

1 This Objection is filed by Patriot Gold Corporation (“**Patriot Gold**”).¹ Patriot Gold
2 hereby objects to the *Motion To Expedite Royalty Determination Motions* (the “**Motion to**
3 **Expedite**”) [Docket No. 55] filed on October 14, 2024 in the above-captioned Chapter 15
4 case (the “**Chapter 15 Case**”) by Elevation Gold Mining Corporation (“**Elevation**
5 **Gold**”), Eclipse Gold Mining Corporation (“**Eclipse**”) and Golden Vertex Corp. (“**Golden**
6 **Vertex**”, and collectively with Elevation Gold and Eclipse, the “**Chapter 15 Debtors**”).
7 In the Motion, the Chapter 15 Debtors request expedited consideration of a series of
8 motions (the “**Avoidance Motions**”) filed by the Chapter 15 Debtors to avoid the royalty
9 rights and interests held by Patriot Gold and other parties.² The Chapter 15 Debtors ask
10 that their Avoidance Motions be heard on an expedited basis and “as soon as practicable
11 before November 22, 2024.”

12 The Motion to Expedite should be denied for a number of reasons:

13 1. Pursuant to a *Royalty Deed* dated as of May 25, 2016 (the “**Royalty Deed**”),
14 Patriot Gold holds a royalty interest in the minerals at and produced from the Moss Mine
15 located in Mohave County, Arizona owned by Chapter 15 Debtor GVC (which is an
16 Arizona corporation). Pursuant to the Royalty Deed and applicable Arizona and federal
17 law, Patriot Gold holds a real property interest under the Royalty Deed. Accordingly,
18 Patriot Gold’s mineral rights interest and all proceeds therefrom is excluded from the
19 estates of the Chapter 15 Debtors and it is not subject to avoidance or alteration in this
20 Chapter 15 Case.

21 2. Although they frame their Avoidance Motions as motions to “determine the
22 nature” of the royalty interests held by Patriot Gold and other parties, the motions on their
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24 ¹ By filing this Objection to the Motion to Expedite, Patriot Gold does not waive, and it fully
25 reserves, all of its rights, remedies, defenses, and objections that may be applicable regarding the
26 Chapter 15 case, including, but not limited to, objections or defenses it may have to the jurisdiction
of this Bankruptcy Court.

27 ² The Avoidance Motions are, individually, the: (i) *Motion To Determine The Nature Of*
28 *Patriot Gold Corp’s Royalty Interest* [Docket No. 52] (the “**Patriot Gold Avoidance Motion**”);
(ii) *Motion To Determine The Nature Of Nomad Royalty Company Limited’s Interest* [Docket No.
53]; and (iii) *Motion To Determine The Nature Of The Finder’s Fee Agreement* [Docket No. 54].

1 face request that the Court avoid the royalty interests and rights that Patriot Gold and other
2 parties hold. *See, e.g.*, Patriot Gold Avoidance Motion at pp. 10–11 (asking the Court to
3 determine that Patriot Gold does not hold a real property interest). As such, the Avoidance
4 Motions are procedurally improper. The Debtor can seek avoidance of Patriot Gold’s
5 interest only through a properly filed adversary proceeding. *See* Bankruptcy Rule 7001(2)
6 (“proceeding to determine the validity, priority, or extent of a lien or other interest in
7 property” must be sought through an adversary proceeding.) The Chapter 15 Debtors
8 should not be allowed to circumvent the adversary proceeding rules, and the rights and
9 protections afforded to Patriot Gold and other parties thereunder, by improperly bringing
10 their avoidance request through a motion and then asking for expedited consideration of
11 same.³

12 3. The Avoidance Motions are also substantively improper because they seek
13 what is in reality an advisory ruling on the nature of the interests held by Patriot Gold and
14 other parties in the absence of an underlying substantive request for relief. The only
15 purpose identified by the Chapter 15 Debtors for their improper request is the statement
16 that they may at some point in the future request approval for a sale of the Moss Mine in
17 Arizona. No such sale request (much less any details regarding same) is yet before this
18 Court or even the Canadian Court in the Canadian Proceeding (discussed below). It is
19 premature for the Chapter 15 Debtors to request isolated rulings regarding the interests of
20 Patriot Gold and other parties unless and until the Debtors present an actual request for
21 approval of an actual sale (including disclosure of all of its terms and details).

22 4. The Chapter 15 Debtors say they have been pursuing a potential sale of the
23 Moss Mine since the inception of their Canadian bankruptcy proceeding (the “**Canadian**
24 **Proceeding**”). The Debtors commenced the Canadian Proceeding on July 30, 2024. The
25 Chapter 15 Case has been pending since August 2, 2024. However, the Chapter 15
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27 ³ The Patriot Gold Avoidance Motion should be denied for a number of procedural and
28 substantive reasons. Patriot Gold reserves all of its rights to respond and object to the Avoidance
Motion on all applicable grounds if and when any proceedings are scheduled in regard to the Patriot
Gold Avoidance Motion.

1 Debtors waited more than two months after the filing of the Chapter 15 Case to file their
2 Avoidance Motions. There is no basis for expedited consideration of the Avoidance
3 Motions, in particular in the absence of the procedural safeguards of a properly filed
4 adversary proceeding, when they waited more than two months to file the motions.

5 5. The Chapter 15 Debtors ask for expedited consideration of the Avoidance
6 Motions because a hearing has been “prospectively” (*i.e.*, tentatively) scheduled in the
7 Canadian Proceeding for November 22, 2024, at which the Chapter 15 Debtors say they
8 may present a sale proposal to the Canadian Court that may involve the Moss Mine.
9 However, this potential Canadian hearing (if it even occurs and if the Chapter 15 Debtors
10 even have a sale to present) creates no basis for expedited consideration of the Avoidance
11 Motions. The law is clear that the Canadian Court cannot approve or adjudicate any
12 proposed sale of the Moss Mine. Rather, because the Moss Mine is in the United States,
13 and pursuant to the clear terms of Bankruptcy Code §1520(a)(2), any proposed sale of the
14 Moss Mine must be heard and determined by this Court pursuant to the requirements of
15 Bankruptcy Code §363, and independently from any consideration or ruling by the
16 Canadian Court. *See* Bankruptcy Code §1520(a)(2); *see also In re Fairfield Sentry Ltd.*,
17 768 F.3d 239, 246 (2d Cir. 2014) (concluding that “the bankruptcy court erred when it
18 gave deference to the [foreign court’s] approval of the transfer” of assets in the United
19 States; US bankruptcy court is required to conduct an independent review and ruling under
20 Bankruptcy Code §363.). The Chapter 15 Debtors should not be allowed to use the
21 possibility of a hearing in Canada to deprive Patriot Gold and other parties from having
22 adequate time and proper procedural safeguards in responding to the Debtors’ improper
23 avoidance requests.

24 Accordingly, and for all the reasons discussed above, the Motion to Expedite
25 should be denied.

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DATED this 15th day of October, 2024.

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By /s/ John A. Harris

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