



This is the 1st Affidavit
of Maria Newton-Mason
and was made on March 8, 2024

No. S236214
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1392752 B.C. LTD

PETITIONER

AND

**SKEENA SAWMILLS LTD.
SKEENA BIOENERGY LTD. and
ROC HOLDINGS LTD.**

RESPONDENTS

AFFIDAVIT

I, **Maria Newton-Mason**, legal assistant, of 73 Water Street, Vancouver, British Columbia, SWEAR THAT:

1. I am a legal assistant at First Peoples Law LLP ("FPL"), who is counsel to the Haisla Nation, and as such, I have personal knowledge of the facts hereinafter deposed to except where stated to be on information and belief, in which case I believe them to be true.
2. Attached as Exhibit "A" is a copy of a letter dated November 17, 2023 sent from the Haisla Nation to Mr. Tillman, Sr Vice President, regarding the Receivership of Skeena Sawmills Ltd.
3. Attached as Exhibit "B" is a copy of the map referred to in the November 17, 2023 letter.
4. Attached as Exhibit "C" is an email confirming receipt of the November 17, 2023 letter and map.

5. Attached as Exhibit “D” is an excerpt from a report issued by the Province of British Columbia titled “Modernizing Forest Policy in British Columbia, Setting the Intention and Leading the Forest Sector Transition.

SWORN BEFORE ME at Vancouver, in the
Province of British Columbia, on March 11, 2024



Maria Newton-Mason



A Commissioner for taking affidavits for
British Columbia

Matt Janssen
First Peoples Law LLP
Barristers & Solicitors
6th Floor, 73 Water Street
Vancouver, B.C. V6B 1A1
(604) 688-4272



HAISLA NATION COUNCIL

PO Box 1101, Kitimaat Village, BC, V0T 2H0 | (250) 639-9361
Toll Free: 1-888-842-4752 | Fax: 250-632-2840 or 250-632-4794

November 17, 2023

VIA Email: skeena@alvarezandmarsal.com

Alvarez & Marsal Canada Inc.
Licensed Insolvency Trustee
Cathedral Place Building
925 West Georgia Street, Suite 902
Vancouver, BC V6C 3L2

Attention: Anthony Tillman, Sr Vice President

Dear Mr. Tillman:

Re: Receivership of Skeena Sawmills Ltd.

We are writing to bring two important matters to your attention.

1. Outstanding Invoice – Haisla NorthPac Forestry Joint Venture

Attached is an invoice submitted by Haisla NorthPac Forestry Joint Venture to Skeena Sawmills Ltd. in October of 2021. To date this amount has not been paid.

The Haisla Nation is the majority shareholder of Haisla NorthPac Forestry Joint Venture, and we are providing this invoice to bring it to your attention and to request that NorthPac Forestry Joint Venture be added to the Service List (contact: Cathy Craig, Cathy.Craig@northpacforestry.com), with a copy of correspondence to our legal counsel (Jennifer Griffith, First Peoples Law LLP, jgriffith@firstpeopleslaw.com).

2. Haisla Nation Aboriginal Title and Skeena Licences

We also think it is important to bring to your attention that TFL41, one of the Skeena Sawmills Ltd. Licences, is largely located in Haisla Nation Territory. We have enclosed a map which shows TFL41 relative to our Territory. Approximately 95% of TFL41 sits in our Territory. In addition, Skeena's Forest Licence (FL) A16885 includes portions of our Territory.

We have a very strong claim of Aboriginal title to our Territory, and Aboriginal title includes the timber on our Aboriginal title lands. We are of the view that the timber in our Territory cannot be harvested without our consent.

We have been working with the Ministry of Forests to access additional timber volume in our Territory and will continue to do so. It is important that prospective purchasers of Skeena Sawmills Ltd.'s assets be made aware of our claim to the timber in the majority

This is Exhibit " A " referred to in
the affidavit of Maria Newton-Mason
sworn before me at Vancouver, B.C.
this 11 day of March 2024


A Commissioner for taking Affidavits
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of TFL41. We will continue to push the Province to use the tools incorporated into its forestry legislation in 2021 (Bill C-28) to ensure Haisla Nation access to its timber, including that timber in TFL41.

Furthermore, any disposition of the licence for TFL41 or FLA16885 will require Provincial approval, which triggers not only the consideration of the public interest, but also an obligation of the Province to consult with us with respect to impacts of the proposed disposition on our Aboriginal rights and title. Given the extensive overlap of TFL41 with our Territory, we anticipate this consultation would be of the deepest level.

Finally, if the Province were to approve the disposition of TFL41 or FLA16885, the Haisla Nation will continue to take the steps necessary to protect its interests in the timber in our Territory.

We would be happy to answer any questions you have regarding our Aboriginal title claim to the timber in TFL41 and other parts of our Territory, and if any prospective purchasers have any questions or require any additional information regarding our Territory and our Aboriginal title, please direct them either to Tony Brady at (250) 639-5795 or Jennifer Griffith at (604) 688-4272.

Sincerely,

HAISLA NATION COUNCIL



Crystal Smith, Chief Councillor

Cc: Cathy Craig, North Pac Forestry
Email: Cathy.Craig@northpacforestry.com

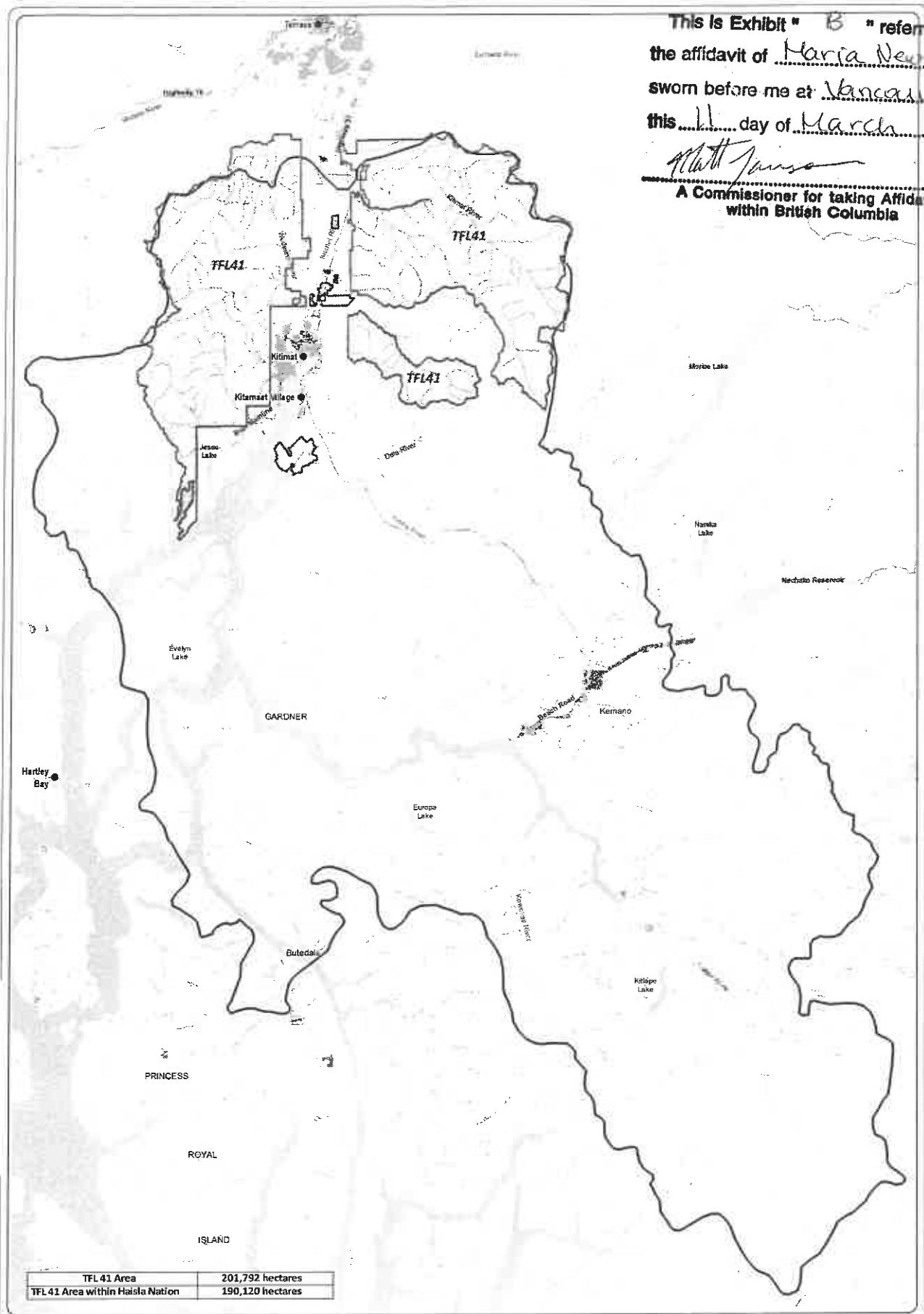
Jennifer Griffith, First People's Law
Email: jgriffith@firstpeopleslaw.com

Tony Brady, Director of Economic Development
Email: tbrady@haisla.ca

Enclosures: Invoice No. 21-SKEENA-05
Map of TFL41 and Haisla Nation Territory

This is Exhibit " B " referred to in
the affidavit of Narra Newton-Hesu
sworn before me at Vancouver, BC
this 11 day of March 2024

Matthew J. Janso
A Commissioner for taking Affidavits
within British Columbia



TFL 41 Area within
Haisla Nation Statement of Intent



Legend
 Haisla Nation Statement of Intent
 TFL 41
 I.R.
 Private Land

1:550,000
0 5 10 20
Kilometers

Date: October 26, 2023
Projection: NAD 83 UTM Zone 9
Map Prepared by:
Magellan Digital Mapping

From: [Jennifer Griffith](#)
To: [Maria Newton-Mason](#)
Subject: FW: Receivership of Skeena Sawmills Ltd - ATTN: Anthony Tillman, Sr. Vice President
Date: March 7, 2024 2:24:48 PM
Attachments: [image001.png](#)

Jennifer Griffith (she/her)
Senior Counsel
T: 604-688-4272
Mobile: 604-812-2413
First Peoples Law LLP

This email may contain confidential and privileged information. If you are not the intended recipient please delete it and notify us immediately.



Please consider the environment before printing this email.

From: Poirier, Taylor <tpoirier@alvarezandmarsal.com>
Sent: Tuesday, November 28, 2023 11:31 AM
To: Carolyn Ringham <CRingham@haisla.ca>
Cc: Cathy Craig <Cathy.Craig@northpacforestry.com>; Jennifer Griffith <jgriffith@firstpeopleslaw.com>; Tony Brady <tbrady@haisla.ca>; Crystal Smith <CSmith@haisla.ca>; Duane Grant <dugrant@haisla.ca>; Alex Grant Jr. <algrant@haisla.ca>; Greg Smith <grsmith@haisla.ca>; Byron Olsen-Grant <bolsen-grant@haisla.ca>; Tracey Ross <traceyross@haisla.ca>
Subject: RE: Receivership of Skeena Sawmills Ltd - ATTN: Anthony Tillman, Sr. Vice President

Hi Carolyn,


I can confirm that the invoice is included on the creditor list.

In respect of TFL41, as you are aware, there is a sale process underway. I am not sure on Haisla Nation's plan in respect of the sales process, but let me know if you would like more information regarding the sales process and how to submit an offer to purchase TFL41.

Regards,

Taylor

From: Carolyn Ringham <CRingham@haisla.ca>
Sent: Wednesday, November 22, 2023 2:07 PM
To: Skeena Sawmills <skeena@alvarezandmarsal.com>
Cc: Cathy Craig <Cathy.Craig@northpacforestry.com>; Jennifer Griffith

This is Exhibit "C" referred to in
the affidavit of Maria Newton-Mason
sworn before me at Vancouver, BC
this 11 day of March 2024

A Commissioner for taking Affidavits
within British Columbia

<jgriffith@firstpeopleslaw.com>; Tony Brady <tbrady@haisla.ca>; Crystal Smith <CSmith@haisla.ca>;
Duane Grant <dugrant@haisla.ca>; Alex Grant Jr. <algrant@haisla.ca>; Greg Smith
<grsmith@haisla.ca>; Byron Olsen-Grant <bolsen-grant@haisla.ca>; Tracey Ross
<tracevross@haisla.ca>

Subject: Receivership of Skeena Sawmills Ltd - ATTN: Anthony Tillman, Sr. Vice President

A rectangular area of the document has been redacted, obscuring what appears to be a signature and possibly a name or title. The redaction is a solid grey block.

Modernizing **Forest Policy** in British Columbia

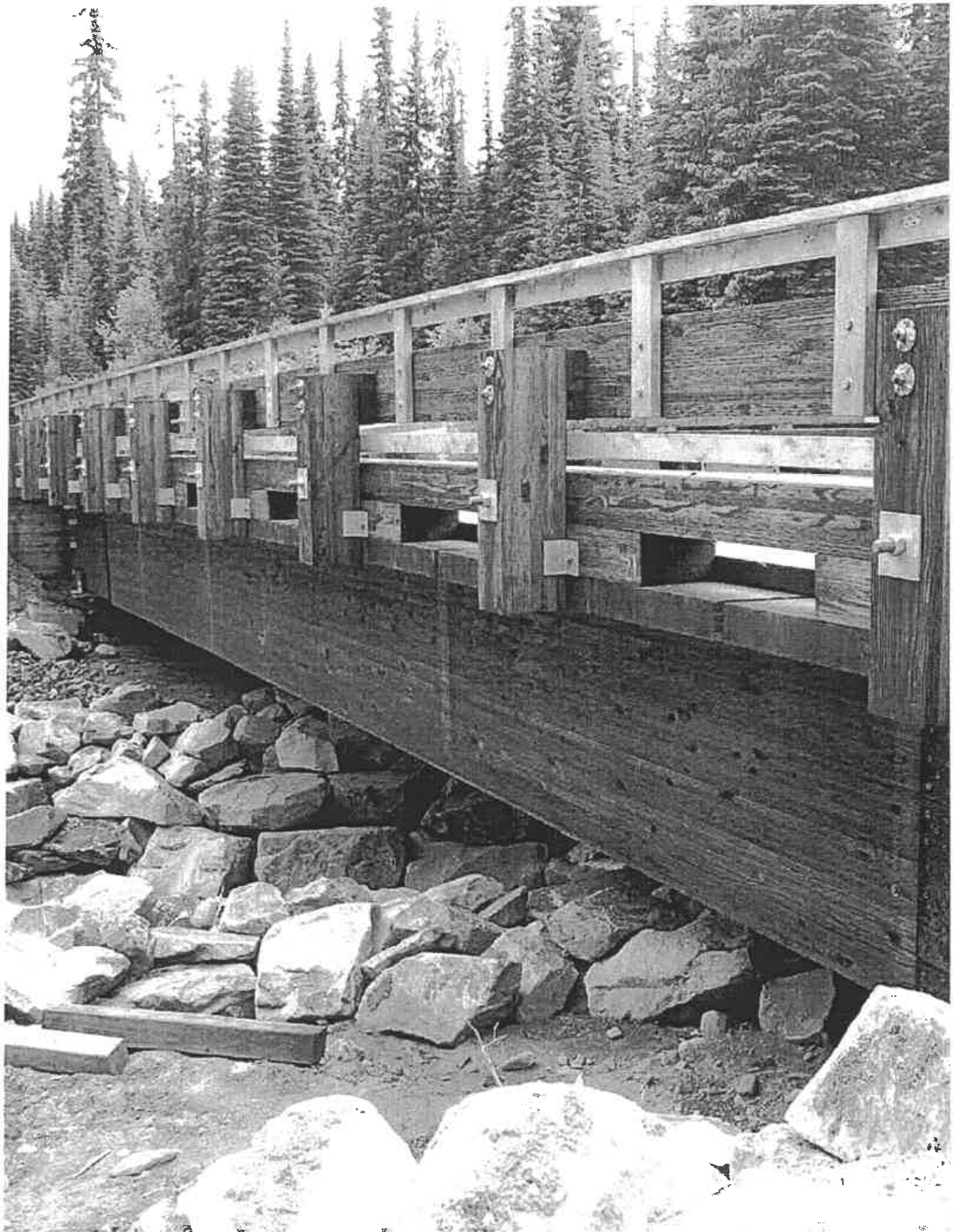
*Setting The Intention and Leading
the Forest Sector Transition*

This is Exhibit "D" referred to in
the affidavit of Maria Newton-Mason
sworn before me at Vancouver, B.C.
this 11 day of March 20

Matt Jansen

A Commissioner for taking Affidavits
within British Columbia





Contents

INTRODUCTION:	
THE NEED TO MODERNIZE B.C.'S FOREST POLICY	4
VISION FOR THE FUTURE	
OF THE FOREST SECTOR AND OUR FORESTS	6
THE NEED FOR FIBRE	10
RECONCILIATION	12
GUIDING PRINCIPLES	13
1. Increasing forest sector participation	13
2. Enhancing stewardship and sustainability	16
3. Strengthening the social contract	19
CONCLUSION	22
APPENDIX A – ACTIONS TO ADDRESS	
OLD GROWTH RECOMMENDATIONS	24

Reconciliation

OUR GOVERNMENT was elected with a clear mandate to make Indigenous reconciliation a priority. The 2019 *Declaration on the Rights of Indigenous People Act* (Declaration Act) created a path forward that respects the human rights of Indigenous peoples while introducing better transparency and predictability in the work we do together.

The purpose of the Declaration Act is to provide a process, over time, to work with Indigenous peoples to implement the United Nations Declaration on the Rights of Indigenous Peoples (UN Declaration). The intentions reflected here represent steps to ensure Indigenous peoples are meaningful partners in B.C.'s forest sector. This is not the end of the work. It is a step forward. We have much more to do in the years to come.

As the province works government-to-government with Indigenous governing bodies, interest in forest tenure and fibre is frequently expressed. Indigenous peoples want to play a greater role in the forest sector and in forest management. The province's ability to support this through existing legislation and policy tools is limited. Enabling the opportunity for shared decision-making agreements to be negotiated and implemented, government-to-government, will be part of this work.



Guiding Principles

WE WILL FULFILL OUR VISION for the future of the forest sector and our forests based on three principles we have heard repeatedly from partners, stakeholders and communities. We will also fulfill our commitment to collaborate and cooperate with Indigenous peoples by:

- 1. INCREASING FOREST SECTOR PARTICIPATION**
- 2. ENHANCING STEWARDSHIP AND SUSTAINABILITY**
- 3. STRENGTHENING THE SOCIAL CONTRACT**



1. INCREASING FOREST SECTOR PARTICIPATION

We often hear that access to fibre on public land (via tenure) is a critical component to a successful business. Although some businesses operate successfully without forest tenure, purchasing fibre as they require it, we have heard more organizations want an opportunity to manage forest tenure. However, due to existing tenure commitments, and limited flexibility in the existing forest tenure framework, there is not much flexibility or room for new entrants in the forest sector.

Many Indigenous communities have sought greater access to forest tenure in their traditional territories to create economic opportunities for their communities. They also want a greater say over forest activities occurring in their region, and those with forest tenure are managing complex social concerns from their community. Modernizing forest management will create opportunities for partnerships with Indigenous peoples, as well as providing predictability across the sector.

One of our goals is to increase and diversify forest sector participation, to be accomplished over the next several years, to include:

- **BC Timber Sales (BCTS) provincial allocation:** BCTS will continue to ensure competitive market-based pricing for forest tenures. We will further strengthen the AAC assigned to BCTS. We will also look for additional opportunity to strengthen value-added forest manufacturing through their Category 2 registrant program.
- **Indigenous Nations participation:** Through government-to-government discussions that consider the inherent rights, range of interests and values expressed by Indigenous peoples, our goal is to increase the amount of replaceable forest tenure held by Indigenous peoples to 20% from the current level of approximately 10%. We are also mindful of separate efforts occurring within the formal treaty process, and through business partnerships and sales of tenure between Indigenous Nations and forest companies.
- **Increased community participation:** As rural communities strive to define their economic future, the province will review tenure options to communities with a clear plan to manage local forests for forestry, keeping the fibre moving for manufacturing and keeping jobs within communities.

Guiding Principles

This is a multi-year vision and will not be accomplished overnight. It will be implemented over years, allowing for adjustments in the business cycle. In the end, tenure holders will gain increased clarity and predictability on future tenure decisions.

POLICY INTENTIONS:

➤ **Creating future tenure opportunities:**

Enhance the legal mechanisms to allow tenure to be redistributed for harvesting purposes, encouraging diversification in the forest sector. Reasons to redistribute tenure, connected to our goals, include:

- » As a component of an Indigenous Nation treaty or negotiated agreement;
- » Maintaining B.C.'s strong market-pricing system, through the BC Timber Sales program; and
- » As part of a community's vision for economic resilience and local employment.

➤ **Providing clarity on compensation:**

Establish a clear framework laying out where and under what circumstances compensation for lost harvesting rights will apply. Changes will be designed around the nature of the tenure agreement between government and the licensee to provide for a systematic and equitable approach in compensation calculations.

➤ **Creating flexibility when forest licences need to be reduced:**

The province employs a Chief Forester, who sets the sustainable harvest rate, the Annual Allowable Cut (AAC). In some situations, such as when the timber supply is decreasing, the Chief Forester will determine the AAC needs to be reduced to maintain a sustainable harvest rate. This means that the harvest volume allocated through licences in the area must be reduced to maintain a sustainable harvest rate. Current policy uses a proportionate reduction method where all tenure holders (excepting very small ones) experience a similar percentage decrease to their licence. However, this method does not allow for government to consider a number of important elements in our changing environment, such as the unique pressures faced by small operators, or Indigenous or other local community interests. Given this, we plan to introduce a more flexible approach.

➤ **Revising tenure disposition considerations:**

Build on the success of 2019's Bill 22 in addressing tenure concentration and public-interest considerations when a tenure transfer or change of control occurs. This could include a review of impacts of the transfer or change of control to the local economy, including the proposed changes to the regional wood manufacturing sector if a mill is indefinitely curtailed resulting from the proposed transaction, and the interests of local Indigenous peoples.