

This is the 1st affidavit of Colin D. Brousson in this case and was made on November 18, 2021

> No. S1910538 Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA

PETITIONER

AND:

QUINSAM COAL CORPORATION, BARCLAYS CANADA LEASING CORPORATION, BARCLAYS BANK OF CANADA, ENCECO, INC. and GORD KNIGHT VENTURES LTD.

RESPONDENTS

AFFIDAVIT

I, **COLIN D. BROUSSON,** Barrister and Solicitor, of 2800 Park Place, 666 Burrard Street, in the City of Vancouver, in the Province of British Columbia, MAKE OATH AND SAY AS FOLLOWS:

- 1. I am a lawyer at DLA Piper (Canada) LLP ("DLA") and have acted as counsel to The Bowra Group Inc., the Receiver of Quinsam Coal Corporation (the "Receiver"), and as such have personal knowledge of the facts and matters hereinafter deposed to save and except where the same are stated to be made upon information and belief and where so stated I verily believe them to be true.
- Initially, Gowling WLG (Canada) LLP ("Gowling WLG") acted as counsel to the Receiver until on or about August 16, 2020, when I left Gowling WLG and joined the law firm of DLA. The Receiver chose to have DLA represent the Receiver thereafter.
- 3. The accounts of Gowling WLG issued to the Receiver for service from September 20, 2019, to July 31, 2020, can be summarized as follows:

Invoice Period	Total	Fees	Disbursements	Taxes
September 20. 2019 -	\$12,615.09	\$11,248.00	\$16.50	\$1,350.59
September 27, 2019				
September 16, 2019 -	\$63,006.09	\$55,668.50	\$609.18	\$6,728.41
October 28, 2019	\$00,000.00	\$00,000.00	\$000.10	¢0,720.11
October 24, 2019 - November	\$32,212.65	\$28,739.50	\$23.25	\$3,449.90
27, 2019				
September 9, 2019 -	\$49,167.42	\$43,581.00	\$340.17	\$5,246.25
December 31, 2019				
January 2, 2020 - January 29,	\$20,334.60	\$17,946.00	\$223.89	\$2,164.71
2020				
January 7, 2019 - February	\$17,121.66	\$15,259.50	\$30.54	\$1,831.62
26, 2020				
February 28, 2020 March	\$12,119.42	\$10,715.00	\$117.09	\$1,287.33
February 28, 2020 - March 30, 2020	\$12,115.42	\$10,7/13.00	\$117.05	ψ1,207.33
March 30, 2020 - April 28,	\$15,245.44	\$13,612.00	\$0.00	\$1,633.44
2020				
April 3, 2020 - May 27, 2020	\$12,050.08	\$10,759.00	\$0.00	\$1,291.08
June 1, 2020 - June 19, 2020	\$8,078.56	\$7,213.00	\$0.00	\$865.56
	\$0,010.00	φ <i>τ</i> ,210.00	\$5.00	\$000.00
June 29, 2020 - July 31, 2020	\$10,729.60	\$9,580.00	\$0.00	\$1,149.60
Totals:	\$252,680.61	\$224,321.50	\$1,360.62	\$26,998.49

The accounts of DLA issued to the Receiver for service from August 17, 2020, to October 31, 2021, can be summarized as follows:

Invoice Period	Total	Fees	Disbursements	Taxes
August 17, 2020 - August 31,	\$5,191.77	\$4,635.50	\$0.00	\$556.27
2020				
September 1, 2020 -	\$11,256.57	\$10,050.50	\$0.00	\$1,206.07
September 30, 2020				
October 1, 2020 - October 31, 2020	\$15,151.36	\$13,528.00	\$0.00	\$1,623.36
November 1, 2020 -	\$13,916.81	\$12,311.00	\$127.77	\$1,478.04
November 30, 2020				
December 1, 2020 -	\$14,005.63	\$11,086.50	\$1,513.75	\$1,405.38
December 31, 2020				
January 1, 2021 - January 31,	\$13,786.02	\$12,090.00	\$245.22	\$1,450.80
2021				
February 1, 2021 - February	\$5,252.80	\$4,690	\$0.00	\$562.80
28, 2021				
March 1, 2021 - March 31,	\$13,090.01	\$11,687.50	\$0.00	\$1,402.51
2021				
April 1, 2021 - April 30, 2021	\$7,212.72	\$6,432.50	\$7.93	\$772.29
May 1, 2021 - May 31, 2021	\$26,516.31	\$23,502.50	\$192.38	\$2,821.43
June 1, 2021 - June 30, 2021	\$5,648.70	\$5,037.50	\$6.39	\$604.81
July 1, 2021 - July 31, 2021	\$13,773.73	\$12,275.00	\$25.50	\$1,473.23
August 1, 2021 - August 31,	\$9,652.77	\$8,615.00	\$3.79	\$1,033.98
2021				
September 1, 2021 -	\$6,955.20	\$6,210.00	\$0.00	\$745.20

Invoice Period	Total	Fees	Disbursements	Taxes
September 30, 2021				
October 1, 2021 - October 31, 2021	\$6,910.40	\$6,170.00	\$0.00	740.40
Totals:	\$168,320.80	\$148,321.50	\$2,122.73	\$17,876.57

- 4. The fees and disbursements set out above were necessarily incurred in fulfilling the instructions of the Receiver and have been approved by the Receiver.
- The services compromised in the accounts of Gowling WLG and DLA set out above relate to:
 - (a) reviewing and revising Receiver's reports;
 - (b) drafting Notices of Application and Affidavits in support of Court applications;
 - (c) preparing submissions and attending in Court on application;
 - (d) correspondence, meetings and communication with the Receiver, the Province of British Columbia (the "Province"), and other parties involved in the receivership, including three First Nations and the United Steelworkers of Canada Local 9347 (the "USW"), which is the union for the mine employees;
 - (e) drafting, reviewing and revising teasers, confidentiality agreements, a standard Purchase and Sale Agreement for Quinsam Coal Corporation ("Quinsam") assets, as well as various other documents necessary for the sales process run by the Receiver for all Quinsam assets;
 - (f) advising the Receiver on:
 - (i) environmental and safety issues;
 - (ii) regulatory compliance;

- various issues concerning a coal fire which took place at the Middle Point location;
- (ii) the sales process for all Quinsam assets;
- (iii) the release of certain fixtures on the Middle Point location to the landlord;
- (iv) the Province's duty of consultation with affected First Nations and applications and steps necessary for reopening the mine related to this duty to consult;
- (v) a transhipment agreement for coal;
- (vi) fulfilling the Javelin Sales Agreement;
- (vii) processing, shipping and transporting the Coal Inventory via truck and barge;
- (viii) easements, applications for zoning and other real estate related matters;
- (ix) all employment related issues with the USW;
- (x) lien related issues on mine equipment; and
- (xi) facilitation of a First Nations meeting with a prospective purchaser;
- (g) negotiating and drafting:
 - (i) a License Agreement with the Middle Point landlord;
 - (ii) an Option to Lease with the Middle Point landlord;
 - (iii) an initial form of Asset Purchase Agreement with Sovereign;
 - (iv) a revised Asset Purchase Agreement involving Sovereign and the Respondent Enceco, Inc.; and
 - (v) employment agreements between the Receiver and members of the USW; and

- (h) negotiating and advising on the potential winding up of a purpose trust where Quinsam is the residual beneficiary.
- 6. The total cumulative time comprised in the accounts of both Gowling and DLA is approximately 688.5 hours broken down as follows:

Lawyer	Rate	Hours
Colin D. Brousson (DLA)	\$650	134.7
Colin D. Brousson (Gowling WLG)	\$625	172.9
Jeffrey D. Bradshaw (DLA)	\$425	27.40
Jeffrey D. Bradshaw (Gowling WLG)	· · · · ·	13.1
Alexandra McCawley (DLA)	\$375	2.1
Alexandra McCawley (Gowling WLG)		0.6
Robert T. Groves	\$625	78.50
Amy Pressman	\$675	1.0
Catherine Spaa	\$250	0.6
Jennifer Julmi	\$250	0.2
Jonathan Ross	\$470	166.4
Jasmin A Der		4.9
Adriane Giberson	\$125	2.7
Stephen Hedley		52.7
Kean Silverthorn		5.0
Michael Bussmann		2.8
Anita Yuk		4.9
Andrea Cowie		1.5

Lawyer	Rate	Hours
Sammy Tecle		14.2
Azadeh Kharazmi	\$160	0.4
Monica Shore		0.4
Allan Wood		0.7
Maxwell Brunette		0.5
Jonathan Lam		0.3
	Total	688.5

- 7. The legal advice and services were rendered to the Receiver at 430 505 Burrard Street, Vancouver, British Columbia.
- 8. I was called to the Bar and admitted as a solicitor in the Province of British Columbia in May 1996, and since that time have primarily acted in insolvency and realization matters and in financing issues, including advice to trustees in bankruptcy. I have written papers and lectured on insolvency and realization issues for the Continuing Legal Education Society and other groups.

SWORN BEFORE ME at Vancouver, British) Columbia, on November 18, 2021.))) A Commissioner for taking Affidavits for) COLIN D. BROUSSON British Columbia.) JEFFREY BRADSHAW Berrister & Solicitor DLA Piper (Canada) LLP 666 Burrard Street, Suite 2800 Vancouver, BC V6C 2Z7 604.643.2941

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AFFIDAVIT

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Client Matter No. 063227-00013

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