



This is the 1st affidavit  
of Michael Lares in this case  
and it was made on December 19, 2024

NO. Court File No. **VLC-S-S-248901**  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**BETWEEN:**

**MICHAEL LARES**

**PETITIONER**

**AND:**

**PETER VAN DER HEYDEN and FLYING "L" RANCH LTD.**

**RESPONDENTS**

**AFFIDAVIT**

I, **Michael Lares**, rancher, c/o McQuarrie Hunter LLP, Suite 100, 13450 102<sup>nd</sup> Avenue, Surrey, British Columbia, **AFFIRM THAT:**

1. I am the petitioner in this matter and, as such, have personal knowledge of the facts and matters hereinafter deposed to.

**Background**

2. I am a rancher, and the co-director and 50% shareholder of the Flying "L" Ranch Ltd., which I will refer to as the "Company". Attached as Exhibit "A" is a true copy of a company search for the Company obtained by my lawyer's office. The Company is in the business of raising, breeding, and selling horses and protecting and caring for local wild horse herds.

3. I immigrated to Canada from the United States in 2011 with my wife Nicole and our two children, Lara and Dylan. I signed a lease agreement with an option to purchase with Don and Zelda Beck and Harvey and Cindy Molt for two connected properties; the first is located at 8554 Nemiah Valley Road, Nemiah Valley, British Columbia, which I will refer to as the "160 Acres", and Williams Lake Rural – 20126.000, which I will refer to as the "80 Acres".

4. The 160 Acres and the 80 Acres together make up one 240-acre property, which I will refer to as the "Ranch Land". The 80 Acres is landlocked, and the only way to access it is through the 160 Acres.
5. I have either personally or through the Company been operating a horse ranch on the Ranch Land from approximately July 2011 to today. In the fall of 2018, my option to purchase the Ranch Land in the lease was set to expire in the next year or so.
6. Around that time, a real estate agent emailed me asking if they could show the Ranch Land to an interested buyer. I explained to the real estate agent that I was not interested in participating in a sale of the Ranch Land, but they were welcome to show the Ranch Land to this interested buyer.
7. Soon after, the real estate agent and the interested buyer came to the Ranch Land. The interested buyer's name was Peter van der Heyden, whom I will refer to as "Peter". Around the time of this meeting, the real estate agent gave me Peter's email address. Peter and I kept in touch by email and telephone after this initial meeting.
8. By April 2019, I had decided to become business partners with Peter and incorporate the Company. Peter and I discussed that we would both be co-directors and 50% shareholders of the Company. I had looked into other options for financing, but Peter gave me a good pitch and told me that he loved the area.
9. Peter and I discussed that Peter would provide me with a 25% down payment of \$117,250.00 US, which the Company would use for the option to purchase the Ranch Land. Peter and I discussed that I would be responsible for the Company's day-to-day operations and finances, whereas Peter would be a silent investor. Based on these discussions, I decided to proceed with Peter.
10. Peter communicated to me that he was not interested in being a part of the Company's day-to-day operations. He told me that he was primarily interested in building a cabin on the Ranch Land. As part of our agreement, I signed a memorandum of understanding dated April 29, 2019, a true copy of which I have attached as Exhibit "B". I did not receive a signed copy from Peter, but he told me he signed it.
11. I arranged to incorporate the Company on June 3, 2019. Attached and marked collectively as Exhibit "C" is a true copy of the Company's certificate of incorporation, notice of articles,

incorporation agreement, and articles. The Company purchased the Ranch Land from Don and Zelda Beck and Harvey and Cindy Mott on approximately June 28, 2019.

12. From that time, I have run the Company's day-to-day business operations, such as managing and caring for up to 36 horses, training and breeding horses, growing and harvesting hay, and providing medical care for the local community's horses. I have done essentially the same ranching I did before we created the Company.

13. In addition to ranching, the Company's business also includes content creation on social media platforms. I have also managed the Company's finances. I discussed any major upcoming purchases or expenses for the Company with Peter before I made them. Whenever Peter asked for any corporate or financial documents for the Company, I provided him with the corporate or financial documents I had.

14. In early 2022, Peter became more interested in the Company's finances, and he began demanding that I answer numerous questions about the various expenses of the Company, which I did. I found Peter's demands odd, as Peter did not seem very interested in the Company's finances in the past. Previously, Peter would occasionally ask me for financial or corporate documents for the Company, which I would provide him. Then, I would not hear from Peter for a while.

15. Around that time in early 2022, Peter also told me that he wanted the 80 Acres transferred to him, or words to that affect. Peter had previously told me in or around the Summer of 2020 that he wanted to build his cabin on the 80 Acres.

16. I had previously explained to Peter that the 80 Acres are an important part of the Company, as we use that land to grow a lot of hay, forage for the horses, and draw the water used to support the Company's daily operations. As a result of these previous conversations, on approximately September 3, 2022, Peter and I signed an agreement.

17. That agreement granted the Company the right of first refusal in any potential future sale of the 80 Acres and allowed the Company to use the 80 Acres for ranching purposes. I will refer to this agreement as the "First Refusal Agreement". Attached and marked as Exhibit "D" is a true copy of the First Refusal Agreement.

18. Soon after we signed the First Refusal Agreement, the Company transferred the 80 Acres to Peter. At the time, I believed this transfer would be a show of good faith and support for what I

thought was a good business relationship between me and Peter. Peter had invested a substantial amount of money into the Company. I had invested a substantial amount of labour, time and money into the Company and the Ranch Land.

19. We completed the transfer of the 80 Acres on approximately September 7, 2022. I agreed to the transfer for Peter's payment of a nominal amount to the Company for the 80 Acres. Attached and marked as Exhibit "E" is a true copy of the form A transfer document for transferring the 80 Acres from the Company to Peter obtained by my lawyer's office.

#### Breakdown of Trust and the First Failed Buyout

20. In August 2023, Peter called me and told me that he felt I had not been open with him about my financial management of the Company and had not been forthright with him about some of the Company expenses. He told me he could no longer trust me, and we couldn't do business together anymore, or words to that effect.

21. During that call, I explained to Peter that I disagreed with his thinking and the suggestion that I had not been forthright with him. I told Peter in that call that I could likewise no longer trust him, or words to that effect. In that call, Peter and I also discussed who would buy the other out, as it seemed apparent to me that we could no longer trust each other. I explained to Peter that the Ranch Land had been my family home since 2011, and I operated the Company, so I ought to purchase his shares and the 80 Acres. During that call, I offered to buy, and Peter told me he would sell, his shares in the Company and the 80 Acres.

22. These negotiations led to Peter and I signing a memorandum of understanding dated March 7, 2024, which I will refer to as the "2024 MOU". Attached as Exhibit "F" is a true copy of this MOU. I agreed to pay Peter \$2 million for his 100 shares in the company and for the 80 Acres to go back to the Company. Ultimately, however, Peter and I could not agree upon the terms of a master purchase agreement, and our negotiations ceased. From my perspective, that happened because Peter stopped engaging in negotiations.

23. Around the fall of 2023, I began seeing various posts, comments, live streams and reels on Instagram and other social media platforms that said negative things about me and the Company by some individuals. I will refer to these individuals collectively as the "Third Parties." Many of the Third Parties are ex-employees or ex-business associates of the Company.

24. These negative posts concerned me, so I retained McQuarrie Hunter LLP on behalf of myself and the Company to respond to these Third Parties. At the time, I expected my buy-out of Peter to be completed soon. In February 2024, my lawyer prepared several cease-and-desist letters. Attached as Exhibit "G" is a true copy of one of the cease-and-desist letters my lawyer's office forwarded me.

25. After my lawyer prepared these cease and desist letters, I sent some of these letters to a few of the Third Parties through Instagram. Afterwards, I noticed that many of these Third Parties had removed the negative posts they had made and temporarily stopped posting new ones.

#### The Second Buyout

26. I received a letter in approximately late May 2024 from Peter's lawyer dated May 27, 2024, in which he demanded the Company's accounting and corporate records since its incorporation. I have attached a true copy of that letter as Exhibit "H". I did not produce those records at the time because I either did not have what he requested or had already given what I did have to Peter.

27. My lawyer's office forwarded me a letter addressed to Peter's lawyer dated June 25, 2024. This letter proposed to schedule a directors meeting for the Company to resolve the conflict between Peter and me through a buyout of Peter's shares in the Company and the 80 Acres. Attached as Exhibit "I" is a true copy of this letter and the attached draft resolution.

28. In approximately June 2024, I noticed the Third Parties again began making various posts, comments, live streams and reels on Instagram and other social media platforms again saying negative things about me and the Company. On June 30, 2024, I watched a live stream by two of the Third Parties. In this live stream, one of the Third Parties made a statement which can be summarized as, she had heard from someone legal that my and the Company's defamation claim against her had been dropped, and they could talk as they wished now. That happened after my lawyer had previously advised Peter's lawyer that my defamation file was closed.

29. Later, during that same livestream, one of the Third Parties made a statement which can be summarized as, the true owner's (referring to someone other than myself) daughter's saddle is still there (referring to the Ranch Land). Peter's daughter's saddle has been stored at the Ranch Land since her and Peter visited me and my family at the Ranch Land a few years ago. I have not told anyone about the saddle other than perhaps my immediate family.

30. My lawyer's office forwarded me a letter from Peter's lawyer dated July 3, 2024, which reiterated Peter's demand for the Company's accounting and financial records and requested that my lawyer provide the lawyer's complete defamation file. In this letter, Peter, through his lawyer, also told me that he did not consent to me conducting any further material transactions on behalf of the Company without Peter's express consent. Attached as Exhibit "J" is a true copy of this letter.
31. My lawyer's office forwarded me a letter addressed to Peter's lawyer dated July 26, 2024. This letter sets out that it encloses a sharefile link with documents from the closed defamation file, as well as the Company's financial and corporate documents. Attached as Exhibit "K" is a true copy of this July 26, 2024 letter.
32. My lawyer's office forwarded me a letter addressed to Peter's lawyer dated August 14, 2024, setting out an offer for me to purchase Peter's shares in the Company and the 80 Acres for \$2 million. This letter also notified Peter's lawyer of a directors' meeting of the Company on September 9, 2024, and enclosed draft resolutions for the directors' meeting. Attached as Exhibit "L" is a true copy of this August 14, 2024, letter and the enclosed draft resolutions.
33. My lawyer's office forwarded me an email from Peter's lawyer dated September 3, 2024. I have attached a true copy of that email as Exhibit "M". My lawyer's office forwarded me letters addressed to Peter's lawyer dated September 11 and 13, 2024. Attached as Exhibit "N" and "O" are true copies of my lawyer's letters dated September 11 and 14, 2024, respectively.
34. My lawyer's office forwarded me an email chain between my lawyer and Peter's lawyer between September 12 and 16, 2024, concerning the terms of my buyout of Peter's shares in the Company and transfer of the 80 Acres to the Company. I will refer to this agreement as the "Settlement Agreement". Attached as Exhibit "P" is a true copy of an email chain between my lawyer and Peter's lawyer from September 12 to 16, 2024.
35. My lawyer's office forwarded me a letter addressed to Peter's lawyer dated October 24, 2024. Attached as Exhibit "Q" is a true copy of that letter. My lawyer's office forwarded me an email between my lawyer, Peter's Lawyer, and my solicitor dated October 28, 2024. In this email, Peter's lawyer states that some of the Third Parties had reached out to share information with Peter, and not the other way around. Attached as Exhibit "R" is a true copy of that email.

36. I do not trust Peter. Among other things, I do not trust him because I believe he has provided information about me to the Third Parties and others, such as the information one of the Third Parties shared during her livestream on June 30, 2024.

37. In reliance on the Settlement Agreement, I arranged to have another lawyer, my solicitor, prepare draft documents for my buyout of Peter's shares and the 80 Acres for a total price of \$2 million. On or around October 30, 2024, I arranged to have \$100,000 paid to my solicitor's office in trust as a first deposit according to the Settlement Agreement.

38. Peter ultimately did not sign the share purchase agreement prepared by my solicitor. As I understood it from the communications between my solicitor and Peter's lawyer, Peter insisted on adding additional terms that I had not agreed to in the Settlement Agreement. My lawyer's office forwarded me a letter addressed to Peter's lawyer dated November 22, 2024. Attached as Exhibit "S" is a true copy of my lawyer's letter dated November 22, 2024.

39. Since August 2023, my relationship with Peter has continued to decline. Peter has sent me various messages that I took to mean that he does not trust me as his business partner. For example, attached as Exhibit "T" is a true copy of a direct message I received from Peter dated June 30, 2024, and attached as Exhibit "U" is a true copy of a text chain between Peter and I from June 25 to June 26, 2024. I no longer have any trust or confidence in Peter like I did when we started the Company together in 2019.

40. Peter is now wanting to call a directors' meeting for proposed directors' resolutions that I will not agree to. Attached as Exhibit "V" is a true copy of an email with the attached letter and draft directors' resolution forwarded to me by my lawyers' office around December 10, 2024. I have now paid the CEBA loan referenced in the draft resolution, but do not agree with the requested further disclosure or asset listing, among other things. I am concerned that Peter would misuse information or will try to prevent me from operating the Company.

41. I remain willing to buy Peter's shares in the Company and the 80 Acres for \$2 million in total on terms similar to what is in the Settlement Agreement.

42. I acknowledge the solemnity of making a solemn declaration and acknowledge the consequences of making an untrue statement.

43. I was not physically present before the commissioner before whom this affidavit was affirmed but was in that person's presence using video conferencing using the process described in the Law Society of British Columbia Code of Professional Conduct for British Columbia – Annotated, Appendix A, paragraph 1, commentary [12].

AFFIRMED BEFORE ME at the City of )  
Surrey, Province of British Columbia, on )  
December 19, 2024 )  
)  
)  
)  
)  
)



A Commissioner for taking affidavits for British )  
Columbia )



MICHAEL LARES

**BENJAMIN MORLEY**  
Barrister & Solicitor  
McQUARRIE HUNTER LLP  
Suite 1500, 13450 - 102 Avenue  
Surrey, BC V3T 5X3  
604.581.7001



BC Registry Services

Mailing Address: PO Box 9431 Stn Prov Govt Victoria BC V8W 9V3 www.corporateonline.gov.bc.ca

Location: 2nd Floor - 940 Blanshard Street Victoria BC 1 877 528-1526

BC Company Summary For FLYING "L" RANCH LTD.

Date and Time of Search: January 09, 2024 04:15 PM Pacific Time
Currency Date: October 31, 2023
This is Exhibit "A" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

ACTIVE

[Signature]

Incorporation Number: BC1211100
Name of Company: FLYING "L" RANCH LTD.
Business Number: 789488533 BC0001
Recognition Date and Time: Incorporated on June 03, 2019 08:20 AM Pacific Time
Last Annual Report Filed: June 03, 2023
In Liquidation: No
Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address: PO BOX 10 NEMIAH VALLEY BC V0L 1X0 CANADA
Delivery Address: 8554 NEMIAH VALLEY ROAD NEMIAH VALLEY BC V0L 1X0 CANADA

RECORDS OFFICE INFORMATION

Mailing Address: PO BOX 10 NEMIAH VALLEY BC V0L 1X0 CANADA
Delivery Address: 8554 NEMIAH VALLEY ROAD NEMIAH VALLEY BC V0L 1X0 CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name: LARES, MICHAEL
Mailing Address: 8554 NEMIAH VALLEY ROAD PO BOX 10 NEMIAH VALLEY BC V0L 1X0 CANADA
Delivery Address: 8554 NEMIAH VALLEY ROAD PO BOX 10 NEMIAH VALLEY BC V0L 1X0 CANADA

**Last Name, First Name, Middle Name:**  
van der Heyden, Peter

**Mailing Address:**  
8050 BIRCH WAY  
HALFMOON BAY BC V0N 1Y2  
CANADA

**Delivery Address:**  
8050 BIRCH WAY  
HALFMOON BAY BC V0N 1Y2  
CANADA

---

NO OFFICER INFORMATION FILED AS AT June 03, 2023.

---

**MEMORANDUM OF UNDERSTANDING**

**THIS MEMORANDUM OF UNDERSTANDING** (the "Document") made as of this 29th day of April, 2019 (the "Execution Date"),

**BETWEEN:**

Michael D. Lares of Box 10, Nemiah Valley, British Columbia, Canada V0L 1X0, and  
Peter Van Der Heyden of 8050 Birch Way, Halfmoon Bay, British Columbia Canada V0N 1Y2

(individually the "Party" and collectively the "Parties")

**BACKGROUND:**

A. Michael D. Lares and Peter Van Der Heyden do enter into an agreement in which Peter Van Der Heyden is providing funds for Michael D. Lares to exercise his exclusive Lease with Option to Purchase that himself and Nicole M. Lares legally hold on the Chil-Konni Ranch previously dated January 11, 2011, as agreed upon by Christopher Mott (seller) representing the landlords. A 25% non-refundable deposit of \$117,250.00 US shall be paid by Peter Van Der Heyden to Michael D. Lares which will then be paid directly to the sellers by May 1, 2019 to go with a signed contract on the purchase of the Chil-Konni Ranch with a closing date no later than July 1, 2019 with a purchase price of \$469,000.00 US.

By entering into this agreement Michael D. Lares and Peter Van Der Heyden will work collectively with mutual intent and benefit to organize the articles of incorporation and close the purchase of the Chil-Konni Ranch under the entity known as the Flying "L" Ranch, LLC. no later than July 1, 2019.

This Document will establish the basic terms to be used in a future agreement between the Parties. The terms contained in this Document are comprehensive and it is not expected that additional terms may be added, nor existing terms be changed or deleted. The basic terms are as follows:

1. **Binding**

This is Exhibit "B" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
\_\_\_\_\_  
A Commissioner for taking Affidavits in British Columbia

1. This Document will create a binding agreement between the Parties and will be enforceable. The terms and conditions of any future agreement will supersede any terms and conditions contained in this Document. The Parties are prevented from entering into negotiations with other third parties with regard to the subject matter of this Document.

#### **Transaction Description**

2. The subject of this transaction is described as follows:
  - Upon endorsement of this document Peter Van Der Heyden will wire transfer \$117,250.00 US funds to the US funds account of Michael D. Lares, transit/routing # 04180, account #4504452, address 51 fourth Ave. N., Williams Lake, BC CA V2G-4S1.

Michael D. Lares will then utilize \$117,250.00 US funds to submit the non-refundable earnest money deposit along with the signed sales contract to the chosen attorney Vanderburgh and Company representing Christopher Mott (representing sellers) in the form of a bank draft check.

#### **Transaction Date**

3. The transaction will be completed on or about the 29th day of April, 2019 (the "Deposit Transaction Closing Date"). All obligations as indicated in this agreement will be completed and met by the Deposit Transaction Closing Date.

#### **Representations**

4. The Parties represent and warrant that their respective assets, real property or personal property, which constitutes any or all of this proposed transaction, are free and clear of any liens, charges, encumbrances or rights of others. If the representations of one or more of the Parties are untrue upon the Transaction Date, then any remaining Parties may terminate any future agreement.

#### **5. Additional Terms**

5. This agreement bounds Michael D. Lares and Peter Van Der Heyden to work collectively with each other in the formation of the corporation known as Flying "L" Ranch, LLC in a

timely fashion which they will both be equal controlling and participating members with the sole intention of purchasing the Chil-Konni Ranch on or before July 1, 2019 under this joint venture.

This Document accurately reflects the understanding between the Parties, signed on this 29th day of April, 2019.



---

Michael D. Lares (Party)

---

Peter Van Der Heyden (Party)

This is Exhibit "C" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

Number: BC1211100



  
A Commissioner for taking Affidavits in British Columbia

# CERTIFICATE OF INCORPORATION

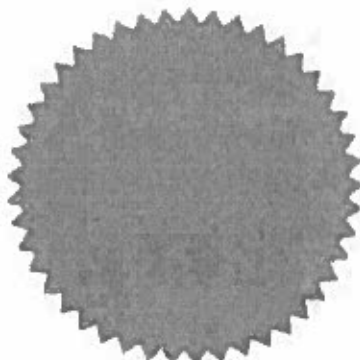
*BUSINESS CORPORATIONS ACT*

I Hereby Certify that FLYING "L" RANCH LTD. was incorporated under the Business Corporations Act on June 3, 2019 at 08:20 AM Pacific Time.

*Issued under my hand at Victoria, British Columbia  
On June 3, 2019*



**CAROL PREST**  
*Registrar of Companies*  
Province of British Columbia  
Canada



**COMPLETING PARTY**

**Name, First Name, Middle Name:**  
LARES, MICHAEL

**Mailing Address:**  
8554 NEMIAH VALLEY ROAD  
PO BOX 10  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**Completing Party Statement**

I, MICHAEL LARES, the completing party, have examined the articles and the incorporation agreement applicable to the company that is to be incorporated by the filing of the Incorporation Application and confirm that:

- a) the Articles and the Incorporation Agreement both contain a signature line for each person identified as an incorporator in the Incorporation Application with the name of that person set out legibly under the signature lines.
- b) an original signature has been placed on each of those signature lines, and
- c) I have no reason to believe that the signature placed on a signature line is not the signature of the person whose name is set out under that signature line.

**NOTICE OF ARTICLES**

**Name of Company:**  
FLYING "L" RANCH LTD.

**REGISTERED OFFICE INFORMATION**

**Mailing Address:**  
PO BOX 10  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**Delivery Address:**  
8554 NEMIAH VALLEY ROAD  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**RECORDS OFFICE INFORMATION**

**Mailing Address:**  
PO BOX 10  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**Delivery Address:**  
8554 NEMIAH VALLEY ROAD  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**DIRECTOR INFORMATION**

**Last Name, First Name, Middle Name:**  
LARES, MICHAEL

**Mailing Address:**  
8554 NEMIAH VALLEY ROAD  
PO BOX 10  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**Delivery Address:**  
8554 NEMIAH VALLEY ROAD  
PO BOX 10  
NEMIAH VALLEY BC V0L 1X0  
CANADA



BC Registry  
Services

Mailing Address:  
PO Box 9431 Stn Prov Govt  
Victoria BC V8W 9V3  
[www.corporationline.gov.bc.ca](http://www.corporationline.gov.bc.ca)

Location:  
2nd Floor - 940 Blanshard Street  
Victoria BC  
1 877 526-1526

---

## Cover Sheet

FLYING "L" RANCH LTD.

### Confirmation of Service

<b>Form Filed:</b>	Notice of Change of Directors
<b>Date and Time of Filing:</b>	June 7, 2019 09:05 AM Pacific Time
<b>Name of Company:</b>	FLYING "L" RANCH LTD.
<b>Incorporation Number:</b>	BC1211100

---

#### This package contains:

- Certified Copy of the Notice of Articles
- 

Check your documents carefully to ensure there are no errors or omissions. If errors or omissions are discovered, please contact the Corporate Registry for instructions on how to correct the errors or omissions.



**BC Registry  
Services**

Mailing Address:  
PO Box 9431 Stn Prov Govt  
Victoria BC V8W 9V3  
www.corporateonline.gov.bc.ca

Location:  
2nd Floor - 940 Blanshard Street  
Victoria BC  
1 877 526-1528

**CERTIFIED COPY**  
Of a Document filed with the Province of  
British Columbia Registrar of Companies

**Notice of Articles**  
*BUSINESS CORPORATIONS ACT*

*Wheat*  
CAROL PREST

*This Notice of Articles was issued by the Registrar on: June 7, 2019 09:05 AM Pacific Time*

*Incorporation Number: BC1211100*

*Recognition Date and Time: Incorporated on June 8, 2019 08:20 AM Pacific Time*

**NOTICE OF ARTICLES**

**Name of Company:**  
FLYING "L" RANCH LTD.

**REGISTERED OFFICE INFORMATION**

**Mailing Address:**  
PO BOX 10  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**Delivery Address:**  
8554 NEMIAH VALLEY ROAD  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**RECORDS OFFICE INFORMATION**

**Mailing Address:**  
PO BOX 10  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**Delivery Address:**  
8554 NEMIAH VALLEY ROAD  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**DIRECTOR INFORMATION**

**Last Name, First Name, Middle Name:**  
van der Heyden, Peter

**Mailing Address:**  
8050 BIRCH WAY  
HALFMOON BAY BC V0N 1Y2  
CANADA

**Delivery Address:**  
8050 BIRCH WAY  
HALFMOON BAY BC V0N 1Y2  
CANADA

**Last Name, First Name, Middle Name:**  
LARES, MICHAEL

**Mailing Address:**  
8554 NEMIAH VALLEY ROAD  
PO BOX 10  
NEMIAH VALLEY BC V0L 1X0  
CANADA

**Delivery Address:**  
8554 NEMIAH VALLEY ROAD  
PO BOX 10  
NEMIAH VALLEY BC V0L 1X0  
CANADA


**AUTHORIZED SHARE STRUCTURE**

- |       |            |                                  |   |
|-------|------------|----------------------------------|---|
| 1.    | No Maximum | Class A Common Voting Shares     | Without Par Value                               |
|       |            |                                  | With Special Rights or<br>Restrictions attached |
| ----- |            |                                  |   |
| 2.    | No Maximum | Class B Common Voting Shares     | Without Par Value                               |
|       |            |                                  | With Special Rights or<br>Restrictions attached |
| ----- |            |                                  |   |
| 3.    | No Maximum | Class C Common Non-Voting Shares | Without Par Value                               |
|       |            |                                  | With Special Rights or<br>Restrictions attached |
| ----- |            |                                  |   |


## INCORPORATION AGREEMENT AND ARTICLES

We propose to form a company under the Business Corporations Act (BC) under the name of FLYING "L" RANCH LTD. (the "Company").

We agree to take the number of shares in the Company set opposite our names:

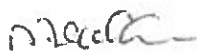
Name of Shareholder	Signature of Shareholder	Number of Shares	Class of Shares	Signing Date YYYY/MM/DD
MICHAEL DENNIS LARES		100	Class A	2019-06-03
PETER VAN DER HEYDEN		100	Class A	2019-06-03

The Company has as its Articles, those Articles as appended as "Table A" to this Agreement.

Name of Incorporator	Signature of Incorporator	Signing Date YYYY/MM/DD
MICHAEL DENNIS LARES		2019-06-03

**FLYING "L" RANCH LTD. (the "Company")**  
Incorporation Number: BC1211100

The Company has as its Articles the following Articles.

Name of Incorporator	Signature of Incorporator	Signing Date YYYY/MM/DD
MICHAEL DENNIS LARES		2019-06-03

[am. B.C. Reg.s 315/2004, ss. 5 to 9; 186/2007]

**TABLE "A": ARTICLES OF INCORPORATION**

**Part 1 – Interpretation**

**Definitions**

1. Without limiting Article 2 of these Articles, unless the context requires otherwise:
  - a. "adjourned meeting" means the meeting to which a meeting is adjourned under Article 31 or 33;
  - b. "appropriate person" has the same meaning as in the Securities Transfer Act;
  - c. "board" and "directors" mean the directors or sole director of the Company for the time being;
  - d. "Business Corporations Act" means the Business Corporations Act, S.B.C. 2002, c.57, and includes its regulations;
  - e. "Interpretation Act" means the Interpretation Act, R.S.B.C. 1996, c. 238;
  - f. "protected purchaser" has the same meaning as in the Securities Transfer Act;
  - g. "trustee", in relation to a shareholder, means the personal or other legal representative of the shareholder, and includes a trustee in bankruptcy of the shareholder.

**Business Corporations Act definitions apply**

2. The definitions in the Business Corporations Act apply to these Articles.

**Interpretation Act applies**

3. The Interpretation Act applies to the interpretation of these Articles as if these Articles were an enactment.

**Conflict in definitions**

4. If there is a conflict between a definition in the Business Corporations Act and a definition or rule in the Interpretation Act relating to a term used in these Articles, the definition in the Business Corporations Act will prevail in relation to the use of the term in these Articles.

**Conflict between Articles and legislation**

5. If there is a conflict between these Articles and the Business Corporations Act, the Business Corporations Act will prevail.

**Part 2 — Shares and Share Certificates****Form of share certificate**

6. Each share certificate issued by the Company must comply with, and be signed as required by, the Business Corporations Act.

**Right to share certificate**

7. Each shareholder is entitled, without charge, to one certificate representing the share or shares of each class or series of shares held by the shareholder.

**Sending of share certificate**

8. Any share certificate to which a shareholder is entitled may be sent to the shareholder by mail and neither the Company nor any agent is liable for any loss to the shareholder because the certificate sent is lost in the mail or stolen.

**Replacement of worn out or defaced certificate**

9. If the directors are satisfied that a share certificate is worn out or defaced, they must, on production to them of the certificate and on such other terms, if any, as they think fit,

- a. order the certificate to be cancelled, and
- b. issue a replacement share certificate.

#### **Replacement of lost, destroyed or wrongfully taken certificate**

10. If a person entitled to a share certificate claims that the share certificate has been lost, destroyed or wrongfully taken, the Company must issue a new share certificate, if the person
  - a. so requests before the Company has notice that the lost, destroyed or wrongfully taken share certificate has been acquired by a protected purchaser,
  - b. provides the Company with an indemnity bond sufficient, in the judgment of the directors, to protect the Company from any loss that the Company may suffer by issuing a new certificate, and
  - c. satisfies any other reasonable requirements imposed by the Company.

#### **Certificate not to be replaced after registration of transfer**

11. A person entitled to a share certificate may not assert against the Company a claim for a new share certificate under Article 10 if
  - a. the share certificate has been lost, apparently destroyed or wrongfully taken and the person fails to notify the Company of that fact within a reasonable time after the person has notice of it, and
  - b. the Company registers a transfer of the shares represented by the certificate before receiving a notice of the loss, apparent destruction or wrongful taking of the share certificate.

#### **Splitting share certificates**

12. If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name 2 or more certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the certificate so surrendered, the Company must cancel the surrendered certificate and issue replacement share certificates in accordance with that request.

### Directors authorized to issue shares

13. The directors may, subject to the rights of the holders of the issued shares of the Company, issue, allot, sell, grant options on or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices that the directors, in their absolute discretion, may determine.

### Three Classes of Shares

14. The Company is authorized to issue Class A, Class B and Class C shares with the following rights, privileges, restrictions and conditions:
  - a. Class A Common Voting shares, without nominal par value, the holders of which are entitled:
    - i. to attend and vote at all meeting of shareholders except meetings at which only holders of a specified class of shares are entitled to vote; and
    - ii. to a dividend as fixed by the board of directors.
  - b. Class B Common Voting shares, without nominal par value, the holders of which are entitled:
    - i. to attend and vote at all meeting of shareholders except meetings at which only holders of a specified class of shares are entitled to vote; and
    - ii. to a dividend as fixed by the board of directors.
  - c. Class C Common Non-Voting shares, which shall carry the right to a dividend as fixed by the board of directors.
  - d. The holders of the Class C Common Non-Voting shares will not be entitled to attend or vote at any meetings of shareholders except as otherwise specifically provided in the Business Corporations Act.
  - e. Dividends may be declared and paid on the Class A Common Shares to the complete exclusion of dividends being declared and paid on any other class or classes of shares of the Company.
  - f. Dividends may be declared and paid on the Class B Common Shares to the complete exclusion of dividends being declared and paid on any other class or classes of shares of the Company.
  - g. Dividends may be declared and paid on the Class C Common Shares to the complete exclusion of dividends being declared and paid on any other class or classes of shares of the Company.
  - h. In the event of liquidation, dissolution or winding up of the Company or other distribution of the assets of the Company among shareholders for the purpose of winding up its affairs, the holders of the Class A Common Shares, Class B Common Shares and Class C Common Shares

will rank pari passu with one another to receive any remaining balance of the assets and properties of the Company.

### Shareholder Limit

15. The number of shareholders in the Company, exclusive of employees and former employees who, while employed by the Company were, and following the termination of that employment, continue to be, shareholders of the Company, is limited to not more than fifty, two or more persons who are the joint registered holders of one or more shares being counted as one shareholder.

### Prohibition on Public Invitation

16. Any invitation to the public to subscribe for securities of the Company is prohibited.

### Company need not recognize unregistered interests

17. Except as required by law or these Articles, the Company need not recognize or provide for any person's interests in or rights to a share unless that person is the shareholder of the share.

## Part 4 — Share Transfers

### Registering transfers

18. If the Company has issued, or may be required to issue, a share certificate in respect of a share of the Company, a transfer of that share must not be registered unless the Company, or the transfer agent or registrar for the applicable class or series of shares, has received
  - a. the share certificate, if any,
  - b. a written instrument of transfer, which instrument of transfer may be on a separate document or on the share certificate, endorsed by
    - i. the shareholder,
    - ii. any other appropriate person, or
    - iii. an agent who has actual authority to act on behalf of the shareholder or appropriate person, and
  - c. any other evidence reasonably required by the Company, or by the transfer agent or registrar for the applicable class or series of shares, to prove

- i. the title of the transferor,
- ii. the transferor's right to transfer the share,
- iii. that the endorsement is genuine and authorized, or
- iv. that the transfer is rightful or is to a protected purchaser.

#### Transfer fee

19. There must be paid to the Company, in relation to the registration of any transfer, the amount determined by the directors.

#### Part 5 — Purchase of Shares

#### Company authorized to purchase shares

20. Subject to the special rights and restrictions attached to any class or series of shares, the Company may, if it is authorized to do so by the directors, purchase or otherwise acquire any of its shares.

#### Part 6 — Borrowing Powers

#### Powers of directors

21. If authorized by by-law which is duly made by the directors and confirmed by ordinary resolution of the shareholders, the directors of the Company may from time to time:
  - a. borrow money upon the credit of the Company;
  - b. issue, reissue, sell or pledge debt obligations of the Company; or
  - c. mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Company to such extent and in such manner as may be set out in the by-law.

Any such by-law may provide for the delegation of such powers by the directors to such officers or directors of the Company to such extent and in such manner as may be set out in the by-law.

Nothing herein limits or restricts the borrowing of money by the Company on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Company.

## Part 7 — General Meetings

### Annual general meetings

22. Unless an annual general meeting is deferred or waived in accordance with section 182 (2) (a) or (c) of the Business Corporations Act, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual general meeting.

### When annual general meeting is deemed to have been held

23. If all of the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under section 182 (2) (b) of the Business Corporations Act to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date selected, under section 182 (3) of the Business Corporations Act, in the unanimous resolution.

### Calling of shareholder meetings

24. The directors may, whenever they think fit, call a meeting of shareholders.

### Special business

25. If a meeting of shareholders is to consider special business within the meaning of Article 26, the notice of meeting must
- a. state the general nature of the special business, and
  - b. if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders
    - i. at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified by the notice, and
    - ii. during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

---

Part 8 — Proceedings at Meetings of Shareholders

**Special business**

26. At a meeting of shareholders, the following business is special business:
- a. at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting; and
  - b. at an annual general meeting, all business is special business except for the following:
    - i. business relating to the conduct of, or voting at, the meeting;
    - ii. consideration of any financial statements of the Company presented to the meeting;
    - iii. consideration of any reports of the directors or auditor;
    - iv. the setting or changing of the number of directors;
    - v. the election or appointment of directors;
    - vi. the appointment of an auditor;
    - vii. the setting of the remuneration of an auditor; and
    - viii. business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution.

**Quorum**

27. Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is 2 persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 1/20 of the issued shares entitled to be voted at the meeting.

**One shareholder may constitute quorum**

28. If there is only one shareholder entitled to vote at a meeting of shareholders,
- a. the quorum is one person who is, or who represents by proxy, that shareholder, and
  - b. that shareholder, present in person or by proxy, may constitute the meeting.

**Other persons may attend**

29. The directors, the president, if any, the secretary, if any, and any lawyer or auditor for the Company are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum, and is not entitled to vote at the meeting, unless that person is a shareholder or proxy holder entitled to vote at the meeting.

**Requirement of quorum**

30. No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting.

**Lack of quorum**

31. If, within 1/2 hour from the time set for the holding of a meeting of shareholders, a quorum is not present,
- a. in the case of a general meeting convened by requisition of shareholders, the meeting is dissolved, and
  - b. in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

**Lack of quorum at succeeding meeting**

32. If, at the meeting to which the first meeting referred to in Article 31 was adjourned, a quorum is not present within 1/2 hour from the time set for the holding of the meeting, the persons present and being, or representing by proxy, shareholders entitled to attend and vote at the meeting constitute a quorum.

**Chair**

33. The following individual is entitled to preside as chair at a meeting of shareholders:
- a. the chair of the board, if any; and
  - b. if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

### Alternate chair

34. If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders present in person or by proxy must choose any person present at the meeting to chair the meeting.

### Adjournments

35. The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

### Notice of adjourned meeting

36. It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

### Motion need not be seconded

37. No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

### Manner of taking a poll

38. Subject to Article 39, if a poll is duly demanded at a meeting of shareholders,
- a. the poll must be taken
    - i. at the meeting, or within 7 days after the date of the meeting, as the chair of the meeting directs, and
    - ii. in the manner, at the time and at the place that the chair of the meeting directs,

- b. the result of the poll is deemed to be a resolution of and passed at the meeting at which the poll is demanded, and
- c. the demand for the poll may be withdrawn.

#### **Demand for a poll on adjournment**

39. A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

#### **Demand for a poll not to prevent continuation of meeting**

40. The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

#### **Poll not available in respect of election of chair**

41. No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

#### **Casting of votes on poll**

42. On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

#### **Chair must resolve dispute**

43. In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the same, and his or her determination made in good faith is final and conclusive.

#### **Chair has no second vote**

44. In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a casting or second vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

### Declaration of result

45. The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting.

## Part 9 — Votes of Shareholders

### Voting rights

46. Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint registered holders of shares under Article 48,
- a. on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote at the meeting has one vote, and
  - b. on a poll, every shareholder entitled to vote has one vote in respect of each share held by that shareholder that carries the right to vote on that poll and may exercise that vote either in person or by proxy.

### Trustee of shareholder may vote

47. A person who is not a shareholder may vote on a resolution at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting in relation to that resolution, if, before doing so, the person satisfies the chair of the meeting at which the resolution is to be considered, or the directors, that the person is a trustee for a shareholder who is entitled to vote on the resolution.

### Votes by joint shareholders

48. If there are joint shareholders registered in respect of any share,
- a. any one of the joint shareholders may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it, or
  - b. if more than one of the joint shareholders is present at any meeting, personally or by proxy, the joint shareholder present whose name stands first on the central securities register in respect of the share is alone entitled to vote in respect of that share.

**Trustees as joint shareholders**

49. Two or more trustees of a shareholder in whose sole name any share is registered are, for the purposes of Article 48, deemed to be joint shareholders.

**Representative of a corporate shareholder**

50. If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and,
- a. for that purpose, the instrument appointing a representative must
    - i. be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least 2 business days before the day set for the holding of the meeting, or
    - ii. be provided, at the meeting, to the chair of the meeting, and
  - b. if a representative is appointed under this Article,
    - i. the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder, and
    - ii. the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

**Proxy provisions do not apply to all companies**

51. Articles 52 to 58 do not apply to the Company if and for so long as it is a public company or a pre-existing reporting company.

**Appointment of proxy holder**

52. Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint a proxy holder to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

**Alternate proxy holders**

53. A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

**When proxy holder need not be shareholder**

54. A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if
- a. the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 50,
  - b. the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting, or
  - c. the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting.

**Form of proxy**

55. A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

**FLYING "L" RANCH LTD.**

The undersigned, being a shareholder of FLYING "L" RANCH LTD., hereby appoints \_\_\_\_\_

\_\_\_\_\_, or, failing that person, \_\_\_\_\_, as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders to be held on the ... .. day of... .. and at any adjournment of that meeting.

Signed this ... .. day of ... ..

Signature of shareholder

**Provision of proxies**

56. A proxy for a meeting of shareholders must
- a. be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, 2 business days, before the day set for the holding of the meeting, or
  - b. unless the notice provides otherwise, be provided, at the meeting, to the chair of the meeting.

**Revocation of proxies**

57. Subject to Article 58, every proxy may be revoked by an instrument in writing that is
- a. received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used, or
  - b. provided at the meeting to the chair of the meeting.

**Revocation of proxies must be signed**

58. An instrument referred to in Article 57 must be signed as follows:
- a. if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her trustee; and
  - b. if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 50.

**Validity of proxy votes**

59. A vote given in accordance with the terms of a proxy is valid despite the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received
- a. at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used, or
  - b. by the chair of the meeting, before the vote is taken.

**Production of evidence of authority to vote**

60. The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

**Part 10 — Election and Removal of Directors****Number of directors**

61. The Company must have a board of directors consisting of
- a. subject to paragraph (b), the number of directors that is equal to the number of the Company's first directors, or
  - b. the number of directors set by ordinary resolution of the shareholders.

**Change in number of directors**

62. If the number of directors is changed by the shareholders under Article 61 (b),
- a. the change is effective whether or not previous notice of the resolution was given, and
  - b. the shareholders may elect, or appoint by ordinary resolution, the directors needed to fill any vacancies in the board of directors that result from that change.

**Election of directors**

63. At every annual general meeting,
- a. the shareholders entitled to vote at the annual general meeting for the election or appointment of directors must elect or appoint a board of directors consisting of the number of directors for the time being required under these Articles, and
  - b. all the directors cease to hold office immediately before the election or appointment of directors under paragraph (a), but are eligible for re-election or reappointment.

**Failure to elect or appoint directors**

64. If the Company fails to hold an annual general meeting in accordance with the Business Corporations Act or fails, at an annual general meeting, to elect or appoint any directors, the directors then in office continue to hold office until the earlier of

- a. the date on which the failure is remedied, and
- b. the date on which they otherwise cease to hold office under the Business Corporations Act or these Articles.

#### **Additional directors**

65. Despite Articles 61 and 62, the directors may appoint one or more additional directors, who shall hold office for a term expiring not later than the close of the next annual general meeting of shareholders, but the number of additional directors appointed under this Article must not at any time exceed
  - a. 1/3 of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office, or
  - b. in any other case, 1/3 of the number of the current directors who were elected or appointed as directors other than under this Article.

#### **Directors' acts valid despite vacancy**

66. An act or proceeding of the directors is not invalid merely because fewer than the number of directors required by Article 61 are in office.

### **Part 11 — Proceedings of Directors**

#### **Meetings of directors**

67. The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the board held at regular intervals may be held at the place, at the time and on the notice, if any, that the board may by resolution from time to time determine.

#### **Chair of meetings**

68. Meetings of directors are to be chaired by
  - a. the chair of the board, if any,
  - b. in the absence of the chair of the board, the president, if any, if the president is a director, or
  - c. any other director chosen by the directors if
    - i. neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting.

- ii. neither the chair of the board nor the president, if a director, is willing to chair the meeting, or
- iii. the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

#### **Voting at meetings**

69. Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

#### **Who may call extraordinary meetings**

70. A director may, and the secretary, if any, on request of a director must, call a meeting of the board at any time.

#### **Notice of extraordinary meetings**

71. Subject to Articles 72 and 73, if a meeting of the board is called under Article 70, reasonable notice of that meeting, specifying the place, date and time of that meeting, must be given to each of the directors
- a. by mail addressed to the director's address as it appears on the books of the Company or to any other address provided to the Company by the director for this purpose,
  - b. by leaving it at the director's prescribed address or at any other address provided to the Company by the director for this purpose, or
  - c. orally, by delivery of written notice or by telephone, voice mail, e-mail, fax or any other method of legibly transmitting messages.

#### **When notice not required**

72. It is not necessary to give notice of a meeting of the directors to a director if
- a. the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed or is the meeting of the directors at which that director is appointed, or
  - b. the director has filed a waiver under Article 74.

**Meeting valid despite failure to give notice**

73. The accidental omission to give notice of any meeting of directors to any director, or the non-receipt of any notice by any director, does not invalidate any proceedings at that meeting.

**Waiver of notice of meetings**

74. Any director may file with the Company a document signed by the director waiving notice of any past, present or future meeting of the directors and may at any time withdraw that waiver with respect to meetings of the directors held after that withdrawal.

**Effect of waiver**

75. After a director files a waiver under Article 74 with respect to future meetings of the directors, and until that waiver is withdrawn, notice of any meeting of the directors need not be given to that director unless the director otherwise requires in writing to the Company.

**Quorum**

76. The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is a majority of the directors.

**If only one director**

77. If, in accordance with Article 61, the number of directors is one, the quorum necessary for the transaction of the business of the directors is one director, and that director may constitute a meeting.

**Part 12 — Committees of Directors****Appointment of committees**

78. The directors may, by resolution,
- a. appoint one or more committees consisting of the director or directors that they consider appropriate,
  - b. delegate to a committee appointed under paragraph (a) any of the directors' powers, except
    - i. the power to fill vacancies in the board,

- ii. the power to change the membership of, or fill vacancies in, any committee of the board, and
- iii. the power to appoint or remove officers appointed by the board, and
- c. make any delegation referred to in paragraph (b) subject to the conditions set out in the resolution.

#### Obligations of committee

79. Any committee formed under Article 78, in the exercise of the powers delegated to it, must
- a. conform to any rules that may from time to time be imposed on it by the directors, and
  - b. report every act or thing done in exercise of those powers to the earliest meeting of the directors to be held after the act or thing has been done.

#### Powers of board

80. The board may, at any time,
- a. revoke the authority given to a committee, or override a decision made by a committee, except as to acts done before such revocation or overriding,
  - b. terminate the appointment of, or change the membership of, a committee, and
  - c. fill vacancies in a committee.

#### Committee meetings

81. Subject to Article 79 (a),
- a. the members of a directors' committee may meet and adjourn as they think proper,
  - b. a directors' committee may elect a chair of its meetings but, if no chair of the meeting is elected, or if at any meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting,
  - c. a majority of the members of a directors' committee constitutes a quorum of the committee, and
  - d. questions arising at any meeting of a directors' committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting has no second or casting vote.

---

### Part 13 — Officers

#### Appointment of officers

82. The board may, from time to time, appoint a president, secretary or any other officers that it considers necessary, and none of the individuals appointed as officers need be a member of the board.

#### Functions, duties and powers of officers

83. The board may, for each officer,
- a. determine the functions and duties the officer is to perform,
  - b. entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit, and
  - c. from time to time revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

#### Remuneration

84. All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the board thinks fit and are subject to termination at the pleasure of the board.

### Part 14 — Disclosure of Interest of Directors

#### Other office of director

85. A director may hold any office or place of profit with the Company (other than the office of auditor of the Company) in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

#### No disqualification

86. No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise.

**Professional services by director or officer**

87. Subject to compliance with the provisions of the Business Corporations Act, a director or officer of the Company, or any corporation or firm in which that individual has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such corporation or firm is entitled to remuneration for professional services as if that individual were not a director or officer.

**Accountability**

88. A director or officer may be or become a director, officer or employee of, or may otherwise be or become interested in, any corporation, firm or entity in which the Company may be interested as a shareholder or otherwise, and, subject to compliance with the provisions of the Business Corporations Act, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other corporation, firm or entity.

**Part 15 — Indemnification****Indemnification of directors**

89. The directors must cause the Company to indemnify its directors and former directors, and their respective heirs and personal or other legal representatives to the greatest extent permitted by Division 5 of Part 5 of the Business Corporations Act.

**Deemed contract**

90. Each director is deemed to have contracted with the Company on the terms of the indemnity referred to in Article 89.

**Part 16 — Dividends****Declaration of dividends**

91. Subject to the rights, if any, of shareholders holding shares with special rights as to dividends, the directors may from time to time declare and authorize payment of any dividends the directors consider appropriate.

**No notice required**

92. The directors need not give notice to any shareholder of any declaration under Article 91.

**Directors may determine when dividend payable**

93. Any dividend declared by the directors may be made payable on such date as is fixed by the directors.

**Dividends to be paid in accordance with number of shares**

94. Subject to the rights of shareholders, if any, holding shares with special rights as to dividends, all dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

**Manner of paying dividend**

95. A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of paid up shares or fractional shares, bonds, debentures or other debt obligations of the Company, or in any one or more of those ways, and, if any difficulty arises in regard to the distribution, the directors may settle the difficulty as they consider expedient, and, in particular, may set the value for distribution of specific assets.

**Dividend bears no interest**

96. No dividend bears interest against the Company.

**Fractional dividends**

97. If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

**Payment of dividends**

98. Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed
- a. subject to paragraphs (b) and (c), to the address of the shareholder.

- b. subject to paragraph (c), in the case of joint shareholders, to the address of the joint shareholder whose name stands first on the central securities register in respect of the shares, or
- c. to the person and to the address as the shareholder or joint shareholders may direct in writing.

#### **Receipt by joint shareholders**

99. If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

#### **Part 17 — Accounting Records**

#### **Recording of financial affairs**

100. The board must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the provisions of the Business Corporations Act.

#### **Part 18 — Execution of Instruments under Seal**

#### **Who may attest seal**

101. The Company's seal, if any, must not be impressed on any record except when that impression is attested by the signature or signatures of
- a. any 2 directors,
  - b. any officer, together with any director,
  - c. if the Company only has one director, that director, or
  - d. any one or more directors or officers or persons as may be determined by resolution of the directors.

#### **Sealing copies**

102. For the purpose of certifying under seal a true copy of any resolution or other document, the seal must be impressed on that copy and, despite Article 101, may be attested by the signature of any director or officer.

#### **Part 19 — Notices**

### Notice to joint shareholders

103. A notice, statement, report or other record may be provided by the Company to the joint registered shareholders of a share by providing the notice to the joint registered shareholder whose name stands first on the central securities register in respect of the share.

### Notice to trustees

104. If a person becomes entitled to a share as a result of the death, bankruptcy or incapacity of a shareholder, the Company may provide a notice, statement, report or other record to that person by
- a. mailing the record, addressed to that person
    - i. by name, by the title of representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description, and
    - ii. at the address, if any, supplied to the Company for that purpose by the person claiming to be so entitled, or
  - b. if an address referred to in paragraph (a) (ii) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

## Part 20 -- Restriction on Share Transfer

### Application

105. Article 106 does not apply to the Company if and for so long as it is a public company or a pre-existing reporting company.

### Consent required for transfer

106. The right to transfer shares of the Company shall be restricted in that no shareholder shall be entitled to transfer any share or shares of the Company without the approval of:
- a. the directors of the Company expressed by resolution passed by the votes cast by a majority of the directors of the Company at a meeting of the board of directors or signed by all of the directors of the Company; or
  - b. the shareholders of the Company expressed by resolution passed by the votes cast by a majority of the shareholders who voted in respect of the resolution or signed by all shareholders entitled to vote on that resolution.

**Part 21 — Restriction on Businesses of Company****Permitted Businesses**

107. The Company may carry on any business that is permitted by law and is not restricted to or from carrying on any specific business.

To: Michael Lares  
Director, Flying "L" Ranch  
P.O. Box 10  
Nemiah Valley, BC  
V0L 1X0

This is Exhibit "D" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
A Commissioner for taking Affidavits in British Columbia

Re: Right of First Refusal and use of DL-199

Date: September 3, 2022

This letter constitutes formal agreement on the part of Peter van der Heyden, undersigned, to give Flying "L" Ranch the Right of First Refusal, in a timely fashion, in case of any potential future sale of DL-199.

In addition, this letter also constitutes agreement on the part of Pater van der Heyden, undersigned, in exchange for the yearly sum of \$1.00 paid to Peter van der Heyden, to allow Flying "L" Ranch unrestricted use of DL-199 for ranching purposes, including grazing, haying, fencing, woodlot maintenance, watercourse maintenance, beaver control, and any other such activities as pertain to ranching, but excluding occupation and construction of buildings and roadways and other material changes to the land except under specific prior agreement.



Peter van der Heyden  
8050 Birch Way  
Halfmoon Bay, BC  
V7Z 1C2



Michael Lares  
Director, Flying "L" Ranch  
Nemiah Valley, BC  
V0L 1X0

Witness:



David Brierley  
362 Parker Road  
Gibsons, BC  
V0N 1V1



KAMLOOPS LAND TITLE OFFICE  
SEP 07 2022 13:35:50.001  
CB205151

1. Application

Lim & Company Barristers and Solicitors  
202 - 2232 West 41st Ave  
Vancouver BC V6M 1Z8  
(604) 266-1988

10-31744 van der Heyden/Lt

Document Fees: \$76.32

2. Description of Land

PID/Plan Number	Legal Description
011-216-395	DISTRICT LOT 199 RANGE 2 COAST DISTRICT

Market Value  
\$7,456.00

3. Consideration

\$7,456.00

4. Transferor(s)

FLYING "L" RANCH LTD., NO. BC1211100

5. Freehold Estate Transferred

FEE SIMPLE

6. Transferee(s)

PETER VAN DER HEYDEN  
8050 BIRCH WAY  
HALFMOON BAY BC V7Z 1C2

DIRECTOR

This is Exhibit "E" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

A Commissioner for taking Affidavits in British Columbia



7. Execution(s)

The transferor(s) accept(s) the above consideration and understand(s) that the instrument operates to transfer the freehold estate in the land described above to the transferee(s).

Witnessing Officer Signature

Execution Date

Transferor Signature(s)

YYY-MM-DD

2022-08-31

Flying "L" Ranch Ltd.  
By their Authorized Signatory

\_\_\_\_\_  
**WILLIAM H. LIM**  
Barrister & Solicitor  
#202 - 2232 W. 41st Avenue  
Vancouver BC V6M 1Z8

\_\_\_\_\_  
Peter van der Heyden

Tel: (604) 266-1988

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

Electronic Signature

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the Land Title Act, R.S.B.C. 1996, c. 250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

**William Henry  
Lim Q776HE**

Digitally signed by  
William Henry Lim Q776HE  
Date: 2022-09-07  
13:30:51 -07:00

This is Exhibit "F" referred to in the Affidavit of Michael Lares  
made before me at Surrey, BC, this 19th day of December  
2024.

  
\_\_\_\_\_  
A Commissioner for taking Affidavits in British Columbia

## MEMORANDUM OF UNDERSTANDING

### BETWEEN:

MICHAEL DENNIS LARES of Box 10, Nemiah Valley, British Columbia, Canada V0L 1X0 (the "Purchaser")

### AND:

PETER VAN DER HEYDEN of 8050 Birch Way, Halfmoon Bay, British Columbia, Canada V7Z 1C2 (the "Vendor")

(individually the "Party" and collectively the "Parties")

1. The Vendor HEREBY AGREES TO SELL, and the Purchaser HEREBY AGREES TO PURCHASE all of the Vendor's shares (the "Shares") in FLYING "L" RANCH LTD. (the "Company") for the total purchase price of TWO MILLION DOLLARS (\$2,000,000.00) (the "Purchase Price") subject to the terms and conditions outlined in this Memorandum and which shall be contained in a Master Purchase Agreement (defined below).
2. The closing date of the transaction (the "Closing Date") is April 10, 2024, unless otherwise mutually agreed.
3. Neither Party will have any obligation to the other under this Memorandum, other than the Signing Payment (defined below) by the Purchaser to the Vendor. The obligation to complete the purchase transaction will be binding only in accordance with the terms of a master purchase agreement (the "Master Purchase Agreement") to be executed by the Parties on or by April 3, 2024, and to be included in the transaction documentation, with the usual conditions, covenants, representations, and warranties. In addition to the Parties' representations and obligations specified herein:
  - a) Vendor represents that Vendor's assets being sold and Company and Purchaser jointly and severally represent that Company's and Purchaser's assets subject to the Security (defined below) are free and clear of any liens or encumbrances. In relation to potential encumbrances to title of lands considered in this Memorandum, the Parties acknowledge and are aware of the decision of the Supreme Court of Canada in *Tsilqot'in Nation v. British Columbia*, 2014 SCC 44 (2014) and claims of aboriginal title made by First Nations; and
  - b) the Parties shall have until March 27, 2024, to remove any conditions precedent to this transaction set out in the Master Purchase Agreement to be prepared in accordance with the terms hereof.
4. The Purchase Price, plus or minus applicable adjustments, shall be paid to the Vendor by the Purchaser by:
  - a) delivery of a promissory note in the amount of ONE MILLION EIGHT HUNDRED AND FIFTY THOUSAND DOLLARS (\$1,850,000.00) (the "Promissory Note") issued by the Purchaser to the Vendor on or before the Closing Date, with payment in the amount of ONE MILLION DOLLARS (\$1,000,000.00) (the "First Payment") on or before December 31, 2024, and the remaining EIGHT HUNDRED AND FIFTY THOUSAND DOLLARS (\$850,000.00)

(the "Final Payment", and together with the First Payment, the "Payments") on or before June 30, 2025 (the "Final Payment Date"); and

- b) two installment payments towards the Purchase Price in the amount of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00) each, with:
  - (i) the first installment ("First Installment") payable on or before June 30, 2024; and
  - (ii) the second installment (the "Second Installment", and together with the First Installment, the "Installments") payable on or before September 30, 2024.
5. Upon signing this Memorandum, the Purchaser shall provide to the Vendor a non-refundable signing payment of \$2,500 (the "Signing Payment"), which shall be applied to the Final Payment on the Final Payment Date.
6. As security for the Installments and the Promissory Note, on the Closing Date the Company and the Purchaser jointly and severally shall execute and deliver to the Vendor the following security (the "Security"):
  - a) a mortgage on the lands legally described as:

PID 011-225-661  
District Lot 383  
Range 2 Coast District, and
  - b) a general security agreement providing a security interest in the some or all of the property listed in Schedule A to this Memorandum, with specifics of such property subject to further discussion between the parties prior to executing the Master Purchase Agreement,with the Vendor retaining the right to initiate foreclosure and enforcement proceedings solely if the Purchaser fails to make full payment of (i) the Installments and all interest accrued and outstanding thereon and (ii) the First Payment, by December 31, 2024. Notwithstanding the foregoing, if the Vendor opts not to initiate foreclosure and enforcement proceedings at that time, the Security will remain in effect until the Purchase Price has been paid in full.
7. Concurrent with or immediately after payment in full of the Installments, the Vendor shall convey to the Company the lands legally described as:
  - a) PID 011-216-395  
District Lot 199  
Range 2 Coast District, andthe Purchaser shall be responsible for the conveyance costs and shall amend the Security to include a mortgage on these lands upon conveyance. The Vendor shall execute and deliver the transfer documents on the Closing Date, to be held in trust with the Purchaser's solicitors subject to the full payment of the Installments.
8. If the Purchaser opts to not make full payment of the Installments by September 30, 2024, or full payment of the Promissory Note by December 31, 2024, any remaining balance will bear interest thereafter at the rate of 10 percent (10%) per annum, calculated daily and compounding yearly until the Installments and Payments and all interest accrued thereon are paid in full by the Purchaser to the Vendor.

9. If the Purchaser fails to make full payment of the Installments and Payments and all interest accrued and outstanding thereon by the Final Payment Date, the Purchaser and Company, as applicable, shall, at the direction of the Vendor and without limiting any other remedies the Vendor may have pursuant to the Security or at law:
  - (a) convey to the Vendor the lands legally described as:

PID 011-225-661  
District Lot 383  
Range 2 Coast District, and

PID 011-216-395  
District Lot 199  
Range 2 Coast District
  - (b) transfer title to and possession of the property listed in Schedule A to this Memorandum to the Vendor,

and upon such conveyances, the Vendor shall:
  - (c) cancel and discharge the Promissory Note and Security, and
  - (d) reimburse the Purchaser an amount equal to: (i) the proceeds of disposition (or if not disposed of, the fair market value) of the lands and Schedule A property; plus (ii) the total of all payments made by the Purchaser toward the Installments and the Promissory Note; less (iii) the Purchase Price; less (iv) all reasonable costs related to the Vendor's seizure and disposition of the lands and Schedule A property, with the resulting reimbursement providing that total value accruing to the Vendor shall not exceed the Purchase Price.
10. On the Closing Date, the Vendor shall: (i) resign as director of the Company, (ii) transfer legal and beneficial ownership of the Shares to the Purchaser, and (iii) forgive any personal loans provided to the Purchaser.
11. On the Closing Date, the Purchaser and Company jointly and severally shall assume all liabilities and debts in respect of the Company and Purchaser to which the Vendor may be or become liable, including specifically (i) the Purchaser's personal truck loan with Scotiabank on which the Vendor is a co-signer; and (ii) any outstanding debt for the Company's CEBA loan (the "Liabilities and Debts"), but excluding (iii) liabilities related to acts or omissions of the Company or the Purchaser that occurred prior to the Closing Date of which the Vendor has knowledge.
12. On the Closing Date, the Parties shall enter into a mutual release in respect of the business of the Company in which the Purchaser and Company jointly and severally agree to indemnify the Vendor as a former shareholder and director of the Company including against the Liabilities and Debts, and the Vendor agrees to indemnify the Purchaser and Company for all obligations arising as a result of the Vendor having been a shareholder and director of the Company, other than the obligations of the Purchaser and Company to the Vendor provided herein.
13. All agreements, deeds, transfers, and other documents prepared after the execution of this Memorandum, and required to affect the transaction as contemplated herein shall be prepared by and at the expense of the Vendor and the said documents shall include customary additional terms,

covenants, representations and warranties provided they are not materially different than the terms contained herein, and shall be delivered to the Purchaser for review before the Closing Date. Notwithstanding the foregoing, each Party shall be solely responsible for their own expenses in relation to the review, negotiation, revision, as applicable, and execution and fulfillment of this Memorandum and of such deeds, transfers, and other documents required to affect the transaction as contemplated herein.

14. No Party shall be deemed to have defaulted under or breached the Master Purchase Agreement for any failure or delay in performing any term thereof when and to the extent such failure or delay is caused by or results from acts beyond the impacted Party's ("Impacted Party") reasonable control, including: (a) acts of God; (b) flood, fire, earthquake, tsunami, epidemics, pandemics, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (d) government order or law; (e) action by any governmental authority; (f) national or regional emergency; or (g) in the case of either Party, the mental or physical incapacity of such person (each, a "Force Majeure Event"). The Impacted Party will give written notice within 5 business days of the Force Majeure Event to the other Party, stating the period of time the occurrence is expected to continue. In the case of mental or physical incapacity this notice will include written confirmation by the Impacted Party's attending physician of the condition and prognosis of the Impacted Party. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party will resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. Unless otherwise agreed, the Impacted Party shall have a day for day extension of the impact up to a maximum period of 90 consecutive days following notice of the Force Majeure Event to continue with the timeline and stipulations of the Master Purchase Agreement, or the other Party may enforce the Impacted Party's obligations thereunder and pursue any remedies available to the other Party.
15. Each of the Parties represent and warrant that they have had the opportunity to seek independent legal advice in respect of the content and effects of this Memorandum and have not relied on the other party or the other Party's counsel.
16. This Memorandum may be signed in one or more counterparts and together such counterparts shall be deemed to be one instrument. This Memorandum may be executed and delivered by electronic means including e-signature or in PDF form.
17. This Memorandum shall remain open for exercise by the Parties until 11.59 p.m. PST on March 7, 2024.

DATED this 7<sup>th</sup> day of March 2024.



PETER VAN DER HEYDEN



MICHAEL DENNIS LARES

**SCHEDULE A**

- 2020 John Deere 325 Backhoe
- Misc. fence materials and steel pipe
- Welder with 250' leads
- Gas cutting system with accessories
- 2 ea. 6500 watt Honda Generators
- Cut off saw with miscellaneous discs
- Misc. hand tools (i.e. pipe wrenches, chain wrenches, hammers, etc.)
- Bale spike attachment for Backhoe
- Forklift attachment for Backhoe
- 1 ea. 40' bridge (steel) with wood decks – not yet installed
- 1000 lb Plate packer
- 150 gal plastic water tank
- Pneumatic impact wrench
- Pneumatic impact wrench sockets
- LP gas engine powered tool compressor with hoses.
- 2 Kenwood radios machine mounted
- Cabin furnishings i.e. fridge/freezers, stove cooktop.
- Lumber, blocks and material for tack/tool shed.
- Misc. support equipment and supplies i.e. oil soak material, weld rods, cutting gas, etc.
- Electric grease gun
- Misc. extension cords
- Sony HD Camera with Tripod and accessories
- 2 ea. Go Pro 8's with accessories
- Chains for backhoe
- Xeni Power pedestal box
- David Brown 990 1976 Tractor
- Hesston Square Baler
- Hay Rake
- New Holland Haybine
- New Holland Round Baler
- 1978 F250 Ford 4x4 Gray Pickup Truck

- 1995 Jeep 4x4 Grey-Brown
- Trailer Auto Hauler with loading ramps
- Horses
- Gooseneck horse trailer
- Miscellaneous old and used farming and ranching equipment, machinery, generators, batteries, supplies, tools, material, wood burning stoves, portable toilets, propane bottles, drums, furniture, furnishings, and fixtures
- Conditional Water License CO63369, Surface Water License, issued/administrated by Ministry of Forests, Lands, Natural Resource Operations and Rural Development, British Columbia

# McQuarrie

McQuarrie Hunter LLP  
 Suite 1500, 13450 - 102 Ave  
 Surrey, BC V3T 5X3  
 Tel: 604.581.7001  
 Fax: 604.581.7110  
 WWW.MCQUARRIE.COM

This is Exhibit "G" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
 A Commissioner for taking Affidavits in British Columbia

Managing Lawyer: Royal J. Morton  
 E-Mail: rmorton@mcquarrie.com

Associate Lawyer: Jordan Mario Julras  
 E-Mail: jjulras@mcquarrie.com

Legal Administrative Assistant: Barbara Poth  
 E-Mail: bpoth@mcquarrie.com  
 Direct Line: 604-580-7061

Our File No.: 240167

February 16, 2024

VIA EMAIL: [rewildranchbc@gmail.com](mailto:rewildranchbc@gmail.com) / [mrsdevynlouis22@gmail.com](mailto:mrsdevynlouis22@gmail.com)

Devyn McMillan

Dear Madam:

**Re: Instagram Defamation of Michael Lares and Flying "L" Ranch Ltd.**

We are legal counsel for Mr. Lares and Flying "L" Ranch Ltd. concerning the above matter.

We have reviewed either statements or other media, such as video, which you have either posted, reposted, or about which you have commented on the social media platform, Instagram. It is clear from the posts that you either authored, republished, or commented on, that you are unlawfully defaming our clients in the form of libel and may also be participating in a civil conspiracy. In either case, your false and defamatory publications necessitate that we pursue a lawsuit on behalf of our clients to stop this unlawful behaviour.

You are hereby put on notice that you must cease and desist from making any further statements about either Mr. Lares or Flying "L" Ranch Ltd. which in any way impugn their reputation. Should you continue to do so, that will only increase our clients' damages claim. By implication, Mr. Lares' family is also being maligned. We are instructed to initiate legal proceedings against you to recover damages and seek injunctive relief and recovery of legal costs.

Damages in defamation cases can run in the hundreds of thousands of dollars, or possibly even millions of dollars, for widespread, malicious, and ongoing defamatory publications. Many of the vulgar statements you have made about Mr. Lares assert that he has engaged in either criminal or violent conduct or other unlawful behaviour. These statements are false. The outrageous nature of some of your publications supports that you are motivated by malice. Public statements about our clients which were made maliciously will add to our clients' damages claim, including aggravated and punitive damages.

Given that you are self-represented, we confirm that we exclusively represent the interests of our clients, Michael Lares and Flying "L" Ranch Ltd., and do not represent your interests. We urge you to obtain independent legal representation. If you have retained counsel, please provide them with this letter.

Yours truly,

**MCQUARRIE HUNTER LLP**

  
**ROYAL J. MORTON\***

Partner

\*Royal Morton Law Corporation

RJM/bjp



# LAROCQUE

BUSINESS LAW

May 27, 2024

Our File: 00104

FLYING "L" RANCH LTD.

8554 Nemiah Valley Road  
Nemiah Valley, BC V0L 1X0  
Canada

Attention: Michael Lares

Dear Mr. Lares:

**Re: Request for Accounting and Corporate Records**

We represent Peter van der Heyden. As you're aware, Peter is a director and shareholder of Flying 'L' Ranch Ltd. (the "Company"). We are writing on Mr. van der Heyden's behalf to request that the Company provide him with copies of all accounting and corporate records of the Company since its incorporation.

The Company is required to keep and maintain accounting records ("Accounting Records") in accordance with section 196(1) of the *Business Corporations Act* (British Columbia) (the "Act"). Mr. van der Heyden is entitled to request and receive copies of the Accounting Records of the Company pursuant to section 196(3) of the Act. We request that you deliver all Accounting Records, including all bookkeeping records and financial statements for the Company, for the years 2019, 2020, 2021, 2022, 2023, and the first quarter of 2024, via email, in PDF format.

Additionally, the Company is required to keep and maintain certain corporate records ("Corporate Records") in accordance with Part 2, Division 5 of the Act. Mr. van der Heyden is entitled to request and receive copies of the Corporate Records pursuant to sections 46 and 48 of the Act.

We request that you deliver all Corporate Records required to be kept in accordance with section 42 of the Act, via email, in PDF format, together with the Accounting Records, no later than **June 7, 2024 at 4:00 pm.**

Thank you,

Yvan Guy Larocque, CD, LLM  
Larocque Business Law  
Hall & Larocque LLP  
yvan@lbcl.ca

This is Exhibit "H" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

A Commissioner for taking Affidavits in British Columbia

# McQuarrie

This is Exhibit "I" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
 A Commissioner for taking Affidavits in British Columbia

McQuarrie Hunter LLP  
 Suite 1500, 13450 - 102 Ave  
 Surrey, BC V3T 5X3  
 Tel: 604.581.7001  
 Fax: 604.581.7110  
 WWW.MCQUARRIE.COM

Managing Lawyer: Royal J. Morton  
 E-Mail: rmorton@mcquarrie.com

Associate Lawyer: Benjamin P. Morley  
 E-Mail: bmorley@mcquarrie.com

Legal Administrative Assistant: Barbara Poth  
 E-Mail: bpoth@mcquarrie.com  
 Direct Line: 604-580-7081

Our File No.: 240945

June 25, 2024

VIA EMAIL: [yvan@lbc.ca](mailto:yvan@lbc.ca)

Larocque Business Law  
 #122, 415 Esplanade West  
 Vancouver, BC V7M 1A6

Attention: Yvan Guy Larocque

Dear Sir:

**Re: Request for accounting and corporate records and other miscellaneous matters between shareholders and Flying "L" Ranch Ltd. (the "Company")**

Further to our letter dated June 11, 2024, our client has instructed us to propose scheduling a directors' meeting of the Company to resolve the matters in issue as set out in the attached draft directors' resolution.

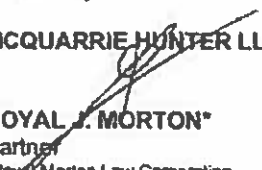
Also, our client proposes that the Company hire a neutral, independent solicitor to chair the meeting. We recommend Mr. Randall Dhaliwal of Fasken. We have contacted his office and inquired of his availability and approximate cost.

Please advise if your client will agree to a virtual directors' meeting to be scheduled for a mutually convenient date and time in July 2024, and is agreeable to hiring a neutral independent solicitor to act as chair.

We look forward to hearing from you.

Yours truly,

MCQUARRIE HUNTER LLP

  
 ROYAL J. MORTON\*  
 Partner  
 \*Royal Morton Law Corporation  
 R.J.M./j.p.  
 Esq.

**FLYING "L" RANCH LTD.**

(the "Company")

**RESOLUTIONS CONSENTED TO IN WRITING BY THE DIRECTORS OF THE COMPANY PURSUANT TO THE ARTICLES OF THE COMPANY WITH EFFECT FROM \_\_\_\_\_, 2024.**

**WHEREAS:**

1. Micheal Dennis Lares ("Michael") and Peter van der Heyden ("Peter") each own 100 Class A shares in the Company.
2. Peter is the legal owner of approximately 80.1 acres of land located at Williams Lake Rural – 20126.000 and legally described as:  
PID 011-216-395  
District Lot 199  
Range 2 Coast District  
  
(the "Land").
3. Peter took title to the Land from the Company, and the transfer into his name was registered on September 7, 2022.
4. The Company has a Right of First Refusal agreement with Peter concerning the Land dated September 3, 2022.
5. Michael proposes to have the Company approve the sale of Peter's 100 Class A shares in the Company to Michael on the terms to be agreed between the parties.
6. Michael proposes to have the Company approve its purchase of Peter's Land for fair market value.
7. A neutral, independent solicitor would be beneficial to chair the directors' meeting.

**NOW THEREFORE BE IT RESOLVED** as follows:

1. **THAT** the Company will purchase Peter's Land for fair market value, at a price to be determined by agreement of the parties or based on a valuation prepared by a Certified Business Valuator, and failing agreement on a valuator, by court order.
2. **THAT** the Company will approve the sale of Peter's 100 Class A shares in the Company to Michael on the terms to be approved between the parties, and failing agreement by court order.

3. **THAT** the Company will hold a directors' meeting on July \_\_\_\_\_, 2024 via MS Teams, to be scheduled by McQuarrie Hunter to take place at \_\_\_\_ a.m./p.m.
4. **THAT** the Company approves hiring a neutral, independent solicitor, \_\_\_\_\_, to chair the directors' meeting.

**EFFECTIVE DATE** \_\_\_\_\_, 2024

\_\_\_\_\_  
Michael Dennis Lares, Director

\_\_\_\_\_  
Peter van der Heyden, Director



# LAROCQUE

BUSINESS LAW

July 3, 2024

This is Exhibit "J" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024. Our File: 00104

McQuarrie Hunter LLP  
1500-13450 102 Avenue  
Surrey, BC V3T 5X3  
Canada

  
A Commissioner for taking Affidavits in British Columbia

Attention: **Royal J. Morton**

Dear Mr. Morton:

**Re: Request for Accounting and Corporate Records**

We write in response to your letter of 12 June 2024 and your recent distribution of proposed resolutions for a July 2024 board meeting.

In response to your general assertions that Mr. van der Heyden has received all accounting and financial records, on that note we may simply disagree.

Whether he received such records – which we dispute – does not affect his right, as a director of the Company, to entitlement to such accounting and corporate records under ss. 46, 48, and 196 of the *Business Corporations Act*, S.B.C. 2002, c. 57. No justification need be provided for such a demand. He is a director of the company and his duties include managing and supervising the management of the business and affairs of the Company.

We reiterate our demand that such documents are produced promptly, and in any event no later than **12 July 2024**. We note your letter advises your office is in possession of some financial records, and we request the disclosure of those forthwith.

Such demands are even more important now. It has come to our attention that a Canada Emergency Business Account ("CEBA") was opened without our client's knowledge, though he is named in the relevant RBC credit statement instead of Mr. Lares. Please include any documentation about the CEBA loan at your earliest opportunity.

In regard to the defamation matter, we confirm your office acted on behalf of the Company. Our client is obviously concerned about potential claims involving the Company of which he had no knowledge until recently. Such matters could affect the Company's liabilities, its claims against third parties, as well as its general operations. Such information is clearly relevant to the Company's affairs as well as any valuation of the Company itself. It is also relevant to Mr. van der Heyden's potential personal exposure to liability and costs as a director of the Company.

We request you provide your complete file, including the third-party communications and letters (as you suggested), your retainer letter in which you agreed to act for the Company, any

invoices issued to the Company, and any communications in which Mr. Lares instructed you regarding the Company's conduct.

As a director of the Company, our client is entitled to information and documents concerning the Company's involvement in litigation-related matters.

In addition, we request that you inform Mr. Lares that our client does not consent, as a director of the Company, to any further material transactions or business being conducted by Mr. Lares on behalf of the Company without our client's express consent, including, *inter alia*:

- the cessation, liquidation, dissolution, or voluntary winding-up of the Company;
- creating, allotting or issuing, or selling, or entering into any agreement to create, allot or issue, or sell any securities of the Company;
- creating any indebtedness or providing or assuming any encumbrance on any property of the Company;
- guaranteeing the indebtedness of, or providing any financial assistance to, any person;
- selling, purchasing, or agreeing to sell or purchase any material assets;
- the sale, lease, transfer, assignment, abandonment or other disposition of any assets of the Company;
- agreeing to any compromise or settlement of, or the payment of any money or assets of the Company in respect of, any claims against the Company;
- entering into any material contracts;
- paying any funds or transferring any assets of the Company to any person out of the ordinary course of business; or
- conducting or agreeing to any transactions or decisions of a material nature.

Further to the above, we request that Mr. Lares disclose any matters unknown to our client with respect to the Company undertaking any of the above listed material transactions or decisions.

Turning to the directors' meeting you have suggested could be held in July 2024, we would suggest August 2024 at the earliest to ensure that Mr. Lares has disclosed the financial and litigation-related information requested.

Our client is also potentially willing to engage in a "business-like discussion" about the future of the Company. As you note, the parties' business relationship has deteriorated. We would propose such discussion proceed, however, after the documentation demanded herein has been disclosed.

Thank you,

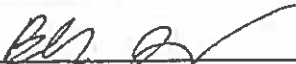


Yvan Guy Larocque, CD, LLM  
Larocque Business Law  
Hall & Larocque LLP  
yvan@lbc.ca

# McQuarrie

McQuarrie Hunter LLP  
 Suite 1500, 13450 - 102 Ave  
 Surrey, BC V3T 5X3  
 Tel: 604.581.7001  
 Fax: 604.581.7110  
 WWW.MCQUARRIE.COM

This is Exhibit "K" referred to in the Affidavit of Michael  
 Lares made before me at Surrey, BC, this 19th day of  
 December 2024.

  
 A Commissioner for taking Affidavits in British  
 Columbia

Managing Lawyer: Royal J. Morton  
 E-Mail: morton@mcquarrie.com

Associate Lawyer: Benjamin P. Morley  
 E-Mail: bmorley@mcquarrie.com

Legal Administrative Assistant: Barbara Polh  
 E-Mail: bpolh@mcquarrie.com  
 Direct Line: 604-580-7061

Our File No.: 240945

July 26, 2024

VIA EMAIL: [yvan@blc.ca](mailto:yvan@blc.ca)

Larocque Business Law  
 #122, 415 Esplanade West  
 Vancouver, BC V7M 1A6

Attention: Yvan Guy Larocque

Dear Sir:

Re: Request for accounting and corporate records and other miscellaneous matters  
 between shareholders and Flying "L" Ranch Ltd. (the "Company")

We write in follow-up to your letter of July 3, 2024 and our letter of July 9<sup>th</sup>.

Pending hearing from you concerning our requests, please find enclosed our ShareFile link containing documents. One folder contains communications with third parties, defamation content and miscellaneous documents and searches from our closed defamation file. The other folder contains the Flying "L" Ranch financial and corporate documents we received from our client, including tax returns and summaries prepared by Mr. Lares. However, we reiterate our client's position that most of this documentation, including all the financial information, would have already been provided to your client.

Subject to hearing from you concerning our requests, we may have additional documents to provide to you later concerning the company's recent engagement of an accounting firm referenced in earlier correspondence. We look forward to discussing this matter with you on a without prejudice basis this afternoon.

Yours truly,

MCQUARRIE HUNTER LLP

ROYAL J. MORTON\*  
 Partner  
 \*Royal Morton Law Corporation  
 RAM/bjp  
 Encs

# McQuarrie

57  
McQuarrie Hunter LLP  
Suite 1500, 13450 - 102 Ave  
Surrey, BC V3T 5X3  
Tel: 604.581.7001  
Fax: 604.581.7110  
WWW.MCQUARRIE.COM

This is Exhibit "L" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
A Commissioner for taking Affidavits in British Columbia

Managing Lawyer: Royal J. Morton  
E-Mail: rmorton@mcquarrie.com

Associate Lawyer: Benjamin P. Morley  
E-Mail: bmorley@mcquarrie.com

Legal Administrative Assistant: Barbara Poth  
E-Mail: bpoth@mcquarrie.com  
Direct Line: 604-580-7061

Our File No.: 240945

August 14, 2024

VIA EMAIL: [yvan@iblc.ca](mailto:yvan@iblc.ca)

Larocque Business Law  
#122, 415 Esplanade West  
Vancouver, BC V7M 1A6

Attention: Yvan Guy Larocque

Dear Sir:

Re: Request for accounting and corporate records and other miscellaneous matters between shareholders and Flying "L" Ranch Ltd. (the "Company")

We write concerning a meeting of the Directors of the Company and in follow up to your email of July 26, 2024, enclosing an offer of sale from your client.

The offer is unrealistic and is rejected. Mr. van der Heyden was previously prepared to sell his 100 shares of the Company and his 80 acres (the "80 Acres") for a total of \$2 million dollars on terms set out in a memorandum of understanding dated March 7, 2024.

Our client remains willing to purchase Mr. van der Heyden's shares and the 80 Acres for the price of \$2 million dollars set out in that memorandum, with the \$2 million to be paid as follows:

- A) a nonrefundable deposit of \$75,000 dollars on October 31, 2024;
- B) a nonrefundable deposit of \$75,000 dollars on December 31, 2024; and
- C) the remaining balance of \$1,850,000 dollars on July 31, 2025.

The closing date of this agreement will be September 10, 2024. Mr. van der Heyden will sign over his 100 shares of the Company to our client on that date. Our client is willing to sign a waiver of liability or indemnity for Mr. van der Hayden regarding the management of the Company, effective September 10, 2024. Our client would also pay off the CEBA and the Company truck loans by December 31, 2024.

Our client is willing to discuss granting a mortgage on the Company's land to the benefit of Mr. van der Heyden until the \$2 million dollars is paid to Mr. van der Heyden if it is necessary, and the wording of the mortgage is satisfactory. If Mr. van der Heyden is prepared to accept this offer in principle, one of our solicitors could forward a draft sale agreement to you for review.

This offer is open for acceptance until September 4<sup>th</sup>, 2024.

As you may not know, the 80 Acres is a fundamental part of the ranch property. The ranch property is approximately 240 acres, and the 80 Acres includes the entire watershed which supplies water to the ranch, allows for grazing up to 30 horses in the wintertime and for the growth of hay necessary to feed those horses. It is an integral part of the ranch.

You may not know that the 80 Acres is landlocked and cannot be accessed other than through the other 160 acres owned by the Company. It is obvious that Mr. van der Heyden and Mr. Lares need to part ways and that Mr. Lares is the appropriate buyer. He lives at and operates the ranch without any involvement of Mr. van der Heyden. Absent the Company's approval, Mr. van der Heyden has no access to the 80 Acres, and it is practically of no value to him.

Alternatively, to the extent Mr. van der Heyden does value the 80 Acres, we understand that it is solely for the purpose of constructing a cottage. That could be built somewhere else using some of the \$2 million dollars Mr. Lares is prepared to pay your client.

#### Notice of Directors' Meeting

If Mr. van der Heyden is, for reasons we do not understand, no longer willing to sell the 80 Acres and his 100 shares in the Company, please accept this letter as notice of a director's meeting to take place on September 9, 2024, via Teams at 2:00 pm.

Attached with this letter are draft resolutions which are similar to the ones sent to you under cover of our letter dated June 25, 2024. We suggest that counsel participate in that meeting with their respective clients, but we are open to your comments regarding that involvement. Please note the writer will be away from the office from August 19 to September 4<sup>th</sup>.

Yours truly,

MCQUARRIE HUNTER LLP

ROYAL J. MORTON\*  
Partner  
Royal Morton Law Corporation  
RJM/mb  
Encls.

**FLYING "L" RANCH LTD.**

(the "Company")

**RESOLUTIONS CONSENTED TO IN WRITING BY THE DIRECTORS OF THE COMPANY PURSUANT TO THE ARTICLES OF THE COMPANY WITH EFFECT FROM SEPTEMBER 9<sup>th</sup>, 2024.**

**WHEREAS:**

1. Micheal Dennis Lares ("Michael") and Peter van der Heyden ("Peter") each own 100 Class A shares in the Company.
2. Peter is the registered owner of approximately 80.1 acres of land located at Williams Lake Rural – 20126.000 and legally described as:  
PID 011-216-395  
District Lot 199  
Range 2 Coast District  
(the "Land").
3. Peter took title to the Land from the Company, and the transfer into his name was registered on September 7, 2022.
4. The Company has a Right of First Refusal agreement with Peter concerning the Land dated September 3, 2022.
5. Michael proposes to have the Company approve the sale of Peter's 100 Class A shares in the Company to Michael on terms to be agreed between the parties.
6. Michael proposes to have the Company approve its purchase of Peter's Land for fair market value.

**NOW THEREFORE BE IT RESOLVED as follows:**

1. **THAT** the Company will purchase Peter's Land for fair market value, at a price to be determined by agreement of the parties or based on a valuation prepared by a Certified Business Valuator to be paid by the Company, and failing agreement on a price or valuator, by court order.
2. **THAT** the Company will approve the sale of Peter's 100 Class A shares in the Company to Michael on the terms to be approved between the parties, and failing agreement by court order.

**EFFECTIVE DATE SEPTEMBER 9<sup>th</sup>, 2024**

\_\_\_\_\_  
**Michael Dennis Lares, Director**

\_\_\_\_\_  
**Peter van der Heyden, Director**

**From:** Yvan Guy Larocque  
**To:** Royal Morton  
**Cc:** Barbara Poth; Melissa Blackwell; Benjamin Morcy  
**Subject:** RE: LT McQuarrie LLP re Responses to letters of June 12 and June 25, 2024 -file 240945  
**Date:** Tuesday, September 3, 2024 3:11:59 PM  
**Attachments:** ~VRD2457.jpg  
 image001.png  
 image002.jpg  
 image003.png

---

Hi Royal,

I hope you had a restful vacation. I have instructions from Peter on this matter.

Peter is amenable to the offer based on your letter and the previous agreement, with the following changes:

- Non-refundable deposit of \$100,000 on September 30<sup>th</sup>
- Non-refundable deposit of \$50,000 on December 31<sup>st</sup>
- The remaining balance of \$1,850,000 on June 30, 2025
- Closing date would be September 30<sup>th</sup> (not September 10<sup>th</sup>)
- The 80 acres would be transferred upon the final payment (and Peter will continue to permit the company to use the 80 acres as it has in the past until that time)
- We'll require a mortgage of the company's parcel as security

Please let me know if you the above is acceptable.

Best,  
Yvan

Yvan Guy Larocque, CD, LLM | Founder & Lawyer



This is Exhibit "M" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
 \_\_\_\_\_  
 A Commissioner for taking Affidavits in British Columbia

MB: 204.619.7410  
 BC: 604.715.4625  
[yvan@iblc.ca](mailto:yvan@iblc.ca)  
[www.larocquebusinesslaw.ca](http://www.larocquebusinesslaw.ca)



# McQuarrie

This is Exhibit "N" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
A Commissioner for taking Affidavits in British Columbia

62  
McQuarrie Hunter LLP  
Suite 1500, 13450 - 102 Ave  
Surrey, BC V3T 5X3  
Tel: 604.581.7001  
Fax: 604.581.7110  
WWW.MCQUARRIE.COM

Managing Lawyer: Royal J. Morton  
E-Mail: rmorton@mcquarrie.com

Associate Lawyer: Benjamin P. Morley  
E-Mail: bmorley@mcquarrie.com

Legal Administrative Assistant: Barbara Polh  
E-Mail: bpolh@mcquarrie.com  
Direct Line: 604-580-7061

Our File No.: 240945

September 11, 2024

VIA EMAIL: [yvan@iblc.ca](mailto:yvan@iblc.ca)

Larocque Business Law  
#122, 415 Esplanade West  
Vancouver, BC V7M 1A6

Attention: Yvan Guy Larocque

Dear Sir:

Re: Request for accounting and corporate records and other miscellaneous matters between shareholders and Flying "L" Ranch Ltd. (the "Company")

In follow-up to our letter of August 14<sup>th</sup> and your email of September 3<sup>rd</sup>, our client is largely able to accept the modifications to the offer proposed in your email.

He can increase the first deposit from \$75,000 to \$100,000, but still needs until October 31<sup>st</sup> to pay that, with the balance of \$50,000 paid on December 31<sup>st</sup>. Our client still needs until July 31, 2025 to pay the remaining balance of \$1,850,000 (rather than June 30<sup>th</sup> proposed).

He is agreeable to the share transfer closing moved to September 30<sup>th</sup>, with the 80 acres transfer on final payment July 31, 2025. He is also agreeable to a mortgage in the amount of \$1,850,000 against title to the portion of the ranch owned by the Company as security for that amount.

Please confirm the above is acceptable to your client, and we will ask one of our solicitors to prepare a buy-out agreement reflecting the above terms, as modifications to the terms set out in our August 14<sup>th</sup> letter. The terms in that letter would otherwise remain.

If the parties agree, we will adjourn generally the directors' meeting rescheduled to this Friday. We would then aim to have a draft buy-out agreement to you by the end of next week, subject to confirmation from our solicitor, likely Cameron Nicol, who handled this matter previously.

Yours truly,

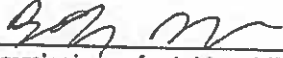
MCQUARRIE HUNTER LLP

ROYAL J. MORTON\*  
Partner  
\*Royal Morton Law Corporation  
RJM/mb

# McQuarrie

63  
McQuarrie Hunter LLP  
Suite 1500, 13450 - 102 Ave  
Surrey, BC V3T 5X3  
Tel: 604.581.7001  
Fax: 604.581.7110  
WWW.MCQUARRIE.COM

This is Exhibit "O" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
A Commissioner for taking Affidavits in British Columbia

Managing Lawyer: Royal J. Morton  
E-Mail: rmorton@mcquarrie.com  
Associate Lawyer: Benjamin P. Morley  
E-Mail: bmorley@mcquarrie.com  
Legal Administrative Assistant: Barbara Poth  
E-Mail: bpoth@mcquarrie.com  
Direct Line: 604-580-7061

September 13, 2024

Our File No.: 240945

VIA EMAIL: [yvan@lbc.ca](mailto:yvan@lbc.ca)

Larocque Business Law  
#122, 415 Esplanade West  
Vancouver, BC V7M 1A6

Attention: Yvan Guy Larocque

Dear Sir:

Re: Request for accounting and corporate records and other miscellaneous matters between shareholders and Flying "L" Ranch Ltd. (the "Company")

In follow-up to our letter of August 14<sup>th</sup>, your email of September 3<sup>rd</sup>, and our letter of September 11<sup>th</sup> and subsequent phone call yesterday, our client is agreeable to moving the share transfer closing to October 31, 2024, to coincide with payment of the \$100,000 deposit. All other terms remain as set out in our letter of September 3<sup>rd</sup>.

Concerning the security for the \$1.85 million, our client in good faith is prepared to consider granting a personal guarantee and a general security agreement, on the basis that your client would be open to subordinating his future \$1.85 million mortgage if necessary. That would be to give priority to any security that might be needed to obtain the balance of funds, including a mortgage against the Company land or the 80 acres owned by your client.

We understand our client does not need the Company land or the 80 acres as security to get funds. We therefore suggest that the parties address any revised forms of security if that issue arises in 2025.

The main concern for our client moving forward is that your client does not do anything that may undermine the Company, its business or our client's ability to pay any of the \$2 million. For instance, Mr. Lares is concerned that your client may have assisted third parties in publishing defamatory comments about Mr. Lares or the Company. We trust that is not the case.

We ask that moving forward your client acts reasonably and in good faith to allow the parties to complete this agreement and part ways. It is a fundamental term of this agreement that the parties act in good faith and that Mr. Lares be left alone to run the Company so he can obtain the funds necessary to complete the buy-out.

We will adjourn generally the directors' meeting rescheduled for this afternoon. We expect a solicitor will follow up with you in due course concerning the formal share transfer agreement and related documents for the initial steps to occur on October 31st.

---

In the meantime, if you have any questions or believe anything requires clarification, please advise.

Yours truly,

  
MCQUARRIE HUNTER LLP

ROYAL J. MORTON\*  
Partner  
\*Royal Morton Law Corporation  
RJM/bjp

**From:** Royal Morton  
**To:** Yvan Guy Larocque  
**Cc:** Barbara Poth; Benjamin Morley; Melissa Blackwell  
**Subject:** RE: Quick call on Ranch offer  
**Date:** Monday, September 16, 2024 1:11:34 PM  
**Attachments:** image001.png  
 image002.png  
 image004.png  
 image005.png

Yvan, I agree the parties would be better off not engage to with each other.

We'll see if a solicitor can get a draft agreement and share transfer etc. docs to you in the next week based on what the parties have agreed upon to date.

If anything else needs to be clarified at this point, I suggest you raise that with the solicitor, though I would expect the buy-out agreement and indemnity would include largely boilerplate language much like the mortgage, outside of what has been agreed upon at this point.

Regards,

**Royal J. Morton**  
 Partner\*

\* Royal Morton Law Corporation  
 D 604.580.7019



This is Exhibit "P" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
 A Commissioner for taking Affidavits in British Columbia

**From:** Yvan Guy Larocque <yvan@lbc.ca>  
**Sent:** Friday, September 13, 2024 1:35 PM  
**To:** Royal Morton <rmorton@mcquarrie.com>  
**Cc:** Barbara Poth <bpoth@mcquarrie.com>; Benjamin Morley <bmorley@mcquarrie.com>; Melissa Blackwell <mblackwell@mcquarrie.com>  
**Subject:** RE: Quick call on Ranch offer

Hi Royal,

I will let you know when I hear back from Peter though I believe that there won't be further discussion. However, I think it would be best once confirmed to proceed to a final agreement as soon as possible (as opposed to sign and close) so that the parties don't have further reason/opportunity to engage with each other in respect of the corporation's business before October 31<sup>st</sup>.

I should have instructions soon and will let you know.

Best,

Yvan

**Yvan Guy Larocque, CD, LLM | Founder & Lawyer**



MB: 204.619.7410  
BC: 604.715.4625  
[yvan@lbc.ca](mailto:yvan@lbc.ca)  
[www.larocquebusinesslaw.ca](http://www.larocquebusinesslaw.ca)



**From:** Royal Morton <[rmorton@mcquarrie.com](mailto:rmorton@mcquarrie.com)>  
**Sent:** September 13, 2024 3:28 PM  
**To:** Yvan Guy Larocque <[yvan@lbc.ca](mailto:yvan@lbc.ca)>  
**Cc:** Barbara Poth <[bpoth@mcquarrie.com](mailto:bpoth@mcquarrie.com)>; Benjamin Morley <[bmorley@mcquarrie.com](mailto:bmorley@mcquarrie.com)>; Melissa Blackwell <[mblackwell@mcquarrie.com](mailto:mblackwell@mcquarrie.com)>  
**Subject:** RE: Quick call on Ranch offer

Yvan, please confirm immediately if anything requires clarification for your client.

Our client will need to take steps immediately to secure the \$100,000 payment by October 31, 2024.

**Royal J. Morton**

Partner\*

\* Royal Morton Law Corporation  
D 604.580.7019



**From:** Yvan Guy Larocque <[yvan@lbc.ca](mailto:yvan@lbc.ca)>  
**Sent:** Friday, September 13, 2024 12:04 PM  
**To:** Royal Morton <[rmorton@mcquarrie.com](mailto:rmorton@mcquarrie.com)>  
**Cc:** Barbara Poth <[bpoth@mcquarrie.com](mailto:bpoth@mcquarrie.com)>; Benjamin Morley <[bmorley@mcquarrie.com](mailto:bmorley@mcquarrie.com)>  
**Subject:** RE: Quick call on Ranch offer

Thanks Royal,

I think we're in agreement. I'll confirm with Peter and get back to you.

Best,  
Yvan

**Yvan Guy Larocque, CD, LLM | Founder & Lawyer**



MB: 204.619.7410  
BC: 604.715.4625  
[yvan@lbc.ca](mailto:yvan@lbc.ca)  
[www.larocquebusinesslaw.ca](http://www.larocquebusinesslaw.ca)



**From:** Royal Morton <[rmorton@mcquarrie.com](mailto:rmorton@mcquarrie.com)>  
**Sent:** September 12, 2024 8:30 PM  
**To:** Yvan Guy Larocque <[yvan@lbc.ca](mailto:yvan@lbc.ca)>  
**Cc:** Barbara Poth <[bpoth@mcquarrie.com](mailto:bpoth@mcquarrie.com)>; Benjamin Morley <[bmorley@mcquarrie.com](mailto:bmorley@mcquarrie.com)>  
**Subject:** RE: Quick call on Ranch offer

Yvan, in follow-up to our call, my client is essentially agreeable to the change on the completion date to October 31, 2024 as discussed, so I believe we have a deal.

He is open to the other commitments on both sides concerning the security for the \$1.85 million, but has some concerns about Peter interfering with the company. I expect to have a letter to you in morning confirming that we have a deal and addressing these good faith points. In the meantime, I have instructions to adjourn tomorrow's director's meeting, which I understand you client would be in agreement with, but if not please advise.

Regards,

**Royal J. Morton**  
Partner\*

\* Royal Morton Law Corporation  
D 604.580.7019



**From:** Yvan Guy Larocque <[yvan@blc.ca](mailto:yvan@blc.ca)>  
**Sent:** Thursday, September 12, 2024 10:18 AM  
**To:** Royal Morton <[rmorton@mcquarrie.com](mailto:rmorton@mcquarrie.com)>  
**Subject:** Quick call on Ranch offer

**CAUTION:** This email originated from outside the firm. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Royal,

Thanks for the letter. Do you have time for quick call on this?

I'll be free for the next 45 minutes or so.

Let me know!

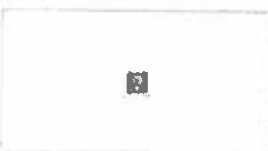
Thanks,  
Yvan

**Yvan Guy Larocque, CD, LLM | Founder & Lawyer**



Hall & Larocque LLP  
122 - 415 Esplanade West  
North Vancouver, BC V7M 1A6  
C: 604.715.4625  
[yvan@blc.ca](mailto:yvan@blc.ca)  
[www.larocquebusinesslaw.ca](http://www.larocquebusinesslaw.ca)

Larocque Business Law acknowledges that it operates on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and səlilwətaʔ (Tseil-Waututh) Nations.



Please consider the environment before printing this email! This e-mail may contain information that is privileged, confidential and/or exempt from disclosure. No waiver whatsoever is intended by sending this e-mail which is intended only for the named recipient(s). Unauthorized use,

# McQuarrie

This is Exhibit "Q" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
A Commissioner for taking Affidavits in British Columbia

McQuarrie Hunter 69  
Suite 1500, 13450 - 102 Ave  
Surrey, BC V3T 5X3  
Tel: 604.581.7001  
Fax: 604.581.7110  
WWW.MCQUARRIE.COM

Managing Lawyer: Royal J. Morton  
E-Mail: rmorton@mcquarrie.com

Associate Lawyer: Benjamin P. Morley  
E-Mail: bmorley@mcquarrie.com

Legal Administrative Assistant: Barbara Poth  
E-Mail: bpoth@mcquarrie.com  
Direct Line: 604-580-7061

October 24, 2024

Our File No.: 240945

VIA EMAIL: [yvan@lbc.ca](mailto:yvan@lbc.ca)

Larocque Business Law  
#122, 415 Esplanade West  
Vancouver, BC V7M 1A6

Attention: Yvan Guy Larocque

Dear Sir:

**Re: Buy-out of shares in Flying "L." Ranch Ltd. (the "Company") and sale of 80 Acres**

We write in follow-up to our exchange of correspondence with you ending in September summarizing the terms of Mr. Lares' purchase of your client's shares in the Company and the 80 Acres (the "Buy-out Contract").

We understand that our client's solicitor, Mr. Cameron Nicol, will be writing to you concerning the share transfer and related agreements contemplated by the Buy-Out Contract.

In the meantime, we write to put your client, Mr. Peter van der Heyden, on notice that our client has reason to believe that Mr. van der Heyden has been assisting one or more of three individuals who are likely behind the construction of a defamatory website of or concerning Mr. Lares. The website goes by the name of "thewhistleblower.ca" (the "Website").

The Website includes false and defamatory statements concerning Mr. Lares, both literally and by innuendo, and includes libelous statements about Mr. Lares indirectly through his association with the Company. We will be writing separately to the individuals in question, Jonathan Skeels, Devyn McMillan and Kristy McQuade (the "Conspirators"). To the extent your client may be assisting the Conspirators to publish defamatory statements about Mr. Lares through the Website or otherwise, Mr. Lares will treat that as an act of bad faith and a fundamental breach of the Buy-out Contract.

Mr. Lares will nevertheless continue to take steps in good faith to perform his obligations under the Buy-Out Contract, despite what Mr. van der Heyden appears to be doing to undermine that. Mr. Lares will, however, be reserving his right to claim damages against Mr. van der Heyden arising from any conduct by Mr. van der Heyden as described above. That would include any damages arising from Mr. Lares being unable to raise funds to perform his obligations under the Buy-out Contract.

We ask that your client immediately cease and desist from engaging in any conduct that may amount to bad faith or a breach of the Buy-out Contract.

Yours truly,

**MCQUARRIE HUNTER LLP**



**ROYAL J. MORTON\***

Partner

\*Royal Morton Law Corporation

RJM/bjp

This is Exhibit "R" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
A Commissioner for taking Affidavits in British Columbia

**From:** Yvan Guy Larocque <yvan@lbc.ca>  
**Sent:** Monday, October 28, 2024 4:18 PM  
**To:** Cameron Nicol <cnicol@mcquarrie.com>; Royal Morton <rmorton@mcquarrie.com>  
**Subject:** Responses to letters re Flying "L" Ranch Share Purchase

**CAUTION:** This email originated from outside the firm. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Cameron and Royal,

Thank you for your letters.

In response to Royal's letter: Peter informs me that he is not involved with nor assisting anyone in constructing the Website you have referenced. The persons named in your letter reached out to Peter to share information they had with Peter, and not the other way around, and prior to the current negotiations. Peter has not shared any information with them nor acted in bad faith. This accusation is baseless and is a distraction from completing the transaction. Peter wants to move this matter forward, and put it behind him.

In response to Cameron's letter: you provided that our proposed revisions do not reflect the Settlement Terms (as you've defined them). We don't agree, but it's not possible to move forward without more information. We're ready and willing to proceed so I suggest you send back a revised draft highlighting where you think there's disagreement on the

terms so we can settle them without further delay. We're concerned that this is simply a tactic to delay the completion of the transaction, or to negotiate more favourable terms than agreed to already.

It's concerning that Michael does not already have the first deposit as we're a few days away from the anticipated closing. Nonetheless, we want to move forward and complete the transaction once we've settled the written agreement. If we can't settle the terms of the written agreement by the 31<sup>st</sup>, and even if Michael obtains the deposit and wishes to pay it to Peter, there won't be a share transfer and we'll seek to schedule a directors' meeting as soon as possible after October 31<sup>st</sup>.

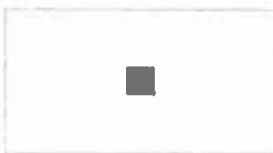
Best,  
Yvan

**Yvan Guy Larocque, CD, LL.M | Founder & Lawyer**




Hall & Larocque LLP  
122 - 415 Esplanade West  
North Vancouver, BC V7M 1A6  
C: 604.715.4625  
[yvan@blc.ca](mailto:yvan@blc.ca)  
[www.larocquebusinesslaw.ca](http://www.larocquebusinesslaw.ca)

Larocque Business Law acknowledges that it operates on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and s̓əlilwətaʔl (Tsleil-Waututh) Nations.



Please consider the environment before printing this email! This e-mail may contain information that is privileged, confidential and/or exempt from disclosure. No waiver whatsoever is intended by sending this e-mail which is intended only for the named recipient(s). Unauthorized use, dissemination or copying is prohibited. If you receive this email in error, please notify the sender and destroy all copies of this e-mail.

This is Exhibit "S" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
A Commissioner for taking Affidavits in British Columbia

Managing Lawyer: Royal J. Morton  
E-Mail: [morton@mcquarrie.com](mailto:morton@mcquarrie.com)

Associate Lawyer: Benjamin P. Morley  
E-Mail: [bmorley@mcquarrie.com](mailto:bmorley@mcquarrie.com)

Legal Administrative Assistant: Barbara Poth  
E-Mail: [bpoth@mcquarrie.com](mailto:bpoth@mcquarrie.com)  
Direct Line: 604-580-7061

Our File No.: 240945

November 22, 2024

VIA EMAIL: [yvan@lbc.ca](mailto:yvan@lbc.ca)

Larocque Business Law  
#122, 415 Esplanade West  
Vancouver, BC V7M 1A6

Attention: Yvan Guy Larocque

Dear Sir:

Re: Buy-out of shares in Flying "L" Ranch Ltd. (the "Company") and sale of 80 Acres

We write in follow-up to our letter dated November 15, 2024 and the settlement agreement for the buy-out of your client's shares and land set out in the following correspondence:

1. our letter dated August 14, 2024;
2. your email of September 3, 2024;
3. our letter dated September 11, 2024;
4. our letter dated September 13, 2024; and
5. our email exchange with you, between September 12, 2024 to September 16, 2024.

(collectively, the "Settlement Agreement").

Mr. van der Heyden has refused to conclude the first phase of the Settlement Agreement.

We write to put you on notice that Mr. Lares has elected to enforce the Settlement Agreement and will initiate legal proceedings against your client for a court ordered buy-out at the \$2 million purchase price pursuant to sections 324 and 227 of the *Business Corporations Act*, SBC 2002, C. 57. Please confirm by no later than Friday, December 6, 2024, that you will accept service on his behalf. If we have not heard from you by that date, we will arrange for personal service.

Yours truly,

MCQUARRIE HUNTER LLP

ROYAL J. MORTON\*

Partner

Royal Morton Law Corporation

RJM/bjp



Peter van der Heyden

This is Exhibit "T" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.



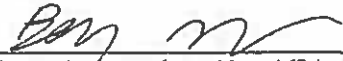
Peter van der Heyden

  
A Commissioner for taking Affidavits in British Columbia

Jun 30, 2024, 1:00 PM

DM from your co-director of Flying "L" Ranch Ltd., the guy that actually paid for the ranch and got you to where you are today (your "angel") read the text I sent on your phone before you block me, Mr. Lares. I could do this publicly, but I don't need to, your lies and deception and scamming will all be revealed in due time.

This is Exhibit "U" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.



A Commissioner for taking Affidavits in British Columbia

1:48



Peter



How come: 1) you never told anyone that I paid for the ranch, and then some, and that this is what made it all possible for you? 2) you told your fans that you owned the ranch outright? 3) you never did introduce me to XG leadership, like you had said you would? 4) you wrote me that you had consulted with the band in 2019 about the sale?

A question before we continue Peter if I may...

Have you or Nadia been contacted by or have you had any correspondence or communication with a Mr. Jonathan Skeels?

No idea. Who is that, and why would he have contacted me or Nadia?

Thanks for the answer

Read 1:29 PM

Why would this person have contacted me? Is he one of your

Subject

+ (Message



1:48



Peter >



2019 about the sale?

A question before we continue  
Peter if I may...

Have you or Nadia been contacted  
by or have you had any  
correspondence or communication  
with a Mr. Jonathan Skeels?

No idea. Who is that, and why  
would he have contacted me or  
Nadia?

Thanks for the answer

Read 1:29PM

Why would this person have  
contacted me? Is he one of your  
wranglers?

"A question before we continue  
Peter if I may...": can you answer  
those questions I asked? I'm  
puzzled and confused about a few  
things

I asked Nadia just now. Never  
heard of him either

Subject

+ iMessage



6:53



Peter >



I asked Nadia just now. Never heard of him either

I'll be back available in a few and respond accordingly

Why would this person have contacted me? Is he one of your wranglers?

No not a wrangler or associated with the ranch.

Today 3:45 PM

Can you answer those questions I asked?

Today 5:50 PM

Sorry, was out of pocket for a few. Simple answers to all 4.

1 & 3) I told you that I would introduce you personally to those who required that introduction. All that would have definitely come if you had more presence out here.

Subject

+ iMessage



6:53



Peter &gt;



Sorry, was out of pocket for a few:  
Simple answers to all 4.

1 & 3) I told you that I would introduce you personally to those who required that introduction. All that would have definitely come if you had more presence out here.

2) I don't understand what you're referring to.

4) In 2019 I was in a meeting with leadership when I worked with them. At the end of the two hour long meeting about Band business, to my surprise the former chief inquired about my lease with option to purchase and the upcoming expiry and exercise of that. Apparently they were contacted by the real estate company. It was not a voluntary consultation or even one at that. The former Chief asked what I was going to do. I said that I intended to exercise the option to purchase

Thanks for the answer

Subject



iMessage



10:49



Peter



Today 10:12 AM

You didn't actually answer my first question. Second question: I think you do know what I'm talking about. Check your own IG "ask me anything". Your answer to my fourth question: that's not what you told me in 2019, and it doesn't jive at all with what council told me. Buy hey, who am I to argue? A co-director that nobody knows about? An owner that you didn't tell anybody about? If this were funny, the movie you think you star in would be a comedy.

Good luck Michael!

Oh, and, enjoy stampede!

Thank you

No Michael, what you're saying is something else altogether. I got you a long time ago. Fuck you!

Wow

Show that to your lawyer! Gloves

Subject

+ iMessage



10:49



Peter &gt;



Show that to your lawyer! Gloves are off!

Yeah, right?

Always polite behind your mask!

Suggestion: just lump me in with the other drug addled, bad, sad people

So easy to get rid of all the people that see through you

Katherine saw it the instant she met you. And you saw that she saw.

So now we don't have to pretend any more, do we? We can both show our true colors to each other. Must be a relief, takes a lot of energy creating all that smoke and mirrors

You have an interesting but skewed perspective of the realities of what's going on here. We had some not so well intended people

Subject



iMessage



10:52



Peter



SHOW OUR TRUE COLORS TO EACH OTHER.  
Must be a relief, takes a lot of  
energy creating all that smoke and  
mirrors

You have an interesting but skewed perspective of the realities of what's going on here. We had some not so well intended people try and take advantage of us and the ranch last year. We also had many good experiences with people and other matters that we carried into this year.

It appears some of the not so well intended have made your ear. Guess we will have to allow this process to carry out now.

But I have an immense responsibility to the ranch, my family and those that are depending on us to succeed here Peter. As well as those positively networked with us.

I'll have to carry on with that in mind with the best of intentions for all parties involved including you.

Subject



iMessage





carried into this year.

It appears some of the not so well intended have made your ear. Guess we will have to allow this process to carry out now.

But I have an immense responsibility to the ranch, my family and those that are depending on us to succeed here Peter. As well as those positively networked with us.

I'll have to carry on with that in mind with the best of intentions for all parties involved including you.

Read 10:45 AM

**I don't believe or trust you Michael, and for good reason. See you in court**

All shall become apparent Peter. Sorry you feel this way but yes, guess we will have to go through a process. This will be my last response on anything private.

Delivered

Subject

+ iMessage





All shall become apparent Peter. Sorry you feel this way but yes, guess we will have to go through a process. This will be my last response on anything private.

It's already more than apparent. Yes, block me. Just remember a few things that make this different from how you treat other people

Not blocking. You just said this is going to court so I have to carry forward accordingly. Be well Peter.

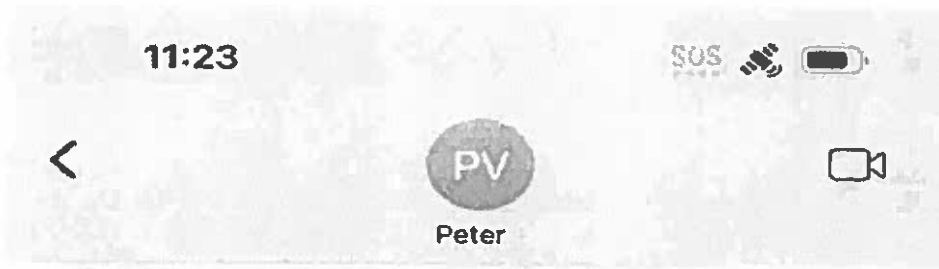
Of course you do, you have few options in this matter. But good luck, it'll be interesting if nothing else

It's already interesting.

Agreed on that point. For a while I thought you were that Michael D. Lares from that FBI case in Idaho. Also a diver. That would have made it even more interesting. Name was a pure coincidence, but I was wrong. Could be wrong all over again. I don't have a monopoly on

Subject

+ Text Message [microphone icon]



else

It's already interesting.

Agreed on that point. For a while I thought you were that Michael D. Lares from that FBI case in Idaho. Also a diver. That would have made it even more interesting. Name was a pure coincidence, but I was wrong. Could be wrong all over again, I don't have a monopoly on the truth. But unlike you, I'm not attached to outcomes.

Yeah you've def been listening to the wrong people. 🤪 By for now Peter.

What people? I don't need any help in finding out stuff lol

The web is full of lies.

By Peter

Read 11:15 AM

Oh yes, I know a few lies out there on IG etc

Subject

+ Text Message

This is Exhibit "V" referred to in the Affidavit of Michael Lares made before me at Surrey, BC, this 19th day of December 2024.

  
A Commissioner for taking Affidavits in British Columbia

**From:** Anna Kaminska <anna@chlg.ca>  
**Sent:** Monday, December 09, 2024 1:02 PM  
**To:** Royal Morton <rmorton@mcquarrie.com>  
**Cc:** Yvan Guy Larocque <yvan@lbc.ca>  
**Subject:** Request for Directors Meeting of Flying "L" Ranch Ltd. (the "Company")

You don't often get email from [anna@chlg.ca](mailto:anna@chlg.ca). Learn why this is important.

**CAUTION:** This email originated from outside the firm. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello,

Please find attached our letter of today's date along the draft Directors' Resolution.

Should you have any questions or require further assistance, please don't hesitate to reach out.

Best regards,  
Anna

Anna Kaminska | Legal Assistant



Hall & Larocque LLP  
122 - 415 Esplanade West  
North Vancouver, BC V7M 1A6  
[anna@blc.ca](mailto:anna@blc.ca)  
[www.larocquebusinesslaw.ca](http://www.larocquebusinesslaw.ca)

Larocque Business Law acknowledges that it operates on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skw̓gwú7mesh (Squamish), and səlilwətał (Tseil-Waututh) Nations.

**CERTIFIED**  
Aboriginal Business

Canadian Council for  
Aboriginal Business 

Please consider the environment before printing this email. This e-mail may contain information that is privileged, confidential and/or exempt from disclosure. No waiver whatsoever is intended by sending this e-mail which is intended only for the named recipient(s). Unauthorized use, dissemination or copying is prohibited. If you receive this email in error, please notify the sender and destroy all copies of this e-mail.



# LAROCQUE

BUSINESS LAW

December 9, 2024

Our File: 00104

McQuarrie Hunter LLP  
1500-13450 102 Avenue  
Surrey, BC V3T 5X3  
Canada

Attention: **Royal J. Morton**

Dear Mr. Morton:

**Re: Request for Directors Meeting of Flying "L" Ranch Ltd. (the "Company")**

---

We write to request a meeting of the directors of the Company to discuss various matters, including the Share Purchase Agreement between Mr. van der Heyden and Mr. Lares, and regarding potential mediation of outstanding disputes.

We are amenable to having an independent solicitor (Mr. Randall Dhaliwal of Fasken if available or another mutually agreed solicitor) chair this meeting, as suggested in your letter of June 25, 2024.

We request to have this directors' meeting held via video teleconference on Friday December 20<sup>th</sup>, 2024 at 10:00 a.m. PDT.

We have also included draft directors' resolutions of the Company Mr. van der Heyden intends to propose at the directors' meeting.

In respect of the potential mediation, if agreed to, we would recommend engaging either Simon Margolis of Cornish Margolis Boyd Mediation and Arbitration, George Macintosh of McEwan Partners, or Jim Titerle of Miller Titerle + Company. However, we are receptive to another acceptable independent mediator you may recommend.

In the meantime, if you have any questions or would like to propose a different date, please feel free to reach out.

Yours truly,

A handwritten signature in black ink that reads "Yvan Guy Larocque". The signature is written in a cursive, flowing style with a large, decorative flourish at the end.

Yvan Guy Larocque, CD, LLM  
Larocque Business Law  
Hill & Larocque LLP  
yvan@lbc.ca

**FLYING "L" RANCH LTD.****DIRECTORS' RESOLUTION**

The undersigned, being all of the directors of Flying "L" Ranch Ltd. (the "Company"), hereby consent in writing to the following resolution with effect from December 20, 2024.

---

**WHEREAS:**

- A. Pursuant to sections 46, 48, and 196 of the *Business Corporations Act*, S.B.C. 2002, c. 57. (the "Act"), each director of the Company is entitled to all accounting and financial records of that Company;
- B. Peter van der Heyden, a director of the Company, has requested all accounting and financial records of the Company, including bookkeeping records and financial statements;
- C. Section 204(2) of the Act provides that shareholders of the Company must appoint an authorized person as the Company's auditor;
- D. The shareholders of the Company have not appointed an auditor for the Company and have not waived the appointment of an auditor pursuant to Section 203(2) of the Act;
- E. The Company is indebted to the Government of Canada in respect of the Canada Emergency Business Account program ("CEBA Loan");
- F. The Company is indebted to the Royal Bank of Canada in respect of a Visa credit card ("Visa Debt");
- G. The directors of the Company have determined it is in the best interest of the Company to engage an independent mediator to assist in resolving the outstanding disputes between the directors and shareholders, including the potential sale by Peter van der Heyden, as vendor, to Michael Dennis Lares, as purchaser, of all of Peter's shares in the Company (the "Transaction").

**RESOLVED THAT:**

- 1. Michael Dennis Lares is instructed and authorized on behalf of the Company, to disclose all financial and accounting records (including, but not limited to, PayPal records) dated 01 January 2022 to present to Peter van der Heyden in accordance with sections 46, 48 and 196 of the Act, within seven days of these resolutions being passed.

2. Michael Dennis Lares is instructed and authorized on behalf of the Company, to disclose an asset listing with supporting purchase documents for all asset additions and dispositions from 01 January 2022 to the present.
3. Michael Dennis Lares is instructed and authorized to instruct the Company's accountants to communicate with Peter van der Heyden and provide any information in their possession to him upon request.
4. Any director is hereby authorized to engage an auditor for the Company, such auditor to be approved by special shareholder resolution, as soon as practicable after the passing of these resolutions.
5. The Company use any cash not required for operations of the Company to repay the CEBA Loan and Visa Debt.
6. The directors of the Company hereby authorize the engagement of an independent mediator to be agreed by the directors (the "Mediator"), to assist in the resolution of the ongoing disputes between the directors and shareholders, including the Transaction. The mediation is to take place no later than January 30, 2025.
7. The Company is hereby instructed and authorized to:
  - a. pay all costs associated with engaging the Mediator; and
  - b. execute any instrument, agreement, consent or otherwise which is required to engage the Mediator.
8. All future raising of capital, including but not limited to solicitations of donations and fundraising campaigns, shall require the approval of both directors.
9. All future Company expenses in excess of \$1,000.00 shall require the approval of both directors.
10. Michael Dennis Lares is instructed and authorized on behalf of the Company to cease preventing Peter van der Heyden's Instagram account from following the Company's Instagram account listed as "michael\_lares".

This document may be executed in two counterparts, each of which when executed and delivered (either originally, by .pdf, facsimile or otherwise) will be deemed to be an original, and both of which together will constitute the same document.

Delivery of an executed copy of this resolution by electronic means, including by facsimile transmission or by electronic delivery in portable document format (".pdf"), will be equally as effective as delivery of a manually executed copy of this resolution.

\_\_\_\_\_  
**MICHAEL DENNIS LARES**

\_\_\_\_\_  
**PETER VAN DER HEYDEN**

NO.  
WILLIAMS LAKE REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

MICHAEL LARES

PETITIONER

AND:

PETER VAN DER HEYDEN and FLYING "L" RANCH LTD.

RESPONDENTS

---

AFFIDAVIT

---

Royal J. Morton  
McQuarrie Hunter LLP  
Barristers & Solicitors  
#1500, 13450-102 Avenue  
Surrey, BC V3T 5X3  
Tel: 604-581-7001

File No.: 240945