



This is the 1st affidavit of Hadi Davarinia in this case and was made on 24 Aug. 2022.

No. S-226670
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985, C C-36, AS AMENDED**

AND

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, SBC 2002, C 57, AS
AMENDED AND THE *BUSINESS CORPORATIONS ACT*, SNB 1981, C B-9.1, AS
AMENDED**

AND

**IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
TREVALI MINING CORPORATION AND TREVALI MINING (NEW BRUNSWICK)
LTD.**

PETITIONERS

**AFFIDAVIT OF HADI DAVARINIA
(Affirmed on August 24, 2022)**

I, HADI DAVARINIA, RESIDING IN TORONTO, ONTARIO, AFFIRM THAT:

1. I am a lawyer with the law firm of KND Complex Litigation, which is Counsel to an ad hoc committee of shareholders of Trevali Mining Corporation ("**Trevali**"). I have personal knowledge of the facts and matters to which I depose herein. Where my knowledge is based on information I have obtained from others, I have identified the source of that information, and believe it to be true.
2. No portion of this affidavit is intended to waive, nor should it be construed as a waiver of, attorney-client, litigation or other privilege.

A. The Nature of this Matter

3. On August 15, 2022, Trevali announced that, due to various operational challenges, interruptions and/or suspensions, its revenues had significantly declined on a year-over-year basis, and that it would not be able to make a mandatory payment of \$7.5 million on its revolving credit facility.
4. On this announcement, the market price of Trevali's common shares on the TSX dropped by approximately 52%, from \$0.46 as of the close of trading on August 15, 2022 to \$0.22 as of the close of trading on August 16, 2022.
5. As a result of these developments, Trevali's shareholders incurred millions of dollars in financial losses and damages on their investments.
6. Based on our experience, we expect that many of Trevali's shareholders at the relevant time are retail, individual investors.
7. Based on our experience, retail investors generally do not have the financial and other resources necessary to participate in complex litigation proceedings to represent their own interests.
8. It is our understanding that the investors are located across Canada, United States and Europe.

B. The Ad Hoc Committee of Trevali Shareholders

9. We have been contacted by Trevali's common shareholders in relation to these developments.
10. To address the concerns of the common shareholders, and to represent their interests in the within *Companies' Creditors Arrangement Act* ("**CCAA**") proceeding, an Ad Hoc Committee of Trevali Shareholders has been established, which is comprised of three members:
 - a. Mr. Michael Demmer, a resident of New Brunswick;

- b. Mr. Rodney Brunk, a resident of North Dakota, United States of America;
and
 - c. Mr. Tim Kempter, a resident of Switzerland.
11. The Ad Hoc Committee's composition is intended to include representation of shareholders located in the main jurisdictions in which Trevali's common shares traded, namely Canada, United States and Europe.

C. KND's Expertise and Resources

12. KND Complex Litigation ("KND") is a boutique law firm based in Toronto, Ontario, focusing on investor and consumer rights litigation and class actions.
13. The lawyers of KND have significant experience with multidirectional and cross-border securities litigation, including joint proceedings brought under the CCAA and class proceedings legislation.
14. Our representative work includes working as counsel and co-counsel to class action plaintiffs in *Sino-Forest Securities Litigation* (which resulted in aggregate settlements of over \$160 million, including as against the auditors Ernst & Young LLP), *Valeant Pharmaceuticals Securities Litigation* (which resulted in aggregate settlements in the amount of \$127 million, including as against the auditors, PricewaterhouseCoopers LLP), *Poseidon Concepts Securities Litigation* (which resulted in a settlement of approximately \$36 million, including as against the auditors KPMG LLP), and *Canadian Solar Securities Litigation* (which resulted in a US\$13 million settlement).
15. KND is currently involved in various securities class proceedings in British Columbia, Ontario, Quebec, Nova Scotia and the Yukon.
16. The current lawyer members of KND are as follows:

- a. Mr. Eli Karp, who is a member of the Law Society of Ontario. Mr. Karp is also authorized to act as an attorney in certain specific matters by the law societies of Quebec and the Yukon;
 - b. Mr. Sage Nematollahi, who is a member of the Law Society of British Columbia, the Law Society of Ontario and the Bar of New York State. Mr. Nematollahi is also authorized to act as an attorney in certain specific matters by the law societies of Quebec and the Yukon;
 - c. Mr. Hadi Davarinia, who is a member of the Law Society of Ontario. Mr. Davarinia is also authorized to act as an attorney in certain specific matters by the law society of Quebec; and
 - d. Mr. Taek Soo Shin, who is a member of the Law Society of Ontario, the Bar of New York State, and the Bar of the State of Texas.
17. KND has significant experience in communicating with shareholders of Canadian public issuers.
18. From time to time, KND collaborates with other Counsel in the prosecution of class proceedings where it deems it to be in the best interests of the investors and consistent with the effective and efficient resolution of the proceeding to do so.

AFFIRMED BEFORE ME at Toronto,)
 Ontario, this 24th day of August, 2022.)



TAEK SOO SHIN
 LSO # 85691Q
 A COMMISSIONER OF OATHS



Hadi Davarinia