

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

FILED
2015 OCT 21 AM 9:54
CLERK
US BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE: CHAPTER 11
ALLIED NEVADA CASE No. 15-10503(MFW)
GOLD CORP,et al.,¹ Jointly Administered
DEBTORS

**MOTION FOR JURY TRIAL OR IN THE ALTERNATIVE
MOTION FOR REHEARING FILED BY JORDAN DARGA**

**Honorable Judge Walrath, it is imperative that you please take the
time to personally read this document.**

COMES NOW, party of interest: JORDAN DARGA files this MOTION FOR
JURY TRIAL OR IN THE ALTERNATIVE MOTION FOR REHEARING:

¹ The Debtors("Debtors") in these cases, along with the last 4 digits of each Debtor's federal tax identification number, are: Allied Nevada Gold Corp.(7115); Allied Nevada Gold Corp Holdings LLC (7115); Allied VGH Inc. (3601); Allied VNC Inc. (3291); ANG Central LLC (7115); ANG Cortez LLC (7115); ANG Eureka LLC(7115); ANG North LLC (7115); ANG Northeast LLC (7115); ANG Pony LLC (7115); Hasbrouck Production Company LLC (3601); Hycroft Resources and Development, Inc. (1989); Victory Exploration Inc.(8144); and Victory Gold Inc.(8139). The corporate headquarters for each of the following are located at, and the mailing address for each of the following of each of the above debtors, except Hycroft Resources & Development, Inc., is 9790 Gateway Drive, Suite 200, Reno, Nevada 89521. The mailing address for Hycroft Resources & Development, Inc. is P.O. Box 3030, Winnemucca, NV 89446.

MOTION FOR JURY TRIAL OR IN THE ALTERNATIVE MOTION FOR REHEARING

Dear Honorable Judge Walrath,

First, I wanted to thank you for hearing Brian's case. It was an honor to be part of your court hearing.

I just wish that you would have taken more time to seriously consider what the debtors are trying to do to shareholders.

In your closing statements you made a response that directly showed that you were unaware of the details of the Amended Plan of Reorganization, specifically, about the warrants, but yet you signed off on all their orders from their initial orders to the final confirmation order.

You stated something along the lines of "they are getting warrants right?", not even knowing the details of the warrants, and that they have the potential to have **no value**. If you recall, this was during the last 5 minutes of the hearing.

I believed that there was going to be justice in this case because courts are honorable and always seek after the truth in every matter.

This is not what happened in this case. This case was ushered in from the beginning by Allied Nevada's legal team. They simply led you the entire way down the path of least resistance being so kind not to startle you to make you think that ANV was doing anything wrong. Its even possible that the legal team fighting this case is unaware of the illegal write offs that management is attempting in order to artificially depress shareholder equity.

Regardless, this proposed plan results in a terrible loss for all share holders and a tremendous gain for management and bond holders.

It is a shame that you would allow something like this to pass through your doors without even giving shareholders the right to investigate their findings through Mr. Brian Tuttle's motions the first time he asked.

Mr. Brian Tuttle tried to show you how the debtors were being dishonest but you refused to listen to him. You saw him as someone who was just trying to make a quick buck,

when in fact he was standing up for all of the shareholders' best interests.

He was our true Equity Committee because he represented the shareholders' best interests as proven by the final voting outcome. The appointed Equity Committee on the other hand wanted us to vote yes, which proves that they do not have our best interest in mind. If they did, we would have voted in one accord with them. As a side note, If you put the shareholders on the stand who actually voted to accept the plan, the majority if not all would tell you that they voted yes because they were under duress for fear that they would lose the little bit that they could potentially recover.

The Class 8 equity holders rejected the plan as a whole and you did not even attempt to ask why. Why would shareholders reject the plan? Surely there must be a reason. Brian was your key to finding out everything you could possibly want about the dishonesty of management but you chose to take the easy route.

Shame on management, shame on the lawyers for accepting management's payment to fight this case, and shame on Moelis for taking management at their word about the value of the company without looking into it for themselves, and ultimately having the audacity to say that the Hycroft Mine is worth between only 200M and 300M dollars. Moelis even admitted at the hearing that the valuation outcome was highly influenced by the information provided to them by management.

Shame on every party that overlooked the fraudulent accounting that management is trying to get away with, taking 700M of stockholder's equity and illegally writing down 429M of it. They are attempting to steal from shareholders by canceling our shares and they will receive the 429M again onto their balance sheet of the new post bankruptcy reorganized company once the mill is complete. This \$429M belongs to the shareholders that are in the process of having their shares canceled, not the new shareholders. And you, honorable Judge Walrath have let it come this far without stopping it.

THE HEARING

During the hearing, I had 3 simple questions for Mr. Steve Jones.

His answers proved that this Plan of Reorganization was a fraud. It could have been settled justly and legitimately by increasing stockholder's equity by 429M but instead, all parties turned their faces from the facts during this hearing.

The plan was confirmed even after the following took place:

INTRODUCTION

Your honor, I would like to introduce myself. My name is Jordan Darga and I am one of the objecting parties on this case. I am the shareholder who took out a loan of \$30,000 in order to buy shares of Allied Nevada based strictly on their financial statements.

If I may, I would like to keep this brief and ask Mr. Steve Jones a few questions.

THE QUESTIONING PART OF THE HEARING

1.. 1.a.. Mr Steven Jones, do you intend to go ahead with the mill expansion?

YES/NO (Mr. Jones stated YES and there were no objections)

2. Mr. Jones, is the crusher part of the mill expansion?

YES/NO (Mr. Jones stated NO) and I informed Mr. Jones that this is in fact not true according to all the debtor's 10-K reporting since 2012 . (Facts shown below in point 2 of the argument)

3. Mr. Jones After the company emerges from bankruptcy do you intend to process the 42M worth of stockpiles of ore?

YES/NO (Mr. Jones stated YES)

I then said: Before I continue, I would like to state that I have references to anything that I say from this point forward.

ARGUMENT ONE USING QUESTION ONE

1.a.. Your honor, when I asked Mr. Jones if he intended to go ahead with the mill expansion, he said YES. Which is correct because it states in the Plan of Reorganization that the entire disclosure statement's financial projection depends on the mill expansion (*Exhibit C page 8 of 8, the actual page in the document is 271 of docket 933-3. This document shows that the debtors financial projections are based on completing the mill expansion and shows the year that the mill will start producing*).

Your honor, I do not object to the fact that the debtors are planning to go ahead with the mill expansion! What I do object to is the writing down of the mill expansion assets for the purpose to decrease stockholders equity in order to file for bankruptcy and then later claim that they will continue with the mill expansion and not credit those written down assets back to the balance sheet of the reorganized company.

The write downs for the construction in progress total \$161M million dollars and the write down for the Mine development totals \$30M million dollars . These assets did not just vanish. These assets are real and will be realized once the mill expansion continues.

The debtors even stated themselves that the mill parts will be stored away until the mill expansion continues. pg 21 of Q3 2013 10-Q

The total write downs for the mill expansion is 190 million dollars and is broken down as follows:

Construction in progress and other \$161,403,000
Mine Development \$30,822,000

Do you agree that this amount needs to be credited back to shareholders since these are assets that will continue to exist once the company reemerges from bankruptcy? This is an additional (\$192M) that must be credited back to the stockholder equity portion of the balance sheet.

"Under U.S. GAAP impaired assets must be recognized once there is evidence of a lack of recoverability of the net carrying amount. Once impairment has been recognized it cannot be restored."

If they do not want to go ahead with the mill expansion, then their disclosure statement is null and void because their disclosure statement's Exhibit C's financial projections depend on the mill expansion.

FOR THE RECORD (THERE WERE NO OBJECTIONS TO ARGUMENT 1 BECAUSE THERE CAN NOT BE BECAUSE ARGUMENT ONE IS TRUE AND ALL PARTIES KNOW THIS)

(side note: ANV is trying to say that \$190M of what they did so far is worthless and they are writing it down for the purpose of claiming bankruptcy (destroying stockholder equity) so they can cancel our shares, but yet when they emerge they will be using this very valuable asset to produce future revenue. This is illegal.)

ARGUMENT TWO USING QUESTION TWO

2. Your honor, when I asked Mr. Jones if the crusher was part of the mill expansion, **he said YES. Which is not true according to all 10-K reports since 2012.** Financial reports show that the crusher has always been part of a different category and can be seen in all the debtor's 10-K reporting since 2012.

There was a total impairment write down of 387M that was classified under the asset group: Mill expansion project (see page 62 of 10-K 2014)

For all 10-K reporting since 2012 see attached Exhibit A titled "References to 10-K filings".

The debtor has attempted to combine the crusher as part of the mill expansion writedowns. (This would result in a 195M write down being deducted from shareholder equity)

Your honor, don't you agree that this amount needs to be credited back to shareholders?

FOR THE RECORD (THERE WERE NO OBJECTIONS TO ARGUMENT TWO BECAUSE THERE CAN'T BE BECAUSE IT IS TRUE). STEVE JONES DID NOT EVEN OBJECT EVEN THOUGH HE SAID YES WHEN I QUESTIONED HIM ABOUT THE CRUSHER. THESE ARTICLES COME FROM THE DEBTORS THEMSELVES AND THEREFORE THEY CAN NOT DENY IT. YOU CAN DENY WITH YOUR WORDS WHEN YOU TAKE THE STAND, BUT YOU CAN NOT DENY YOUR OWN COMPANY'S 10-K REPORTING SINCE 2012)

ARGUMENT THREE (FINAL ARGUMENT) USING QUESTION THREE

3. Your honor, when I asked Mr. Jones if he plans on processing the stockpiles of ore once they emerge from bankruptcy, he said YES.

Stockpiles represent ore that has been extracted from the mine and requires further processing through a mill. Your honor, the debtors admit that they intend to process the stockpiles of ore. There was a total write down of \$42M for 2014 for these stockpiles of ore. See pg 60 of 10k 2014

Since they intend to process these stockpiles, would you agree that this write down must be credited back to shareholders as well since the value is real and is not impaired once the reorganized ANV emerges? These stockpiles will be part of the debtor's assets.

There is even a 21M write down in the build up (10K 2015).

Your honor, do you agree with these statements? I am not being unfair. I am not giving my opinion. These statements are based on facts agreed upon by the debtors themselves.

FOR THE RECORD (THERE WERE NO OBJECTIONS TO ARGUMENT THREE BECAUSE THERE CAN'T BE BECAUSE IT IS TRUE AND ALL PARTIES KNOW THIS)

In closing,

From these three simple questions we have found that shareholders should be credited back with at least \$429M because the entire purpose of having their confirmation confirmed, is to resume the mill expansion.

(\$195M from the improper write down of the crusher, 192M from the mill expansion, and 42M from the stockpiles of ore= ~429M) Once the mill expansion is complete, instantly these assets are part of the debtor's balance sheets as real assets.

FOR THE RECORD (NO OBJECTIONS DURING FINAL CLOSING STATEMENT OF THE THREE ARGUMENTS)

WHAT WILL HONORABLE JUDGE WALRATH DO NOW?

Shareholders have mixed opinions about your character. I believe, and I hope that I'm right, that you are simply a victim of circumstance. Numerous parties place many lengthy documents in front of you and you can not be expected to read everything. Noone can. It is too much of a burden on one person.

But now that the red flag has been waived by the entire class 8 of equity holders, what will honorable Judge Walrath do? Will she give class 8 equity holders the right to investigate their findings by overruling her previous ruling on Mr. Brian Tuttle's motions to allow him to present to her the evidence she desires to see so that shareholders can get back the 429M that is owed to them, and potentially more?

Or will she turn her face the other way?

Thousands of shareholders are anxiously waiting to find out.

I hereby respectfully ask to allow a jury trial to determine the outcome of this case (or as an alternative a rehearing).

Exhibit A

REFERENCES TO 10-K FILINGS MENTIONED IN ARGUMENT TWO

Cash investment in the crushing facility are always treated as a separate item from the investment in the mill project as can be seen in all their 10-K reporting since 2012.

Cash used in investing activities (2014)

During 2014 cash additions to plant, equipment, and mine development totaled \$79.1 million and included **\$35.7 million for mill components, \$23.2 million for the crushing facility,** \$12.1 million for Merrill-Crowe additions, and \$8.1 million for mine development.

page 41 10-K 2014

<http://www.sec.gov/Archives/>

Cash used in investing activities (2013)

"During 2013, cash additions to plant, equipment, and mine development totaled \$327.6 million and included **\$99.3 million for the crushing facility, \$59.5 million for the mill project,** \$53.3 million for processing upgrades, \$40.6 million for mine equipment, \$32.4 million for leach pad expansions, \$22.9 million for mine development, and \$19.6 million for other additions. "

page 33 10-K 2013

<http://www.sec.gov/Archives/>

Cash used in investing activities (2012)

The amount of cash used in investing activities significantly increased in 2012 due to the ongoing expansion projects at the Hycroft Mine. During 2012, cash additions to plant, equipment, and mine development included **\$103.7 million for the mill project, \$59.4 million for the crushing facility,** \$35.3 million for mine development, \$30.1 million for leach pad expansions, \$9.4 million for an employee housing project, \$8.7 million for mine equipment, and \$15.6 million for other additions.

page 42 of 10-K 2012

<http://www.sec.gov/Archives/>

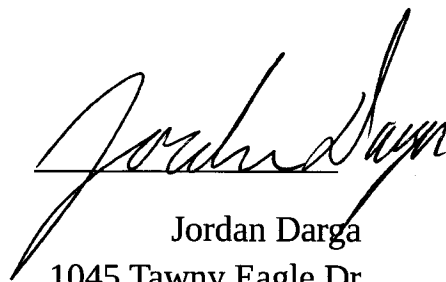
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by email to the following this the 16th day of October, 2015:

fatell@blankrome.com idizengoff@akingump.com pdublin@akingump.com

debaecke@blankrome.com afreeman@akingump.com mfagen@akingump.com

tarr@blankrome.com kthomas@mcdonaldcarano.com Tiara.Patton@usdoj.gov



Jordan Darga
1045 Tawny Eagle Dr
Groveland, Fl 34736
407-616-1286
darga33@gmail.com

FILED
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