

**IN THE UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

RHODIUM ENCORE LLC., *et al.*¹

Debtors.

Chapter 11

Case No. 24-90448 (ARP)

(Jointly Administered)

**LIQUID MINING FUND III, LLC'S RESPONSE AND JOINDER
IN OPPOSITION TO DEBTOR'S OMNIBUS OBJECTION TO
CLAIMS [ECF NO. 1126] AND REQUEST FOR HEARING**

Liquid Mining Fund III, LLC ("**LMF III**") files this *Response and Joinder in Opposition to Debtor's Omnibus Objection to Claims [ECF No. 1126] and Request for Hearing*, and states:

1. LMF III filed proof of claim no. 102 on November 22, 2024 against Rhodium Enterprises, Inc. ("**REI**") for an amount not less than \$1,620,000.00 related to and on account of that certain Simple Agreement for Future Equity (the "**SAFE**"), dated September 20, 2021, between REI and LMF III, a copy of which was attached to the addendum to the proof of claim. As set forth in the proof of claim, LMF III holds a claim, as that term is defined 11 U.S.C. § 101(5), because upon a "Dissolution Event" or "Liquidity Event" (as those terms are defined in the SAFE agreement)², which has occurred by way of this bankruptcy proceeding, LMF III has a

¹ The Debtors in these Chapter 11 Cases and the last four digits of their corporate identification numbers are as follows: Rhodium Encore LLC (3974), Jordan HPC LLC (3683), Rhodium JV LLC (5323), Rhodium 2.0 LLC (1013), Rhodium 10MW LLC (4142), Rhodium 30MW LLC (0263), Rhodium Enterprises, Inc. (6290), Rhodium Technologies LLC (3973), Rhodium Renewables LLC (0748), Air HPC LLC (0387), Rhodium Shared Services LLC (5868), Rhodium Ready Ventures LLC (8618), Rhodium Industries LLC (4771), Rhodium Encore Sub LLC (1064), Jordan HPC Sub LLC (0463), Rhodium 2.0 Sub LLC (5319), Rhodium 10MW Sub LLC (3827), Rhodium 30MW Sub LLC (4386), and Rhodium Renewables Sub LLC (9511). The mailing and service address of the Debtors in these Chapter 11 Cases is 2617 Bissonnet Street, Suite 234, Houston, TX 77005.

² Specifically, a "Dissolution Event" is defined as "(i) a voluntary termination of operations, (ii) general assignment for the benefit of the Company's creditors, or (iii) any other liquidation, dissolution or winding up of the Company (**excluding** a Liquidity Event), whether voluntary or involuntary." SAFE § 2 (emphasis in original). A "Liquidity Event" is defined as "a Change of Control other than a Listing Event," and a "Change of Control," in turn, includes (*inter alia*) a "reorganization, merger or consolidation of the Company" and "a sale, lease or other disposition of all or substantially all of the assets of the Company." *Id.*



current or contingent right to payment of at least the \$1.620 million that LMF III paid to REI (i.e., the “Cash-Out Amount, due and payable to the Investor immediately prior to the consummation of the Dissolution Event” in the event of a “Dissolution Event” or the “greater of (i) the Purchase Amount (the “**Cash-Out Amount**”) or (ii) the amount payable on the number of shares of Common Stock equal to the Purchase Amount divided by the Liquidity Price (the “**Conversion Amount**”)” upon a “Liquidity Event” SAFE § 2). Accordingly, both a “Liquidity Event” and a “Dissolution Event” trigger a right to repayment and, therefore, provide LMF III with a claim against the bankruptcy estate.

2. On May 19, 2025, the Debtors filed an objection to claims [ECF No. 1126] (the “**Debtor’s Objection**”), which requests disallowance of LFM III’s proof of claim no. 102 if no response is filed by June 18, 2025.

3. LMF III responds in opposition to the Debtor’s Objection and joins in the opposition to the Debtor’s Objection by other similarly situated claimants (*see* ECF No. 1299 filed under seal) and requests a hearing on the Debtor’s Objection.

4. LMF III should be treated like all other similarly situated claimants that are the subject of the Debtor’s Objection.

5. LMF III requests a hearing on the Debtor’s Objection.

6. LMF III reserves the right to supplement this response and joinder (as well as its proof of claim) as appropriate or necessary in further response in opposition to the Objection.

WHEREFORE, LMF III requests the entry of an Order overruling the Debtor’s Objection to its claim (claim no. 102) and for such other relief as is just and proper.

CERTIFICATE OF SERVICE

I CERTIFY that a true and correct copy of the foregoing was furnished on June 18, 2025 via transmission of Notice of Electronic Filing generated by CM/ECF on all counsel of record or pro se parties who are authorized to receive electronically Notices of Electronic Filing in this case.

Dated: June 18, 2025

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