UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 001-41279

5E ADVANCED MATERIALS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**87-3426517**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
9329 Mariposa Road, Suite 210 Hesperia, CA	**92344**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (442) 221-0225

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.01 par value	**FEAM**	**The Nasdaq Global Select Market**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☒		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 13, 2026, the registrant had 49,634,871 shares of common stock, $0.01 par value per share, outstanding.

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References herein to the "Company," "we," "our," "us," and "5E" refer to 5E Advanced Materials, Inc., and its subsidiaries.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2026, and any documents incorporated by reference herein (this "Quarterly Report on Form 10-Q") include statements that express our and our subsidiaries' opinions, expectations, beliefs, plans, goals, objectives, assumptions or projections regarding future events or future financial performance and results, financial condition, business strategy, including certain projections, milestones, targets, business trends and other statements that are not historical facts. These statements constitute forward-looking statements within the meaning of the Safe Harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "seeks," "projects," "forecasts," "budgets," "targets," "aims," "intends," "plans," "may," "will," "should," "could," "would," "will be," "will continue," "will likely result" and similar expressions, and in each case including their negative or other variations of comparable terminology. However, not all forward-looking statements contain these identifying words. All statements other than statements of historical fact contained in this Quarterly Report on Form 10-Q are forward-looking statements, including without limitation, statements regarding: our business strategy, plans and prospects; our ability to secure additional financing; the expected timing of generating revenue from acquired operations; our development plans, production capabilities; market demand for boron and lithium; our growth opportunities; the potential applications of the Company's products; our goal to become a leading global supplier of borates and advanced boron materials; production forecasts and capital expenditure estimates; the anticipated benefits of and impacts from the Acquisition (as described herein); growth opportunities within the acquired asset base; the issuance of the remaining stock consideration payable in the Acquisition; the funding of the remaining amount available under the senior secured bridge facility associated with the Acquisition; the expected outcome of pending legal proceedings; and our longer-term strategy to expand across boron, advanced boron materials, calcium-based co-products, potential by-products such as lithium carbonate and other critical mineral products. Such forward-looking statements are based on available current market material and management's expectations, beliefs and forecasts concerning future events impacting our business.

The forward-looking statements in this Quarterly Report on Form 10-Q are only predictions. Forward-looking statements are based on our management's beliefs and assumptions and on information currently available. These forward-looking statements are subject to a number of known and unknown risks, uncertainties, assumptions, and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including risks described under the heading "Part II, Item 1A. – Risk Factors" in this Quarterly Report on Form 10-Q, and in "Part I, Item 1A. – Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended June 30, 2026, any of which could cause the Company's actual results, performance or achievements, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such risks include, among others, risks relating to the Acquisition, including the scope of environmental, reclamation and other liabilities assumed by us and any obligations that were not extinguished through the section 363 sale process; risks relating to the indebtedness incurred in connection with the Acquisition; the risk that we are unable to post replacement surety bonds, letters of credit or other financial assurance for the acquired operations within the required period, which would increase the amounts owed under the senior secured bridge financing; the risk that the historical operating results of the acquired operations are not indicative of future performance; the risk that we are unable to restore borate production or implement our pricing, cost and volume initiatives on the anticipated timeline or at all; the risk that the anticipated benefits of the Acquisition are not realized on the expected timeline or at all; risks relating to the integration of the acquired assets and operations, including the retention of customers, suppliers and key personnel; and the risk that we require additional capital to advance the Fort Cady Project notwithstanding any cash flow contributed by the acquired assets. Other sections of this Quarterly Report on Form 10-Q include additional factors that could harm our business and financial performance. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties.

You should not rely upon forward-looking statements as predictions of future events. We cannot assure you that the events and circumstances reflected in the forward-looking statements will be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this report or to conform these statements to actual results or to changes in our expectations. You should read this Quarterly Report on Form 10-Q and the documents that we reference or incorporate by reference in this Quarterly Report on Form 10-Q and have filed as exhibits to this report with the understanding that our actual future results, levels of activity, performance, and achievements may be materially different from what we expect. You are advised, however, to consult any additional disclosures we make in our reports to the U.S.

Securities and Exchange Commission (the "SEC"). All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained in our latest Annual Report on Form 10-K for the fiscal year ended June 30, 2026, and this Quarterly Report on Form 10-Q.

SUMMARY RISK FACTORS

The following is a summary of the principal risks and uncertainties that make an investment in the Company speculative or risky. The following should be read in conjunction with the more detailed description of risk factors contained within Part II, Item 1A of this Quarterly Report.

- There is substantial doubt regarding our ability to continue as a going concern. We will need to raise substantial additional funding, which may not be available on acceptable terms, if at all, to continue as a going concern, advance the Fort Cady Project, advance FEL-3 and related technical work, develop the proposed commercial-scale facility, and maintain production at our current mining operations.
- We have incurred significant net operating losses since our inception and anticipate that we may incur continued losses for the foreseeable future.
- Our future performance is difficult to evaluate because we have no or only a limited operating history in the minerals industry, only recently transitioned from a pre-revenue development stage company to a revenue-generating producer of boron and other industrial minerals due to the Acquisition, and our limited history as a revenue-generating company may negatively impact our ability to achieve our business objectives.
- Our inability to continue to operate the SSF, complete FEL-3 and further technical and economic studies, or successfully validate and optimize our wellfield design may have a material adverse impact on the Fort Cady Project.
- We have invested and, subject to availability of adequate capital, plan to continue to invest significant amounts of capital in the Fort Cady Project.
- We have a limited history of mineral production, and we may not be able to successfully achieve our business strategies, including our downstream processing ambitions.
- Our estimates of mineral resources and reserves remain inherently uncertain and subject to significant change, and the actual volume and grade of material actually recovered may differ materially from current estimates.
- Uncertain global economic conditions could have a material adverse effect on our business, financial condition, results of operations or prospects, including the pricing of our products.
- Title to mineral properties and related water rights is a complex process and we may suffer a material adverse effect in the event the Fort Cady Project property or other properties that we have acquired, or may acquire, are determined to have title deficiencies, or if required governmental approvals or renewals of our mineral leases are not obtained.
- The development, construction and proposed operation of our properties and projects is subject to various environmental, operational and land-use regulations that could adversely affect our ability to grow.
- We face risks relating to mining, exploration, development and mine construction on our properties.
- Mineral exploration and development, such as our current and proposed operations, are subject to extraordinary risks.
- We are subject to significant environmental and government regulations and compliance with such regulations requires significant expenditures.
- The Acquisition and additional businesses or assets we may acquire, joint ventures we may form or investments in other companies we may make in the future may be unsuccessful and may harm our operating results and prospects.
- We have incurred and expect to incur substantial costs as a result of the Acquisition.
- The acquired operations from the Acquisition incurred losses under prior ownership, and our plan to restore their profitability depends on operating initiatives that may be delayed or unsuccessful and that will require additional investment before the operations generate sustained positive cash flow.
- Risks related to our common stock.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

5E ADVANCED MATERIALS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In thousands, except per share data)

	September 30, 2026	June 30, 2026
ASSETS		
Current assets:		
Cash and cash equivalents	$ 15,635	$ 19,450
Prepaid expenses and other current assets	1,185	634
Total current assets	16,820	20,084
Mineral rights and properties, net	7,566	7,600
Construction in progress	3,957	3,497
Properties, plant and equipment, net	29,135	34,441
Reclamation bond deposits	1,873	2,196
Right of use asset	43	64
Other assets	108	101
Total assets	$ 59,502	$ 67,983
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 7,133	$ 2,751
Lease liabilities, current	46	68
Total current liabilities	7,179	2,819
Asset retirement obligations	1,097	1,071
Total liabilities	8,276	3,890
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Common stock, $0.01 par value; 360,000 shares authorized; 41,647 and 41,515 shares outstanding September 30, 2026 and June 30, 2026, respectively	416	415
Additional paid-in capital	338,420	338,142
Retained earnings (accumulated deficit)	(287,610)	(274,464)
Total stockholders' equity	51,226	64,093
Total liabilities and stockholders' equity	$ 59,502	$ 67,983

The accompanying notes are an integral part of these condensed consolidated financial statements.

5E ADVANCED MATERIALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share amounts)

	Three months ended September 30,	
	2026	2025
Operating expenses:		
Project expenses	$ 989	$ 1,156
Small-scale facility operating costs	602	833
General and administrative	6,352	3,432
Depreciation and amortization expense	5,371	5,314
Total operating expenses	13,314	10,735
Income (loss) from operations	(13,314)	(10,735)
Non-operating income (expense):		
Interest income	168	55
Interest expense	—	(6)
Other expense	—	(4)
Total non-operating income (expense)	168	45
Income (loss) before income taxes	(13,146)	(10,690)
Income tax expense (benefit)	—	—
Net income (loss)	$ (13,146)	$ (10,690)
Net income (loss) per common share — basic and diluted	$ (0.32)	$ (0.51)
Weighted average common shares outstanding — basic and diluted	41,610	20,993

The accompanying notes are an integral part of these condensed consolidated financial statements.

5E ADVANCED MATERIALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Three months ended September 30, 2026	2025
Cash Flows From Operating Activities:		
Net income (loss)	$ (13,146)	$ (10,690)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	5,371	5,314
Share-based compensation	386	302
Common stock issued for services	—	71
Accretion of asset retirement obligations	26	24
Amortization of right of use asset	21	18
Interest earned on reclamation bond	(14)	(19)
Change in:		
Prepaid expenses and other current assets	(240)	326
Reclamation bond deposits	337	—
Accounts payable and accrued liabilities	3,902	356
Net cash used in operating activities	(3,357)	(4,298)
Cash Flows From Investing Activities:		
Construction in progress	(320)	(527)
Properties, plant and equipment additions	—	(919)
Other assets	(20)	—
Net cash used in investing activities	(340)	(1,446)
Cash Flows From Financing Activities:		
Proceeds from issuance of common stock and warrants, net of issuance costs	—	7,455
Payments on notes payable	(11)	(11)
Taxes paid for equity award vesting	(107)	(68)
Net cash provided by (used in) financing activities	(118)	7,376
Net increase (decrease) in cash and cash equivalents	(3,815)	1,632
Cash and cash equivalents at beginning of period	19,450	3,836
Cash and cash equivalents at end of period	$ 15,635	$ 5,468
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	$ —	$ 6
Noncash Investing and Financing Activities:		
Construction in progress transferred to properties, plant and equipment (Note 4)	$ —	$ 2,119
Accounts payable and accrued liabilities change related to capital additions	172	550
Accounts payable and accrued liabilities change related to debt issuance costs	311	—
Accounts payable and accrued liabilities change related to equity issuance costs	—	62
Fair value of common stock issued in exchange for services	—	71

The accompanying notes are an integral part of these condensed consolidated financial statements.

5E ADVANCED MATERIALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)
(In thousands)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
Balance at June 30, 2025	20,018	$ 200	$ 294,546	$ (231,556)	$ 63,190
Issuance of common stock, net of offering costs	2,374	24	7,368	—	7,392
Vesting of restricted share units	33	—	(68)	—	(68)
Common stock issued for services	20	—	71	—	71
Share-based compensation expense	—	—	302	—	302
Net income (loss)	—	—	—	(10,690)	(10,690)
Balance at September 30, 2025	22,445	$ 224	$ 302,219	$ (242,246)	$ 60,197

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
Balance at June 30, 2026	41,515	$ 415	$ 338,142	$ (274,464)	$ 64,093
Vesting of restricted share units	132	1	(108)	—	(107)
Share-based compensation expense	—	—	386	—	386
Net income (loss)	—	—	—	(13,146)	(13,146)
Balance at September 30, 2026	41,647	$ 416	$ 338,420	$ (287,610)	$ 51,226

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. Basis of Financial Statement Presentation

These unaudited condensed consolidated financial statements (hereinafter referred to as "financial statements") have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and should be read in the context of the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2026, filed with the U.S. Securities and Exchange Commission on September 17, 2026. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company's financial position as of September 30, 2026, results of operations for the three months ended September 30, 2026 and 2025 and cash flows for the three months ended September 30, 2026 and 2025 have been included. Operating results for the three months ended September 30, 2026 are not necessarily indicative of the results that may be expected for the full fiscal year ending June 30, 2027.

Basis of Consolidation

The unaudited condensed consolidated financial statements comprise the financial statements of 5E Advanced Materials, Inc. and its wholly owned subsidiaries, American Pacific Borates Pty Limited, 5E Boron Americas LLC (formerly Fort Cady (California) Corporation ("5EBA")), 5E SVM, LLC ("5E SVM"), 5E SVM Domestic Water Company, LLC, 5E SVM Railway Company, LLC and 5E SVM Operations Company, LLC, (collectively, the "Company"). The Company holds 100% of the rights through ownership and lode claims filed with the United States Bureau of Land Management in the 5E Boron Americas (Fort Cady) Complex (the "Fort Cady Project") located in southern California, through its ownership of 5EBA. In preparing the condensed consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-company transactions have been eliminated.

Going Concern

Management evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that these condensed consolidated financial statements are issued. When substantial doubt exists, management evaluates whether the mitigating effect of its plans sufficiently alleviates substantial doubt about the Company's ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that the financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the condensed consolidated financial statements are issued. In performing this analysis, management concluded there continues to exist substantial doubt regarding the Company's ability to continue as a going concern.

As of September 30, 2026, the Company was a pre-revenue development stage company dependent on debt and equity financing transactions to fund its continued development and operational activities. As further described in Note 13-*Subsequent Events*, on October 1, 2026, the Company, through a wholly owned subsidiary, completed the acquisition of specified operating assets of Searles Valley Minerals Inc. and certain of its affiliates, which transitioned the Company from a pre-revenue development stage company to a revenue-generating producer of boron and other industrial minerals. In connection with the acquisition, the Company's subsidiary issued a senior unsecured promissory note in an aggregate principal amount of approximately $6.2 million and entered into a $10.0 million senior secured bridge facility guaranteed by the Company, of which $7.0 million was funded at closing. The bridge facility, together with a $1.0 million transaction fee, matures on June 28, 2027, which is within one year after the date that these condensed consolidated financial statements are issued. The senior unsecured promissory note also requires a cash payment of approximately $1.2 million on October 1, 2027, the first anniversary of its issuance, which is also within one year after the date that these condensed consolidated financial statements are issued. In addition, the Company expects that stabilizing production and implementing its business plan for the acquired operations will require additional working capital and capital investment. Because the acquired operations are in the early stages of integration under the Company's ownership, cash flows expected to be generated by the acquired operations were not considered a mitigating factor in management's evaluation of the Company's ability to continue as a going concern. Refer to Note 13-*Subsequent Events* for further details regarding these debt obligations. While the Company has continued to execute a number of financing transactions, as described in this footnote and Note 8-*Equity*, each of which has improved the Company's cash position, and while the Company continues to operate under a business plan with fiscal discipline, management anticipates the need for additional financing to maintain its operations, carry out its business objectives and repay the bridge facility at maturity. The receipt of potential funding cannot be considered probable at this time because these plans are not entirely within

management's control as of the date of these condensed consolidated financial statements. Therefore, there exists substantial doubt regarding the Company's ability to continue as a going concern. Even if additional financing is successfully consummated, available liquidity may still not be sufficient to eliminate the aforementioned substantial doubt regarding the Company's ability to continue as a going concern. If the Company is unable to raise additional capital or generate cash flows necessary to fund its operations and business objectives, the Company will need to curtail planned activities, discontinue certain operations, or sell certain assets, which could materially and adversely affect its business, financial condition, results of operations, and prospects.

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the ordinary course of business and do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of the uncertainties described above.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, reclamation bond deposits, vehicle notes, accounts payable and accrued liabilities. Management believes the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these instruments, due to their short-term nature, approximate their carrying value. Costs directly attributable to the issuance of debt are deferred and, upon issuance of the related debt, presented as a direct deduction from the carrying amount of the debt and amortized to interest expense over the term of the debt using the effective interest method. Costs deferred prior to the issuance of the related debt are included in prepaid expenses and other current assets.

Concentrations of Risk

The Company maintains cash and cash equivalents across several financial institutions, including cash deposits at major commercial banks, investments in money market mutual funds ("MMMFs") held with various financial institutions, and investments in United States Treasury bills. Cash deposits held at commercial banks may, at times, exceed insurance limits provided by the United States Federal Deposit Insurance Corporation. MMMFs and U.S. Treasury bills are not insured by the Federal Deposit Insurance Corporation or any other government deposit insurance program. Management monitors the financial condition of the institutions holding the Company's deposits, believes the Company is not exposed to significant credit risk with respect to any of these instruments, and the Company has not experienced any credit losses on its cash and cash equivalents.

The Company's existing Project and the assets acquired on October 1, 2026, as further described in Note 13-*Subsequent Events*, are located in a single geographic region in the western United States in California. The geographic concentration of the Company's operations may disproportionately expose it to disruptions if the region experiences severe weather, transportation capacity constraints, constraints on the availability of required equipment, facilities, personnel or services, significant governmental regulation or natural disasters.

Risks and Uncertainties

The Company is subject to a number of risks that its management believes are similar to those of other companies of similar size and industry, including but not limited to, the success of its development activities, need for significant additional capital (or financing) to fund operations, competition from substitute products and services from larger companies, protection of proprietary technology, patent litigation, tariff and trade policy impacts on operating and construction costs, and dependence on key individuals. As of September 30, 2026, the Company had not generated any revenue from its operations and was reliant on additional capital or financing to sustain current and planned operations in the long term. As further described in Note 13-*Subsequent Events*, on October 1, 2026 the Company acquired additional operating assets that generate revenue; however, additional financing may be required to carry out the Company's business plan with respect to the acquired assets. There can be no assurance that management will be successful in its efforts to raise additional capital on terms favorable to the Company, or at all, or in management's ability to adequately reduce expenses, if necessary, to maintain sufficient liquidity or capital resources. Refer to the "Going Concern" discussion above for additional details.

Segment Information

The Company has evaluated how it is organized and managed and has identified only one reportable business segment, which is the development of the Fort Cady Project. There has been no change in the determination of the Company's segment information in the current reporting period. All of the Company's operations and assets are located in the United States. The operating results of the Company's single reportable segment are evaluated by the Company's Chief Executive Officer, who has been determined to be the

Company's Chief Operating Decision Maker ("CODM"), to make key operating decisions, such as the allocation of resources and the evaluation of operating segment performance. The primary measure of profit and loss evaluated by the Company's CODM for its single reportable segment is consolidated net income. Consolidated net income, total assets, cash flows and all significant segment expense items are presented in the Company's unaudited condensed consolidated financial statements and notes to the unaudited condensed consolidated financial statements. Total segment expenses as presented on the condensed consolidated statements of operations equal the total expenses evaluated by the CODM.

Recently Issued and Adopted Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") that are adopted by the Company as of the specified effective date. Unless otherwise discussed, management believes that the impact of recently issued standards did not or will not have a material impact on the Company's consolidated financial statements upon adoption.

In December 2023, the FASB issued Accounting Standards Update ("ASU") 2023-09, Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 is intended to improve income tax disclosures primarily through enhanced disclosure of income tax rate reconciliation items, and disaggregation of income (loss) from continuing operations, income tax expense (benefit) and income taxes paid, net disclosures by federal, state, and foreign jurisdictions, among others. ASU 2023-09 is effective for annual reporting periods beginning after December 15, 2024, and early adoption is permitted. The Company adopted ASU 2023-09 effective June 30, 2026, and applied its provisions prospectively.

In November 2024, the FASB issued ASU 2024-03, Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses ("ASU 2024-03"), which requires the disaggregation of certain expenses in the notes of the financial statements, to provide enhanced transparency into the expense captions presented on the face of the income statement. In January 2025, the FASB issued Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date, which clarified the effective dates of ASU 2024-03. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, and may be applied either prospectively or retrospectively. The Company is currently evaluating the impact that ASU 2024-03 will have on its related disclosures, including the adoption date and transition method.

2. Mineral Rights and Properties, Net

Mineral rights and properties, net consisted of the following at the end of each period presented.

	September 30, 2026	June 30, 2026
	(in thousands)	
Mineral properties	$ 6,733	$ 6,733
Hydrology wells	547	547
Asset retirement cost, net of accumulated amortization of $235 and $201 as of September 30, 2026, and June 30, 2026, respectively[(1)]	286	320
Mineral rights and properties, net	$ 7,566	$ 7,600

(1)Represents the carrying value of capitalized costs associated with asset retirement obligations, as discussed in Note 5-*Asset Retirement Obligations*.

3. Construction in Progress

Construction in progress consisted of the following at the end of each period presented.

	September 30, 2026	June 30, 2026
	(in thousands)	
Engineering services and vendor testing	$ 3,872	$ 3,412
Capitalized interest	85	85
Total construction in progress	$ 3,957	$ 3,497

4. Properties, Plant and Equipment, Net

During the three months ended September 30, 2025, the Company drilled horizontal sidetracks from two of its existing injection and recovery wells and transferred approximately $2.1 million of costs previously recorded as construction in progress to properties, plant and equipment. Properties, plant and equipment, net consisted of the following at the end of each period presented.

Asset category	Depreciation method	Estimated useful life (in years)	September 30, 2026	June 30, 2026
			(in thousands)	
Land	N/A	—	$ 1,533	$ 1,533
Small-scale facility — plant	Straight-line	3.75	70,300	70,300
Injection and recovery wells	Straight-line	3.75	6,134	6,134
Buildings	Straight-line	7-15	1,050	1,050
Vehicles	Straight-line	3-5	305	305
Other plant and equipment	Straight-line	5-10	848	817
			80,170	80,139
Less accumulated depreciation			(51,035)	(45,698)
Properties, plant and equipment, net			$ 29,135	$ 34,441

The Company recognized depreciation expense of approximately $5.3 million and $5.3 million for the three months ended September 30, 2026 and 2025, respectively.

5. Asset Retirement Obligations

The change in the Company's asset retirement obligations during the period presented and the balance of its accrued reclamation liabilities at the end of the period are set forth below.

	Three months ended September 30, 2026
	(in thousands)
Asset retirement obligation — beginning of period	$ 1,071
Accretion	26
Asset retirement obligation — end of period	$ 1,097

6. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consisted of the following at the end of each period presented.

	September 30, 2026	June 30, 2026
	(in thousands)	
Accounts payable - trade[(1)]	$ 2,832	$ 579
Accrued expenses	2,982	1,090
Accrued capital expenditures	190	115
Accrued payroll	1,118	945
Current portion of debt	11	22
Accounts payable and accrued liabilities	$ 7,133	$ 2,751

(1)Includes $148 thousand and $55 thousand related to capital expenditures as of September 30, 2026, and June 30, 2026, respectively.

7. Financial Instruments and Fair Value Measurements

At September 30, 2026, cash equivalents, trade and other payables, as well as vehicle notes approximated their fair value due to their short-term nature. The Company's financial instruments also consist of environmental reclamation bonds which are invested in certificates of deposit and money market funds which are classified as Level 1.

8. Equity

The Company is authorized to issue up to 360,000,000 shares of common stock, par value $0.01 per share ("Common Stock"), and 20,000,000 shares of preferred stock, par value, $0.01 per share. The Company has no outstanding shares of preferred stock.

Shares Issued for Services

On July 15, 2025, the Company issued a total of 20,000 shares of Common Stock with a fair value on the issuance date of $3.55 per share to an investor in exchange for a market awareness campaign and various public and investor relations services. The shares were sold in a private offering to an investor that was acquiring the shares for its own account.

August 2025 Equity Offering

On August 21, 2025, the Company entered into an underwriting agreement to issue and sell an aggregate of 2,374,481 shares of its Common Stock at a price of $3.50 per share (the "August 2025 Equity Offering"). The August 2025 Equity Offering closed on August 25, 2025, and resulted in net proceeds of approximately $7.4 million after the recognition of underwriting discounts and commissions, and other offering expenses paid or payable by the Company.

Vesting of Equity Awards

During the three months ended September 30, 2026 and 2025, the Company issued approximately 132,000 and 33,000 shares of its Common Stock upon the vesting of equity awards, respectively. The vesting events did not result in any cash proceeds to the Company.

Warrants

As of September 30, 2026, the Company had outstanding Series A warrants and Series B warrants to purchase an aggregate of 463,770 shares of Common Stock, which were issued in August 2024 and have an exercise price of $18.3563 per share. The Series A warrants expire on February 27, 2030, and the Series B warrants expire on February 27, 2027. In addition, on January 7, 2026, the Company issued to Bluescape and Ascend (each as defined in Note 12-*Related Parties*) warrants to purchase up to an aggregate of 2,816,346 shares of Common Stock at an exercise price of $3.5507 per share (the "EXIM Warrants") in connection with a potential guarantee by such holders of a loan to the Company from the Export-Import Bank of the United States ("EXIM"). The EXIM Warrants vest and become exercisable only if and when the holders provide such guarantee, and expire upon the earlier of the second anniversary of the repayment of the related loan or the release of the guarantee. As of the date these financial statements were issued, the loan had not been awarded and the guarantee had not been provided; accordingly, the EXIM Warrants have not vested, no shares are issuable thereunder and no accounting recognition has been recorded.

9. Share-Based Compensation

Share-based compensation expense is included in general and administrative expense and represents costs associated with restricted share unit ("RSU") and performance share unit ("PSU") activity and options granted to directors, employees, and consultants of the Company. Share-based compensation expense consisted of the following for the periods presented.

	Three Months Ended September 30,	
	2026	2025
	(in thousands)	
Share-based compensation expense — service based		
ABR Employee share option plan	$ —	$ —
2022 Equity Compensation Plan — Options	181	175
2022 Equity Compensation Plan — PSUs	(77)	2
2022 Equity Compensation Plan — RSUs	282	125
Total share-based compensation expense	$ 386	$ 302

During the three months ended September 30, 2026, the Company recognized negative share-based compensation expense related to PSUs. Construction of the large-scale commercial facility did not commence prior to September 1, 2026. Separately, the Company reduced its estimate of the probable achievement of the performance targets tied to commencing construction and to an approved final investment decision for the PSUs granted in September 2024 and March 2026. As a result, the Company reversed

share-based compensation expense recognized in prior periods in excess of the amount supported by the revised achievement estimates.

As of September 30, 2026, the Company had approximately $0.9 million of total unrecognized stock-based compensation expense related to unvested stock-based compensation awards that is expected to be recognized over a weighted average period of approximately 0.8 years.

Stock Options

Option grants are made under the 2022 Equity Compensation Plan and vest ratably over the vesting period, which is generally three years or less. No stock option awards were granted during the three months ended September 30, 2026 and 2025, respectively.

The following table summarizes stock option activity for each of the periods presented.

	Three months ended September 30,			
	2026		2025	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
	(In thousands, except per share data)			
Outstanding at beginning of period	538	$ 13.10	647	$ 18.31
Expired/forfeited	(28)	8.74	—	—
Outstanding at end of period	510	13.33	647	18.31
Vested at the end of period	80	46.37	28	251.61
Unvested at end of the period	430	$ 7.22	619	$ 7.93

The weighted average remaining life of vested options as of September 30, 2026 and 2025, was approximately 3.0 years and 4.8 years, respectively. As of September 30, 2026 and 2025, the maximum expiration date for vested options was approximately 6.6 and 7.6 years, respectively.

As of September 30, 2026, there was approximately $0.7 million of unrecognized compensation cost related to 430,000 unvested stock options. This cost is expected to be recognized over a weighted-average remaining period of approximately 0.8 years. As of September 30, 2026 and 2025, the maximum expiration date for unvested options was approximately 2.6 and 3.6 years, respectively.

The following table summarizes the activity for unvested options for each of the periods presented.

	Three months ended September 30,			
	2026		2025	
	Number of Options	Weighted Average Grant Date Fair Value per share	Number of Options	Weighted Average Grant Date Fair Value per share
	(In thousands, except per share data)			
Unvested at beginning of period	472	$ 3.14	619	$ 3.25
Vested	(14)	2.88	—	—
Expired/forfeited	(28)	3.10	—	—
Unvested at end of period	430	$ 3.15	619	$ 3.25

As of September 30, 2026 and 2025, all outstanding stock options and vested stock options had no intrinsic value as the exercise prices of the respective options exceeded the Company's stock price on such dates. There were no options exercised during the three months ended September 30, 2026 and 2025.

Full Value Awards (Restricted Share Units and Performance Share Units)

The following table summarizes RSU and PSU activity for each of the periods presented.

	Serviced-Based Shares	Weighted Average Grant Date Fair Value per Share	Performance- Based Shares	Weighted Average Grant Date Fair Value per Unit	Total Shares
		(In thousands, except per share data)			
Non-vested shares/units outstanding at June 30, 2026	247.3	2.93	202.3	$ 3.84	449.6
Granted	135.0	2.36	—	—	135.0
Vested	(207.5)	2.40	(1.1)	53.18	(208.6)
Forfeited	(1.5)	4.10	(1.2)	44.87	(2.7)
Non-vested shares/units outstanding at September 30, 2026	173.3	$ 3.11	200.0	$ 3.34	373.3

	Serviced-Based Shares	Weighted Average Grant Date Fair Value per Share	Performance- Based Shares	Weighted Average Grant Date Fair Value per Unit	Total Shares
		(In thousands, except per share data)			
Non-vested shares/units outstanding at June 30, 2025	55.6	$ 11.36	22.8	$ 30.11	78.4
Granted	26.9	3.49	—	—	26.9
Vested	(50.8)	8.02	(0.4)	266.30	(51.2)
Forfeited	(0.2)	11.62	—	—	(0.2)
Non-vested shares/units outstanding at September 30, 2025	31.5	$ 10.04	22.4	$ 25.57	53.9

10. Earnings (Loss) Per Common Share

Basic earnings (loss) per share is computed by dividing the net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the respective period. Diluted loss per share includes certain adjustments to basic earnings per share for income and to common shares outstanding that could occur if RSUs, PSUs, stock options and convertible securities such as warrants were exercised or converted into common stock. Diluted loss per share equals basic loss per share for the three months ended September 30, 2026 and 2025, as the effect of including dilutive securities and adjustments to income in the calculation would be antidilutive, primarily because there was a net loss in such periods. For a complete description of the terms of the warrants and outstanding equity awards, refer to Note 8-*Equity* and Note 9-*Share-Based Compensation*, respectively.

The following table includes a summary of the potentially dilutive securities that were excluded from such computations as they would have had an antidilutive effect.

	Three Months Ended September 30, 2026	2025
	(in thousands)	
Additional shares assuming exercise of warrants[(1)]	3,280	6,096
Stock options, unvested restricted stock units and performance share units excluded due to anti-dilutive effect	883	701

(1)Inclusive of EXIM Warrants. Refer to Note 8-*Equity* for the terms of the EXIM Warrants.

Subsequent Equity Issuance - October 2026

As discussed in Note 13-*Subsequent Events*, subsequent to September 30, 2026, the Company issued an aggregate of 7,987,500 shares of its Common Stock in connection with the acquisition of certain operating assets. The impact of this equity issuance is not reflected in the computation of earnings (loss) per share for the three months ended September 30, 2026.

11. Commitments and Contingencies

Purchase Obligations

As of September 30, 2026, the Company had purchase order commitments of approximately $1.9 million primarily for engineering services and vendor testing related to the design of the proposed commercial-scale facility; consulting and site services, and raw materials for the operation of the Company's small-scale facility.

Litigation

Mining Claims

On May 11, 2026, Elementis Specialties Inc. ("Elementis") filed a complaint in the United States District Court for the Central District of California, Eastern Division, captioned Elementis Specialties Inc. v. 5E Advanced Materials, Inc. et al., Case No. 5:26-cv-02488, against the Company and its wholly owned subsidiary, 5E Boron Americas LLC. The complaint alleges, among other things, claims for quiet title, trespass, declaratory relief, slander of title, and violation of California's unfair competition law relating to certain federal unpatented mining claims in San Bernardino County, California. Elementis seeks declaratory and injunctive relief, quiet title, compensatory and consequential damages in an amount to be proven at trial, punitive damages, statutory penalties, attorneys' fees, costs, and interest. The Company believes it has defensible claims, disputes the allegations, and intends to vigorously defend the matter. On July 31, 2026, the Company filed a counterclaim against Elementis seeking a declaration of the parties' rights to maintain their respective mining claims. The matter is currently in the discovery stage. A jury trial date has been set for October 2027. Based on information currently available and management's current assessment, the Company is unable to reasonably estimate possible damages or a range of possible damages and has not recorded an accrual related to this matter.

12. Related Parties

As of September 30, 2026, Ascend Global Investment Fund SPC for and on behalf of Strategic SP ("Ascend") and BEP Special Situations IV LLC ("Bluescape") beneficially owned approximately 20.1% and 29.1%, respectively, of the Company's outstanding Common Stock and are therefore considered related parties. Included in the beneficial ownership percentage of Ascend is Common Stock held by Meridian Investments Corporation, to which Ascend is the sole shareholder. Additionally, pursuant to the Fourth Amended and Restated Investor and Registration Rights Agreement dated January 14, 2025, Bluescape and Ascend each have the right to designate two individuals to the Board of Directors, and the Company is required to appoint or nominate such persons to the Board. Each party may designate two directors for so long as it beneficially owns at least 25% of the Company's Common Stock, reducing to one director for so long as it beneficially owns at least 10% of the Company's Common Stock.

As described in Note 8-*Equity*, during August 2025, the Company completed the August 2025 Equity Offering. As part of the August 2025 Equity Offering, Bluescape and Ascend, together with Meridian, each purchased 100,000 shares of the Company's Common Stock at $3.50 per share, a price per share equal to other investors who purchased shares of the Company's Common Stock in the transaction.

As described in Note 8-*Equity*, on January 7, 2026, the Company issued the EXIM Warrants to purchase up to an aggregate of 2,816,346 shares of Common Stock to Bluescape and Ascend. The EXIM Warrants remained outstanding and unvested as of September 30, 2026.

As described in Note 13-*Subsequent Events*, on October 1, 2026, in connection with the Acquisition (as defined in Note 13-*Subsequent Events*), the Company issued 6,144,182 shares of Common Stock to Karnavati Holdings, Inc. ("KHI"), a wholly owned subsidiary of Nirma Limited ("Nirma"), representing approximately 12.4% of the Company's outstanding Common Stock following the closing of the Acquisition, as reported by KHI and Nirma in a Schedule 13D filed on October 8, 2026. Accordingly, KHI and

Nirma became related parties of the Company on October 1, 2026, and the Bridge Facility and the Promissory Note described in Note 13-*Subsequent Events*, under which KHI is the lender and a holder, respectively, are related-party instruments. No amounts were owed to KHI or Nirma as of September 30, 2026.

13. Subsequent Events

Acquisition of Searles Valley Minerals Assets

On June 15, 2026, Searles Valley Minerals Inc., Trona Railway Company LLC and Searles Domestic Water Company LLC (collectively, the "Sellers") filed voluntary petitions for relief commencing cases under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), which were jointly administered for procedural purposes only. On July 7, 2026, the Bankruptcy Court entered an order approving procedures to govern the sale process for certain assets of the Sellers, including, without limitation, the process for the submission of bids by prospective purchasers and the assumption and assignment of executory contracts and unexpired leases. On September 14, 2026, 5E SVM, a newly formed, wholly owned subsidiary of the Company, was selected as the successful bidder for specified assets of the Sellers.

On September 14, 2026, the Company and 5E SVM entered into an Asset Purchase Agreement (the "Asset Purchase Agreement") with the Sellers and the other parties named therein, including Nirma, the ultimate, indirect parent company of the Sellers. At a hearing held on September 15, 2026, the Bankruptcy Court approved the Acquisition under section 363 of the Bankruptcy Code. On September 21, 2026, the Bankruptcy Court entered an order approving the Acquisition (the "Sale Order"). Pursuant to the Asset Purchase Agreement, 5E SVM agreed to purchase specified assets of the Sellers (the "SVM Assets") for consideration consisting of (i) approximately $3.4 million in cash (inclusive of the Earnest Money (as defined below)), (ii) 8,300,000 shares of the Company's Common Stock and (iii) a senior unsecured promissory note in an aggregate principal amount of approximately $6.2 million issued by 5E SVM (the "Promissory Note") for distribution to certain lenders of the Sellers. In connection with 5E SVM's acquisition of the SVM Assets (the "Acquisition"), 5E SVM also agreed to assume specified liabilities and contracts relating to the SVM Assets (the "Assumed Liabilities"), subject to certain limitations.

The SVM Assets primarily consist of all real property owned by the Sellers, including the Sellers' Argus, Westend and Trona production facilities and more than 9,000 acres of Searles Lake brine resources, in each case located in San Bernardino County, California, together with the short-line railroad operated by Trona Railway Company LLC, potable water production and distribution facilities and related on-site utilities, storage, distribution and support infrastructure, as well as specified machinery, equipment, inventory, permits, licenses, contracts, intellectual property and other assets relating thereto. Certain specified assets of the Sellers are excluded from the SVM Assets, including certain cash and cash equivalents of the Sellers and specified contracts and other assets. The Assumed Liabilities primarily consist of liabilities and expenses relating to the SVM Assets, subject to specified limitations.

On October 1, 2026 (the "Closing Date"), 5E SVM completed the Acquisition (the "Closing"). At the Closing, 5E SVM paid approximately $3.4 million in cash (inclusive of the Earnest Money) and issued the Promissory Note, and the Company issued 7,987,500 shares of Common Stock. The remaining 312,500 shares of the 8,300,000 shares of Common Stock payable as consideration (together with the shares issued at the Closing, the "Stock Consideration") are issuable at a subsequent date upon the satisfaction of specified conditions relating to the SVM Assets, including the Sellers' delivery of specified deeds. The Company completed the Acquisition to establish revenue-generating borate and industrial minerals production operations complementary to the Fort Cady Project.

5E SVM acquired the SVM Assets on an "as is, where is" basis. The representations, warranties and pre-Closing covenants of the Sellers contained in the Asset Purchase Agreement did not survive the Closing, except with respect to claims based on intentional fraud, and the Asset Purchase Agreement does not provide for indemnification by the Sellers in favor of 5E SVM for any breach thereof. Covenants that by their terms contemplate performance after the Closing survive in accordance with their terms. Although the SVM Assets were transferred free and clear of liens, claims and encumbrances pursuant to section 363 of the Bankruptcy Code, certain environmental, reclamation and regulatory obligations applicable to 5E SVM as the post-Closing owner and operator of the SVM Assets are expressly preserved under the Sale Order and the transfer of the SVM Assets may be subject to additional liabilities that cannot be extinguished in the bankruptcy process. In addition, the SVM Assets include groundwater rights in the Indian Wells Valley groundwater basin that supply water to the acquired operations and are the subject of a pending groundwater adjudication in the Superior Court of the State of California, in which 5E SVM acquired the Sellers' rights and party status at the Closing; the outcome of that proceeding could affect the quantity or cost of water available to the acquired operations in future periods.

In connection with the signing of the Asset Purchase Agreement, 5E SVM made a $0.3 million deposit (the "Earnest Money") which was applied toward the cash consideration paid at the Closing. Pursuant to the Asset Purchase Agreement, the Company agreed

to guarantee 5E SVM's obligation to pay the cash consideration and certain of 5E SVM's indemnification obligations to the Sellers and Nirma.

The Company agreed to register the resale of the shares of Common Stock issued and issuable in the Acquisition. The Promissory Note accrues interest at a rate of 14.5% per annum, which accrues and is payable in-kind and capitalized quarterly to the principal amount thereof, and requires a cash payment of approximately $1.2 million on the 12-month anniversary of the Closing Date but otherwise matures on September 30, 2031. 5E SVM has the right to prepay the Promissory Note at any time, in whole or in part, in cash without premium or penalty. The Promissory Note contains customary representations and certain covenants of 5E SVM, including specified restrictions on 5E SVM's ability to make restricted payments, subject to exceptions.

The transfer of the railroad assets of Trona Railway Company LLC to 5E SVM was subject to the receipt of any required authorization from the Surface Transportation Board, which was received prior to Closing, and such railroad assets were transferred to 5E SVM at the Closing. At the Closing, 5E SVM entered into a senior secured promissory note with KHI, providing for $10.0 million in senior secured bridge financing (the "Bridge Facility").

The Bridge Facility is secured by substantially all of 5E SVM's assets, is guaranteed by the Company and certain subsidiaries of 5E SVM and accrues interest at a rate of 8.00% per annum, which accrues and is payable in-kind and capitalized quarterly to the principal amount thereof. On the Closing Date, 5E SVM received $7.0 million of funding under the Bridge Facility, with the remaining $3.0 million to be funded upon satisfaction of specified conditions. The funding of the remaining $3.0 million is conditioned upon, among other things, the submission to the Bureau of Land Management of an application to transfer specified permits and the posting of the replacement reclamation bonding required under the Asset Purchase Agreement. In addition, any amounts drawn under letters of credit maintained by Nirma or its affiliates in support of reclamation and other obligations relating to the SVM Assets and, if such letters of credit and the related surety bonds have not been released and replaced within 12 months after the Closing Date, the face amount of such outstanding support, will be deemed additional loans under the Bridge Facility, will bear interest at 8.00% per annum payable in-kind and will mature on November 1, 2027. The Bridge Facility matures 270 days after the Closing Date, on June 28, 2027. The Bridge Facility includes a $1.0 million transaction fee payable by 5E SVM at maturity, which was agreed as compensation for the Sellers retaining certain workers' compensation liabilities that 5E SVM did not assume and will be accounted for as part of the consideration transferred for the Acquisition. 5E SVM has the right to prepay the Bridge Facility at any time, in whole or in part, in cash without premium or penalty. The Bridge Facility contains customary representations and certain covenants of 5E SVM, including specified restrictions on 5E SVM's ability to make restricted payments, subject to exceptions, as well as customary indemnification provisions in favor of KHI. Under both the Bridge Facility and the Promissory Note, 5E SVM and its subsidiaries may not pay dividends or make other distributions, loans or advances to the Company, other than amounts required to pay specified taxes and fees, corporate overhead costs attributable to the ownership or operation of 5E SVM and its subsidiaries and certain customary employee-related payments, for so long as the respective obligations remain outstanding. Approximately $0.3 million of legal costs incurred through September 30, 2026 that are directly attributable to the issuance of the Bridge Facility and the Promissory Note were deferred and included in prepaid expenses and other current assets as of that date. Following the Closing, these costs will be presented as a direct deduction from the carrying amount of the related debt and will be amortized to interest expense over the respective terms of the Bridge Facility and the Promissory Note.

The Company will account for the Acquisition as a business combination under Accounting Standards Codification 805, Business Combinations, using the acquisition method of accounting. Under the acquisition method, the assets acquired and liabilities assumed will be recognized at their respective fair values as of the Closing Date. The consideration transferred consists of the cash consideration, the Stock Consideration (including the 312,500 shares issuable upon satisfaction of specified conditions), the Promissory Note and the $1.0 million transaction fee payable under the Bridge Facility, each measured at fair value as of the Closing Date. Because the Acquisition closed shortly before the issuance of these condensed consolidated financial statements, the initial accounting for the Acquisition, including the valuation of the consideration transferred and of the assets acquired and liabilities assumed, is incomplete. Accordingly, the Company is unable to disclose the acquisition-date fair value of the consideration transferred, the amounts recognized for each major class of assets acquired and liabilities assumed, any goodwill or bargain purchase gain, or supplemental pro forma information at this time. During the three months ended September 30, 2026, the Company incurred acquisition-related costs such as legal and due diligence expenses, of approximately $4.2 million, which were expensed as incurred and are included in general and administrative expenses in the condensed consolidated statements of operations.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") summarizes the significant factors affecting the operating results, financial condition, liquidity and capital resources, and cash flows of our Company for the three months ended September 30, 2026 and 2025. This MD&A should be read in conjunction with, and is qualified in its entirety by, the unaudited condensed consolidated financial statements, the accompanying notes thereto and other financial information included in this Quarterly Report on Form 10-Q, and the consolidated financial statements and accompanying notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K, filed with the U.S. Securities and Exchange Commission ("SEC") on September 17, 2026 (the "Annual Report"). Except for historical information, this discussion and analysis contains various forward-looking statements that involve risks, uncertainties and assumptions and other important factors, which include, but are not limited to, the risks described in our Annual Report filed with the SEC, any of which could cause the Company's actual results, performance or achievements, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements speak only as of the date on which they are made. We undertake no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they are made. Additionally, you should refer to the "Cautionary Note Regarding Forward-Looking Statements." References within this MD&A to the "Company," "we," "our," and "us," refer to 5E Advanced Materials, Inc., and its subsidiaries.

Overview

5E Advanced Materials, Inc. is a producer of boron and other critical minerals focused on becoming a vertically integrated global leader and supplier of refined borates and advanced boron derivative materials whose mission is to enable decarbonization, increase food security, and facilitate domestic supply of critical materials. Our business strategy and objectives are to develop capabilities ranging from upstream extraction and product sales of borates, calcium-based co-products, and potentially other byproducts such as lithium carbonate, to downstream advanced boron material processing and development. On October 1, 2026, through our wholly owned subsidiary 5E SVM, LLC ("5E SVM"), we completed the acquisition of specified assets of Searles Valley Minerals Inc. and certain of its affiliates (the "Acquisition") through a court-supervised sale under section 363 of the U.S. Bankruptcy Code (the "Bankruptcy Code"), which transitioned us from a pre-revenue development stage company to a revenue-generating producer. We now hold two boron assets in southern California: the operating industrial and critical minerals complex at Searles Lake, California acquired in the Acquisition ("Searles Valley"), and the development-stage Fort Cady project described below. Our vision is to safely process borates and other industrial minerals through responsible best practices and a continuous improvement mindset. We hold 100% of the rights through ownership and lode claims filed with the United States Bureau of Land Management in the 5E Boron Americas (Fort Cady) Complex (the "Fort Cady Project") located in southern California through our wholly owned subsidiary 5E Boron Americas LLC (formerly Fort Cady (California) Corporation). Our Project is underpinned by boron reserves and a lithium resource, with the borates being contained in a conventional boron mineral known as colemanite. Our Fort Cady facility was designated as Critical Infrastructure by the U.S. Department of Homeland Security's Cybersecurity and Infrastructure Security Agency in 2022, and boron was added to the U.S. Department of the Interior's 2025 Critical Minerals List on November 7, 2025. We currently operate our small-scale facility (the "SSF") at the Fort Cady Project, which provides data and information necessary for us to ultimately establish a commercial-scale facility at the Fort Cady Project.

Searles Valley comprises three processing sites, 54 megawatts of on-site cogeneration capacity, the Trona Railway short-line railroad, a water utility and mineral tenure across more than 9,000 acres at Searles Lake, and is operated by an experienced workforce of approximately 250 employees. Searles Valley produces refined borates, marketed as V-BOR®, as well as sodium sulfate and salt, and has boric acid production capacity that is currently idle. Current V-BOR® production is approximately 82,000 short tons on an annualized basis. Our near-term priorities are to integrate the acquired operations, stabilize production and return production toward targeted operating levels. To achieve these priorities, we are pursuing a number of commercial, cost and production initiatives (our "operating initiatives"), including replacing legacy below-market sales contracts, which were rejected in the Sellers' chapter 11 proceedings, with new take-or-pay and fixed-price V-BOR® offtake agreements; reducing the Westend plant's reliance on purchased power through greater use of on-site cogeneration capacity; restarting the Soda Ash Consolidation ("SAC") plant to improve brine chemistry and V-BOR® output; undertaking a wellfield development program intended to recover brine grade toward historical levels; and restarting idled boric acid production at the Trona facility. We also intend to evaluate opportunities to expand borate production and processing capacity and to potentially develop sulfate of potash, lithium and tungsten from the Searles Lake brines.

We believe the Fort Cady Project represents one of the most compelling domestic critical material development projects in the United States as a strategically located operation that targets stable long-term demand, with a defined pathway to production and a low-cost, high-margin and profitable financial profile. We believe the combination of Searles Valley's existing production, infrastructure, workforce and customer relationships with the Fort Cady Project's development pathway diversifies our product offerings and strengthens our position as a domestic supplier of boron and other critical minerals.

Recent Developments

Searles Valley Minerals Acquisition

On October 1, 2026, we, through 5E SVM, completed the Acquisition of specified real property, production facilities, brine resources and other assets of Searles Valley Minerals Inc., Trona Railway Company LLC and Searles Domestic Water Company LLC (collectively, the "Sellers") pursuant to an Asset Purchase Agreement dated September 14, 2026 (the "Asset Purchase Agreement"). The Acquisition was completed through a court-supervised sale under section 363 of the Bankruptcy Code, and the acquired assets were transferred free and clear of specified legacy liabilities of the Sellers, including the Sellers' prior debt capital structure and specified historical claims. 5E SVM also assumed specified liabilities and contracts relating to the acquired assets, subject to certain limitations.

Consideration for the Acquisition consisted of (i) approximately $3.4 million in cash, inclusive of a previously paid deposit, (ii) 8.3 million shares of our common stock, par value $0.01 per share ("Common Stock"), of which 7,987,500 shares were issued at the closing of the Acquisition (the "Closing") and 312,500 shares are issuable upon satisfaction of specified conditions, including the Sellers' delivery of specified deeds, and (iii) a senior unsecured promissory note issued by 5E SVM for distribution to certain lenders of the Sellers in an aggregate principal amount of approximately $6.2 million (the "Promissory Note"). The Promissory Note accrues interest at 14.5% per annum, payable in-kind and capitalized quarterly, requires a cash payment of approximately $1.2 million on the first anniversary of the Closing date and otherwise matures on September 30, 2031. 5E SVM may prepay the Promissory Note at any time without premium or penalty.

At Closing, 5E SVM also entered into a $10.0 million senior secured bridge promissory note (the "Bridge Facility") with Karnavati Holdings, Inc. ("KHI"), a subsidiary of Nirma Limited ("Nirma"), the ultimate parent of the Sellers, pursuant to the bridge financing commitment provided in connection with the Acquisition. KHI holds approximately 12.4% of our outstanding Common Stock as of November 13, 2026; refer to Note 12-*Related Parties* of the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report. The Bridge Facility is secured by substantially all of 5E SVM's assets and is guaranteed by us and by certain subsidiaries of 5E SVM. It accrues interest at 8.00% per annum, payable in-kind and capitalized quarterly, and matures 270 days after the Closing Date, on June 28, 2027, at which time a $1.0 million transaction fee is also payable. We received $7.0 million under the Bridge Facility at Closing, and the remaining $3.0 million is to be funded upon satisfaction of specified conditions. 5E SVM may prepay the Bridge Facility at any time without premium or penalty.

The Acquisition transitions us from a pre-revenue development-stage company to a revenue-generating producer of boron and other industrial minerals. The acquired operations at Searles Lake, California include an experienced workforce of approximately 250 employees, three processing sites, 54 megawatts of on-site cogeneration capacity, the Trona Railway short-line railroad, a water utility and mineral tenure across more than 9,000 acres. The operations produce refined borates (V-BOR®), sodium sulfate and salt. Current V-BOR® production is approximately 82,000 short tons on an annualized basis.

Our near-term focus is on integrating the acquired operations, stabilizing production, implementing commercial and cost resets and returning production toward targeted operating levels. Key elements of our integration plan include:

i. replacing legacy below-market sales contracts that were rejected in the Sellers' bankruptcy proceedings with new take-or-pay and fixed-price V-BOR® offtake agreements;

ii. resetting the cost structure of the acquired operations, including through organizational and procurement efficiencies, the elimination of duplicative corporate costs and the planned decoupling of the Westend plant's power load from purchased power through increased use of the site's existing cogeneration capacity, which we expect will require approximately $0.5 million of capital; and

iii. recovering V-BOR® production toward approximately 100,000 short tons annually through the targeted restart of the SAC plant and an engineering-led wellfield development program intended to recover brine grade toward historical levels, together with incremental byproduct production, including sodium bicarbonate and additional boric acid.

We do not expect to realize the full benefit of these initiatives during the fiscal year ending June 30, 2027, and there can be no assurance that we will achieve the expected benefits on the anticipated timeline or at all. The Searles Valley platform also provides potential opportunities beyond our current operating plan, including borates expansion, sulfate of potash, lithium (including further evaluation of the installed direct lithium extraction pilot) and tungsten. We intend to evaluate these opportunities in parallel with our

immediate focus on stabilizing and optimizing the acquired operations; however, these opportunities are at an early stage, and there can be no assurance that any of them will be developed.

The Acquisition was supported by our existing cash and the Bridge Facility. Our go-forward financing plan contemplates a working-capital debt facility supported by our contracted offtake structure, and we intend to evaluate other financing alternatives. There can be no assurance that such financing will be available on acceptable terms or at all. See "—Liquidity and Capital Resources—Future Capital Requirements and Going Concern."

Because the Acquisition closed after September 30, 2026, our condensed consolidated financial statements as of and for the three months ended September 30, 2026 do not include the assets, liabilities or results of the acquired operations. During the three months ended September 30, 2026, we incurred approximately $4.2 million of acquisition-related costs, such as legal and due diligence costs, which are included in general and administrative expenses. Beginning with the three months ending December 31, 2026, our results of operations will include the acquired operations from the Closing date. As a result, we expect our revenues, cost of sales, operating expenses, working capital and capital expenditures in future periods to differ significantly from, and not be comparable to, those of historical periods. We are accounting for the Acquisition as a business combination, and the initial accounting, including the allocation of the purchase consideration to the assets acquired and liabilities assumed, was incomplete as of the date of this Quarterly Report. We intend to file the financial statements of the acquired business and the related pro forma financial information required by Item 9.01 of Form 8-K by amendment to our Current Report on Form 8-K filed on October 1, 2026. For additional information, see Note 13-*Subsequent Events*.

Fort Cady Project Developments

In August 2026, we reported that independent X-ray diffraction analysis confirmed the formation of iron boride (Fe_2B) in ferroboron samples processed at 1,300°C, and that density-based analysis indicated conversion efficiency increasing from approximately 11% at 1,200°C to an average range of approximately 51% to 62% at 1,300°C. We have initiated testing at 1,400°C and are planning an approximately 500-gram batch with a third-party metallurgical processing partner as next steps toward process optimization and the production of samples for prospective customers. We have not entered into any definitive commercial agreements for ferroboron, and any future commercialization remains subject to successful technical validation, customer qualification, intellectual property development, financing and other factors.

Australian Stock Exchange Delisting

Our Common Stock is listed on Nasdaq under the symbol "FEAM." We previously maintained a listing on the Australian Stock Exchange ("ASX") for our CHESS Depositary Interests ("CDIs") under the symbol "5EA." In connection with our voluntary delisting from ASX, trading in the CDIs was suspended on May 26, 2026, and we were removed from the official list of ASX on May 28, 2026. We established voluntary and compulsory sale facilities to facilitate the transition of holders of CDIs who did not elect to convert their CDIs into Common Stock or dispose of their CDIs on the ASX. The Voluntary Sale Facility closed on August 12, 2026, and the Compulsory Sale Facility commenced on August 14, 2026, and the final sales of shares of Common Stock sold under such Compulsory Sale Facility occurred on September 16, 2026. Following completion of the Compulsory Sale Facility process, and remittance of payments due thereunder, the CDI structure was fully terminated.

Recent Financing Highlights

August 2025 Equity Offering

On August 21, 2025, we entered into an underwriting agreement to issue and sell an aggregate of 2,374,481 shares of our Common Stock at a price of $3.50 per share (the "August 2025 Equity Offering"). The August 2025 Equity Offering closed on August 25, 2025, and resulted in aggregate net proceeds of approximately $7.4 million after deducting underwriting discounts and commissions, and other offering expenses.

EXIM Engineering Multiplier Program Application and Warrant Issuance

In September 2024, we received a non-binding Letter of Interest ("LOI") from the Export-Import Bank of the United States ("EXIM"). The LOI outlines the potential for the creation of a debt facility of up to $285 million (the "EXIM Loan"), which would be utilized for construction of Phase 1 of a proposed commercial-scale facility at the Fort Cady Project. The potential debt funding package would carry a repayment tenor of up to 15 years under EXIM's Make More in America Initiative, a part of a whole-of-government effort to strengthen America's supply chains, support American jobs and boost America's ability to compete with

countries like China, especially in sectors critical to national security. We believe the LOI demonstrates a growing awareness and commitment by the U.S. government to securing an integrated boron supply chain.

In late January 2025, our executive management held meetings with representatives of EXIM in Washington, D.C., through which we gained deeper insights into the funding process requirements and expected timetables for EXIM's loan programs, and provided EXIM with additional education on our Project.

We have not yet submitted a formal application to EXIM for the EXIM Loan. A final commitment, if any, must comply with EXIM's policies and eligibility requirements, and will depend on meeting EXIM's underwriting criteria, authorization process, and the finalization and satisfaction of terms and conditions. The LOI does not represent a funding commitment or an indication of financing or project viability, and there is no guarantee that we will secure the EXIM Loan.

In November 2025, we formally submitted an application to EXIM for a $10.0 million funding package (the "EMP Loan") through EXIM's Engineering Multiplier Program (the "EMP"). The EMP is designed to finance feasibility studies, pre-construction design, engineering, architectural and environmental services undertaken prior to the commencement of the implementation phase of a physical project, for projects that are anticipated to generate additional exports of U.S. goods and services. We believe the Fort Cady Project and the remaining engineering work needed qualify for a loan under the EMP. We are in regular discussions with EXIM regarding the EMP Loan and continue to advance the application through EXIM's review process. We view the EMP Loan as an opportunity to introduce EXIM to the Fort Cady Project and to help facilitate a more efficient process for the EXIM Loan contemplated by the LOI. There is no guarantee that the EMP Loan will be awarded.

On December 8, 2025, at our 2025 annual meeting of stockholders, our stockholders approved our entry into an agreement (the "Letter Agreement") to issue to BEP Special Situations IV LLC ("Bluescape") and Ascend Global Investment Fund SPC for and on behalf of Strategic SP ("Ascend"), or their respective affiliates (the "Guarantors"), warrants to purchase up to an aggregate of 2,816,346 shares of our Common Stock at an exercise price of $3.5507 per share (the "EXIM Warrants"), in connection with each Guarantor providing a guarantee or collateral package (the "Guarantee") to EXIM as a condition of EXIM awarding the EMP Loan. However, we are under no obligation to secure any potential EMP Loan with the Guarantee and may pursue other options for security or collateral with EXIM.

On January 7, 2026, we and the Guarantors entered into the Letter Agreement, pursuant to which we issued the EXIM Warrants. The terms of the EXIM Warrants are substantially identical to the terms of the Series A and Series B warrants issued in connection with our August 2024 equity offering (the "2024 Warrants"), except the EXIM Warrants:

- vest and become exercisable only after the date that the Guarantors provide the Guarantee to EXIM, and in an amount equal to the amount guaranteed by such Guarantor;
- expire upon the earlier of (a) the second anniversary of the date that the EMP Loan is repaid or (b) the release of the Guarantee; and
- do not include an option for the holder to require us to repurchase the EXIM Warrants for the Black-Scholes value of the EXIM Warrants in connection with the consummation of a fundamental transaction.

Consistent with the terms of the 2024 Warrants, the EXIM Warrants contain customary adjustments in the event of any stock split, stock dividend, stock combination, recapitalization, or similar transaction occurring after the issuance date. As of the date of this Quarterly Report, the EMP Loan has not been awarded and the Guarantee has not been provided; accordingly, the EXIM Warrants have not vested and no shares are issuable thereunder. Refer to Note 8-*Equity* to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report for additional details.

December 2025 Warrant Exercise

On December 4, 2025, Bluescape, Ascend and Meridian Investments Corporation exercised in full the warrants to purchase an aggregate of 5,632,692 shares of our Common Stock issued to them in March 2025 in connection with our debt exchange transaction (the "Restructuring Warrants"), following amendments that permitted cashless exercise of the balance of each holder's Restructuring Warrants after a cash exercise of at least 10%. In connection with the exercise, we issued 1,067,296 shares of our Common Stock and received approximately $2.0 million in cash proceeds (the "December 2025 Warrant Exercise"). Following the exercise, no Restructuring Warrants remain outstanding.

February 2026 Equity Offering

On February 2, 2026, we completed the issuance and sale of an aggregate of 18,000,000 shares of our Common Stock at a price of $2.00 per share (the "February 2026 Equity Offering"). The February 2026 Equity Offering resulted in aggregate net proceeds of approximately $33.2 million after deducting placement agent fees, and other offering expenses paid or payable by us.

Financing Transactions — Liquidity Considerations and Going Concern

As of September 30, 2026, we were a pre-revenue development stage company and were dependent on debt and equity financing transactions to fund our continued development and operational activities. On October 1, 2026, we completed the Acquisition, which transitioned us to a revenue-generating producer of boron and other industrial minerals. In connection with the Acquisition, 5E SVM issued the Promissory Note and entered into the Bridge Facility, of which $7.0 million was funded at Closing. The Bridge Facility, together with a $1.0 million transaction fee, matures on June 28, 2027, which is within one year after the date of this Quarterly Report, and the Promissory Note requires a cash payment of approximately $1.2 million on the first anniversary of the Closing Date, which is also within one year after the date of this Quarterly Report. In addition, we expect that stabilizing production and implementing our integration plan for the acquired operations will require additional working capital and capital investment. Refer to Note 13-*Subsequent Events* of the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report for details of these debt obligations. We continue to operate under a business plan with fiscal discipline, and we will need additional financing to maintain our operations, carry out our planned business objectives and repay the Bridge Facility at maturity. The receipt of potential funding cannot be considered probable at this time because these plans are not entirely within management's control as of the date of this Quarterly Report. Therefore, there exists substantial doubt regarding our ability to continue as a going concern. Even if additional financing is successfully consummated, available liquidity may still not be sufficient to eliminate the aforementioned substantial doubt regarding our ability to continue as a going concern. Refer to the "Going Concern" discussion within Note 1-*Basis of Financial Statement Presentation* of the unaudited condensed consolidated financial statements included in Item 1 of this Quarterly Report and "Liquidity and Capital Resources" below for more information.

Results of Operations

The following table summarizes our results of operations for the periods presented.

	Three Months Ended September 30,		Variance	
	2026	2025	$	%
	(in thousands)			
COSTS AND EXPENSES				
Project expenses	$ 989	$ 1,156	$ (167)	(14%)
Small-scale facility operating costs	602	833	(231)	(28%)
General and administrative	6,352	3,432	2,920	85%
Depreciation and amortization expense	5,371	5,314	57	1%
Total costs and expenses	13,314	10,735	2,579	24%
LOSS FROM OPERATIONS	(13,314)	(10,735)	(2,579)	24%
NON-OPERATING INCOME (EXPENSE)				
Interest income	168	55	113	205%
Interest expense	—	(6)	6	(100%)
Other expense	—	(4)	4	(100%)
Total non-operating income (expense)	168	45	123	273%
Income tax expense (benefit)	—	—	—	N/A
NET INCOME (LOSS)	$ (13,146)	$ (10,690)	$ (2,456)	23%

Comparison of the three months ended September 30, 2026 and 2025

Project expenses

Project expenses include drilling, site preparation, engineering (excluding amounts eligible to be capitalized), testing and sampling, development and testing of our wellfield, hydrology, permits, property taxes, surveys, certain consultants, certain insurance costs, and other expenses associated with further progressing our Project. For the three months ended September 30, 2026, Project expenses decreased $167,000, or 14%, versus the comparable period in the prior fiscal year. The decrease was primarily due to

decreases in (i) development costs associated with our commercial wellfield design and testing program ($0.3 million), (ii) environmental testing and compliance costs ($0.1 million), and (iii) insurance related costs ($0.1 million). These decreases were offset, to a lesser extent, by an increase in site-related costs ($0.3 million).

Small-scale facility operating costs

SSF operating costs consist of raw materials, salaries and benefits for employees that are directly responsible for the operation of the SSF and wellfield, and maintenance and upkeep related to the SSF. For the three months ended September 30, 2026, SSF operating costs decreased $231,000, or 28%, versus the comparable period in the prior fiscal year. The decrease was primarily the result of a decrease in labor-related costs to operate the SSF due to a reduced headcount between periods.

General and administrative expenses

General and administrative expenses include professional fees, costs associated with marketing, on-going SEC and public company costs, public relations, rent, salaries for administrative personnel, share-based compensation, corporate insurance, certain consultants, investor relations and other expenses. For the three months ended September 30, 2026, general and administrative expenses increased $2.9 million, or 85%, versus the comparable period in the prior fiscal year. The increase was primarily the result of professional fees for due diligence and legal work leading up to the Closing of the Acquisition ($4.2 million), partially offset by decreases in other professional fees, for a net increase in professional fees between periods of $3.6 million. This increase was offset, to a lesser extent, by decreases in (i) investor relations and marketing costs ($0.6 million), (ii) insurance-related costs ($0.1 million), and (iii) salaries and wages for general and administrative staff due to reduced headcount ($0.1 million).

Depreciation and amortization expense

Depreciation and amortization relate to use of our SSF, injection and recovery wells, owned or leased vehicles, buildings and equipment. For the three months ended September 30, 2026, depreciation and amortization expense increased $57,000, or 1%, versus the comparable period in the prior fiscal year. The increase was primarily the result of placing additional assets in service between periods.

Interest income

Interest income is derived from the investment of our excess cash and cash equivalents and reclamation bond deposits in short-term (original maturities of three months or less) investments of highly liquid treasury bills, certificates of deposit and money market mutual funds. For the three months ended September 30, 2026, interest income increased $113,000 versus the comparable period in the prior fiscal year. The increase was primarily due to interest income earned on the remaining cash generated by the February 2026 Equity Offering.

Interest expense

Interest expense primarily related to interest expense incurred to finance certain insurance policies and interest incurred on certain vehicle notes. For the three months ended September 30, 2026, interest expense decreased $6,000 versus the comparable period in the prior fiscal year. This decrease was due to ceasing financing arrangements for certain insurance policies.

Other expense

Other expense relates to losses on foreign currency transactions, certain non-income related taxes and penalties. For the three months ended September 30, 2026, other expense decreased $4,000 or 100%, versus the comparable period in the prior fiscal year.

Liquidity and Capital Resources

Overview

As of September 30, 2026, we had cash and cash equivalents of $15.6 million and working capital of $9.6 million compared to $19.5 million of cash and cash equivalents and working capital of $17.3 million as of June 30, 2026. We maintain the majority of our

cash and cash equivalents in accounts with major U.S. and multi-national financial institutions, and our deposits at certain of these institutions may exceed insured limits. Market conditions can impact the viability of these institutions.

Our predominant source of cash has been generated through equity financing from issuances of our common stock and equity-linked securities. Prior to October 1, 2026, we did not generate revenues, and as such, relied on equity financing and equity-linked instruments to fund our operating and investing activities.

During the first quarter of fiscal year 2027, we did not complete any financing transactions. On October 1, 2026, we completed the Acquisition, and as a result we expect to generate revenue from the acquired operations beginning in the second quarter of fiscal year 2027. In connection with the Acquisition, we also incurred new indebtedness, consisting of the Promissory Note and the Bridge Facility, under which we received $7.0 million of cash proceeds at Closing. See "—Recent Developments—Searles Valley Minerals Acquisition" and "—Financing Transactions — Liquidity Considerations and Going Concern" above for additional information.

A summary of our cash flows for the three months ended September 30, 2026 and 2025 follows.

	For the three months ended September 30,		Variance	
	2026	2025	$	%
	($ in thousands)			
Net cash used in operating activities	$ (3,357)	$ (4,298)	$ 941	(22%)
Net cash used in investing activities	(340)	(1,446)	1,106	(76%)
Net cash provided by (used in) financing activities	(118)	7,376	(7,494)	(102%)
Net increase (decrease) in cash and cash equivalents	$ (3,815)	$ 1,632	$ (5,447)	*

** Represents a percentage change greater than +/- 300%*

Cash Flows Used For Operating Activities

Net cash used in operating activities for each of the above periods was primarily the result of general and administrative costs (exclusive of share-based compensation), costs incurred in furthering the Fort Cady Project, and operating costs of the SSF. During the three months ended September 30, 2026, we used $3.4 million of cash for operating activities, a decrease of approximately $0.9 million or 22% compared to the comparable period in the prior fiscal year. The decrease in cash used in operations during the current period primarily results from decreases in SSF operating costs, General and administrative expenses (net of non-cash share-based compensation expense and legal and due diligence costs that remain accrued or payable as of September 30, 2026), and Project expenses (refer to the discussion of period-over-period changes in SSF operating costs, General and administrative expenses and Project expenses within *Results of Operations* above for additional details).

Cash Flows Used For Investing Activities

Our cash flows used for investing activities primarily relate to wellfield development activities, equipment purchases, stage 2 of our front-end loading engineering and related vendor testing related to our commercial-scale facility, advanced planning for stage 3 of our front-end loading ("FEL-3") engineering program, and the payment of a settlement to a former construction contractor related to the construction of our SSF. During the three months ended September 30, 2026, we used $0.3 million of cash for investing activities, a decrease of approximately $1.1 million compared to the comparable period in the prior fiscal year. The decrease in cash used in investing activities primarily results from a reduction of costs incurred for property, plant and equipment and our wellfield between periods.

Cash Flows From Financing Activities

Our cash flows from financing activities primarily relate to equity and equity-linked financing transactions to fund our business and operations. Cash flows used in financing activities for the three months ended September 30, 2026 were the result of approximately $0.1 million of taxes paid upon the vesting and release of shares for equity awards. Cash flows provided by financing activities for the three months ended September 30, 2025 were the result of approximately $7.5 million of net proceeds received from equity offering activities during the period, which was offset by approximately $0.1 million of taxes paid upon the vesting and release of shares for equity awards.

Material Cash Requirements

Our material short-term cash requirements include general and administrative expenses including recurring payroll and benefit obligations for our employees, costs necessary to further the engineering of our proposed commercial-scale facility, professional fees, operating costs for the SSF, Project related costs such as property taxes and insurance, payments under certain lease agreements and working capital needs. Our long-term material cash requirements from currently known obligations include future obligations to reclaim, remediate, or otherwise restore properties to a condition that existed prior to our operations, and $1.9 million of purchase order commitments primarily for engineering services and vendor testing related to the design of our proposed commercial-scale facility, consulting and site services, and raw materials for the operation of the SSF. Following the Closing of the Acquisition on October 1, 2026, our material cash requirements also include the operating costs and working capital requirements of the acquired Searles Valley operations, including payroll and benefit obligations for the acquired workforce, costs to implement our integration plan, including the targeted restart of the SAC plant, the Searles Valley wellfield development program and the approximately $0.5 million of capital expected to be required to decouple the Westend plant's power load from purchased power, and the specified liabilities assumed in the Acquisition. In addition, the Bridge Facility, including the $1.0 million transaction fee, matures on June 28, 2027, and the Promissory Note requires a cash payment of approximately $1.2 million on the first anniversary of the Closing date. Interest on each of the Bridge Facility and the Promissory Note is payable in-kind and capitalized to principal. In addition, under the Asset Purchase Agreement we are required to post replacement surety bonds, letters of credit and other financial assurance for the acquired operations within 12 months after the Closing date; any amounts drawn under the letters of credit maintained by the Sellers' parent in support of those obligations, and the face amount of any such support that remains outstanding at that date, will be added to the amounts owed under the Bridge Facility and will mature on November 1, 2027. Refer to the "Construction in Progress," "Asset Retirement Obligations," "Accounts Payable and Accrued Liabilities," "Commitments and Contingencies" and "Subsequent Events" footnotes in the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for more information on certain of these expenditures and obligations.

Future Capital Requirements and Going Concern

Over the next 12 months we have the following plans that will require additional capital:

•Integrate the acquired Searles Valley operations, stabilize production and fund the operating and working capital requirements of the acquired business;

•Implement our commercial and cost resets at Searles Valley, including transitioning customers to new take-or-pay and fixed-price V-BOR® offtake agreements and decoupling the Westend plant's power load from purchased power;

•Recover V-BOR® production toward targeted levels through the targeted restart of the SAC plant and the Searles Valley wellfield development program;

•Repay the Bridge Facility, including the $1.0 million transaction fee, at maturity on June 28, 2027, and make the approximately $1.2 million cash payment due under the Promissory Note on October 1, 2027;

•Operate the SSF to provide the necessary data for our commercial-scale facility, progress our customer qualification program through product samples and validate our wellfield design and operational plans;

•Progress FEL-3, and the related detailed engineering and vendor testing;

•Optimize wellfield design and operating plan in an effort to optimize future mining capital, construction capital and operational expenditures;

•Pursue and optimize infrastructure capital expenditures for our proposed commercial-scale facility which could include expansion of non-potable water resources, upgrading shore power, connection to a natural gas network, preparing certain lands for the construction of the proposed commercial-scale facility, and constructing new access roads into and out of the location for our proposed commercial-scale facility; and

•Further define our advanced boron materials strategy, including our ferroboron supply chain initiative, meta boric acid product development, with consideration to engineering and repurposing our SSF once sufficient data has been obtained for flow sheet optimization and the production of product for customer qualification.

We continue to operate under a business plan with fiscal discipline, and we will need additional financing to maintain our operations and carry out our business objectives. Absent additional financing, we may no longer be able to meet our ongoing obligations, continue operations, or achieve the milestones outlined above.

In addition, on October 1, 2026, we completed the Acquisition described above under "—Recent Developments—Searles Valley Minerals Acquisition" and in Note 13-*Subsequent Events* of the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report. We paid the remaining cash consideration of approximately $3.1 million at Closing, and we expect to incur integration costs and to fund the operating, working capital and capital expenditure requirements of the acquired business, each of which will increase our capital requirements. Only $7.0 million of the $10.0 million Bridge Facility was funded at Closing, with the remaining $3.0 million to be funded upon satisfaction of specified conditions, and the Bridge Facility, including a $1.0 million transaction fee, matures on June 28, 2027. Our go-forward financing plan contemplates a working-capital debt facility supported by our contracted offtake structure; however, we have not obtained any such facility as of the date of this Quarterly Report. Because the acquired operations are in the early stages of integration under our ownership, cash flows expected to be generated by the acquired operations were not considered a mitigating factor in our evaluation of our ability to continue as a going concern. In addition, the Bridge Facility and the Promissory Note restrict the ability of 5E SVM and its subsidiaries to pay dividends or make other distributions, loans or advances to us, other than for specified taxes and fees, corporate overhead costs attributable to the acquired operations and certain employee-related payments. As a result, for so long as either instrument remains outstanding, cash generated by the Searles Valley operations is generally not available to fund the Fort Cady Project or our other corporate obligations unless we prepay or refinance that indebtedness or obtain the consent of the lenders.

We intend to explore different potential financing strategies to help support the growth of our business and execution of our business plan, including equity or debt financing, government funding or grants, private capital, royalty agreements or customer prepayments, or other strategic alliances with third parties. However, there is no assurance that we will be able to secure additional financing on adequate terms, in a timely manner, or at all.

The receipt of any potential funding cannot be considered probable at this time because these plans are not entirely within our control as of the date of this Quarterly Report on Form 10-Q. Therefore, there exists substantial doubt regarding our ability to continue as a going concern for a period of one year after the date of this Quarterly Report on Form 10-Q. Even if additional financing is successfully consummated, available liquidity may still not be sufficient to eliminate the aforementioned substantial doubt regarding our ability to continue as a going concern. If we are unable to raise additional capital or generate cash flows necessary to fund our operations, we will need to curtail planned activities, discontinue certain operations, or sell certain assets, which could materially and adversely affect our business, financial condition, results of operations, and prospects. Refer to the "Going Concern" discussion within Note 1-*Basis of Financial Statement Presentation* of the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report for more information.

Critical Accounting Policies

A complete discussion of our critical accounting policies is included in our Annual Report on Form 10-K for the fiscal year ended June 30, 2026. There have been no significant changes in our critical accounting policies during the three months ended September 30, 2026. Beginning with the quarter ending December 31, 2026, we expect that the accounting for the Acquisition, including the allocation of the purchase consideration to the assets acquired and liabilities assumed at their fair values and the estimation of asset retirement and other reclamation obligations relating to the acquired operations, will involve significant estimates and judgments. Unless otherwise discussed, we believe that the impact of recently issued standards did not or will not have a material impact on our consolidated financial statements upon adoption.

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 is intended to improve income tax disclosures primarily through enhanced disclosure of income tax rate reconciliation items, and disaggregation of income (loss) from continuing operations, income tax expense (benefit) and income taxes paid, net disclosures by federal, state, and foreign jurisdictions, among others. ASU 2023-09 is effective for annual reporting periods beginning after December 15, 2024, and early adoption is permitted. We adopted ASU 2023-09 effective June 30, 2026, and applied its provisions prospectively.

In November 2024, the FASB issued ASU 2024-03, Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses ("ASU 2024-03"), which requires the disaggregation of certain expenses in the notes of the financial statements, to provide enhanced transparency into the expense captions presented on the face of the income statement. In January 2025, the FASB issued Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date, which clarified the effective dates of ASU 2024-03. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, and may be applied either prospectively or retrospectively. We are currently evaluating the impact that ASU 2024-03 will have on our related disclosures, including the adoption date and transition method.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined in Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this Item 3.

Item 4. Controls and Procedures.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

In accordance with Rule 13a-15(b) of the Exchange Act, the Company's management evaluated, under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) as of September 30, 2026. Based on the evaluation of our disclosure controls and procedures, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of September 30, 2026 to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) identified in the evaluation for the quarter ended September 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we and our subsidiaries may become subject to various claims, legal proceedings, governmental inspections, audits, or investigations arising in the course of our business. The outcome of any such claims or proceedings, regardless of the merits, is inherently uncertain and we cannot assure you that their ultimate disposition will not have a material adverse effect on our business, financial condition, cash flows, or results of operations. For additional information regarding pending legal proceedings, refer to Note 11-*Commitments and Contingencies* in the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report, which is incorporated herein by reference.

Item 1A. Risk Factors.

Each of the risks described below should be carefully considered, together with all of the other information contained in this Quarterly Report, before making an investment decision with respect to our securities. In the event of the occurrence, reoccurrence, continuation or increased severity of any of the risks described below, our business, financial condition or results of operations could be materially and adversely affected, and you may lose all or part of your investment. The risks included here are not exhaustive. Other sections of this Quarterly Report may include additional factors which could adversely affect our business and financial performance. New risks emerge from time to time and it is not possible for management to predict all such risks, nor can it assess the impact of all such risks on our business or the extent to which any risk, or combination of risks, may cause actual results to differ materially.

The risks described in this Quarterly Report on Form 10-Q are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our business, financial condition, cash flows or results of operations. Capitalized terms used but not defined in this Item 1A have the meanings given to them in Part I, Item 1 and Item 2 of this Quarterly Report.

Risks Relating to Our Business

There is substantial doubt regarding our ability to continue as a going concern. We will need to raise substantial additional funding, which may not be available on acceptable terms, if at all, to continue as a going concern, advance the Fort Cady Project, advance FEL-3 and related technical work, develop the proposed commercial-scale facility, and maintain production at our current mining operations.

There is substantial doubt regarding our ability to continue as a going concern. Our existence in our current form is dependent upon our ability to obtain additional capital. As of September 30, 2026, we were a pre-revenue development stage company dependent on debt and equity financing transactions to fund our continued development and operational activities. On October 1, 2026, as a result of the Acquisition described elsewhere in this Quarterly Report, we transitioned from a pre-revenue development stage company to a revenue-generating producer of boron and other industrial minerals. Because the acquired operations are in the early stages of integration under our ownership, cash flows expected to be generated by the acquired operations were not considered a mitigating factor in management's evaluation of our ability to continue as a going concern. Management anticipates the need for additional financing to maintain our operations, carry out our business objectives, repay the senior secured bridge facility incurred in connection with the Acquisition at its maturity on June 28, 2027 and make the approximately $1.2 million cash payment due on October 1, 2027 under the senior unsecured promissory note issued in connection with the Acquisition. The receipt of any potential funding cannot be considered probable at this time because these plans are not entirely within our control as of the date of this Quarterly Report on Form 10-Q. There is, therefore, substantial doubt regarding our ability to continue as a going concern. Even if additional financing is successfully consummated, available liquidity may still not be sufficient to eliminate the aforementioned substantial doubt regarding our ability to continue as a going concern.

In addition, as a result of the Acquisition of specified assets of the Sellers (the "SVM Assets"), our capital requirements have increased, including our transaction costs and our working capital and operating requirements of the acquired business. We expect that stabilizing production and implementing our business plan for the acquired operations will require additional working capital and capital investments. Raising funds in the current economic environment has been and continues to be challenging, and financing may not be available in sufficient amounts or on acceptable terms, if at all. The issuance of additional securities, whether equity or debt, or the possibility of such issuance, or the securing of financing that investors consider to be unfavorable to us, may cause the market price of our shares to decline. The sale of additional equity or debt securities would dilute the ownership of existing stockholders. Our business plan also includes the development of the Fort Cady Project, and has required and will continue to require substantial capital

expenditures. We may require financing to fund continued operation of our SSF, FEL-3 engineering, additional technical and design work, customer qualification and commercial development activities, corporate overhead, construction, commissioning, commercial production and working capital requirements.

Our near-term business plan continues to depend on obtaining additional capital to support, among other things, continued SSF activities, FEL-3 engineering, wellfield optimization, customer qualification and commercial development and production activities, permitting modifications, infrastructure planning, technical studies, corporate overhead and other operating costs. If we are unable to obtain sufficient capital on acceptable terms and on the timeline required, we may be required to delay, reduce the scope of, suspend or eliminate some or all of these activities, which could delay development of the Fort Cady Project, adversely affect our ability to obtain financing for the proposed commercial-scale facility, adversely affect our other current mining operations, and materially adversely affect our business, liquidity, financial condition and ability to continue as a going concern.

The Preliminary Feasibility Study (the "PFS") included a capital estimate for Phase 1 of the proposed commercial-scale facility, and the amount of capital ultimately required to complete development may be materially higher than the amounts currently estimated. Actual capital requirements will depend on, among other things, the amount of revenue and cash flow we are able to generate from the SVM Assets, FEL-3 engineering, final feasibility work, wellfield design, procurement strategy, long-lead equipment costs, construction and labor costs, energy infrastructure, inflation, tariffs, contingency, owner's costs, financing costs, permitting requirements, schedule changes and other factors. The size of the capital required to develop Phase 1 is substantial relative to our current market capitalization and available liquidity, which may make financing more difficult, expensive, dilutive or unavailable.

Any financing we pursue may be subject to extensive third-party diligence and conditions, including review of the PFS and updated technical report summary, FEL-3 engineering, wellfield design and performance, recovery rates, customer qualification, non-binding commercial arrangements and potential offtake support, permitting status, market studies, commodity price assumptions, environmental matters, title and other technical, legal, financial and commercial matters. Financing sources may not be satisfied with the results of such diligence or may require additional work, commitments or conditions before providing financing, which could delay, reduce, increase the cost of or prevent financing.

As previously disclosed, in September 2024, we received a non-binding LOI from EXIM for a loan-backed guarantee on project debt financing of up to $285 million for our proposed commercial-scale facility. We have had continued engagement with representatives from EXIM on the loan package, but we cannot make any assurances that the loan package will be finalized on a timely basis, or at all. In addition, in November 2025, we submitted an application to EXIM for a $10.0 million funding package through EXIM's Engineering Multiplier Program, which had not been awarded as of the date of this Quarterly Report, and there is no guarantee that it will be awarded.

If we are unable to raise adequate funds, or if we are not able to generate a sufficient amount of revenue from the SVM Assets, we may have to delay, reduce the scope of or eliminate some or all of our business plan expenditures, including FEL-3, wellfield optimization, customer qualification, development of our proposed commercial-scale facility or operation of the SSF, planned additional investments in and expansion of production from the SVM Assets, and the failure to procure such required financing could have a material and adverse effect on our business, liquidity, financial condition, results of operations and ability to continue as a going concern. If we are unable to continue as a going concern, we might have to liquidate our assets and the values we receive for our assets in liquidation or dissolution could be significantly lower than the values reflected in our financial statements.

The inclusion of the going concern explanatory paragraph by our auditors, our recent transition from a pre-revenue development stage company to a revenue-generating producer of boron and other industrial minerals, our current market capitalization, our limited trading liquidity and our potential inability to continue as a going concern may materially adversely affect our business, share price, and ability to raise new capital or to enter into critical contractual relations with third parties due to concerns about our ability to meet our contractual obligations.

We have incurred significant net operating losses since our inception and anticipate that we may incur continued losses for the foreseeable future.

We had an accumulated deficit of $287.6 million as of September 30, 2026, and we may incur significant development, engineering, operating and corporate expenses for the foreseeable future related to the completion of development and commercialization of the Fort Cady Project and continuing production at our other mining operations. As a result, we expect we will continue to sustain substantial operating and net losses, and it is possible that we will never be able to sustain or develop the revenue levels necessary to attain profitability, despite our transition from a pre-revenue development stage company to a revenue-generating producer of boron and other industrial minerals. If we are unable to raise sufficient capital to continue operating and developing the Fort Cady Project, and if we are not able to generate a sufficient amount of revenue and cash flow from the SVM Assets, our business, financial condition and results of operations could be materially and adversely affected. In addition, even if the acquired operations

generate positive operating cash flow, we expect to continue to report net losses for some time because our results will include non-cash charges such as depreciation and amortization of the acquired assets based on their acquisition-date fair values, paid-in-kind interest on the Bridge Facility and the Promissory Note, share-based compensation and accretion of reclamation obligations, as well as corporate costs and expenditures to advance the Fort Cady Project. Investors should not assume that positive cash flow from the acquired operations, if achieved, will coincide with net income.

Our future performance is difficult to evaluate because we have no or only a limited operating history in the minerals industry, only recently transitioned from a pre-revenue development stage company to a revenue-generating producer of boron and other industrial minerals due to the Acquisition, and our limited history as a revenue-generating company may negatively impact our ability to achieve our business objectives.

Although the Fort Cady Project deposit was identified over 60 years ago and significant work has been undertaken to refine the resource estimate and development plan since that time, including by our immediate predecessor, American Pacific Borates Pty Limited ("ABR"), which undertook significant development activities to develop the resource estimate and mine plan for the Fort Cady Project, until the Acquisition, we had not realized any material revenues from the sale of mineral products. Prior to the Acquisition, our operating cash flow needs were financed primarily through equity and equity-linked financing and not through cash flows derived from our operations.

We do not expect to realize the full potential benefits of the Acquisition immediately, and there can be no assurance that we will achieve the expected benefits, or sufficient revenue to achieve profitable production, on our anticipated timeline or at all. We may not be successful in realizing the potential opportunities of the Searles Valley platform beyond our current operating plan, including borates expansion, sulfate of potash, lithium (including further evaluation of the installed direct lithium extraction pilot) and tungsten. These opportunities are at an early stage, and there can be no assurance that any of them will be developed. We currently produce an insignificant amount of material from our SSF and we have not sold any material amounts of product derived from our legacy properties. As a result, our revenues are expected to also be determined by the development and future success of our proposed commercial-scale facility at the Fort Cady Project, subsequent operating activities as well as ongoing commercial and marketing efforts to establish offtake agreements for material products. Our revenues are also substantially impacted by the prevailing prices for borates and their derivatives, sodium sulfate, salt, calcium chloride, gypsum and other byproducts, to the extent that these products can be successfully extracted. At the present time, the recovery process for lithium has not been field tested and determined, and, while Searles Valley has an operational direct lithium extraction pilot plant, the cost and efficiency of such process will likely not be addressed until a later point in our development cycle. For the products that we aim to successfully produce in the future and those that we currently produce, market prices are dictated by supply and demand, and we cannot predict or control the price we will receive for borates, boric acid and its derivatives, sodium sulfate, salt, calcium chloride, gypsum, lithium carbonate and other byproducts. Although management has identified currently favorable market conditions concerning the supply and demand of boric acid and advanced boron materials, future market conditions may be significantly less favorable as a result of numerous factors, including many that are beyond the scope of our control.

We were incorporated in September 2021, and we have only recently begun to implement our current business strategy. As a result, we have little or no historical financial and operating information available to help you evaluate our future financial and operating performance. Therefore, it is possible that actual costs may increase significantly, and we may not be able to achieve our expected results. The Fort Cady Project may ultimately be less profitable than currently anticipated or may not be profitable at all, which could have a material adverse effect on our results of operations and financial position.

Our inability to continue to operate the SSF, complete FEL-3 and further technical and economic studies, or successfully validate and optimize our wellfield design may have a material adverse impact on the Fort Cady Project.

The SSF is our smaller-scale boron facility and serves as a demonstration and validation facility for the design, engineering, customer qualification, operating assumptions and cost optimization for our proposed commercial-scale facility at the Fort Cady Project. We believe the SSF has provided and may continue to provide valuable data and information to enhance detailed engineering, product qualification, wellfield design and operational processes for the proposed commercial-scale facility.

The ongoing operation of the SSF, learnings and data collection are being undertaken in parallel with the engineering process for the proposed commercial-scale facility. This approach has a higher risk of re-work of certain portions of the Fort Cady Project, as information and data we receive may cause us to revise or redesign portions of the proposed commercial-scale complex, causing potential delays and increased design costs. Additional technical and economic studies, including FEL-3 engineering, may be required to assist in determining the economic recoverability of mineral resources and reserves for the Fort Cady Project. An abbreviated process development approach may also lead to technical risk, and higher capital and operating expenditures. We cannot assure you that the proposed commercial-scale facility at the Fort Cady Project will be completed on schedule, within budget or at all, or achieve

an adequate return on investment. We are also a newly formed company which makes it more difficult for you to evaluate our track record of meeting various milestones or target completion deadlines.

In particular, our ultimate wellfield design, use of horizontal wells, injection and recovery configurations, permeability assumptions, solution chemistry, recovery rates, operating methods and scale-up assumptions remain subject to technical uncertainty. Results from the SSF, vertical wells, horizontal wells, step-rate testing or other technical work may not be representative of commercial-scale operations or may require us to modify the mine plan, wellfield design, processing facilities, costs, schedule or expected recoveries.

The SSF is maintenance intensive, requires us to incur operating costs including labor and raw materials, and may require additional capital expenditures to replace existing equipment, test proposed designs or processes or evaluate modifications to our processes. We cannot assure you that we will have access to sufficient capital to continue operation of the SSF, or that such costs and expenditures will result in a positive economic outcome for the Fort Cady Project. We also may not need to operate the SSF for an extended period if key technical, customer qualification or other objectives have been achieved, and we may elect or be required to curtail, idle, place on care and maintenance or decommission the SSF. Any such decision, or any other facts and circumstances indicating that the carrying value of the SSF or related assets is not recoverable, could result in impairment charges.

If we are unable to operate the SSF or complete FEL-3 and related technical and economic studies in a timely and cost-effective manner, or if such work results in changes to the expected economics, design, schedule or recoveries for the Fort Cady Project, our ability to develop the Fort Cady Project could be materially adversely affected.

We have invested and, subject to availability of adequate capital, plan to continue to invest significant amounts of capital in the Fort Cady Project.

We have invested significant capital in the Fort Cady Project, including resource drilling, monitoring wells, metallurgical test work, well injection testing, permitting activities, construction and operation of the SSF, pilot-scale test work, stage 2 of our front-end loading engineering and preparation of the PFS. Subject to availability of adequate capital, we expect to continue to invest significant capital in the Fort Cady Project, including FEL-3 engineering, additional technical and economic studies, wellfield optimization, commercial development, permitting modifications, long-lead procurement, development planning and potential construction of the proposed commercial-scale facility.

The Fort Cady Project may require more capital than currently expected, including, without limitation, because of changes in design, scope, permitting requirements, capital costs, operating costs, inflation, tariffs, supply-chain conditions, energy infrastructure, construction labor, equipment costs, financing terms, schedule, contingency, owner's costs, wellfield performance, recovery rates or other factors. If the Fort Cady Project does not proceed as planned, or if we are unable to finance or complete the Fort Cady Project, some or all of our prior and future investments may not be recovered, and we may be required to record impairments or other charges.

We have a limited history of mineral production, and we may not be able to successfully achieve our business strategies, including our downstream processing ambitions.

Until the Acquisition, we were a development-stage company and any future sustained or increased revenues and profits are uncertain. There can be no assurance that the Fort Cady Project will successfully reach commercial-scale production of minerals or otherwise generate operating earnings. Advancing projects from the development-stage into commercial production requires significant capital and time and will be subject to further technical and economic studies, permitting requirements and construction of mines, processing plants, roads and related works and infrastructure. We may incur losses if mining-related operations do not successfully reach commercial production levels, or, for our production-level facilities, do not generate sufficient revenue to fund continuing operations. There is no certainty that we will generate revenue from the Fort Cady Project, operate profitably or provide a return on investment in the future.

In addition, substantial additional capital will be required to develop and support potential downstream processing capabilities at the Fort Cady Project. The economic viability of the production of advanced boron materials at the Fort Cady Project will be dependent on a number of factors beyond the scope of our control, including the market demand for and competitive landscape of the advanced boron materials that we hope to produce. We cannot assure you that our downstream processing ambitions will operate profitably or provide a return on investment in the future.

We may be unable to develop, protect, obtain or acquire intellectual property required to implement our business strategy successfully.

Our strategy may depend in part on our ability to develop, protect, obtain or acquire intellectual property and know-how related to in-situ extraction, closed-loop processing, wellfield design, recovery, processing, reinjection, product specifications, impurity management, co-product processing and advanced boron materials. During fiscal year 2026, we filed a provisional patent application with the United States Patent and Trademark Office ("USPTO") relating to the production process for meta boric acid. Also during fiscal year 2026, we filed an omnibus provisional patent application with the USPTO covering our proprietary closed-loop in-situ leach mining and production process, including claims relating to boric acid, gypsum, sodium chloride and management of metal impurities. We have also filed provisional patents with the USPTO specifically related to our production process for boric acid, our gypsum production process, and the different modes of operation and controls based on the composition of our feed stream. We may file additional patent applications or seek other forms of intellectual property protection in the future.

There can be no assurance that any patent applications will result in issued patents, that any issued patents will provide meaningful protection, that our claims will be broad enough to prevent competitors from developing competing technologies, that our intellectual property will not be challenged, designed around, invalidated or circumvented, or that we will be able to enforce our rights cost-effectively. We also may rely on trade secrets, know-how, confidentiality obligations and other non-patent protections that may be difficult to protect or enforce. If we are unable to develop, obtain, protect or enforce intellectual property or proprietary know-how that is important to our business, our competitive position, commercialization strategy, ability to partner with customers or strategic parties and long-term prospects could be adversely affected.

Other licenses that may be necessary for some of our proposed downstream processing steps have not yet been obtained. Any failure to establish or maintain collaborative, joint venture or licensing arrangements for the production of boron or other specialty products on favorable terms could adversely affect our business and prospects.

Third parties may claim that we infringe on their proprietary intellectual property rights, and resulting litigation may be costly and could prevent or delay our development activities.

Our commercial success will depend in part on not infringing, misappropriating or violating the intellectual property rights of others. From time to time, we may be subject to legal proceedings and claims, including claims of alleged infringement of trademarks, copyrights, patents and other intellectual property rights held by third parties. In the future, third parties may sue us for alleged infringement of their proprietary or intellectual property rights. We may not be aware of whether our products do or will infringe existing or future patents or the intellectual property rights of others. Any litigation in this regard, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources as well as harm to our brand, any of which could adversely affect our business, financial condition and results of operations. If the party claiming infringement were to prevail, we could be forced to discontinue the use of the related technology or design and/or pay significant damages unless we enter into royalty or licensing arrangements with the prevailing party or are able to redesign our products or processes to avoid infringement. Any such license may not be available on reasonable terms, if at all, and there can be no assurance that we would be able to redesign our products or processes in a way that would not infringe the intellectual property rights of others. In addition, any payments we are required to make and any injunction we are required to comply with as a result of such infringement could harm our reputation and financial results. In addition, as we seek to protect and commercialize proprietary technologies, including in-situ extraction, closed-loop processing, wellfield designs, product processing and advanced boron materials, competitors or other third parties may assert that our processes, equipment, products, know-how or patent applications infringe or otherwise violate their intellectual property rights. Any such claims, whether or not meritorious, could require us to incur substantial legal costs, divert management attention, delay development, require changes to our processes or products, require licenses that may not be available on acceptable terms or at all, or otherwise adversely affect our business.

Our estimates of mineral resources and reserves remain inherently uncertain and subject to significant change, and the actual volume and grade of material actually recovered may differ materially from current estimates.

During August 2025, we advanced our Project from the exploration stage by filing a PFS, resulting in the conversion of certain measured and indicated resources into proven and probable reserves for boric acid. An updated PFS and technical report summary is included as an exhibit to our Annual Report. Despite this advancement, there remains considerable uncertainty in our resource and reserve estimates due to the inherent risks and subjective judgments involved in such assessments.

Mineral resources are not mineral reserves and have not demonstrated economic viability. Measured and indicated mineral resources may never be converted into mineral reserves, and inferred mineral resources have a lower level of geological confidence and may not be considered in assessing economic viability under Regulation S-K 1300. Mineral reserves depend on numerous

modifying factors, including pricing, recovery, costs, permitting, infrastructure, market demand, taxes, royalties, inflation, financing, metallurgical performance, wellfield design, environmental requirements and other assumptions, any of which may prove inaccurate or change over time.

The Fort Cady Project deposit has had a significant amount of prior drilling and has been the subject of multiple prior mineral resource estimates, including a 2018 initial feasibility study prepared for ABR according to the Joint Ore Reserves Committee Code (the "JORC Code"), a second feasibility study originally released in April 2020 and updated further in February 2021 also prepared for ABR in accordance with the JORC Code, and an amended initial assessment report released by us in May 2023 and further revised in February 2024. None of the prior ABR mineral resource estimates were Regulation S-K 1300 compliant, and such prior estimates resulted in different mineral resource estimates. Investors should not rely on such historic estimates as current estimates under Regulation S-K 1300. Our current Regulation S-K 1300 disclosure is based on the PFS released by us in August 2025 and the updated PFS and technical report summary, with an effective date of June 30, 2026, included as Exhibit 96.1 to our Annual Report. Additional time and expenditures are required to commercially mine and to construct, complete and install mining and processing facilities for properties that are actually mined and developed. Any expenditure that we may make in the development of refined borates and advanced boron materials may not result in the discovery of commercially exploitable mineral deposits or such advanced boron materials.

The mineral reserve estimates stated in our Annual Report and extracted from the PFS or updated technical report summary represent the amount of boric acid that the qualified persons in that report estimated could be economically and legally extracted or produced at the time of the mineral reserve determination. Such estimates and related PFS assumptions are based on qualified-person judgments and are not guarantees of actual production, recoveries, mine life, profitability, commercial feasibility or economic extraction. Any material reductions in the quantity of mineral reserves or resources, related grades, recovery rates, prices, market assumptions or increases in cost of production could have a material adverse effect on our business, financial condition or prospects.

Future FEL-3 work, technical studies, market studies, updated reserve or resource estimates, permitting requirements, financing requirements or other work could result in materially different project economics, higher costs, longer timelines, reduced reserves or resources, impairment of assets or a decision not to proceed with some or all of the Fort Cady Project as currently contemplated.

Estimates relating to the development of the Fort Cady Project, the PFS, the updated technical report summary and the mine plan are uncertain and we may incur higher costs and lower economic returns than estimated.

The PFS and any updated technical report summary are not final feasibility studies and remain subject to further engineering, design refinement, technical validation, permitting, financing, market studies, cost estimation and commercial development work and we may incur higher costs and lower economic returns than estimated. The PFS, updated technical report summary, mine plan, reserves, capital costs, operating costs, production profile, recoveries, pricing assumptions, co-product assumptions, schedule and other assumptions may change as FEL-3 engineering and related work progresses.

Estimates relating to the development of the Fort Cady Project and mine plan are uncertain, including estimates related to capital expenditures, operating costs, wellfield design, horizontal wells, injection and recovery configurations, recovery rates, processing requirements, energy infrastructure, natural gas supply, evaporation ponds, co-products, labor, logistics, permitting, financing costs and the timing of commercial production. We previously targeted initial commercial production from the Fort Cady Project in 2030, but this target may not be achieved and is contingent upon progressing through FEED engineering by January 2027 and securing the necessary financing to commence construction in January 2028, both of which may be delayed. Delays may result from financing, engineering, permitting, procurement, construction, commissioning, technical validation, customer qualification, offtake, market conditions, supply-chain constraints, labor availability, litigation, regulatory changes, the diversion of management's attention to the SVM Assets, or other factors.

In addition, the Fort Cady Project is based on in-situ leaching and chemical processing at a scale that we have not previously achieved. The ultimate commercial wellfield design, use of horizontal wells, recovery rates, solution chemistry, scaling, impurity management, acid consumption, evaporation and crystallization performance and commercial-scale processing results may differ materially from our current expectations, including those based on the SSF, historical pilot operations, step-rate testing, customer samples or other technical work. If our assumptions prove inaccurate, or if future technical studies or commercial-scale operations produce results that differ from expectations, we may be required to redesign portions of the Fort Cady Project, incur additional costs, delay development, reduce expected production, revise reserve or resource estimates or determine not to proceed with the Fort Cady Project as currently contemplated.

Further, because the PFS capital estimate and Project economics depend on assumptions that may change, investors should not place undue reliance on such estimates as guarantees of future results. Actual costs, revenues, cash flows, returns, production volumes,

recoveries, mine life and schedule could differ materially from current estimates and could adversely affect our business, financial condition and prospects.

The actual profitability or economic feasibility of the Fort Cady Project may differ from our estimates as a result of any of the following risks normally encountered in the mining industry, such as:

- changes in tonnage, grades, metallurgical characteristics, recovery rates, solution chemistry or other technical assumptions;
- changes in input commodity, labor, equipment, water, power, natural gas, reagent, construction, logistics or financing costs;
- the quality of the data on which engineering, mine plan, processing, recovery, wellfield and economic assumptions are made;
- adverse geological, geotechnical, hydrological, wellfield, processing or operating conditions;
- availability of adequate and skilled labor, machinery, equipment, long-lead items, infrastructure, water, power and natural gas;
- inflation, tariffs, taxes, royalties, interest rates, trade policies, regulatory changes or changes in financing availability or terms;
- delays in obtaining environmental, land-use or other government permits, approvals, amendments or authorizations;
- weather, severe climate impacts, accidental fires, floods, drought, wildfires, earthquakes or other natural disasters;
- water management, pollution, environmental damage or harm to plants or animals, including endangered or protected species;
- health and safety issues, pandemics or infectious diseases;
- social and community issues, labor disputes, protests, road blockages, work stoppages or challenges to permits or mining activities;
- uncertainties regarding our ability to successfully implement downstream processing and reach full revenue potential; and
- other known and unknown risks involved in the conduct of exploration, development, construction and operation of mines.

Any of the aforementioned risks may cause substantial delays to the Fort Cady Project and require significant capital outlays, adversely affecting our future earnings and competitive position and, potentially, our financial viability. In addition, the nature of some of these risks is such that liabilities could exceed any applicable insurance policy limits or could be excluded from coverage. As many of the risks described above are also risks against which we cannot insure or against which we may elect not to obtain insurance, we are not fully insured against all potential risks incident to our business. The potential costs which could be associated with any liabilities not covered by insurance, or in excess of insurance coverage, or compliance with applicable laws and regulations could be substantial. As a result of market conditions, certain insurance may become unavailable or available only for reduced amounts of coverage. If we were to incur a significant loss for which we were not fully insured, it could have a material adverse effect on our business, results of operations, financial condition and liquidity.

Our growth depends upon demand for borates, lithium, calcium chloride, gypsum and related products in the markets we seek to serve, and such demand may not develop as we expect.

Our growth is dependent upon the development of demand for borates, advanced boron materials, lithium, calcium chloride, gypsum and related products across diverse end markets, including industrial, specialty glass, insulation, agriculture, defense, energy, infrastructure, technology, automotive and other markets. If the market for such applications does not develop as we expect, develops more slowly than we expect, or current boron producers or other competitors fulfill all or a portion of the market's anticipated needs, our business, prospects, financial condition and results of operations may be adversely affected.

Demand for our products and potential products could be affected by numerous external factors, including customer specifications, substitution by alternative materials, technological changes, government regulations and incentives, trade policies, customer adoption, capital investment cycles, macroeconomic conditions, end-market growth rates, competitive pricing, geopolitical conditions and the ability of incumbent producers to respond to new supply.

Our long-term success will depend on our ability to convert customer qualification and non-binding commercial arrangements into definitive, bankable offtake agreements and to deliver product under those agreements.

We have entered into, and may continue to enter into, heads of agreement, letters of intent, memoranda of understanding, purchase orders, trial shipment arrangements, qualification arrangements or other commercial arrangements with potential customers, but these arrangements may be non-binding, conditional or otherwise subject to further negotiation and may not result in definitive offtake agreements, revenue, pricing, margins, minimum volumes or financing support.

We expect certain commercial heads of agreement to include important commercial terms, including potential products, volumes, specifications, pricing mechanisms, delivery periods and other matters, but they are expected to be subject to conditions, including achieving project financing. These arrangements may also be subject to further negotiation, modification or replacement, including based on lender, underwriter, strategic investor or other financing-source feedback. If the terms of such arrangements are not viewed as bankable or otherwise sufficient to support financing, we may need to renegotiate such terms, seek different commercial arrangements or pursue other financing strategies, any of which could delay or adversely affect our business plan.

Customer qualification is an important step toward commercialization, but successful qualification of boric acid or other products produced from the SSF does not guarantee that any customer will enter into a binding offtake agreement, purchase product in commercial quantities, accept commercial-scale production, agree to favorable pricing or provide financing support. Customers may require additional testing, validation or requalification of products produced at commercial scale, even if they have qualified SSF-produced products, and such additional qualification may delay or reduce expected sales.

Potential definitive offtake agreements may contain fixed pricing, formula-based pricing, index-linked pricing, inflation-adjusted pricing, price collars, floors, ceilings, volume commitments, quality specifications, delivery obligations, termination rights, force majeure provisions, penalties, financing conditions or other terms that could reduce expected economics, increase operational risk or limit our flexibility. If we are unable to enter into definitive offtake agreements on acceptable terms, or if we are unable to deliver product under such agreements after they are executed, our business, results of operations, ability to obtain financing and financial condition could be materially and adversely affected.

If the estimates and assumptions we use to determine market demand, market size and pricing are inaccurate, our future growth rate and Project economics may not be accurate or may be adversely affected.

Our estimate of the annual total addressable market and long-term pricing for our products and proposed products is based on internal and third-party estimates, which are based on factors including historical and current global demand and pricing, the number and geographic location of suppliers, supplier capacity, customer specifications, end-use applications, published pricing indices, market studies and assumptions regarding future demand growth. Market estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may prove to be inaccurate.

Boric acid and many borate products are not exchange-traded commodities, and third-party published pricing indices and market studies may not fully reflect realized pricing, contract-specific terms, customer specifications, regional dynamics, freight, logistics, product quality, price floors or ceilings, inflation adjustments, customer concentration or long-term market conditions. If the price, demand, market size, growth trajectory or marketability of boric acid, calcium chloride, gypsum, lithium or other current or potential products differs from our expectations, our ability to obtain financing, enter into offtake agreements, support reserves, achieve expected Project economics or develop our business could be adversely affected.

Our long-term success will depend ultimately on our ability to achieve and maintain profitability and to develop and/or maintain positive cash flow from our proposed and current operating activities.

Our long-term success, including the recoverability of the carrying values of our assets, our ability to acquire and develop additional projects, and continuing with the exploration, development and commissioning and operating activities of the Fort Cady Project will depend ultimately on our ability to achieve and maintain profitability and to develop and/or maintain positive cash flow from our operations. The economic viability of our future operating activities has many risks and uncertainties including, but not limited to:

- a significant, prolonged decrease in the market price of borates, lithium, gypsum, calcium chloride and other minerals;
- difficulty in marketing and/or selling borates, lithium, gypsum, calcium chloride and other minerals;
- significantly higher than expected capital costs to construct the Fort Cady Project;
- significantly higher than expected extraction costs;

•significantly lower than expected borates, lithium, and other minerals extraction;

•significant delays, reductions or stoppages of borates, lithium, and other minerals extraction activities;

•the introduction of significantly more stringent regulation affecting our activities; and

•global political, economic and market conditions, including political disturbances, war, terrorist attacks and changes in global trade policies and tariffs.

Our future operating activities may change as a result of any one or more of these risks and uncertainties, and we cannot assure you that any ore body that we extract mineralized materials from will result in achieving and maintaining profitability and developing and/or maintaining positive cash flow.

The cost and availability of electricity, natural gas and other energy resources are subject to volatile market conditions and infrastructure constraints.

Mining development projects and operations consume large amounts of raw materials and energy. We may rely on third parties for the supply of energy we consume and will consume in our development and mining activities. The prices for and availability of electricity, natural gas, oil and other energy resources are subject to worldwide supply and demand, volatile market conditions, weather conditions, geopolitical events, regulatory actions and other factors beyond our control. Variations in the cost or availability of raw materials and energy may significantly affect our operating results and Project economics, as well as our mining operations more generally.

The acquired operations at Searles Lake, California include 54 megawatts of on-site cogeneration capacity, which is fueled by natural gas, and we intend to decouple the Westend plant's power load from purchased power through increased use of such cogeneration capacity. As a result, the acquired operations are, and are expected to become increasingly, dependent on the availability and cost of natural gas and the reliable performance of such cogeneration facilities, and we may not achieve the cost savings we expect from such decoupling on the anticipated timeline or at all. Separately, the Phase 1 plan for the Fort Cady Project currently contemplates a natural gas combined heat and power or cogeneration facility rather than reliance on a Southern California Edison interconnection for commercial-scale power. If we proceed with such a facility, we will be partially dependent on natural gas supply, pipeline connection, construction, permitting, equipment procurement, commissioning, emissions compliance, operating performance and long-term energy costs. Growing demand for on-site power generation driven by the rapid expansion of artificial intelligence and other data center activity could significantly increase the cost and reduce the availability of the cogeneration equipment we anticipate procuring for such a facility. Any inability to secure reliable and cost-effective energy, complete required energy infrastructure, operate the cogeneration facility as expected, or manage energy-related permitting or emissions obligations could delay or increase the cost of developing and operating the Fort Cady Project.

Inadequate infrastructure may constrain our future mining operations, including at the Fort Cady Project.

Any potential commercial production at the Fort Cady Project or at our mining operations, generally, depends and will continue to depend on adequate infrastructure. In particular, reliable power sources, natural gas supply, water supply, transportation, surface facilities, evaporation ponds, communications, security, construction staging, logistics and other infrastructure are necessary to develop and operate the Fort Cady Project and our other mining operations. Failure to adequately meet these infrastructure requirements or changes in the cost, availability, design or schedule of such inputs could affect our ability to develop or commence production at the Fort Cady Project or continue production at our mining operations, as applicable, and could have a material adverse effect on our business, financial condition, results of operations, cash flows or prospects.

Uncertain global economic conditions could have a material adverse effect on our business, financial condition, results of operations or prospects, including the pricing of our products.

Our financial results are tied to global economic conditions and their impact on levels of consumer confidence and consumer spending. Global consumer markets can be impacted by significant U.S. and international economic downturns and inflation, such as the economic contraction caused by the coronavirus pandemic of 2020 and the global credit crunch experienced in 2008, as well as global hostilities and conflict, including in Ukraine and Russia, as well as the Middle East. High levels of inflation, recession or a weak recovery, due to factors that include, but are not limited to, disruptions in financial markets, federal budget, tax, tariff or trade policy issues in the United States, political upheavals, war or unrest, economic sanctions against trading nations, and demonetization, could cause us to experience significant cost increases and revenue declines due to deteriorated consumer confidence and spending, and a decrease in the availability of credit or on commercially acceptable terms, which could have a material adverse effect on our business prospects or financial condition.

Our business is also dependent upon certain industries, such as energy, automotive, agriculture, transportation, petrochemical and original equipment manufacturing, and these are also cyclical in nature. Therefore, these industries may experience their own significant fluctuations in demand for our products based on such things as economic conditions, energy prices, consumer demand and infrastructure funding decisions by governments. Many of these factors are beyond our control. As a result of the volatility in the industries we plan to serve, we may ultimately have difficulty increasing or maintaining our level of sales or profitability. If the industries we serve were to suffer a downturn, then our business may be adversely affected.

Prices and availability of commodities consumed or used in connection with exploration and development and mining, such as natural gas, diesel, oil and electricity, also fluctuate, and these fluctuations have and could in the future affect the costs of operations. These fluctuations can be unpredictable, can occur over short periods of time and may have a material adverse impact on our operating costs or the timing and costs of various projects.

Our business could be affected by macroeconomic risks.

Our operations and performance depend significantly on global and regional economic conditions. Macroeconomic conditions, including inflation, slower growth or recession, changes to fiscal and monetary policy, tighter credit, higher interest rates, high unemployment and currency fluctuations can materially adversely affect demand for our products. In addition, confidence and spending can be materially and adversely affected in response to financial market volatility, negative financial news, declines in income or asset values, energy shortages and cost increases, labor and healthcare costs and other economic factors. An adverse impact on demand for our products, uncertainty about, or a decline in, global or regional economic conditions can have a significant impact on our suppliers and other partners. Potential effects include financial instability; inability to obtain credit to finance operations and purchases of our products; and insolvency. We cannot predict the timing or scale of these various macroeconomic conditions, but they could have a material adverse effect on our business, results of operations and financial condition.

Government efforts to combat inflation, along with other interest rate pressures, may lead to increased financing costs and Project completion costs.

Over the past several years, global and U.S. levels of monetary inflation have been higher than recent historical averages. Government entities have taken various actions to combat inflation, such as raising interest rate benchmarks. Government entities may continue their efforts, or implement additional efforts, to combat inflation, which could include among other things continuing to raise interest rate benchmarks or maintaining interest rate benchmarks at elevated levels. Such government efforts, along with other interest rate pressures arising from an inflationary economic environment, could lead to higher financing costs and have a material adverse effect on our business, financial condition and results of operations.

We are subject to anti-bribery, anti-corruption, and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act, as well as export control laws, customs laws, sanctions laws and other laws governing our operations. If we fail to comply with these laws, we could be subject to civil or criminal penalties, other remedial measures and legal expenses, which could adversely affect our business, results of operations and financial condition.

The U.S. Departments of Justice, Commerce, State and Treasury and other federal agencies and authorities have a broad range of civil and criminal penalties they may seek to impose against corporations and individuals for violations of economic sanctions laws, export control laws, the U.S. Foreign Corrupt Practices Act (the "FCPA"), and other federal statutes and regulations, including those established by the Office of Foreign Assets Control ("OFAC"). Under these laws and regulations, as well as other anti-corruption laws, anti-money laundering laws, export control laws, customs laws, sanctions laws and other laws governing our operations, various government agencies may require export licenses, may seek to impose modifications to business practices, including cessation of business activities in sanctioned countries or with sanctioned persons or entities and modifications to compliance programs, which may increase compliance costs, and may subject us to fines, penalties and other sanctions. A violation of these laws or regulations would negatively affect our business, financial condition and results of operations.

We are continuing to implement policies and procedures designed to facilitate compliance by us and our directors, officers, employees, representatives, consultants and agents with the FCPA, OFAC restrictions and other export control, anti-corruption, anti-money-laundering and anti-terrorism laws and regulations. We cannot assure you, however, that our policies and procedures are or will be sufficient or that directors, officers, employees, representatives, consultants and agents have not engaged and will not engage in conduct for which we may be held responsible, nor can we assure you that our business partners have not engaged and will not engage in conduct that could materially affect their ability to perform their contractual obligations to us or even result in our being held liable for such conduct. Violations of the FCPA, OFAC restrictions or other export control, anti-corruption, anti-money

laundering and anti-terrorism laws or regulations may result in severe criminal or civil sanctions, and we may be subject to other liabilities, which could have a material adverse effect on our business, financial condition and results of operations.

Title to mineral properties and related water rights is a complex process and we may suffer a material adverse effect in the event the Fort Cady Project property or other properties that we have acquired, or may acquire, are determined to have title deficiencies, or if required governmental approvals or renewals of our mineral leases are not obtained.

Acquisition of title to mineral properties and related water rights is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. We cannot give any assurance that title to such property will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that we do not have title to the Fort Cady Project property, or any of our other properties, or lack appropriate water rights could cause us to lose any rights to explore, develop and mine any minerals on that property, without compensation for our prior expenditures relating to such property. In addition, a substantial portion of the mineral tenure at Searles Valley is held under federal mineral leases and a sodium use permit issued by the Bureau of Land Management, which are subject to periodic renewal, royalty payments and other conditions. The assignment of those leases and that permit from the Sellers to 5E SVM require the approval of the Bureau of Land Management, and the submission of the related transfer application is also a condition to the funding of the remaining $3.0 million under the Bridge Facility. If the Bureau of Land Management does not approve the assignments, or if any lease or permit is not renewed on acceptable terms or at all, our ability to conduct the Searles Valley operations as currently conducted could be materially adversely affected.

Challenges to our mining claims could adversely affect our operations and financial condition.

Certain of our mining activities depend upon the validity and enforceability of mining claims, including unpatented mining claims, which are subject to potential challenges from third parties, regulatory bodies, or governmental agencies. Such challenges may include assertions that:

- A mining claim is invalid due to improper staking, inaccurate or incomplete documentation, or non-compliance with applicable laws and regulations.
- A mining claim lacks proper tenure, ownership, or rights due to disputed title or conflicting ownership claims.
- The type of mining claim (e.g., lode versus placer) has been incorrectly characterized, which may impact our rights to extract minerals.
- The boundaries or location of a mining claim have been incorrectly established or recorded.

If any of our mining claims are successfully challenged, we may lose rights to some or all of the mineral deposits within those claims. The resolution of any such challenges, whether through litigation or administrative procedures, can be costly, time-consuming, and uncertain. An adverse determination could require us to modify or terminate our mining activities on the affected properties, incur substantial costs to rectify deficiencies, or significantly delay our mining plans. Such outcomes could materially and adversely affect our operations, financial condition, and results of operations.

Restrictions on our ability to obtain, recycle and dispose of water may impact our ability to execute our development plans and current and proposed operations.

Water is an essential component of our planned mining processes at the Fort Cady Project. Prior to the Acquisition, we had two water production wells in an aquifer within our permit boundary at the Fort Cady Project, but water is limited in the Mojave Desert. If our demand for water were to outpace supply, our ability to perform mining operations could be restricted or made more costly. Water is also essential to the solution-mining and processing operations at Searles Valley, which rely on groundwater produced from wells in the Indian Wells Valley groundwater basin and conveyed to the operations, and 5E SVM also supplies potable water to the community of Trona through a water utility regulated by the California Public Utilities Commission. The Indian Wells Valley basin has been designated as critically overdrafted under California's Sustainable Groundwater Management Act and is the subject of a pending groundwater adjudication in the Superior Court of the State of California, in which 5E SVM acquired the Sellers' rights and party status at the Closing. An adverse determination in that proceeding regarding the quantity or priority of our water rights, or regulatory restrictions on pumping or conveyance of groundwater, could reduce the water available to the Searles Valley operations in future periods, increase our costs or require us to obtain water from other sources, which may not be available on acceptable terms or at all. Along with the risks of other extreme weather events, drought risk, in particular, is likely increased by climate change. If we are unable to obtain sufficient water to use in our operations, we may be unable to economically produce our target minerals, which could have an adverse effect on our financial condition, results of operations and cash flows. In addition, commercial development of the

Fort Cady Project, and continued production at our other mining operations, may depend on our ability to design, permit, construct and operate evaporation ponds, solution management systems, recycling systems and related facilities for sodium and calcium removal, brine or process solution management, monitoring and closure. Changes in pond sizing, liner requirements, waste discharge requirements, monitoring obligations, closure obligations or water-board requirements could increase costs, delay development or constrain operations.

The development, construction and proposed operation of our properties and projects is subject to various environmental, operational and land-use regulations that could adversely affect our ability to grow.

Our properties and Project are subject to numerous environmental laws, regulations, guidelines, policies and other requirements relating to, among other things, local land use, zoning, building and operational laws and regulations. Requirements that are in place for mining projects may require conformance with specified generation capacities, sound levels, radar setbacks, as well as restrictions on communications interference, hazards to aviation or navigation, or other potential nuisances.

Although we believe the major permits and approvals required for the Fort Cady Project are currently in place, Phase 1 development and commercial-scale operations at the Fort Cady Project, as well as production at our other mining operations, may require additional permits, permit amendments, modifications, renewals, authorizations, bonding or agency approvals, including modifications to our Environmental Protection Agency ("EPA") permit to address different wellfield designs and the permitted term or period of operations. Regulators may disagree with our interpretation of the scope, timing or nature of required permit modifications or may impose conditions that increase costs or delay development and/or production. Any failure to obtain, maintain or comply with such permits, permit modifications or approvals could adversely affect our ability to develop or operate the Fort Cady Project.

Mining projects may experience local opposition in certain markets due to claims based on alleged nuisances, concerns about conversion of land use from agriculture or undeveloped land to mining, or other claims of potential adverse health or environmental impacts, such as misuse of water resources, landscape degradation, land use, food scarcity or price increase. We could experience significant opposition from third parties, including environmental non-governmental organizations, local landowners, neighborhood groups, municipalities and other entities either during the permit application process, including during any public hearings, comment periods or appeal proceedings, or after environmental permits are issued, as well as by governmental regulators if future administrations or regulators become less favorable to our industry. We could also experience renewed opposition if any permit requires amendment.

Any such opposition may be taken into account by government officials responsible for granting the relevant permits, which could result in the permits being delayed, not being granted or being granted solely on the condition that we carry out certain corrective measures to our proposed projects (including at the Fort Cady Project), which could materially increase our operational costs. In addition, we may become subject to legal proceedings or claims contesting the construction or operation of our projects or permits required thereunder. Any such delays, permit restrictions, legal proceedings or disputes (even if ultimately decided in our favor) could materially delay our ability to complete construction of a project (including at the Fort Cady Project) in a timely manner, or at all, materially increase the costs associated with commencing or continuing such project's commercial operations or harm our reputation. Any settlement of claims or unfavorable outcomes or developments relating to these proceedings or disputes, such as judgments for monetary damages, injunctions or denial or revocation of permits, could have a material adverse effect on our business, financial condition, results of operations, and reputation.

The mining industry is historically a cyclical industry and market fluctuations in the prices of borates and other minerals could adversely affect our business.

We derive revenues from the extraction and sale of borates, sodium sulfate, salt and other minerals, and may in the future derive revenues from calcium-based co-products and other minerals. The marketability of minerals is affected by numerous factors beyond our control. These factors include government regulations relating to pricing, taxes, royalties, allowable production, imports, exports, prevailing price, price volatility, supply, changes in buyer preferences and demand for borates and other minerals. The prices of such commodities have historically fluctuated, and may in the future fluctuate widely and may be affected by numerous factors beyond our control, including international, economic and political trends, domestic and foreign tax policy, the price of imports of commodities, the cost of exploration, development, production and processing mineral ore, available transportation capacity, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities, increased production due to new or improved extraction and production developments and methods, technological changes in the markets for the end products and the overall supply and demand for minerals. The effect of these factors on the price of borates and other minerals, and therefore the economic viability of any of our properties, cannot accurately be predicted. Additionally, new production of borates from current or new competitors in the borates market could adversely affect prices. Any additional supply (including as a result of

new investments) could have an adverse effect on the price of such materials. Only limited information is available with respect to the status of expansion and new borate production capacity expansion projects being developed by current and potential competitors, and, as such, we cannot make accurate projections regarding the future capacities of current and possible new entrants into the market and the dates on which such capacities could become available on the market. If these potential projects are completed in the short term, they could adversely affect market prices for borates and lithium, thereby resulting in a material adverse effect on the economic feasibility of extracting any minerals we discover.

Changes in commodity prices would affect our revenues and may reduce the amount of funds available to reinvest in development activities. Reductions in mineral prices not only reduce our revenues and profits but could also reduce the quantities of any reserves that are commercially recoverable. Declining mineral prices may also adversely impact our operations by requiring a review of the commercial feasibility of any of our proposed exploration, development and production programs. Any such review may indicate a material adverse effect on the economic feasibility of our current operations or proposed business.

Fluctuations in the value of the United States dollar relative to other currencies may adversely affect our business.

Because a portion of our product sales are, and are expected to continue to be, to customers outside the United States, a strong U.S. dollar could negatively impact our export competitiveness by making our products more expensive for foreign buyers, thereby potentially reducing our international sales. A strong U.S. dollar could also make imported borate products comparatively less expensive, potentially increasing competition from foreign producers importing into the U.S. market. Conversely, a weak U.S. dollar may enhance our export competitiveness by making our products relatively less expensive in foreign markets and may make imported products comparatively more expensive, reducing competition from foreign imports; however, because we expect to source a portion of our equipment, materials and services from outside the United States, a weak U.S. dollar could also increase the cost of those imported inputs and our capital costs. These currency fluctuations, whether strengthening or weakening the U.S. dollar, introduce volatility and uncertainty in our anticipated pricing, sales, costs, profitability, and overall competitive position in both domestic and international markets.

We face risks relating to mining, exploration, development and mine construction on our properties.

Our level of profitability, if any, in future years will depend to a great degree on borate prices and whether our legacy properties can be brought into production or, as to those in production, will continue to be productive. Exploration and development of borate resources are highly speculative in nature, and it is impossible to ensure that the currently proposed and future exploration programs and/or feasibility studies on our existing properties will fully monetize the reserves. Whether it will be economically feasible to extract boron depends on a number of factors, including, but not limited to: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; boron prices and volatility of the market; mining, processing and transportation costs; the willingness of lenders and investors to provide project financing on commercially reasonable or favorable terms; labor costs and possible labor strikes; and governmental regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting materials, foreign exchange, environmental protection, employment, worker safety, transportation, and reclamation and closure obligations. The effect of these factors cannot be accurately predicted, but any one or a combination of these factors may result in us receiving an inadequate return on invested capital. In addition, we are subject to the risks normally encountered in the mining industry, such as:

- the discovery of unusual or unexpected geological formations;
- accidental fires, floods, earthquakes, severe weather or other natural disasters;
- unplanned power outages and water shortages;
- construction delays and higher than expected capital costs due to, among other things, supply chain disruptions, higher transportation costs and inflation;
- controlling water and other similar mining hazards;
- explosions and mechanical failure of equipment;
- operating labor disruptions and labor disputes;
- the ability to obtain suitable or adequate machinery, equipment or labor;
- our liability for pollution or other hazards; and
- other unknown risks involved in the conduct of exploration and operation of mines.

The nature of these risks is such that liabilities could exceed any applicable insurance policy limits or could be excluded from coverage. There are also risks against which we cannot insure or against which we may elect not to insure. The potential costs, which could be associated with any liabilities not covered by insurance or in excess of insurance coverage, or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting our future earnings and competitive position and potentially our financial viability.

Mineral exploration and development, such as our current and proposed operations, are subject to extraordinary risks.

Mineral exploration, development and production involve many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. The industrial activities conducted at our facilities present significant risk of serious injury or death to our employees, customers or other visitors to our operations, notwithstanding our safety precautions, including our material compliance with federal, state and local employee health and safety regulations. Our policies and procedures to minimize such risks may not be successful, and we may be unable to avoid material liabilities for an injury or death. Our operations will be subject to geological, technical and operating hazards and risks inherent in the exploration for mineral resources and, if we discover a mineral resource in commercially exploitable quantity, our operations could be subject to all of the hazards and risks inherent in the development and production of resources, including liability for pollution or similar hazards against which we cannot insure or against which we may elect not to insure. Any such event could result in work stoppages and damage to property, including damage to the environment. Even though we maintain workers' compensation insurance and a general liability policy to address the risk of incurring material liabilities for injury or death, there can be no assurance that the insurance coverage will be adequate or will continue to be available on the terms acceptable to us, or at all, which could result in material liabilities for an injury or death. The payment of any liabilities that arise may have a material adverse impact on us.

Our facilities or operations, or proposed facilities or operations, could be adversely affected by natural or human causes outside of our control, such as natural disasters, wars or health epidemics or pandemics.

We may be impacted by natural disasters, wars, health epidemics or pandemics, terrorist attacks, civil unrest, cyber threats or attacks, or other events outside of our control. For example, the Fort Cady Project is located in San Bernardino County, California near active faults, which may make our operations more susceptible to nearby earthquakes. Additionally, the SVM Assets include the Sellers' Argus, Westend and Trona production facilities and more than 9,000 acres of Searles Lake brine resources, in each case located in San Bernardino County, California. If major disasters such as earthquakes, wildfires, health epidemics or pandemics, floods, drought, or other events occur, or our information system or communications network breaks down or operates improperly, our ability to achieve or continue operations at the Fort Cady Project may be seriously damaged, or we may have to stop or delay our current and proposed exploration, development and production activities and the shipment of our products. We may incur expenses or delays relating to such events outside of our control, which could have a material adverse impact on our business, operating results and financial condition.

A shortage of skilled technicians and engineers may further increase our operating costs, which may materially adversely affect our results of operations.

Efficient production of borate products using modern techniques and equipment requires skilled technicians and engineers. In addition, our efforts will significantly increase the number of skilled operators, maintenance technicians, engineers and other personnel required to successfully operate our business. In the event that we are unable to hire, train and retain the necessary number of skilled technicians, engineers and other personnel there could be an adverse impact on our labor costs and our ability to reach anticipated production levels in a timely manner, which could have a material adverse effect on our results of operations.

Changes in U.S. trade policies, including the imposition of tariffs, could materially increase the cost of constructing or operating the Fort Cady Project or our other mining operations.

Our planned commercial-scale facility for in-situ mining of boron will require significant capital investment, currently estimated to be approximately $435 million, inclusive of contingency. The construction of this facility will involve sourcing equipment from within the United States, but also from various European countries and other international sources. Recent and potential future changes in U.S. trade policies, including tariffs implemented or proposed by the U.S. government and any retaliatory actions taken in response by foreign governments, could significantly increase the cost of imported equipment and materials required for the construction of our facility or for operating our other mining operations.

The economic analysis included in our PFS, and the related cost analyses, have not accounted for the impact of existing or future tariffs. The ultimate impact of currently announced tariffs and any future tariffs or trade policies will depend on various factors,

including the timing of implementation and the amount, scope and nature of such tariffs or policies. Given the uncertainty and volatility surrounding trade and tariff policies, particularly in light of historical shifts in tariff approaches, including those imposed under the current U.S. administration, we may experience materially increased costs that are difficult to predict accurately at this time. Such cost increases could negatively affect the projected economics of our facilities and our ability to access financing, potentially causing the economic feasibility of the Fort Cady Project, or our other mining operations, to deteriorate substantially or render the Fort Cady Project, or our other mining operations, economically unviable, thereby causing us to delay, significantly modify, or cancel the Fort Cady Project, or our other mining operations, entirely, which would have a material adverse effect on our business, financial condition, results of operations, and prospects.

A shortage of equipment or disruption in our supply chain could adversely affect our ability to develop, construct or operate our business.

Our ability to develop, construct and operate the Fort Cady Project, as well as our other mining operations, depends and will depend on the availability, timing, cost, quality and performance of equipment, materials and services, including long-lead or specialized equipment such as crystallizers, cogeneration equipment, pumps, wellfield materials, electrical components, processing equipment, steel, acid and reagents, construction materials and engineering and construction services. Shortages, delays, quality issues, cost increases, vendor failures, logistics constraints, tariffs, geopolitical events or other supply-chain disruptions could nevertheless increase costs, delay FEL-3, construction or commissioning, require design changes, or otherwise adversely affect our business. In particular, growing demand for on-site power generation driven by the rapid expansion of artificial intelligence and other data center activity could significantly increase the cost, and reduce the availability, of the cogeneration equipment we anticipate procuring for the Fort Cady Project, which could materially increase our capital costs or delay the development and construction of the Fort Cady Project.

Further, we are subject to risk from fluctuating market prices of certain raw materials, including steel, concrete, fiberglass reinforced plastic, and bulk chemicals, among others, which are necessary for the construction, maintenance and operation of our assets. The price of these raw materials may be affected by supply restrictions or other market factors (including inflation) from time to time. Some of the components and materials related to our current and planned assets will be sourced from outside the United States through arrangements with various vendors, and we may experience delays in obtaining these components and materials as a result of shipping and transportation constraints, and other supply chain disruptions. Political, social or economic instability in regions where these components and materials are made could cause future disruptions in trade.

Actions in various countries have created uncertainty with respect to tariff impacts on the costs of some of these components and materials. The degree of our exposure is dependent on (among other things) the type of some of these components and materials. Significant price increases for these raw materials could reduce our operating margins, and could harm our business, financial condition, and results of operations.

In particular, bulk chemicals are critical to the operation of our business. These raw materials are in high demand, subject to price fluctuations and of limited availability. If manufacturers are not able to manufacture or procure enough of these components or manufacture and procure them in a timely manner, this would have a material adverse effect on the development of our products and in turn, our business, financial condition and results of operations. Significant price increases for bulk chemicals in particular may have an adverse impact on the economic viability of our mining operations and our proposed development and operating activities.

Disruptions in production at our proposed facilities or current facilities may have a material adverse impact on our business, results of operations and/or financial condition.

Manufacturing facilities in our industry are subject to planned and unplanned production shutdowns, turnarounds, outages and other disruptions. Any serious disruption at our current facilities or proposed commercial-scale facility could impair our ability to use our facilities and have a material adverse impact on any future revenues and increase our costs and expenses. Long-term production disruptions may cause customers to seek alternative supply from competitors, which could further adversely affect our profitability or delay or keep us from reaching commercial development at all. Our operations depend upon critical equipment, which could be damaged or destroyed, suffer breakdowns or failures or deteriorate due to wear and tear sooner than we estimate, and we may be unable to replace or repair the equipment in a timely manner or at a reasonable cost. Any significant interruption in production capability may require us to make significant capital expenditures to remedy problems or damage as well as cause us to lose revenue due to lost production time.

Unplanned production disruptions may occur for external reasons including natural disasters, weather, disease, strikes, transportation interruption, government regulation, political unrest or terrorism, or internal reasons, such as fire, unplanned maintenance or other manufacturing problems. We may experience delays in construction, equipment procurement, or in completing

our proposed commercial-scale facility on time. Any such production disruption could have a material impact on our current and proposed operations, operating results and financial condition.

Failure by our vendors or our component or raw material suppliers to use legal or ethical business practices and comply with applicable laws and regulations may adversely affect our business.

We do not control our vendors or suppliers or their business partners. Accordingly, we cannot guarantee that they follow legal or ethical business practices, such as fair wage practices and compliance with environmental safety and other local laws. A lack of demonstrated compliance could lead us to seek alternative manufacturers or suppliers, which could increase our costs and result in delayed delivery of components and raw materials, or other disruptions of our operations. Violation of labor or other laws by our manufacturers or suppliers or the divergence of a supplier's labor or other practices from those generally accepted as ethical in the U.S. or other markets in which we do and expect to do business could also attract negative publicity for us and harm our current operations or proposed business.

Competition with and new production of borates and other minerals from current or new competitors in the market could adversely affect our business, financial condition and results of operations.

The borates industry is concentrated and includes large, established and well-funded competitors. Competitors may have substantially greater financial, technical, operational, customer, logistical, marketing and other resources than we do. Existing producers may respond to our development plans or new supply by adjusting prices, increasing output, expanding capacity, changing contract terms, leveraging customer relationships or otherwise competing in ways that make it more difficult for us to obtain financing, enter into offtake agreements, achieve expected pricing or operate our mining operations or the Fort Cady Project economically.

If current or future competitors increase production, lower prices, secure long-term customer commitments, develop substitute products, improve processing technology or otherwise satisfy demand that we expect to serve, our ability to develop the Fort Cady Project or maintain production at our other mining operations, obtain financing, execute offtake agreements, sell product or achieve expected economics could be materially adversely affected.

There is limited information on the status of new production capacity expansion projects being developed by the current and potential competitors and, as such, we cannot make accurate projections regarding the capacities of possible new entrants into the market and the dates on which any new projects could become operational but any significant increase in supply could adversely affect market prices for borates, thereby resulting in a material adverse effect on the economic feasibility of extracting our resources.

Industry consolidation may result in increased competition, which could have a material adverse effect on our business.

We, and some of our competitors, have made or may make acquisitions or enter into partnerships or other strategic relationships to achieve competitive advantages. In addition, new entrants not currently considered competitors may enter our market through acquisitions, partnerships or strategic relationships. We expect industry consolidation to continue and/or increase as demand for critical materials increases. Industry consolidation may result in competitors with more compelling product offerings or greater pricing flexibility than we may have, or business practices that make it more difficult for us to compete effectively, including on the basis of price, sales, technology or supply. These competitive pressures could have a material adverse effect on our current operations or proposed business.

We are subject to significant environmental and government regulations and compliance with such regulations requires significant expenditures.

Mining activities in the United States are subject to extensive federal, state, local and foreign laws and regulations governing environmental protection, natural resources, prospecting, development, production, post-closure reclamation, taxes, labor standards and occupational health and safety laws and regulations, including mine safety, toxic substances and other matters. The costs associated with compliance with such laws and regulations are substantial. In addition, changes in such laws and regulations, or more restrictive interpretations of current laws and regulations by governmental authorities, could result in unanticipated capital expenditures, expenses or restrictions on or suspensions of our operations and delays in the development of our properties. We have concluded that our current operations, including the Searles Valley operations, which extract minerals in solution without workers underground, are regulated for occupational safety and health purposes by the California Division of Occupational Safety and Health and are not subject to the Federal Mine Safety and Health Act of 1977 (the "Mine Act"). If the Mine Safety and Health Administration

were to assert jurisdiction over any of our operations, we would become subject to additional compliance, inspection, training and reporting obligations, which could increase our costs.

As a current holder of interests in U.S. mineral properties, we may be subject to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"). CERCLA, along with analogous statutes in certain states, imposes strict, joint and several liability on owners and operators of facilities which release hazardous substances into the environment. CERCLA imposes similar liability upon generators and transporters of hazardous substances disposed of at an off-site facility from which a release has occurred or is threatened. Under CERCLA's strict joint and several liability provisions, we could potentially be liable for all remedial costs associated with property that we currently or previously owned or operated regardless of whether our activities are the actual cause of the release of hazardous substances. Such liability could include the cost of removal or remediation of the release and damages for injury to the natural resources. Releases from such facilities or from any of our current U.S. properties due to past or current activities could form the basis for liability under CERCLA and its analogs. In addition, off-site disposal of hazardous substances, including hazardous mining wastes, may subject us to CERCLA liability. Our current and prior U.S. properties are not, to our knowledge, currently listed or proposed for listing on the National Priority List and we are not aware of pending or threatened CERCLA litigation which names us as a defendant or concerns any of our current or prior U.S. properties or operations. However, we have not conducted a Phase 1 or similar environmental site assessment for the Fort Cady Project site and cannot be certain that we are aware of all current or historical operations at or affecting our properties that could involve contamination. We cannot predict the potential for future CERCLA liability with respect to our U.S. properties, nor can we predict the potential impact or future direction of CERCLA litigation in the area surrounding our properties.

Environmental regulations, including climate change related legislation or regulations, mandate, among other things, the maintenance of air and water quality standards, land development and land reclamation, and set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Enhanced public and private focus on climate change, greenhouse effects and proposed or contemplated laws and regulations relating to carbon emissions may impact aspects of our development plans or our future production. Environmental legislation is evolving in a manner that may require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for mining companies and their officers, directors and employees. In connection with our current activities or in connection with our prior operating activities, we may incur environmental costs that could have a material adverse effect on financial condition and results of operations. Any failure to remedy an environmental problem could require us to suspend operations or enter into interim compliance measures pending completion of the required remedy.

We may also incur substantial costs, including fines, damages, criminal or civil sanctions and remediation costs, or experience interruptions in our operations, for violations arising under these laws and regulations or permit requirements. If we violate environmental, health and safety laws or regulations, in addition to being required to correct such violations, we can be held liable in administrative, civil or criminal proceedings for substantial fines and other sanctions could be imposed that could disrupt or limit our operations. Liabilities associated with the investigation and clean-up of hazardous substances, as well as personal injury, property damages or natural resource damages arising from the release of, or exposure to, such hazardous substances, may be imposed without regard to violations of laws or regulations or other fault, and may also be imposed jointly and severally.

We may in the future be subject to claims by third parties or employees relating to exposure to hazardous materials and the associated liabilities may be material.

Any failure of our on-going compliance with current and future laws and government regulations, including environment, workplace health and safety, tax and accounting laws, rules and regulations as well as stock exchange listing rules, could have a material adverse effect on our future financial condition and prospects, and/or result in reputational harm.

We may face increased costs and be subject to liability resulting from the generation and disposal of certain wastes, including hazardous wastes, in the course of the Fort Cady Project's development and/or in the course of our other operations' production or future operations.

Our business is subject to stringent and complex laws and regulations relating to the generation, use, handling, storage, recycling, disposal and exposure to solid and hazardous wastes. These laws are frequently subject to change. In the course of our operations, we may generate solid or certain hazardous wastes through the disposal of other materials utilized in our development activities or our future operations. In addition, environmental laws can result in the imposition of liability in connection with end-of-life system disposal.

We own and lease real property and may be subject to requirements regarding the storage, use and disposal of hazardous substances, including spill prevention, control and counter-measure requirements. If our owned or leased properties are contaminated, whether during or prior to our ownership or operation, we could be responsible for the costs of investigation and cleanup and for any

related liabilities, including claims for damage to property, persons or natural resources. That responsibility may arise even if we were not at fault and did not cause or were not aware of the contamination. The costs of compliance with laws relating to the management and disposal of solid and hazardous wastes or the remediation of any contamination to which we are or may be responsible, and any changes to our operations mandated by new or amended laws, may be significant. Failure to comply with such laws and regulations could result in significant expenses, delays or fines, which in turn could have a material adverse effect on our results of operations and financial position.

Impairment charges could have a material adverse effect on our financial results.

We review our long-lived assets for impairment whenever events or changes in circumstances indicate that their carrying value may not be recoverable. Goodwill and other certain acquired intangible assets expected to contribute indefinitely to our cash flows are not amortized, but must be evaluated for impairment by management at least annually. Future events may occur that would adversely affect the fair value of our long-lived assets, goodwill or other acquired intangible assets, including those recorded in connection with the Acquisition, and require impairment charges. Such events may include, but are not limited to, lower-than-forecasted revenues or profitability, construction growth rates that fall below our assumptions, actions of key customers, increases in interest rates, continued economic uncertainty, higher levels of unemployment, weak consumer confidence, lower levels of discretionary consumer spending and a decline in the trading price of our Common Stock.

Land reclamation requirements may be burdensome on our financial position.

Land reclamation requirements are generally imposed on companies with mining operations or mineral exploration companies in order to minimize long-term effects of land disturbance. We are required to mitigate long-term environmental impacts at the Fort Cady Project and at the SVM Assets, including pursuant to decommissioning and reclamation obligations under federal law with respect to Bureau of Land Management leases relating to the SVM Assets, by stabilizing, contouring, re-sloping, and revegetating various portions of the site after wellfield and processing operations are completed. In addition, we are responsible for plugging and abandoning all injection recovery, water monitoring, and exploration drilling holes. In undertaking these reclamation activities, we must meet comprehensive environmental protection and reclamation standards. Any failure to meet such standards may subject us to fines, penalties, or other sanctions. In addition, in order to carry out reclamation obligations imposed on us in connection with exploration, potential development and production activities, we must allocate financial resources that might otherwise be spent on exploration and development programs. We currently have reclamation obligations and have arranged surety bonds for reclamation related costs. If we are required to carry out unanticipated reclamation work, our financial position could be adversely affected.

We are also required to maintain financial surety or performance bonds to fund reclamation and site cleanup following the ultimate closure of our mines and certain other facilities, including in respect of the SVM Assets. We incur costs to maintain these financial assurance bonds and failure to satisfy these financial assurance requirements could materially affect our business, the results of our operations and our financial condition.

The physical consequences of climate change could have a material adverse effect on our properties and business activities.

Climate change may increase the frequency or intensity of adverse weather conditions, such as tropical storms, wildfires, droughts, floods, hurricanes, tornadoes, extreme temperatures or ice storms and may have the long-term effect of changing weather patterns in ways that are difficult to anticipate, which may result in damage or destruction to our assets or to third party assets on which we rely, affect the availability of water for our facilities, or otherwise require us to incur costs, or elicit changes in applicable regulations in the jurisdictions in which we operate, which may result in, among other impacts, increased compliance costs, reduced revenues, restrictions on our current operations or proposed business, and difficulties in obtaining or maintaining permits, licenses or authorizations required for our current operations or proposed business. Any such disruption may prevent or delay us from continuing to develop the Fort Cady Project and operating in the normal course of business or continuing to develop any other of our properties.

Certain of our operations are dependent on particular meteorological conditions. Climate change may have a long-term and permanent effect on meteorological patterns, including the frequency or intensity of wind, precipitation, or change in temperatures at the Fort Cady Project and any other of our properties. Furthermore, components of our systems could be damaged by severe weather, such as wildfires, hailstorms, tornadoes, hurricanes, flooding, drought, high or low temperatures or other weather conditions. Replacement and spare parts for key components may be difficult or costly to acquire or may be unavailable. Unfavorable weather and atmospheric conditions could impair the effectiveness of our assets or reduce their output beneath their estimated or engineered capacity or require shutdown of key equipment, impeding future operation of our assets.

The increasing concentration of greenhouse gases in the Earth's atmosphere is contributing to climate changes that are having significant physical effects, such as increased frequency and severity of storms, droughts, fires, floods and other climatic events. If any such effects were to occur in the regions in which we explore, develop and operate, they could adversely affect or delay such activities and may otherwise cause us to incur significant costs in preparing for or responding to those effects.

New or evolving sustainability and climate-related disclosure obligations and expectations could result in additional costs of compliance, restrictions on our access to capital, and increased litigation or reputational risk.

We are subject to evolving and potentially diverging sustainability and climate-related disclosure views and expectations from regulators, investors, customers and other stakeholders. Although federal climate disclosure requirements remain subject to change, we operate in California and may be affected by state-level requirements, customer requirements, investor expectations and broader market practices. Compliance with new or evolving requirements may require additional controls, data collection, third-party support, disclosure processes and management attention, and any failure to meet or timely meet applicable requirements or stakeholder expectations could result in increased costs, litigation, enforcement, reputational harm or other adverse effects. Moreover, if we are effective at addressing such matters, we may also attract negative attention from stakeholders and regulators with diverging views on ESG and sustainability.

Further, those investors, employees, customers and other stakeholders that judge companies' performance on sustainability matters may make investment decisions based on organizations that publish sustainability ratings or assessments. Topics evaluated in these assessments include, for example, climate impacts, human rights, land use, human capital management, ethics and compliance, and board oversight of sustainability issues. There can be no assurance that we could successfully manage such issues or meet these stakeholders' expectations. Failure to do so could result in adverse impacts on our reputation, relationships, business, or operating results.

We are required to obtain, maintain, amend and renew governmental permits in order to conduct development and mining operations, a process that is often costly and time-consuming.

In the ordinary course of business, mining companies are required to seek governmental permits, licenses, authorizations and approvals for continuation or expansion of existing operations and for the commencement of new operations. Obtaining, maintaining, amending and renewing governmental permits can be costly and time-consuming and involves numerous jurisdictions and agencies, public notice and comment processes, technical submissions and ongoing compliance obligations. Private parties, such as environmental activists, frequently attempt to intervene in the permitting process and to persuade regulators to deny necessary permits or seek to overturn permits that have been issued. Obtaining the necessary governmental permits involves numerous jurisdictions, public hearings and possibly costly undertakings. These third-party actions can materially increase the costs and cause delays in the permitting process and could potentially cause us to not proceed with the development or operation of our properties.

Although major permits and approvals for the Fort Cady Project are in place, Phase 1 development and commercial-scale operations at the Fort Cady Project, as well as continued production at our other mining operations, may require additional permits, permit amendments, modifications, renewals, authorizations and bonding, including modifications to the EPA permit to address different wellfield designs and the permitted term or period of operations, and approvals related to evaporation ponds, waste discharge requirements, air permits, construction and occupancy permits and other matters. We cannot assure you that required permits, amendments or approvals will be obtained or maintained on acceptable terms or in a timely manner, or that regulators will agree with our interpretation of the approvals required. Any delay, denial, modification, appeal, challenge or failure to comply with permits could delay, limit or prevent our development plans or operations and could materially adversely affect our business.

Lawsuits or arbitration proceedings may be commenced against us and an adverse ruling could adversely affect our business, financial condition and results of operations.

We may from time to time be subject to claims, litigation, arbitration, regulatory proceedings, governmental inspections, audits or investigations arising in the ordinary course of business, including matters relating to commercial disputes, vendors, contractors, employees, securities laws, permits, title, environmental matters, intellectual property or other matters. In addition, we may also be subject to class action lawsuits, including those alleging violations of the Fair Labor Standards Act and state and municipal wage and hour laws. Even if we ultimately prevail, such proceedings may require significant management attention and expense. An adverse ruling, settlement or other resolution could have a material adverse effect on our business, financial condition, cash flows or results of operations.

Moreover, governmental authorities and private parties may bring lawsuits based upon damage to property and injury to persons resulting from the environmental, health and safety impacts of prior and current operations, including operations conducted by other mining companies many years ago at sites located on properties that we currently own or own in the future. These lawsuits could lead to the imposition of substantial fines, remediation costs, penalties and other civil and criminal sanctions. We cannot assure you that any such law, regulation, enforcement or private claim would not have a material adverse effect on our financial condition, results of operations or cash flows.

We are vulnerable to the risks associated with operating in a single geographic region and concentrating our capital investment in the State of California increases our exposure to that risk.

We expect to focus our operational activities and capital investments at the Fort Cady Project in California. Additionally, the SVM Assets include the Sellers' Argus, Westend and Trona production facilities and more than 9,000 acres of Searles Lake brine resources, in each case located in San Bernardino County, California. All of our operations, and our current and proposed operations, are therefore conducted in a single geographic region in the western United States in California. The geographic concentration of our operations may disproportionately expose us to disruptions in our operations if the region experiences severe weather, transportation capacity constraints, constraints on the availability of required equipment, facilities, personnel or services, significant governmental regulation or natural disasters. If any of these factors were to impact the region in which we operate more than other borate producing regions, our business, financial condition, results of operations and cash flows could be adversely affected relative to other mining companies that have a more geographically diversified asset portfolio.

In addition, scientists have warned that increasing concentrations of greenhouse gases in the Earth's atmosphere may produce climate changes that have significant physical effects, such as increased frequency and severity of storms, droughts and floods and other climatic events. For example, the State of California has experienced several years of increasingly more extreme drought and forest fires throughout the state. If these warnings are correct, and if any such climate-related weather and environmental effects were to detrimentally impact the areas where we or our customers operate, they could have an adverse effect on our business, financial condition and prospects.

The operation or development of our facilities could be adversely affected by local communities and/or other stakeholders.

Relationships with local communities and other stakeholders may impact the development or operations of the Fort Cady Project as well as other future projects and production at our mining operations. We may become impacted by the interests of local communities and other stakeholders, including in some cases, Indigenous peoples. Certain of these communities or other stakeholders may have or may develop interests or objectives which are different from, or even in conflict with, our objectives, including the use of our project lands and waterways near our facilities. Our relationships with the communities near the Fort Cady Project or our current mining operations and other stakeholders are critical to the future success of the Fort Cady Project and our current mining operations, as well as at any future development and/or production. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Publicity adverse to the Fort Cady Project, any of our other mining operations, or the mining industry generally, could have an adverse effect on our development plans or future operations and may impact relationships with the communities in which we ultimately operate and other associated stakeholders.

We may in the future, be subject to disputes with local communities, including Indigenous peoples, regarding the use of certain aspects of our assets, facilities and land and may in the future, be required to enter into settlement agreements providing for such use, on terms that include, among others, lump sum payments, royalty payments or restrictions on our business.

In addition, disputes surrounding Indigenous land claims regarding lands on or near our properties could interfere with future operations and/or result in additional operating costs or restrictions, as well as adversely impact the use and enjoyment of our real property rights with respect to our assets.

While we are focused on operating in a socially responsible manner regarding the operation or development of our facilities, there can be no assurance that our efforts in this respect will mitigate this potential risk. All the foregoing could have a material adverse effect on our business, financial condition and results of operations, including, but not limited to, as a result of increased costs, reduced revenues, diversion of management attention, reputational harm, disruptions to our operations and other reasons.

We currently plan to continue to invest significant amounts of capital in a variety of exploration activities, which involve many uncertainties and risks that could prevent us from realizing profits or may result in the total or partial loss of our investment.

Our exploration and development activities may be delayed, more costly than anticipated or unsuccessful for many reasons, including declines in boric acid and its derivatives, lithium carbonate, HCl and gypsum, cost overruns, unanticipated financial, operational or political events, mechanical and technical difficulties, increases in operating cost structures, equipment and labor shortages, industrial actions or other circumstances which may result in the delay, suspension or termination of our exploration and development projects, the total or partial loss of our investment in such projects and activities and a material adverse effect on our results of operations, financial condition and prospects.

Our future success depends on the continuing efforts of our management and key employees and our ability to attract and retain highly skilled personnel.

The responsibility of overseeing the day-to-day operations and the strategic management of our business depends substantially on our senior officers and our key personnel. Loss of such personnel may have an adverse effect on our performance. The success of our operations will depend upon numerous factors, many of which are beyond our control, including our ability to attract and retain additional key personnel in sales, marketing, commercial, engineering and technical support and finance. We currently depend upon a relatively small number of key persons to seek out and form strategic alliances and find and retain additional employees. Certain areas in which we operate are highly competitive regions and competition for qualified personnel is intense. We may be unable to hire suitable field personnel for our technical team or there may be periods of time where a particular position remains vacant while a suitable replacement is identified and appointed.

Our inability to hire and maintain suitable personnel could have a material adverse effect on us and could prevent us from effectively pursuing our business plan, including developing, growing, and operating our business profitably.

We also depend upon third parties, including consultants, engineers, suppliers and others, for their development, construction and operating expertise and expect to remain so for the foreseeable future. Our ability to continue conducting our activities is in large part dependent upon the efforts of third parties. Highly qualified consultants and engineers are expensive and difficult to attract and retain. We may need to engage additional third parties for new development projects, to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop processes to extract boron and lithium and other materials, and to continue to maintain our production at our mining operations and develop the Fort Cady Project. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on us. As a result, our use of services of consultants could have a material adverse effect on us and could prevent us from effectively pursuing our business plan.

We will need to increase the size and capabilities of our organization and we may be unable to manage our growth effectively.

Our past growth has provided, and our future growth may create, challenges to our organization. Members of our management team possess significant experience and have previously carried out or been exposed to exploration, development and production activities. However, we have limited operating history and our ability to achieve our objectives depends on the ability of our directors, officers and management to implement current plans and respond to any unforeseen circumstances that require changes to those plans. The execution of our business plan will place demands on us and our management. In the future, we expect to hire and train new personnel as we continue to grow and expand our operations. Our ability to recruit, assimilate, and maintain new personnel will be critical to our performance and we will be required to recruit additional personnel to achieve our business objectives. As a public company, we need to support managerial, operational, financial and other resources. This growth may place significant strain on us. Successful growth is also dependent upon our ability to implement appropriate financial and management controls and systems and procedures. If we are unable to recruit additional personnel and effectively train, motivate, retain, and manage employees, or if we fail to manage these challenges effectively, our financial condition, business, and results of operations could be materially and adversely affected. As we advance production at our mining operations, FEL-3 and potential Phase 1 development, we expect to need additional engineering, project management, construction, operating, safety, finance, legal, commercial and administrative capabilities. If we are unable to hire, train and retain personnel or effectively scale our systems, controls and processes, our ability to execute our business plan could be adversely affected.

Our directors and officers may in the future be in a position of a conflict of interest.

Some of our directors and officers currently also serve as directors and officers of other companies involved in natural resource exploration, development and production, and any of our directors may in the future serve in such positions. As of the date of this Quarterly Report, none of our directors or officers serves as an officer or director of a minerals exploration, development or producing

company nor possesses a conflict of interest with our business. However, there exists the possibility that they may in the future be in a position of a conflict of interest.

Compliance with evolving federal and state laws and other requirements relating to the processing of information about individuals necessitates significant expenditure and resources, and any failure by us or our vendors to comply may result in significant liability, negative publicity, and/or an erosion of trust, which could materially adversely affect our business, results of operations, and financial condition.

In connection with running our business, we receive, store, use and otherwise process information that relates to individuals and/or constitutes "personal data," "personal information," "personally identifiable information," or similar terms under applicable data privacy laws (collectively, "Personal Information"), including from and about actual and prospective customers, as well as our employees and business contacts. We also depend on third-party vendors in relation to the operation of our business, a number of which process Personal Information on our behalf.

We and our vendors are subject to a variety of federal and state data privacy laws, rules, regulations, industry standards and other requirements, including those that apply generally to the processing of Personal Information, and those that are specific to certain industries, sectors, contexts, or locations. These requirements, and their applications, interpretations and amendments, are constantly evolving. It is also possible that new laws, regulations and other requirements, or amendments to or changes in interpretations of existing laws, regulations and other requirements, may require us to incur significant costs, implement new processes, or change our processing of information and business operations, which could ultimately hinder our ability to grow our business by extracting value from our data assets.

For example, the California Consumer Privacy Act ("CCPA") requires businesses that process personal information of California residents to, among other things: provide certain disclosures to California residents regarding the business's collection, use, and disclosure of their personal information; receive and respond to requests from California residents to access, delete, and correct their personal information, or to opt out of certain disclosures of their personal information; and enter into specific contractual provisions with service providers that process California resident personal information on the business's behalf. The enactment of the CCPA is prompting a wave of similar legislative developments in other states in the United States, which creates a patchwork of overlapping but different state laws.

In 2024, the National Security Division of the U.S. Department of Justice issued a new rule—referred to as the "Data Security Program" ("DSP")—to implement Executive Order 14117 aimed at preventing access to "bulk U.S. sensitive personal data" and "government-related data" by "countries of concern" (including China, Russia, Iran, North Korea, Cuba, and Venezuela) and "covered persons" (as all such terms are defined in the DSP). Based on our assessment of the DSP, we do not believe we engage in covered data transactions at this time, though we may discover that we do or we may begin doing so in the future.

Even though we believe we and our vendors are generally in compliance with applicable laws, rules and regulations relating to privacy and data security, these laws are in some cases relatively new and the interpretation and application of these laws are uncertain. Any failure or perceived failure by us to comply with data privacy laws, rules, regulations, industry standards and other requirements could result in proceedings or actions against us by individuals, consumer rights groups, government agencies, or others. We could incur significant costs in investigating and defending such claims and, if found liable, pay significant damages or fines or be required to make changes to our business. Further, these proceedings and any subsequent adverse outcomes may subject us to significant negative publicity and an erosion of trust. If any of these events were to occur, our business, results of operations, and financial condition could be materially adversely affected.

We could be subject to information technology system failures, network disruptions, and breaches in data security – including as a result of artificial intelligence –which could negatively affect our business, financial position, results of operations and cash flows.

The efficiency and efficacy of our business and its operations depend heavily on the performance and availability of our computer and information systems, which we use to communicate, control and manage our operations and prepare our financial management and reporting information. As dependence on digital technologies is expanding, cyber incidents, including deliberate attacks and accidental cybersecurity events have been increasing worldwide. We face numerous and evolving cybersecurity risks that threaten the confidentiality, integrity and availability of our information systems and confidential information, including from diverse threat actors, such as state-sponsored organizations, opportunistic hackers and hacktivists, as well as through diverse attack vectors, such as social engineering/phishing, company insiders, suppliers or providers, and as a result of human or technological error, including misconfigurations, bugs, or other vulnerabilities in software and hardware. Computers, telecommunication and information systems are used to conduct our exploration, development and production activities and have become an integral part of our business. We use these systems to analyze and store financial and operating data, as well as to support our internal communications and

interactions with business partners. Cyber-attacks could compromise our computer, telecommunications and information systems and result in additional costs as well as disruptions to our business operations or the loss of our data. Cyberattacks are expected to accelerate on a global basis in frequency and magnitude as threat actors are becoming increasingly sophisticated in using techniques and tools, including artificial intelligence, that circumvent security controls, evade detection and remove forensic evidence. As a result, we may be unable to detect, investigate, remediate or recover from future attacks or incidents, or to avoid a material adverse impact to our information systems, confidential information or business. A cyber-attack involving our information systems and related infrastructure, or those of our business partners, could disrupt our business and negatively impact our operations in a variety of ways. Our information systems and confidential information are vulnerable to a range of cybersecurity risks and threats, including malicious code embedded in open-source software, or misconfigurations, "bugs" or other vulnerabilities in commercial software that is integrated into our (or our suppliers' or service providers') IT systems, products or services. Although we maintain insurance policies, we cannot be certain that any or all of the costs and liabilities incurred in relation to any cybersecurity attack or incident will be covered or that applicable insurance will be available to us in the future on economically reasonable terms or at all. We and certain of our third-party providers regularly experience cyberattacks and other incidents, and we expect such attacks and incidents to continue in varying degrees. While to date no incidents have had a material impact on our operations or financial results, we cannot guarantee that material incidents will not occur in the future.

Given the size of our organization, we rely heavily on the use of, and services provided by third parties, including for a significant portion of our key cybersecurity risk management. Because we make extensive use of third-party suppliers and service providers, such as cloud services that support our internal and customer-facing operations, successful cyberattacks that disrupt or result in unauthorized access to third party information systems can materially impact our operations and financial results.

Such material risks and threats include, but are not limited to, the following:

•impacts to availability of systems or data, e.g., operational disruption such as ransomware, even if no direct impact to information data is involved. For instance:

- oan attack on the computers or information systems which control our mining operations could cause a temporary interruption of our production;
- oa cyberattack on our accounting, accounts payable or related information systems could expose us to liability to employees and third parties, or reputational risk, if their sensitive personal information is obtained;
- opossible loss of material information, which in turn could delay productive processes and selling efforts, causing economic losses; and
- oa cyberattack on a service provider or their information systems which we rely on could result in supply chain disruptions, which could delay or halt our major development projects.

•Non-malicious (e.g., unintentional) incidents that have an adverse impact on confidentiality, integrity or availability of information or systems resulting from human or system error or malfunction.

•A third party or supply chain incident, e.g., incidents that impact our company due to an impact on a vendor, service provider, supply chain player, partner, or any other third party.

•Further material risks connected to aforementioned cybersecurity incidents include but are not limited to:

- otheft, loss, or unauthorized disclosure of sensitive information,
- ofinancial loss, including the costs of forensic investigation, remediation, individual and regulatory notification, credit monitoring, regulatory fines and litigation, including class-action litigation,
- olegal and regulatory penalties or enforcement, including under privacy and data protection laws such as the CCPA (as amended by the California Privacy Rights Act), state data breach notification laws, and SEC cybersecurity incident disclosure requirements, and
- odamage to our reputation.

In addition, we and our service providers increasingly use artificial intelligence, machine learning, and automated decision-making technologies, systems, and tools (collectively, "AI Technologies") in our operations. We expect that increased investment will be required in the future to continuously improve our use of AI Technologies. As with many technological innovations, there are significant risks involved in developing, maintaining, and deploying these technologies, and there can be no assurance that the usage of or our investments in such technologies will always enhance our products or services or be beneficial to our business, including our efficiency or profitability. Our use of AI Technologies presents its own cybersecurity and data privacy risks. For example, our personnel could intentionally or inadvertently input confidential, proprietary, or personal information into third-party AI

Technologies, potentially resulting in the unauthorized disclosure or loss of confidential information, the loss of trade secrets and other intellectual property, or violations of applicable privacy or data protection laws. Artificial intelligence systems may also produce inaccurate, incomplete or biased output, and any over-reliance on such output could adversely affect our operations or decision-making. In particular, if the models underlying our AI Technologies are incorrectly designed or implemented; trained or reliant on incomplete, inadequate, inaccurate, biased or otherwise poor quality data, or on data to which we do not have sufficient rights or in relation to which we and/or the providers of such data have not implemented sufficient legal compliance measures; used without sufficient oversight and governance to provide for their responsible use; and/or adversely impacted by unforeseen defects, technical challenges, cybersecurity threats, data privacy concerns, or material performance issues, the performance of our products, services and business, as well as our reputation, could suffer or we could incur liability resulting from the violation of laws or contracts to which we are a party or civil claims. Moreover, the integration and use of AI creates unique attack vectors, such as the infiltration, corruption (e.g., "poisoning"), or manipulation of training data and AI model inputs, that can lead to downstream impacts, such as inaccurate model outputs and skewed decision-making.

Risks Relating to Our Common Stock

Our largest stockholders hold a significant percentage of our voting power and may be able to exert significant influence or control over the direction of our business.

Our largest stockholders, Bluescape, Meridian Investments Corporation ("Meridian"), Ascend Global Investment Fund SPC for and on behalf of Strategic SP (together with Meridian, "Ascend"), and KHI hold a significant percentage of our outstanding Common Stock. Notwithstanding that these parties no longer hold a controlling interest, they collectively hold approximately 53.7% of our Common Stock. If Ascend, Bluescape and KHI were to choose to act together, they would be able to control or significantly influence matters submitted to our stockholders for approval, as well as our management and affairs. For example, these parties, if they choose to act together, could control or significantly influence the election of directors and the approval of any merger, consolidation or sale of all or substantially all of our assets. This concentration of ownership control may delay, defer or prevent a change in control, entrench our management or the Board of Directors (the "Board"), or impede a merger, consolidation, takeover or other business combination involving us that other stockholders may desire. These parties may have interests that are different than those of other stockholders.

Under the Fourth Amended and Restated Investor and Registration Rights Agreement (the "IRRA"), Bluescape and Ascend have director designation rights based on their beneficial ownership levels. Bluescape has two designees based on its current beneficial ownership level, while Ascend has one current designee based on its current beneficial ownership level, representing, in the aggregate, three of the five members of our board of directors. These rights, together with the ownership interests of Bluescape, Ascend and Meridian, may allow such stockholders to exert substantial influence over our business and strategic direction.

Exercise of our outstanding warrants or issuance of additional securities will dilute the ownership interest of our existing stockholders or may otherwise depress the price of our Common Stock.

We have issued warrants in prior financings and may issue additional warrants or other securities in future financings, strategic transactions, government financing arrangements or other transactions. We also issued warrants in connection with the EXIM-related guarantee arrangements for a loan under EXIM's engineering multiplier program. Furthermore, we issued 7,987,500 shares of Common Stock in connection with the Acquisition, and an additional 312,500 shares are issuable upon satisfaction of specified conditions. As of November 13, 2026, we had 49,634,871 shares of Common Stock issued and outstanding.

The exercise of some or all outstanding warrants, or the issuance or potential issuance of additional warrants, equity securities, convertible securities, preferred equity, strategic equity or other securities, will dilute the ownership interests of existing stockholders and may increase the number of shares of Common Stock eligible for resale in the public market. Any sales in the public market of shares of Common Stock issuable upon exercise or conversion of such securities, or the anticipation of such exercises, issuances or sales, could adversely affect the prevailing market price of our Common Stock. Additionally, the existence of warrants or other convertible securities may encourage short selling by market participants because the exercise or conversion of such securities could be used to satisfy short positions, or because the anticipated exercise or conversion of such securities for shares of Common Stock could depress the price of our Common Stock.

The market price and trading volume of our Common Stock may be volatile and may be affected by economic conditions beyond our control.

Our Common Stock is listed and publicly traded on Nasdaq. The market price of our Common Stock may be highly volatile and subject to wide fluctuations. In addition, the trading volume of our Common Stock may fluctuate and cause significant price variations to occur. If the market price of our Common Stock declines, you may be unable to resell your Common Stock at a competitive price. We cannot assure you that the market price of our Common Stock will not fluctuate or significantly decline in the future or that an active trading market for our Common Stock will be maintained.

Some specific factors that could negatively affect the price of our Common Stock or result in fluctuations in its price and trading volume include:

•actual or expected fluctuations in our prospects or operating results;

•changes in the demand for, or market prices for, borates, lithium, calcium chloride, gypsum, and other minerals;

•additions or departures of our key personnel;

•changes or proposed changes in laws, regulations or tax policy;

•sales or perceived potential sales of our Common Stock by us or our directors, senior management or stockholders in the future;

•announcements or expectations concerning additional commercial and financing efforts;

•conditions in the U.S. and global financial markets, or in our industry in particular, or changes in general economic conditions; and

•the other factors described in this "Risk Factors" section and elsewhere in this Quarterly Report.

In recent years, the stock markets generally have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. Broad market and industry factors may significantly affect the market price of our Common Stock, regardless of our actual operating performance.

We incur increased costs as a result of operating as a U.S. listed public company, and our management is required to devote substantial time to compliance initiatives and corporate governance practices.

As a U.S. listed public company we incur, and particularly after we are no longer an "emerging growth company" we expect to incur, significant additional legal, accounting, and other expenses. The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), the listing requirements of Nasdaq, and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. We expect that we will need to hire additional accounting, finance, legal, and other personnel in connection with our efforts to continue to comply with the requirements of being a public company, and our management and other personnel will need to devote a substantial amount of time towards maintaining compliance with these requirements. These requirements increase our legal and financial compliance costs and make some activities more time-consuming and costly. In addition, the rules and regulations applicable to us as a public company may make it more difficult and more expensive for us to obtain directors' and officers' liability insurance, which could make it more difficult for us to attract and retain qualified members of our Board or executive officers.

We are subject to Section 404 of the Sarbanes-Oxley Act and the related rules of the SEC, which generally require our management and independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting. Beginning with our 2023 Annual Report on Form 10-K, Section 404 required an annual management assessment of the effectiveness of our internal control over financial reporting. However, for so long as we remain an emerging growth company as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), we intend to take advantage of certain exemptions from various reporting requirements that are applicable to public companies that are not emerging growth companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404. Once we are no longer an emerging growth company or, if prior to such date, we opt to no longer take advantage of the applicable exemption, we will be required to include an opinion from our independent registered public accounting firm on the effectiveness of our internal control over financial reporting.

The trading price for our Common Stock may fluctuate significantly.

Shares of our Common Stock are able to be traded by the public on Nasdaq. However, a liquid public market for our Common Stock may not be sustained, which means you may experience a decrease in the value or trading price of shares of our Common Stock, regardless of our operating performance. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted against that company. If we were involved in any similar litigation, we could incur substantial costs and our management's attention and resources could be diverted.

Because we do not anticipate paying dividends on our Common Stock in the foreseeable future, capital appreciation, if any, will be your sole source of gain on our Common Stock.

We have not declared dividends, and we do not anticipate that we will do so in the foreseeable future. We currently intend to retain future earnings, if any, to finance the development of our current operations and proposed business. Dividends, if any, on our outstanding Common Stock will be declared by and subject to the discretion of our Board of Directors on the basis of our earnings, financial requirements and other relevant factors, and subject to Delaware and federal law. We cannot assure you that our Common Stock will appreciate in value. You may not realize a return on your investment in our Common Stock and you may even lose your entire investment in our Common Stock.

If securities or industry analysts do not publish research or reports about our business, or if they issue an adverse or misleading opinion regarding our stock, the market price and trading volume of our Common Stock could decline.

The trading market for our Common Stock will be influenced by the research and reports that securities or industry analysts publish about us or our business. Securities and industry analysts may discontinue research on us, to the extent such coverage currently exists, or in other cases, may never publish research on us. If no or few securities or industry analysts commence coverage of us, the trading price for our Common Stock could be negatively affected. In the event securities or industry analysts initiate coverage, if one or more of the analysts who cover us downgrade our Common Stock or publish adverse or misleading research about our business, the market price of our Common Stock would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, demand for our Common Stock could decrease, which might cause our price and trading volume to decline.

We are an "emerging growth company" and "smaller reporting company" and are able to avail ourselves of reduced disclosure requirements, which may make our Common Stock less attractive to investors.

We are an "emerging growth company" as defined in the JOBS Act and a "smaller reporting company" as defined in SEC rules, and we may take advantage of certain exemptions from reporting requirements that are applicable to other public companies. For example, we have elected to rely on an exemption from the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act relating to internal control over financial reporting, and we will not provide such an attestation from our auditors while we qualify for that exemption.

We may avail ourselves of certain disclosure exemptions until we are no longer an emerging growth company or smaller reporting company, as applicable. We cannot predict whether investors will find our Common Stock less attractive because of our reliance on some or all of these exemptions. If investors find our Common Stock less attractive, it may adversely affect the price of our Common Stock and there may be a less active trading market for our Common Stock.

We will cease to be an "emerging growth company" upon the earliest date permitted or required under applicable SEC rules, including based on the passage of time since our first sale of common equity securities pursuant to an effective Securities Act registration statement, our revenues, our public float or our issuance of certain debt securities. We will continue to qualify as a smaller reporting company for so long as we meet the applicable public float or revenue tests.

If we experience any material weaknesses in the future or otherwise fail to develop or maintain an effective system of internal controls in the future, we may not be able to accurately report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our Common Stock.

Effective internal control over financial reporting is necessary for us to provide reliable financial reports, prevent fraud and operate successfully as a public company. If we cannot provide reliable financial reports or prevent fraud, our reputation and operating results would be harmed. As a result of being a public company, we are required, under Section 404 of the Sarbanes-Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting, which began

with our 2023 Annual Report on Form 10-K. This assessment includes disclosure of any material weaknesses identified by our management in our internal control over financial reporting. If we identify one or more material weaknesses in our internal control over financial reporting during the evaluation and testing process, we may be unable to conclude that our internal controls are effective. We have not been, and will not be, audited or subject to an assessment of internal control over financial reporting until we are no longer an emerging growth company. There can be no assurance that no material weakness or significant deficiency will be identified once such an audit or assessment of internal control over financial reporting is completed.

Additionally, when we cease to be an "emerging growth company" under the federal securities laws, our independent registered public accounting firm may be required to express an opinion on the effectiveness of our internal controls. If we are unable to confirm that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an unqualified opinion on the effectiveness of our internal controls, we could lose investor confidence in the accuracy and completeness of our financial reports, which could cause the price of our Common Stock to decline.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

As a public company, we are subject to the periodic reporting requirements of the Exchange Act. We designed our disclosure controls and procedures to provide reasonable assurance that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures, no matter how well-conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

Our Certificate of Incorporation and Bylaws contain anti-takeover provisions that could delay or discourage takeover attempts that stockholders may consider favorable and may prevent attempts by our stockholders to replace or remove our current management.

Our Certificate of Incorporation and Bylaws contain provisions that could delay or prevent a merger, acquisition, or other change in control of our company that stockholders may find favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our Common Stock, thereby depressing the market prices for our Common Stock. In addition, these provisions could also make it difficult for stockholders to elect directors who are not nominated by the current members of our Board of Directors or take other corporate actions, including effecting changes in our management. These provisions include, among other things, that:

- the ability of our Board to issue shares of Preferred Stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- allowing only our Board to fill director vacancies, which prevents stockholders from being able to fill vacancies on our Board;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- a requirement that special meetings of our stockholders may be called only by (i) our Board or (ii) our secretary, following receipt of one or more written demands to call a special meeting from stockholders of record who own, in the aggregate, at least 25% of the voting power of our outstanding shares then entitled to vote on the matter or matters to be brought before the proposed special meeting that complies with the procedures for calling a special meeting set forth in our Bylaws, which may inhibit the ability of an acquirer to require the convening of a special meeting of our stockholders;
- a requirement for the affirmative vote of holders of at least 66 2/3% of the voting power of all of the then-outstanding shares of the voting stock, voting together as a single class, to amend the certain provisions of our Certificate of Incorporation or our Bylaws, which may inhibit the ability of an acquirer to effect such amendments to facilitate an unsolicited takeover attempt;
- the ability of our Board to amend our Bylaws, which may allow our Board to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquirer to amend the Bylaws to facilitate an unsolicited takeover attempt;

•advance notice procedures with which stockholders must comply to nominate candidates to our Board or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company; and

•a prohibition of cumulative voting in the election of our Board, which would otherwise allow less than a majority of stockholders to elect director candidates.

We are also subject to Section 203 of the Delaware General Corporation Law (the "DGCL"), which prevents us from engaging in a business combination, such as a merger, with an interested stockholder (i.e., a person or group that acquires at least 15% of our voting stock) for a period of three years from the date such person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner.

Raising additional capital could adversely affect the voting power or value of our Common Stock and result in substantial dilution.

We may continue to finance our cash needs through a combination of equity offerings, debt instruments, preferred equity, strategic investments, project-level financing, government funding, warrants, convertible securities, customer prepayments, royalty arrangements or other financing structures. We do not currently have any committed external source of funds sufficient to develop Phase 1 of the proposed commercial-scale facility. In addition, we may seek additional capital due to favorable market conditions or strategic considerations, even if we believe that we have sufficient funds for our current or future operating plans.

The amount of capital needed to develop the Fort Cady Project and that may be needed to continue production at our mining operations is substantial relative to our current market capitalization. As a result, additional equity or equity-linked financing could result in significant dilution to existing stockholders. We cannot predict the size or price of future issuances of Common Stock or the size or terms of future issuances of debt instruments, warrants, preferred equity or other securities convertible into or exercisable for Common Stock, or the effect, if any, that future issuances and sales of our securities will have on the market price of the Common Stock. The terms of these securities may include liquidation or other preferences, anti-dilution rights, participation rights, board or consent rights, collateral rights or other terms that adversely affect your rights as a common stockholder.

Our Certificate of Incorporation authorizes us to issue, without the approval of our stockholders, one or more classes or series of Preferred Stock having such designations, preferences, limitations and relative rights, including preferences over our Common Stock respecting dividends and distributions, as our Board may determine. For example, we might grant holders of Preferred Stock the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. The terms of one or more classes or series of Preferred Stock could adversely impact the voting power or value of our Common Stock. Similarly, the repurchase or redemption rights or liquidation preferences we might grant to holders of Preferred Stock could affect the residual value of our Common Stock.

Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends.

We have in the past and may again in the future receive a notice of the failure to satisfy a continued listing rule from Nasdaq.

Our Common Stock is listed on Nasdaq. Nasdaq maintains several requirements for continued listing of our Common Stock. One such requirement is the maintenance of a minimum closing bid price of $1.00. In September 2024, we received written notice from Nasdaq notifying us that the bid price for our Common Stock had closed below the minimum closing bid price of $1.00 (the "Bid Price Requirement") for continued inclusion on The Nasdaq Global Select Market. Although we regained compliance with the Bid Price Requirement in a timely manner, there is no guarantee we will in the future be able to maintain compliance with the Bid Price Requirement or any other Nasdaq listing standard, which would subject our Common Stock to delisting from Nasdaq.

If our Common Stock is delisted from Nasdaq in the future based on any continued listing requirement, it is unlikely that we will be able to re-list our Common Stock on another national securities exchange and, as a result, we expect our securities would be quoted on an over-the-counter market. If this occurs, we could face significant material adverse consequences, including:

•a limited availability of market quotations for our Common Stock;

•a determination that our Common Stock is a "penny stock" which will require brokers trading in our Common Stock to adhere to more stringent rules, which could result in a reduced level of trading activity in the secondary trading market for our Common Stock;

•more limited news and analyst coverage for us; and

•a decreased ability to issue additional securities or obtain additional financing in the future.

Delisting also could result in, among other things, a loss of investor confidence or interest in strategic transactions or opportunities, us being subject to regulation in each state in which we offer our securities, and difficulty in recruiting and retaining personnel through equity incentive awards.

Sales of our Common Stock could reduce its market price.

Sales of a substantial number of shares of our Common Stock in the public market could occur at any time. Such sales, or any market perception that substantial holders of our Common Stock intend to sell Common Stock, could reduce the market price of our Common Stock. If a material number of shares are sold during a concentrated period, such sales could adversely affect the market price of our Common Stock and impair our ability to raise additional capital through the sale of securities.

We are a holding company and, as such, we depend on our subsidiaries to generate cash to fund our operations and expenses.

We are a holding company and essentially all of our assets are the capital stock of our subsidiaries. As a result, our investors are subject to the risks attributable to our subsidiaries. As a holding company, we conduct all of our business through our subsidiaries. Therefore, our ability to fund and conduct our business, service our debt and pay dividends, if any, in the future will principally depend on the ability of our subsidiaries to generate sufficient cash flow to make upstream cash distributions to us. Our subsidiaries are separate legal entities, and although they are wholly-owned and controlled by us, they have no obligation to make any funds available to us, whether in the form of loans, dividends or otherwise. The ability of these entities to pay dividends and other distributions will depend on their operating results and will be subject to applicable laws and regulations which require that solvency and capital standards be maintained by such companies and contractual restrictions contained in the instruments governing any debt obligations. In particular, the Bridge Facility and the Promissory Note restrict distributions, loans and advances from 5E SVM and its subsidiaries to us, as described under "—Risks Relating to the Acquisition—Our indebtedness has increased following the Acquisition, which may have the effect of heightening other risks we now face." In the event of a bankruptcy, liquidation or reorganization of any of our material subsidiaries, holders of indebtedness and trade creditors may be entitled to payment of their claims from the assets of those subsidiaries before us.

Our Bylaws designate the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents.

Our Bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware) will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for certain derivative actions, fiduciary-duty claims, claims arising under the DGCL, our Certificate of Incorporation or Bylaws and internal-affairs doctrine claims. Our Bylaws further provide that, unless we consent in writing to the selection of an alternative forum, federal district courts of the United States will be the exclusive forum for claims arising under the Securities Act.

These choice-of-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees or agents, which may discourage such lawsuits against us and such persons. Alternatively, if a court were to find these provisions of our Bylaws inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition or operating results.

Risks Relating to the Acquisition

The Acquisition and additional businesses or assets we may acquire, joint ventures we may form or investments in other companies we may make in the future may be unsuccessful and may harm our operating results and prospects.

Our Acquisition of specified assets of Searles Valley Minerals Inc. and its affiliates that were parties to the Asset Purchase Agreement (collectively, "SVM") and any additional acquisitions of complementary businesses or assets we may pursue may not be successful. The Acquisition was effected through a court-supervised sale pursuant to section 363 of the Bankruptcy Code in connection with the chapter 11 proceedings, which involves risks that are distinct from a negotiated acquisition outside of bankruptcy. The order approving the Acquisition (the "Sale Order"), which was entered by the United States Bankruptcy Court for the District of

Delaware on September 21, 2026, may be subject to appeal, modification, stay or reversal. The type of financing for the Acquisition depended on, and for any other acquisition will depend on, circumstances existing at that time, including market conditions and our share price. Integration of the SVM business or any other acquired businesses or assets involves many challenges, including a potential strain on our administrative and operational resources, unanticipated issues, expenses or liabilities, and difficulties in the assimilation of different corporate cultures and business practices. We may also seek to enter into joint ventures, pursue strategic alliances in an effort to leverage our existing operations and industry experience, increase our product offerings, expand our distribution and make investments in other companies. We cannot guarantee that we will be able to identify and complete suitable acquisitions or investments at reasonable prices, or that we will be successful in realizing any anticipated benefits from our Acquisition or from any future acquisitions or investments.

The success of the Acquisition and any future acquisitions, joint ventures, strategic alliances or investments involves a number of risks, the occurrence of which could adversely affect our business, reputation, operating results and financial condition. Such risks include, without limitation: diversion of management's attention; disruption to our existing operations and plans; inability to effectively manage our expanded operations; difficulties or delays in integrating and assimilating information and financial systems and operations or in realizing projected efficiencies, growth prospects, cost savings, and synergies; potential loss of key employees and customers of the acquired businesses or adverse effects on existing business relationships; adverse impact on overall profitability if our expanded operations do not achieve the financial results projected in our valuation models; inaccurate assessment of additional post-acquisition investments, undisclosed, contingent, tax or other liabilities or problems, unanticipated costs associated with an acquisition and an inability to recover or manage such liabilities and costs; incorrect estimates made in the accounting for acquisitions; and incurrence of non-recurring charges and write-off of significant amounts of goodwill or other assets as a result of deterioration in the performance of an acquired business or product line, adverse market conditions, changes in the competitive landscape, changes in laws or regulations that restrict activities of an acquired business or product line, or as a result of a variety of other circumstances.

Additionally, the success of the Acquisition and any future acquisitions will substantially depend on our ability to retain key personnel. For example, we rely on existing employees and operators of SVM to successfully operate the SVM Assets. The loss of key employees could result in the loss of vital institutional knowledge, experience and expertise, damage critical customer relationships and impact our ability to successfully operate SVM's business and implement our strategy for these assets. Specifically, the loss of key employees who have in-depth knowledge of SVM's mining, manufacturing, engineering, research and development, and administrative processes could significantly impact our results of operations. We may not be able to find qualified replacements for these key positions and the integration of replacements may be disruptive to the business. We may face similar challenges in connection with any future acquisitions we pursue.

We have incurred and expect to incur substantial costs as a result of the Acquisition.

We have incurred and expect to incur substantial non-recurring costs associated with the Acquisition. The combined company has incurred and expects to continue to incur significant restructuring and integration costs in connection with the integration of our existing operations with the operations of the SVM Assets and the execution of our business plan, including costs relating to formulating and implementing integration plans and eliminating duplicative costs, as well as potential employment-related costs. The costs related to restructuring were expensed as a cost of the ongoing results of operations of the combined company. There are processes, policies, procedures, operations, technologies and systems that must be integrated in connection with the Acquisition and subsequent integration. We have assumed that a certain level of expenses will be incurred to integrate the Company and the operations of the SVM Assets and we continue to assess the magnitude of such expenses. Many of these expenses are, by their nature, difficult to estimate accurately and there are many factors beyond our control that could affect the total amount of such expenses and the timing of their incurrence. The net benefit we expect from the elimination of duplicative costs, as well as the realization of strategic benefits, additional income, synergies and other efficiencies in offsetting integration-related costs over time may not be achieved in the near term, or at all.

Furthermore, the Company, SVM and the California Air Resources Board ("CARB") reached a global settlement resolving CARB's claims relating to SVM's pre-Closing operations under the CARB Programs (as defined in the Sale Order), including the cap-and-invest regulation and mandatory reporting regulation. The Sale Order provides that the SVM Assets were to be transferred free and clear of all pre-Closing CARB claims and interests (the "CARB Claims and Interests," as defined in the Sale Order), and CARB would be permanently barred from asserting any such claims against 5E SVM, the Buyer Group (as defined in the Sale Order) or the Transferred Assets (as defined in the Sale Order). At Closing, SVM surrendered all of its currently held compliance instruments to CARB in satisfaction of SVM's post-petition, pre-Closing obligations under the CARB Programs. Following the Closing, CARB now treats the facilities acquired by 5E SVM as new facilities, with a new ARB ID and a new compliance instrument tracking system account, and CARB will not true up or reduce 5E SVM's allowance allocations on the basis of allocations received by SVM pre-Closing. CARB has agreed not to appeal the Sale Order. However, the Sale Order may be subject to appeal by other parties. Other governmental authorities may also challenge the scope of the free-and-clear protections contained in the Sale Order or take actions in the future that are inconsistent with such protections. If such challenges are successful, 5E SVM could face material additional

environmental compliance costs, which could have a material adverse effect on our business, financial condition, results of operations and cash flow.

In addition, 5E SVM is now subject to prospective CARB compliance obligations as the owner and operator of the SVM Assets. Such obligations include the obligation to acquire and surrender compliance instruments to cover the greenhouse gas emissions resulting from the operation of the SVM Assets. Such costs could be material and are difficult to predict, because they depend on the quantity of future greenhouse gas emissions that our business releases and other factors outside of our control, for example, the quantity, if any, of free compliance instruments received from CARB and the future costs of each compliance instrument that needs to be acquired on the market, which is required to increase each year under the cap-and-invest regulation.

Our stockholders may not realize a benefit from the Acquisition commensurate with the ownership dilution they experienced in connection with the Acquisition.

If we are unable to realize the full strategic and financial benefits we had anticipated from the Acquisition, our stockholders will have experienced substantial dilution of their ownership interests without receiving any commensurate benefit or only receiving part of the commensurate benefit to the extent we are able to realize only part of the strategic and financial benefits that we anticipated from the Acquisition.

Prior to the Acquisition, SVM was not a U.S. public reporting company and the obligations associated with integrating the operations related to the SVM Assets into a public company may require significant resources and management attention.

Prior to the Acquisition, SVM was a private company that was not subject to public company reporting requirements and did not have accounting personnel specifically employed to review internal controls over financial reporting. As a public company, we are required to document and test our internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, so that our management can certify as to the effectiveness of our internal control over financial reporting in connection with our annual report. The operations of the SVM Assets are required to be included in the scope of our internal control over financial reporting in the annual report to be filed with the SEC for the fiscal year following the fiscal year in which the Closing occurred and thereafter, which will require us to make and document significant changes to our internal controls over financial reporting. Integrating these operations into our current compliance and accounting system and disclosure controls and procedures may increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources. Furthermore, the need to establish the necessary corporate infrastructure to integrate these operations may divert management's attention from implementing our growth strategy. However, the measures we take may not be sufficient to satisfy our obligations as a public company. If we do not continue to develop and implement the right processes and tools to manage our enterprise and maintain our culture, our ability to compete successfully and achieve our business objectives could be impaired, which could negatively impact our business, financial condition and results of operations. In addition, we cannot predict or estimate the amount of additional costs we may incur to bring the SVM business into compliance with these requirements. We anticipate that these costs will materially increase our selling, general and administrative expenses. These additional obligations could have a material adverse effect on our business, financial condition, results of operations and cash flow.

Our indebtedness has increased following the Acquisition, which may have the effect of heightening other risks we now face.

As a result of the completed Acquisition, we have additional indebtedness and are subject to increased risks associated with debt financing. The Closing was conditioned upon our receipt of $10.0 million in senior secured bridge financing from KHI, a subsidiary of Nirma, the ultimate parent of the Sellers (the "Bridge Facility"), which is secured by substantially all of 5E SVM's assets, guaranteed by the Company and certain subsidiaries of 5E SVM and accrues interest at a rate of 8.00% per annum, which will accrue and be payable in-kind and capitalized quarterly to the principal amount thereof. A portion of the Bridge Facility was funded upon the Closing, with the remaining amount to be funded post-Closing upon satisfaction of specified conditions, and the Bridge Facility will mature 270 days after the Closing, on June 28, 2027. The Bridge Facility also included a $1.0 million transaction fee, which will be due at maturity. In addition, we issued the Promissory Note as consideration, which will accrue interest at 14.5% per annum, payable in-kind and capitalized quarterly, will require a cash payment of approximately $1.2 million on October 1, 2027, the 12-month anniversary of its issuance date, and will otherwise mature on September 30, 2031.

Our increased indebtedness could have important consequences to holders of our Common Stock, including:

- increasing our vulnerability to general adverse economic and industry conditions;
- limiting our ability to obtain additional financing to fund future working capital, capital expenditures and other general corporate requirements;

•requiring the use of cash or other resources to repay the principal amounts and accrued interest at maturity, thereby reducing our ability to use our cash flow to fund working capital, acquisitions, capital expenditures and general corporate requirements;

•limiting our flexibility in planning for, or reacting to, changes in our business and our industry; and

•putting us at a disadvantage compared to our competitors with less indebtedness.

The Bridge Facility is secured by substantially all of the assets of 5E SVM and its subsidiaries, which hold the acquired operations. If 5E SVM is unable to repay or refinance the Bridge Facility at maturity on June 28, 2027, KHI could exercise remedies against that collateral, including foreclosure. Both the Bridge Facility and the Promissory Note restrict the ability of 5E SVM and its subsidiaries to pay dividends or make other distributions, loans or advances to us, other than for specified taxes and fees, corporate overhead costs attributable to the acquired operations and certain employee-related payments. As a result, for so long as either instrument remains outstanding (the Promissory Note matures in September 2031), cash generated by the Searles Valley operations is generally not available to fund the Fort Cady Project or our other corporate obligations unless we prepay or refinance that indebtedness or obtain the consent of the lenders. Both instruments also contain cross-default provisions and provide that a change of control, including the acquisition by any person or group other than Bluescape, Ascend and Meridian of more than 35% of our outstanding voting stock, constitutes an event of default that permits acceleration of the indebtedness. In addition, KHI, which is the lender under the Bridge Facility and a holder of the Promissory Note, is a subsidiary of Nirma, the ultimate parent of the Sellers, and holds approximately 12.4% of our outstanding Common Stock, and its interests as a creditor may differ from the interests of our other stockholders.

In addition, under the Asset Purchase Agreement, we are required to post replacement surety bonds, letters of credit and other forms of financial assurance, and to substitute ourselves for SVM and Nirma with respect to all existing guarantee and indemnity obligations relating to the acquired business, within 12 months following the Closing. The cost and availability of such financial assurance instruments is not guaranteed, and our failure to post them within the required timeframe could result in regulatory consequences or the loss of permits necessary to operate the acquired business. In addition, under the terms of the Bridge Facility, the amount of any draw on the letters of credit maintained by SVM or Nirma in support of such obligations, and the face amount of any such letters of credit that remain outstanding 12 months after the Closing, will be added to the outstanding principal amount of the Bridge Facility.

The SVM Assets were acquired on an "as is, where is" basis in a sale under section 363 of the Bankruptcy Code, and we have limited or no post-closing recourse against SVM.

5E SVM acquired the SVM Assets on an "as is, where is" basis. The representations, warranties and pre-Closing covenants of SVM contained in the Asset Purchase Agreement did not survive the Closing of the Acquisition (other than in the case of intentional fraud), and the Asset Purchase Agreement does not provide for indemnification by SVM in favor of 5E SVM for any breach thereof. Covenants that by their terms contemplate performance after the Closing have survived in accordance with their terms. As a result, we have limited or no recourse against SVM with respect to the condition of the SVM Assets or any undisclosed liabilities, and we bear the risk of any defects, deficiencies or liabilities associated with the SVM Assets that are not expressly covered by the excluded liabilities. Third parties have in the past asserted, and may in the future assert, claims against the Sellers as alleged successors to prior operators of the Searles Valley site, including claims relating to alleged historical exposure to hazardous substances, and similar claims could be asserted against 5E SVM notwithstanding the protections of the Sale Order.

Although the SVM Assets were transferred free and clear of liens, claims and encumbrances pursuant to section 363 of the Bankruptcy Code, certain environmental, reclamation and regulatory obligations applicable to 5E SVM as the post-Closing owner and operator of the SVM Assets have been expressly preserved under the Sale Order. These obligations include, among others, compliance with environmental laws of general applicability, obligations under orders issued by the California Lahontan Regional Water Board with respect to SVM's Argus, Westend and Trona production facilities, as well as decommissioning and reclamation obligations under federal law with respect to Bureau of Land Management leases. The scope and cost of these obligations may be significant and are not fully quantifiable at this time.

The Sale Order remains subject to appeal until the applicable appeal period has expired. Any reversal, modification or vacatur of the Sale Order on appeal could adversely affect the protections afforded to us in connection with the Acquisition, including the free-and-clear transfer of the SVM Assets and the protections against successor liability claims. We have relied upon the anticipated final and binding nature of the Sale Order and the protections expected to be afforded by sections 363(f) and 363(m) of the Bankruptcy Code in agreeing to consummate the Acquisition.

The revenue of the acquired operations depends on a limited number of customers and on recently executed offtake agreements, and we may not realize the expected benefits of those agreements.

In connection with the Acquisition, the Sellers' legacy below-market sales contracts were rejected in the Sellers' chapter 11 proceedings, and we have entered into new take-or-pay and fixed-price V-BOR® offtake agreements that became effective upon the Closing. We expect that the majority of V-BOR® output from the acquired operations will be sold to a limited number of customers under these agreements. Our customers under these agreements have a limited history of purchasing from us at the agreed prices, and they may fail to perform, seek to renegotiate, dispute or terminate such agreements, become insolvent or reduce their purchases, including as a result of downturns in their end markets. Because these agreements include fixed pricing, we may be unable to pass through increases in our energy, labor, raw material, transportation or compliance costs, and we may not benefit from increases in market prices for borates. In addition, take-or-pay and other provisions in these agreements may be difficult or costly to enforce, and we may be subject to penalties, liquidated damages or other liabilities if we are unable to deliver the contracted volumes or product specifications, including as a result of production disruptions. The loss of, or a significant reduction in purchases by, any of these customers, or our failure to perform under these agreements, could have a material adverse effect on our business, financial condition and results of operations.

The acquired operations from the Acquisition incurred losses under prior ownership, and our plan to restore their profitability depends on operating initiatives that may be delayed or unsuccessful and that will require additional investment before the operations generate sustained positive cash flow.

Under prior ownership, the Sellers operated the borate business at Searles Valley largely as a byproduct of a soda ash operation that was discontinued in February 2026, incurred operating losses and ultimately commenced the chapter 11 proceedings without access to additional capital. We therefore believe the historical operating results of the acquired operations are not indicative of their future performance, and we expect that the acquired operations will require funding from us for working capital, maintenance, integration costs and capital expenditures until our operating initiatives take effect. Those initiatives include replacing legacy below-market sales contracts with new take-or-pay and fixed-price V-BOR® offtake agreements, reducing the Westend plant's reliance on purchased power through greater use of on-site cogeneration capacity, restarting the SAC plant to improve brine chemistry and V-BOR® output, undertaking a wellfield development program intended to recover brine grade toward historical levels and restarting idled boric acid production at the Trona facility. We also intend to evaluate opportunities to expand borate production and processing capacity and to potentially develop sulfate of potash, lithium and tungsten from the Searles Lake brines. Each of these initiatives depends on the condition and reliability of plants and infrastructure, portions of which are decades old and have experienced deferred maintenance, on the availability of skilled personnel, equipment and natural gas, and on the capital we are able to commit to the acquired operations, and any of them may take longer, cost more or deliver less than we expect. If we are unable to fund these investments, or if the initiatives are delayed or unsuccessful, the acquired operations may continue to consume cash rather than generate it, which could have a material adverse effect on our business, liquidity, financial condition and results of operations and on our ability to advance the Fort Cady Project.

We have not yet established mineral resources or mineral reserves for the Searles Valley operations in accordance with Regulation S-K 1300, and estimates of the resource life or mineral content of Searles Lake should not be relied upon.

Although the acquired operations currently generate revenue from the sale of minerals, we have not yet completed a technical report summary prepared by a qualified person, or disclosed mineral resources or mineral reserves, for the Searles Valley operations in accordance with Regulation S-K 1300. Any estimates we have referenced regarding the resource life of Searles Lake at current extraction rates, and historical estimates of the tungsten or other mineral content of the Searles Lake brines, including those prepared by the U.S. Bureau of Mines in the 1980s, were not prepared in accordance with Regulation S-K 1300 and should not be relied upon.

We have commenced work on a technical report summary for the Searles Valley operations, which will require significant time and expense, and any mineral resources or mineral reserves we ultimately disclose may be materially lower than currently expected or may not support our operating or expansion plans. We will also be required to provide additional disclosure regarding such property in our future periodic reports, and any delay in, or adverse findings from, such work could adversely affect our ability to obtain financing, our business plans and the market price of our Common Stock.

Our potential opportunities to produce tungsten, lithium, sulfate of potash and additional borates from the Searles Valley operations are at an early stage, and may never be realized.

We intend to evaluate opportunities to expand borate production and to potentially develop tungsten, lithium and sulfate of potash from the Searles Lake brines. These opportunities are at an early stage and are subject to significant technical, economic,

regulatory and financing uncertainty. For example, the economics of any future tungsten recovery will depend significantly on tungsten prices, which have recently been elevated as a result of export restrictions imposed by China and may decline materially if such restrictions are relaxed or new supply is developed. Our preliminary economic analysis of a potential tungsten project has not been prepared in accordance with Regulation S-K 1300 or validated at commercial scale. Similarly, the direct lithium extraction pilot plant at Searles Valley has not been demonstrated at commercial scale. Any development of these opportunities would require substantial additional sampling, metallurgical and engineering work, permitting, capital expenditures and financing, which may not be available on acceptable terms or at all, and any government funding or other non-dilutive support we may pursue may not be obtained. As a result, there can be no assurance that any of these opportunities will be developed or will generate revenue or profits.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Unregistered Sale of Equity Securities

Except as previously reported in a Current Report on Form 8-K, there were no unregistered sales of equity securities during the three months ended September 30, 2026.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

a) Disclosure in lieu of reporting on a Current Report on Form 8-K.

None.

b) Material changes to the procedures by which security holders may recommend nominees to the board of directors.

None.

c) Insider Trading Arrangements and Policies.

During the three months ended September 30, 2026, none of the Company's directors or "officers" (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated any "Rule 10b5-1 trading arrangements" or "non-Rule 10b5-1 trading arrangements," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits.

The following documents are filed as exhibits hereto:

Exhibit Number	Exhibit Title
2.1#	Asset Purchase Agreement, dated September 14, 2026, by and among 5E Advanced Materials, Inc. and the other parties named therein (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on September 15, 2026).
3.1	Amended and Restated Certificate of Incorporation of 5E Advanced Materials, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on January 19, 2024).
3.2	Certificate of Amendment to Amended and Restated Certificate of Incorporation of 5E Advanced Materials, Inc., dated February 14, 2025 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on February 18, 2025).
3.3	Second Amended and Restated Bylaws of 5E Advanced Materials, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on November 1, 2024).
4.1	Form of Series A Common Stock Purchase Warrant (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on August 28, 2024).
4.2	Form of Series B Common Stock Purchase Warrant (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the SEC on August 28, 2024).
4.3	Form of Restructuring Common Stock Purchase Warrant (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the SEC on January 14, 2025).
4.4	Form of Amendment and Notice to Exercise of Common Stock Purchase Warrant (incorporated by reference to Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q filed with the SEC on February 17, 2026).
10.1	Unsecured Promissory Note, dated October 1, 2026 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on October 1, 2026).
10.2#	Secured Bridge Promissory Note, dated October 1, 2026 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on October 1, 2026).
31.1*	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101*	Interactive data files (formatted as Inline XBRL).
104*	Cover page interactive data file (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

** Furnished herewith.

Schedules and exhibits have been omitted pursuant to Items 601(a)(5) and 601(b)(2) of Regulation S-K. The Company hereby undertakes to furnish supplemental copies of any of the omitted schedules upon request by the U.S. Securities and Exchange Commission. The Company may request confidential treatment pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, for any schedules so furnished.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

5E ADVANCED MATERIALS, INC.

Date: November 16, 2026

By: /s/ Paul Weibel
Paul Weibel
Chief Executive Officer
(Principal Executive Officer)

Date: November 16, 2026

By: /s/ Joshua Malm
Joshua Malm
Chief Financial Officer
(Principal Financial Officer)