SO ORDERED.

Dated: August 15, 2025



Eddward P. Ballinger Jr., Chief Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF ARIZONA

MINUTE ENTRY/ORDER

FOR MATTER TAKEN UNDER ADVISEMENT

Bankruptcy Judge:	Eddward P. Ballinger, Jr.
Case Name:	Elevation Gold Mining Corporation – Chapter 15
Case Number:	2:24-bk-06359-EPB
Adversary Names:	Sandstorm Gold Ltd. v. Elevation Gold Mining Corporation, et al. Patriot Gold Corp. v. Golden Vertex Corp., et al.
Adversary Numbers:	2:24-ap-00252-EPB 2:24-ap-00253-EPB
Subject of Matter:	Plaintiffs' Motions for Preliminary Injunction
Date Taken Under Advisement:	July 15, 2025
Date Matter Ruled Upon:	August 15, 2025

This matter came before the Court for hearing on the motions of Plaintiffs Sandstorm Gold Ltd. ("Sandstorm") and Patriot Gold Corp. ("Patriot") (collectively "Plaintiffs") for a

preliminary injunction requiring Defendant Golden Vertex Corp. ("GVC") to account, segregate, and hold in the United States, royalties payable under their respective royalty agreements.[1]

It is undisputed that Sandstorm and Patriot each hold an interest in the minerals and proceeds generated therefrom at GVC's Moss Mine located in Arizona. It is also undisputed that GVC has refused to pay the royalties demanded by Plaintiffs, as GVC contends the documents and instruments evidencing Plaintiffs' claims do not create real property interests that justify provisional protection.

Plaintiffs acknowledge that a preliminary injunction is an extraordinary provisional remedy to be granted only when necessary to preserve the status quo during the pendency of litigation. Preliminary injunctions are governed by Fed. R. Civ. P. 65, which is made applicable to adversary proceedings by Fed. R. Bankr. P. 7065. The Ninth Circuit has held that courts must consider the following factors to determine whether a preliminary injunction is appropriate:

(1) the likelihood of movant's success on the merits;

(2) the possibility of an irreparable injury to movant in the absence of an injunction;

(3) the balance of hardships between the parties; and

(4) public policy favoring the requested relief.

Friends of the Wild Swan v. Weber, 767 F.3d 936, 942 (9th Cir. 2014), citing *Winter v. Natural Res. Def. Council*, 555 U.S. 7, 20 (2008).

When applying the first and third tests -- likelihood of success on the merits and the balance of hardship placed on the parties – Plaintiffs have failed to carry their burden. As to the likelihood of success, Plaintiffs remind the Court that, "[I]f a plaintiff can only show that there

[1] Sandstorm and Patriot previously sought consolidation of these adversary proceedings. The Court denied the request but permitted consideration of common issues, such as the relief requested in the current motions, to be considered jointly on an ad hoc basis.

are 'serious questions going to the merits'—a lesser showing than likelihood of success on the merits—then a preliminary injunction may still issue if the 'balance of hardships tips sharply in the plaintiff's favor,' and the other two *Winter* factors are satisfied." *Shell Offshore, Inc. v. Greenpeace, Inc.*, 709 F.3d 1281, 1291 (9th Cir. 2013) (quoting *Alliance for the Wild Rockies v. Cottrell*, 632 F.3d 1127, 1135 (9th Cir. 2011)). At this point in the proceedings, Plaintiffs have not presented sufficient evidence for the Court to determine whether Plaintiffs hold real property interests in the Moss Mine. Nor have they established that the balance of hardships tips sharply in their favor.

Plaintiffs have also not shown the potential for irreparable harm. Plaintiffs waited more than seven months to seek injunctive relief, which undercuts their claim that immediate relief is required. And the relief sought is sequestration of monies related to their respective royalty agreements. Monetary injury is generally insufficient to warrant a preliminary injunction. *Los Angeles Memorial Coliseum Commission v. National Football League*, 634 F.2d 1197, 1202 (9th Cir. 1980) ("It is well established, however, that such monetary injury is not normally considered irreparable.").

Finally, Plaintiffs have not demonstrated that granting a preliminary injunction is in the public interest. To the contrary, the public has an interest in the free flow of trade. *See Boardman v. Pacific Seafood Group*, 822 F.3d 1011, 1023-24 (9th Cir. 2016) (granting injunctive relief to prevent substantial lessening of competition).

Accordingly,

IT IS ORDERED denying Plaintiffs' requests for provisional relief in the form of a preliminary injunction.