



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP

COURT FILE NO.: CV-23-00692786-CL

DATE: Sept. 21, 2023

REGISTRAR: Teodoro Olaso

NO. ON LIST: 1

TITLE OF PROCEEDING: Arehada Mining Ltd.

BEFORE JUSTICE: Madam Justice Jana Steele

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Philip Cho	Albert Gelman Inc. as it's capacity as a Court-Appointed Liquidator for Arehada Mining Limited	pcho@weirfoulds.com
Tom McElroy (Liquidator)		tmcelroy@albertgelman.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE STEELE:

- (1) Albert Gelman Inc., the Liquidator, brings a motion for an order discharging AGI as liquidator and authorizing the Liquidator to assign the Company into bankruptcy, among other things.
- (2) No one opposed the motion.
- (3) The Company had an outstanding receivable in the amount of \$7.4 million. AGI advised that they agree with management's assessment that the outstanding receivable is uncollectable and, therefore, of no material value. The Liquidator stated in the First Report that "[m]anagement's business judgment should be afforded reasonable deference and the Liquidator is satisfied that Management exercised reasonable diligence in assessing the feasibility of collecting the Outstanding Receivable."
- (4) The only remaining asset in the Company is the bank account, which totals \$302,465.52.
- (5) There are insufficient funds remaining to satisfy the received claims, which total \$827,838.98 in aggregate.
- (6) The Company is an insolvent person within the meaning of s. 2 of the BIA.
- (7) The Liquidator seeks the Court's authorization to assign the Company into bankruptcy and permit AGI to act as the trustee in bankruptcy. The Appointment Order empowers the Liquidator to "execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Liquidator's name or in the name and on behalf of the Company, for any purpose pursuant to this Order." It further provides that "nothing in this Order shall prevent the Liquidator from acting as a trustee in bankruptcy of the Company." I am satisfied that it is appropriate to make this order.
- (8) The Liquidator also seeks the Court's approval of the first report. As noted in *Target Canada Co., (Re)*, 2015 ONSC 7574, at paras. 12 and 22, "there are good policy and practical reasons" for court approval of a court officer's activities. I am satisfied that it is appropriate to make the order approving the first report.
- (9) The Liquidator seeks approval of its fees and the fees of its counsel. In addition, the Liquidator asks the Court to approve estimated fee accruals to complete its mandate. Fee affidavits have been filed in support of the fees incurred. The professional fees sought appear fair and reasonable in the circumstances.
- (10) Finally, the Liquidator asks to be discharged subject to completing the remaining activities set out in the First Report. Following the completion of these activities, the Liquidator will have completed its mandate.
- (11) Order to go in accordance with the attached.

