FENTANYL: MAKING A KILLING

Fentanyl kings in Canada allegedly linked to powerful Chinese gang, the Big Circle Boys

By Sam Cooper, Stewart Bell & Andrew Russell • Global News

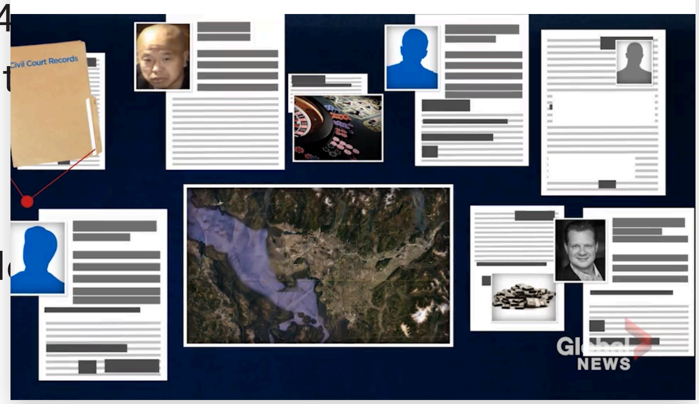
Published November 27, 2018 • 15 min read

LIGHT

WATCH: The suspected kingpins of fentanyl in Canada – Nov 27, 2018

In October 2015, RCMP officers wearing tactical gear burst into luxury homes, an underground bank and two illegal casinos in Richmond, B.C.

The suspected kingpins of fentanyl in C…



At a hidden casino on Richmond's No. 4 cameras. The place was abandoned but them.

On a wall calendar, a day had been circl RCMP's search warrant.

WATCH: The suspected kingpins of fentanyl in Canada

LIGHT

2:02

The suspected kingpins of fentanyl in Canada

Before the end of October, a Chinese woman from Vaughan, Ont. bought a 13,000-square-foot mansion on a plot of Richmond farmland.

But she only owned the $4.9-million home on paper, according to allegations in a civil forfeiture case.

A new illegal casino was up and running within weeks, the allegations state. Looming behind the purchase of 8880 Sidaway Rd. — a palatial red and grey building guarded by black iron gates and ornamental golden lions — was an alleged network of narcos that police would eventually link to an 85-ton shipment of precursors for drugs including fentanyl.

Fentanyl killed so many Canadians last year that it caused the average life expectancy in B.C. to drop for the first time in decades. But for crime kingpins, it has become a source of such astonishing wealth that it has disrupted the Vancouver-area real estate market.

READ MORE: **Secret police study finds crime networks could have laundered over $1B through Vancouver homes in 2016**

A Global News investigation has found that in British Columbia, where the crisis has hit hardest, investigators believe the fentanyl trade revolves around the **Big Circle Boys**, a powerful crime network directed from the Chinese mainland.

What makes them so robust, according to sources, is their ability to corrupt Chinese officials, which allows them to control chemical factories in southern China and get fentanyl through Chinese customs and to the West.

> **"There are so many players we identified in B.C. But this is all directed from inside China," an international policing expert said. "At the very top they are insulated. It's government officials."**
>
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So who are the **Big Circle Boys**?

READ MORE: Who are the Big Circle Boys?

Drug money loop

It all began as a drug-trafficking investigation.

In early 2015, police secretly tracked a network of suspected loan sharks and Chinese high-rollers operating out of Richmond's River Rock Casino, and discovered they had an international money-laundering investigation on their hands.

The primary target of the RCMP's October 2015 raids, B.C. Lottery Corp. investigative documents allege, was 51-year-old Paul King Jin. Jin and several associates were connected to probable offences involving narcotics importation and trafficking, as well as operating illegal casinos and conspiring to launder money, according to allegations in B.C. Supreme Court filings.

WATCH: How organized crime groups launder suspected drug money in B.C. real estate

LIGHT

1:06

How organized crime groups launder suspected drug money in B.C. re…

Jin has not responded to questions from Global News about the allegations. Several of Jin's associates have been charged in the case, but it is not known whether Jin has been charged in ongoing investigations.

The B.C. Lottery Corp. first noticed Jin in 2012, documents show. He was banned for making 50 suspicious cash transactions in River Rock Casino from 2012 to 2014. According to RCMP investigators, police allege Jin recruited Chinese VIPs in Macau, and his gang met the VIPs in Richmond parking lots to give them hockey bags stuffed with cash.

MORE: **Read the full Fentanyl investigation**

Jin, who also made massive real estate loans to these same gamblers, acknowledged that once, in a Richmond coffee shop, he gave a $2.68-million cash loan to a Chinese developer. But the developer said the loan involved an illegal casino transaction, according to allegations in legal filings. Jin's filings claim some of these cash loans were for Vancouver-area home constru

Police suspected that Jin was lending high-rollers bags of cash from "transnational drug trafficking," Lottery Corp. documents allege. In an underground banking scheme imported from Macau casinos, the VIPs used the cash to buy chips, mostly at River Rock, and paid back the "loans" in China with little or no interest, according to the documents.

WATCH: The criminals fuelling Canada's fentanyl crisis

4:15

The criminals fuelling Canada's fentanyl crisis

> **The alleged scheme is a win-win-win for the gangsters and the Chinese gamblers. The**

gamblers could evade China's tight currency export controls, get their wealth offshore ar invest in Canadian real estate, using B.C. casinos as the conduit to obscure drug cash paper trails.

And the transnational gangsters could wash drug sales in B.C. and transfer funds back to gang bank accounts in China to produce and export more fentanyl precursors, according to RCMP's forensic banking investigations.

WATCH: A look at exactly how profitable the opioid is for criminals in Canada.

0:45
How profitable is fentanyl

Experts on the Big Circle Boys say the gang is directed from inside China, and some connected Chinese officials and industrialists are VIP gamblers in Metro Vancouver. Police are investigating these suspected crime bosses. But they are seen as untouchable in China, and insulated from actual drug transactions in B.C., sources say.

But just underneath the untouchables, the sources say, are cells of kingpin entrepreneurs involved in many illegal schemes to wash and multiply drug cash.

Allegedly beat victims with metal bars

In December 2015, B.C. Lottery Corp. investigators linked an alleged illegal casino at 8880 Sidaway to the **Big Circle Boys.**

A B.C. civil forfeiture claim alleged the hidden owner was Lap San Peter Pang. Citing RCMP investigations, the claim alleged the property was an illegal casino that was an instrument of money laundering and violent crime, and among grand rooms where VIPs gambled, drank and danced, in other rooms extortion victims were kidnapped, stabbed, and held hostage at gunpoint. In June 2017, one victim arrived in Richmond hospital with a broken arm and nose, after being confined and beat with a metal bar by Pang and his associates, the claim alleges.

Lottery Corp. investigators were interested in real estate surrounding the casino, too. They found that a cluster of residential and commercial plots nearby, and valued at about $150 million, was connected to corruption suspects from China and notorious Big Circle Boys associates.

READ MORE: How Mexican cartels are part of an 'emerging threat' of fentanyl flowing into Canada

In his response to the claim, Pang denied all the allegations and any ownership of 8880 Sidaway. The property was sold in 2018 and the case continues. Pang's response noted he had not been charged despite two separate investigations by the RCMP and anti-gang Combined Special Forces unit running from 2015 to 2017.

Pang has never been charged in Canada, according to public records. But he has been known to police in Vancouver since 1991 and is alleged to be associated with heroin shipments from Guangdong and the top heroin importers in Canada, according to confidential sources cited in B.C. Supreme Court filings.

WATCH: Charges stayed in Canada's biggest drug money laundering investigation

2:57
Charges stayed in Canada's biggest drug money laundering investigati…

In one case, officers followed Pang in his BMW to his Vancouver apartment as part of a weapons trafficking investigation. One of his associates, described as an international heroin kingpin, walked out of Pang's apartment with a machine gun, police alleged. The man was convicted but Pang was not charged.

Corporate records show that Peter Pang was also tied to Paul King Jin and a man named Wei Qing Zhang. All three were listed as directors of Jin’s Richmond massage parlour, Water Club, among a number of directors from Guangdong.

The business was shut down in 2011 for Richmond bylaw infractions, according to investigation documents, and also linked to high-level drug-traffickers and suspected prostitution.

Red Guard Roots

The Big Circle Boys originated in China’s paramilitary Red Guards, and after clashing with China’s army in the late 1960s, members were sent to prison in southern China. But some gang members escaped and infiltrated Hong Kong, where they “turned their military prowess to crime,” according to Canadian court records. The gang now thrives among the unregulated factories and underground banks of Guangdong, and especially in the city Guangzhou, also known as Canton, and nicknamed the “Big Circle.”

They spread rapidly across Canadian cities in the 1990s, and confidential informants say Big Circle Boys are trusted bonding agents among many actors in fluid networks of Asian drug-trafficking.

Filings in Canadian legal cases explain how the network operates, and its connection to elites in China. In one refugee claim case, a factory owner that fled to Canada claimed he was chased from his home country after he reported that a neighbouring factory was producing ecstasy.

The man said that after reporting his allegations to police in Guangdong, he was attacked by gangsters, and learned the drug factory was run by Big Circle Boys with links to Chinese government, military and police officials.

In another B.C. Supreme Court case naming Big Circle Boys and kingpins allegedly associated to Peter Lap San Pang, a confidential informant told Vancouver police the top heroin importer to Canada "was well established in China among high ranking police and government officials … and untouchable in China."

Super-facilitator

In 2016, when RCMP continued with major surveillance operations targeting crime cells active in Richmond casinos and suspected drug labs, police intelligence alleged a network of Jin, Pang, and a Burnaby man named Ge "Gary" Wang, were linked to a B.C. entrepreneur who owned a Richmond chemistry business. Ge Wang has denied all allegations in court filings.

Within any major drug importation scheme, police intelligence sources said, there are kingpins, violent operatives, and financial facilitators, as well as underworld entrepreneurs known as super-facilitators.

From a Facebook profile advertising Douglas Pare's charitable work in Vancouver, the 40-year-old from Windsor appears to be the sort of youthful millionaire who could be running a technology start-up in San Francisco or Seattle.

But his businesses and partners raise questions.

After arriving in Vancouver, Pare launched Esoteric Communications, a cellular encryption technology start-up. Pare's equal partners in Esoteric were Craig Widdifield and Jeff Chang, according to corporate records. Both were well-known drug-traffickers, anti-gang police in B.C. say.

WATCH: **How Chinese gangs are laundering drug money through Vancouver real estate**

1:47
What is the 'Vancouver Model'?

Widdifield was shot and killed in a Surrey gang hit in 2013. And Chang, who police say came from an Asian organized crime family in Burnaby, survived a targeted shooting in Vancouver in 2014, before dying of an unintentional drug overdose in 2015.

It was Pare's Richmond chemical company, Quest Research Canada, that police linked to the investigation of suspects active at River Rock Casino and 8880 Sidaway, a source said.

A civil forfeiture claim says Pare rented space for Quest and also a shipping container on Mitchell Island, which is a small port on the Fraser River, in Richmond.

Citing RCMP investigations, the claim alleges that since 2014, Pare and Quest have imported 85 tons of chemicals and precursors used in the production of fentanyl, methamphetamine, LSD and ecstasy.

While the RCMP would not comment on the case, it could be the largest chemical seizure related to fentanyl production in Canadian history.

“That’s a massive amount, it’s almost indescribable,” Simon Fraser University criminologist Rob Gordon said. “That is like small mountains of chemical piles, in truck-loads.”

Pare allegedly concealed chemicals for fentanyl and methamphetamine production in these locations, and used his Porsche Boxster 718 and Mercedes ML350 to exchange the chemicals in meetings with alleged drug-trafficking associates.

These associates were followed by police to Richmond drug labs, the claim alleges. Ge “Gary” Wang was one of the associates identified delivering pails to suspected Richmond drug labs, according to source information and a separate civil forfeiture claim.

But in a legal response forwarded to Global News after this story was published, a lawyer for Douglas Pare stated that Pare is not a “super-facilitator” and has had no involvement in the manufacture of illegal drugs. The lawyer sta☼ LIGHT none of the chemicals seized from Quest Research could be used as precursors, and that the chemicals were all tested and nothing seized was found to be illegal.

‘They just walked away from this cash like it was nothing’

As investigations into Douglas Pare and Wang progressed, simultaneously at locations minutes away from Mitchell Island, a Vancouver police drug-trafficking investigation focused on 58-year-old Wei Zhang, an alleged associate of Jin.

Zhang came to Canada in 1992 and became a permanent resident in 2003 despite a criminal record that included a weapons offence, an Immigration and Refugee Board case shows.

His long list of criminal charges winds through many of the rackets the Big Circle Boys and their associates have cornered in Canada.

Zhang has been charged with breaching ban orders related to Lottery Corp. casinos in Richmond, Vancouver and Coquitlam, and he was fined $196,000 for illegal cigarette sales, among a number of assault convictions, court records show.

In May 2016, Vancouver police connected Wei Zhang and three Chinese suspects to drug and cash houses located in condo towers on the Vancouver border of the Fraser River, beside Mitchell Island, according to allegations in a civil forfeiture proceeding. The documents say police followed the suspects to parking lots across Metro Vancouver, where they appeared to make drug deals.

Douglas Pare's chemical company, Quest Research Canada, linked to police drug trafficking investigation. **(Screenshot)**

Police say they followed Wei Zhang from a Marine Drive condo tower to a nearby Tim Hortons parking lot in Richmond, where they watched him pull a suitcase stuffed with $513,000 from the trunk of his White Range Rover and roll the suitcase toward two suspects who pulled up in a black Mercedes.

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Wei Zhang placed the suitcase in the trunk of the Mercedes and police moved in, according to court documents.

In seizure operations that included the vehicles, Vancouver condo units, and multiple tote bags, police say they found a total of $660,000, two money counters, electronic tokens for offshore bank accounts, a Chinese passport and drug dealing gear.

Lab tests found that some of the cash seized contained concentrations of fentanyl, heroin and cocaine. Zhang has not been charged in the Vancouver investigation and he could not be reached for comment.

> **“They just walked away from this cash like it was nothing,” said a source, who described the suspects as fentanyl kingpins.**
>
> **“They said, ‘Okay, we’ll just take our golf clubs.’”**

Zhang is also allegedly a big player in Chinese community real estate lending schemes, legal filings show.

A cross-referencing of confidential B.C. Lottery Corp. documents, land title, real estate and civil court records, shows that Wei Zhang, Paul Jin, and several alleged fentanyl kingpins have used B.C. courts to enforce many millions in real estate loans. The loans were allegedly made to a network of VIP gamblers, and a suspected Big Circle Boys associate connected to 8880 Sidaway.

WATCH: Global News online journalist Sam Cooper shares details about his new investigative series looking at the link between fentanyl and organized crime operating in B.C.

Confidential documents obtained by Global News show that dozens of these VIPs were connected by Lottery Corp. investigators to alleged massive cash and casino chip loans from Paul Jin and his many suspected loan shark employees, mostly servicing River Rock casino high-rollers. This same alleged network of Jin-associated VIPs completed hundreds of suspicious cash transactions inside B.C. Lottery casinos, documents show.

Some of these VIPs, who claim to be oil, mining and industrial magnates, are also involved in major land assembly developments and crowd-funding schemes in Metro Vancouver, lending documents show.

Mitchell Island bust

Several months after Vancouver police seized Wei Zhang's cash, the RCMP moved in on Douglas Pare, Ge "Gary" Wang and drug labs in Richmond and Burnaby.

On Nov. 23 2016, police executed a search warrant at Quest's Mitchell Island office. Police say they found a secret compartment containing a large amount of iodine, according to allegations in a civil forfeiture case, which police said is used in the manufacture of methamphetamine.

Case documents allege that Pare was arrested for production of a controlled substance and laundering the proceeds of crime, and two Richmond drug labs were searched and shut down. Pare has not responded to repeated requests for comments. He denies all allegations in the civil forfeiture claim, and it's not known if he's ever been charged.

On Nov. 25, 2016, officers stopped Ge Wang as he loaded buckets into his Nissan Pathfinder. They arrested him and searched the vehicle, seizing a number of drums containing NPP, a fentanyl precursor produced in China, according to allegations in the civil forfeiture claim.

The claim doesn't specify exactly how much NPP was seized, and RCMP search warrants regarding Wang and Pare have been sealed by the court. But according to an unrelated seizure case in Massachusetts, several containers of NPP weighing 50 kilograms could produce 19 million fentanyl pills worth US$570-million on the street.

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Two months later, police raided Wang’s residence in Burnaby and found at least 82 kilograms of chemicals, according to the allegations in the court documents.

The documents allege that police seized containers with unknown chemicals, lab equipment and two drums containing 57 kilograms of phosphoric acid, which is a precursor in methamphetamine production.

Police say they also confiscated a 25-kilogram drum of potassium iodide, a compound related to iodine (the same substance allegedly seized from Pare’s secret storage unit in Richmond) — as well as gun licenses.

In related investigations, police alleged that in early 2017 Ge Wang had obtained many weapons from a Richmond hunting store. And as police continued to probe Richmond drug labs, Wang was caught delivering seven of the guns to high-level members of the Red Scorpions, a violent Metro Vancouver opioid dial-a-dope gang, according to allegations in a civil forfeiture claim and police reports. In a legal response, Wang denied any wrongdoing.

The Richmond gun shop owner is an associate of Paul King Jin and a network of River Rock VIP gamblers, according to sources. Through numbered companies, since 2016 the Richmond gun shop owner has been involved in about $34-million worth of land assembly deals, including buying farmland in Richmond, and a block of single family homes in Coquitlam, according to land title corporate documents.

Ge “Gary” Wang did not respond to questions from Global News. But he has previously denied any connections to fentanyl and weapons trafficking, and claims that he is just a delivery man for hire, who police have wrongfully linked to Paul King Jin.

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