



## Market Data

### American Resources Corp. Nasdaq: AREC

Fiscal Year	Dec. 31
Price	\$1.46
52-wk Range	\$1.04-\$2.16
Market Cap	\$114.3M
Shares Out.	78.3M
Float	52.4M
Avg. Vol (90-day)	240,889
Revenue (ttm) <sup>1</sup>	\$21.4M
Cash (mrq) <sup>1</sup>	\$3.1M

Price & share data as of January 29, 2024

<sup>1</sup> As of September 30, 2023

[americanresourcescorp.com](http://americanresourcescorp.com)

## Company Overview

American Resources Corp. is a next-generation, environmentally and socially responsible supplier of high-quality raw materials to the new infrastructure market. The Company is focused on the extraction and processing of metallurgical carbon, an essential ingredient used in steelmaking, critical and rare earth minerals for the electrification market, and reprocessed metal to be recycled. American Resources has a growing portfolio of operations located in the Central Appalachian basin of eastern Kentucky and southern West Virginia where premium quality metallurgical carbon and rare earth mineral deposits are concentrated. American Resources has established a nimble, low-cost business model centered on growth, which provides a significant opportunity to scale its portfolio of assets to meet the growing global infrastructure and electrification markets while also continuing to acquire operations and significantly reduce their legacy industry risks. Its streamlined and efficient operations are able to maximize margins while reducing costs.

## Investment Highlights

### Next-generation, socially responsible supplier of raw materials to the new infrastructure market

- Patented, modular technology for processing critical and rare earth elements for the electrification marketplace; currently producing at commercial scale with accelerating revenue ramp beginning in Q1 2024
- Aggregator and processor of used steel and metals to be recycled for new steelmaking
- Producer of metallurgical carbon, primary source of carbon used in steelmaking

### Balance sheet is capitalized to meet growth objectives

- Intelligently capitalized balance sheet

### Highly competitive in global market

- Low-cost structure (in line with Chinese producers) allows for preferred pricing
- Scalable, modular platform provides ability to rapidly activate sites as global demand increases

### Management team with proven expertise in operational excellence

- CEO has 10+ years' experience leading and managing mining operations and over 15 years investing, restructuring and building businesses
- President has history of successfully identifying mining operations that have the ability to meet AREC's model of cost cutting and efficiency

## Value Proposition

American Resources is monetizing its carbon assets while simultaneously capitalizing on the wealth of opportunities for the rapid growth of its ReElement Technologies division, which recently became the first domestic, commercial producer of isolated and high-purity rare-earth elements. It is estimated that approx. \$3 billion worth of rare-earth elements end up in landfills annually from end-of-life products. ReElement's patented modular platform technology enables it to process rare earths in an environmentally friendly way that avoids polluting landfills while reducing mining-based environmental impact and mitigating cross-border supply chain risk. New energy storage technologies and EVs currently depend on China, which controls 85% of the market for rare earth metals. American Resources has the capacity to change this dynamic, producing higher purity minerals with OpEx in line with Chinese producers, driving exponential growth for the Company while creating jobs in the US. American Resources generated \$21.4 million revenue in the 12-months ended September 30, 2023. With strong tailwinds, a multi-pronged business strategy, and experienced management, American Resources' revenue growth is expected to accelerate in the quarters ahead. The Company plans to spin off its ReElement and American Carbon subsidiaries in 2024. ReElement is expected to be spun off at a premium to the current overall market cap of American Resources.



American Resources' ReElement Technologies subsidiary is redefining how critical and rare earth elements are both sourced and processed while focusing on the recycling of end-of-life products such as rare earth permanent magnets and lithium-ion batteries, as well as coal-based waste streams and byproducts to create a low-cost (in-line with Chinese producers) and environmentally safe, circular supply chain. ReElement has developed its innovative and scalable "Capture-Process-Purify" process chain in conjunction with its licensed intellectual property including 16 patents, as well as technologies and sponsored research partnerships with three leading universities to support the domestic supply chain's growing demand for magnet and battery metals.

- State-of-the-art, commercial scale lithium, critical minerals, and rare earth elements refining facility in Marion, Indiana expected to enter production in the near-term. Received final approval and closed its \$44.9 million of local incentives from the City of Marion, Indiana to construct facility. This follows the Company taking a controlling interest in the former RCA Thomson manufacturing plant in Marion comprising approximately 425,000 square feet of manufacturing and refining capacity space on a 42-acre campus for ReElement Technologies' critical mineral refining and future co-located, supply chain manufacturing partners.
- Achieved ultra-pure (99.96%) lithium carbonate (Li<sub>2</sub>CO<sub>3</sub>) from its exclusively licensed and patented multi-modal chromatography technology from hard-rock, spodumene bearing pegmatite ore. This achievement comes after significant milestones of achieving 99.9978% pure Li<sub>2</sub>CO<sub>3</sub> from LFP battery manufacturing scrap at commercial scale; the first-known to achieve this worldwide, and 99.986% pure Li<sub>2</sub>CO<sub>3</sub> produced from recycled, end-of-life lithium-ion batteries, as well as achieving groundbreaking success as the first in the United States to produce greater than 99.5% pure magnet rare earth elements [dysprosium (Dy), neodymium (Nd) and praseodymium (Pr)] at commercial scale.
- Received initial approval from the Knott County Fiscal Court for up to \$150,000,000 of Tax-Exempt Industrial Revenue Bonds to fund a large-scale lithium refinery and redevelopment of the existing controlled site's infrastructure buildout, equipment installation and initial working capital for production. This site will be the Company's third planned critical mineral and lithium refinery in the United States using its proven and patented technology.
- Continued to bolster its world-class team with the appointments of:
  - Ben Wrightsman, a well-established leader in the battery sector, as President;
  - Shane Tragethon, an operations and strategy expert with a large portion of his recent career supporting the United States Department of State's foreign assistance objectives and cooperation in Africa, as Vice President of International Strategy;
  - Neel Jani, Swiss professional racecar driver, as Brand Ambassador;
  - Mark Gilbert, former US Ambassador to New Zealand and Samoa and Vice Chairman of UBS Private Wealth, as board member; and
  - Keith Higgins, a national security expert and former CIA senior executive, as board member



### **Redefining legacy industry to thrive in today's coal conscious economy, providing metallurgical carbon for steel and specialty alloy metals.**

- Entered into a letter of intent to sell its carbon mining assets to an unaffiliated, strategic party for the total consideration of approximately \$280 million or \$3.58 per share.
- Successfully closed its \$45 million Tax-Exempt Industrial Development Bond offering through the West Virginia Economic Development Authority which will fund the expansion and technological improvements to the existing metallurgical carbon processing facility at its Wyoming County Coal complex.