and the Purchaser, shall be at liberty to extend the closing date of the Transaction to such later date as those parties may agree without the necessity of a further Order of this Court.
8. Notwithstanding:
  - (a) these proceedings;
  - (b) any applications for a bankruptcy order in respect of the Petitioners now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
  - (c) any assignment in bankruptcy made by or in respect of the Petitioners,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioners and shall not be void or voidable by creditors of the Petitioners, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or

any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

#### **DISTRIBUTION OF SALE PROCEEDS**

9. The Petitioners are hereby authorized to distribute the net sale proceeds from the Transaction in the following manner:
- (a) firstly, payment in the amount of \$350,000 for amounts owing that are secured by the Administration Charge;
  - (b) secondly, in repayment to Ms. Qu Bo Liu (the "**Interim Lender**") of the amount of \$1,499,331.16 for amounts owing under the Commitment Letter;
  - (c) thirdly, payment of any and all professional fees incurred to date by the Monitor, its counsel Bennett Jones LLP, and DLA Piper (Canada) LLP, counsel to the Petitioners, which are in excess of the Administration Charge; and
  - (d) the balance of the net sale proceeds shall be held by DLA Piper (Canada) LLP, in trust.

#### **RELEASE**

10. The Interim Lender, Mr. Shuangshi Liu, and Pioneer Exploration Corporation ("**Pioneer**") (collectively, the "**Released Parties**") be and are hereby released and discharged from any and all claims that each of the Petitioners may have or be entitled to assert against the Released Parties, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any action, omission, transaction, dealing or other occurrence existing or taking place on or prior to the date of the filing of the Monitor's Certificate in any way relating to, arising out of or in respect of the Purchased Assets (the "**Released Claims**"), and any such Released Claims are hereby released, stayed, extinguished, and forever barred, with prejudice, and the Released Parties shall have no liability in respect thereof.

**REMOVAL OF PETITIONERS**

11. Following the delivery of the Monitor's Certificate, the title of these proceedings shall be hereby changed by removing Wapiti Coking Coal Mines Corp. and Canadian Bullmoose Mines Co., Ltd., as petitioners.

**GENERAL**

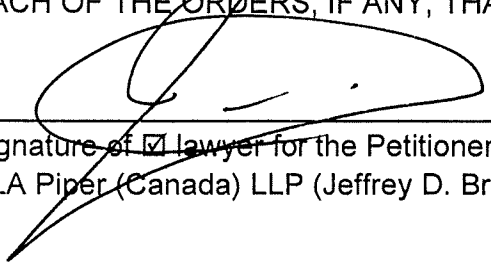
12. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or Administration bodies, including any Court or Administration tribunal of any federal or State Court or Administration body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and Administration bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners, as may be necessary or desirable to give effect to this Order, to grant representative status to the Petitioners in any foreign proceeding, or to assist the Petitioners and its respective agents in carrying out the terms of this Order.
13. The Petitioners, the Monitor or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
14. Endorsement of this order by counsel appearing on the application other than counsel for the Petitioners is hereby dispensed with.

ENDORSEMENTS ATTACHED

BY THE COURT  
*Allen J.*  
REGISTRAR

Form  
CHECKED  
*mf*

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

  
\_\_\_\_\_  
Signature of  lawyer for the Petitioners  
DLA Piper (Canada) LLP (Jeffrey D. Bradshaw)

BY THE COURT  
\_\_\_\_\_  
REGISTRAR  
mf

**SCHEDULE "A"**

<b>NAME OF COUNSEL</b>	<b>PARTY REPRESENTING</b>
Eamonn Watson and Cassandra Federico	Shougang International Trade & Engineer Corporation
David Gruber and <del>Mia Laity</del>	Monitor, FTI Consulting Canada Inc.
Erin Hatch and <del>Reselle Wu</del>	Canada Zhonghe Investment Ltd.
Barry Fraser and Helen Liu	Qu Bo Liu
Ariyana Dhawan	Tane Mahuta Capital, Ltd. and Aref Amanat
Stephen Schachter and Julia Lockhart	West Moberly First Nations
Scott Dawson	Karen Fellowes, K.C.
Jeff Bradshaw and Holly Yuen	Canadian Dehua International Mines Group Inc., Wapiti Coking Coal Mines Corp., and Canadian Bullmoose Mines Co., Ltd.

**SCHEDULE B  
SALE AGREEMENT**



## PURCHASE AGREEMENT

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THIS PURCHASE AGREEMENT is made effective as of February 3, 2025

BETWEEN:

CANADIAN DEHUA INTERNATIONAL MINES GROUP INC., (Incorporation Number BC0712504) a company incorporated pursuant to the laws of British Columbia and having an office at Suite 202 – 2232 West 41st Avenue, Vancouver, BC V6M 1Z8 (“**CDI**”);

WAPITI COKING COAL MINES CORP., a company incorporated pursuant to the laws of British Columbia with incorporation number BC1028948 (“**Wapiti Sub**”); and

CANADIAN BULLMOOSE MINES CO., LTD., a company incorporated pursuant to the laws of British Columbia with incorporation number BC0907740 (“**Bullmoose Sub**”)

(together, the “**Vendors**”)

AND:

WEST MOBERLY FIRST NATIONS, an Indian Band pursuant to the *Indian Act* and having an address at PO Box 90, Moberly Lake, BC, V0C 1X0 (the “**Purchaser**”)

### BACKGROUND

- A. The Vendors carry on business of investing in, exploring, developing, and operating underground coal mining projects and supporting infrastructure in British Columbia and elsewhere, including two mining projects described as the Wapiti Project (the “**Wapiti Project**”) and the Bullmoose Project (the “**Bullmoose Project**”) (the Wapiti Project and the Bullmoose Project are referred to collectively as the “**Projects**”). For certainty, CDI has a number of other assets and projects, including the mining project described as the Murray River Project (the “**Murray River Project**”), that are not subject to, or affected by, this agreement (the “**Excluded Assets and Projects**”).
- B. The Wapiti Project is operated by the Wapiti Sub. CDI is the legal and beneficial owner of all the issued and outstanding shares in the capital of the Wapiti Sub, being 1,000,000 Voting Common Shares without par value (the “**Wapiti Shares**”), and the Wapiti Sub is the owner of the Wapiti Project, including all permits, mineral interests and coal licenses, geological and exploration data, consultant reports, geological and exploration samples, construction in progress and intellectual property, if any, within the Vendors’ estates or control to convey, used or held directly or indirectly by CDI and the Wapiti Sub or either of them in the Wapiti Project (collectively, the “**Wapiti Assets**”);
- C. CDI is the legal and beneficial owner of the Bullmoose Project, including the Bullmoose Coal Licenses (as defined herein), and all of the issued and outstanding shares in the capital of the Bullmoose Sub, being 8,242,024 Class A Common Voting Shares without par value (the “**Bullmoose Shares**”). Together, CDI and the Bullmoose Sub are the owners of the Bullmoose Project, including all permits, mineral interests and coal licenses, geological and exploration data, consultant reports, geological and exploration samples, construction in progress and intellectual property, if any, within the Vendors’ estates or control to convey, used or held

directly or indirectly by CDI or the Bullmoose Sub or either of them in the Bullmoose Project (collectively, the "**Bullmoose Assets**");

- D. The Vendors and the Projects are the subject of certain proceedings brought pursuant to the *Companies' Creditors Arrangement Act* (Canada) in the Supreme Court of British Columbia, Vancouver Registry No. S-224444 (the "**CCAA Proceedings**").
- E. The Purchaser is a community of Dunne-za, Sauteau, Cree, and Tse'khene peoples located in Treaty No. 8 territory in northeastern British Columbia (where the Projects are located), and has a long history of land stewardship, including the conservation, protection, and recovery of Caribou and Caribou habitat in and around their territory.
- F. The Vendors have agreed to sell and the Purchaser has agreed to purchase all of the Vendors' right, title, and interest in and to the assets used or held in or for the Projects, free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein or thereon, on the terms and subject to the conditions set-out herein.

## TERMS OF AGREEMENT

In consideration of the premises and the covenants and agreements contained in this Agreement, the parties agree with each other as follows:

### 1. Interpretation

#### 1.1 In this Agreement:

- (a) "**Agreement**" means this agreement and all amendments made hereto by written agreement between the Vendors and the Purchaser;
- (b) "**Assets**" means the Wapiti Shares, the Wapiti Assets, the Bullmoose Shares and the Bullmoose Assets;
- (c) "**Bullmoose Coal Licenses**" includes the following:
  - (i) Coal Licenses #417760, #417761, #417762, #417767, #417770, #417771, #417772, #417775, #417776; and
  - (ii) Any other mineral titles or coal licenses of Vendors related to the Bullmoose Project, if any, within the Vendors' estates or within the Vendors' control to convey, which, for greater certainty, does not include the Murray River Project or any other of the Excluded Assets and Projects ;
- (d) "**Closing Date**" means February 14, 2025 or such other date as may be mutually agreed upon in writing by the parties;
- (e) "**Time of Closing**" means 12:00 Noon Pacific Time on the Closing Date;
- (f) "**Wapiti Coal Licenses**" includes the following:
  - (i) Coal Licenses #418161, #418162, #418163, #418166, #418168; and
  - (ii) Any other coal licenses of Vendors related to the Wapiti Project, if any, within the Vendors' estates or within the Vendors' control to convey, which, for

greater certainty, does not include the Murray River Project or any other of the Excluded Assets and Projects;

and any terms used herein denoted with initial capital letters shall have the meanings assigned to them by the provisions of this Agreement.

- 1.2 The division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "**this Agreement**", "**hereof**", "**hereunder**", and similar expressions refer to this Agreement and not to any particular article, section, or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to articles and sections are to articles and sections of this Agreement.
- 1.3 In this Agreement words importing the singular number only shall include the plural and vice versa, wordings importing the masculine gender shall include the feminine, and neuter genders and vice versa and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations, and companies. The term "including" means "including without limiting the generality of the foregoing".
- 1.4 All references to currency herein are to lawful money of Canada.

## **2. Purchase And Sale Of Assets**

- 2.1 Subject to the terms and conditions of this Agreement, on the Closing Date the Vendors will sell, assign, and transfer to the Purchaser and the Purchaser will purchase from the Vendors, as applicable, all (but not less than all) right, title, and interest in and to the Assets free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein or thereon for a total purchase price of \$2,450,000 (the "**Purchase Price**").
- 2.2 The Purchase Price will be paid and satisfied by release of the full deposit of \$650,000 being held by counsel for the court-appointed monitor for the CCAA Proceedings (the "**Monitor**") for the benefit of CDI, as well as the remaining consideration of \$1,800,000 (the "**Remaining Consideration**") to be provided to DLA Piper (Canada) LLP, in trust by wire transfer on the Closing Date against delivery to the Purchaser of the documents described in section 9.2.
- 2.3 The parties agree to use reasonable efforts to agree prior to the Closing Date on an allocation of the Purchase Price among the components of the Assets in accordance with the fair market value of such components on the Closing Date. However, the parties further agree that failure to agree on such an allocation prior to the Closing Date will not render this Agreement unenforceable or result in a termination of this Agreement, and in such case each of the Vendors and the Purchaser will make its own determination of allocation.

## **3. Mutual Condition.**

- 3.1 The obligation of the parties to complete the transactions contemplated by this Agreement shall be subject to the following mutual condition, which is for the benefit of both the Vendors and the Purchaser:
  - (a) On or before the Closing Date, the Vendors shall have obtained (at the sole cost of the Vendors) an Order of the Court, substantially in the form attached hereto as Schedule "A" (the "**Approval Order**");

- (i) approving the sale of the Assets to the Purchaser on the terms and conditions of this Agreement;
- (ii) specifying that upon the completion of the transactions contemplated by this Agreement, all right, title, and interest in and to the Assets shall vest absolutely in the Purchaser, the Wapiti Sub and the Bullmoose Sub free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, options, trusts or deemed trusts (whether contractual, statutory, or otherwise), encumbrances, liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing, (A.) any encumbrance or charge created by order of the Court in the CCAA Proceeding; (B.) any Claim by Canada Zhonghe Investment Ltd.; and (C.) any Claim by HBIS Group International Holding Co. Limited (formerly Hebei Iron & Steel Group Co., Ltd.);
- (iii) approving the distribution of the sale proceeds from the sale of the Purchased Assets; and
- (iv) providing a release to Qu Bo Liu, Shuangshi Liu and Pioneer Exploration Corporation (collectively, the "**Released Parties**") in respect of any claims that the Vendors may have against the Released Parties in respect of the Purchased Assets.

#### 4. Deposit

- 4.1 On September 6, 2024, the Purchaser paid a deposit in the amount of \$650,000 to counsel for the Monitor, in accordance with the direction of Justice Walker of the Supreme Court of British Columbia (the "**Deposit**").
- 4.2 At the Closing, the Deposit shall be paid to CDI on account of the Purchase Price as provided in this Agreement along with the Remaining Consideration.
- 4.3 If the transactions contemplated by this Agreement are not completed on the Closing Date:
  - (a) by reason of the failure to obtain the Approval Order;
  - (b) by reason of the default of the Vendors in the performance or satisfaction of its obligations under this Agreement, or
  - (c) otherwise through no fault of any party,
 the Deposit shall be forthwith returned to the Purchaser.
- 4.4 If the transactions contemplated by this Agreement are not completed on the Closing Date by reason of the default of the Purchaser in the performance or satisfaction of any of its obligations under this Agreement, the Deposit shall be paid to the Vendors as liquidated damages and

not as a penalty, and upon payment of the Deposit the Vendors and each of them will have no further claim against the Purchaser for any additional damages or loss whatsoever.

## **5. Vendors' Representations and Warranties**

5.1 The parties acknowledge and represent that:

- (a) the sale of the Assets is on an "as is, where is" basis;
- (b) the Vendors do not make or give any representations or warranties that survive the completion of the transactions contemplated by this Agreement;
- (c) the Purchaser has had an opportunity to conduct any and all due diligence regarding the Assets and the Vendors prior to making its offer;
- (d) the Purchaser has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in entering into this Agreement and completing the transactions contemplated by this Agreement; and
- (e) the Purchaser did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Assets, or the Vendors or the completeness of any information provided in connection therewith, except as expressly stated herein.

## **6. Vendors' Covenants**

6.1 At or before the Time of Closing, the Vendors will deliver to the Purchaser possession of all Assets held by the Vendors.

## **7. Purchaser's Conditions of Closing**

7.1 The obligations of the Purchaser under this Agreement are subject to the following conditions for the exclusive benefit of the Purchaser being fulfilled at the Time of Closing or waived by the Purchaser at or before the Time of Closing:

- (a) the Vendors and each of them will have complied with all terms and covenants in this Agreement agreed to be performed or caused to be performed by them at or before the Time of Closing;
- (b) no action or proceeding against the Assets or any of the Vendors will be pending or threatened by any person, company, firm, governmental authority, regulatory body, or agency to enjoin or prohibit the purchase and sale of the Assets or any of them as contemplated by this Agreement, or the right of the Purchaser, the Wapiti Sub or the Bullmoose Sub, as applicable, to directly or indirectly own the Assets free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein or thereon as contemplated by this Agreement;
- (c) all necessary steps and proceedings will have been taken to permit the Assets to be duly and regularly transferred to and registered in the name of the Purchaser, as applicable, free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein or thereon.

7.2 If on the Closing Date any of the conditions in section 7.1 are not fulfilled or waived as contemplated in section 7.3, the Purchaser may rescind this Agreement by notice in writing to the Vendors. In such event, the Purchaser shall be released from all obligations under this Agreement and the Deposit returned to Purchaser, and the Vendors will also be released unless the Vendors or any one or more of them were reasonably capable of causing such condition or conditions to be fulfilled or the Vendors has breached any of their covenants or agreements in this Agreement.

7.3 The conditions in section 7.1 may be waived in whole or in part by the Purchaser without prejudice to any right of rescission or any other right in the event of the non-fulfillment of any other condition or conditions. A waiver will be binding only if it is in writing.

## 8. Vendors' Conditions of Closing

8.1 The obligations of the Vendors under this Agreement are subject to the following conditions for the exclusive benefit of the Vendors being fulfilled at the Time of Closing or waived by the Vendors at or before the Time of Closing:

- (a) the Purchaser will have complied with all terms, covenants, and agreements in this Agreement agreed to be performed or caused to be performed by it on or before the Time of Closing;
- (b) no action or proceeding against the Purchaser will be pending or threatened by any person, company, firm, governmental authority, regulatory body, or agency to enjoin or prohibit the purchase and sale of the Assets or any of them as contemplated by this Agreement or the right of the Purchaser to directly and indirectly own the Assets
- (c) A quorum of Council for the Purchaser shall execute a band council resolution, substantially in the form attached at Schedule "B", authorizing the purchase of the Assets by the Purchaser.

8.2 If on the Closing Date any of the conditions in section 8.1 are not fulfilled or waived as contemplated in section 8.3, the Vendors may rescind this Agreement by notice in writing to the Purchaser. In such event, the Vendors and the Purchaser shall be released from all obligations under this Agreement.

8.3 The conditions in section 8.1 may be waived in whole or in part by the Vendors without prejudice to any right of rescission or any other right in the event of non- fulfillment of any other condition or conditions. A waiver will be binding only if it is in writing.

## 9. Closing

### 9.1 Closing Location

Unless otherwise agreed to by the parties in writing, the closing of the transactions contemplated by this Agreement (the "**Closing**") will take place at the offices of DLA Piper (Canada) LLP, 2700, 1133 Melville Street, Vancouver, BC V6E 4E5 or by way of exchange of documents, at 12:00 noon Pacific Time on the Closing Date, or such earlier or later date as the parties may agree to in writing. All documents may be delivered electronically, other than payments, share certificates, powers of attorney, and other similar documentation, and, all documents deliverable at closing in accordance with this Agreement shall be tabled and held in escrow until all deliveries are completed, and until all parties have agreed to release the documents and terminate the escrow.

## 9.2 Vendors' Closing Documents

At the Closing, the applicable Vendors will tender to the Purchaser:

- (a) a Court certified copy of the Approval Order and any other orders of the Court as are necessary or advisable to effect the transfer of the Assets in accordance with the terms and conditions of this Agreement;
- (b) certified copies of the resolutions of the directors of the applicable Vendors, in form satisfactory to the Purchaser acting reasonably, authorizing the sale of the Assets to the Purchaser, including the transfers of the Shares to the Purchaser;
- (c) certified copies of resolutions of the directors of the Wapiti Sub and Bullmoose Sub, as applicable, in form satisfactory to the Purchaser acting reasonably, authorizing the transfer of the Shares to and the registration of the Shares in the name of the Purchaser and the issue of new share certificates representing the Shares in the name of the Purchaser;
- (d) share certificates in the name of the applicable Vendors representing the Shares duly endorsed for transfer and duly executed share certificates representing the Shares in the name of the Purchaser;
- (e) certified copies of the central securities registers of the Wapiti Sub and Bullmoose Sub recording that the Purchaser is the holder of the Shares, as applicable;
- (f) duly signed resignations of the directors and officers of the Wapiti Sub and Bullmoose Sub specified by the Purchaser, or certified copies of shareholder resolutions of each of the Wapiti Sub and Bullmoose Sub, removing the directors and officers of the Wapiti Sub and Bullmoose Sub specified by the Purchaser;
- (g) a bill of sale conveying the Assets to the Purchaser;
- (h) transfers of the Bullmoose Coal Licenses in the form required by the applicable governmental authority;
- (i) possession of any books, records, book accounts, and all other documents, consultant reports, files, records, and other data, financial or otherwise, used or held in or for Wapiti Sub, the Wapiti Project, the Bullmoose Sub, and the Bullmoose Project, including all mineral and coal licenses, geological and exploration data and intellectual property, used or held in or for the Wapiti Project and the Bullmoose Project, to the extent that any such assets listed in this subparagraph (j) are in the Vendors' possession or control; and
- (j) such other documents and assurances as may be reasonably required by the Purchaser to give full effect to the intent and meaning of this Agreement.

## 9.3 Purchaser's Closing Documents

At the Closing, the Deposit shall be paid to the Vendors, and the Purchaser will tender to the Vendors a certified cheque or bank draft payable to the Vendors in the amount of Remaining Consideration.

## 10. General

### 10.1 Reliance

The Vendors and each of them acknowledge and agree that the Purchaser has entered into this Agreement relying on the representations, warranties, covenants, and agreements, and other terms and conditions of this Agreement.

### 10.2 Commissions, Legal Fees

Each of the parties will bear the fees and disbursements of the respective lawyers, accountants, and consultants engaged by them respectively in connection with this Agreement and will not cause or permit any such fees or disbursements to be charged to the Vendors or any of them before the Closing Date.

### 10.3 Notices

Any demand, notice, or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery, (by registered mail) or by electronic means of communication addressed to the recipient as follows:

To the Vendors or any of them:

DLA Piper (Canada) LLP  
2700 – 1133 Melville Street  
Vancouver, BC V6E 4E5

Attention: Jeffrey Bradshaw  
Email: [jeffrey.bradshaw@dlapiper.com](mailto:jeffrey.bradshaw@dlapiper.com)

To the Purchaser:

Sage Legal LLP  
2312 McNeill Avenue  
Victoria BC V8S 2Y9

Attention : Joshua Lam  
Email : [josh@sagelegal.ca](mailto:josh@sagelegal.ca)

-and-

Stikeman Elliott LLP  
666 Burrard Street, Suite 1700  
Vancouver, BC V6C 2X8

Attention : Victor Gerchikov  
Email : [vgerchikov@stikeman.com](mailto:vgerchikov@stikeman.com)

or to such other street address, individual or electronic communication number, or address as may be designated by notice given by either party to the other. Any demand, notice, or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, (if given by registered mail, on the third business day following the deposit thereof in the mail and), if given by electronic communication, on the day of transmittal thereof if given during the



normal business hours of the recipient and on the business day during which such normal business hours next occur if not given during such hours on any day. (If the party giving any demand, notice, or other communication knows or ought reasonably to know of any difficulties with the postal system that might affect the delivery of mail, any such demand, notice, or other communication may not be mailed but must be given by personal delivery or by electronic communication.)

#### **10.4 Time of Essence**

Time is of the essence of this Agreement.

#### **10.5 Severability**

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof, and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

#### **10.6 Further Assurances**

Each of the parties will execute and deliver such further documents and instruments and do such acts and things as may, before or after the Closing Date, be reasonably required by the other party to carry out the intent and meaning of this Agreement.

#### **10.7 Proper Law**

This Agreement will be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of British Columbia.

#### **10.8 Entire Agreement**

This Agreement contains the whole agreement between the Vendors and Purchaser pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions between the parties and there are no representations, warranties, covenants, conditions, or other terms other than expressly contained in this Agreement.

#### **10.9 Assignment**

This Agreement may not be assigned by any party without the prior written consent of the other party, which consent may be arbitrarily withheld.

#### **10.10 Benefit and Binding Nature of the Agreement**

This Agreement enures to the benefit of and is binding upon the parties and their respective successors and permitted assigns.

#### **10.11 Amendments and Waiver**

No modification of or amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties and no waiver of any breach of any term or provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same, and unless otherwise provided, will be limited to the specific breach waived.

**10.12 Counterparts and Delivery**

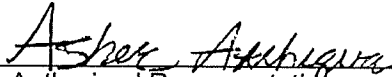
This Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including by facsimile transmission or by electronic delivery in portable document format (".pdf"), whether containing signatures by hand of the signatory or computer or machine-generated signatures, shall be equally effective as delivery of a manually executed counterpart hereof, and will constitute delivery of an original document.

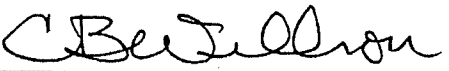
***[The remainder of this page is intentionally blank]***

AS EVIDENCE OF THEIR AGREEMENT the parties have executed this Agreement as of the date and year first above written.

**West Moberly First Nations**

Per:   
Authorized Representative

Per:   
Authorized Representative

Per:   
Authorized Representative

**CANADIAN DEHUA INTERNATIONAL MINES GROUP INC.**

Per: \_\_\_\_\_  
Authorized Signatory

**WAPITI COKING COAL MINES CORP.**

Per: \_\_\_\_\_  
Authorized Signatory

**CANADIAN BULLMOOSE MINES CO., LTD.**

Per: \_\_\_\_\_  
Authorized Signatory

**SCHEDULE "A"**  
**APPROVAL AND VESTING ORDER**

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,

R.S.C. 1985, C. C-36, AS AMENDED

AND

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

PETITIONERS

**ORDER MADE AFTER APPLICATION  
(APPROVAL AND VESTING ORDER)**

BEFORE	)		)	
	)	THE HONOURABLE JUSTICE WALKER	)	January 30, 2025
	)		)	
	)		)	

ON THE APPLICATION of the Petitioners coming on for hearing at 800 Smithe Street, Vancouver, BC V6Z 2E1 on January 28, 2025, and on hearing Jeffrey D. Bradshaw, counsel for the Petitioners and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed herein, including the Twenty-Fourth Report of the Monitor dated January \_\_\_\_\_, 2025 (the "**Twenty-Fourth Report**"); AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court; and further to the Initial Order pronounced by this Court on June 3, 2022, as revised, amended and restated from time to time (the "**Initial Order**") including pursuant to the Amended and Restated Initial Order pronounced by this Court on June 9, 2022, as amended from time to time (the "**ARIO**");

THIS COURT ORDERS that:

### **SERVICE**

1. The time for service of the Notice of Application for this order and the supporting materials therefor is hereby abridged so that this application is properly returnable today and further service thereof is hereby dispensed with.
2. Unless otherwise stated herein, capitalised definitions shall bear the same meaning as set out in the ARIO.

### **APPROVAL OF SALE TRANSACTION**

3. The sale transaction (the "**Transaction**") contemplated by the sale and purchase agreement (the "**Sale Agreement**") between Canadian Dehua International Mines Group Inc. ("**CDI**"), Wapiti Coking Coal Mines Corp. ("**Wapiti**") and Canadian Bullmoose Mines Co., Ltd. ("**Bullmoose**", and together with CDI and Wapiti, the "**Petitioners**") and West Moberly First Nations (the "**Purchaser**"), a copy of which is attached at Schedule "**B**" herein, is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Petitioners is hereby authorized and approved, and the Petitioners are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Sale Agreement (the "**Purchased Assets**").
4. Upon delivery by the Monitor to the Purchaser of a certificate substantially in the form attached as **Schedule "C"** hereto (the "**Monitor's Certificate**"), all of the Petitioners' right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order, as amended and restated from time to time, including, without limitation, by the ARIO; (ii) all charges, security interests or claims evidenced by

registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system (all of which are collectively referred to as the "Encumbrances") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Monitor's Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
6. The Monitor is to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof.
7. The Petitioners, with the consent of the Monitor and the Purchaser, shall be at liberty to extend the closing date of the Transaction to such later date as those parties may agree without the necessity of a further Order of this Court.
8. Notwithstanding:
  - (a) these proceedings;
  - (b) any applications for a bankruptcy order in respect of the Petitioners now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
  - (c) any assignment in bankruptcy made by or in respect of the Petitioners,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioners and shall not be void or voidable by creditors of the Petitioners, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or

any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

#### **DISTRIBUTION OF SALE PROCEEDS**

9. The Petitioners are hereby authorized to distribute the net sale proceeds from the Transaction in the following manner:
- (a) firstly, payment in the amount of \$350,000 for amounts owing that are secured by the Administration Charge;
  - (b) secondly, in repayment to Ms. Qu Bo Liu (the "**Interim Lender**") of the amount of \$1,499,331.16 for amounts owing under the Commitment Letter;
  - (c) thirdly, payment of any and all professional fees incurred to date by the Monitor, its counsel Bennett Jones LLP, and DLA Piper (Canada) LLP, counsel to the Petitioners, which are in excess of the Administration Charge; and
  - (d) the balance of the net sale proceeds shall be held by DLA Piper (Canada) LLP, in trust.

#### **RELEASE**

10. The Interim Lender, Mr. Shuangshi Liu, and Pioneer Exploration Corporation ("**Pioneer**") (collectively, the "**Released Parties**") be and are hereby released and discharged from any and all claims that each of the Petitioners may have or be entitled to assert against the Released Parties, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any action, omission, transaction, dealing or other occurrence existing or taking place on or prior to the date of the filing of the Monitor's Certificate in any way relating to, arising out of or in respect of the Purchased Assets (the "**Released Claims**"), and any such Released Claims are hereby released, stayed, extinguished, and forever barred, with prejudice, and the Released Parties shall have no liability in respect thereof.



## REMOVAL OF PETITIONERS

11. Following the delivery of the Monitor's Certificate, the title of these proceedings shall be hereby changed by removing Wapiti Coking Coal Mines Corp. and Canadian Bullmoose Mines Co., Ltd., as petitioners.

## GENERAL

12. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or Administration bodies, including any Court or Administration tribunal of any federal or State Court or Administration body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and Administration bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners, as may be necessary or desirable to give effect to this Order, to grant representative status to the Petitioners in any foreign proceeding, or to assist the Petitioners and its respective agents in carrying out the terms of this Order.
13. The Petitioners, the Monitor or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
14. Endorsement of this order by counsel appearing on the application other than counsel for the Petitioners is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

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Signature of  lawyer for the Petitioners  
DLA Piper (Canada) LLP (Jeffrey D. Bradshaw)

BY THE COURT

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REGISTRAR

**SCHEDULE "B"**  
**FORM OF BAND COUNCIL RESOLUTION**

[WMFN BCR Letterhead]

Date:

BCR #:

**RE: Purchase of Wapiti Coking Coal Mines Corp., Canadian Bullmoose Mines Co., Ltd., and associated Coal Licenses from Canadian Dehua International Mines Group Ltd.**

WHEREAS Canadian Dehua International Mines Group Ltd. ("CDI"), along with its subsidiaries, Wapiti Coking Coal Mines Corp. ("Wapiti Sub") and Canadian Bullmoose Mines Co., Ltd. ("Bullmoose Sub") (collectively, the "Vendors"), carry on business of investing in, exploring, developing, and operating under-ground coal mining projects and supporting infrastructure in British Columbia and elsewhere, including two mining projects described as the Wapiti Project (the "Wapiti Project") and the Bullmoose Project (the "Bullmoose Project") (the Wapiti Project and the Bullmoose Project are referred to collectively as the "Projects");

AND WHEREAS The Wapiti Project is operated by the Wapiti Sub. CDI is the legal and beneficial owner of all the issued and outstanding shares in the capital of the Wapiti Sub, being 1,000,000 Voting Common Shares without par value (the "Wapiti Shares"), and the Wapiti Sub is the owner of the Wapiti Project, including all permits, mineral interests and coal licenses, geological and exploration data, consultant reports, geological and exploration samples, construction in progress and intellectual property, if any, within the Vendors' estates or control to convey, used or held directly or indirectly by CDI and the Wapiti Sub or either of them in the Wapiti Project (collectively, the "Wapiti Assets");

AND WHEREAS CDI is the legal and beneficial owner of the Bullmoose Project, including the Bullmoose Coal Licenses (as defined herein), and all of the issued and outstanding shares in the capital of the Bullmoose Sub, being 8,242,024 Class A Common Voting Shares without par value (the "Bullmoose Shares"). Together, CDI and the Bullmoose Sub are the owners of the Bullmoose Project, including all permits, mineral interests and coal licenses, geological and exploration data, consultant reports, geological and exploration samples, construction in progress and intellectual property, if any, within the Vendors' estates or control to convey, used or held directly or indirectly by CDI or the Bullmoose Sub or either of them in the Bullmoose Project (collectively, the "Bullmoose Assets");

AND WHEREAS The Vendors and the Projects are the subject of certain proceedings brought pursuant to the Companies' Creditors Arrangement Act (Canada) in the Supreme Court of British Columbia, Vancouver Registry No. S-224444 (the "CCAA Proceedings");

AND WHEREAS The Vendors have agreed to sell and West Moberly First Nations ("West Moberly") has agreed to purchase all of the Vendors' right, title, and interest in and to the assets used or held in or for the Projects, free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein or thereon (the "Transaction"), on the terms and subject to

the conditions set-out in the asset purchase agreement, dated February □, 2025 (the "Purchase Agreement");

AND WHEREAS pursuant to their inherent right to self-government, and pursuant to the powers granted to Council under the Indian Act, the Council of West Moberly are empowered to represent and make decisions on behalf of the members of West Moberly, including to enter into agreements with respect to the Transaction;

AND WHEREAS West Moberly has asked for and received legal advice about the Transaction and the Purchase Agreement;

AND WHEREAS Chief Roland Wilson and Council of West Moberly have satisfied themselves that entrance into the Purchase Agreement is in the best interests of West Moberly and all of its members.

BE IT HEREBY RESOLVED THAT:

Council of West Moberly has reviewed and hereby approves the Purchase Agreement dated February □, 2025 between West Moberly and the Vendors;

Council hereby authorizes Chief Roland Willson, or a quorum of Council, to execute and deliver the Purchase Agreement in substantially the form provided, and all other documents or agreements contemplated by the asset purchase agreement, on behalf of West Moberly, its Council, and each of the members of West Moberly, and to do all such further and other acts and things as may be necessary in order to carry out the intent of the Purchase Agreement and perform the obligations of West Moberly under the Purchase Agreement.

**SCHEDULE C  
MONITOR'S CERTIFICATE**

No. S-224444  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,

R.S.C. 1985, C. C-36, AS AMENDED

AND

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

PETITIONERS

**MONITOR'S CERTIFICATE**

- A. Pursuant to an Initial Order of the Honourable Justice Walker of the British Columbia Supreme Court (the "**Court**") dated June 3, 2022, Canadian Dehua International Mines Group Inc. ("**CDI**") was granted protection from its creditors pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-46, as amended (as amended, the "**CCAA**"), and FTI Consulting Canada Inc. was appointed as the monitor (the "**Monitor**").
- B. Pursuant to a Seventh Amended and Restated Initial Order of the Honourable Justice Walker of the Court dated October 9, 2024, Wapiti Coking Coal Mines Corp. and Canadian Bullmoose Mines Co. Ltd. were added as petitioners to the CCAA proceedings.
- C. Pursuant to an Approval and Vesting Order of the Court dated January 30, 2025 (the "**Order**"), the Court approved: (a) the transaction contemplated by the Sale Agreement made between the Petitioners and the Purchaser; and (b) the vesting of all of the right, title and interest in and to the Purchased Assets absolutely and exclusively in and to the Purchaser, free and clear of any Encumbrances.
- D. Capitalized terms used but not defined herein have the meanings ascribed to them in the Order.

**THE MONITOR CERTIFIES** the following:

1. The Monitor has received written confirmation from the Purchaser and the Petitioners, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the Sale Agreement.
  
2. This Monitor's Certificate was delivered by the Monitor at \_\_\_\_\_ on \_\_\_\_\_, 2025 (the "**Effective Time**").

**FTI CONSULTING CANADA INC., in its capacity as Monitor of the Petitioners, and not in its personal capacity**

By: \_\_\_\_\_

Name:

Title:

No. S-224444  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

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

AND

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

PETITIONERS

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**ORDER MADE AFTER APPLICATION**

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DLA Piper (Canada) LLP  
Barristers & Solicitors  
Suite 2700, The Stack  
1133 Melville St  
Vancouver, BC V6E 4E5

Tel. No. 604.687.9444  
Fax No. 604.687.1612

File No.: 080762-00014

JDB/day