

**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 March 31, 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: 001-41828

Atlas Energy Solutions Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
5918 W. Courtyard Drive, Suite 500
Austin, Texas
(Address of principal executive offices)

93-2154509
(I.R.S. Employer
Identification No.)

78730
(Zip Code)

(512) 220-1200

(Registrant's telephone number, including area code)

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, par value \$0.01 per share	AESI	New York Stock Exchange NYSE Texas, Inc.

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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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 April 30, 2026, the registrant had 124,905,584 shares of common stock, \$0.01 par value per share, outstanding.

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

Atlas Energy Solutions Inc.
Condensed Consolidated Balance Sheets
(In thousands, except share data)

	March 31, 2026 (Unaudited)	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 39,780	\$ 40,632
Accounts receivable, net	208,381	180,711
Accounts receivable - related parties	—	72
Inventories	12,775	13,616
Spare part inventories, net	53,299	48,110
Prepaid expenses and other current assets	21,662	24,373
Total current assets	335,897	307,514
Property, plant and equipment, net	1,561,601	1,540,813
Operating lease right-of-use assets	13,860	10,702
Finance lease right-of-use assets	56,933	33,081
Goodwill	152,903	152,903
Intangible assets, net	176,283	182,238
Other long-term assets	1,101	1,177
Total assets	\$ 2,298,578	\$ 2,228,428
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 101,014	\$ 69,166
Accounts payable - related parties	25	37
Accrued liabilities	95,612	84,611
Current portion of long-term debt	65,632	40,681
Current portion of operating lease liabilities	3,136	347
Current portion of finance lease liabilities	9,339	6,427
Current portion of deferred revenue	4,668	1,404
Other current liabilities	6,691	8,391
Total current liabilities	286,117	211,064
Long-term debt, net of discount and deferred financing costs	557,040	538,240
Deferred tax liabilities	216,496	221,622
Operating lease liabilities	13,659	11,138
Finance lease liabilities	43,751	24,969
Asset retirement obligation	7,102	6,933
Other long-term liabilities	5,538	5,538
Total liabilities	1,129,703	1,019,504
Commitments and contingencies (Note 9)		
Stockholders' equity:		
Preferred stock, \$0.01 par value; 500,000,000 authorized; no shares issued and outstanding as of March 31, 2026 and December 31, 2025.	—	—
Common Stock, \$0.01 par value, 1,500,000,000 shares authorized, 124,905,584 shares and 124,111,436 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively.	1,249	1,241
Additional paid-in-capital	1,265,194	1,257,987
Accumulated deficit	(97,568)	(50,304)
Total stockholders' equity	1,168,875	1,208,924
Total liabilities and stockholders' equity	\$ 2,298,578	\$ 2,228,428

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

Atlas Energy Solutions Inc.
Condensed Consolidated Statements of Operations
(Unaudited)
(In thousands, except per share data)

	Three Months Ended March 31,	
	2026	2025
Product revenue	\$ 108,940	\$ 139,645
Service revenue	139,113	150,609
Rental revenue	17,530	7,337
Total revenue	265,583	297,591
Cost of sales (excluding depreciation, depletion and accretion expense)	214,025	206,063
Depreciation, depletion and accretion expense	45,226	37,000
Gross profit	6,332	54,528
Selling, general and administrative expense (including stock-based compensation expense of \$8,442 and \$6,518, respectively)	35,746	34,412
Credit loss expense	17	—
Amortization expense of acquired intangible assets	6,371	4,785
Insurance recovery (gain)	(3,326)	—
Operating income (loss)	(32,476)	15,331
Interest (expense), net	(15,784)	(12,078)
Other income (expense), net	486	259
Income (loss) before income taxes	(47,774)	3,512
Income tax expense (benefit)	(510)	2,293
Net income (loss)	\$ (47,264)	\$ 1,219
Net income (loss) per common share		
Basic	\$ (0.38)	\$ 0.01
Diluted	\$ (0.38)	\$ 0.01
Weighted average common shares outstanding		
Basic	124,626	118,245
Diluted	124,626	119,747

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

Atlas Energy Solutions Inc.
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)
(In thousands)

	Shares	Common Stock Value	Additional Paid-In-Capital	Accumulated Deficit	Stockholders' Equity
Balance at December 31, 2025	124,111	\$ 1,241	\$ 1,257,987	\$ (50,304)	\$ 1,208,924
Net loss	—	—	—	(47,264)	(47,264)
Stock-based compensation	—	—	8,442	—	8,442
Issuance of Common Stock upon vesting of equity awards, net of shares withheld for income taxes	795	8	(1,235)	—	(1,227)
Balance at March 31, 2026	<u>124,906</u>	<u>\$ 1,249</u>	<u>\$ 1,265,194</u>	<u>\$ (97,568)</u>	<u>\$ 1,168,875</u>

	Shares	Common Stock Value	Additional Paid-In-Capital	Retained Earnings (Accumulated Deficit)	Stockholders' Equity
Balance at December 31, 2024	110,217	\$ 1,102	\$ 1,035,454	\$ —	\$ 1,036,556
Net income	—	—	—	1,219	1,219
Dividends	—	—	(29,216)	(1,219)	(30,435)
Dividend equivalent rights	—	—	(649)	—	(649)
Stock-based compensation	—	—	6,518	—	6,518
Issuance of Common Stock upon vesting of equity awards, net of shares withheld for income taxes	176	2	(595)	—	(593)
Issuance of Common Stock from equity offering, net of issuance costs	11,500	115	252,955	—	253,070
Equity issued in connection with Moser Acquisition	1,728	17	35,368	—	35,385
Balance at March 31, 2025	<u>123,621</u>	<u>\$ 1,236</u>	<u>\$ 1,299,835</u>	<u>\$ —</u>	<u>\$ 1,301,071</u>

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

Atlas Energy Solutions Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Three Months Ended March 31,	
	2026	2025
Operating activities:		
Net income (loss)	\$ (47,264)	\$ 1,219
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation, depletion and accretion expense	46,883	38,264
Amortization expense of acquired intangible assets	6,371	4,785
Amortization of debt discount	1,057	1,109
Amortization of deferred financing costs	97	106
Stock-based compensation	8,442	6,518
Gain on sales of power equipment	(1,284)	—
Deferred income tax	(5,127)	1,379
Credit loss expense	17	—
Other	(51)	(122)
Changes in operating assets and liabilities:		
Accounts receivable	(31,012)	(71,587)
Accounts receivable - related party	72	—
Inventories	841	2,818
Spare part inventories	(5,188)	(2,204)
Prepaid expenses and other current assets	(2,993)	5
Other long-term assets	(8)	(997)
Accounts payable	27,179	9,210
Accounts payable - related parties	(13)	(160)
Deferred revenue	3,264	(2,018)
Lease incentive receipts	2,069	—
Accrued liabilities and other liabilities	15,644	4,225
Net cash provided by (used in) operating activities	18,996	(7,450)
Investing activities:		
Purchases of property, plant and equipment	(29,275)	(52,389)
Proceeds from sales of power equipment	3,336	—
Proceeds from insurance recovery	3,326	5,398
Acquisitions, net of cash acquired	—	(181,511)
Net cash used in investing activities	(22,613)	(228,502)
Financing Activities:		
Proceeds from ABL credit facility	25,000	—
Principal payments on term loan borrowings	(5,190)	(4,725)
Payment on Deferred Cash Consideration Note	(11,085)	(101,252)
Payments under finance leases	(2,134)	(959)
Repayment of equipment finance notes	(2,599)	(841)
Taxes withheld on vesting equity awards	(1,227)	(595)
Proceeds from equity offering, net of issuance costs	—	253,070
Proceeds from term loan borrowings	—	188,805
Payment on ABL credit facility	—	(70,000)
Dividends	—	(30,435)
Issuance costs associated with debt financing	—	(146)
Net cash provided by financing activities	2,765	232,922
Net decrease in cash and cash equivalents	(852)	(3,030)
Cash and cash equivalents, beginning of period	40,632	71,704
Cash and cash equivalents, end of period	\$ 39,780	\$ 68,674
Supplemental cash flow information		
Cash paid during the period for:		
Interest	\$ 13,728	\$ 11,894
Taxes (refund)	\$ (2,334)	\$ —
Supplemental disclosure of non-cash investing activities:		
Property, plant and equipment in accounts payable and accrued liabilities	\$ 10,668	\$ 20,370
Acquisition consideration, equity issuance	\$ —	\$ 35,385
Equipment assets acquired through debt	\$ 35,470	\$ 3,374

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

Atlas Energy Solutions Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

Note 1 – Business and Organization

Atlas Energy Solutions Inc., a Delaware corporation (f/k/a New Atlas HoldCo. Inc.) (“New Atlas” and together with its subsidiaries “we,” “us,” “our,” or the “Company”), was formed on June 28, 2023, pursuant to the laws of the State of Delaware, and is the successor to AESI Holdings Inc. (f/k/a Atlas Energy Solutions Inc.), a Delaware corporation (“Old Atlas”). New Atlas is a holding company and the ultimate parent company of Atlas Sand Company, LLC (“Atlas LLC”), a Delaware limited liability company and Atlas Energy Solutions Socorro, LLC (“Socorro”) (f/k/a Galt Power Solutions LLC), a Texas limited liability company. The Company has two segments, the sand and logistics segment and the power segment.

Sand and Logistics

The Company is a producer of high-quality, locally sourced 100 mesh and 40/70 sand used as a proppant during the well completion process. Proppant is necessary to facilitate the recovery of hydrocarbons from oil and natural gas wells. One hundred percent of Atlas LLC’s sand reserves are located in Texas within the Permian Basin and operations consist of proppant production and processing facilities, including four facilities near Kermit, Texas (together, the “Kermit facilities”), a fifth facility near Monahans, Texas (the “Monahans facility”), and the OnCore distributed mining network. We sell products and services primarily to oil and natural gas exploration and production companies and oilfield services companies primarily under supply agreements and also through spot sales on the open market. We operate a differentiated logistics platform that is designed to increase the efficiency, safety and sustainability of the oil and natural gas industry primarily within the Permian Basin. This includes our fleet of fit-for-purpose trucks, trailers, wellsite equipment, and the Dune Express, an overland conveyor infrastructure solution.

Power

We provide distributed power solutions through a fleet of natural gas-powered reciprocating generators and microgrids primarily supporting production and artificial lift operations across major United States resource basins.

PropFlow Acquisition

On July 28, 2025, Atlas LLC entered into a membership interest purchase agreement (the “PropFlow Purchase Agreement”) with BCA HoldCo, LLC, a Delaware limited liability company (“BCA HoldCo”), and certain other signatories thereto, pursuant to which Atlas LLC acquired 100% of the membership interests in PropFlow, LLC, a Delaware limited liability company (“PropFlow”), and its wholly owned subsidiaries (such transaction, the “PropFlow Acquisition”). Refer to Note 3 - *Acquisitions* for further discussion.

Moser Acquisition

On February 24, 2025 (“Moser Closing Date”), the Company completed the acquisition of (i) 100% of the authorized, issued and outstanding equity ownership interests in Moser Acquisition, Inc., a Delaware corporation (“Moser AcquisitionCo”), and (ii) Moser Engine Service, Inc. (d/b/a Moser Energy Systems), a Wyoming corporation and a wholly-owned subsidiary of Moser AcquisitionCo (such transaction, the “Moser Acquisition”), collectively referred to as “Moser,” pursuant to that certain Stock Purchase Agreement (the “Moser Purchase Agreement”) by and among Wyatt Holdings, LLC, a Delaware limited liability company and an indirectly wholly-owned subsidiary of the Company (the “Purchaser”), Moser Holdings, LLC, a Delaware limited liability company (the “Seller”), and for the limited purposes set forth therein, the Company (together with the Purchaser and the Seller, the “Parties”). Refer to Note 3 - *Acquisitions* for further discussion.

The foregoing description of the Moser Acquisition and the Moser Purchase Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Moser Purchase Agreement, a copy of which is filed as Exhibit 2.1 to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, filed with the U.S. Securities and Exchange Commission (the “SEC”) on May 6, 2025.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements (the “Financial Statements”) have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”) and the requirements of the SEC. All adjustments necessary for a fair presentation of the Financial Statements have been included. Such adjustments are of a normal, recurring nature. These Financial Statements include the accounts of New Atlas, Old Atlas, Atlas Sand Operating, LLC, a Delaware limited liability company, Socorro, Atlas LLC, Socorro’s wholly-owned subsidiary: Atlas Energy Solutions ProjectCo, LLC (“ProjectCo”) and Atlas LLC’s wholly-owned subsidiaries: Atlas Sand Employee Company, LLC; Atlas Sand Construction, LLC; OLC Kermit, LLC; OLC Monahans, LLC; Fountainhead Logistics, LLC; Fountainhead Transportation Services, LLC; Fountainhead Equipment Leasing, LLC; Wyatt Holdings, LLC; and Wyatt Operating, LLC.

The Company acquired PropFlow and its wholly-owned subsidiaries on July 28, 2025. These Financial Statements include the accounts of PropFlow and the following wholly-owned subsidiaries of PropFlow: PropFlow Operating, LLC; PropFlow International, LLC; and PropFlow Employee Co., LLC.

The Company acquired Moser on February 24, 2025. These Financial Statements include the accounts of Moser AcquisitionCo and Moser Engine Service, Inc. (d/b/a Moser Energy Systems).

The Company acquired the Permian Basin proppant production and logistics businesses and operations of Hi-Crush Inc., a Delaware corporation (“Hi-Crush”) on March 5, 2024. These Financial Statements include the accounts of Hi-Crush Operating, LLC (“Hi-Crush Operating”) (f/k/a Hi-Crush Inc.) and the following wholly-owned subsidiaries of Hi-Crush Operating: Hi-Crush LMS LLC; Hi-Crush Investments LLC; OnCore Processing LLC; Hi-Crush Permian Sand LLC; Hi-Crush PODS LLC; NexStage LLC; FB Logistics LLC; BulkTracer Holdings LLC; PropDispatch LLC; Pronghorn Logistics Holdings, LLC; and Pronghorn Logistics, LLC.

The results of operations for the three months ended March 31, 2026 are not necessarily indicative of the results to be expected for the year ending December 31, 2026 or for any other period. The Financial Statements and these notes should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2025 included within the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Consolidation

The Financial Statements include the accounts of the Company and wholly-owned subsidiaries. All intercompany transactions and accounts have been eliminated in consolidation.

Use of Estimates

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates used in the preparation of these Financial Statements include, but are not limited to: the proppant reserves and their impact on calculating the depletion expense under the units-of-production method; the depreciation and amortization associated with property, plant and equipment; stock-based compensation; asset retirement obligations; business combinations; valuation of goodwill and acquired intangible assets; contingent consideration; and certain liabilities. The Company bases its estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates.

Business Combination

Business combinations are accounted for using the acquisition method of accounting in accordance with the Accounting Standards Codification (“ASC”) 805, “Business Combinations.” The purchase price is allocated to the assets acquired and liabilities assumed based on their estimated fair values. Fair value of the acquired assets and liabilities is measured in accordance with the guidance of ASC 820, “Fair Value Measurement.” Any excess purchase price over the fair value of the net identifiable assets acquired is recorded as goodwill. Any acquisition-related costs incurred by the Company are expensed as incurred. Operating results of an acquired business are included in the Company’s results of operations from the date of acquisition. We use all available information to estimate fair values, including quoted market prices, the carrying value of acquired assets and assumed liabilities and valuation techniques such as discounted cash flows, relief-from-royalty (“RFR”) method, with or without method, multi-period excess earnings method (“MPEEM”), or cost to recreate method. We engage third-party appraisal firms to assist in the fair value determination of identifiable long-lived assets, identifiable intangible assets, as well as any contingent consideration that provides for additional consideration to be paid to the seller if certain future conditions are met. These estimates are reviewed during the 12-month measurement period and adjusted as soon as the necessary information becomes available but no later than one year from the acquisition date. The judgments made in determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact our financial condition or results of operations. The purchase price associated with business combinations can include a holdback liability. The holdback is subject to changes from estimated to actual net working capital amounts and other customary purchase price adjustments. The holdback amount is based on management’s best estimate and may be subject to further adjustments. This amount is recorded in other current liabilities on our condensed consolidated balance sheets.

Since the closing date of the acquisitions, the acquired companies have adopted all of the Company’s accounting policies.

Cash and Cash Equivalents

Cash and cash equivalents consist of all highly-liquid investments that are readily convertible into cash and have original maturities of three months or less when purchased. As of March 31, 2026, we have deposits of \$21.4 million in an Insured Cash Sweep (“ICS”) Deposit Placement Agreement within IntraFi Network LLC facilitated by our bank. The ICS program provides the Company with access to Federal Deposit Insurance Corporation (“FDIC”) insurance for our total cash held within the ICS. We place our remaining cash deposits with high-credit-quality financial institutions. At times, a portion of our cash may be uninsured or in deposit accounts that exceed or are not covered under the FDIC limit.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recorded at cost when earned and represent claims against third parties that will be settled in cash. These receivables generally do not bear interest. The carrying value of our receivables, net of allowance for credit losses, represents the estimated collectable amount. If events or changes in circumstances indicate specific receivable balances may be impaired, further consideration is given to our ability to collect those balances and the allowance is adjusted accordingly. We perform credit evaluations of new customers, and sometimes require deposits and prepayments, to mitigate credit risk. When it is probable that all or part of an outstanding balance will not be collected, we establish an allowance for credit losses.

We are exposed to credit losses primarily through sales of products, services, and rentals. We analyze accounts receivable on an individual customer and overall basis through review of historical collection experience and current aging status of our customer accounts. We also consider the financial condition and economic environment of our customers in evaluating the need for an allowance. The Company considers its trade receivables to consist of two portfolio segments: general receivables and shortfall receivables.

General Receivables

General receivables result from fulfilling a performance obligation associated with a customer contract. General receivables were \$118.4 million and \$120.6 million as of March 31, 2026 and December 31, 2025, respectively, for amounts invoiced with customers. We recognized de minimis credit loss expense for the three months ended March 31, 2026. We did not recognize credit loss expense for the three months ended March 31, 2025.

Shortfall Receivables

Shortfall receivables result when a customer does not meet the minimum purchases over a period of time defined in the applicable contract. Shortfall receivables were \$36.1 million and \$34.2 million as of March 31, 2026 and December 31, 2025, respectively, for amounts invoiced with customers. We did not recognize credit loss expense for both the three months ended March 31, 2026 and 2025.

As of both March 31, 2026 and December 31, 2025, we had \$4.6 million in allowance for credit losses. Allowance for credit losses is included in accounts receivable on the condensed consolidated balance sheets.

As of March 31, 2026, three customers represented 21.5%, 20.9%, and 16.7% of the Company’s outstanding accounts receivable trade balance. As of December 31, 2025, three customers represented 20.9%, 17.3%, and 10.0% of the Company’s outstanding accounts receivable trade balance.

Inventories

Inventories include raw sand stockpiles, in-process product, and finished product available for shipment. Inventories are valued at the lower of cost or net realizable value. Cost is determined using a weighted average cost method. Production costs include direct excavation costs, production personnel and benefits costs, processing costs, rental equipment costs, other costs directly attributable to plant operations, depreciation, and depletion.

Spare Part Inventories

Spare part inventories include critical spares, materials and supplies used in the sand and logistics segment along with equipment parts used in the power segment. Spare part inventories are valued at the lower of cost or net realizable value. Cost is determined using either the weighted average cost method or the first-in, first-out (“FIFO”) method.

Goodwill and Acquired Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of the net identifiable assets acquired in a business combination. Goodwill is not amortized, but is reviewed for impairment annually on October 1, or more frequently when events or changes in circumstances indicate that the carrying value may not be recoverable. Judgments regarding indicators of potential impairment are based on market conditions and operational performance of our business. We determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value after considering qualitative, market and other factors. If it is necessary to perform the quantitative assessment to determine if our goodwill is impaired, the fair value is determined using significant unobservable inputs, or Level 3 in the fair value hierarchy. The expected future cash flows used for impairment reviews and related fair value calculations are based on subjective, judgmental assessments of the discount rate, projected volumes of sand sold, and product revenue. If the carrying amount exceeds the fair value, an impairment loss is recognized in the current period in an amount equal to the excess.

The Company amortizes the cost of definite-lived intangible assets on a straight-line basis over their estimated useful lives of 2 to 10 years. These assets are evaluated for impairment when events or changes in circumstances indicate that the carrying amount of the definite-lived intangible assets may not be recoverable.

Other Intangible Assets

Other intangible assets consist of internal-use software. The Company applies the provisions of ASC 350, “Intangibles-Goodwill and Other.” Costs associated with the acquisition of an internal-use software are capitalized when incurred and amortized over the estimated useful life of the license or application, which is generally 1 to 5 years. As of March 31, 2026 and December 31, 2025, the balance of other intangible assets was \$5.9 million and \$5.4 million, respectively.

Amortization expense associated with the other intangibles was \$0.4 million and \$0.2 million for the three months ended March 31, 2026 and 2025, respectively. The amortization expense is recorded in depreciation, depletion and accretion expense in the condensed consolidated statements of operations and condensed consolidated statements of cash flows.

Property, Plant and Equipment, Including Depreciation and Depletion

Property, plant and equipment are recorded at cost and depreciated over their estimated useful lives using either the straight-line method or the units of production method. Construction in progress is comprised of assets which have not been placed into service and is not depreciated until the related assets or improvements are ready to be placed into service.

Costs of improvements and remanufacturing of power equipment that extend economic life or improve service potential are capitalized and depreciated over the remaining useful life of the asset, with routine repairs and maintenance expensed as incurred.

Fixed assets are carried at historical cost. Fixed assets, other than plant facilities associated with productive, depletable properties, are depreciated using the straight-line method over the estimated useful lives of the assets as follows:

Plant facilities and equipment	1 – 40 years
Furniture and office equipment	3 – 15 years
Computer and network equipment	3 – 7 years
Buildings and leasehold improvements	5 – 40 years
Logistics equipment (1)	2 – 40 years
Power equipment (2)	1 – 15 years

(1) Logistics equipment consists of our fleet of fit-for-purpose trucks and trailers, wellsite equipment, and the Dune Express.

(2) Power equipment consists of our fleet of generators and microgrids and equipment utilized to service the fleet.

Mine development project costs are capitalized once the deposit is classified as a proven and probable reserve. Mine development costs include engineering, mineralogical studies, drilling and other related costs to develop the mine and remove the overburden to initially expose the mineral and allow for the construction of an access way. Exploration costs are expensed as incurred and classified as exploration expense.

Mining property and development costs are amortized using the units of production method on estimated recoverable tonnage, which equals estimated proven and probable reserves. The impact to reserve estimates is recognized on a prospective basis. Drilling and related costs are capitalized for deposits where proven and probable reserves exist. These activities are directed at obtaining additional information on the deposit or converting non-reserve minerals to proven and probable reserves, with the benefit being realized over a period greater than one year.

We routinely sell new and used power equipment and invest in new power equipment in order to manage repair and maintenance costs, as well as the composition and size of our power fleet. We also sell used power equipment in response to customer demand for the power equipment. These sales are recorded within product revenue on the condensed consolidated statements of operations.

Impairment or Disposal of Property, Plant and Mine Development

The Company periodically evaluates whether current events or circumstances indicate that the carrying value of our property, plant and equipment assets may not be recoverable. If circumstances indicate that the carrying value may not be recoverable, the Company estimates future undiscounted net cash flows using estimates, including but not limited to estimates of proven and probable sand reserves, estimated future sales prices (considering historical and current prices, price trends and related factors), operating costs and anticipated capital expenditures. If the undiscounted cash flows are less than the carrying value of the assets, the Company recognizes an impairment loss equal to the amount by which the carrying value exceeds the fair value of the assets.

The recoverability of the carrying value of the Company's mining property and development costs are dependent upon the successful development and commercial production of the Company's mineral deposit and the related processing facilities. The Company's evaluation of mineral properties for potential impairment primarily includes evaluating changes in the mineral reserves, or the underlying estimates and assumptions, including estimated production costs. Assessing the economic feasibility requires certain estimates including the prices of products to be produced and processing recovery rates, as well as operating and capital costs.

Asset Retirement Obligations

In accordance with ASC 410-20, "Asset Retirement Obligations", the Company records a liability for asset retirement obligations at the fair value of the estimated costs to retire a tangible long-lived asset at the time the liability is incurred, when there is a legal obligation to incur costs to retire the asset and when a reasonable estimate of the fair value of the obligation can be made. The Company has asset retirement obligations with respect to certain assets due to various contractual obligations to clean and/or dispose of those assets at the time they are retired.

A liability for the fair value of an asset retirement obligation, with a corresponding increase to the carrying value of related long-lived assets, is recognized at the time of an obligating event. The asset is depreciated using the straight-line method, and the discounted liability is increased through accretion over the expected timing of settlement.

The estimated liability is based on third-party estimates of costs to abandon, including estimated economic lives and external estimates as to the cost to bring the land to a state required by the lease agreements. The Company utilized a discount rate reflecting management's best estimate of the credit-adjusted risk-free rate. Revisions to the liability could occur due to changes in the estimated costs, changes in the economic life or if federal or state regulators enact new requirements regarding the abandonment. Accretion expense was \$0.2 million for both the three months ended March 31, 2026 and 2025. Accretion is recorded on the condensed consolidated statements of operations in depreciation, depletion and accretion expense. The current portion of the asset retirement obligation, \$1.8 million, is recorded within other current liabilities and the long-term portion, \$7.1 million, is recorded within asset retirement obligations on the Company's condensed consolidated balance sheets.

Changes in the asset retirement obligations are as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Beginning Balance	\$ 9,225	\$ 7,817
Accretion expense	214	189
Settlements	(504)	(483)
Ending Balance	<u>\$ 8,935</u>	<u>\$ 7,523</u>

Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Fair value is estimated by applying the following hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices in active markets for identical assets and liabilities, quoted prices for identical or similar assets or liabilities in inactive markets or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs that are generally unobservable and typically reflect management’s estimate of assumptions that market participants would use in pricing the asset or liability.

The amounts reported in the balance sheets as current assets or liabilities, including cash and cash equivalents, accounts receivable, prepaid expenses and other current assets, accounts payable, accrued liabilities and deferred revenues approximate fair value due to the short-term maturities of these instruments. The Company’s policy is to recognize transfers between levels at the end of the period. This disclosure does not impact the Company’s financial position, results of operations or cash flows.

As of the dates indicated, our debt consisted of the following (in thousands):

	At March 31, 2026		At December 31, 2025		Valuation Technique
	Carrying Value (a)	Fair Value	Carrying Value (a)	Fair Value	
Financial liabilities					
Outstanding principal amount of the 2025 Term Loan Credit Facility	\$ 496,418	\$ 577,860	\$ 500,761	\$ 590,526	Level 2 – Market Approach
Outstanding principal amount of the 2023 ABL Credit Facility	\$ 75,000	\$ 75,000	\$ 50,000	\$ 50,000	Level 1 – Quoted Prices
Outstanding amount of the other indebtedness	\$ 51,254	\$ 51,254	\$ 18,383	\$ 18,383	Level 1 – Quoted Prices
Outstanding principal amount of the Deferred Cash Consideration Note	\$ —	\$ —	\$ 9,777	\$ 9,985	Level 2 – Market Approach
(a) Net of discount and deferred financing costs					

•Our 2025 Term Loan Credit Facility (defined in Note 8 - *Debt*) with Stonebriar Commercial Finance LLC (“Stonebriar”), pursuant to which Stonebriar extended a \$540.0 million single advance term loan, bears interest at a rate equal to 9.51% per annum. The loan is payable in eighty-five consecutive monthly installments, consisting of forty-eight monthly installments of combined principal and interest, thirty-six installments of interest only payments, and a final payment of the remaining outstanding principal balance at maturity. As of March 31, 2026 and December 31, 2025, the fair value of debt has been determined by discounting the future cash flows using current market interest rates for similar financial instruments. These inputs are not quoted prices in active markets, but they are either directly or indirectly observable; therefore, they are classified as Level 2 inputs.

•The carrying amount of the Company’s 2023 ABL Credit Facility (defined in Note 8- *Debt*) approximated fair value as it bears interest at variable rates over the term of the loan. Therefore, we have classified this long-term debt as Level 1 of the fair value hierarchy.

•We believe the fair value of our other indebtedness approximates the carrying value. This balance is comprised of equipment financing agreements. We considered the rates entered into for 2026 equipment financing agreements for the same equipment. Therefore we have classified this debt as Level 1 of the fair value hierarchy.

•The Deferred Cash Consideration Note (defined in Note 8- *Debt*) entered into in connection with the Hi-Crush Transaction (defined in Note 8- *Debt*) was recorded at fair value as of the acquisition date. As of December 31, 2025, the fair value of debt has been determined by discounting the future cash flows using current market interest rates for similar financial instruments. These inputs are not quoted prices in active markets, but they are either directly or indirectly observable; therefore, they are classified as Level 2 inputs.

See Note 8 - *Debt* for further discussion on our debt arrangements.

Fair Value of Contingent Consideration

Contingent consideration represents a recurring fair value estimate of potential future payments. This fair value measurement is based on unobservable inputs, including management estimates and assumptions about the future achievement of milestones and future estimate of revenues, and is, therefore, classified as Level 3 within the fair value hierarchy. Refer to Note 3 - *Acquisitions* and Note 16 - *Fair Value Measurements* for further discussion.

Leases

The Company leases office space, equipment, and vehicles under non-cancellable agreements. The Company's leases may include options to extend or renew at the Company's discretion. The measurement of the lease term includes options to extend or renew when it is reasonably certain the Company will exercise those options. Lease assets and liabilities are recognized at the commencement date based on the present value of minimum lease payments over the lease term. To determine the present value of future minimum lease payments, the Company uses the implicit rate when readily determinable; however, certain leases do not provide an implicit rate. Therefore, to determine the present value of minimum lease payments, the Company uses the incremental borrowing rate based on the information available at the commencement date of the lease. The Company's finance lease agreements typically include an interest rate that is used to determine the present value of future lease payments. Short-term operating leases with an initial term of 12 months or less are not recorded on our balance sheet. Minimum lease payments are expensed on a straight-line basis over the lease term, including reasonably certain renewal options.

The Company periodically evaluates whether current events or circumstances indicate that the carrying value of our right-of-use assets exceeds fair value. If such a review should indicate that the carrying amount of right-of-use asset is not recoverable, the Company will reduce the carrying amount of such assets to fair value.

The Company is a lessor as we lease certain power equipment to customers through operating leases. These agreements are short term with terms ranging from monthly to one year. There are no renewal options that are reasonably certain to be exercised, or early termination options based on established terms specific to the individual agreement.

Under Accounting Standards Update ("ASU") 2016-02, *Leases* (Topic 842), the Company elected the package of practical expedients permitted under the transition guidance within the new standard, including the option to carry forward the historical lease classifications and assessment of initial direct costs, account for lease and non-lease components as a single lease, and to not include leases with an initial term of less than 12 months in the lease assets and liabilities.

Revenues

Under ASC Topic 606 - *Revenue from Contracts with Customers* ("ASC 606"), revenue recognition is based on the transfer of control, or the customer's ability to benefit from the services and products in an amount that reflects the consideration expected to be received in exchange for those services and products. In recognizing revenue for products and services, the transaction price is determined from sales orders or contracts with customers.

The Company generates product revenues from the sale of proppant and power equipment that customers purchase for use in the oil and gas industry. Proppant revenues are derived from product sold to customers under supply agreements, the terms of which can extend for over one year, and from spot sales through individual purchase orders executed at prevailing market rates. The Company's proppant revenues are primarily a function of the price per ton realized and the volumes sold. Pricing structures under the supply agreements are, in certain cases, subject to certain contractual adjustments and consist of a combination of negotiated pricing and fixed pricing. These arrangements may undergo periodic negotiations regarding pricing and volume requirements, which may occur in volatile market conditions. Power equipment revenues are derived from sales agreements with customers for certain equipment.

The Company generates service revenue by providing transportation, wellsite solutions, and contract labor services to companies in the oil and gas industry. Transportation services typically consist of transporting product from the plant facilities to the wellsite. The amounts invoiced reflect the transportation services rendered. The amounts invoiced reflect either the contractual monthly minimum, or the length of time the equipment was utilized in the billing period. Labor services provide the customers with supervisory, logistics, or field personnel. The amounts invoiced for wellsite solutions and contract labor services reflect the amount of time these services were utilized in the billing period. Transportation, wellsite solutions, and contract labor services are contracted through formal agreements or work orders executed under established pricing terms.

The Company generates rental revenue from the power equipment leases. Revenue is based on monthly rental rates and usage. Revenue for agreements that are not considered monthly is recognized in the period earned on a straight-line basis over the term of the contract, regardless of the timing of the billing to customers, or through usage which is variable each month based on activity.

The Company recognizes revenue for product at a point in time following the transfer of control and satisfaction of the performance obligation of such items to the customer, under ASC 606, which typically occurs upon customer pick-up at the facilities for proppant and delivery for power equipment. The Company recognizes revenue for services when services are rendered to the customer and the performance obligation is satisfied. The Company's standard collection terms are generally 30 days, with certain customer payment terms extending up to 60 days.

Certain of the Company's contracts contain shortfall provisions that calculate agreed upon fees that are billed when the customer does not meet the minimum purchases over a period of time defined in each contract and when collectability is reasonably certain. As the Company does not have the ability to predict customers' orders over the period, there are constraints around the ability to recognize the variability in consideration related to this condition. The Company recognized \$1.9 million and \$12.4 million for shortfall provision revenue for the three months ended March 31, 2026 and 2025, respectively, which was recorded in product revenue in the condensed consolidated statements of operations.

The Company's revenue was generated in the United States for the three months ended March 31, 2026 and 2025. Revenue is disaggregated by product, service, and rental revenue. No further disaggregation of revenue information is provided.

The Company has elected to use the ASC 606 practical expedients, pursuant to which it has excluded disclosures of transaction prices allocated to remaining performance obligations and when it expects to recognize such revenue. The remaining performance obligations are primarily comprised of unfulfilled contracts to deliver product, most of which hold a remaining duration of less than one year, and of which ultimate transaction prices will be allocated entirely to the unfulfilled contracts. The Company's transaction prices under these contracts may be impacted by market conditions and potential contract negotiations, which have not yet been determined, and are therefore variable in nature.

The Company has elected to exclude from the measurement of the transaction price all taxes assessed by governmental authorities that are both imposed on and concurrent with a specific revenue-producing transaction and collected by the Company from a customer, such as sales tax, use tax, value-added tax and similar taxes.

Deferred Revenues

The Company occasionally receives prepayments from customers for future deliveries of product or contributions in aid of construction as well as bills customers in excess of recognizable revenue for certain power equipment rental arrangements. Amounts received from customers in advance of product deliveries or amounts billed to customer in excess of recognizable revenue are recorded as contract liabilities referred to as deferred revenues and are recognized as revenue upon delivery of the product or satisfaction of performance obligations. Certain prepayments are secured by collateral interest in certain property, plant and equipment. The Company recognized revenue of \$0.2 million and \$2.3 million from deferred revenue for the three months ended March 31, 2026 and 2025, respectively.

Changes in the deferred revenues balance are as follows (in thousands):

	Three Months Ended March 31,			
	2026		2025	
Beginning Balance	\$	1,404	\$	7,755
Customer prepayment acquired in acquisitions		—		923
Consideration deferred		3,477		268
Revenue recognized		(213)		(2,286)
Ending Balance	\$	<u>4,668</u>	\$	<u>6,660</u>

Stock-Based Compensation

We account for stock-based compensation, including grants of incentive units, restricted stock awards, time-based restricted stock units and performance share units, under the measurement and recognition provisions of ASC 718, "Compensation – Stock Compensation." We account for stock-based compensation by amortizing the fair value of the stock, which is determined at the grant date, on a straight-line basis unless the tranche method is required.

We account for forfeitures as they occur and reverse any previously recognized stock-based compensation expense for the unvested portion of the awards that were forfeited. The number of forfeited shares will be available for purposes of awards under the Company's Long Term Incentive Plan (the "LTIP"). Stock-based compensation expense is recognized as selling, general and administrative expense on the Company's condensed consolidated statements of operations.

Legal Insurance Proceeds

The Company recorded \$4.8 million of insurance proceeds for the three months ended March 31, 2026 for legal expense reimbursements recorded within selling, general and administrative expense on the condensed consolidated statements of operations. Within the condensed consolidated balance sheets, \$3.3 million was included in cash and cash equivalents as of March 31, 2026 and the remaining \$1.5 million that has not been collected was recorded in accounts receivable as of March 31, 2026. The Company did not have legal insurance proceeds for the three months ended March 31, 2025.

Income Taxes

The Company, under ASC 740–Income Taxes (“ASC 740”), computes its quarterly taxes using an estimated annual effective tax rate which is applied to year-to-date pre-tax book net income, except for discrete items. Income taxes associated with discrete items are computed and recorded in the period that the specific transaction occurs.

ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Company evaluates the uncertainty in tax positions taken or expected to be taken in the course of preparing the Financial Statements to determine whether the tax positions are more likely than not of being sustained by the applicable tax authority. However, the conclusions regarding the evaluation are subject to review and may change based on factors including, but not limited to, ongoing analysis of tax laws, regulations, and interpretations thereof.

As of March 31, 2026 and December 31, 2025, the Company did not have any liabilities for uncertain tax positions or gross unrecognized tax benefits. Our income tax returns from 2021, 2022, 2023 and 2024 are subject to examinations by U.S. federal, state or local tax authorities. The Company cannot predict or provide assurance as to the ultimate outcome of any existing or future examinations.

Recently Issued Accounting Pronouncements

Financial Instruments–Credit Losses- In July 2025, the FASB issued ASU 2025-05, Financial Instruments–Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets, which added a practical expedient that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset when estimating expected credit losses for current accounts receivable and current contract assets. The new standard is effective for annual periods beginning after December 15, 2025. The Company adopted ASU 2025-05 as of January 1, 2026 and there was no material impact on our condensed consolidated financial statements.

Recently Issued Accounting Pronouncements Not Yet Effective

Intangibles–Goodwill and Other–Internal-Use Software- In September 2025, the FASB issued ASU 2025-06, Intangibles–Goodwill and Other–Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software, which removed the language around project stages that was used to assess when costs could be capitalized for an internal-use software. The update also requires internal-use software to be disclosed under the ASC 360 Property, Plant, and Equipment guidance. The new standard is effective for annual periods beginning after December 15, 2027. The Company is currently evaluating the impact on the Financial Statements and related disclosures.

Income Statement Reporting Disclosures- In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40). The amendments in this update requires additional disclosure of certain costs and expenses within the notes to the financial statements. The new standard is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027. The Company is currently evaluating the impact on the Financial Statements and related disclosures.

Note 3 – Acquisitions

PropFlow Acquisition

On July 28, 2025, the Company completed the PropFlow Acquisition and acquired 100% of the membership interests in PropFlow and its wholly owned subsidiaries, PropFlow Operating, LLC; PropFlow International, LLC; and PropFlow Employee Co., LLC. The PropFlow Acquisition increased efficiency of our logistics operations through our acquisition and integration of PropFlow’s patented on-wellsite proppant filtration technology.

There have been no adjustments to consideration since December 31, 2025. Refer to the table below for the acquisition-date fair value of the consideration as of July 28, 2025 and December 31, 2025 (in thousands):

	July 28, 2025	Adjustments	December 31, 2025
Cash to sellers at close	\$ 6,513	\$ —	\$ 6,513
Debt payments	14,806	—	14,806
Seller transaction expenses	1,793	—	1,793
Holdback amount (1)	2,500	—	2,500
Contingent consideration (2)	10,200	(4,950)	5,250
Total	\$ 35,812	\$ (4,950)	\$ 30,862

(1) This amount represents (i) cash holdbacks subject to changes from estimated to actual net working capital amounts and other customary purchase price adjustments and (ii) cash holdbacks to satisfy post-closing indemnity claims, if any, in accordance with the PropFlow Purchase Agreement (“holdback amount”). The amount in the table above is based on management’s best estimate as of July 28, 2025 and may be subject to further adjustments.

(2) Contingent consideration to be paid to BCA HoldCo pursuant to the PropFlow Purchase Agreement, subject to the achievement of certain revenue targets.

The purchase price includes \$5.3 million of contingent consideration related to an earnout arrangement. Under the terms of the PropFlow Purchase Agreement, the Company may be required to pay a maximum of \$15.0 million to BCA HoldCo in the fiscal years 2027 and 2028, contingent upon the achievement of certain revenue targets (the “Earnout Payment”). Payment of the Earnout Payment will be settled in cash. The Company estimated the fair value of the contingent consideration as of the acquisition date. The Company implemented a Monte Carlo simulation utilizing a risk neutral framework to determine the value of the Earnout Payment. The Company simulated the 2026 and 2027 Systems Rental Revenue and Sand and Logistics Revenue respectively using two correlated geometric Brownian motions over the 2026 and 2027 earnout periods. “Systems Rental Revenue” is the net revenue generated from the actual number of Company filtration systems being provided to customers. “Sand and Logistics Revenue” is the net revenue generated by the Company from customer sites in geological basins outside of the Permian Basin with respect to (i) the sale of frac sand processed by Company filtration systems and (ii) the associated logistics operations to deliver the sand processed by such Company filtration systems to such customer wellsites. The calculated Earnout Payment is then discounted at a rate that reflects the appropriate credit risk of the Earnout Payment payer. The fair value of the Earnout Payment is estimated as the average discounted Earnout Payment across 1,000,000 iterations of the simulation. This fair value measurement was based on unobservable inputs, including management estimates and assumptions about the future achievement of milestones and future estimate of revenues, and is, therefore, classified as Level 3 within the fair value hierarchy presented in Note 16 - *Fair Value Measurements*. The key inputs as of the acquisition date are outlined below:

Key Inputs	December 31, 2025	December 31, 2026	December 31, 2027
Risk-Free Rate	4.40 %	4.12 %	3.92 %
Continuous Risk-Free Rate	4.31 %	4.04 %	3.85 %
Systems Revenue Discount Rate	19.75 %	19.75 %	19.75 %
Sand and Logistics Discount Rate	19.75 %	19.75 %	19.75 %
Systems Rental Revenue Volatility	40.10 %	40.10 %	40.10 %
Sand and Logistics Revenue Volatility	40.10 %	40.10 %	40.10 %
Credit Valuation Adjustment	Not Applicable	11.55 %	11.34 %

We will remeasure this liability at each reporting date and record changes in the fair value of the contingent consideration to the condensed consolidated statements of operations under change in fair value of contingent consideration. Increases or decreases in the fair value of the contingent consideration liability can result from changes in the passage of time, discount rates, and the timing and amount of our revenue estimates. Contingent consideration is included within other long-term liabilities on the condensed consolidated balance sheets. Refer to Note 16 - *Fair Value Measurements* for further discussion.

The Company has applied the acquisition method of accounting in accordance with ASC 805, "Business Combinations," and recognized assets acquired and liabilities assumed at their fair values as of the date of acquisition, with the excess purchase consideration recorded to goodwill. The fair value of acquired property and equipment were based on both available market data and a cost approach.

The following table summarizes the allocation of the purchase price to the fair value of assets acquired and liabilities assumed as of July 28, 2025, including adjustments through the measurement period. There were no adjustments since December 31, 2025. Refer to the table below (in thousands):

	July 28, 2025	Fair Value		December 31, 2025
		Adjustments		
Cash and cash equivalents	\$ 455	\$ —	\$ —	\$ 455
Accounts receivable	3,733	—	—	3,733
Property, plant and equipment	13,417	—	—	13,417
Intangible assets	9,750	(1,300)	—	8,450
Operating lease right-of-use assets	471	—	—	471
Other long-term assets	14	—	—	14
Accounts payable	(1,536)	—	—	(1,536)
Accrued liabilities	(246)	—	—	(246)
Operating lease liabilities	(471)	—	—	(471)
Goodwill	10,225	(3,650)	—	6,575
Net Assets Acquired	\$ 35,812	\$ (4,950)	\$ —	\$ 30,862

The Company retained an independent appraiser to determine the fair value of assets acquired and liabilities assumed. In accordance with the acquisition method of accounting, the purchase price of PropFlow has been allocated to the acquired assets and assumed liabilities based on their acquisition date fair values. The fair value estimates were based on income, market, and cost valuation methods. These fair values were based on inputs that are not observable in the market and thus represent Level 3 inputs. Several significant assumptions and estimates were involved in the application of these valuation methods, including discount rates, future expected cash flows and other future events that are based on the Company's best judgment from the information available.

The excess of the total consideration over the estimated fair value of the amounts initially assigned to the identifiable assets acquired and liabilities assumed has been recorded as goodwill. Of the \$6.6 million of goodwill recognized, \$1.9 million is considered non-deductible goodwill primarily attributable to the integration of patented on-wellsite proppant filtration technology along with economies of scale. The goodwill from the PropFlow Acquisition was assigned to the sand and logistics segment.

The fair value of the identifiable intangible assets was determined primarily using the income approach. The income approach requires a forecast of all of the expected future cash flows through various methods. Customer relationships were valued using the MPEEM. Trade name and proprietary technology were valued using the RFR method.

Moser Acquisition

On February 24, 2025, the Company completed the Moser Acquisition and acquired 100% of Moser AcquisitionCo's ownership interest and its wholly-owned subsidiary, Moser Engine Service, Inc. (d/b/a Moser Energy Systems). The Moser Acquisition expanded current operations into distributed power end markets.

There have been no adjustments to consideration since December 31, 2025. Refer to the table below for the acquisition-date fair value of the consideration as of February 24, 2025 and December 31, 2025 (in thousands):

	February 24, 2025	Adjustments	December 31, 2025
Cash to sellers at close (1)	\$ 187,535	\$ —	\$ 187,535
Stock consideration (2)	35,385	(1,481)	33,904
Total	\$ 222,920	\$ (1,481)	\$ 221,439

(1) Includes payment of debt and transaction costs paid on behalf of the Seller.

(2) Stock consideration is measured at fair value as of the Moser Closing Date (the "Moser Stock Consideration") by taking the product of (a) the 1,727,764 closing shares (as defined in the Moser Purchase Agreement) and (b) the low price per share of \$20.48 on February 24, 2025, which is in line with ASC 820, "Fair Value Measurement" and company policy as an accounting policy election under ASC 235, "Notes to Financial Statements." During the measurement period, there was a reduction to the equity consideration of \$1.5 million due to 72,106 shares being returned to the Company. The adjustment was made in accordance with the terms of the post-closing settlement from the Moser Purchase Agreement.

The Company has applied the acquisition method of accounting in accordance with ASC 805, "Business Combinations," and recognized assets acquired and liabilities assumed at their fair values as of the date of acquisition, with the excess purchase consideration recorded to goodwill. The fair value of acquired property and equipment were based on both available market data and a cost approach.

The following table summarizes the allocation of the purchase price to the fair value of assets acquired and liabilities assumed as of February 24, 2025, including adjustments through the measurement period. There were no adjustments since December 31, 2025. Refer to the table below (in thousands):

	February 24, 2025	Fair Value Adjustments	December 31, 2025
Cash and cash equivalents	\$ 6,024	\$ —	\$ 6,024
Accounts receivable	12,579	—	12,579
Spare parts inventories	11,278	(711)	10,567
Prepaid expenses and other current assets	559	—	559
Property, plant and equipment	65,303	(956)	64,347
Intangible assets	102,400	(13,200)	89,200
Operating lease right-of-use assets	5,423	—	5,423
Finance lease right-of-use assets	1,414	—	1,414
Accounts payable	(3,618)	—	(3,618)
Accrued liabilities	(2,375)	—	(2,375)
Current portion of operating lease liabilities	(1,239)	—	(1,239)
Current portion of finance lease liabilities	(561)	—	(561)
Current portion of deferred revenue	(923)	—	(923)
Other current liabilities	(4)	—	(4)
Deferred tax liabilities	(35,594)	3,348	(32,246)
Operating lease liabilities	(4,184)	—	(4,184)
Finance lease liabilities	(853)	—	(853)
Goodwill	67,291	10,038	77,329
Net Assets Acquired	\$ 222,920	\$ (1,481)	\$ 221,439

The Company retained an independent appraiser to determine the fair value of assets acquired and liabilities assumed. In accordance with the acquisition method of accounting, the purchase price of Moser has been allocated to the acquired assets and assumed liabilities based on their acquisition date fair values. The fair value estimates were based on income, market, and cost valuation methods. These fair values were based on inputs that are not observable in the market and thus represent Level 3 inputs. Several significant assumptions and estimates were involved in the application of these valuation methods, including discount rates, future expected cash flows and other future events that are based on the Company's best judgment from the information available.

The excess of the total consideration over the estimated fair value of the amounts initially assigned to the identifiable assets acquired and liabilities assumed has been recorded as goodwill. Of the \$77.3 million of goodwill recognized, \$77.3 million is considered non-deductible goodwill primarily attributable to the entry into the power segment along with economies of scale. The goodwill from the Moser Acquisition was assigned to the power segment.

The fair value of the identifiable intangible assets was determined primarily using the income approach and cost approach. The income approach requires a forecast of all of the expected future cash flows through various methods. Customer relationships were valued using the MPEEM and trade name and proprietary technology (generators) were valued using the RFR method. The cost approach reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost). Proprietary technology (military applications) was valued using the cost to recreate method.

Note 4 – Goodwill and Acquired Intangible Assets

Goodwill

Changes in the carrying value of goodwill (in thousands):

	Sand & Logistics		Power		Total	
Balance at December 31, 2025	\$	75,574	\$	77,329	\$	152,903
Acquisitions		—		—		—
Balance at March 31, 2026	\$	75,574	\$	77,329	\$	152,903

The Company has applied the acquisition method of accounting in accordance with ASC 805, “Business Combinations,” and recognized assets acquired and liabilities assumed from acquisitions at their fair value as of the date of acquisition, with the excess purchase consideration recorded to goodwill. Goodwill is not amortized, but is evaluated for impairment at least annually on October 1, or more frequently when events and circumstances occur indicating recorded goodwill may be impaired, no such events have occurred for the three months ended March 31, 2026 and 2025.

Acquired Intangible Assets

The following table presents the detail of acquired intangible assets other than goodwill as of March 31, 2026 and December 31, 2025 (in thousands):

	March 31, 2026			December 31, 2025		
	Carrying Amount	Accumulated Amortization	Net	Carrying Amount	Accumulated Amortization	Net
Customer relationships	\$ 159,226	\$ (27,100)	\$ 132,126	\$ 159,226	\$ (23,124)	\$ 136,102
Trade names	23,400	(11,281)	12,119	23,400	(9,793)	13,607
Proprietary technology	30,100	(3,922)	26,178	30,100	(2,946)	27,154
Total	\$ 212,726	\$ (42,303)	\$ 170,423	\$ 212,726	\$ (35,863)	\$ 176,863

Amortization expense recognized during the three months ended March 31, 2026 and 2025, was \$6.4 million and \$4.8 million, respectively, and was recorded in amortization expense of acquired intangible assets on the condensed consolidated statements of operations. Refer to Note 3 - *Acquisitions* for additional information over these acquired intangible assets.

Estimated future amortization expense is as follows (in thousands):

Remainder of 2026	\$	19,332
2027		21,600
2028		20,633
2029		20,633
2030		19,490
2031		18,873
Thereafter		49,862
Total	\$	170,423

The Company did not recognize impairment of definite-lived intangible assets for the three months ended March 31, 2026 and 2025.

Note 5 – Inventories

Inventories consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Raw materials	\$ 2,722	\$ 2,427
Work-in-process	7,070	8,044
Finished goods	2,983	3,145
Inventories	<u>\$ 12,775</u>	<u>\$ 13,616</u>

Note 6 – Property, Plant and Equipment, Net

Property, plant and equipment, net, consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Plant facilities associated with productive, depletable properties	\$ 311,151	\$ 311,105
Plant equipment	854,664	853,297
Land	8,897	8,897
Furniture and office equipment	5,864	5,330
Computer and network equipment	2,310	2,310
Buildings and leasehold improvements	54,631	54,434
Power equipment	98,443	89,923
Logistics equipment	563,183	559,256
Construction in progress	95,550	46,083
Property, plant and equipment	1,994,693	1,930,635
Less: Accumulated depreciation and depletion	(433,092)	(389,822)
Property, plant and equipment, net	<u>\$ 1,561,601</u>	<u>\$ 1,540,813</u>

Depreciation expense recognized in depreciation, depletion and accretion expense was \$41.3 million and \$33.2 million for the three months ended March 31, 2026 and 2025, respectively.

Depletion expense recognized in depreciation, depletion and accretion expense was \$3.3 million and \$3.4 million for the three months ended March 31, 2026 and 2025, respectively.

Depreciation expense recognized in selling, general and administrative expense was \$1.7 million and \$1.3 million for the three months ended March 31, 2026 and 2025, respectively.

Impairment or Disposal of Long-Lived Assets and Insurance Proceeds

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the asset's carrying amount may not be recoverable. The Company conducts its long-lived asset impairment analyses in accordance with ASC 360-10-15, "Impairment or Disposal of Long-Lived Assets." The Company did not recognize impairment of long-lived assets or loss on disposal of assets for the three months ended March 31, 2026 and 2025.

For the three months ended March 31, 2026, the Company received certain insurance proceeds of \$3.3 million. These proceeds were in connection with the disposal of a dredge asset that was damaged during commissioning at one of the Kermit facilities in the third quarter of 2024. The proceeds are recorded as insurance recovery (gain) on the condensed consolidated statements of operations and as cash and cash equivalents on the condensed consolidated balance sheets for the period ended March 31, 2026. There were no insurance proceeds received for the three months ended March 31, 2025.

Note 7 – Leases

Lessor Arrangements

The Company leases power equipment to customers through operating leases. These agreements are short-term with terms ranging from monthly to one year. There are no renewal options that are reasonably certain to be exercised, or early termination options based on established terms specific to the individual agreement.

The following table presents the underlying gross assets and accumulated depreciation of power equipment leases included in property, plant and equipment, net (in thousands):

	March 31, 2026		December 31, 2025	
Gross assets	\$	49,564	\$	41,700
Less: Accumulated depreciation		(7,076)		(4,344)
Net assets	\$	<u>42,488</u>	\$	<u>37,356</u>

Revenues from the leased power equipment for the three months ended March 31, 2026 and 2025, was \$17.5 million and \$7.3 million, respectively, which is presented as rental revenue on the condensed consolidated statements of operations.

The estimated future undiscounted cash flows from lessor revenue are not expected to be material as our lessor leases are short-term.

Lessee Arrangements

We have operating and finance leases primarily for office space, equipment, and vehicles. The terms and conditions for these leases vary by the type of underlying asset.

Certain leases include variable lease payments for items such as property taxes, insurance, maintenance, and other operating expenses associated with leased assets. Payments that vary based on an index or rate are included in the measurement of lease assets and liabilities at the rate as of the commencement date. All other variable lease payments are excluded from the measurement of lease assets and liabilities, and are recognized in the period in which the obligation for those payments is incurred.

The components of lease cost were as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Finance lease cost:		
Amortization of right-of-use assets	\$ 2,741	\$ 877
Interest on lease liabilities	966	68
Operating lease cost	1,725	2,504
Variable lease cost	587	207
Short-term lease cost	26,497	19,687
Total lease cost	\$ <u>32,516</u>	\$ <u>23,343</u>

Supplemental cash flow and other information related to leases were as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash inflows from operating leases (a)	\$ 2,069	\$ —
Operating cash outflows from operating leases	\$ 1,644	\$ 2,542
Operating cash outflows from finance leases	\$ 966	\$ 68
Financing cash outflows from finance leases	\$ 2,134	\$ 959
Right-of-use assets obtained in exchange for new lease liabilities:		
Operating leases	\$ 3,662	\$ 5,472
Finance leases	\$ 26,680	\$ 1,414

(a) The Company received lease incentives from a landlord of \$2.1 million as of March 31, 2026, which is reflected as a reduction of the operating lease liability.

Lease terms and discount rates as of March 31, 2026 and December 31, 2025 are as follows:

	March 31, 2026	December 31, 2025
Weighted-average remaining lease term:		
Operating leases	5.0 years	4.5 years
Finance leases	5.8 years	5.5 years
Weighted-average discount rate:		
Operating leases	8.3%	8.5%
Finance leases	8.5%	8.3%

Future minimum lease commitments as of March 31, 2026 are as follows (in thousands):

	Finance	Operating
Remainder of 2026	\$ 10,359	\$ 3,443
2027	12,325	4,012
2028	11,076	3,663
2029	10,446	3,492
2030	10,166	3,515
Thereafter	12,999	3,063
Total lease payments	\$ 67,371	\$ 21,188
Less imputed interest	14,281	4,393
Total	<u>\$ 53,090</u>	<u>\$ 16,795</u>

On February 17, 2025, we entered into two master lease agreements between subsidiaries of the Company as lessees and a counterparty as the lessor in each case, to fund up to \$65.0 million of purchases of transportation and logistics equipment. The progress rent for financing on any purchased equipment is based on the monthly equivalent lease rate factor to be determined at execution of each lease schedule.

Master Lease Agreement and Interim Funding Agreement

On December 26, 2025, the Company, entered into a master lease agreement (the "Lease Agreement") by and between Socorro, as lessee, and Stonebriar, as lessor, and an Interim Funding Agreement (the "Interim Funding Agreement" and, together with the Lease Agreement, the "Lease Documents"), by and between Socorro and Stonebriar, pursuant to which Socorro assigned a reservation agreement (the "Reservation Agreement") for the manufacture of approximately 240 MW of power generation equipment (the "Equipment") to Stonebriar and Stonebriar agreed to lease such power generation equipment back to Socorro.

Pursuant to the Lease Documents, Stonebriar will make periodic advances up to \$385.0 million and Socorro will make payments to Stonebriar in two phases: (i) monthly rental payments in the amount of the unpaid balance of the aggregate amounts advanced by Stonebriar multiplied by a lease rate factor equal to a per annum rate equal to the sum of one-month Secured Overnight Financing Rate ("SOFR") plus 635 basis points and (ii) once Equipment (as defined in the Interim Funding Agreement) under the Reservation Agreement is delivered to and accepted by Socorro, monthly rental payments in an amount set forth in the applicable Schedule (as defined in the Interim Funding Agreement) relating to such Equipment. The Lease Agreement provides that Socorro may terminate the Lease Agreement (x) prior to the Term Expiration Date (as defined in the Lease Agreement) for an early termination price set forth on the Schedule for such Equipment or (y) on the Term Expiration Date as set forth on the Schedule for such Equipment, in each case, subject to certain terms and conditions described in the Lease Agreement. The obligations under the Lease Agreement are guaranteed on an unsecured basis by the Company.

As of March 31, 2026, we had \$70.6 million of additional leases that have not yet commenced. Certain equipment leases discussed here are a component of the purchase commitments discussed in Note 9 - *Commitments and Contingencies*.

Note 8 – Debt

Debt consists of the following (in thousands):

	March 31, 2026	December 31, 2025
2025 Term Loan Credit Facility	\$ 520,609	\$ 525,798
2023 ABL Credit Facility	75,000	50,000
Other indebtedness	51,254	18,383
Deferred Cash Consideration Note	—	10,000
Less: Debt discount, net of accumulated amortization of \$10,710 and \$9,667, respectively	(23,516)	(24,559)
Less: Deferred financing fees, net of accumulated amortization of \$446 and \$419, respectively	(675)	(701)
Less: Current portion (a)	(65,632)	(40,681)
Long-term debt	<u>\$ 557,040</u>	<u>\$ 538,240</u>

(a) The current portion of long-term debt reflects payments based on the terms of the 2025 Term Loan Credit Facility and other indebtedness.

2025 Term Loan Credit Facility

On February 21, 2025, Atlas LLC entered into a credit agreement (the “2025 Term Loan Credit Agreement”) with Stonebriar, as administrative agent and initial lender, pursuant to which Stonebriar extended Atlas LLC a term loan credit facility comprised of a \$540.0 million single advance term loan that was made on February 21, 2025 (the “2025 Term Loan Credit Facility”).

The 2025 Term Loan Credit Facility is payable in eighty-five consecutive monthly installments, consisting of forty-eight monthly installments of combined principal and interest, thirty-six installments of interest only payments, and a final payment of the remaining outstanding principal balance at maturity. The 2025 Term Loan Credit Facility has a final maturity date of March 1, 2032. The 2025 Term Loan Credit Facility bears interest at a rate equal to 9.51% per annum.

The 2025 Term Loan Credit Facility includes a discount of \$20.2 million and de minimis deferred financing fees. As discussed below (*2023 Term Loan Credit Facility*), the 2025 Term Loan Credit Facility also includes previously unamortized debt discount and deferred financing fees of \$7.7 million associated with prior Stonebriar borrowings. These amounts are recorded as a direct reduction from the carrying amount of the debt obligation on the Company’s condensed consolidated balance sheets and are amortized to interest expense using the effective interest method. Interest expense associated with the 2025 Term Loan Credit Facility was \$12.3 million and \$5.5 million for the three months ended March 31, 2026 and 2025, respectively, and the interest expense associated with the discount and deferred financing costs was \$0.8 million and \$0.3 million for the three months ended March 31, 2026 and 2025, respectively.

In the event that the Leverage Ratio (as defined under the 2025 Term Loan Credit Agreement) as of the end of any fiscal quarter ending on or after June 30, 2025 is equal to or greater than 2.5:1.0, Atlas LLC will be required to prepay the 2025 Term Loan Credit Facility with 50% of Excess Cash Flow (as defined under the 2025 Term Loan Credit Agreement) for the fiscal quarter period most recently ended less the aggregate amount of optional prepayments of the 2025 Term Loan Credit Facility made during such period.

Atlas LLC may voluntarily redeem the loan outstanding under the 2025 Term Loan Credit Facility, provided that any such prepayment shall include a prepayment fee equal to the sum of the Make-Whole Amount (as defined in under the 2025 Term Loan Credit Agreement) plus (a) three percent (3%) of the principal amount being repaid if such prepayment occurs on or prior to February 21, 2028, (b) two percent (2%) of the principal amount being repaid if such prepayment occurs after February 21, 2028 but on or prior to February 21, 2029 and (c) one percent (1%) of the principal amount being repaid if such prepayment occurs thereafter. The Make-Whole Amount shall equal zero (0) when calculating any prepayment made after February 21, 2027. Upon the maturity of the 2025 Term Loan Credit Facility, the entire unpaid principal amount of the loan outstanding thereunder, together with interest, fees and other amounts payable in connection with the facility, will be immediately due and payable without further notice or demand.

Dividends and distributions to equity holders are permitted to be made pursuant to certain limited exceptions and baskets described in the 2025 Term Loan Credit Agreement and otherwise generally subject to certain restrictions set forth in the 2025 Term Loan Credit Agreement, including the requirement that no Event of Default (as defined under the 2025 Term Loan Credit Agreement) has occurred and is continuing.

The 2025 Term Loan Credit Facility includes certain non-financial covenants, including but not limited to restrictions on incurring additional debt and certain distributions. The 2025 Term Loan Credit Facility is subject to two financial covenants, which require that the Loan Parties (as defined in the 2025 Term Loan Credit Agreement) maintain a maximum Leverage Ratio of 4.0 to 1.0 and a minimum Liquidity (as defined in the 2025 Term Loan Credit Agreement) of \$40,000,000. Such financial covenants are tested as of the last day of each fiscal quarter.

The Company used the proceeds from the 2025 Term Loan Credit Facility (i) to refinance the existing 2023 Term Loan Credit Facility and the ADDT Loan (as defined below), (ii) to finance the cash consideration for the Moser Acquisition, and (iii) for general corporate purposes.

The 2025 Term Loan Credit Facility is unconditionally guaranteed, jointly and severally, by Atlas LLC and its subsidiaries and secured by substantially all of the assets of Atlas LLC and its subsidiaries. The 2025 Term Loan Credit Facility is also unconditionally guaranteed on an unsecured basis by the Company.

As of March 31, 2026, Atlas LLC was in compliance with the covenants of the 2025 Term Loan Credit Facility.

Deferred Cash Consideration Note

On March 5, 2024, the Company completed the acquisition of Hi-Crush, in exchange for mixed consideration, subject to customary post-closing adjustments (the “Hi-Crush Transaction”), pursuant to that certain Agreement and Plan of Merger, dated February 26, 2024 (the “Hi-Crush Merger Agreement”), by and among the Company, Atlas LLC, Wyatt Merger Sub 1 Inc., a Delaware corporation and direct, wholly-owned subsidiary of Atlas LLC, Wyatt Merger Sub 2, LLC, a Delaware limited liability company and direct, wholly-owned subsidiary of Atlas LLC, Hi-Crush, each stockholder of Hi-Crush as of immediately prior to the effective time of the mergers pursuant to the Hi-Crush Merger Agreement (each a “Hi-Crush Stockholder” and, collectively, the “Hi-Crush Stockholders”), Clearlake Capital Partners V Finance, L.P., solely in its capacity as the Hi-Crush Stockholders’ representative and HC Minerals Inc., a Delaware corporation (collectively, the “Parties”).

In accordance with the Hi-Crush Merger Agreement, the Company issued a secured PIK toggle seller note in an aggregate principal amount of \$111.3 million, with a final maturity date of January 31, 2026 (the “Deferred Cash Consideration Note”). The Deferred Cash Consideration Note was part of the consideration transferred and valued at fair value at the acquisition date. This amount was subject to adjustments as set forth in the Hi-Crush Merger Agreement. In January 2026, the Deferred Cash Consideration Note increased by \$1.1 million in accordance with settlement terms from the Hi-Crush Merger Agreement.

The Deferred Cash Consideration Note bears interest at a rate of 5.00% per annum if paid in cash, or 7.00% per annum if paid in kind. Interest on the Deferred Cash Consideration Note is payable quarterly in arrears beginning March 29, 2024 through maturity. Interest expense associated with the Deferred Cash Consideration Note was de minimis and \$0.7 million for the three months ended March 31, 2026 and 2025, respectively.

The Deferred Cash Consideration Note included \$4.6 million of debt discount and approximately \$0.1 million deferred financing costs. The discount and deferred financing costs are a direct reduction from the carrying amount of the debt obligation on the Company’s condensed consolidated balance sheets and are amortized to interest expense using the effective interest method. Interest expense associated with the discount and deferred financing costs were approximately \$0.2 million and \$0.6 million in total for the three months ended March 31, 2026 and 2025, respectively.

Atlas LLC’s obligations under the Deferred Cash Consideration Note are secured by certain of the assets acquired in connection with the Hi-Crush Transaction. The Deferred Cash Consideration Note is also unconditionally guaranteed by Atlas LLC on an unsecured basis.

Repayment of the Deferred Cash Consideration Note

In February 2025, the Company used a portion of the proceeds from the Equity Offering, defined in Note 10 - *Stockholders Equity*, to repay \$101.3 million of the outstanding principal balance of the Deferred Cash Consideration Note. The remaining \$11.1 million of principal was paid at maturity.

2023 Term Loan Credit Facility

On July 31, 2023, Atlas LLC entered into a credit agreement (the “2023 Term Loan Credit Agreement”) with Stonebriar, as administrative agent and initial lender, pursuant to which Stonebriar extended Atlas LLC a term loan credit facility comprising a \$180.0 million single advance term loan that was made on July 31, 2023 (the “Initial Term Loan”) and commitments to provide up to \$100.0 million of delayed draw (the “DDT Loan”) term loans (collectively, the “2023 Term Loan Credit Facility”), which was subsequently amended to provide an additional delayed draw term loan (the “ADDT Loan”) in the aggregate principal amount of \$150.0 million and increase the existing DDT Loan by an aggregate principal amount of \$100.0 million to a total of \$200.0 million.

On February 21, 2025, Atlas LLC entered into the 2025 Term Loan Credit Agreement with Stonebriar, proceeds from which were used to repay \$332.4 million of the remaining principal and \$1.8 million of accrued interest of the Initial Term Loan, the DDT Loan, and the ADDT Loan. As this transaction was accounted for as a modification under ASC 470, “Debt,” these fees paid to the lender, as well as previously unamortized debt discount and deferred financing fees associated with the Initial Term Loan, the DDT Loan, and the ADDT Loan of \$7.7 million were deferred and recorded as a direct reduction from the carrying amount of the debt obligation on the condensed consolidated balance sheets. These deferred costs are amortized to interest expense using the effective interest method. In connection with this refinancing, on February 21, 2025, we incurred prepayment fees on the Initial Term Loan, the DDT Loan, and the ADDT Loan of \$13.3 million. The Company recorded the prepayment fees as additional debt discount and amortizes the amount as an adjustment over the remaining term of the modified debt instrument.

2023 ABL Credit Facility

On February 22, 2023, Atlas LLC, certain of its subsidiaries, as guarantors, Bank of America, N.A., as administrative agent (the “ABL Agent”), and certain financial institutions party thereto as lenders (the “2023 ABL Lenders”) entered into a Loan, Security and Guaranty Agreement (the “2023 ABL Credit Agreement”) pursuant to which the 2023 ABL Lenders provide revolving credit financing to the Company in an aggregate principal amount of up to \$75.0 million (the “2023 ABL Credit Facility”), with Availability (as defined in the 2023 ABL Credit Agreement) thereunder subject to a “Borrowing Base” as described in the 2023 ABL Credit Agreement. The 2023 ABL Credit Facility includes a letter of credit sub-facility, which permits issuance of letters of credit up to an aggregate amount of \$25.0 million. The scheduled maturity date of the 2023 ABL Credit Facility is February 22, 2028; provided that the 2023 ABL Credit Facility will mature on June 30, 2027 if any amount of the 2023 Term Loan Credit Facility that has a maturity date less than 91 days prior to February 22, 2028 is outstanding on June 30, 2027.

Atlas LLC may also request swingline loans under the 2023 ABL Credit Agreement in an aggregate principal amount not to exceed \$7.5 million. During the three months ended March 31, 2026 and the year ended December 31, 2025, Atlas LLC had no outstanding swingline loans under the 2023 ABL Credit Facility.

Borrowings under the 2023 ABL Credit Facility bear interest, at Atlas LLC’s option, at either a base rate or Term SOFR (as defined in the 2023 ABL Credit Agreement), as applicable, plus an applicable margin based on average Availability as set forth in the 2023 ABL Credit Agreement. Term SOFR loans bear interest at Term SOFR for the applicable interest period plus an applicable margin, which ranges from 1.50% to 2.00% per annum based on average Availability as set forth in the 2023 ABL Credit Agreement. Base rate loans bear interest at the applicable base rate, plus an applicable margin, which ranges from 0.50% to 1.00% per annum based on average Availability as set forth in the 2023 ABL Credit Agreement. In addition to paying interest on outstanding principal under the 2023 ABL Credit Facility, Atlas LLC is required to pay a commitment fee which ranges from 0.375% per annum to 0.500% per annum with respect to the unutilized commitments under the 2023 ABL Credit Facility, based on the average utilization of the 2023 ABL Credit Facility. Atlas LLC is required to pay customary letter of credit fees, to the extent that one or more letter of credit is outstanding. For both the three months ended March 31, 2026 and 2025, we recognized \$0.1 million of interest expense, unutilized commitment fees and other fees under the 2023 ABL Credit Facility, classified as interest expense. The 2023 ABL credit facility included \$1.0 million in deferred financing costs that are recorded under other long-term assets on the condensed consolidated balance sheets and are amortized on a straight-line basis over the life of the agreement.

The Borrowing Base was initially set at \$75.0 million and the amount of available credit changes every month, depending on the amount of eligible accounts receivable and inventory we have available to serve as collateral. With the First Amendment to the 2023 ABL Credit Agreement, discussed below, the Borrowing Base increased to \$125.0 million. The Borrowing Base components are subject to customary reserves and eligibility criteria.

On March 5, 2024 and November 12, 2024, the Company drew down \$50.0 million and \$20.0 million, respectively, under the 2023 ABL Credit Facility for general corporate purposes. In February 2025, the Company used a portion of the proceeds from the Equity Offering, defined in Note 10 - *Stockholders Equity*, to repay the \$70.0 million of the outstanding principal balance of the 2023 ABL Credit Facility.

On July 25, 2025, the Company drew down \$25.0 million under the 2023 ABL Credit Facility to fund cash consideration for the PropFlow Acquisition. On October 30, 2025 and January 30, 2026, the Company drew down \$25.0 million and \$25.0 million, respectively, under the 2023 ABL Credit Facility for general corporate purposes. The Company had interest expense of \$1.0 million and \$0.6 million for the three months ended March 31, 2026 and 2025, respectively. The draw included \$0.3 million in debt issuance costs and \$0.5 million in deferred financing costs. These costs are recorded under other long-term assets on the condensed consolidated balance sheets and are amortized on a straight-line basis over the life of the agreement. Interest expense associated with the amortization of these costs were \$0.1 million for both the three months ended March 31, 2026 and 2025.

The 2023 ABL Credit Facility requires that if Availability is less than the greater of (i) 12.50% of the Borrowing Base and (ii) \$7.5 million, Atlas LLC must maintain a Fixed Charge Coverage Ratio (as defined in the 2023 ABL Credit Agreement) of at least 1.00 to 1.00 while a Covenant Trigger Period (as defined in the 2023 ABL Credit Agreement) is in effect.

Under the 2023 ABL Credit Agreement, Atlas LLC is permitted to make payments of dividends and distributions pursuant to certain limited exceptions and baskets set forth therein and otherwise generally subject to certain restrictions described therein, including that (i) no Event of Default (as defined under the 2023 ABL Credit Agreement) has occurred and is continuing, and (ii) no loans and no more than \$7.5 million in letters of credit that have not been cash collateralized are outstanding, and liquidity exceeds \$30.0 million at all times during the 30 days prior to the date of the dividend or distribution; provided that if any loans are outstanding or outstanding letters of credit exceed \$7.5 million and no Event of Default has occurred and is continuing, then Atlas LLC is permitted to make payments of dividends and distributions if, (i) Availability (as defined under the 2023 ABL Credit Agreement) is higher than the greater of (a) \$12 million and (b) 20% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distribution as if such dividend or distribution had been made at the beginning of such period, or if (ii) (a) Availability is higher than the greater of (x) \$9 million and (y) 15% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distributions as if such dividend or distribution had been made at the beginning of such period and (b) the Fixed Charge Coverage Ratio (as defined under the 2023 ABL Credit Agreement), as calculated on a pro forma basis, is greater than 1.00 to 1.00, as provided under the 2023 ABL Credit Agreement. Additionally, Atlas LLC may make additional payments of dividends and distributions in qualified equity interests and may make Permitted Tax Distributions (as defined under the 2023 ABL Credit Agreement).

As of March 31, 2026, Atlas LLC had \$75.0 million in outstanding borrowings and \$0.3 million in outstanding letters of credit under the 2023 ABL Credit Facility. Additionally, as of March 31, 2026, the Borrowing Base was \$125.0 million, and Availability was \$49.7 million.

The 2023 ABL Credit Facility contains certain customary representations and warranties, affirmative and negative covenants, and events of default. As of March 31, 2026, the Company was in compliance with the covenants under the 2023 ABL Credit Facility.

The 2023 ABL Credit Facility is unconditionally guaranteed, jointly and severally, by Atlas LLC and its subsidiaries and secured by substantially all of the assets of Atlas LLC and its subsidiaries.

First Amendment to the 2023 ABL Credit Agreement

On February 26, 2024, Atlas LLC and certain other subsidiaries of the Company entered into the First Amendment to Loan, Security and Guaranty Agreement (the “ABL Amendment”), among Atlas LLC, the subsidiary guarantors party thereto, the lenders party thereto and the ABL Agent, which amends the 2023 ABL Credit Agreement.

The ABL Amendment increased the revolving credit commitment to \$125.0 million. The existing lenders increased their commitment by \$25.0 million which resulted in a debt modification under ASC 470, “Debt.” The ABL Amendment also added a new lender with a \$25.0 million commitment, thus creating a new debt arrangement under ASC 470, “Debt.” The deferred financing costs and debt issuance cost will be amortized on a prospective basis over the term of the agreement. The maturity date of the 2023 ABL Credit Agreement was extended from February 22, 2028 to the earliest of (a) February 26, 2029; (b) the date that is 91 days prior to the maturity date for any portion of the Term Loan Debt (as defined in the ABL Amendment); or (c) any date on which the aggregate Commitments terminate hereunder.

The ABL Amendment requires that if Availability is less than the greater of (i) 12.50% of the Borrowing Base and (ii) \$12.5 million, Atlas LLC must maintain a Fixed Charge Coverage Ratio (as defined in the 2023 ABL Credit Agreement) of at least 1.00 to 1.00 while a Covenant Trigger Period (as defined in the 2023 ABL Credit Agreement) is in effect.

Under the ABL Amendment, Atlas LLC is permitted to make payments of dividends and distributions pursuant to certain limited exceptions and baskets set forth therein and otherwise generally subject to certain restrictions described therein, including that (i) no Event of Default (as defined under the 2023 ABL Credit Agreement) has occurred and is continuing, and (ii) no loans and no more than \$7.5 million in letters of credit that have not been cash collateralized are outstanding, and liquidity exceeds \$30.0 million at all times during the 30 days prior to the date of the dividend or distribution; provided that if any loans are outstanding or outstanding letters of credit exceed \$7.5 million and no Event of Default has occurred and is continuing, then Atlas LLC is permitted to make payments of dividends and distributions if, (i) Specified Availability (as defined under the 2023 ABL Credit Agreement) is higher than the greater of (a) \$20.0 million and (b) 20% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distribution as if such dividend or distribution had been made at the beginning of such period, or if (ii) (a) Specified Availability is higher than the greater of (x) \$15.0 million and (y) 15% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distributions as if such dividend or distribution had been made at the beginning of such period and (b) the Fixed Charge Coverage Ratio (as defined under the 2023 ABL Credit Agreement), as calculated on a pro forma basis, is greater than 1.00 to 1.00, as provided under the 2023 ABL Credit Agreement. Additionally, Atlas LLC may make additional payments of dividends and distributions in qualified equity interests and may make Permitted Tax Distributions (as defined under the 2023 ABL Credit Agreement).

Second Amendment to the 2023 ABL Credit Agreement

On January 27, 2025, Atlas LLC and certain other subsidiaries of the Company entered into that certain Second Amendment to Loan, Security and Guaranty Agreement (the “Second ABL Amendment”), among Atlas LLC, as the borrower, the subsidiary guarantors party thereto, the lenders party thereto and Bank of America, N.A., as the ABL Agent. The Second ABL Amendment amends that certain Loan, Security and Guaranty Agreement dated as of February 22, 2023, as amended.

The Second ABL Amendment permitted the Company and its applicable affiliates to enter into the Second Term Loan Amendment, pursuant to which the principal amount of the existing DDT Loan was increased by an aggregate principal amount of \$100.0 million.

Third Amendment to the 2023 ABL Credit Agreement

On February 21, 2025, Atlas LLC and certain other subsidiaries of the Company entered into that certain Third Amendment to Loan, Security and Guaranty Agreement (the “Third ABL Amendment”), among Atlas LLC, as the borrower, the subsidiary guarantors party thereto, the lenders party thereto and Bank of America, N.A., as the ABL Agent. The Third ABL Amendment amends that certain Loan, Security and Guaranty Agreement dated as of February 22, 2023, as amended.

The Third ABL Amendment permitted the Company and its applicable affiliates to enter into the 2025 Term Loan Credit Agreement, pursuant to which Atlas LLC borrowed \$540.0 million from Stonebriar in a single advance term loan that was made on February 21, 2025.

Fourth Amendment to the 2023 ABL Credit Agreement

On December 26, 2025, Atlas LLC and certain other subsidiaries of the Company entered into that certain Fourth Amendment to Loan, Security and Guaranty Agreement (the “Fourth ABL Amendment”), among Atlas LLC, as the borrower, the subsidiary guarantors party thereto, the lenders party thereto and Bank of America, N.A., as the ABL Agent. The Fourth ABL Amendment amends that certain Loan, Security and Guaranty Agreement dated as of February 22, 2023, as amended.

The Fourth ABL Amendment permitted the Company to form Socorro and to unconditionally guarantee Socorro’s obligations under the Lease Agreement.

Other Indebtedness

The Company has other indebtedness of \$51.3 million of equipment finance notes as of March 31, 2026. There was \$0.4 million and de minimis interest expense for the three months ended March 31, 2026 and 2025, respectively. These equipment finance notes have terms ending in April 2026 through December 2032 and certain interest rates ranging from 2.24% to 10.89%.

Note 9 – Commitments and Contingencies

Royalty Agreements

The Company has entered into royalty agreements under which it is committed to pay royalties on sand sold from its production facilities for which the Company has received payment by the customer. Atlas LLC entered into a royalty agreement associated with its leased property at the Kermit facility and a mining agreement associated with its leased property at the Monahans facility, in each case, with The Sealy & Smith Foundation, a related party. The royalty agreement associated with the Kermit facility terminated on the date of our initial public offering (the “IPO”), pursuant to the terms of the agreement. Under the mining agreement associated with the Monahans facility, we are committed to pay royalties on product sold from that facility and are required to pay a minimum royalty of \$1.0 million for any lease year following our IPO. We have certain royalty obligations based on tonnage of sand sold under land leases associated with our OnCore distributed mining network.

On March 1, 2024, the Company entered into a pooling agreement with the General Land Office of Texas that establishes a pooled unit across our fee owned lands and leased lands at the Kermit property. The pooling agreement has a current effective blended royalty rate of 5.86% on the sales of two of the Kermit plants. This pooling agreement increases our operational flexibility by establishing a framework to efficiently mine across our fee owned lands and leased lands interchangeably.

Royalty expense associated with these agreements is recorded as the product is sold and is included in cost of sales. Royalty expense associated with these agreements were less than 5% of cost of sales for both the three months ended March 31, 2026 and 2025.

Standby Letters of Credit

As of both March 31, 2026 and December 31, 2025, we had \$0.3 million outstanding in standby letters of credit issued under the 2023 ABL Credit Facility.

Purchase Commitments

In connection with our normal operations, we enter short-term purchase obligations for products and services.

In October 2024, we entered into an agreement to purchase dredge equipment in the amount of approximately \$9.8 million with a 25% downpayment applied at placement of the order with the remaining 75% to be paid during delivery and assembly, subject to customary terms and conditions. Delivery of equipment is expected to occur in 2026. As of March 31, 2026, we have spent \$7.1 million and have \$2.7 million outstanding on this commitment expected to be spent in 2026.

In November 2024, we entered into an agreement to purchase logistics equipment for approximately \$32.8 million with a 40% downpayment, monthly progress billings, and balance due at readiness to ship, subject to customary terms and conditions. Delivery of certain equipment occurred in 2025 and the remaining delivery is expected to take place in 2026. Subsequent to the purchase agreement, we entered into a lease financing agreement, refer to Note 7 - *Leases* for further discussion. As of March 31, 2026, there has been \$30.0 million spent and \$2.8 million outstanding on this commitment expected to be spent in 2026.

In February 2025, we entered into an agreement to purchase logistics equipment for approximately \$15.8 million with progress billings, subject to customary terms and conditions and applicable shipping and taxes. Under the agreement, we elected to purchase approximately \$7.9 million of additional logistics equipment in 2025 and approximately \$7.9 million of additional logistics equipment in 2026, subject to customary terms and conditions and applicable shipping and taxes. Delivery of certain equipment occurred in 2025 and the remaining delivery is expected to take place in 2026. Subsequent to the purchase agreement, we entered into a lease financing agreement, refer to Note 7 - *Leases* for further discussion. As of March 31, 2026, there has been \$25.3 million spent and \$6.3 million outstanding on these commitments expected to be spent in 2026.

In March 2025, a vendor reached key performance and operational milestones that committed the Company to order an initial 100 trucks by March 31, 2026. Subsequent to the purchase agreement, we entered into a debt financing agreement, refer to Note 8 - *Debt* for further discussion. As of March 31, 2026, we have placed an order for the 100 trucks and have purchased 36 of the 100 trucks. The remaining estimated total cost of our commitment is approximately \$15.7 million based on our most recent purchase price, which is subject to change based on market pricing at the time of purchase.

In November 2025, we entered into the Reservation Agreement for the manufacture of approximately 240 MW of power generation equipment. The aggregate cost of such equipment is approximately \$278.3 million. The Reservation Agreement was assigned to Stonebriar in connection with entry into the Lease Documents. The cost of the investment will be financed under the Lease Documents as progress payments become due. We expect deliveries to begin in late 2026. Pursuant to the Reservation Agreement, the parties agreed to negotiate and enter into an engineering, procurement and construction agreement governing the terms of the manufacture, delivery and installation of the equipment, which is expected to contain customary representations, warranties and agreements of the parties, indemnification obligations and other customary terms and conditions associated therewith. The Reservation Agreement and terms and conditions of sale also contain customary agreements of the parties and customary terms and conditions. As of March 31, 2026, there has been \$61.1 million spent and \$217.2 million outstanding on this commitment. Spend of \$189.5 million is expected in 2026 with the remaining \$27.7 million to occur at commissioning.

On March 4, 2026, ProjectCo entered into the Global Framework Agreement (the "GFA") with Caterpillar Inc. ("Caterpillar") pursuant to which Caterpillar will reserve approximately 1.4 GW ("Reserved Capacity") of incremental power generation equipment (the "Caterpillar Equipment") and ProjectCo will commit to purchase the Caterpillar Equipment from certain Caterpillar authorized dealers ("Participating Dealers") based on ProjectCo's monthly demand forecast beginning on the effective date of the GFA and ending on December 31, 2030 (the "Term") for an initial total aggregate purchase obligation of approximately \$840.0 million. The initial purchase price for the Caterpillar Equipment is subject to adjustments including annual escalations capped at 8% per year, shipping and transportation and adjustments for tariffs affecting the cost of the Caterpillar Equipment. ProjectCo must pay an annual capacity deposit of \$5.0 million ("Advanced Payment") in June of each year, beginning in 2027, which will be credited towards the purchase price of Caterpillar Equipment. Payment for the Caterpillar Equipment is structured in customary installments. As of March 31, 2026, there has been no spend with \$840.0 million outstanding on this commitment. The Company expects to spend through 2029 with delivery of power equipment through 2030.

Litigation

We are involved in various legal and administrative proceedings that arise from time to time in the ordinary course of doing business. Some of these proceedings may result in fines, penalties or judgments being assessed against us, which may adversely affect our financial results. In addition, from time to time, we are involved in various disputes, which may or may not be settled prior to legal proceedings being instituted and which may result in losses in excess of accrued liabilities, if any, relating to such unresolved disputes. Expenses related to litigation reduce operating income. We do not believe that the outcome of any of these proceedings or disputes would have a significant adverse effect on our financial position, long-term results of operations or cash flows. It is possible, however, that charges related to these matters could be significant to our results of operations or cash flows in any single accounting period. Management is not aware of any legal, environmental or other commitments and contingencies that would have a material effect on the Financial Statements.

Note 10 – Stockholders Equity

Common Stock

The Company is authorized to issue 500,000,000 shares of preferred stock and 1,500,000,000 shares of par value \$0.01 per share common stock (the “Common Stock”). As of March 31, 2026, there were 124,905,584 shares of Common Stock issued and outstanding and no shares of preferred stock issued or outstanding.

Share Repurchase Program

On October 24, 2024, the Board of Directors of the Company (the “Board”) authorized a share repurchase program under which the Company may repurchase up to \$200.0 million of outstanding Common Stock until December 31, 2026. There were no shares repurchased during the three months ended March 31, 2026 and 2025. As of March 31, 2026, \$199.8 million remains available for repurchase.

The shares may be repurchased from time to time in open market transactions at prevailing market prices, through block trades, in privately negotiated transactions, through derivative transactions or by other means and in accordance with federal securities laws. The timing, as well as the number and value of shares repurchased under the program, will be determined by the Company at its discretion and will depend on a variety of factors including management’s assessment of the intrinsic value of the Company’s Common Stock, the market price of the Company’s Common Stock, general market and economic conditions, available liquidity, compliance with the Company’s debt and other agreements, applicable legal requirements, and other considerations. The exact number of shares to be repurchased by the Company is not guaranteed, and the program may be suspended, modified, or discontinued at any time without prior notice.

Any such share repurchases may be subject to a 1% U.S. federal excise tax, which was enacted pursuant to the IRA and generally applies to certain repurchases of stock by publicly traded U.S. corporations, such as us, after December 31, 2022. Subject to certain exceptions and adjustments, the excise tax equals 1% of the fair market value of the stock repurchased by a corporation during the applicable tax year. The repurchase amount subject to the excise tax is generally reduced by the fair market value of any stock issued by a corporation during a taxable year, including the fair market value of any stock issued or provided to employees of a corporation or employees of certain of its subsidiaries. In the past, there have been proposals to increase the amount of the excise tax from 1% to 4%; however, it is unclear whether such a change in the amount of the excise tax will be enacted and, if enacted, how soon any change would take effect.

Equity Offering

On February 3, 2025, the Company conducted an underwritten public offering of 11.5 million shares of our Common Stock at a public offering price of \$23.00 per share (the “Equity Offering”). The Company received approximately \$253.1 million of net proceeds from the sale of shares of our Common Stock, after deducting underwriting discounts and commissions. We used the net proceeds from this offering (i) to repay the \$70.0 million outstanding on the 2023 ABL Credit Facility, (ii) to repay \$101.3 million of the Deferred Cash Consideration Note, and (iii) the remainder for general corporate purposes.

Note 11 – Stock-Based Compensation

LTIP

On March 8, 2023, we adopted the LTIP for the benefit of employees, directors and consultants of the Company and its affiliates. The LTIP provides for the grant of all or any of the following types of awards: (1) incentive stock options qualified as such under U.S. federal income tax laws; (2) stock options that do not qualify as incentive stock options; (3) stock appreciation rights; (4) restricted stock awards; (5) restricted stock units (“RSUs”); (6) bonus stock; (7) dividend equivalents; (8) other stock-based awards; (9) cash awards; and (10) substitute awards. The shares to be delivered under the LTIP may be made available from (i) authorized but unissued shares, (ii) shares held as treasury stock, or (iii) previously issued shares reacquired by us, including shares purchased on the open market.

Subject to adjustment in accordance with the terms of the LTIP, 10,270,000 shares of Common Stock have been reserved for issuance pursuant to awards under the LTIP. If an award under the LTIP is forfeited, settled for cash or expires without the actual delivery of shares, any shares subject to such award will again be available for new awards under the LTIP. The LTIP will be administered by the Compensation Committee (the “Compensation Committee”) of the Board. We had 3,434,484 shares of the Company’s Common Stock available for future grants as of March 31, 2026. We account for the awards granted under the LTIP as compensation cost measured at the fair value of the award on the date of grant.

Restricted Stock Units

RSUs represent the right to receive shares of Common Stock at the end of the vesting period in an amount equal to the number of RSUs that vest. The granted RSUs vest and become exercisable with respect to employees in three equal installments starting on the first anniversary of the date of grant and, with respect to directors, on the one-year anniversary of the date of grant, so long as the participant either remains continuously employed or continues to provide services to the Board, as applicable. The RSUs are subject to restrictions on transfer and are generally subject to a risk of forfeiture if the award recipient ceases providing services to the Company prior to the date the award vests. If the participant’s employment with or service to the Company is terminated for cause or without good reason prior to the vesting of all of the RSUs, and unless such termination is a “Qualifying Termination” or due to a “Change in Control” as defined in the applicable RSU agreement, any unvested RSUs will generally terminate automatically and be forfeited without further notice and at no cost to the Company. In the event the Company declares and pays a dividend in respect of its outstanding shares of Common Stock and, on the record date for such dividend, the participant holds RSUs that have not been settled, we will record the amount of such dividend in a bookkeeping account and pay to the participant an amount in cash equal to the cash dividends the participant would have received if the participant was the holder of record, as of such record date, of a number of shares of Common Stock equal to the number of RSUs held by the participant that had not been settled as of such record date, such payment to be made on or within 60 days following the date on which such RSUs vest. The stock-based compensation expense of such RSUs was determined using the closing prices on the grant date. We account for forfeitures as they occur. We recognized stock-based compensation related to RSUs of \$5.4 million and \$4.3 million for the three months ended March 31, 2026 and 2025, respectively. Changes in non-vested RSUs outstanding under the LTIP during the three months ended March 31, 2026 were as follows:

	Number of Units		Weighted Average Grant Date Fair Value
Non-vested at December 31, 2025	1,642,080	\$	19.14
Granted	1,540,341	\$	10.13
Vested	(447,300)	\$	17.98
Forfeited	(27,757)	\$	18.74
Non-vested at March 31, 2026	<u>2,707,364</u>	<u>\$</u>	<u>14.22</u>

The total fair value of shares vested during the three months ended March 31, 2026 was \$8.0 million. There was approximately \$31.4 million of unrecognized compensation expense relating to outstanding RSUs as of March 31, 2026. The unrecognized compensation expense will be recognized on a straight-line basis over the weighted average remaining vesting period of 1.4 years.

Performance Share Units

Performance share units (“PSUs”) represent the right to receive one share of Common Stock multiplied by the number of PSUs that become earned, and the number of PSUs that may vest range from 0% to 200% of the Target PSUs (as defined in the Performance Share Unit Grant Agreement governing the PSUs (the “PSU Agreement”)), subject to the Compensation Committee’s discretion to increase the ultimate number of vested PSUs above the foregoing maximum level. Each PSU also includes a tandem dividend equivalent right, which is a right to receive an amount equal to the cash dividends made with respect to a share of Common Stock during the Performance Period (as defined in the PSU Agreement), which will be adjusted to correlate to the number of PSUs that ultimately become vested pursuant to the PSU Agreement. 1,129,415 PSUs (based on target) were granted in 2026 (the “2026 PSUs”). The Performance Goals (as defined in the PSU Agreement) for the 2026 PSUs are based on a combination of Return on Capital Employed (“ROCE”) and “Relative TSR” (each, as defined in the PSU Agreement), with 25% weight applied to ROCE and 75% weight applied to Relative TSR, each as measured during the three-year Performance Period ending December 31, 2028. The vesting level is calculated based on the actual total stockholder return achieved during the Performance Period. The fair value of such PSUs was determined using a Monte Carlo simulation and will be recognized over the applicable Performance Period. The Monte Carlo simulation model utilizes multiple input variables that determine the probability of satisfying the market condition stipulated in the award to calculate the fair value of the award. Expected volatilities in the model were estimated using a historical period consistent with the Performance Period of approximately three years. The risk-free interest rate was based on the United States Treasury rate for a term commensurate with the expected life of the grant. We recognized stock-based compensation related to PSUs of \$3.0 million and \$2.2 million for the three months ended March 31, 2026 and 2025, respectively. Changes in non-vested PSUs outstanding under the LTIP during the three months ended March 31, 2026 were as follows:

	Number of Units		Weighted Average Grant Date Fair Value
Non-vested at December 31, 2025	1,442,773	\$	22.92
Granted	1,129,415	\$	10.89
Vested	(449,024)	\$	20.59
Forfeited	(26,139)	\$	19.32
Non-vested at March 31, 2026	<u>2,097,025</u>	<u>\$</u>	<u>16.95</u>

The total fair value of shares vested during the three months ended March 31, 2026 was \$9.2 million. There was approximately \$21.7 million of unrecognized compensation expense relating to outstanding PSUs as of March 31, 2026. The unrecognized compensation expense will be recognized on a straight-line basis over the weighted average remaining vesting period of 2.2 years.

Note 12 – Earnings per Share

Basic earnings per share (“EPS”) measures the performance of an entity over the reporting period. Diluted earnings per share measures the performance of an entity over the reporting period while giving effect to all potentially dilutive shares of Common Stock that were outstanding during the period. The Company uses the treasury stock method to determine the potential dilutive effect of vesting of its outstanding RSUs and PSUs. The Company does not use the two-class method.

The following table reflects the allocation of net income (loss) to common stockholders and EPS computations for the period indicated based on a weighted average number of shares of Common Stock outstanding for the three months ended March 31, 2026 and 2025 (in thousands, except per share data):

	Three Months Ended March 31,	
	2026	2025
Numerator:		
Net income (loss)	\$ (47,264)	\$ 1,219
Denominator:		
Basic weighted average shares outstanding	124,626	118,245
Dilutive potential of restricted stock units	—	402
Dilutive potential of performance share units	—	1,100
Diluted weighted average shares outstanding	\$ 124,626	\$ 119,747
Basic EPS attributable to holders of Common Stock	\$ (0.38)	\$ 0.01
Diluted EPS attributable to holders of Common Stock	\$ (0.38)	\$ 0.01

We had a net loss for the three months ended March 31, 2026. Accordingly, our diluted loss per share calculation was equivalent to our basic loss per share calculation since diluted loss per share excluded any assumed exercise of equity awards. These were excluded because they were deemed to be anti-dilutive, meaning their inclusion would have reduced the reported net loss per share in the applicable period.

The following potentially dilutive average shares attributable to outstanding equity awards were excluded from the calculation of diluted earnings per share because their inclusion would have been anti-dilutive:

(in thousands)	Three Months Ended March 31,	
	2026	2025
RSUs excluded	1,848	980
PSUs excluded	651	485

The tables above do not include any potential dilutive impact from conversion of the convertible senior notes as the notes were not convertible during the reporting period. Refer to Note 17- *Subsequent Events- Convertible Notes Issuance* for additional information.

Note 13 – Income Taxes

The Company is a corporation and is subject to U.S. federal, state and local income taxes. The effective combined U.S. federal and state income tax rate for the three months ended March 31, 2026 and 2025 was 1.1% and 65.3%, respectively. During the three months ended March 31, 2026 and 2025, we recognized an income tax benefit of \$0.5 million and income tax expense of \$2.3 million, respectively.

Total income tax expense for the three months ended March 31, 2026 differed from amounts computed by applying the U.S. federal statutory tax rate of 21% to pre-tax book loss for the period primarily due to the benefit of percentage depletion in excess of basis which was offset by the unfavorable impact of non-deductible Section 162(m) compensation.

Total income tax expense for the three months ended March 31, 2025 differed from amounts computed by applying the U.S. federal statutory tax rate of 21% to pre-tax book income for the period due to the Moser Acquisition which resulted in inherently facilitative transaction costs that were capitalized for tax purposes resulting in an unfavorable impact to the effective tax rate. The tax rate for the period was also impacted by state taxes, the benefit of percentage depletion in excess of basis, and non-deductible Section 162(m) compensation.

The Company’s affiliate, Hi-Crush Inc, is currently under an Internal Revenue Service examination for the federal income tax year ended December 31, 2023. The examination is in its early stages and no findings have been proposed as of the date of this filing.

Note 14 – Related-Party Transactions

Anthem Ventures, LLC

Anthem Ventures, LLC (“Anthem Ventures”) provides us with transportation services. Anthem Ventures is owned and controlled by our Executive Chairman, Ben M. “Bud” Brigham. For the three months ended March 31, 2026 and 2025, our aggregate expenses to Anthem Ventures for these services were approximately \$0.1 million and de minimis, respectively. As of both March 31, 2026 and December 31, 2025, we did not have an outstanding accounts payable balance with this related party. As of both March 31, 2026 and December 31, 2025, we had de minimis prepaid expenses with Anthem Ventures.

Additionally, we invoice Anthem Ventures for reimbursement of services provided by an employee of the Company. As of March 31, 2026 we did not have an outstanding accounts receivable balance with this related party. As of December 31, 2025, our outstanding accounts receivable to Anthem Ventures was \$0.1 million.

Brigham Land Management LLC

Brigham Land Management LLC (“Brigham Land”) provides us with landman services for certain of our projects and initiatives. The services are provided on a per hour basis at market prices. Brigham Land is owned and controlled by Vince Brigham, an advisor to the Company and the brother of our Executive Chairman, Bud Brigham. For the three months ended March 31, 2026 and 2025, our aggregate expenses to Brigham Land were approximately \$0.7 million and \$0.1 million, respectively. As of both March 31, 2026 and December 31, 2025, our outstanding accounts payable to Brigham Land was de minimis.

Earth Resources, LLC

Earth Resources, LLC (“Earth Resources”), formerly known as Brigham Earth, LLC, provides us with professional and consulting services as well as access to certain information and software systems. Earth Resources is owned and controlled by our Executive Chairman, Bud Brigham. For the three months ended March 31, 2026, we had de minimis aggregate expenses with this related party. For the three months ended March 31, 2025, we had no expenses with this related party. As of both March 31, 2026 and December 31, 2025, we did not have an outstanding accounts payable balance with this related party.

In a Good Mood, LLC

In a Good Mood, LLC (“In a Good Mood”) provides the Company with access, at cost, to reserved space in the Moody Center in Austin, Texas for concerts, sporting events and other opportunities as a benefit to our employees and for business entertainment. In a Good Mood is owned and controlled by our Executive Chairman, Bud Brigham. For the three months ended March 31, 2026 and 2025, our aggregate expenses to In a Good Mood were approximately \$0.3 million and \$0.1 million, respectively. As of both March 31, 2026 and December 31, 2025, we did not have an outstanding accounts payable balance with this related party. As of both March 31, 2026 and December 31, 2025, we had \$0.2 million in prepaid expenses with In a Good Mood.

The Sealy & Smith Foundation

Refer to Note 9 – *Commitments and Contingencies* for disclosures related to the Company’s royalty agreement and mining agreement with The Sealy & Smith Foundation, a related party.

Registration Rights Agreement

In connection with the closing of the IPO, we entered into a registration rights agreement with certain holders (the “Legacy Owners”) who previously held membership interests in Atlas LLC (the “Original Registration Rights Agreement”) covering, in the aggregate, approximately 38.4% of the Old Atlas’s Class A common stock, par value \$0.01 per share (the “Old Atlas Class A Common Stock”), and Class B common stock, par value \$0.01 per share, on a combined basis. Pursuant to the Original Registration Rights Agreement, we agreed to register under the U.S. federal securities laws the offer and resale of shares of Old Atlas Class A Common Stock by such Legacy Owners or certain of their respective affiliates or permitted transferees under the Original Registration Rights Agreement.

On October 2, 2023, the Company entered into an amended and restated registration rights agreement (the “A&R Registration Rights Agreement”) with New Atlas and certain stockholders identified on the signature pages thereto. The A&R Registration Rights Agreement was entered into in order to, among other things, provide for the assumption of Old Atlas’s obligations under the Original Registration Rights Agreement by New Atlas. The A&R Registration Rights Agreement is substantially similar to the Original Registration Rights Agreement, but contains certain administrative and clarifying changes to reflect the transition from a dual class capital structure to a single class of Common Stock. We will generally be obligated to pay all registration expenses in connection with these registration obligations, regardless of whether a registration statement is filed or becomes effective. These registration rights are subject to certain conditions and limitations.

Stockholders' Agreement

In connection with the closing of the IPO, we entered into a stockholders' agreement (the "Original Stockholders' Agreement") with certain of our Legacy Owners (the "Principal Stockholders"). Among other things, the Original Stockholders' Agreement provides our Executive Chairman, Bud Brigham, the right to designate a certain number of nominees for election or appointment to our Board as described below according to the percentage of Common Stock held by such Principal Stockholders.

Pursuant to the Original Stockholders' Agreement, we are required to take all necessary actions, to the fullest extent permitted by applicable law (including with respect to any fiduciary duties under Delaware law), to cause the election or appointment of the nominees designated by Mr. Brigham or his affiliates, and each of the Principal Stockholders agreed to cause its respective shares of Common Stock to be voted in favor of the election of each of the nominees designated by Mr. Brigham or his affiliates. Mr. Brigham or his affiliates will be entitled to designate the replacement for any of his respective board designees whose board service terminates prior to the end of such director's term.

In addition, the Original Stockholders' Agreement provides that for so long as Mr. Brigham or any of his affiliates is entitled to designate any members of our Board, we will be required to take all necessary actions to cause each of the audit committee, compensation committee and nominating and governance committee of our Board to include in its membership at least one director designated by Mr. Brigham or his affiliates, except to the extent that such membership would violate applicable securities laws or stock exchange rules.

Furthermore, so long as the Principal Stockholders collectively beneficially own at least a majority of the outstanding shares of our Common Stock, we have agreed not to take, and will cause our subsidiaries not to take, the following actions (or enter into an agreement to take such actions) without the prior consent of Mr. Brigham or his affiliates, subject to certain exceptions:

- adopting or proposing any amendment, modification or restatement of or supplement to our certificate of incorporation or bylaws;
- increasing or decreasing the size of our Board; or
- issuing any equity securities that will rank senior to our Common Stock as to voting rights, dividend rights or distributions rights upon liquidation, winding up or dissolution of the Company.

On October 2, 2023, Old Atlas entered into an amended and restated stockholders' agreement (the "A&R Stockholders' Agreement") with New Atlas and certain of the Principal Stockholders. The A&R Stockholders' Agreement was entered into in order to, among other things, provide for the assumption of Old Atlas's obligations under the Original Stockholders' Agreement by New Atlas. The A&R Stockholders' Agreement is substantially similar to the Original Stockholders' Agreement, but contains certain administrative and clarifying changes to reflect the transition from a dual class capital structure to a single class of Common Stock.

Equity Offering

Bud Brigham, the Company's Executive Chairman, and entities associated with Mr. Brigham, purchased an aggregate of 217,393 shares of Common Stock in the Equity Offering. Refer to Note 10 - *Stockholders Equity* for further discussion on the Equity Offering.

Note 15 – Business Segments

The Company has two distinct business segments, the sand and logistics segment and the power segment. The operating segments have been identified based on the Company’s management structure, revenue generating activities, and the financial data utilized by our President and Chief Executive Officer, who is our chief operating decision maker (“CODM”), to assess segment performance and allocate resources among segments.

- Sand and Logistics: Provides high-quality, locally sourced 100 mesh and 40/70 sand used as a proppant during the well completion process. Also, provides a differentiated logistics platform that includes our fleet of fit-for-purpose trucks, trailers, wellsite equipment, and the Dune Express, an overland conveyor infrastructure solution.

- Power: Provides distributed power solutions through a fleet of natural gas-powered reciprocating generators primarily supporting production and artificial lift operations.

Our CODM evaluates the performance of our business segments and allocates resources based on segment gross profit (loss). Components within segment gross profit (loss), such as revenues and cost of sales, are used to monitor actual performance. Intersegment transactions have been eliminated in the computation of gross profit and assets.

The following tables summarize selected financial information relating to our business segments (in thousands):

	Three Months Ended March 31,					
	2026			2025		
	Sand & Logistics	Power	Total	Sand & Logistics	Power	Total
Product revenue	\$ 105,604	\$ 3,336	\$ 108,940	\$ 139,645	\$ —	\$ 139,645
Service revenue	139,113	—	139,113	150,609	—	150,609
Rental revenue	—	17,530	17,530	—	7,337	7,337
Total revenue	244,717	20,866	265,583	290,254	7,337	297,591
Cost of sales (excluding depreciation, depletion and accretion expense) (1)	206,052	7,973	214,025	203,719	2,344	206,063
Depreciation, depletion and accretion expense (1)	40,078	5,148	45,226	35,911	1,089	37,000
Gross profit (loss)	\$ (1,413)	\$ 7,745	\$ 6,332	\$ 50,624	\$ 3,904	\$ 54,528
Selling, general and administrative expense (including stock-based compensation expense of \$8,442 and \$6,518 respectively)			35,746			34,412
Credit loss expense			17			—
Amortization expense of acquired intangible assets			6,371			4,785
Insurance recovery (gain)			(3,326)			—
Operating income (loss)			(32,476)			15,331
Interest (expense), net			(15,784)			(12,078)
Other income (expense), net			486			259
Income (loss) before income taxes			(47,774)			3,512
Income tax expense (benefit)			(510)			2,293
Net income (loss)			\$ (47,264)			\$ 1,219

(1) The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM.

The following tables reconcile segment total assets and capital expenditures incurred (in thousands):

	March 31, 2026	December 31, 2025
Sand & Logistics	\$ 1,966,392	\$ 1,946,298
Power	332,186	282,130
Total assets	\$ 2,298,578	\$ 2,228,428

	Three Months Ended March 31,	
	2026	2025
Sand & Logistics	\$ 18,850	\$ 36,724
Power	48,226	2,139
Total capital expenditures incurred	\$ 67,076	\$ 38,863

Note 16 – Fair Value Measurements

The following table sets forth the Company's assets and liabilities that were recognized at fair value (in thousands):

March 31, 2026	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Other Unobservable Inputs Level 3	Total
Liabilities				
Contingent consideration (1)	\$ —	\$ —	\$ 1,890	\$ 1,890
Total	\$ —	\$ —	\$ 1,890	\$ 1,890

December 31, 2025	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Other Unobservable Inputs Level 3	Total
Liabilities				
Contingent consideration (1)	\$ —	\$ —	\$ 1,890	\$ 1,890
Total	\$ —	\$ —	\$ 1,890	\$ 1,890

(1) Contingent consideration is presented under other long-term liabilities in the condensed consolidated balance sheets.

Fair Value of Contingent Consideration:

The fair value measurement of contingent consideration is determined using Level 3 inputs. The Company's contingent consideration represents a component of the total purchase consideration for the PropFlow Acquisition. The measurement is calculated using unobservable inputs based on the Company's own assessment of achievement of certain performance goals. The Company estimated the fair value of the contingent consideration based on the Monte Carlo simulation model. Refer to Note 3 - *Acquisitions* for further discussion.

The following table summarizes the changes in the fair value of contingent consideration (in thousands):

	Three Months Ended March 31, 2026
Beginning Balance	\$ 1,890
Fair value changes (1)	—
Ending Balance	\$ 1,890

(1) Fair value changes are presented under change in fair value of contingent consideration on the condensed consolidated statement of operations.

We did not have contingent consideration for the three months ended March 31, 2025.

Financial Instruments Not Carried at Fair Value:

The Company's other financial instruments not carried at fair value consist primarily of debt instruments which are measured at carrying value. Refer to Note 2 - *Summary of Significant Accounting Policies* for further discussion.

Note 17 – Subsequent Events

Power Purchase Agreement

On April 1, 2026, the Company announced that Socorro entered into a five-year power purchase agreement (with options to renew for two five-year terms, up to an additional 10 years) (the “PPA”) with a technology infrastructure provider (the “Customer”), pursuant to which the Company has agreed to develop a power facility and provide dedicated on-site power generation capacity for the Customer. The equipment to be delivered pursuant to the PPA represents 50% of the 240 MW of recently ordered power generation equipment from a dealer of Caterpillar Inc. (NYSE: CAT), which was previously announced on November 3, 2025. The Company anticipates full energization during the first half of 2027, subject to customary conditions.

Convertible Notes Issuance

On April 9, 2026, the Company, issued \$450.0 million aggregate principal amount of its 0.50% Convertible Senior Notes due 2031 (the “Notes” and the offering of the Notes, the “Notes Offering”), which included the exercise in full of the initial purchasers’ (the “Initial Purchasers”) option to purchase up to an additional \$60.0 million principal amount of Notes. The Notes were issued pursuant to, and are governed by, an indenture (the “Indenture”), dated as of April 9, 2026, between the Company and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”).

The Notes are the Company’s senior, unsecured obligations and are (i) senior in right of payment to the Company’s indebtedness that is expressly subordinated in right of payment to the Notes; (ii) equal in right of payment to any of the Company’s unsecured indebtedness that is not so subordinated; (iii) effectively junior to the Company’s secured indebtedness, to the extent of the value of the assets securing that indebtedness; and (iv) structurally junior to all indebtedness and other liabilities (including trade payables) of the Company’s subsidiaries.

The Company will pay interest on the Notes at an annual rate of 0.50%, payable semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2026. The Notes will mature on April 15, 2031, unless earlier converted, redeemed or repurchased. Before January 15, 2031, noteholders will have the right to convert their Notes only in certain circumstances and during specified periods. From and after January 15, 2031, noteholders may convert their Notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date. The Company will settle conversions by paying or delivering, as applicable, cash, shares of the Company’s Common Stock, or a combination of cash and the Company’s Common Stock, at its election. The initial conversion rate is 68.9275 shares of Common Stock per \$1,000 principal amount of Notes, which represents an initial conversion price of approximately \$14.51 per share of Common Stock and a premium of approximately 30% over the last reported sale price of \$11.16 per share of the Company’s Common Stock on the New York Stock Exchange on April 6, 2026. The conversion rate and conversion price will be subject to adjustment upon the occurrence of certain events.

The Notes are redeemable, in whole or in part (subject to certain limitations described below), at the Company’s option at any time, and from time to time, on or after April 20, 2029 and prior to the 41st scheduled trading day immediately before the maturity date, at a cash redemption price equal to the principal amount of the Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date, but only if the last reported sale price per share of the Common Stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive), including the trading day immediately preceding the date on which the Company provides notice of redemption, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption. However, the Company may not redeem less than all of the outstanding Notes unless at least \$100.0 million aggregate principal amount of Notes are outstanding and not subject to redemption as of, and after giving effect to, delivery of the relevant notice of redemption. If a fundamental change (as defined in the Indenture) occurs, then, subject to limited exceptions, noteholders may require the Company to repurchase the Note at a cash repurchase price equal to the principal amount of the Notes to be repurchased, plus accrued and unpaid interest to, but excluding any repurchase date. In addition, if the effective date of a “make-whole fundamental change” (as defined in the Indenture) occurs prior to the maturity date of the Notes or if the Company gives a notice of redemption with respect to any or all of the Notes, the Company will, in certain circumstances, increase the conversion rate for a holder who elects to convert its Notes in connection with such make-whole fundamental change or convert its Notes called for redemption (or deemed called for redemption) in connection with such notice of redemption, as the case may be.

The Notes have customary provisions relating to the occurrence of “Events of Default” (as defined in the Indenture), which include the following: (i) a default in any payment of interest on, or payment of principal of, the Notes when due and payable (which, in the case of a default in the payment of interests on the Notes, will be subject to a 30-day cure period); (ii) a default in the Company’s obligation to convert a Note upon the exercise of the conversion right with respect thereto, if such default continues for five business days; (iii) the Company’s failure to send certain notices under the Indenture within specified periods of time; (iv) the Company’s failure to comply with certain covenants in the Indenture relating to the Company’s ability to consolidate with or merge with or into, or sell, convey, transfer or lease all or substantially all of the assets of the Company and its subsidiaries, taken as a whole, to another person (other than to one or more of the Company’s direct or indirect wholly owned subsidiaries); (v) a default by the Company in its other obligations or agreements under the Indenture or the Notes if such default is not cured or waived within 60 days after notice is given in accordance with the Indenture; (vi) certain defaults by the Company or any of its significant subsidiaries with respect to indebtedness for borrowed money of at least \$50,000,000; and (vii) certain events of bankruptcy, insolvency and reorganization with respect to the Company or any of its significant subsidiaries.

If an Event of Default involving bankruptcy, insolvency and reorganization with respect to the Company occurs, then the principal amount of, and all accrued and unpaid interest on, all of the Notes then outstanding will immediately become due and payable without any further action or notice by any person. If any other Event of Default occurs and is continuing, then the Trustee, by notice to the Company, or noteholders of at least 25% of the aggregate principal amount of Notes then outstanding, by notice to the Company and the Trustee, may declare the principal amount of, and all accrued and unpaid interest on, all of the Notes then outstanding to become due and payable immediately. Notwithstanding anything to the contrary described above, the Company may elect that the sole remedy for any Event of Default relating to certain failures by the Company to comply with certain reporting covenants in the Indenture consists, for the first 365 days after the occurrence of such Event of Default, exclusively of the right of the noteholders to receive additional interest on the Notes. If the Company has made such an election, then on the 366th day after such Event of Default (if such Event of Default is not cured or validly waived in accordance with the Indenture prior to such 366th day), such additional interest will cease to accrue and the Notes will be subject to acceleration. In the event the Company does not make such an election, or the Company has made such election but does not pay the additional interest when due, the Notes will be immediately subject to acceleration.

The Company received an estimated \$386.2 million of net proceeds from the Notes, after deducting underwriting and offering fees. The Company used \$49.7 million of the net proceeds to fund the cost of entering into capped call transactions, \$66.2 million of the net proceeds to pay down outstanding borrowings under its Lease Documents, and \$76.9 million of the net proceeds to pay down its 2023 ABL Credit Facility. The Company expects to use the remainder of the net proceeds for general corporate purposes, including to purchase a portion of the power generation equipment under the GFA, along with balance of plant and supporting equipment.

Capped Call Transactions

On April 6, 2026, concurrently with the pricing of the Notes, and on April 7, 2026, in connection with the exercise in full by the Initial Purchasers of their option to purchase additional Notes, the Company entered into privately negotiated capped call transactions (the “Capped Call Transactions”) with an affiliate of one of the Initial Purchasers and certain other financial institutions (the “Option Counterparties”). The Capped Call Transactions initially cover, subject to anti-dilution adjustments substantially similar to those applicable to the Notes, the number of shares of the Company’s Common Stock that initially underlie the Notes, and are expected generally to reduce potential dilution to the Company’s Common Stock upon any conversion of Notes and/or offset any potential cash payments the Company is required to make in excess of the principal amount of converted Notes, as the case may be, with such reduction and/or offset subject to a cap. The cap price of the Capped Call Transactions is initially \$22.32 per share (subject to adjustment under the terms of the Capped Call Transactions), which represents a premium of 100% over the last reported sale price of \$11.16 per share of the Company’s Common Stock on April 6, 2026. The cost of the Capped Call Transactions was \$49.7 million.

The Capped Call Transactions are separate transactions, each entered into between the Company and the applicable Option Counterparty, and are not part of the terms of the Notes and will not change any holder’s rights under the Notes or the Indenture. Holders of the Notes will not have any rights with respect to the Capped Call Transactions.

Fifth Amendment to the 2023 ABL Credit Agreement

On April 9, 2026, Atlas LLC and certain subsidiaries of the Company entered into that certain Fifth Amendment to Loan, Security and Guaranty Agreement (the “Fifth ABL Amendment”), among Atlas LLC, as the borrower, the subsidiary guarantors party thereto, the lenders party thereto and Bank of America, N.A., as administrative agent. The Fifth ABL Amendment amends that certain Loan, Security and Guaranty Agreement, dated as of February 22, 2023, as amended, to, among other things, permit the issuance of the Notes Offering and the Capped Call Transactions.

2023 ABL Credit Facility

On April 13, 2026, the Company paid the \$75.0 million balance of the 2023 ABL Credit Facility along with \$1.9 million of accrued interest and fees.

Master Lease Agreement and Interim Funding Agreement

On April 15, 2026, the Company paid Stonebriar \$66.2 million for outstanding borrowings under its Lease Documents.

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

The following discussion and analysis should be read in conjunction with the financial statements and related notes presented in this Quarterly Report on Form 10-Q (this “Report”), as well as our audited financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (the “Annual Report”), filed with the U.S. Securities and Exchange Commission (the “SEC”) on February 24, 2026.

Cautionary Note Regarding Forward-Looking Statements

This Report contains forward-looking statements that are subject to risks and uncertainties. All statements, other than statements of historical fact included in this Report, regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this Report, the words “may,” “forecast,” “continue,” “could,” “would,” “will,” “plan,” “believe,” “anticipate,” “intend,” “estimate,” “expect,” “project” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on our current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements described under the section titled “Risk Factors” included in this Report and in our Annual Report. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Although we believe that the forward-looking statements contained in this Report are based on reasonable assumptions, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those in such forward-looking statements, including but not limited to:

- limitations on our financial flexibility due to our existing and any future indebtedness;
- our ability to successfully execute our share repurchase program or implement future share repurchase programs;
- higher than expected costs to operate our proppant production and processing facilities or the Dune Express;
- the amount of proppant we are able to produce, which could be adversely affected by, among other things, operating difficulties and unusual or unfavorable geologic conditions;
- the volume of proppant we are able to sell and our ability to enter into supply contracts for our proppant on acceptable terms;
- the prices we are able to charge, and the margins we are able to realize, from our sales of proppant, logistics services, or mobile power generation;
- hazards customary to the operation of power generation facilities, including transporting, storing and handling fuel, operating industrial, electrical and other equipment, and connecting to high voltage transmission and distribution systems;
- the demand for and price of proppant and power generation, particularly in the Permian Basin;
- the success of our electric dredging transition efforts;
- fluctuations in the demand for certain grades of proppant;
- the domestic and foreign supply of and demand for oil and natural gas;
- the effects of actions by, or disputes among or between, members of OPEC+ with respect to production levels or other matters related to the prices of oil and natural gas;
- changes in the price and availability of natural gas, diesel fuel or electricity that we use as fuel sources for our proppant production facilities and related equipment;
- development of alternative power generation technologies or changes in the availability of grid power that would reduce the need for mobile power supply, particularly in the Permian Basin;
- customer concentration, the potential for future consolidation amongst current or potential customers and the possibility that customers may not continue to outsource their power system needs, which could affect demand for our products and services, especially in the power generation industry;
- the availability of capital and our liquidity;
- the level of competition from other companies;
- pending legal or environmental matters;

- changes in laws and regulations (or the interpretation thereof) or increased public scrutiny related to the proppant production and oil and natural gas industries, silica dust exposure or the environment;
- facility shutdowns in response to environmental regulatory actions;
- technical difficulties or failures;
- liability or operational disruptions due to pit-wall or pond failure, environmental hazards, fires, explosions, chemical mishandling or other industrial accidents;
- unanticipated ground, grade or water conditions;
- inability to obtain government approvals or acquire or maintain necessary permits or mining, access or water rights;
- changes in the price and availability of transportation services;
- inability of our customers to take delivery;
- difficulty collecting on accounts receivable;
- the level of completion activity in the oil and natural gas industry;
- inability to obtain necessary proppant production or power generation equipment or replacement parts;
- the amount of water available for processing proppant;
- any planned or future expansion projects or capital expenditures;
- our ability to finance equipment, working capital and capital expenditures;
- inability to successfully grow organically, including through future land acquisitions;
- inaccuracies in estimates of volumes and qualities of our frac sand reserves;
- failure to meet our minimum delivery requirements under our supply agreements;
- material nonpayment or nonperformance by any of our significant customers;
- development of either effective alternative proppants or new processes that replace hydraulic fracturing;
- our ability to borrow funds and access the capital markets;
- our ability to comply with covenants contained in our debt instruments;
- the potential deterioration of our customers' financial condition, including defaults resulting from actual or potential insolvencies;
- changes in tariffs, trade barriers, price and exchange controls and other regulatory requirements, including such changes that may be implemented by U.S. and foreign governments;
- volatility in political, legal and regulatory environments;
- changes in global political or economic conditions, including sustained inflation as well as financial market instability or disruptions to the banking system due to bank failures, both generally and in the markets we serve;
- the impact of geopolitical developments and tensions, war and uncertainty in oil-producing countries (including the invasion of Ukraine by Russia, geopolitical developments involving Iran and disruptions to shipping through the Strait of Hormuz, continued instability in the Middle East, the recent events in Venezuela and any related political or economic responses and counter-responses or otherwise by various global actors or the general effect on the global economy);
- health epidemics, such as the COVID-19 pandemic, natural disasters or inclement or hazardous weather conditions, including but not limited to cold weather, droughts, flooding, tornadoes and the physical impacts of climate change;
- physical, electronic and cybersecurity breaches;
- the effects of litigation;
- plans, objectives, expectations and intentions described in this Report that are not historical; and
- other factors discussed elsewhere in this Report, including in Item 1A. "Risk Factors."

We caution you that these forward-looking statements are subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond our control. These risks include, but are not limited to, the risks described under the section titled “Item 1A. Risk Factors” in this Report and the risk factors disclosed under the heading “Risk Factors” included in our Annual Report.

You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this Report. Should one or more of the risks or uncertainties described in this Report occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements. All forward-looking statements, expressed or implied, included in this Report are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements to reflect events or circumstances after the date of this Report.

Overview

Atlas Energy Solutions Inc., a Delaware corporation (f/k/a New Atlas HoldCo. Inc.) (“New Atlas” and together with its subsidiaries “we,” “us,” “our,” or the “Company”), was formed on June 28, 2023, pursuant to the laws of the State of Delaware, and is the successor to AESI Holdings Inc. (f/k/a Atlas Energy Solutions Inc.), a Delaware corporation (“Old Atlas”). New Atlas is a holding company and the ultimate parent company of Atlas Sand Company, LLC (“Atlas LLC”), a Delaware limited liability company and Atlas Energy Solutions Socorro, LLC (“Socorro”) (f/k/a Galt Power Solutions LLC), a Texas limited liability company. The Company has two segments, the sand and logistics segment and the power segment.

We are a low-cost producer of high-quality, locally sourced 100 mesh and 40/70 sand used as a proppant during the well completion process. Proppant is necessary to facilitate the recovery of hydrocarbons from oil and natural gas wells. One hundred percent of our sand reserves are located in Texas within the Permian Basin and our operations consist of proppant production and processing facilities, including four facilities near Kermit, Texas (together, the “Kermit facilities”), a fifth facility near Monahans, Texas (the “Monahans facility”), and the OnCore distributed mining network.

We operate a differentiated logistics platform that is designed to increase the efficiency, safety and sustainability of the oil and natural gas industry primarily within the Permian Basin. This includes our fleet of fit-for-purpose trucks, trailers, wellsite equipment, and the Dune Express, an overland conveyor infrastructure solution. We have also begun integrating autonomous driving technologies in certain of our fit-for-purpose trucks, creating the first semi-autonomous oilfield logistics network in an effort to increase our automation of the oil and gas proppant supply chain.

We also provide distributed power solutions through a fleet of natural gas-powered reciprocating generators and microgrids primarily supporting production and artificial lift operations across major United States resource basins. Our generators are designed for heavy-duty, harsh environments for mission critical power needs. Our in-house manufacturing and remanufacturing capabilities, coupled with critical in-field service, provide quality control and standardization across the fleet ensuring market-leading uptime.

Recent Developments

Power Purchase Agreement

On April 1, 2026, the Company announced that Socorro entered into a five-year power purchase agreement (with options to renew for two five-year terms, up to an additional 10 years) (the “PPA”) with a technology infrastructure provider (the “Customer”), pursuant to which the Company has agreed to develop a power facility and provide dedicated on-site power generation capacity for the Customer. The equipment to be delivered pursuant to the PPA represents 50% of the 240 MW of recently ordered power generation equipment from a dealer of Caterpillar Inc. (NYSE: CAT), which was previously announced on November 3, 2025. The Company anticipates full energization during the first half of 2027, subject to customary conditions.

Power Equipment Reservation

On March 4, 2026, Atlas Energy Solutions ProjectCo, LLC (“ProjectCo”), a Texas limited liability company and an indirect wholly owned subsidiary of the Company, entered into the Global Framework Agreement (the “GFA”) with Caterpillar Inc. (“Caterpillar”) pursuant to which Caterpillar will reserve approximately 1.4 GW (“Reserved Capacity”) of incremental power generation equipment (the “Caterpillar Equipment”) and ProjectCo will commit to purchase the Caterpillar Equipment from certain Caterpillar authorized dealers (“Participating Dealers”) based on ProjectCo’s monthly demand forecast beginning on the effective date of the GFA and ending on December 31, 2030 (the “Term”) for an initial total aggregate purchase obligation of approximately \$840.0 million. The initial purchase price for the Caterpillar Equipment is subject to adjustments including annual escalations capped at 8% per year, shipping and transportation and adjustments for tariffs affecting the cost of the Caterpillar Equipment. ProjectCo must pay an annual capacity deposit of \$5.0 million (“Advanced Payment”) in June of each year, beginning in 2027, which will be credited towards the purchase price of Caterpillar Equipment. Payment for the Caterpillar Equipment is structured in customary installments.

Financial Developments

Convertible Notes Issuance

On April 9, 2026, the Company issued \$450.0 million aggregate principal amount of its 0.50% Convertible Senior Notes due 2031 (the “Notes” and the offering of the Notes, the “Notes Offering”), which included the full exercise of an over-allotment option for \$60.0 million principal amount of Notes. The Company received an estimated \$386.2 million of net proceeds from the Notes, after deducting underwriting and offering fees. The Company used \$49.7 million of the net proceeds to fund the cost of entering into capped call transactions, \$66.2 million of the net proceeds to pay down outstanding borrowings under its Lease Documents (defined below under *Debt Agreements*), and \$76.9 million of the net proceeds to pay down its 2023 ABL Credit Facility (defined below under *Debt Agreements*). The Company expects to use the remainder of the net proceeds for general corporate purposes, including to purchase a portion of the power generation equipment under the GFA, along with balance of plant and supporting equipment.

For additional information on the terms of the Notes and related capped call transactions, refer to Note 17 - *Subsequent Events* of the unaudited condensed consolidated financial statements (the “Financial Statements”) included elsewhere in this Report.

Fifth Amendment to the 2023 ABL Credit Agreement

On April 9, 2026, Atlas LLC and certain subsidiaries of the Company entered into that certain Fifth Amendment to Loan, Security and Guaranty Agreement (the “Fifth ABL Amendment”), among Atlas LLC, as the borrower, the subsidiary guarantors party thereto, the lenders party thereto and Bank of America, N.A., as administrative agent. The Fifth ABL Amendment amends that certain Loan, Security and Guaranty Agreement, dated as of February 22, 2023, as amended, to, among other things, permit the issuance of the Notes Offering and related capped call transactions.

2023 ABL Credit Agreement

The Company drew down \$25.0 million on January 30, 2026, under the 2023 ABL Credit Facility, for general corporate purposes.

On April 13, 2026, the Company paid the \$75.0 million balance of the 2023 ABL Credit Facility along with \$1.9 million of accrued interest and fees.

Master Lease Agreement and Interim Funding Agreement

On April 15, 2026, the Company paid Stonebriar Commercial Finance LLC (“Stonebriar”) \$66.2 million for outstanding borrowings under its Lease Documents.

Deferred Cash Consideration Note

In January 2026, the Deferred Cash Consideration Note (defined below under *Debt Agreements*) increased by \$1.1 million in accordance with settlement terms from the Hi-Crush Merger Agreement (defined below under *Debt Agreements*). The remaining \$11.1 million of principal was paid at maturity.

Recent Trends and Outlook

Drilling and completions activity is highly correlated to commodity prices. West Texas Intermediate crude oil averaged \$71.80 per barrel in the first quarter of 2026, roughly flat versus \$71.84 per barrel in the first quarter of 2025. The near-term price outlook remains volatile amid ongoing global conflict, with potential stabilization in the second half of 2026. Longer term, global economic growth, energy security priorities, and projected multi-year increases in power consumption could bolster demand for both crude and natural gas.

Demand for the Company's power generation is driven by accelerating U.S. power needs set against constrained grid infrastructure. Aging transmission and distribution networks and demand growth from data centers and reshored manufacturing are expected to drive increasing need for distributed power. Grid constraints also create bridge power opportunities for industrial and construction projects awaiting permanent grid solutions. This demand growth coincides with well-documented challenges to U.S. grid reliability and generation capacity.

How We Generate Revenue

Sand and Logistics Segment

We generate revenue by mining, processing and distributing proppant that our customers use in connection with their operations. We sell proppant to our customers under supply agreements or as spot sales at prevailing market rates, which is dependent upon the cost of producing proppant, the proppant volumes sold and the desired margin and prevailing market conditions.

Revenues also include charges for sand logistics services provided to our customers. Our logistics service revenue fluctuates based on several factors, including the volume of proppant transported, the distance between our facilities and our customers, and prevailing freight rates. Revenue is generally recognized as products are delivered and services are provided in accordance with the contract.

Some of our contracts contain shortfall provisions that calculate agreed upon fees that are billed when the customer does not satisfy the minimum purchases over a period of time defined in each contract.

Power Segment

We generate revenue through the rental of our power equipment. Power equipment rentals are performed under a variety of contract structures. We also generate product revenue from the sale of power equipment to customers. Power equipment revenues are derived from sales agreements with customers for certain equipment.

Costs of Conducting Our Business

Sand and Logistics Segment

We incur operating costs primarily from direct and indirect labor, freight charges, utility costs, fuel and maintenance costs and royalties. We incur labor costs associated with employees at our proppant production facilities, which represent the most significant cost of converting proppant to finished product. Our proppant production facilities undergo maintenance to minimize unscheduled downtime and ensure the ongoing quality of our proppant and ability to meet customer demands. We may incur variable utility costs in connection with the operation of our processing facilities, primarily natural gas and electricity, which are both susceptible to market fluctuations. We lease equipment in many areas of our operations, including our proppant production hauling equipment. We incur variable royalty expense and/or delay rentals related to our agreements with the owners of our reserves. In addition, other costs including overhead allocation, depreciation and depletion are capitalized as a component of inventory and are reflected in cost of sales when inventory is sold. Our logistics services incur operating costs primarily composed of variable freight charges from trucking companies' delivery of sand to customer wellsites, equipment leases, direct and indirect labor, fuel and maintenance costs and royalties.

Power Segment

We have expenses comprising our cost of sales (excluding depreciation, depletion, and accretion expense) of (i) direct labor costs, and related travel and lodging expenses, (ii) generator transportation costs and (iii) the costs of maintaining our equipment. A large portion of our cost of sales (excluding depreciation, depletion, and accretion expense) related to rental revenue are variable based on the number of generators deployed with customers.

How We Evaluate Our Operations

Non-GAAP Financial Measures

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Free Cash Flow, Adjusted EBITDA less Capital Expenditures, Adjusted Free Cash Flow Margin, Adjusted EBITDA less Capital Expenditures Margin, Adjusted Free Cash Flow Conversion, Contribution Margin, Maintenance Capital Expenditures and Net Debt are non-GAAP supplemental financial measures used by our management and by external users of our Financial Statements such as investors, research analysts and others, in the case of Adjusted EBITDA, to assess our consolidated operating performance on a consistent basis across periods by removing the effects of development activities, provide views on capital resources available to organically fund growth projects and, in the case of Adjusted Free Cash Flow and Adjusted EBITDA less Capital Expenditures, assess the financial performance of our assets and their ability to sustain dividends or reinvest to organically fund growth projects over the long term without regard to financing methods, capital structure or historical cost basis.

We define Adjusted EBITDA as net income before depreciation, depletion and accretion expense, amortization expense of acquired intangible assets, interest expense, income tax expense, stock and unit-based compensation, loss on extinguishment of debt, loss on disposal of assets, insurance recovery (gain), unrealized commodity derivative gain (loss), other acquisition related costs, and other non-recurring costs. Management believes Adjusted EBITDA is useful because it allows them to more effectively evaluate our consolidated operating performance and compare the results of our operations from period to period and against our peers without regard to our financing methods or capital structure. We exclude the items listed above from net income in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Certain prior period non-recurring costs of goods sold are now included as an add-back to adjusted EBITDA in order to conform to the current period presentation and to more accurately describe the Company's consolidated operating performance and results period-over-period.

We define Adjusted EBITDA Margin as Adjusted EBITDA divided by total revenue.

We define Adjusted Free Cash Flow as Adjusted EBITDA less Maintenance Capital Expenditures. We define Adjusted EBITDA less Capital Expenditures as Adjusted EBITDA less cash used in investing activities. We believe that Adjusted Free Cash Flow and Adjusted EBITDA less Capital Expenditures are useful to investors as they provide measures of the ability of our business to generate cash.

We define Adjusted Free Cash Flow Margin as Adjusted Free Cash Flow divided by total revenue.

We define Adjusted EBITDA less Capital Expenditures Margin as Adjusted EBITDA less Capital Expenditures divided by total revenue.

We define Adjusted Free Cash Flow Conversion as Adjusted Free Cash Flow divided by Adjusted EBITDA.

We define Contribution Margin as gross profit plus depreciation, depletion and accretion expense.

We define Maintenance Capital Expenditures as capital expenditures excluding growth capital expenditures, reconstruction of previously incurred growth capital expenditures, equipment assets acquired through debt, and asset retirement obligations. Certain prior period equipment assets acquired through debt and asset retirement obligations have been removed from capital expenditures in order to conform to the current period presentation and to more accurately describe the Company's consolidated operating performance and results period-over-period.

We define Net Debt as total debt, net of discount and deferred financing costs, plus finance right-of-use lease liabilities, less cash and cash equivalents.

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Free Cash Flow, Adjusted EBITDA less Capital Expenditures, Adjusted Free Cash Flow Margin, Adjusted EBITDA less Capital Expenditures Margin, Adjusted Free Cash Flow Conversion, Contribution Margin, Maintenance Capital Expenditures and Net Debt do not represent and should not be considered alternatives to, or more meaningful than, net income, income from operations, net cash provided by operating activities or any other measure of financial performance presented in accordance with GAAP as measures of our financial performance. Adjusted EBITDA, Adjusted Free Cash Flow, and Adjusted EBITDA less Capital Expenditures have important limitations as analytical tools because they exclude some but not all items that affect net income, the most directly comparable GAAP financial measure. Our computation of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Free Cash Flow, Adjusted Free Cash Flow Margin, Adjusted EBITDA less Capital Expenditures, Adjusted EBITDA less Capital Expenditures Margin, Adjusted Free Cash Flow Conversion, Contribution Margin, Maintenance Capital Expenditures and Net Debt may differ from computations of similarly titled measures of other companies.

The following table presents a reconciliation of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Free Cash Flow, Adjusted EBITDA less Capital Expenditures, Adjusted Free Cash Flow Margin, Adjusted EBITDA less Capital Expenditures Margin, Adjusted Free Cash Flow Conversion, Contribution Margin, Maintenance Capital Expenditures and Net Debt to the most directly comparable GAAP financial measure for the periods indicated.

	Three Months Ended March 31,	
	2026	2025
	(Unaudited) (In thousands)	
Net income (loss)	\$ (47,264)	\$ 1,219
Depreciation, depletion and accretion expense	46,883	38,264
Amortization expense of acquired intangible assets	6,371	4,785
Interest expense	15,914	13,046
Income tax expense (benefit)	(510)	2,293
EBITDA	\$ 21,394	\$ 59,607
Stock-based compensation	8,442	6,518
Insurance recovery (gain) (1)	(3,326)	—
Other non-recurring costs (2)	1,750	849
Other acquisition related costs (3)	142	7,317
Adjusted EBITDA	\$ 28,402	\$ 74,291
Maintenance Capital Expenditures (4)	24,624	15,533
Adjusted Free Cash Flow	\$ 3,778	\$ 58,758

	Three Months Ended March 31,	
	2026	2025
	(Unaudited) (In thousands)	
Net income (loss)	\$ (47,264)	\$ 1,219
Depreciation, depletion and accretion expense	46,883	38,264
Amortization expense of acquired intangible assets	6,371	4,785
Interest expense	15,914	13,046
Income tax expense (benefit)	(510)	2,293
EBITDA	\$ 21,394	\$ 59,607
Stock-based compensation	8,442	6,518
Insurance recovery (gain) (1)	(3,326)	—
Other non-recurring costs (2)	1,750	849
Other acquisition related costs (3)	142	7,317
Adjusted EBITDA	\$ 28,402	\$ 74,291
Capital expenditures	29,275	52,389
Acquisitions	—	181,511
Adjusted EBITDA less Capital Expenditures	\$ (873)	\$ (159,609)

	Three Months Ended March 31,	
	2026	2025
	(Unaudited) (In thousands)	
Net cash provided by (used in) operating activities	\$ 18,996	\$ (7,450)
Current income tax expense (benefit) (4)	4,617	914
Change in operating assets and liabilities	(9,855)	60,708
Cash interest expense (4)	14,760	11,831
Maintenance Capital Expenditures (4)	(24,624)	(15,533)
Gain on sales of power equipment	1,284	—
Credit loss expense	(17)	—
Other non-recurring costs (2)	1,750	849
Other acquisition related costs (3)	142	7,317
Insurance recovery (gain) (1)	(3,326)	—
Other	51	122
Adjusted Free Cash Flow	\$ 3,778	\$ 58,758

	Three Months Ended March 31,	
	2026	2025
	(Unaudited) (In thousands, except percentages)	
Net cash provided by (used in) operating activities	\$ 18,996	\$ (7,450)
Current income tax expense (benefit) (4)	4,617	914
Change in operating assets and liabilities	(9,855)	60,708
Cash interest expense (4)	14,760	11,831
Capital expenditures	(29,275)	(52,389)
Acquisitions	—	(181,511)
Gain on sales of power equipment	1,284	—
Credit loss expense	(17)	—
Other non-recurring costs (2)	1,750	849
Other acquisition related costs (3)	142	7,317
Insurance recovery (gain) (1)	(3,326)	—
Other	51	122
Adjusted EBITDA less Capital Expenditures	\$ (873)	\$ (159,609)
Adjusted EBITDA Margin	10.7%	25.0%
Adjusted EBITDA less Capital Expenditure Margin	(0.3)%	(53.6)%
Adjusted Free Cash Flow Margin	1.4%	19.7%
Adjusted Free Cash Flow Conversion	13.3%	79.1%

	Three Months Ended March 31,	
	2026	2025
	(Unaudited) (In thousands)	
Gross Profit	\$ 6,332	\$ 54,528
Depreciation, depletion and accretion expense	45,226	37,000
Contribution Margin	\$ 51,558	\$ 91,528

(1) Represents insurance recovery (gain) related to the dredge mining assets at the Kermit facility.

(2) Other non-recurring costs includes costs incurred during our 2025 Term Loan Credit Facility (defined below under *Debt Agreements*) transaction and other infrequent and unusual costs.

(3) Represents transactions costs incurred in connection with acquisitions, including fees paid to finance, legal, accounting and other advisors, employee retention and benefit costs, and other operational and corporate costs.

(4) A reconciliation of these items used to calculate Adjusted Free Cash Flow to comparable GAAP measures is included below.

	Three Months Ended March 31,	
	2026	2025
	(Unaudited)	
	(In thousands)	
Current tax expense reconciliation:		
Income tax expense (benefit)	\$ (510)	\$ 2,293
Less: deferred tax expense	5,127	(1,379)
Current income tax expense (benefit)	\$ 4,617	\$ 914
Cash interest expense reconciliation:		
Interest expense, net	\$ 15,784	\$ 12,078
Less: Amortization of debt discount	(1,057)	(1,109)
Less: Amortization of deferred financing costs	(97)	(106)
Less: Interest income	130	968
Cash interest expense	\$ 14,760	\$ 11,831
Maintenance Capital Expenditures, accrual basis reconciliation:		
Purchases of property, plant and equipment	\$ 29,275	\$ 52,389
Changes in operating assets and liabilities associated with investing activities, equipment assets acquired through debt, and asset retirement obligations (5)	37,801	(13,526)
Less: Equipment assets acquired through debt and asset retirement obligations	(35,470)	(3,374)
Less: Growth capital expenditures and reconstruction of previously incurred growth capital expenditures	(6,982)	(19,956)
Maintenance Capital Expenditures, accrual basis	\$ 24,624	\$ 15,533

	March 31, 2026	March 31, 2025
	(Unaudited)	
	(In thousands)	
Total Debt	\$ 622,672	\$ 527,187
Discount and deferred financing costs	24,191	27,937
Finance right-of-use lease liabilities	53,090	5,971
Cash and cash equivalents	39,780	68,674
Net Debt	\$ 660,173	\$ 492,421

(5) Positive working capital changes reflect capital expenditures in the current period that will be paid in a future period. Negative working capital changes reflect capital expenditures incurred in a prior period but paid during the period presented. In addition, this amount includes equipment assets acquired through debt and asset retirement obligations.

Factors Affecting the Comparability of Our Results of Operations

M&A Activity

On February 24, 2025, the Company completed the transactions contemplated by that certain Stock Purchase Agreement (the “Moser Purchase Agreement”) by and among Wyatt Holdings, LLC, a Delaware limited liability company and an indirectly wholly-owned subsidiary of the Company (the “Purchaser”), Moser Holdings, LLC, a Delaware limited liability company (the “Seller”), and for the limited purposes set forth therein, the Company (together with the Purchaser and the Seller, the “Parties”), pursuant to which the Purchaser acquired (i) 100% of the authorized, issued and outstanding equity ownership interests in Moser Acquisition, Inc., a Delaware corporation (“Moser AcquisitionCo”), and (ii) Moser Engine Service, Inc. (d/b/a Moser Energy Systems), a Wyoming corporation and a wholly-owned subsidiary of Moser AcquisitionCo (such transaction, the “Moser Acquisition”), collectively referred to as “Moser.”

Under the terms and conditions of the Moser Purchase Agreement, the aggregate consideration paid to the Seller in the Moser Acquisition (the “Moser Consideration”) consisted of (i) \$180.0 million in cash and (ii) approximately 1.7 million shares of Common Stock (the “Moser Stock Consideration”), issued at the closing of the Moser Acquisition. The Moser Consideration is subject to customary post-closing adjustments. Additional information on these transactions can be found in Note 3 - *Acquisitions* of the Financial Statements included elsewhere in this Report.

Results of Operations (Unaudited) (In thousands)

	Three Months Ended March 31,					
	2026			2025		
	Sand & Logistics	Power	Total	Sand & Logistics	Power	Total
Product revenue	\$ 105,604	\$ 3,336	\$ 108,940	\$ 139,645	\$ —	\$ 139,645
Service revenue	139,113	—	139,113	150,609	—	150,609
Rental revenue	—	17,530	17,530	—	7,337	7,337
Total revenue	244,717	20,866	265,583	290,254	7,337	297,591
Cost of sales (excluding depreciation, depletion and accretion expense)	206,052	7,973	214,025	203,719	2,344	206,063
Depreciation, depletion and accretion expense	40,078	5,148	45,226	35,911	1,089	37,000
Gross profit (loss)	\$ (1,413)	\$ 7,745	\$ 6,332	\$ 50,624	\$ 3,904	\$ 54,528
Selling, general and administrative expense (including stock-based compensation expense of \$8,442 and \$6,518 respectively)			35,746			34,412
Credit loss expense			17			—
Amortization expense of acquired intangible assets			6,371			4,785
Insurance recovery (gain)			(3,326)			—
Operating income (loss)			(32,476)			15,331
Interest (expense), net			(15,784)			(12,078)
Other income (expense), net			486			259
Income (loss) before income taxes			(47,774)			3,512
Income tax expense (benefit)			(510)			2,293
Net income (loss)			\$ (47,264)			\$ 1,219

Three Months Ended March 31, 2026 Compared to Three Months Ended March 31, 2025

Product Revenue. Product revenue decreased by \$30.7 million to \$108.9 million for the three months ended March 31, 2026, as compared to \$139.6 million for the three months ended March 31, 2025. Sand and logistics product revenue decreased by \$34.0 million to \$105.6 million for the three months ended March 31, 2026, as compared to \$139.6 million for the three months ended March 31, 2025. There was a decrease in proppant prices between the periods which contributed to a \$24.0 million decrease in product revenue. Additionally, a decrease in shortfall revenue contributed to a \$10.5 million decrease in product revenue. The decrease was partially offset by an increase in sales volumes between periods which contributed to a \$0.5 million increase in product revenue. Power product revenue is \$3.3 million for the three months ended March 31, 2026 due to the sale of power equipment. There was no power product revenue for the three months ended March 31, 2025.

Service Revenue. Services revenue, which includes freight for last-mile logistics services, decreased by \$11.5 million to \$139.1 million for the three months ended March 31, 2026, as compared to \$150.6 million for the three months ended March 31, 2025. There was a decrease in prices between the periods which contributed to a \$20.9 million decrease in service revenue. The decrease was partially offset by an increase in sales volumes shipped to last-mile logistics customers between periods which contributed to a \$9.4 million increase in service revenue.

Rental Revenue. Rental revenue increased by \$10.2 million to \$17.5 million for the three months ended March 31, 2026, as compared to \$7.3 million for the three months ended March 31, 2025. The increase in rental revenue was due to three months of operations acquired in the Moser Acquisition for the three months ended March 31, 2026, as compared to one month of operations for the three months ended March 31, 2025.

Cost of sales (excluding depreciation, depletion and accretion expense). Cost of sales (excluding depreciation, depletion and accretion expense) increased by \$7.9 million to \$214.0 million for the three months ended March 31, 2026, as compared to \$206.1 million for the three months ended March 31, 2025.

Cost of sales (excluding depreciation, depletion and accretion) related to product revenue increased by \$10.8 million to \$81.1 million for the three months ended March 31, 2026, as compared to \$70.3 million for the three months ended March 31, 2025. Sand and logistics cost of sales related to product revenue increased by \$8.7 million to \$79.0 million for the three months ended March 31, 2026, as compared to \$70.3 million for the three months ended March 31, 2025. This increase was due to increased production along with an increase in rentals, maintenance, and payroll expenses. Power cost of sales related to product revenue is \$2.1 million for the three months ended March 31, 2026 due to the sale of power equipment. There was no power cost of sales related to product revenue for the three months ended March 31, 2025.

Cost of sales (excluding depreciation, depletion and accretion expense) related to services decreased by \$6.5 million to \$127.0 million for the three months ended March 31, 2026, as compared to \$133.5 million for the three months ended March 31, 2025. The decrease was due to utilization of the Dune Express with shortened average drive distances for deliveries to last-mile logistics customers during the period along with a decrease in maintenance expense between periods.

Cost of sales (excluding depreciation, depletion, and accretion expense) related to rentals increased by \$3.6 million to \$5.9 million for the three months ended March 31, 2026, as compared to \$2.3 million for the three months ended March 31, 2025. This increase was due to three months of operations acquired in the Moser Acquisition for the three months ended March 31, 2026, as compared to one month of operations for the three months ended March 31, 2025.

Depreciation, depletion and accretion expense. Depreciation, depletion and accretion expense increased by \$8.2 million to \$45.2 million for the three months ended March 31, 2026, as compared to \$37.0 million for the three months ended March 31, 2025. Sand and logistics depreciation, depletion and accretion expense increased by \$4.2 million to \$40.1 million for the three months ended March 31, 2026, as compared to \$35.9 million for the three months ended March 31, 2025, due to additional depreciable assets placed into service when compared to the prior period. Power depreciation, depletion and accretion expense increased by \$4.0 million to \$5.1 million for the three months ended March 31, 2026, as compared to \$1.1 million for the three months ended March 31, 2025, due to three months of operations acquired in the Moser Acquisition for the three months ended March 31, 2026, as compared to one month of operations for the three months ended March 31, 2025.

Selling, general and administrative expense. Selling, general and administrative expense increased by \$1.3 million to \$35.7 million for the three months ended March 31, 2026, as compared to \$34.4 million for the three months ended March 31, 2025. The increase is due to an increase of \$1.9 million from stock-based compensation, an increase of \$2.4 million from the power segment with three months of operations in 2026 from the Moser Acquisition as compared to one month of operations in 2025, and an increase of \$3.3 million in consulting and professional fees (net of insurance proceeds, see Note 2- *Summary of Significant Accounting Policies- Legal Insurance Proceeds*), salaries and benefits, and other corporate expenses. This increase was partially offset by a decrease in acquisition related costs and non-recurring costs of \$6.3 million for the three months ended March 31, 2026, as compared to the three months ended March 31, 2025.

Our selling, general and administrative expense includes the non-cash expense for stock-based compensation expense for equity awards granted to our employees. For the three months ended March 31, 2026, stock-based compensation expense was \$8.4 million, as compared to \$6.5 million of stock-based compensation expense for the three months ended March 31, 2025.

Amortization expense of acquired intangible assets. Amortization expense of acquired intangible assets increased by \$1.6 million to \$6.4 million for the three months ended March 31, 2026, as compared to \$4.8 million for the three months ended March 31, 2025. The increase was primarily due to the amortization of intangible assets associated with acquisitions in 2025. See Note 3 - *Acquisitions* for more information.

Insurance recovery (gain). Insurance recovery is \$3.3 million for the three months ended March 31, 2026, due to an insurance claim for the damaged dredge asset. See Note 6 - *Property, Plant and Equipment, Net - Impairment or Disposal of Long-Lived Assets and Insurance Proceeds* for more information. There was no insurance recovery for the three months ended March 31, 2025.

Interest (expense), net. Interest expense, net increased by \$3.7 million to \$15.8 million for the three months ended March 31, 2026, as compared to \$12.1 million for the three months ended March 31, 2025. The increase is driven by the 2025 Term Loan Credit Facility and 2023 ABL Credit Facility (defined below under *Debt Agreements*).

Income tax expense (benefit). Income tax expense (benefit) decreased by \$2.8 million to \$(0.5) million for the three months ended March 31, 2026, as compared to \$2.3 million for the three months ended March 31, 2025. The decrease is primarily attributable to a decrease in income before income taxes and an increase in percentage depletion in excess of basis for the three months ended March 31, 2026 as compared to the three months ended March 31, 2025.

Liquidity and Capital Resources

Overview

Our primary sources of liquidity to date have been capital contributions from our owners, cash flows from operations, equity offerings, and borrowings under our previous term loan credit facilities, and our previous asset-based loan credit facilities. Going forward, we expect our primary sources of liquidity to be cash flows from operations, proceeds from the April 2026 issuance of the Notes, availability under our 2023 ABL Credit Facility as amended, funding under our Lease Documents or any other credit facility or lease agreements we enter into in the future and proceeds from any future issuances of debt or equity securities. We expect our primary use of capital will be used for investing in our business, specifically for acquisition of fit-for-purpose equipment used in our logistics platform, and power-related growth capital expenditures. In addition, we have routine facility upgrades and additional ancillary capital expenditures associated with, among other things, contractual obligations and working capital obligations.

As of March 31, 2026, we had working capital, defined as current assets less current liabilities, of \$49.8 million and \$49.7 million of availability under the 2023 ABL Credit Facility. Our cash and cash equivalents totaled \$39.8 million.

Cash Flow

The following table summarizes our cash flow for the periods indicated:

	Three Months Ended March 31,	
	2026	2025
	(Unaudited)	
	(In thousands)	
Consolidated Statement of Cash Flow Data:		
Net cash provided by (used in) operating activities	\$ 18,996	\$ (7,450)
Net cash used in investing activities	(22,613)	(228,502)
Net cash provided by financing activities	2,765	232,922
Net decrease in cash	<u>\$ (852)</u>	<u>\$ (3,030)</u>

Three Months Ended March 31, 2026 Compared to Three Months Ended March 31, 2025

Net Cash Provided by (used in) Operating Activities. Net cash provided by operating activities was \$19.0 million and net cash used in operating activities was \$7.5 million for the three months ended March 31, 2026 and 2025, respectively. Net income (loss) adjusted for non-cash items for the three months ended March 31, 2026 resulted in a cash increase of \$9.2 million, as compared with a cash increase of \$53.3 million for the three months ended March 31, 2025. This change was primarily due to lower earnings in 2026. Changes in net working capital for the three months ended March 31, 2026 resulted in a cash increase of \$9.9 million, as compared with a cash decrease of \$60.7 million for the three months ended March 31, 2025. This change was primarily due to a decrease in accounts receivable and an increase in accounts payable and accrued liabilities and other liabilities in the three months ended March 31, 2026, as compared to the three months ended March 31, 2025.

Net Cash Used in Investing Activities. Net cash used in investing activities was \$22.6 million and \$228.5 million for the three months ended March 31, 2026 and 2025, respectively. The decrease in cash used is primarily attributable to the \$181.5 million used in the Moser Acquisition that occurred during the three months ended March 31, 2025, as compared to no such activity for the three months ended March 31, 2026. Additionally, there was less capital spending at the Kermit and Monahans facilities, OnCore distributed mining network, Dune Express and logistics assets during the three months ended March 31, 2026 when compared to the three months ended March 31, 2025.

Net Cash Provided by Financing Activities. Net cash provided by financing activities was \$2.8 million and \$232.9 million for the three months ended March 31, 2026 and 2025, respectively. This decrease is primarily attributable to the \$253.1 million provided in the Equity Offering (defined below under *Debt Agreements*) that occurred for the three months ended March 31, 2025, as compared to no such activity for the three months ended March 31, 2026. This decrease was partially offset by the \$30.4 million used in dividends distributed for the three months ended March 31, 2025, as compared to no such activity for the three months ended March 31, 2026.

Capital Requirements

Our primary growth and technology initiatives include continued acquisition of fit-for-purpose equipment used in our logistics platform and power-related growth capital expenditures. Outside of our growth and technology initiatives, our business is not presently capital intensive in nature and only requires the maintenance of our facilities. In addition to capital expenditures, we have certain contractual long-term capital requirements associated with our lease and royalty payments and debt. See Note 7 - *Leases*, Note 8 - *Debt* and Note 9 - *Commitments and Contingencies* of the Financial Statements included elsewhere in this Report. Our current level of maintenance capital expenditures is expected to remain within our cash on hand and internally generated cash flow.

We intend to fund our capital requirements through our primary sources of liquidity, which include cash on hand, cash flows from operations, and proceeds from the April 2026 issuance of the Notes and, if needed, availability under our 2023 ABL Credit Facility and funding under our Lease Documents.

Debt Agreements

2025 Term Loan Credit Facility

On February 21, 2025, Atlas LLC entered into a credit agreement (the “2025 Term Loan Credit Agreement”) with Stonebriar, as administrative agent and initial lender, pursuant to which Stonebriar extended Atlas LLC a term loan credit facility comprised of a \$540.0 million single advance term loan that was made on February 21, 2025 (the “2025 Term Loan Credit Facility”).

The 2025 Term Loan Credit Facility is payable in eighty-five consecutive monthly installments, consisting of forty-eight monthly installments of combined principal and interest, thirty-six installments of interest only payments, and a final payment of the remaining outstanding principal balance at maturity. The 2025 Term Loan Credit Facility has a final maturity date of March 1, 2032. The 2025 Term Loan Credit Facility bears interest at a rate equal to 9.51% per annum.

The 2025 Term Loan Credit Facility includes a discount of \$20.2 million and de minimis deferred financing fees. As discussed below (*2023 Term Loan Credit Facility*), the 2025 Term Loan Credit Facility also includes previously unamortized debt discount and deferred financing fees of \$7.7 million associated with prior Stonebriar borrowings. These amounts are recorded as a direct reduction from the carrying amount of the debt obligation on the Company’s condensed consolidated balance sheets and are amortized to interest expense using the effective interest method. Interest expense associated with the 2025 Term Loan Credit Facility was \$12.3 million and \$5.5 million for the three months ended March 31, 2026 and 2025, respectively, and the interest expense associated with the discount and deferred financing costs was \$0.8 million and \$0.3 million for the three months ended March 31, 2026 and 2025, respectively.

In the event that the Leverage Ratio (as defined under the 2025 Term Loan Credit Agreement) as of the end of any fiscal quarter ending on or after June 30, 2025 is equal to or greater than 2.5:1.0, Atlas LLC will be required to prepay the 2025 Term Loan Credit Facility with 50% of Excess Cash Flow (as defined under the 2025 Term Loan Credit Agreement) for the fiscal quarter period most recently ended less the aggregate amount of optional prepayments of the 2025 Term Loan Credit Facility made during such period.

Atlas LLC may voluntarily redeem the loan outstanding under the 2025 Term Loan Credit Facility, provided that any such prepayment shall include a prepayment fee equal to the sum of the Make-Whole Amount (as defined in under the 2025 Term Loan Credit Agreement) plus (a) three percent (3%) of the principal amount being repaid if such prepayment occurs on or prior to February 21, 2028, (b) two percent (2%) of the principal amount being repaid if such prepayment occurs after February 21, 2028 but on or prior to February 21, 2029 and (c) one percent (1%) of the principal amount being repaid if such prepayment occurs thereafter. The Make-Whole Amount shall equal zero (0) when calculating any prepayment made after February 21, 2027. Upon the maturity of the 2025 Term Loan Credit Facility, the entire unpaid principal amount of the loan outstanding thereunder, together with interest, fees and other amounts payable in connection with the facility, will be immediately due and payable without further notice or demand.

Dividends and distributions to equity holders are permitted to be made pursuant to certain limited exceptions and baskets described in the 2025 Term Loan Credit Agreement and otherwise generally subject to certain restrictions set forth in the 2025 Term Loan Credit Agreement, including the requirement that no Event of Default (as defined under the 2025 Term Loan Credit Agreement) has occurred and is continuing.

The 2025 Term Loan Credit Facility includes certain non-financial covenants, including but not limited to restrictions on incurring additional debt and certain distributions. The 2025 Term Loan Credit Facility is subject to two financial covenants, which require that the Loan Parties (as defined in the 2025 Term Loan Credit Agreement) maintain a maximum Leverage Ratio of 4.0 to 1.0 and a minimum Liquidity (as defined in the 2025 Term Loan Credit Agreement) of \$40,000,000. Such financial covenants are tested as of the last day of each fiscal quarter.

The Company used the proceeds from the 2025 Term Loan Credit Facility (i) to refinance the existing 2023 Term Loan Credit Facility and the ADDT Loan (as defined below), (ii) to finance the cash consideration for the Moser Acquisition, and (iii) for general corporate purposes.

The 2025 Term Loan Credit Facility is unconditionally guaranteed, jointly and severally, by Atlas LLC and its subsidiaries and secured by substantially all of the assets of Atlas LLC and its subsidiaries. The 2025 Term Loan Credit Facility is also unconditionally guaranteed on an unsecured basis by the Company.

As of March 31, 2026, Atlas LLC was in compliance with the covenants of the 2025 Term Loan Credit Facility.

Deferred Cash Consideration Note

On March 5, 2024, the Company completed the acquisition of the Permian Basin proppant production and logistics businesses and operations of Hi-Crush Inc., a Delaware corporation (“Hi-Crush”), in exchange for mixed consideration, subject to customary post-closing adjustments (the “Hi-Crush Transaction”), pursuant to that certain Agreement and Plan of Merger, dated February 26, 2024 (the “Hi-Crush Merger Agreement”), by and among the Company, Atlas LLC, Wyatt Merger Sub 1 Inc., a Delaware corporation and direct, wholly-owned subsidiary of Atlas LLC, Wyatt Merger Sub 2, LLC, a Delaware limited liability company and direct, wholly-owned subsidiary of Atlas LLC, Hi-Crush, each stockholder of Hi-Crush as of immediately prior to the effective time of the mergers pursuant to the Hi-Crush Merger Agreement (each a “Hi-Crush Stockholder” and, collectively, the “Hi-Crush Stockholders”), Clearlake Capital Partners V Finance, L.P., solely in its capacity as the Hi-Crush Stockholders’ representative and HC Minerals Inc., a Delaware corporation (collectively, the “Parties”).

In accordance with the Hi-Crush Merger Agreement, the Company issued a secured PIK toggle seller note in an aggregate principal amount of \$111.3 million, with a final maturity date of January 31, 2026 (the “Deferred Cash Consideration Note”). The Deferred Cash Consideration Note was part of the consideration transferred and valued at fair value at the acquisition date. This amount was subject to adjustments as set forth in the Hi-Crush Merger Agreement. In January 2026, the Deferred Cash Consideration Note increased by \$1.1 million in accordance with settlement terms from the Hi-Crush Merger Agreement.

The Deferred Cash Consideration Note bears interest at a rate of 5.00% per annum if paid in cash, or 7.00% per annum if paid in kind. Interest on the Deferred Cash Consideration Note is payable quarterly in arrears beginning March 29, 2024 through maturity. Interest expense associated with the Deferred Cash Consideration Note was de minimis and \$0.7 million for the three months ended March 31, 2026 and 2025, respectively.

The Deferred Cash Consideration Note included \$4.6 million of debt discount and approximately \$0.1 million deferred financing costs. The discount and deferred financing costs are a direct reduction from the carrying amount of the debt obligation on the Company’s condensed consolidated balance sheets and are amortized to interest expense using the effective interest method. Interest expense associated with the discount and deferred financing costs were approximately \$0.2 million and \$0.6 million in total for the three months ended March 31, 2026 and 2025, respectively.

Atlas LLC’s obligations under the Deferred Cash Consideration Note are secured by certain of the assets acquired in connection with the Hi-Crush Transaction. The Deferred Cash Consideration Note is also unconditionally guaranteed by Atlas LLC on an unsecured basis.

Repayment of the Deferred Cash Consideration Note

In February 2025, the Company used a portion of the proceeds from an underwritten public offering of 11.5 million shares of par value \$0.01 per share common stock (the “Common Stock”) at a public offering price of \$23.00 per share on February 3, 2025 (the “Equity Offering”) to repay \$101.3 million of the outstanding principal balance of the Deferred Cash Consideration Note. The remaining \$11.1 million of principal was paid at maturity.

2023 Term Loan Credit Facility

On July 31, 2023, Atlas LLC entered into a credit agreement (the “2023 Term Loan Credit Agreement”) with Stonebriar, as administrative agent and initial lender, pursuant to which Stonebriar extended Atlas LLC a term loan credit facility comprising a \$180.0 million single advance term loan that was made on July 31, 2023 (the “Initial Term Loan”) and commitments to provide up to \$100.0 million of delayed draw (the “DDT Loan”) term loans (collectively, the “2023 Term Loan Credit Facility”), which was subsequently amended to provide an additional delayed draw term loan (the “ADDT Loan”) in the aggregate principal amount of \$150.0 million and increase the existing DDT Loan by an aggregate principal amount of \$100.0 million to a total of \$200.0 million.

On February 21, 2025, Atlas LLC entered into the 2025 Term Loan Credit Agreement with Stonebriar, proceeds from which were used to repay \$332.4 million of the remaining principal and \$1.8 million of accrued interest of the Initial Term Loan, the DDT Loan, and the ADDT Loan. As this transaction was accounted for as a modification under ASC 470, “Debt,” these fees paid to the lender, as well as previously unamortized debt discount and deferred financing fees associated with the Initial Term Loan, the DDT Loan, and the ADDT Loan of \$7.7 million were deferred and recorded as a direct reduction from the carrying amount of the debt obligation on the condensed consolidated balance sheets. These deferred costs are amortized to interest expense using the effective interest method. In connection with this refinancing, on February 21, 2025, we incurred prepayment fees on the Initial Term Loan, the DDT Loan, and the ADDT Loan of \$13.3 million. The Company recorded the prepayment fees as additional debt discount and amortizes the amount as an adjustment over the remaining term of the modified debt instrument.

2023 ABL Credit Facility

On February 22, 2023, Atlas LLC, certain of its subsidiaries, as guarantors, Bank of America, N.A., as administrative agent (the “ABL Agent”), and certain financial institutions party thereto as lenders (the “2023 ABL Lenders”) entered into a Loan, Security and Guaranty Agreement (the “2023 ABL Credit Agreement”) pursuant to which the 2023 ABL Lenders provide revolving credit financing to the Company in an aggregate principal amount of up to \$75.0 million (the “2023 ABL Credit Facility”), with Availability (as defined in the 2023 ABL Credit Agreement) thereunder subject to a “Borrowing Base” as described in the 2023 ABL Credit Agreement. The 2023 ABL Credit Facility includes a letter of credit sub-facility, which permits issuance of letters of credit up to an aggregate amount of \$25.0 million. The scheduled maturity date of the 2023 ABL Credit Facility is February 22, 2028; provided that the 2023 ABL Credit Facility will mature on June 30, 2027 if any amount of the 2023 Term Loan Credit Facility that has a maturity date less than 91 days prior to February 22, 2028 is outstanding on June 30, 2027.

Atlas LLC may also request swingline loans under the 2023 ABL Credit Agreement in an aggregate principal amount not to exceed \$7.5 million. During the three months ended March 31, 2026 and the year ended December 31, 2025, Atlas LLC had no outstanding swingline loans under the 2023 ABL Credit Facility.

Borrowings under the 2023 ABL Credit Facility bear interest, at Atlas LLC’s option, at either a base rate or Term Secured Overnight Financing Rate (“SOFR”) (as defined in the 2023 ABL Credit Agreement), as applicable, plus an applicable margin based on average Availability as set forth in the 2023 ABL Credit Agreement. Term SOFR loans bear interest at Term SOFR for the applicable interest period plus an applicable margin, which ranges from 1.50% to 2.00% per annum based on average Availability as set forth in the 2023 ABL Credit Agreement. Base rate loans bear interest at the applicable base rate, plus an applicable margin, which ranges from 0.50% to 1.00% per annum based on average Availability as set forth in the 2023 ABL Credit Agreement. In addition to paying interest on outstanding principal under the 2023 ABL Credit Facility, Atlas LLC is required to pay a commitment fee which ranges from 0.375% per annum to 0.500% per annum with respect to the unutilized commitments under the 2023 ABL Credit Facility, based on the average utilization of the 2023 ABL Credit Facility. Atlas LLC is required to pay customary letter of credit fees, to the extent that one or more letter of credit is outstanding. For both the three months ended March 31, 2026 and 2025, we recognized \$0.1 million of interest expense, unutilized commitment fees and other fees under the 2023 ABL Credit Facility, classified as interest expense. The 2023 ABL credit facility included \$1.0 million in deferred financing costs that are recorded under other long-term assets on the condensed consolidated balance sheets and are amortized on a straight-line basis over the life of the agreement.

The Borrowing Base was initially set at \$75.0 million and the amount of available credit changes every month, depending on the amount of eligible accounts receivable and inventory we have available to serve as collateral. With the First Amendment to the 2023 ABL Credit Agreement, discussed below, the Borrowing Base increased to \$125.0 million. The Borrowing Base components are subject to customary reserves and eligibility criteria.

On March 5, 2024 and November 12, 2024, the Company drew down \$50.0 million and \$20.0 million, respectively, under the 2023 ABL Credit Facility for general corporate purposes. In February 2025, the Company used a portion of the proceeds from the Equity Offering to repay the \$70.0 million of the outstanding principal balance of the 2023 ABL Credit Facility.

On July 25, 2025, the Company drew down \$25.0 million under the 2023 ABL Credit Facility to fund cash consideration for the PropFlow Acquisition. On October 30, 2025 and January 30, 2026, the Company drew down \$25.0 million and \$25.0 million, respectively, under the 2023 ABL Credit Facility for general corporate purposes. The Company had interest expense of \$1.0 million and \$0.6 million for the three months ended March 31, 2026 and 2025, respectively. The draw included \$0.3 million in debt issuance costs and \$0.5 million in deferred financing costs. These costs are recorded under other long-term assets on the condensed consolidated balance sheets and are amortized on a straight-line basis over the life of the agreement. Interest expense associated with the amortization of these costs were \$0.1 million for both the three months ended March 31, 2026 and 2025.

The 2023 ABL Credit Facility requires that if Availability is less than the greater of (i) 12.50% of the Borrowing Base and (ii) \$7.5 million, Atlas LLC must maintain a Fixed Charge Coverage Ratio (as defined in the 2023 ABL Credit Agreement) of at least 1.00 to 1.00 while a Covenant Trigger Period (as defined in the 2023 ABL Credit Agreement) is in effect.

Under the 2023 ABL Credit Agreement, Atlas LLC is permitted to make payments of dividends and distributions pursuant to certain limited exceptions and baskets set forth therein and otherwise generally subject to certain restrictions described therein, including that (i) no Event of Default (as defined under the 2023 ABL Credit Agreement) has occurred and is continuing, and (ii) no loans and no more than \$7.5 million in letters of credit that have not been cash collateralized are outstanding, and liquidity exceeds \$30.0 million at all times during the 30 days prior to the date of the dividend or distribution; provided that if any loans are outstanding or outstanding letters of credit exceed \$7.5 million and no Event of Default has occurred and is continuing, then Atlas LLC is permitted to make payments of dividends and distributions if, (i) Availability (as defined under the 2023 ABL Credit Agreement) is higher than the greater of (a) \$12 million and (b) 20% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distribution as if such dividend or distribution had been made at the beginning of such period, or if (ii) (a) Availability is higher than the greater of (x) \$9 million and (y) 15% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distributions as if such dividend or distribution had been made at the beginning of such period and (b) the Fixed Charge Coverage Ratio (as defined under the 2023 ABL Credit Agreement), as calculated on a pro forma basis, is greater than 1.00 to 1.00, as provided under the 2023 ABL Credit Agreement. Additionally, Atlas LLC may make additional payments of dividends and distributions in qualified equity interests and may make Permitted Tax Distributions (as defined under the 2023 ABL Credit Agreement).

As of March 31, 2026, Atlas LLC had \$75.0 million in outstanding borrowings and \$0.3 million in outstanding letters of credit under the 2023 ABL Credit Facility. Additionally, as of March 31, 2026, the Borrowing Base was \$125.0 million, and Availability was \$49.7 million.

The 2023 ABL Credit Facility contains certain customary representations and warranties, affirmative and negative covenants, and events of default. As of March 31, 2026, the Company was in compliance with the covenants under the 2023 ABL Credit Facility.

The 2023 ABL Credit Facility is unconditionally guaranteed, jointly and severally, by Atlas LLC and its subsidiaries and secured by substantially all of the assets of Atlas LLC and its subsidiaries.

First Amendment to the 2023 ABL Credit Agreement

On February 26, 2024, Atlas LLC and certain other subsidiaries of the Company entered into the First Amendment to Loan, Security and Guaranty Agreement (the "ABL Amendment"), among Atlas LLC, the subsidiary guarantors party thereto, the lenders party thereto and the ABL Agent, which amends the 2023 ABL Credit Agreement.

The ABL Amendment increased the revolving credit commitment to \$125.0 million. The existing lenders increased their commitment by \$25.0 million which resulted in a debt modification under ASC 470, "Debt." The ABL Amendment also added a new lender with a \$25.0 million commitment, thus creating a new debt arrangement under ASC 470, "Debt." The deferred financing costs and debt issuance cost will be amortized on a prospective basis over the term of the agreement. The maturity date of the 2023 ABL Credit Agreement was extended from February 22, 2028 to the earliest of (a) February 26, 2029; (b) the date that is 91 days prior to the maturity date for any portion of the Term Loan Debt (as defined in the ABL Amendment); or (c) any date on which the aggregate Commitments terminate hereunder.

The ABL Amendment requires that if Availability is less than the greater of (i) 12.50% of the Borrowing Base and (ii) \$12.5 million, Atlas LLC must maintain a Fixed Charge Coverage Ratio (as defined in the 2023 ABL Credit Agreement) of at least 1.00 to 1.00 while a Covenant Trigger Period (as defined in the 2023 ABL Credit Agreement) is in effect.

Under the ABL Amendment, Atlas LLC is permitted to make payments of dividends and distributions pursuant to certain limited exceptions and baskets set forth therein and otherwise generally subject to certain restrictions described therein, including that (i) no Event of Default (as defined under the 2023 ABL Credit Agreement) has occurred and is continuing, and (ii) no loans and no more than \$7.5 million in letters of credit that have not been cash collateralized are outstanding, and liquidity exceeds \$30.0 million at all times during the 30 days prior to the date of the dividend or distribution; provided that if any loans are outstanding or outstanding letters of credit exceed \$7.5 million and no Event of Default has occurred and is continuing, then Atlas LLC is permitted to make payments of dividends and distributions if, (i) Specified Availability (as defined under the 2023 ABL Credit Agreement) is higher than the greater of (a) \$20.0 million and (b) 20% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distribution as if such dividend or distribution had been made at the beginning of such period, or if (ii) (a) Specified Availability is higher than the greater of (x) \$15.0 million and (y) 15% of the pro forma Borrowing Base then in effect and during the 30 days prior to the date of the dividend or distributions as if such dividend or distribution had been made at the beginning of such period and (b) the Fixed Charge Coverage Ratio (as defined under the 2023 ABL Credit Agreement), as calculated on a pro forma basis, is greater than 1.00 to 1.00, as provided under the 2023 ABL Credit Agreement. Additionally, Atlas LLC may make additional payments of dividends and distributions in qualified equity interests and may make Permitted Tax Distributions (as defined under the 2023 ABL Credit Agreement).

Second Amendment to the 2023 ABL Credit Agreement

On January 27, 2025, Atlas LLC and certain other subsidiaries of the Company entered into that certain Second Amendment to Loan, Security and Guaranty Agreement (the “Second ABL Amendment”), among Atlas LLC, as the borrower, the subsidiary guarantors party thereto, the lenders party thereto and Bank of America, N.A., as the ABL Agent. The Second ABL Amendment amends that certain Loan, Security and Guaranty Agreement dated as of February 22, 2023, as amended.

The Second ABL Amendment permitted the Company and its applicable affiliates to enter into the Second Term Loan Amendment, pursuant to which the principal amount of the existing DDT Loan was increased by an aggregate principal amount of \$100.0 million.

Third Amendment to the 2023 ABL Credit Agreement

On February 21, 2025, Atlas LLC and certain other subsidiaries of the Company entered into that certain Third Amendment to Loan, Security and Guaranty Agreement (the “Third ABL Amendment”), among Atlas LLC, as the borrower, the subsidiary guarantors party thereto, the lenders party thereto and Bank of America, N.A., as the ABL Agent. The Third ABL Amendment amends that certain Loan, Security and Guaranty Agreement dated as of February 22, 2023, as amended.

The Third ABL Amendment permitted the Company and its applicable affiliates to enter into the 2025 Term Loan Credit Agreement, pursuant to which Atlas LLC borrowed \$540.0 million from Stonebriar in a single advance term loan that was made on February 21, 2025.

Fourth Amendment to the 2023 ABL Credit Agreement

On December 26, 2025, Atlas LLC and certain other subsidiaries of the Company entered into that certain Fourth Amendment to Loan, Security and Guaranty Agreement (the “Fourth ABL Amendment”), among Atlas LLC, as the borrower, the subsidiary guarantors party thereto, the lenders party thereto and Bank of America, N.A., as the ABL Agent. The Fourth ABL Amendment amends that certain Loan, Security and Guaranty Agreement dated as of February 22, 2023, as amended.

The Fourth ABL Amendment permitted the Company to form Socorro and to unconditionally guarantee Socorro’s obligations under the Lease Agreement.

Fifth Amendment to the 2023 ABL Credit Agreement

On April 9, 2026, Atlas LLC and certain subsidiaries of the Company entered into the Fifth ABL Amendment, among Atlas LLC, as the borrower, the subsidiary guarantors party thereto, the lenders party thereto and Bank of America, N.A., as administrative agent. The Fifth ABL Amendment amends that certain Loan, Security and Guaranty Agreement, dated as of February 22, 2023, as amended, to, among other things, permit the issuance of the Notes Offering and related capped call transactions.

Repayment of the 2023 ABL Credit Agreement

On April 13, 2026, the Company paid the \$75.0 million balance of the 2023 ABL Credit Facility along with \$1.9 million of accrued interest and fees.

Other Indebtedness

The Company has other indebtedness of \$51.3 million of equipment finance notes as of March 31, 2026. There was \$0.4 million and de minimis interest expense for the three months ended March 31, 2026 and 2025, respectively. These equipment finance notes have terms ending in April 2026 through December 2032 and interest rates ranging from 2.24% to 10.89%.

Master Lease Agreement and Interim Funding Agreement

On December 26, 2025, the Company, entered into a master lease agreement (the “Lease Agreement”) by and between Socorro, as lessee, and Stonebriar, as lessor, and an Interim Funding Agreement (the “Interim Funding Agreement” and, together with the Lease Agreement, the “Lease Documents”), by and between Socorro and Stonebriar, pursuant to which Socorro assigned a reservation agreement (the “Reservation Agreement”) for the manufacture of approximately 240 MW of power generation equipment (the “Equipment”) to Stonebriar and Stonebriar agreed to lease such power generation equipment back to Socorro.

Pursuant to the Lease Documents, Stonebriar will make periodic advances up to \$385.0 million and Socorro will make payments to Stonebriar in two phases: (i) monthly rental payments in the amount of the unpaid balance of the aggregate amounts advanced by Stonebriar multiplied by a lease rate factor equal to a per annum rate equal to the sum of one-month SOFR plus 635 basis points and (ii) once Equipment (as defined in the Interim Funding Agreement) under the Reservation Agreement is delivered to and accepted by Socorro, monthly rental payments in an amount set forth in the applicable Schedule (as defined in the Interim Funding Agreement) relating to such Equipment. The Lease Agreement provides that Socorro may terminate the Lease Agreement (x) prior to the Term Expiration Date (as defined in the Lease Agreement) for an early termination price set forth on the Schedule for such Equipment or (y) on the Term Expiration Date as set forth on the Schedule for such Equipment, in each case, subject to certain terms and conditions described in the Lease Agreement. The obligations under the Lease Agreement are guaranteed on an unsecured basis by the Company.

On April 15, 2026, the Company paid Stonebriar \$66.2 million for outstanding borrowings under its Lease Documents.

Convertible Notes Issuance

On April 9, 2026, the Company issued \$450.0 million aggregate principal amount of the Notes, which included the full exercise of an over-allotment option for \$60.0 million principal amount of Notes. The Company received an estimated \$386.2 million of net proceeds from the Notes, after deducting underwriting and offering fees. The Company used \$49.7 million of the net proceeds to fund the cost of entering into capped call transactions, \$66.2 million of the net proceeds to pay down outstanding borrowings under its Lease Documents, and \$76.9 million of the net proceeds to pay down its 2023 ABL Credit Facility. The Company expects to use the remainder of the net proceeds for general corporate purposes, including to purchase a portion of the power generation equipment under the GFA, along with balance of plant and supporting equipment.

Refer to Note 17 - *Subsequent Events* for additional information on the terms of the Notes and related capped call transactions.

Critical Accounting Policies and Estimates

As of March 31, 2026, there have been no material changes to our critical accounting policies and related estimates previously disclosed in our Annual Report. Refer to the accounting policies discussed in the notes to our Financial Statements under Note 2 - *Summary of Significant Accounting Policies*.

Property, Plant and Equipment, Including Depreciation and Depletion

Mining property and development costs, including plant facilities directly associated with mining properties, are amortized using the units of production method on estimated measures of tons of in-place reserves. The impact to reserve estimates is recognized on a prospective basis. Drilling and related costs are capitalized for deposits where proven and probable reserves exist. These activities are directed at obtaining additional information on the deposit or converting non-reserve minerals to proven and probable reserves, with the benefit being realized over a period greater than one year. At a minimum, we will assess the useful lives and residual values of all long-lived assets on an annual basis to determine if adjustments are required. The actual reserve life may differ from the assumptions we have made about the estimated reserve life.

We evaluate long-lived assets for potential impairment indicators whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such a review should indicate that the carrying amount of long-lived assets is not recoverable, the Company will reduce the carrying amount of such assets to fair value.

Business Combinations

We allocate the purchase price of any business we acquire to the identifiable assets acquired and liabilities assumed based on their estimated fair values. Any excess purchase price over the fair value of the net identifiable assets acquired is recorded as goodwill. We use all available information to estimate fair values, including quoted market prices, the carrying value of acquired assets and assumed liabilities and valuation techniques such as discounted cash flows, relief-from-royalty method, with or without method, multi-period excess earnings method, or cost to recreate method. We engage third-party appraisal firms to assist in the fair value determination of identifiable long-lived assets, identifiable intangible assets, as well as any contingent consideration that provides for additional consideration to be paid to the seller if certain future conditions are met. These estimates are reviewed during the measurement period and adjusted as soon as the necessary information becomes available but no later than one year from the acquisition date. The judgments made in determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact our financial condition or results of operations. The purchase price associated with business combinations can include a holdback liability. The holdback is subject to changes from estimated to actual net working capital amounts and other customary purchase price adjustments. The holdback amount is based on management's best estimate and may be subject to further adjustments. This amount is recorded in other current liabilities on our condensed consolidated balance sheets. For further discussion on our recently completed acquisitions, see Note 3 - *Acquisitions*, to the accompanying Financial Statements included elsewhere in this Report.

Valuation of Goodwill and Acquired Intangible Assets

We assess our goodwill for impairment annually on October 1, or whenever events or circumstances indicate that the carrying amount of goodwill may not be recoverable. We determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value after considering qualitative, market and other factors. If it is necessary to perform the quantitative assessment to determine if our goodwill is impaired, the fair value is determined using significant unobservable inputs, or Level 3 in the fair value hierarchy. If the carrying amount exceeds the fair value, an impairment loss is recognized in the current period in an amount equal to the excess. The expected future cash flows used for impairment reviews and related fair value calculations are based on subjective, judgmental assessments of the discount rate, projected volumes of sand sold, and product revenue. The acquired definite-lived intangible assets are evaluated for impairment when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For further discussion on goodwill impairment, see Note 4 - *Goodwill and Acquired Intangible Assets*, to the accompanying Financial Statements included elsewhere in this Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Our business is subject to various types of market risks that include interest rate risks, market demand risks, commodity pricing risks, credit risks and inflation risks. Our risk exposure related to these items has not changed materially since December 31, 2025.

Item 4. Controls and Procedures.**Disclosure Controls and Procedures**

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934 (the “Exchange Act”), we have evaluated, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Report. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of March 31, 2026.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 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.

On July 2, 2024, Patrick Ayers, a purported shareholder (the “Plaintiff”), filed a derivative and class action complaint in the Delaware Court of Chancery against certain current and former directors of the Company and certain of the Company’s affiliates. The complaint asserts claims of breach of fiduciary duty related to the corporate reorganization that changed the Company’s Up-C structure to a customary C corporation. The complaint seeks unspecified damages from the defendants for the Plaintiff individually and on behalf of the Company and other former Class A common stockholders as well as an award of attorneys’ fees and costs. We dispute these allegations and intend to vigorously defend against these claims. This lawsuit is currently in discovery. Given the uncertainty of litigation, the preliminary stage of the cases, and the legal standards that must be met for success on the merits, we cannot estimate the reasonably possible loss or range of loss that may result from these derivative actions.

In addition to the matter above, we are currently involved in, and may in the future be involved in, legal proceedings, claims, regulatory inquiries, audits, and governmental investigations incidental to our business, including putative class actions, collective actions, employment, commercial claims and other matters. While the outcome of any litigation is inherently unpredictable, based on currently available facts and our current insurance coverages, we do not believe that the ultimate resolution of any of these matters will have a material adverse impact on our financial condition, results of operations or cash flows. We are not aware of any material legal proceedings contemplated by governmental authorities.

Item 1A. Risk Factors.

Except as set forth below, during the three months ended March 31, 2026, there have been no material changes to the risk factors previously disclosed under the heading “Risk Factors” in our Annual Report.

We may not have the ability to raise the funds necessary to settle conversions of the Notes for cash or to repurchase the Notes for cash upon a fundamental change, and our future indebtedness may contain limitations on our ability to pay cash upon conversion of the Notes or to repurchase the Notes.

Holders of the Notes will have the right, except in certain limited circumstances, to require us to repurchase all or any portion of their Notes upon the occurrence of a fundamental change at a fundamental change repurchase price equal to 100% of the principal amount of the Notes to be repurchased, *plus* accrued and unpaid interest, if any, to, but excluding, the fundamental change repurchase date. In addition, upon conversion of the Notes, unless we elect to deliver solely shares of our Common Stock to settle such conversion (other than paying cash in lieu of delivering any fractional share), we will be required to make cash payments in respect of the Notes being converted. However, we may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of Notes surrendered therefor or pay cash with respect to the Notes being converted.

In addition, our ability to repurchase the Notes or to pay cash upon conversions of the Notes may be limited by law, by regulatory authority or by agreements governing our indebtedness. Our failure to repurchase Notes at a time when the repurchase is required by the indenture governing the Notes or to pay any cash payable on future conversions of the Notes as required by the indenture would constitute a default under the indenture. A default under the indenture governing the Notes or the fundamental change itself could also lead to a default under our then-existing debt agreements. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the Notes or make cash payments upon conversions thereof.

Conversion of the Notes will dilute the ownership interest of existing stockholders, including holders who had previously converted their Notes, and may otherwise depress the price of our Common Stock.

The conversion of some or all of the Notes will dilute the ownership interests of existing stockholders to the extent we deliver shares of our Common Stock upon conversion of any of the Notes. The Notes may from time to time in the future be convertible at the option of their holders prior to their scheduled terms under certain circumstances. Any sales in the public market of the Common Stock issuable upon such conversion could adversely affect prevailing market prices of our Common Stock. In addition, the existence of the Notes may encourage short selling by market participants because the conversion of the Notes could be used to satisfy short positions, and the anticipated conversion of the Notes into shares of our Common Stock could depress the price of our Common Stock.

Provisions in the indenture for the Notes may deter or prevent a business combination that may be favorable to stockholders.

Certain provisions in the Notes and the indenture governing the Notes could make a third-party attempt to acquire us more difficult or expensive. If a fundamental change occurs prior to the maturity date, subject to certain conditions and limited exceptions, holders of the Notes will have the right, at their option, to require us to repurchase all or a portion of their Notes, except in limited circumstances. In addition, if a make-whole fundamental change occurs prior to the maturity date, we will in some cases be required to increase the conversion rate for a holder that elects to convert its Notes in connection with such make-whole fundamental change. Furthermore, the indenture for the Notes will prohibit us from engaging in certain mergers or acquisitions unless, among other things, the surviving entity assumes our obligations under the Notes. These and other provisions in the indenture for the Notes could deter or prevent a third party from acquiring us even when the acquisition may be favorable to stockholders.

The accounting method for the Notes could adversely affect our reported financial condition and results.

The accounting method for reflecting the Notes on our consolidated balance sheet, accruing interest expense for the Notes and reflecting the underlying shares of our Common Stock in our reported diluted earnings per share may adversely affect our reported earnings and financial condition.

In accordance with Accounting Standards Update (“ASU”) 2020-06, we expect that the Notes will be reflected as a liability on our consolidated balance sheets, with the initial carrying amount equal to the principal amount of the Notes, net of issuance costs. The issuance costs will be treated as a debt discount for accounting purposes, which will be amortized into interest expense over the term of the Notes. As a result of this amortization, the interest expense that we expect to recognize for the Notes for accounting purposes will be greater than the cash interest payments we will pay on the Notes, which will result in lower reported net income or higher reported net loss, as the case may be.

In addition, we expect that the shares of Common Stock underlying the Notes will be reflected in our diluted earnings per share using the “if converted” method, in accordance with ASU 2020-06. Under that method, diluted earnings per share would generally be calculated assuming that all the Notes were converted solely into shares of Common Stock at the beginning of the reporting period, unless the result would be anti-dilutive. The application of the if-converted method may reduce our reported diluted earnings per share to the extent we are profitable in the future, and accounting standards may change in the future in a manner that may adversely affect our diluted earnings per share.

Furthermore, if any of the conditions to the convertibility of the Notes is satisfied, then we may be required under applicable accounting standards to reclassify the liability carrying value of the Notes as a current, rather than a long-term, liability. This reclassification could be required even if no holders convert their Notes and could materially reduce our reported working capital.

We have not reached a final determination regarding the accounting treatment for the Notes, and the description above is preliminary. Accordingly, we may account for the Notes in a manner that is significantly different than described above.

We cannot be certain whether other changes may be made to the current accounting standards related to the Notes, or otherwise, that could have a material effect on our operating results.

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

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K (17 C.F.R. Section 229.104) is included in Exhibit 95.1 to this Report.

Item 5. Other Information.

During the fiscal quarter ended March 31, 2026, none of our officers or directors (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K.

Item 6. Exhibits.

The information called for by this Item is incorporated herein by reference from the Exhibit Index included in this Report.

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of the Company, as filed with the Secretary of State of the State of Delaware on October 2, 2023 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (Commission File No. 001-41828) filed on October 3, 2023).
3.2	Amended and Restated Bylaws of the Company, effective as of October 2, 2023 (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K (Commission File No. 001-41828) filed on October 3, 2023).
4.1	Indenture, dated as of April 9, 2026, between Atlas Energy Solutions Inc. and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K (Commission File No. 001-41828) filed on April 9, 2026).
4.2	Form of 0.50% Convertible Senior Note due 2031 (included in Exhibit A to Exhibit 4.1) (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K (Commission File No. 001-41828) filed on April 9, 2026).
10.1*	Global Framework Agreement, effective February 27, 2026, by and between Atlas Energy Solutions ProjectCo, LLC and Caterpillar Inc.
10.2	Form of Capped Call Confirmation (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (Commission File No. 001-41828) filed on April 9, 2026).
10.3	Fifth Amendment to Loan, Security and Guaranty Agreement, dated as of April 9, 2026, by and among Atlas Sand Company, LLC, as borrower, certain of its subsidiaries as guarantors, the financial institutions party thereto as lenders and Bank of America, N.A., as agent for the lenders (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K (Commission File No. 001-41828) filed on April 9, 2026).
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
95.1*	Mine Safety Disclosures.
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104*	Cover page formatted as Inline XBRL and contained in Exhibit 101

* These exhibits are filed or furnished with this Report.

SIGNATURES

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

Date: May 5, 2026

By:

ATLAS ENERGY SOLUTIONS INC.

/s/ John Turner

John Turner

President and Chief Executive Officer

By:

/s/ Blake McCarthy

Blake McCarthy

Chief Financial Officer

*Certain identified information in this Exhibit 10.1 (indicated by “[***]”) has been omitted pursuant to Item 601(b)(2)(ii) of Regulation S-K because it is not material and is the type of information that the Company treats as private or confidential.*

Exhibit 10.1

GLOBAL FRAMEWORK AGREEMENT

This Global Framework Agreement (“**Agreement**”) is effective February 27, 2026 (the “**Effective Date**”), by and between Atlas Energy Solutions ProjectCo, LLC, a Texas limited liability company, with principal offices located at 5918 W. Courtyard Dr., Suite 500, Austin, TX 78730 (“**Customer**”), and Caterpillar Inc., a Delaware corporation with principal offices at 5205 N O’Connor Blvd, Suite 100, Irving TX 75039 (“**Caterpillar**”). Customer and Caterpillar may also be referred to individually as “Party” and/or together as “Parties”.

RECITALS

WHEREAS, Customer desires to purchase generator set equipment as set forth in this Agreement;

WHEREAS, this Agreement establishes maximum pricing that Caterpillar authorized dealers who elect to participate in this Agreement will pass along to Customer; and

WHEREAS, this Agreement sets forth certain manufacturing capacity by Caterpillar and purchase volume commitment by Customer for Equipment, as defined below.

NOW, THEREFORE, for valuable consideration, the Parties agree as follows:

AGREEMENT

- 1. PARTICIPATING DEALERS.** Customer and Caterpillar acknowledge that Caterpillar’s authorized dealers are independent businesses and as such (a) have the right to choose whether or not to accept the terms and conditions contained herein; and (b) subject to Section 5(a), have the right to establish their own specific prices. Caterpillar shall provide a copy of this Agreement to its dealers that would normally service Customer and, subject to Customer’s prior written consent, invite such dealers to participate in the terms of this Agreement. Any Customer approved dealer who desires to be a party to this Agreement shall sign a Participating Dealer Agreement substantially in the form set forth in Exhibit A. Those dealers who execute a Participating Dealer Agreement shall be referred to as a “**Participating Dealer**”. Customer acknowledges and agrees that the authorized dealers set forth on Exhibit E are deemed approved in accordance with this Section 1.
 - 2. SCOPE OF AGREEMENT.** During the term of this Agreement, Customer shall purchase or shall cause its affiliates to purchase, and Participating Dealer shall sell the products set forth in Exhibit B (“**Equipment**”) in accordance with the terms of this Agreement. Exhibit B may be modified from time-to-time upon mutual written consent of Caterpillar, Customer, and Participating Dealer(s); provided, however, that Customer’s obligation to purchase is contingent upon Participating Dealer(s) making such Equipment available for purchase.
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3. COMPANY REPRESENTATIVES. Each Party will designate a manager who will coordinate work with the other Party under this Agreement (“**Account Manager**”), including facilitating access to information and personnel of such Party as needed to address questions that may arise. A Party may change its Account Manager on reasonable notice through written communication (including email) to the other. The Parties’ Account Managers are responsible for overall project management and attaining the objectives under this Agreement. In the event any issues arise during the Term of this Agreement, Caterpillar will use commercially reasonable efforts to resolve issues with Participating Dealer and Customer.

4. FORECASTED DEMAND, CAPACITY, AND PURCHASE OBLIGATION.

(a) **Forecasted Demand.** Customer will provide Caterpillar with its forward monthly forecasted demand from the Effective Date through the end of the Initial Term (product, size, region, country, design, quantity, etc.) for Equipment at the outset of this Agreement in accordance with Exhibit C attached hereto (the “**Initial Forecast**”) and provide forecasted demand updates on a quarterly basis or as modified there-after reflecting same, each through the end of the Initial Term (each, a “**Forecast**”). If the Customer becomes aware of a significant demand change (+/- 10%) for any given year included in the term of this Agreement, Customer will notify Caterpillar as soon as commercially reasonable outside of the normal-course quarterly update.

(b) **Reserved Capacity.**

- a. On the Effective Date, Caterpillar will reserve and commit that capacity for the manufacture and delivery to Customer purchasing from Participating Dealers of the Equipment in accordance with Exhibit C (as may be increased from time to time in accordance with this Agreement, “**Reserved Capacity**”). Should Customer’s Forecast increase, Customer may request in writing an increase in the Reserved Capacity. Caterpillar may grant such increase at its sole discretion.
- b. During the Term of this Agreement, if the quantity of Equipment included in any Forecast, after the Initial Forecast-exceeds the quantity of Equipment for the same period included in the prior Forecast proposed by Customer and accepted by Caterpillar (the “**Last Accepted Forecast**”), Customer may request in writing that Caterpillar increase the Reserved Capacity to include such additional quantity of Equipment (an “**Incremental Capacity Request**”). If Caterpillar accepts such Incremental Capacity Request, such incremental quantity will be added to the Reserved Capacity, and such Forecast shall be the Last Accepted Forecast. If Caterpillar does not accept such Incremental Capacity Request, Caterpillar shall offer Customer any units that may become available, in order to meet the Last Accepted Forecast. Customer shall respond to Caterpillar within 2 business days of receiving notification of available units.

- (c) **Purchase Obligation.** Customer will commit to purchase or will cause its controlled affiliates to commit to purchase from Participating Dealer(s) the equivalent quantity of Equipment not less than the Customer purchase obligation reflected in Exhibit C. If Customer does not place a purchase order with Participating Dealers for 100% of the purchase obligation by the purchase order placed by date as indicated in Exhibit C Caterpillar will deem those units as not required by Customer and as such, will use best efforts to reallocate the Equipment not ordered to other customers or Caterpillar dealers at its first opportunity. If Caterpillar is able to reallocate all or a portion of the Equipment, Customer will be excused from its purchase obligation with respect to such reallocated Equipment. If Caterpillar is not able to reallocate any of the Equipment, Customer will purchase or will cause its affiliates to purchase such Equipment.
- (d) **Excused Purchase Obligation Event.** Notwithstanding the foregoing, Customer or its affiliates shall not be obligated to purchase Equipment if a Change in Law occurs that renders illegal or otherwise prohibits the purchase, ownership, lease, transportation, installation, operation, maintenance, or use of the Equipment. “**Change in Law**” means the enactment, adoption, promulgation, implementation, amendment, modification, repeal, or change in interpretation or application (whether temporary or permanent) of any statute, treaty, convention, directive, ordinance, regulation, rule, code, guidance, policy, order, decree, judgment, or other legal requirement issued by any governmental authority having jurisdiction after the Effective Date of this Agreement.
- (e) In the event the Equipment as reflected in Exhibit C is unavailable as a result of the events described in Section 4(d), the Parties will discuss in good faith available alternatives and upon agreement Exhibit C will be amended.

5. PRICE AND PAYMENT TERMS.

- (a) **Pricing.** Each applicable Participating Dealer will execute a separate equipment supply agreement with Customer on terms at least as favorable to Customer as set forth in this Agreement, including the pricing and other commercial provisions set forth in this Agreement. Maximum pricing for the Equipment listed in Exhibit B will be initially established for current year shipments (initial base price) and will be escalated annually as set forth in Exhibit D. Should there be any additions to the Equipment listed in Exhibit B or any changes in the product configuration, an initial maximum price will be established at that time for the added or altered Equipment and said additional pricing will be subject to annual escalation thereafter as outlined in Exhibit D. The prices caps set out in this Agreement shall be binding and represent the maximum price to be provided by Participating Dealer to Customer based on Ex-Works Caterpillar Facility (Incoterms® 2020).
- (b) **Advance Payment.** For the CG260-16 products, a single capacity deposit of \$5M (“**Advance Payment**”) is due to a Participating Dealer in June of each calendar year that has Customer demand for such units, commencing in June 2027 and continuing each year that has a Reserved Capacity obligation for the CG260-16 products, which amount shall be credited towards the purchase price of such products.
- (c) **Payment Schedule.** Each applicable Participating Dealer will provide a minimum payment schedule of values as outlined in Exhibit F.

6. RECONFIGURATION, SHIPMENT, AFTER SALES SUPPORT AND LIMITED WARRANTY.

- (a) **Reconfigurations.** Customer may order the amendment of the product configuration of Equipment up to two-hundred seventy (270) days prior to SOP. In the event Customer amends the product configuration, the pricing of such Equipment will be subject to change as mutually agreed by the Parties.
- (b) **Shipment.** Customer may request that Caterpillar delay the ready to ship date. Whether such delay is permitted shall be subject to Caterpillar's written consent, not to be unreasonable withheld, conditioned or delayed. Unless otherwise agreed to in writing, Caterpillar shall not store finished goods and they shall be delivered to the Participating Dealer immediately upon completion.
- (c) **After Sales Support.** To ensure the sustainment and longevity of the Equipment, Customer and the Participating Dealer(s) will negotiate in good faith an After Sales Support Agreement (e.g. Customer Value Agreement (“CVA”) or Long-Term Service Agreement (“LTSA”)) with the Participating Dealer(s) for all associated units. Customer has no obligation to enter into any After Sales Support Agreements or LTSA with such Participating Dealer, but shall use Caterpillar parts for service activities associated with the purchased equipment.
- (d) **Limited Warranty.** Caterpillar makes and shall make the representations and warranties, and agrees and shall agree to the covenants and obligations, in each case, set forth in the limited warranty attached hereto as Exhibit G with respect to any Equipment purchased by Customer pursuant to this Agreement.

7. TERM AND TERMINATION. This Agreement shall expire on December 31, 2030 (“**Initial Term**”) and may be extended for additional term(s) by mutual written consent of Caterpillar and Customer. Any request for term extension must be submitted at least 12-months in advance of the Initial Term expiration and may be in the form of a Forecast that is mutually agreed between the Parties that extends beyond the then-current Term. In the event the Parties agree to extend the Initial Term (the “**Extended Term**” and together with the Initial Term, the “**Term**”), Caterpillar shall provide notice to the Participating Dealers who shall have the option of accepting or rejecting such Extended Term. In the event a Participating Dealer rejects such Extended Term, such Participating Dealer's participation and obligations under this Agreement shall be terminated at the end of the then-current Term; provided however, that the termination of this Agreement shall not affect Customer's rights, or the Participating Dealers' obligations and liabilities, under any separate contracts executed between Customer and the Participating Dealers.

Customer shall have the right to terminate this Agreement as a result of fraud, gross negligence, willful misconduct or material breach of this Agreement by Caterpillar, in such event, or in the event of termination due to extended force majeure pursuant to Section 17, Caterpillar shall refund any Advance Payment paid for Equipment not delivered or to be delivered as of the termination date.

The provisions of this Agreement shall survive any termination of this Agreement to the extent required for their full observance and performance.

8. NOTICES. When written notice is required by this Agreement, it shall be sent by certified mail, by courier, or by such method as will permit the sender to verify delivery, to the addresses set forth below:

For Customer:

Atlas Energy Solutions ProjectCo, LLC
5918 W. Courtyard Dr., Suite 500
Austin, TX 78730
Attn: [***]
Email: [***]

For Caterpillar:

Caterpillar Inc.
5205 N. O'Connor Boulevard, Suite 100
Irving, TX 75039
Attn: [***]
Email: [***]

With a copy to:

Caterpillar Inc.
5205 N. O'Connor Boulevard, Suite 100
Irving, TX 75039
Attn: [***]

Notices to a Participating Dealer shall be sent as indicated in their applicable agreements.

Notices shall be deemed received (a) when actually delivered to the recipient as demonstrated by postal records or (b) two (2) business days following notice sent by email of a PDF document with confirmation of transmission (delivery receipt). The notice addresses set forth above can be changed only by a notice that complies with the requirements of this Section.

9. CONFIDENTIALITY.

- (a) For purposes of this Agreement, “**Disclosing Party**” and “**Receiving Party**” include Customer and Caterpillar. The Receiving Party shall (i) keep Confidential Information of the Disclosing Party in confidence, using the same degree of care as it uses to protect its own confidential information of like nature, but not less than a reasonable standard of care; (ii) not disclose any of such Confidential Information to any person other than its affiliates, and its and their respective employees, agents, contractors or subcontractors who have a need to know and who are bound by these same terms of confidentiality; and (iii) use such Confidential Information only in connection with performance of this Agreement. “**Confidential Information**” means this Agreement and all information disclosed by the Disclosing Party to the Receiving Party in connection with this Agreement. Notwithstanding the foregoing, Confidential Information does not include information that is: (i) at the time of its disclosure or thereafter becomes part of the public domain through no act of the Receiving Party; (ii) known to the Receiving Party on a non-confidential basis at the time of its disclosure by the Disclosing Party; (iii) independently developed by the Receiving Party without reference to the information disclosed; or (iv) is rightfully disclosed to the Receiving Party by a third party not subject to an obligation of confidentiality with respect to the information disclosed.
- (b) The Receiving Party may disclose Confidential Information of the Disclosing Party, without liability for such disclosure, to the extent that such disclosure is (i) required to be made pursuant to applicable law, government authority, duly authorized subpoena or court order, in which case the Receiving Party will, to the extent practicable, provide prompt notice to the Disclosing Party and endeavor to give the Disclosing Party an opportunity to respond prior to such disclosure; (ii) required to be made to a court or other tribunal in connection with the enforcement of the Receiving Party’s rights under this Agreement; or (iii) approved by the prior written consent of the Disclosing Party.
- (c) Notwithstanding the foregoing, (i) Caterpillar and Customer may disclose Confidential Information to any Participating Dealer in connection with this Agreement and each supporting dealer shall be subject to the confidentiality obligations hereunder and (ii) Caterpillar and Customer may disclose Confidential Information to their respective affiliates, and their affiliates, respective officers, directors, employees, members, partners, financing sources and potential financing sources, and advisors (including, without limitation, accountants, attorneys, consultants and financial advisors) (collectively, “**Representatives**”); provided that for purposes of the above clauses (i) and (ii) such Representatives shall be informed of the confidential nature of the Confidential Information and directed to comply with the confidentiality obligations herein, and, provided further, that each of Caterpillar and Customer will be responsible for any breach of the terms of the confidentiality provisions of this Agreement by their respective Representatives.

(d) No Party will make any public announcement, press release or public statement regarding this Agreement or the contents hereof without the prior written consent of the other Party. This clause will not apply where such disclosure is required to be made by applicable law or the rules or regulations of any securities exchange on which a Party may have listed registered securities, in which case the relevant Party agrees to the extent reasonably possible to advise the other Party of its intended disclosure prior to the disclosure being made.

10. LIMITATION OF LIABILITY. To the maximum extent permitted by applicable law, in no event will a Party be liable for any consequential, indirect, incidental, punitive, special or similar damages, losses or expenses (including without limitation lost profits or revenues, savings, competitive advantage, production, business, reputation or goodwill, increased cost of working or the interruption of the other Party's business) under or in connection with this Agreement, even if such Party has been advised of their possible existence, except to the extent such damages are due to the other Party's fraud, gross negligence or willful misconduct.

11. GOVERNING LAW; DISPUTE RESOLUTION.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, United States of America, without regard to the conflict of laws provisions thereof.

(b) The Parties shall make their best efforts to negotiate and resolve, in good faith, any and all claims, disputes, discrepancies, conflicts, divergences, and/or deadlocks of any nature whatsoever, arising out of or in connection with this Agreement, including any question relating to its existence, validity, effectiveness, application or interpretation, within 30 (thirty) days of written notice from one Party to the other Party or Parties to the dispute. In the event of litigation in connection with this Agreement, the Parties agree that the state and federal courts located in Harris County, Texas shall be the sole and exclusive forum and venue to the maximum extent permitted by law.

12. COUNTERPARTS. Section headings contained herein are for ease of reference only and shall not be given substantive effect. This Agreement may be signed in one or more counterparts, each to be effective as an original.

13. NO ASSIGNMENT. This Agreement, and any rights and obligations hereunder, shall not be transferred, conveyed, assigned or otherwise disposed of ("**Assignment**") in whole or in part by a Party, by operation of law or otherwise, without the prior written consent of the other Parties, which shall not be unreasonably withheld, and, without such prior written consent; provided, however, no prior consent shall be required in the case of Customer's Assignment of this Agreement to (i) any financing sources in connection with a customary collateral assignment entered into as part of Customer's financing arrangements, (ii) any affiliate of Customer, or (ii) any entity succeeding to all or substantially all of the assets of Customer. Any such prohibited act shall be of no force or effect and, at the non-assigning Party's option, shall immediately terminate this Agreement.

14. FUTURE PROJECTS. The Parties agree to cooperate in good faith to inform the other Party of potential projects and opportunities that they become aware of and which are of a similar nature as the projects contemplated in connection with this Agreement.

- 15. NO AGENCY.** Nothing in this Agreement shall be deemed to create any agency or joint venture relationship between the Parties.
- 16. ENTIRE AGREEMENT; AMENDMENT.** This Agreement and the exhibits hereto and the terms constitute the entire agreement and understanding between the Caterpillar and Customer with respect to the subject matters herein and therein, and supersede and replace any and all prior agreements and understandings, whether oral or written, between them with respect to such matters. The terms of this Agreement may only be amended in writing by the Parties hereto.
- 17. FORCE MAJEURE.** No Party shall be liable for its failure to perform any of its obligations hereunder during a Force Majeure event, provided that the Party suffering such delay promptly notifies the other Party in writing of the delay. If the performance of a Party is delayed due to Force Majeure for a cumulative period of ninety (90) days or more, the other Party, notwithstanding any other provision of this Agreement to the contrary, may terminate this Agreement by notice to the other Party. In the event a Party does not terminate this Agreement due to a Force Majeure, then (i) the time for performance or cure will be extended for a period equal to the duration of the Force Majeure, and (ii) the Party claiming Force Majeure shall provide the other Party with its plan to proceed under the terms of this Agreement notwithstanding the Force Majeure. "Force Majeure" means the following events: a strike, lockout, work stoppage, labor dispute, material shortage, epidemic, fire, flood, earthquake, severe weather, act of God, trade sanction, embargo, act of war, act of terrorism, national emergency, or other material event, whether similar to, or different from the events above enumerated, and whether affecting the parties, their respective dealers, agents or subcontractors, in each of the foregoing, to the extent such event is beyond a Party's reasonable control and could not have been prevented through the exercise of commercially reasonable efforts. Notwithstanding the foregoing, "Force Majeure" shall in no circumstances include any: (A) supply chain disruptions or impacts to the extent the primary cause of such supply chain disruption is not itself a Force Majeure event, (B) any ongoing or existing military hostilities and any related or consequential supply chain disruptions or impacts, (C) economic hardship, (D) changes in market conditions, (E) financial problems of the affected party (including its dealers, agents or subcontractors) including a lack of funds, bankruptcy or inability to pay amounts owed, and (F) strikes, labor disputes, boycotts or lockouts directed against Caterpillar or its dealers, agents or subcontractors, except as part of a national or regional strike.
- 18. SURVIVAL.** The provisions of this Agreement shall survive any termination of this Agreement to the extent required for their full observance and performance.
- 19. SEVERABILITY.** The invalidity or unenforceability of any portion of this Agreement shall not affect the validity or enforceability of the remainder thereof.
- 20. COMPLIANCE & DATA GOVERNANCE.** Each Party shall comply with any and all applicable anti-corruption laws. Caterpillar agrees to comply with its Code of Conduct found at <https://www.caterpillar.com/en/company/code-of-conduct.html>. Company agrees to comply with its Code of Business Conduct and Ethics found at <https://ir.atlas.energy/corporate-governance/governance-documents>. Caterpillar collects, transmits and processed information as detailed in Caterpillar's Data Governance Statement located at <https://www.caterpillar.com/en/legal-notice/data-governance-statement.html>

IN WITNESS WHEREOF, the undersigned Parties have duly executed this Agreement as of the Effective Date.

Atlas Energy Solutions ProjectCo LLC

By: /s/ John Turner

Name: John Turner

Title: President and Chief Executive Officer

Caterpillar Inc.

By: /s/ Brandon Lynn

Name: Brandon Lynn

Title: Director

EXHIBIT A

Participating Dealer Agreement Form

By signing below the following Cat dealer voluntarily agrees to be bound by the applicable terms of the Global Framework Agreement by and between Caterpillar Inc. and Atlas Energy Solutions ProjectCo, LLC (“**Customer**”) effective [DATE] (the “**Agreement**”) as a Participating Dealer thereunder.

Participating Dealer acknowledges receipt of a full and complete copy of the Agreement. By signing below the undersigned voluntarily agrees to enter into an agreement with Customer for the purchase and sale of Equipment on a mutually agreeable equipment supply agreement with terms in accordance with Section 5(a) of the Agreement and Participating Dealer shall undertake all the applicable obligations of the Agreement.

This Participating Dealer Agreement shall expire on the same date set out in the Agreement and may be extended for additional term(s) by written consent of Participating Dealer.

Any notices required under the terms of the Agreement shall be sent to:

[Participating Dealer Name]

[Address]

[City, State Zip]

[Fax () -]

[Participating Dealer Name]

By (Print Name):

By (Signature):

Title:

EXHIBIT B

Equipment

[Intentionally Omitted]

EXHIBIT C

Reserved Capacity and Purchase Obligation

Year	CG260-16 Obligation by Year		2028	2029
	2026*	2027		
Caterpillar Reserved Capacity and Customer Demand (# of units)	[***]	[***]	[***]	[***]
PO Place by Dates	[***]	[***]	[***]	[***]

Year	G3520 Obligation by Year		2028	2029
	2026	2027		
Caterpillar Reserved Capacity and Customer Demand (# of units)	[***]	[***]	[***]	[***]
PO Place by Dates	[***]	[***]	[***]	[***]

*Customer fulfilled its [***] unit Customer Demand and corresponding purchase obligation for 2026, pursuant to that certain Preliminary Purchase Agreement, by and between [***] (who shall be deemed a Participating Dealer for purposes of the 2026 Reserved Capacity and Purchase Obligation hereunder) and an affiliate of Customer, dated November 2, 2025.

** Quantities reflected in the tables above are considered 100% commitments for both Parties. Any updates to this shall be in accordance with the provisions of Section 4.

EXHIBIT D

Pricing and Escalation

Annual Price Escalation will be calculated based on formulas set forth below.

Caterpillar Product Model	Product Configuration	2027 Initial Base Price Per Unit
[***]	[***]	\$[***]
[***]	[***]	\$[***]
[***]	[***]	\$[***]
[***]	[***]	\$[***]

* [***] pricing does not include Tariffs, or transportation from the factory [***].

** [***]

*** Pricing reflected above is for base product configuration. Changes to configuration may result in an increase in price.

Tariffs: Customer and the applicable Participating Dealers shall use commercially reasonable efforts to negotiate the allocation of tariffs in the Master Purchase Agreement between Customer and the Participating Dealer.

Calculation: The initial base price will be established as a fixed US Dollar amount and apply to shipments occurring during the calendar 2027 year in which this Agreement was signed. Thereafter, price shall be adjusted annually by no more than 8%. The resulting prices will then be applied for shipments occurring the subsequent year.

Example Calculation(s): strictly for illustrative purposes only.

Initial Base Maximum Purchase Price for Equipment for 2027 is \$500,000.00

Maximum Purchase Price for 2028 Forecasted Demand = 2027 pricing (\$500,000.00) x (1 + 8%) = \$540,000

Maximum Purchase Price for 2029 Forecasted Demand = 2028 pricing (\$540,000) x (1 + 8%) = \$583,200

Maximum Purchase Price for 2030 Forecasted Demand = 2029 pricing (\$583,250) x (1 + 8%) = \$629,856

Economic Monitoring: If at any point during the validity period of the Agreement the Producer Price Index (series id:wpsfd4131) goes negative or changes by more than [***]% over a 12-month period, or if there are any trade related impacts to Caterpillar's product costs of [***]% or greater, the Parties shall have the option to re-negotiate pricing.

EXHIBIT E

Approved Authorized Dealers

[Intentionally Omitted]

EXHIBIT F

Schedule of Values

[Intentionally Omitted]

EXHIBIT G

Caterpillar Limited Warranty

[Intentionally Omitted]

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULES 13A-14(A) AND 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, John Turner, President and Chief Executive Officer of Atlas Energy Solutions Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2026 of Atlas Energy Solutions Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 5, 2026

By:

/s/ John Turner
John Turner
President and Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULES 13A-14(A) AND 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Blake McCarthy, Chief Financial Officer of Atlas Energy Solutions Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2026 of Atlas Energy Solutions Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 5, 2026

By:

/s/ Blake McCarthy
Blake McCarthy
Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Atlas Energy Solutions Inc., a Delaware corporation (the "Company"), on Form 10-Q for the period ended March 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John Turner, President and Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1)The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2)The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2026

By:

/s/ John Turner
John Turner
President and Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Atlas Energy Solutions Inc., a Delaware corporation (the "Company"), on Form 10-Q for the period ended March 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Blake McCarthy, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1)The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2)The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 5, 2026

By:

/s/ Blake McCarthy
Blake McCarthy
Chief Financial Officer

Mine Safety Disclosures

The following disclosures are provided pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”) and Item 104 of Regulation S-K, which requires certain disclosures by companies required to file periodic reports under the Securities Exchange Act of 1934, as amended, that operate mines regulated under the Federal Mine Safety and Health Act of 1977 (the “Mine Act”).

Mine Safety Information. Whenever the Federal Mine Safety and Health Administration (“MSHA”) believes a violation of the Mine Act, any health or safety standard or any regulation has occurred, it may issue a citation that describes the alleged violation and fixes a time within which the U.S. mining operator must abate the alleged violation. In some situations, such as when MSHA believes that conditions pose a hazard to miners, MSHA may issue an order removing miners from the area of the mine affected by the condition until the alleged hazards are corrected. When MSHA issues a citation or order, it generally proposes a civil penalty, or fine, as a result of the alleged violation, that the operator is ordered to pay. Citations and orders can be contested and appealed, and as part of that process, may be reduced in severity and amount, and are sometimes dismissed. The number of citations, orders and proposed assessments vary depending on the size and type of the mine (underground or surface) as well as by the applicable MSHA District or the MSHA inspector(s) assigned.

The following table details the total number of, and the proposed dollar assessment for, violations, citations and orders issued by MSHA during the quarter ended March 31, 2026 upon periodic inspection of our mine facilities in accordance with the referenced sections of the Mine Act:

(in whole dollars)

Mine or Operating Name/MSHA Identification Number	Section 104 S&S Citations ⁽¹⁾	Section 104(b) Orders ⁽²⁾	Section 104(d) Citations and Orders ⁽³⁾	Violations Under Section 110(b)(2) ⁽⁴⁾	Section 107(a) Orders ⁽⁵⁾	Total Dollar Value of MSHA Assessments Proposed ⁽⁶⁾	Total Number of Mining-Related Fatalities	Received Notice of Pattern of Violations Under Section 104(e) (Yes/No)	Received Notice of Potential to Have Pattern Under Section 104(e) (Yes/No)	Legal Actions Pending as of Last Day of Period	Legal Actions Initiated During Period	Legal Actions Resolved During Period
N. Kermit, TX	4	0	0	0	0	\$7,769	0	No	No	0	0	0
S. Kermit, TX	0	0	0	0	0	\$533	0	No	No	0	0	0
Atlas 115/874	0	0	0	0	0	\$1,395	0	No	No	0	0	0
OnCore1	0	0	0	0	0	\$336	0	No	No	0	0	0
OnCore2	0	0	0	0	0	\$0	0	No	No	0	0	0
OnCore2b	0	0	0	0	0	\$0	0	No	No	0	0	0
OnCore3b	0	0	0	0	0	\$197	0	No	No	0	0	0
OnCore4	0	0	0	0	0	\$168	0	No	No	0	0	0
OnCore5	1	0	0	0	0	\$1,137	0	No	No	0	0	0
OnCore6	0	0	0	0	0	\$168	0	No	No	0	0	0
OnCore7	0	0	0	0	0	\$0	0	No	No	0	0	0
OnCore8	1	0	0	0	0	\$8,734	0	No	No	0	0	0
OnCore9	0	0	0	0	0	\$0	0	No	No	0	0	0

(1) Citations received from MSHA under Section 104 of the Mine Act for violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a mine safety or health hazard.

- (2)Orders issued by MSHA under Section 104(b) of the Mine Act, which represents a failure to abate a citation under section 104(a) within the period of time prescribed by MSHA. This results in an order of immediate withdrawal from the area of the mine affected by the condition until MSHA determines that the violation has been abated.
 - (3)Citations and orders issued by MSHA under Section 104(d) of the Mine Act for an unwarrantable failure to comply with mandatory health or safety standards.
 - (4)Violations deemed by MSHA to be flagrant under Section 110(b)(2) of the Mine Act.
 - (5)Orders issued by MSHA under Section 107(a) of the Mine Act for situations in which MSHA determined an “imminent danger” (as defined by MSHA) existed.
 - (6)Amounts included are the total dollar value of proposed assessments received from MSHA from January 1, 2026, through March 31, 2026, regardless of whether the assessment has been challenged or appealed. Citations and orders can be contested and appealed, and as part of that process, are sometimes reduced in severity and amount, and sometimes dismissed. The number of citations, orders, and proposed assessments vary by the MSHA District’s approach to enforcement and vary depending on the size and type of the operation. There may be violations which have not been assessed at the time of this report.
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