

REFINITIV

DELTA REPORT

10-Q

HYMC - HYCROFT MINING HOLDING CO

10-Q - JUNE 30, 2024 COMPARED TO 10-Q - MARCH 31, 2024

The following comparison report has been automatically generated

TOTAL DELTAS 853

█ **CHANGES** 145

█ **DELETIONS** 320

█ **ADDITIONS** 388

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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, 2024** **June 30, 2024**

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

For the transition period from to

Commission File No. 001-38387

HYCROFT MINING HOLDING CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

82-2657796

(State or other jurisdiction of incorporation or
organization)

(I.R.S. Employer
Identification No.)

P.O. Box 3030

Winnemucca, Nevada 89446

(Address of principal executive offices) (Zip code)

(775) 304-0260

(Registrant's telephone number, including area
code)

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class A common stock, par value \$0.0001 per share	HYMC	The Nasdaq Stock Market LLC
Warrants to purchase common stock	HYMCW	The Nasdaq Stock Market LLC
Warrants to purchase common stock	HYMCL	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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, a 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.

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

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

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

As of **May 6, 2024** **August 5, 2024**, there were **23,063,716** **24,022,151** shares of the Company's common stock and no shares of the Company's preferred stock issued and outstanding.

HYCROFT MINING HOLDING CORPORATION

Quarterly Report on Form 10-Q

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ITEM I. FINANCIAL STATEMENTS

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HYCROFT MINING HOLDING CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share par value amounts)

	March	December
	31,	31,
	2024	2023
	June	December
	30,	31,
	2024	2023

(unaudited)

Assets:

Assets:

Assets:

Cash and cash equivalents

Cash and cash equivalents

Cash and cash equivalents

Prepays and deposits – Note 3

Supplies inventories, net – Note 4

Income tax receivable

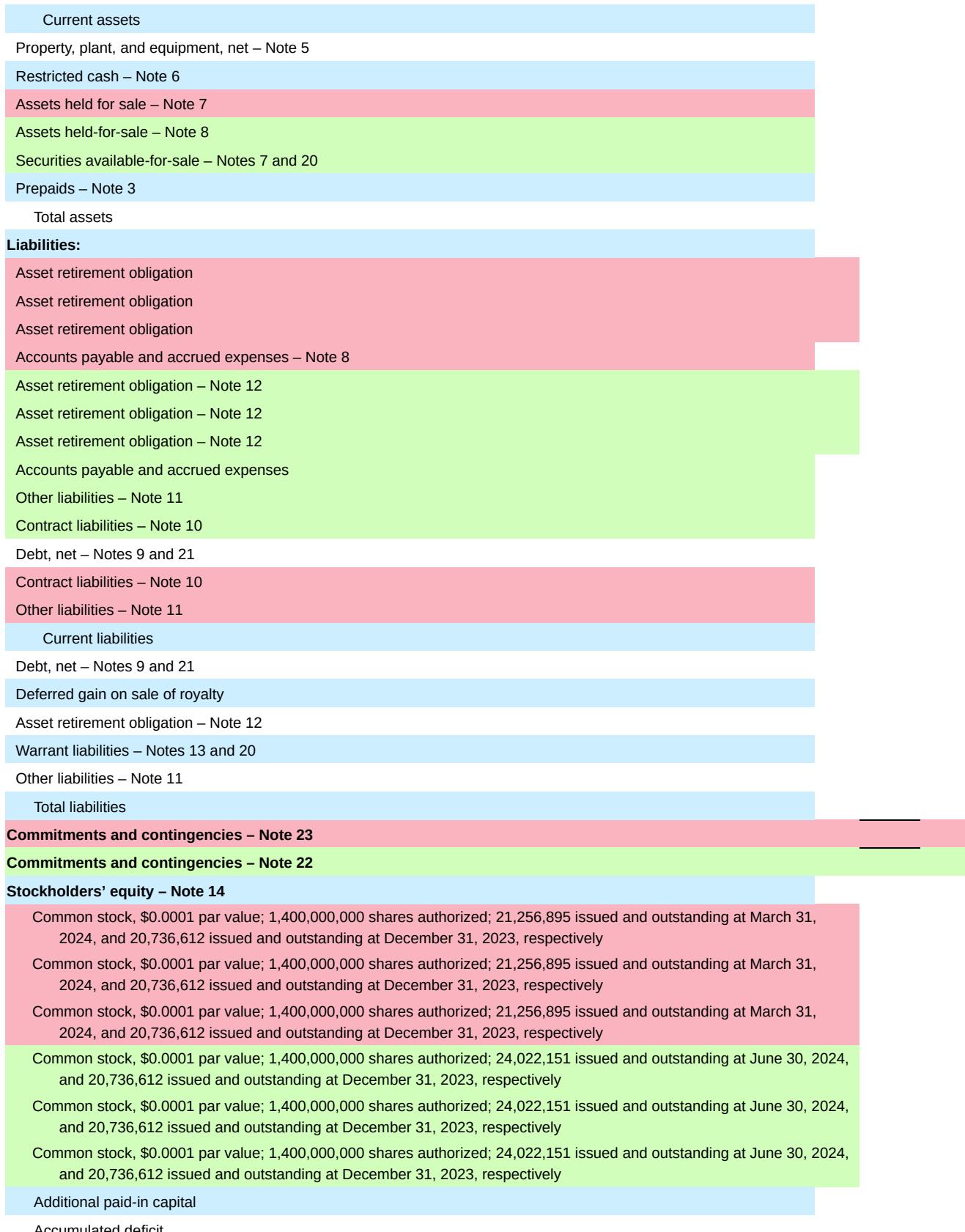
Securities available-for-sale – Notes 7 and 20

Interest receivable

Other receivable

Interest receivable

Interest receivable



Total stockholders' (deficit) equity
Total stockholders' (deficit) equity
Total stockholders' (deficit) equity
Total liabilities and stockholders' equity

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements.

HYCROFT MINING HOLDING CORPORATION
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)

	Three Months Ended March 31,	Three Months Ended March 31,	Three Months Ended March 31,	Three Months Ended June 30,	Six Months Ended June 30,
	2024	2024	2024	2023	2024
Operating expenses:					
Operating expenses:					
Operating expenses:					
Projects, exploration, and development					
Projects, exploration, and development					
Projects, exploration, and development					
General and administrative					
General and administrative					
General and administrative					
Mine site period costs – Note 2					
Mine site period costs – Note 2					
Mine site period costs – Note 2					
Asset Retirement Obligation Adjustment					
Asset Retirement Obligation Adjustment					
Asset Retirement Obligation Adjustment					
Depreciation and amortization – Note 2					
Depreciation and amortization – Note 2					
Asset retirement obligation adjustment					
Depreciation and amortization – Note 2					
Accretion – Note 12					
Accretion – Note 12					
Accretion – Note 12					

Gain on settlement of accrued liability

Loss from operations

Loss from operations

Loss from operations

Other (expense) income:

Other (expense) income:

Other (expense) income:

Interest expense, including accelerated amortization of discount and issuance costs of \$(6,871) –
Note 9

Interest expense, including accelerated amortization of discount and issuance costs of \$(6,871) –
Note 9

Interest expense, including accelerated amortization of discount and issuance costs of \$(6,871) –
Note 9

Other income, net - Note 19

Other income, net - Note 19

Other income, net - Note 19

Other expense (income):

Interest expense, including accelerated amortization of discount and issuance costs of \$6,871 –
Note 9

Interest expense, including accelerated amortization of discount and issuance costs of \$6,871 –
Note 9

Interest expense, including accelerated amortization of discount and issuance costs of \$6,871 –
Note 9

Interest income

Interest income

Interest income

Interest income

Fair value adjustment to warrants – Notes 13 and 20

Fair value adjustment to warrants – Notes 13 and 20

Fair value adjustment to warrants – Notes 13 and 20

Net loss

Net loss

Other income, net – Note 19

Net loss

Loss per share:

Loss per share:

Loss per share:

Basic – Note 17

Basic – Note 17

Basic – Note 17

Diluted – Note 17

Diluted – Note 17

Diluted – Note 17

Weighted average shares outstanding:

Weighted average shares outstanding:

Weighted average shares outstanding:

Basic – Note 17

Basic – Note 17

Basic – Note 17

Diluted – Note 17

Diluted – Note 17

Diluted – Note 17

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements.

HYCROFT MINING HOLDING CORPORATION
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Three Months Ended March		Six Months Ended June	
	31,	2024	30,	2024
	2024	2024	2023	2023
Cash flows used in operating activities:				
Net loss				
Net loss				
Net loss				
Adjustments to reconcile net loss for the period to net cash used in operating activities:				
Accelerated amortization of original issue discount and issuance costs – Note 9				
Accelerated amortization of original issue discount and issuance costs – Note 9				
Accelerated amortization of original issue discount and issuance costs – Note 9				
Non-cash portion of interest expense – Note 9				
Non-cash interest expense – Note 9				
Non-cash interest expense – Note 9				
Non-cash interest expense – Note 9				
Asset retirement obligation adjustments – Note 12				
Stock-based compensation – Note 15				
Depreciation and amortization – Notes 2 and 5				
Accretion – Note 12				
Loss on sale of equipment, net of commissions				
Unrealized loss on securities				
Loss (gain) on sale of equipment, net of commissions				
Write-down of supplies inventories				
Non-cash lease expense				
(Gain) on fair value adjustment for warrant liabilities – Notes 13 and 20				
Gain on non-refundable deposit - Note 19				
Gain on fair value adjustment for warrant liabilities – Notes 13 and 20				
Gain on fair value adjustment for warrant liabilities – Notes 13 and 20				

Gain on fair value adjustment for warrant liabilities – Notes 13 and 20		
Gain on settlement of accounts payable		
Gain on non-refundable deposit – Note 10		
Gain on sale of patents	(3,641)	—
Changes in operating assets and liabilities:		
Accounts payable and accrued expenses		
Accounts payable and accrued expenses		
Accounts payable and accrued expenses		
Interest receivable		
Interest receivable		
Interest receivable		
Contract liabilities – Note 10		
Contract liabilities – Note 10		
Contract liabilities – Note 10		
Supplies inventories, net – Note 4		
Supplies inventories, net – Note 4		
Supplies inventories, net – Note 4		
Accounts payable and accrued expenses – Note 8		
Accounts payable and accrued expenses – Note 8		
Accounts payable and accrued expenses – Note 8		
Other receivable		
Other receivable		
Other receivable		
Prepads – Note 3		
Other assets, non-current		
Other liabilities – Note 11		
Net cash used in operating activities		
Cash flows provided by (used in) investing activities:		
Proceeds from patent sale		
Proceeds from patent sale		
Proceeds from patent sale		
Proceeds from sale of equipment		
Proceeds from sale of equipment		
Proceeds from sale of equipment		
Additions to property, plant, and equipment		
Additions to property, plant, and equipment		
Additions to property, plant, and equipment		
Net cash provided by (used in) by investing activities		
Cash flows provided by (used in) financing activities:		
Proceeds from issuance of common stock, net of issuance costs – Note 14		
Proceeds from issuance of common stock, net of issuance costs – Note 14		
Proceeds from issuance of common stock, net of issuance costs – Note 14		
Principal payments on notes payable		
Principal payments on debt - Note 9		
Net cash used in financing activities		

Net cash used in financing activities
Principal payments on debt – Note 9
Principal payments on debt – Note 9
Principal payments on debt – Note 9
Net cash used in financing activities
Net decrease in cash, cash equivalents, and restricted cash
Cash, cash equivalents, and restricted cash, beginning of period
Cash, cash equivalents, and restricted cash, end of period
Reconciliation of cash, cash equivalents, and restricted cash:
Cash and cash equivalents
Cash and cash equivalents
Cash and cash equivalents
Restricted cash
Total cash, cash equivalents, and restricted cash

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements.

HYCROFT MINING HOLDING CORPORATION UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY <i>(in thousands, except share amounts)</i>									
	Common Stock	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
Balance at January 1, 2023									
Balance at January 1, 2023									
Balance at January 1, 2023									
Stock-based compensation costs									
Stock-based compensation costs									
Stock-based compensation costs									
5-Year Private Warrants transferred to 5-Year Public Warrants									
Net loss									
Net loss									
Net loss									
Balance at March 31, 2023									
Stock-based compensation costs									
Stock-based compensation costs									
Stock-based compensation costs									
5-Year Private Warrants transferred to 5-Year Public Warrants									
Vesting of restricted stock units									
Net loss									

Balance at June 30, 2023

	Common Stock Shares	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' (Deficit)	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
Balance at January 1, 2024									
Balance at January 1, 2024									
Balance at January 1, 2024									
Issuance of common stock and warrants – Note 14									
Stock-based compensation costs									
Vesting of restricted stock units									
Net loss									
Net loss									
Net loss									
Balance at March 31, 2024									
Issuance of common stock and warrants – Note 14									
Stock-based compensation costs									
Vesting of restricted stock units									
5-Year Private Warrants transferred to 5-Year Public Warrants									
Net loss									
Net loss									
Net loss									
Balance at June 30, 2024									

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Financial Statements.

HYCROFT MINING HOLDING CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

1. Company Overview

Hycroft Mining Holding Corporation and its subsidiaries (collectively, "Hycroft", the "Company", "we", "us", "our", "it", or "HYMC") is a U.S.-based gold and silver company that is focused on exploring and developing the Hycroft Mine in a safe, environmentally responsible, and cost-effective manner. The Hycroft Mine is located in the State of Nevada.

The Company restarted pre-commercial scale open pit mining operations at the Hycroft Mine during the second quarter of 2019 and began producing and selling gold and silver during the third quarter of 2019. The Company operated the Hycroft Mine until November 2021, when it discontinued active mining operations as a result of the then-current and expected ongoing cost pressures for many of the reagents and consumables used at the Hycroft Mine and to further determine the most effective processing method for the sulfide ore. In March 2023, the Company, along with its third-party consultants, completed and filed the Hycroft Property Initial Assessment Technical Report Summary Humboldt and Pershing Counties, Nevada ("2023 Hycroft TRS") that included a mineral resource estimate utilizing a pressure oxidation ("POX") process for sulfide mineralization and heap leaching process for oxide and transition mineralization. The Company is focusing on exploration drilling and data analyses, completing technical studies, conducting trade-off studies and alternative analyses for determining the optimal process flow sheet for processing sulfide ores and recovering gold and silver, and maintaining the Hycroft Mine.

Beginning in the fourth quarter of 2023, the Company again began accessing its at-the-market public offering program ("ATM Program"). During the three and six months ended **March 31, 2024** **June 30, 2024**, the Company sold 517,688 2,474,859 and 2,992,547 shares of common stock, respectively, for aggregate gross proceeds, before commissions and offering expenses, of **\$1.2 million**, \$9.2 million and \$10.4 million, during the respective time periods. On May 31, 2024, the Company implemented a new \$100.0 million at-the-market public offering program (the "New ATM Program"). See **Note 14 – Stockholders' Equity** for additional information. As of **March 31, 2024** and **June 30, 2024**, there was \$100.0 million gross sales price of common stock available for issuance under the New ATM Program. As of December 31, 2023, there were \$14.8 million and was \$360.3 million respectively, gross sales price of common stock available for issuance under the ATM Program. The net proceeds from the ATM Program have been, and are expected to be, used for general corporate purposes, which may include the repayment, refinancing, redemption, or repurchase of existing indebtedness, exploration, working capital, or capital expenditures and other investments.

2. Summary of Significant Accounting Policies

Basis of presentation

These Unaudited Condensed Consolidated Financial Statements ("Financial Statements") of the Company have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted, pursuant to the rules and regulations of the SEC for interim financial reporting. Accordingly, these Financial Statements do not include all information and footnotes necessary for a comprehensive presentation of financial position, results of operations, or cash flows. These Financial Statements should be read in conjunction with the Company's Audited Consolidated Financial Statements and the notes thereto (the "Notes") as of and for the year ended December 31, 2023 (the "2023 Audited Financial Statements"), filed as a part of the Company's annual report on Form 10-K filed with the SEC on March 14, 2024. The Company continues to follow the accounting policies set forth in the 2023 Audited Financial Statements, with updates discussed below. In the opinion of management, the accompanying Financial Statements include all adjustments that are necessary for a fair presentation of the Company's interim financial position, operating results, and cash flows for the periods presented.

Use of estimates

The preparation of the Financial Statements requires management to make estimates and assumptions that affect amounts reported in these Financial Statements and accompanying notes. The more significant areas requiring the use of management estimates and assumptions relate to the useful lives of long-lived assets; future mining and processing plans; environmental reclamation and closure costs and timing; and estimates of fair value for long-lived assets, **Assets held for sale**, **assets held-for-sale**, and financial instruments. The Company bases its estimates on historical experience and other assumptions, including drilling and assay data that are believed to be reasonable at the time the estimate is made. Actual results may differ from amounts estimated in these Financial Statements, and such differences could be material. Accordingly, amounts presented in these Financial Statements may not be indicative of results that may be expected for future periods.

HYCROFT MINING HOLDING CORPORATION **Notes to Unaudited Condensed Consolidated Financial Statements**

New accounting pronouncements not yet adopted

In March 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2024-02, Codification Improvements—Amendments to Remove References to the Concepts Statements. The amendments are considered to be codification improvements only and therefore are not expected to significantly affect current accounting practice. The guidance is to clarify guidance, simplify wording or structure of guidance, and other minor improvements. The new guidance is

HYCROFT MINING HOLDING CORPORATION **Notes to Unaudited Condensed Consolidated Financial Statements**

effective for annual periods beginning after December 15, 2024. The Company is currently evaluating the impact that adopting this update will have on its Financial Statements and related disclosures.

Impairment of long-lived assets

The Company's long-lived **Long-lived** assets consist of *Note 5 – Property, Plant, and Equipment, Net*. The Company routinely reviews and evaluates its long-lived assets for impairment to ensure there are no new events or changes in circumstances that would indicate that the related carrying amounts may not be recoverable. Events that may trigger a test for recoverability include, but are not limited to, significant adverse changes to projected *Revenues*, costs, or future expansion plans or changes to federal and state regulations (with which the Company must comply) that may adversely impact the Company's current or future operations. An impairment is determined to exist if the total projected future cash flows on an undiscounted basis are less than the carrying amount of a long-lived asset group. An impairment loss is measured and recorded based on the excess carrying value of the impaired long-lived asset group over fair value.

In estimating future cash flows, assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of future cash flows from other asset groups. The Company's estimates of future cash flows and estimates of fair value are based on numerous assumptions and are subject to significant risks and uncertainties. See *Note 5 – Property, Plant, and Equipment, Net* for additional information.

During the three months ended **March 31, 2024** **June 30, 2024**, the Company completed its evaluation and determined no impairment was necessary.

3. Prepays and Deposits

The following table provides the components of current and non-current *Prepays and deposits* (in thousands):

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023
Current prepays and deposits:		
Prepays:		
Prepays:		
Prepays:		
Insurance		
Insurance		
Insurance		
Surety bond fees		
License fees		
Mining claims fees and permit fees		
Prepaid taxes		
Prepaid taxes		
Prepaid taxes		
Surety bond fees		
License fees		
Mining claims fees and permit fees		
Mining claims fees and permit fees		
Other		
Deposits		
Total		
Non-current prepays:		
Non-current prepays:		
Non-current prepays:		
Insurance		
Insurance		
Insurance		

Royalty – advance payment on Crofoot Royalty

Total

4. Supplies Inventories, Net

As of March 31, 2024 June 30, 2024 and December 31, 2023, *Supplies inventories, net* was \$1.7 million \$1.8 million and \$1.8 million, \$1.8 million, respectively. The Company maintains inventory reserves to account for potential losses due to inventory obsolescence, damage, or other factors that could affect the value of its inventory.

HYCROFT MINING HOLDING CORPORATION Notes to Unaudited Condensed Consolidated Financial Statements

5. Property, Plant, and Equipment, Net

The following table provides the components of *Property, plant, and equipment, net* (in thousands):

	Depreciation Life or Method	Depreciation Life or Method	March 31, 2024	December 31, 2023	Depreciation Life or Method	June 30, 2024	December 31, 2023
Production leach pads							
Test leach pads							
Process equipment							
Buildings and leasehold improvements							
Mine equipment							
Vehicles							
Furniture and office equipment							
Mineral properties							
Construction in progress and other							
			86,729				
				87,167			
Less, accumulated depreciation and amortization							
Total							

Depreciation expense related to *Property, plant, and equipment, net* was \$0.6 million \$0.6 million and \$1.2 million for the three and six months ended March 31, 2024 June 30, 2024, respectively, and \$0.7 million \$0.7 million and \$1.4 million for the three and six months ended March 31, 2023 June 30, 2023, respectively.

6. Restricted Cash

The following table provides the components of *Restricted cash* (in thousands):

	March 31, 2024	December 31, 2023
Reclamation and other surety bond cash collateral	\$ 26,580	\$ 26,287
Credit card collateral	53	53
Total	\$ 26,633	\$ 26,340

	June 30, 2024	December 31, 2023
--	------------------	----------------------

Surety bond cash collateral	\$ 26,882	\$ 26,287
Credit card cash collateral	53	53
Total	\$ 26,935	\$ 26,340

As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the Company's Company had \$26.9 million and \$26.3 million, respectively, in surface management surety bonds **totaled** totaling \$58.7 million, of which \$58.3 million secured the financial assurance requirements for the Hycroft Mine. The remaining portion is related to the financial assurance requirements for the adjacent water supply well field and exploration. Events or circumstances that would necessitate the guarantor's performance include a deteriorating financial condition or a breach of contract. Periodically, the Company may need to provide collateral to support these instruments. When the specified requirements are met, the party holding the related instrument cancels and/or returns it to the issuing entity. The Company is confident that it currently complies with all relevant bonding **obligations** and expects to meet future bonding requirements through existing methods or alternative solutions as they arise. **obligations**.

During the three **and six** months ended **March 31, 2024** **and March 31, 2023** **June 30, 2024**, the Company earned \$0.3 million and **\$0.3 million**, **\$0.6 million**, respectively, of *Interest income* on a portion of its cash collateral. During the three and six months ended **June 30, 2023**, the Company earned **\$0.4 million** and **\$0.7 million**, respectively, of *Interest income* on a portion of its cash collateral. Interest received on cash collateral balances is restricted as to its use and is included as an increase to *Restricted cash* with a corresponding recognition of *Interest income* when earned.

7. Securities Available-For-Sale

On June 4, 2024, the Company sold patents, patent applications and certain other technology rights and assets in exchange for CAD \$5.0 million (US \$3.6 million), consisting of CAD \$2.0 million (US \$1.5 million) cash and common shares in a publicly traded gold mining company valued at CAD \$3.0 million (US \$2.1 million).

HYCROFT MINING HOLDING CORPORATION

Notes to Unaudited Condensed Consolidated Financial Statements

The following table provides the components of Securities available-for-sale, determined using the mark-to-market price based on the closing price on the last day of the period as quoted on the TSX Venture Exchange (in thousands):

	June 30, 2024	December 31, 2023
Securities available-for-sale, current	\$ 426	\$ —
Securities available-for-sale, non-current ⁽¹⁾	1,277	—
Total	\$ 1,703	\$ —

⁽¹⁾ *Securities available-for-sale, non-current* are classified as such because they are restricted from sale within the next 12 months.

8. Assets Held For Sale Held-For-Sale

As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the Company's *Assets held for sale held-for-sale* was comprised of equipment not-in-use of \$7.1 million.

In May 2024, the Company entered into an Equipment Purchase Agreement to sell \$2.0 million of unused equipment classified as equipment not-in-use. In connection with entry into this agreement, the Company received a \$0.3 million nonrefundable deposit payment. The deposit has been included in *Contract liabilities*. See Note 10 – *Contract Liabilities* for additional details.

In August 2022 and with a subsequent amendment, amendments, the Company entered into an Equipment Purchase Agreement to sell a total of \$13.6 million of equipment. In connection with entry into the Equipment Purchase Agreement, the Company received \$1.6 million in nonrefundable deposit payments. Effective March 1, 2024, the buyer terminated a portion of the Equipment Purchase Agreement related to one ball mill and one semi-autogenous ("SAG") mill. mill and effective April 5, 2024, the buyer terminated the balance of the Equipment Purchase Agreement. In accordance with Topic 606, Revenue

HYCROFT MINING HOLDING CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

from Contracts with Customers, because the sale did not materialize, **\$1.4 million** \$1.5 million was recognized as *Other income* in the first quarter of 2024. The 2024 and the Company recognized the remaining **\$0.1 million** \$0.1 million in nonrefundable deposit payments have been included as *Other income* in *Contract liabilities*. See Note 10 – *Contract Liabilities* for additional details.

8. Accounts Payable and Accrued Expenses

As the second quarter of March 31, 2024 and December 31, 2023, 2024. *Accounts payable and accrued expenses* were \$1.7 million and \$1.6 million, respectively.

9. Debt, Net

Second Amendment to the Second Amended and Restated Credit Agreement ("Second A&R Agreement Agreement")

On July 1, 2023, the Company entered into the Second Amendment to the Second A&R Agreement, by and between the Company, Sprott Private Resource Lending II (Collector), LP (the "Lender"), the Lender, Sprott Resource Lending Corp. ("Arranger") and together with the Lender, the "Sprott Parties", and certain subsidiaries of the Company as guarantors. The Second Amendment to the Second A&R Agreement amends the Second A&R Agreement dated March 30, 2022, which in turn amended the Amended and Restated Credit Agreement, dated as of May 29, 2020 (as amended, restated, supplemented or otherwise modified from time to time, the ("Sprott Credit Agreement.

Agreement").

The Second Amendment to the Second A&R Agreement: (i) corrects a cross-reference error; and (ii) implements a replacement of LIBOR with three-month Secured Overnight Financing Rate ("SOFR") effective July 1, 2023.

Voluntary partial prepayment

On January 5, 2024, the Company voluntarily pre-paid \$34.7 million of the first lien loan, along with \$3.3 million for the additional interest balance, totaling **\$38.0 million** \$38.0 million with a remaining outstanding balance of \$15.0 million. As a result of this payment, the applicable margin was reduced by 100 basis points through the final payment.

Debt covenants

The Company's debt agreements contain representations and warranties, events of default, restrictions and limitations, reporting requirements, and covenants that are customary for agreements of these types.

As of March 31, 2024 June 30, 2024, the Company was in compliance with all financial covenants under its debt agreements.

HYCROFT MINING HOLDING CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

Debt balances

The following table summarizes the components of *Debt, net* (in thousands):

	March 31, 2024	December 31, 2023
Debt, net, current:		
Sprott Credit Agreement	\$ —	\$ 2,200
Notes payable	130	130

Total	\$ 130	\$ 2,330
Debt, net, non-current:		
Sprott Credit Agreement, net of original issue discount of \$2.4 million as of March 31, 2024, and \$8.3 million as of December 31, 2023, net of amortization	\$ 12,643	\$ 42,530
Subordinated Notes	104,180	101,639
Notes payable	43	76
Less, debt issuance costs	(456)	(1,628)
Total	\$ 116,410	\$ 142,617

HYCROFT MINING HOLDING CORPORATION

Notes to Unaudited Condensed Consolidated Financial Statements

	June 30, 2024	December 31, 2023
Debt, net, current:		
Sprott Credit Agreement	\$ —	\$ 2,200
Notes payable	105	130
Total	\$ 105	\$ 2,330
Debt, net, non-current:		
Sprott Credit Agreement, net of original issue discount of \$2,217 as of June 30, 2024, and \$8,259 as of December 31, 2023, net of amortization	\$ 12,784	\$ 42,530
Subordinated Notes	106,784	101,639
Notes payable	36	76
Less, debt issuance costs	(423)	(1,628)
Total	\$ 119,181	\$ 142,617

The following table summarizes the Company's contractual payments of *Debt, net*, including current maturities, for the five years subsequent to **March 31, 2024** **June 30, 2024** (in thousands):

2024	
2024	
2024	
2025	
2026	
2027	
2028	
Sub-total	
Less, original issue discount, net of accumulated amortization of \$17,973	
Less, debt issuance costs, net of accumulated amortization of \$4,431	
Less, original issue discount, net of accumulated amortization of \$18,114	
Less, debt issuance costs, net of accumulated amortization of \$4,464	
Total debt, net	

HYCROFT MINING HOLDING CORPORATION

Notes to Unaudited Condensed Consolidated Financial Statements

Interest expense

The following table summarizes the components of recorded *Interest expense* (in thousands):

	Three Months Ended March 31,		Three Months Ended March 31,		Three Months Ended March 31,	
	2024		2024		2024	
			Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2024	2024	2024	2023	2024
Sprott Credit Agreement ⁽¹⁾						
Sprott Credit Agreement ⁽¹⁾						
Sprott Credit Agreement ⁽¹⁾						
Subordinated Notes ⁽²⁾						
Subordinated Notes ⁽²⁾						
Subordinated Notes ⁽²⁾						
Amortization of original issue discount ⁽³⁾						
Amortization of original issue discount ⁽³⁾						
Amortization of original issue discount ⁽³⁾						
Amortization of debt issuance costs ⁽³⁾						
Amortization of debt issuance costs ⁽³⁾						
Amortization of debt issuance costs ⁽³⁾						
Other interest expense						
Other interest expense						
Other interest expense						
Accelerated amortization of original issue discount and issuance costs ⁽⁴⁾						
Accelerated amortization of original issue discount and issuance costs ⁽⁴⁾						
Accelerated amortization of original issue discount and issuance costs ⁽⁴⁾						
Total						
Total						
Total						

(1) The Sprott Credit Agreement bears interest monthly at a floating rate of SOFR plus 6.0% and the current effective interest rate is 18.1% including amortization.

(2) The Subordinated Notes bear interest at 10.0% per annum (non-cash), payable in-kind on a quarterly basis.

(3) The effective interest rate for the amortization of the discount and issuance costs, as of **March 31, 2024** **June 30, 2024**, was 1.6%.

(4) On January 5, 2024, the Company voluntarily prepaid \$38.0 million of its first lien debt, and the Company charged *Interest expense* **\$6.9** **\$6.9** million for accelerated amortization of original issue discount and issuance costs associated with the prepayment.

10. Contract Liabilities

As of **March 31, 2024** **June 30, 2024** and December 31, 2023, *Contract liabilities* were **\$0.1** **\$0.3** million and **\$1.6** **\$1.6** million, respectively.

As of June 30, 2024, the Company held \$0.3 million as a non-refundable deposit in accordance with the Equipment Purchase Agreement for two substation transformers. The sale is anticipated to be completed within the third quarter of 2024.

As of December 31, 2023, the Company had received non-refundable deposit payments totaling \$1.6 million in accordance with the Equipment Purchase Agreement for one SAG mill, one ball mill, and **one sub-station transformer**, **two substation transformers**. Partial cancellation of the agreement was received on March 1, 2024, with **\$1.4 million** **\$1.5 million** of the deposit recognized as *Other income* during the **quarter**, **first quarter of 2024** and cancellation of the remainder of the agreement was received on April 5, 2024 with the remaining balance of \$0.1 million recognized as *Other income* during the **second quarter of 2024**. See Note **78 – Assets Held For Sale held-for-sale** for additional details.

HYCROFT MINING HOLDING CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

11. Other Liabilities

The following table summarizes the components of *Other liabilities* (in thousands):

	March 31, 2024	December 31, 2023
Other liabilities, current:		
Accrued compensation		
Accrued compensation		
Accrued compensation		
Accrued compensation and benefits	June 30, 2024	December 31, 2023
Accrued compensation and benefits		
Accrued compensation and benefits		
Accrued directors fees		
Accrued directors fees		
Accrued directors fees		
Operating lease liability		
Total		
Other liabilities, non-current		
Other liabilities, non-current		
Other liabilities, non-current		
Operating lease liability		
Operating lease liability		
Operating lease liability		

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Notes to Unaudited Condensed Consolidated Financial Statements

12. Asset Retirement Obligation

The following table summarizes changes in the Company's *Asset retirement obligation* ("ARO") (in thousands):

	March 31, 2024	December 31, 2023
	June 30, 2024	December 31, 2023

Balance, beginning of period
Accretion
Spending
Change in estimates
Balance, end of period
Current
Current
Current
Non-Current
Non-current

During the ~~three~~ six months ended ~~March 31, 2024~~ June 30, 2024, the Company recognized a change in ~~cost~~ estimate to reflect both a revised engineering design change required by the Nevada Department of Environmental Protection for impervious cover placement on the Crofoot Heap Leach Pad, and a change in timing to begin the work in 2025 and complete it by the end of 2027. In June, the Company received third-party quotes to complete the cover placement that required additional equipment, longer haul distances and other costs in excess of prior estimates, and the project was accelerated to begin in the second half of 2024. In accordance with ~~the change in estimate~~, these changes, the Company recorded an ~~additional~~ expense of \$2.0 million ~~as in~~ the quarter ended June 30, 2024, bringing the year-to-date ARO adjustment expense to \$4.0 million. The Company does not have mineral reserves, and accordingly, ~~all~~ these types of reclamation costs ~~are~~ must be expensed until such time that it declares mineral reserves.

HYCROFT MINING HOLDING CORPORATION

Notes to Unaudited Condensed Consolidated Financial Statements

13. Warrant Liabilities

5-Year Private Warrants

The Company's outstanding warrant liabilities include 5-Year Private Warrants. The 5-Year Private Warrants cannot be redeemed and can be exercised on a cashless basis if the 5-Year Private Warrants are held by the initial purchasers or their permitted transferees. If the 5-Year Private Warrants are transferred to someone other than the initial purchasers or their permitted transferees, such warrants become redeemable by the Company under substantially the same terms as the 5-Year Public Warrants. Since the original issue of private warrants, ~~9,374,578 warrants~~ ~~9,569,400~~ 5-Year Private Warrants have been transferred from 5-Year Private Warrants to someone other than the initial purchasers or their permitted transferees and become ~~they~~ they are now treated as 5-Year Public Warrants. During ~~For~~ the three and six months ended ~~March 31, 2024~~ June 30, 2024 and 2023, transfers from 5-Year Private Warrants to 5-Year Public Warrants totaled ~~Nil~~ ~~194,822~~ and ~~6,176,794~~ ~~194,822~~, respectively.

The following tables summarize the Company's 5-Year Private Warrants⁽¹⁾ (in thousands, except warrant amounts):

Balance at	December 31, 2022	Balance at	December 31, 2022	Fair Value Adjustments ⁽¹⁾	Transfers to 5-Year Public Warrants	Balance at March 31, 2023	Balance at December 31, 2022	Fair Value Adjustments ⁽¹⁾	Transfers to 5-Year Public Warrants	Balance at June 30, 2023
Warrants	Warrants	Amount	Warrants	Amount	Warrants	Amount	Warrants	Amount	Warrants	Amount
<u>9,126,515</u>										
Balance at										
Balance at										
Balance at	December 31, 2023	Balance at	December 31, 2023	Fair Value Adjustments ⁽¹⁾	Balance at March 31, 2024	Balance at December 31, 2023	Balance at December 31, 2023	Fair Value Adjustments ⁽¹⁾	Transfers to 5-Year Public Warrants	Balance at June 30, 2024
Warrants	Warrants	Amount	Warrants	Amount	Warrants	Amount	Warrants	Amount	Warrants	Amount
<u>865,422</u>										

⁽¹⁾ On November 14, 2023, the Company effectuated a 1-for-10 reverse stock split, after which 10 warrants were required to purchase one share of common stock.

HYCROFT MINING HOLDING CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

(2) Liability classified warrants are subject to fair value remeasurement at each balance sheet date in accordance with FASB Accounting Standard Codification (ASC) Topic 815-40, Contracts on Entity's Own Equity. As a result, fair value adjustments related exclusively to the Company's liability classified warrants. See Note 20 – Fair Value Measurements for further detail on the fair value of the Company's liability classified warrants.

The following table summarizes additional information on the Company's 5-Year Private Warrants as of **March 31, 2024** **June 30, 2024**:

Exercise Price	Exercise Price	Exercise Period	Expiration Date	Warrants Outstanding	Exercise Price	Exercise Period	Expiration Date	Warrants Outstanding
\$ 11.50	5 years	5 years	May 29, 2025	865,422	11.50	5 years	May 29, 2025	670,600

14. Stockholders' Equity

At-the-market offering

On March 15, 2022, the Company implemented an ATM Program by entering into an At Market Issuance Sales Agreement ("Sales Agreement") with B. Riley Securities, Inc. (the "Agent"). Under the terms of the Sales Agreement, the Company may from time to time through the Agent, acting as sales agent or principal, offer and sell shares of its Class A common stock, par value \$0.0001 per share, having a gross sales price of up to \$500.0 million. Shares of common stock sold under the Sales Agreement were issued pursuant to the Company's shelf registration statement on Form S-3 (No. 333-257567) that the SEC declared effective on July 13, 2021, including the prospectus, dated July 13, 2021, and the prospectus supplement, dated March 15, 2022. The Company received total gross proceeds, before deducting fees and expenses of the ATM Program, of \$138.6 million from the sale of 89,553,584 shares of the Company's common stock, and approximately \$361.4 million of shares of common stock remain available for future issuance under the Sales Agreement. Net proceeds, after deducting commissions and fees of \$5.0 million were \$133.5 million.

- On June 2, 2023, the Company filed a prospectus supplement reactivating the ATM Program and updating the amount as of shares that the Company may sell through December 31, 2023, there was common stock available for issuance under the ATM Program to with an aggregate offering sales price of up to \$361.4 \$360.3 million. On November 17, 2023, the Company again began accessing the ATM Program, and as of December 31, 2023, sold an additional 523,328 shares of common stock for aggregate gross proceeds, before commissions and offering expenses, of \$1.1 million.

HYCROFT MINING HOLDING CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

On March 19, 2024, the Company filed a prospectus supplement subject to Instruction I.B.6. to Form S-3, which is referred to as the baby shelf rule. Pursuant to the baby shelf rule, as For so long as the Company's public float is less than \$75.0 million, it may not sell more than the equivalent of one-third of its public float during any 12 consecutive months pursuant to the baby shelf rules. The prospectus supplement updated the remaining amount number of shares that the Company may sell through the ATM Program to an aggregate offering price of up to \$15.3 million. During On April 11, 2024, the three Company's public float exceeded the \$75.0 million baby shelf threshold and on May 15, 2024, the Company filed a prospectus supplement subject to Instruction I.B.6 to Form S-3 updating the remaining number of shares that the Company may sell through the ATM Program to an aggregate offering price of up to \$100.0 million.

- On May 15, 2024, the Company filed a new \$350.0 million prospectus subject to Instruction I.B.6 to Form S-3, referred to as a universal shelf registration statement, that included the New ATM Program. The universal shelf registration statement became effective on May 31, 2024, at 4:00 p.m. Eastern Daylight Time, which replaced the prior universal shelf registration statement that was originally filed June 30, 2021.
- For the six months ended **March 31, 2024** **June 30, 2024**, the Company sold 2,992,547 shares of common stock for aggregate gross proceeds, before commissions and offering expenses of \$10.4 million. The Company sold 2,474,859 shares of common stock for aggregate gross proceeds,

before commissions and offering expenses, of \$9.2 million during the second quarter of 2024 and the Company sold 517,688 shares of common stock for aggregate gross proceeds, before commissions and offering expenses, of \$1.2 million, million in the first quarter of 2024.

As of March 31, 2024 and December 31, 2023, there. There were \$14.8 million and \$360.3 million, respectively, gross no sales price of common stock under the New ATM Program during June 2024; accordingly, up to \$100.0 million of common stock was available for issuance under the ATM Program. The net proceeds from the New ATM Program have been, and are expected to be used for general corporate purposes, which may include the repayment, refinancing, redemption, or repurchase of existing indebtedness, exploration, working capital, or capital expenditures and other investments. at June 30, 2024.

On April 11, 2024, the Company's public float exceeded the \$75.0 million baby shelf threshold, and thus, the Company is no longer subject to its limitations.

Equity Classified Warrants

The following tables summarize the Company's outstanding equity classified warrants⁽¹⁾ included in *Additional paid-in capital* on the:

	Balance at December 31, 2022		Transfers from		Balance at June 30, 2023	
			5-Year Private Warrants			
	Warrants	Amount	Warrants	Amount	Warrants	Amount
5-Year Public Warrants	25,163,383	\$ 28,954	6,540,491	\$ 546	31,703,874	\$ 29,500
Public Offering Warrants	9,583,334	12,938	—	—	9,583,334	12,938
Private Placement Offering Warrants	46,816,480	25,604	—	—	46,816,480	25,604
Total	81,563,197	\$ 67,496	6,540,491	\$ 546	88,103,688	\$ 68,042

HYCROFT MINING HOLDING CORPORATION

Notes to Unaudited Condensed Consolidated Balance Sheets (in thousands, except warrant amounts): Financial Statements

	Balance at		Transfers from		Balance at	
	December 31, 2023		Warrant Issuances		5-Year Private Warrants	
	Warrants	Amount	Warrants	Amount	Warrants	Amount
5-Year Public Warrants	33,424,476	\$ 29,539	—	\$ —	—	\$ —
Public Offering Warrants	9,583,334	12,938	—	—	—	—
Private Placement Offering Warrants	46,816,480	25,604	—	—	—	—
Total	89,824,290	\$ 68,081	—	\$ —	—	\$ —

	Balance at	Balance at	Transfers from	Balance at
	December 31,	December 31,		
	2022	2022		
	Balance at	Balance at		
	December 31,	December 31,		
	2022	2023	5-Year Private Warrants ⁽¹⁾	March 31, 2023
	Balance at	Balance at	Transfers from	Balance at
	December 31,	December 31,		
	2023	2023	5-Year Private Warrants ⁽¹⁾	June 30, 2024

Warrants

Warrants

Warrants	Amount	Warrants	Amount	Warrants	Amount	Warrants	Amount	Warrants	Amount
5-Year Public Warrants									
Public Offering Warrants									
Private Placement Offering Warrants									
Total									

(1) On November 14, 2023, the Company effectuated a 1-for-10 reverse stock split, after which 10 warrants were required to purchase one share of common stock.

The following table summarizes additional information on the Company's outstanding warrants as of **March 31, 2024** **June 30, 2024**:

5-Year Public Warrants	Exercise price	Exercise price	Exercise period	Expiration date	Warrants outstanding	Exercise price	Exercise period	Expiration date	Warrants outstanding
Public Offering Warrants									
Private Placement Offering Warrants									
Total									

HYCROFT MINING HOLDING CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

15. Stock-Based Compensation

HYMC 2020 Performance and Incentive Pay Plan ("PIPP")

On **June 2, 2022** **May 23, 2024**, the Company's stockholders approved an amendment and restatement to the PIPP that increased the number of authorized shares of common stock available for issuance by **12.0 million** **900,000** shares of common stock. As a result, **1,450,800** shares are **stock**, bringing the total authorized for issuance **shares** under the PIPP to **2,350,800**, after adjusting for the 1-for-10 reverse stock split, split in November 2023. As of **March 31, 2024** **June 30, 2024**, all awards granted under the PIPP were in the form of restricted stock units to employees, directors, or consultants of the Company. As of **March 31, 2024** **June 30, 2024**, there were **482,071** **966,926** shares available for issuance under the PIPP.

The following table summarizes the Company's unvested share awards outstanding under the PIPP after adjusting for the 1-for-10 reverse stock split:

Unvested at beginning of year		Three Months Ended	March 31,
Unvested at beginning of year		Three Months Ended	March 31,
Unvested at beginning of year		Three Months Ended	March 31,
Granted		Six Months Ended	June 30,
Granted		Six Months Ended	June 30,
		Six Months Ended	June 30,
			2024
			2024
			2024

Unvested at beginning of year

Unvested at beginning of year

Unvested at beginning of year

Granted

Granted

Granted

Canceled/forfeited

Canceled/forfeited

Canceled/forfeited

Vested

Vested

Vested

Unvested end of period⁽¹⁾

Unvested end of period⁽¹⁾

Unvested end of period⁽¹⁾

16. Income Taxes

The Company's anticipated annual tax rate is impacted primarily by the amount of taxable income associated with each jurisdiction in which its income is subject to income tax and permanent differences between the financial statement carrying amounts and tax basis of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The Company incurred Nil net income tax expense or benefit for the ~~three~~six months ended ~~March 31, 2024~~June 30, 2024 and 2023. The effective tax rate for the ~~three~~both the ~~six~~ months ended ~~March 31, 2024~~June 30, 2024 and 2023 was Nil and Nil, respectively. Nil. The effective tax rate differed from the statutory rate during each period primarily due to changes in the valuation allowance established to offset net deferred tax assets.

HYCROFT MINING HOLDING CORPORATION

Notes to Unaudited Condensed Consolidated Financial Statements

17. Loss Per Share

The table below summarizes the Company's basic and diluted loss per share calculations (in thousands, except share and per share amounts):

	Three Months Ended		Six Months Ended	
	March 31,	March 31,	June 30,	June 30,
	2024	2024	2023	2024
Net loss				
Net loss				
Net loss				
Weighted average shares outstanding ⁽¹⁾				
Weighted average shares outstanding ⁽¹⁾				
Weighted average shares outstanding ⁽¹⁾				
Basic				
Basic				

Basic
Diluted
Diluted
Diluted
Basic loss per common share ⁽¹⁾
Basic loss per common share ⁽¹⁾
Basic loss per common share ⁽¹⁾
Diluted loss per common share ⁽¹⁾
Diluted loss per common share ⁽¹⁾
Diluted loss per common share ⁽¹⁾

⁽¹⁾ Shares and per common share amounts for June 30, 2023 have been adjusted to reflect the 1-for-10 reverse stock split effected effectuated on November 14, 2023.

HYCROFT MINING HOLDING CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

Basic and diluted net loss per share is computed by dividing the net loss for the period by the weighted average number of shares of common stock outstanding during the period.

Due to the Company's net loss during the ~~three~~^{six} months ended ~~March 31, 2024~~ ~~June 30, 2024~~ and 2023, respectively, there was no dilutive effect of common stock equivalents because the effects of such would have been anti-dilutive. The following table summarizes the shares excluded from the weighted average number of shares of common stock outstanding, as the impact would be anti-dilutive (in thousands):

	March 31,		June 30,	
	2024	2024	2023	2024
Shares upon exercise of warrants ⁽¹⁾ for 2023 only				
Restricted stock units				
Total				

⁽¹⁾ 2023 shares and restricted stock units have been adjusted to reflect the 1-for-10 reverse stock split effected effectuated on November 14, 2023.

After the reverse stock split, 10 warrants are required to purchase one share of common stock.

HYCROFT MINING HOLDING CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

18. Segment Information

The Company's reportable segments are comprised of operating units that have revenues, earnings or losses, or assets exceeding 10% of the respective consolidated totals, and are consistent with the Company's management reporting structure. Each segment is reviewed by the executive decision-making group to make decisions about allocating the Company's resources and to assess its performance. The tables below summarize the Company's segment information (in thousands):

Three months ended March 31, 2024	Three Months Ended June 30, 2024	Six Months Ended June 30,
Three months ended March 31, 2024		
Three months ended March 31, 2024		

	Hycroft Mine	Hycroft Mine	Corporate and Other	Total	Hycroft Mine	Corporate and Other	Total
Hycroft Mine							
Hycroft Mine							
Hycroft Mine							
2024							
Operating costs							
Operating costs							
Operating costs							
Loss from operations							
Loss from operations							
Loss from operations							
Other income, net – Note 19							
Loss from operations							
Loss from operations							
Other income							
Other income							
Other income							
Interest expense – Note 9							
Interest expense – Note 9							
Interest expense – Note 9							
Interest income							
Interest income							
Interest income							
Fair value adjustment to warrants – Notes 13 and 20							
Fair value adjustment to warrants – Notes 13 and 20							
Fair value adjustment to warrants – Notes 13 and 20							
Loss before income taxes							
Loss before income taxes							
Loss before income taxes							
Income tax benefit							
Income tax benefit							
Income tax benefit							
Net loss							
Net loss							
Net loss							
Three months ended March 31, 2023							
Three months ended March 31, 2023							
Three months ended March 31, 2023							
Hycroft Mine							

	Hycroft Mine			Hycroft Mine									
2023													
2023													
2023													
Operating costs													
Operating costs													
Operating costs													
Loss from operations													
Loss from operations													
Loss from operations													
Other income, net – Note 19													
Interest expense – Note 9													
Interest expense – Note 9													
Interest expense – Note 9													
Fair value adjustments to warrants – Notes 13 and 20													
Fair value adjustments to warrants – Notes 13 and 20													
Fair value adjustments to warrants – Notes 13 and 20													
Interest income													
Interest income													
Interest income				(612)				(1,509)					
Loss before income taxes													
Loss before income taxes													
Net loss													
Loss before income taxes													
Income tax benefit													
Income tax benefit													
Income tax benefit													
Net loss													
Net loss													
Net loss													
	December 31, 2023												
	March 31, 2024												
	December 31, 2023												
	June 30, 2024												
Total Assets	Hycroft Mine	Hycroft Mine	Corporate and Other	Total	Hycroft Mine	Corporate and Other	Total	Hycroft Mine	Corporate and Other	Total	Hycroft Mine	Corporate and Other	Total

HYCROFT MINING HOLDING CORPORATION

Notes to Unaudited Condensed Consolidated Financial Statements

19. Other Income (Expense)

The table below summarizes the components reported in *Other Income / (Expense) income (expense)* (in thousands):

	Three months ended March 31,	
	2024	2023
Other Income (Expense)		
Income from non-refundable deposit	\$ 1,441	\$ —
Loss on sale of equipment	(132)	—
Total	\$ 1,309	\$ —

	Three Months Ended		Six Months Ended	
	June 30,	2024	June 30,	2023
Other income (expense)				
Gain on sale of patents	\$ 3,641	\$ —	\$ 3,641	\$ —
Gain on non-refundable deposit	109	\$ —	1,550	\$ —
Gain on fair value adjustment for warrant liabilities	1	59	7	181
Write-down of supplies inventories	—	—	(12)	—
Gain (loss) on sale of equipment	—	85	(131)	85
Unrealized loss on securities	(490)		(490)	—
Total	\$ 3,261	\$ 144	\$ 4,565	\$ 266

HYCROFT MINING HOLDING CORPORATION
Notes to Unaudited Condensed Consolidated Financial Statements

20. Fair Value Measurements

Recurring fair value measurements

The following table sets forth by level within the fair value hierarchy, the Company's liabilities measured at fair value on a recurring basis (in thousands):

	Hierarchy Level	Hierarchy Level	March 31, 2024	December 31, 2023	Hierarchy Level	June 30, 2024	December 31, 2023
5-Year Private Warrants							

The 5-Year Private Warrants are valued using a Black-Scholes model that requires a variety of inputs, including the Company's stock price, the strike price of the 5-Year Private Warrants, the risk-free rate, and the implied volatility. The terms of the 5-Year Private Warrants are identical to the terms of the 5-Year Public Warrants except that the 5-Year Private Warrants, while held by certain holders or their permitted transferees, are precluded from mandatory redemption and are entitled to be exercised on a "cashless basis" at the holder's election. The implied volatility used in the Black-Scholes model is calculated using a Generalized AutoRegressive Conditional Heteroskedasticity model of the 5-Year Public Warrants that factors in the restrictive redemption and cashless exercise features of the 5-Year Private Warrants. The Company updates the fair value calculation on at least a quarterly basis, or more frequently if changes in circumstances and assumptions indicate a change from the existing carrying value.

	Hierarchy Level	June 30, 2024	December 31, 2023
Securities available-for-sale, current	1	\$ 426	\$ —
Securities available-for-sale, non-current	1	1,277	—
Total Securities available-for-sale		\$ 1,703	\$ —

During the second quarter of 2024, the Company sold patents, patent applications, and certain other technology rights and assets in exchange for a combination of cash and common shares of a publicly traded gold mining company. The value of the shares were determined using the closing price on the last day of the period as quoted on the TSX Venture Exchange

Items disclosed at fair value

The Sprott Credit Agreement and the Subordinated Notes are privately held and, as such, there is no public market or trading information available for such debt instruments. As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the fair value of the Company's debt instruments was **\$101.7 million** **\$113.3 million** and \$149.2 million, respectively, compared to the carrying value of **\$116.8 million** **\$119.6 million** and \$144.9 million as of **March 31, 2024** **June 30, 2024** and December 31, 2023, respectively. The fair value of the principal of the Company's debt instruments, including capitalized interest, was estimated using a market approach in which pricing information for publicly traded, non-convertible debt instruments with speculative ratings was analyzed to derive a mean trading multiple to apply to the **March 31, 2024** **June 30, 2024** balances.

21. Supplemental Cash Flow Information

The following table provides supplemental cash flow information (in thousands):

	Three Months Ended March 31,		Six Months Ended June 30,	
	2024	2023	2024	2023
Cash interest paid				
Increase in debt from in-kind interest				
Increase in debt from in-kind interest				
Increase in debt from in-kind interest				

HYCROFT MINING HOLDING CORPORATION **Notes to Unaudited Condensed Consolidated Financial Statements**

22. Commitments and Contingencies

Legal proceedings

From time to time the Company may be involved in various legal actions related to our business, some of which are class action lawsuits. The Company does not believe, based on currently available information, that contingencies related to any pending or threatened legal matter will have a material adverse effect on the Company's Financial Statements, although a contingency could be material to the Company's results of operations or cash flows for a particular period depending on its results of operations and cash flows for such period. Regardless of the outcome, litigation can have a material adverse impact on the Company because of defense and settlement costs, diversion of management resources, and other factors.

The Company expenses legal fees and other costs associated with legal proceedings as incurred. The Company assessed, in conjunction with its legal counsel, the need to record a liability related to the Complaints and determined that a loss was not probable nor reasonably estimable. Litigation accruals are recorded when, and if, it is determined that a loss related matter is both probable and reasonably estimable. Material loss contingencies that are reasonably possible of occurrence, if any, are subject to disclosure. No losses have been recorded during the **three** **six** months ended **March 31, 2024** **June 30, 2024** and 2023 with respect to litigation or loss contingencies.

Insurance

The Company has deductible-based insurance policies for certain losses related to general liability, workers' compensation, automobile coverage, and directors and officers. The Company records accruals for contingencies related to its insurance policies when it is probable that a liability has been incurred

and the amount can be reasonably estimated. These accruals are adjusted periodically as assessments change or additional information becomes available. Insurance losses for claims filed and claims incurred but not reported are accrued based upon estimates of the aggregate liability for uninsured claims using historical loss development factors and actuarial assumptions followed in the insurance industry.

Financial commitments and contingencies not recorded in the Financial Statements

As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the Company's off-balance sheet arrangements consisted of a net smelter royalty arrangement and a net profit royalty arrangement.

Crofoot Royalty

A portion of the Hycroft Mine is subject to a payment of 4% net profit royalty to the previous owner of certain patented and unpatented mining claims ("Crofoot Royalty"). The mining lease also requires an annual advance payment of **\$120,000** **\$0.1 million** every year mining occurs on the leased claims. All advance annual payments are credited against the future payments due under the 4% net profit royalty. An additional payment of **\$120,000** **\$0.1 million** is required for each year the total tons mined on the leased claims exceeds 5.0 million tons. As the Company ceased mining operations in November 2021, the Company was not required to pay the annual advance payment of **\$120,000** **\$0.1 million** in 2024, 2023 or 2022. The total payments due under the mining lease are capped at \$7.6 million, of which the Company has paid \$3.3 million, including \$0.6 million of advanced annual payments in *Prepays* in the Unaudited Condensed Consolidated Balance Sheets as of **March 31, 2024** **June 30, 2024** and December 31, 2023.

HYCROFT MINING HOLDING CORPORATION

Notes to Unaudited Condensed Consolidated Financial Statements

Sprott Royalty

Pursuant to the Royalty Agreement with Sprott Private Resource Lending II (CO) Inc. in which the Company received cash consideration in the amount of \$30.0 million, the Company granted a perpetual royalty equal to 1.5% of the net smelter returns from the Hycroft Mine, payable monthly ("Sprott Royalty Agreement"). The royalty is accounted for as a deferred gain liability. Net smelter returns for any given month are calculated as Monthly Production multiplied by the Monthly Average Gold Price and the Monthly Average Silver Price, minus Allowable Deductions, as such terms are defined in the Sprott Royalty Agreement. The Company is required to remit royalty payments to the payee free and clear and without any present or future deduction, withholding, charge or levy on account of taxes, except Excluded Taxes as such term is defined in the Sprott Royalty Agreement.

At both **March 31, 2024** **June 30, 2024** and December 31, 2023, the estimated net present value of the Sprott Royalty Agreement was \$146.7 million. The net present value of the Sprott Royalty Agreement was modeled using the following level 3 inputs: (i) market consensus inputs for future gold and silver prices; (ii) a precious metals industry consensus discount rate of 5.0%; and (iii) estimates of the Hycroft Mine's life-of-mine gold and silver production volumes and timing.

HYCROFT MINING HOLDING CORPORATION

Notes to Unaudited Condensed Consolidated Financial Statements

23. Related Party Transactions

As of **March 31, 2024** **June 30, 2024**, Ausenco Engineering South USA, Inc. ("Ausenco") and American Multi-Cinema, Inc. ("AMC") were considered related parties. The Company's President and Chief Executive Officer is currently a non-executive director for Ausenco's parent company Board of Directors. Additionally, an AMC representative serves on the Company's Board of Directors. During the **three** **six** months ended **March 31, 2024** **June 30, 2024**, the Company paid an aggregate of **\$0.3 million** **\$0.4 million** to Ausenco to prepare the 2023 Hycroft TRS and **AMC** director fees paid for **AMC**'s director fees. **representative**. During the **three** **six** months ended **March 31, 2023** **June 30, 2023**, the Company paid an aggregate of **\$0.1 million** **\$0.1 million** to Ausenco to prepare the 2023 Hycroft TRS and **AMC** director fees paid for **AMC**'s director fees. **representative**. As of **March 31, 2024** **June 30, 2024** and **2023**, **AMC** **is** **through** **its** **director** **representative** **was** **entitled** **to** **receive** **12,721** **12,393** and **180,069** shares of common stock upon the future vesting of restricted stock units.

units, respectively.

24. Employee Benefit Plans

The Hycroft Mining Corporation 401(k) Plan (the "401(k) Plan") is a defined contribution plan available to all employees of the Company upon their date of hire. The 401(k) Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended, and Section 401(k) of the Internal Revenue Code of 1986, as amended. Administration fees of the 401(k) Plan are paid by the Company. The assets of the 401(k) Plan are held and the related investments are executed by the 401(k) Plan's trustee.

Participants in the 401(k) Plan exercise control and direct the investment of their contributions and account balances among various investment alternatives. The Company matches a percentage of employee deferrals to the 401(k) Plan up to certain limits. For the periods six months ended March 31, 2024 June 30, 2024 and March 31, 2023 June 30, 2023, the Company's matching contributions totaled \$0.3 million \$0.4 million and \$0.3 million, \$0.4 million, respectively.

25. Subsequent Events

Effective April 5, 2024, In July 2024, the buyer that Hycroft had Company entered into an Equipment Purchase Agreement with terminated to sell one ball mill for consideration of \$4.0 million, before commissions and expenses. Under the remaining portion of the agreement. At the time of final termination terms of the agreement, the Company's outstanding balance related to the Equipment Purchase Agreement was \$0.1 \$3.9 million of nonrefundable deposits. In accordance with Topic 606, Revenue from Contracts with Customers, because the sale did not materialize, the \$0.1 million of nonrefundable deposit payments will be recognized as Other income is due in the second quarter of 2024.

Since the end of the first third quarter of 2024 and as of May 6, 2024, the Company has sold an additional 1,691,055 shares of common stock for aggregate gross proceeds, before commissions and offering expenses of \$6.4 million through the ATM Program. final payment is due no later than December 31, 2024.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion, which has been prepared based on information available to us as of May 6, 2024 August 6, 2024, provides information we believe is relevant to an assessment and understanding of our consolidated operating results and financial condition. The following discussion should be read in conjunction with our unaudited condensed consolidated financial statements for the three and six months ended March 31, 2024 June 30, 2024 (the "Financial Statements") and the notes thereto (the "Notes") included in this Quarterly Report on Form 10-Q for the three and six months ended March 31, 2024 June 30, 2024, as well as our other reports filed with the Securities and Exchange Commission ("SEC") from time to time, including, but not limited to, our Annual Report on Form 10-K for the year ended December 31, 2023 December 31, 2023. Terms not defined herein have the same meaning defined in the Financial Statements and the Notes.

Introduction to the Company

We are a U.S.-based gold and silver exploration and development company that owns the Hycroft Mine in Nevada, USA. We are focused on exploring the Hycroft Mine's claims comprising approximately 64,000 acres, and developing the Hycroft Mine in a safe, environmentally responsible, and cost-effective manner. We ceased mining activities in November 2021, and as of December 31, 2022, we completed processing of gold and silver ore previously placed on leach pads. We do not expect to generate significant revenues from gold and silver sales until after completing the technical work and recommencing mining operations.

Health and Safety

We believe safety is a core value and support that belief through our philosophy of safe work performance. Our mandatory mine safety and health programs include employee engagement and ownership of safety performance, accountability, employee and contractor training, risk management, workplace inspection, emergency response, accident investigation, anti-harassment, and program auditing. This integrated approach is essential to ensure that our employees, contractors, and visitors operate safely.

We reported no lost time incidents during the first quarter half of 2024 and continue to operate in excess of one million workhours without a lost time incident. The Hycroft Mine's total recordable injury frequency rate ("TRIFR") for the trailing 12 months, which includes other reportable incidents, is one of the metrics we use to assess safety performance, and it is well below industry averages and significantly below pre-2021 historical levels experienced at the Hycroft Mine. During the first three six months of 2024, we continued our critical focus on safety, including allocating personnel, resources, workforce time, and communications to operate safely. These actions contributed to maintaining our TRIFR of Nil (0.00) 0.00 at March 31, 2024 June 30, 2024 and December 31, 2023. We will continue to evolve our safety efforts as needed to keep our workforce, contractors, and visitors safe.

Executive Summary

During the first quarter six months of 2024, the Company continued its exploration drill program, completed portions of the metallurgical and variability test work, and continued to analyze new drill assay data and information received in the period. The ongoing metallurgical and variability test work continues to follow up on the March 2023 Hycroft Property Initial Assessment Technical Report Summary Humboldt and Pershing Counties, Nevada ("2023 Hycroft TRS") that was completed utilizing a conventional crushing, grinding, and flotation circuit that generates a concentrate to be fed to a pressure oxidation ("POX") autoclave facility commonly used for refractory gold ores. The Company is also focused on improving strengthening its balance sheet primarily by reducing debt and raising cash through its at-the-market ("ATM Program"). Additionally, on January 5, 2024 May 31, 2024, the Company implemented a new \$100.0 million at-the-market public offering program (the "New ATM Program"). The Company voluntarily pre-paid \$38 million \$38.0 million of the senior secured debt with Sprott Resource Lending.

Lending on January 5, 2024, and through the ATM Program and the New ATM Program has raised \$10.4 million aggregate gross proceeds, before commissions and offering expense, during the first six months of 2024.

Recent Developments

2024 exploration drilling

In February 2024, the Company launched its 2024 exploration drill program ("the (the "2024 Drill Program"), to follow up on the high-grade underground silver discovery announced in November 2023. The 2023 drilling reflected significant high-grade silver mineralization that has continuity with historical drilling along trends not previously identified. The objective of the 2024 Drill Program is to define the structural framework of these new trends and identify target areas that have not been drilled to establish continuity of the two high-grade silver trends. The 2024 Exploration Drill Program currently includes has been expanded to approximately 5,200 6,200 meters of core drilling, of which approximately 4,000 meters of drilling have been completed. The current program is targeted to define the structural framework of the two new high-grade silver trends and target those areas that have not been drilled to establish continuity of the two high-grade silver trends. Additionally, the Company completed Induced Polarity ("IP") geophysical surveys with results expected in the third quarter of 2024. The 2024 Drill Program and geophysical surveys will help with the flexibility to Company's understanding of the structural controls observed in the two high-grade silver trends and potentially expand the program.

Hycroft mineralization to the east in a previously unexplored area mostly within the current plan of operation.

Metallurgical and variability test work

During the three six months ended March 31, 2024 June 30, 2024, the Company completed a substantial portion of the advanced with metallurgical test and flotation variability test design work necessary for designing a sulfide milling operation. The Company has also been engaged actively testing composite samples from around the ore body that represents the various material characteristics in trade-off studies the sulfide ore. Crushing, grinding, and alternatives analyses to optimize the development plan for the Hycroft Mine to build, mine and process flotation work has identified significant improvements in gold and silver from sulfide ore recoveries compared to the current technical report that yields increase the best economic return for shareholders. Through this work, benefits to the Company identified that roasting the sulfide ore has the potential to generate by-product project. Roasting, leaching, sulfuric acid revenue that may create significant economic benefits for generation, and power co-generation work progressed during the project. Sulfuric acid has several commercial uses including in quarter ended June 30, 2024. Process plant flow sheets, equipment selection, plant layout, tailing storage facility designs, and other designs continued to be developed. With the production of lithium from sedimentary style deposits, of which roasting option, there are five such projects in Nevada in addition to other locations. The preliminary internal work indicates Hycroft could produce is a significant quantity of by-product sulfuric acid generated and potentially generate significant revenues in addition to the gold and silver. There is also the potential to co-generate "green" electricity as part of the roasting process. Due to the potential by-product revenues opportunities, the Company has initiated additional metallurgical engaged a third-party specialist to complete a focused market study and to assist in identifying local and regional markets with specific current and emerging consumers. The Company is still conducting trade-off studies to determine if utilizing roasting technology instead of pressure oxidation technology would could further deliver superior economics for the Hycroft Mine.

2024 Outlook

The Company's current plan is to operate safely as it continues exploration drilling and data analyses, completing technical studies, conducting trade-off studies and alternatives analyses for determining the optimal process flow sheet for processing sulfide ores and recovering gold and silver, and maintaining the Hycroft Mine. Mine and strengthening its balance sheet.

The 2024 Drill Program is designed to test the lateral and at depth extensions of the newly discovered high-grade silver trends at Brimstone and Vortex. This new system remains open in all directions and at depth having the potential to expand and be developed as an underground mine. Additionally, geophysical surveys and structural geology reviews in the first half of 2024 have identified anomalous opportunities in and around the primary resource area indicative of high-grade mineralization. The anomalies have created a target area two kilometers north to south and extending one kilometer east of the current resource pit, which is mostly within the current plan of operation. The Company is in the process of refining drill targets for these areas.

The Company continues to evaluate various process alternatives to economically improve gold and silver recoveries while developing potential additional, meaningful by-product revenue streams. The trade-off studies and alternatives analyses include different grinding methods, various flotation cell configurations, sulfide conversion through pressure oxidation and roasting, and process flow sheet development. This additional work is expected to be completed over the coming months and as a result, the Company will provide updates on the anticipated timing of the process flow sheet and the associated technical report as information becomes available.

Results of Operations

Projects, exploration, and development

During the three and six months ended **March 31, 2024** June 30, 2024, Projects, exploration, and development costs totaled \$4.9 million \$5.1 million and \$10.0 million, respectively, compared to \$3.5 million \$5.3 million and \$8.8 million, respectively, for the same period periods of 2023. Projects, exploration, and development costs were related to: (i) completing technical studies; (ii) conducting geological studies; (iii) oversight and project management; and (iv) exploration drilling, engineering, and metallurgical activities. The increase of \$1.4 million \$1.2 million during the **three** six months ended **March 31, 2024** June 30, 2024 was the result of ongoing assay results and analysis from Phase 2 of the Company's 2022-2023 Exploration Program and initiating expanding the 2024 Exploration Drilling program Program that was initiated in February 2024.

General and administrative

During the three and six months ended **March 31, 2024** June 30, 2024, General and administrative expenses totaled \$2.9 million \$3.9 million and \$6.8 million, respectively, compared to \$3.3 million \$3.7 million and \$7.0 million, respectively, during the same period periods of 2023. The decrease of \$(0.4) million during the three months ended March 31, 2024, was primarily due to reduced spend on outside legal and accounting services and contractors.

Mine site period costs

During the three and six months ended **March 31, 2024** June 30, 2024, Mine site period costs totaled \$2.6 million \$2.5 million and \$5.1 million, respectively, compared to \$3.8 million \$2.8 million and \$6.6 million, respectively, for the same period periods of 2023, 2023. The decrease in spending

was primarily due to reduced activities year over year associated with the mine site. Mine site period costs include costs related to maintaining the Hycroft Mine, including environmental, maintenance and administration costs. Effective January 1, 2023, the Company began reporting amounts for Mine site period costs as *Operating Expenses* expenses as this presentation aligns with how the business will be viewed and managed until such time that the Company further develops the Hycroft Mine and recommences mining operations.

Asset retirement obligation adjustment

Asset Retirement Obligation Adjustment

During the three and six months ended **March 31, 2024** June 30, 2024, the Company recognized a change in estimate to reflect both updated reclamation regulations and a revised Engineering Design Change required by the Nevada Department of Environmental Protection engineering design change for impervious cover placement on the Crofoot Heap Leach Pad, and a change in timing to commence work in 2025 begin and complete it by the end this stage of 2027. reclamation work at this facility. In accordance with the change in estimate, Asset retirement obligation increased \$2.0 million and \$4.0 million during the Company recorded an expense of \$2.0 million three and six months ended June 30, 2024, respectively, as the Company does not have mineral reserves, and accordingly, all costs are expensed until such time that it declares mineral reserves.

During the three and six months ended **March 31, 2023** **June 30, 2024** and **June 30, 2023**, the Company did not incur additional reclamation obligations associated with additional disturbances, other regulatory requirements, or changes in estimates.

Depreciation and amortization

Depreciation and amortization ~~were~~ was \$0.6 million and ~~\$0.7 million~~ \$1.2 million, respectively, for the three and six months ended **March 31, 2024** **June 30, 2024**, compared to \$0.7 million and **March 31, 2023** \$1.4 million, respectively, respectively, during the same periods of 2023.

Accretion

The Company recorded ~~\$0.2 million~~ \$0.3 million and ~~\$0.2 million~~ \$0.5 million of Accretion for the three and six months ended **March 31, 2024** and **March 31, 2023** **June 30, 2024**, respectively, which and \$0.2 million and \$0.4 million for the same periods of 2023, respectively. These expenses are related to the Company's Asset retirement obligation and future reclamation costs. See Note 12 – Asset Retirement Obligation ("ARO") to the Notes to the Financial Statements for further detail.

Interest expense

As discussed detailed in Note 9 – Debt, Net in the Notes to the Financial Statements, Interest expense totaled \$10.1 million during \$3.2 million and \$13.3 million for the three and six months ended **March 31, 2024** **June 30, 2024**, respectively, compared to \$4.4 million during \$4.6 million and \$9.0 million, for the same period periods in 2023. Included in Interest expense for the first half of 2024 was \$(6.9) million \$6.9 million of accelerated amortization of original issue discount and issuance costs. On January 5, 2024, the Company voluntarily prepaid \$38.0 million of its first lien debt. The original issue discount and issuance costs were expensed on a prorated basis in line with the prepaid amount of the debt.

The decrease of ~~\$5.7 million~~ \$1.4 million for the three months ended **March 31, 2024** **June 30, 2024** compared to the same period in 2023 was primarily due to the January 2024 voluntary prepayments the Company made on the first lien debt.

Other income, net

For the three months ended March 31, 2024, the Company recognized Other income of \$1.3 million, compared to Nil for the three months ended March 31, 2023. The increase of ~~\$1.3~~ \$4.3 million included a \$1.4 million gain on a non-refundable deposit (see Note 7 – Assets Held For Sale for more detail), partially offset by a loss the six months ended June 30, 2024 compared to the same period in 2023 was primarily due to the \$6.9 million of \$(0.1) million on accelerated amortization of original issue discount and issuance costs related to the sale of equipment voluntary prepayments.

Interest income

Interest income totaled \$1.3 million \$1.1 million and \$2.4 million for the three and six months ended **March 31, 2024**, **June 30, 2024**, respectively, compared to \$1.9 million \$2.1 million and \$4.1 million, respectively, for the same period periods in 2023. In July 2022, the Company began investing the majority of its cash balances in AAA rated U.S. Government Money Market Funds that are readily convertible to cash. These investments earned the Company \$1.0 million \$0.8 million and \$1.5 million \$1.8 million in interest during the three and six months ended **March 31, 2024** **June 30, 2024**, respectively, and **March 31, 2023** \$1.7 million and \$3.4 million, respectively, respectively, for the same periods in 2023. In addition, the Company earned \$0.3 million \$0.3 million and \$0.6 million on its Restricted cash during the three and six months ended **March 31, 2024** **June 30, 2024**, respectively, as compared with \$0.4 million \$0.4 million and \$0.7 million, respectively, for the same period periods in 2023.

Fair value adjustments to warrants

Other income, net

For the three and six months ended **March 31, 2024**, and **March 31, 2023** **June 30, 2024**, the Company recognized Fair value adjustments Other income of \$3.3 million and \$4.6 million, respectively, compared to warrants resulted \$0.1 million and \$0.3 million, respectively, for the same periods in 2023. The increase of \$4.3 million for the six months ended June 30, 2024 included a non-cash \$3.6 million gain on the sale of Nil patents and \$0.1 million, respectively, as a \$1.6 million gain on a non-refundable deposit, partially offset by an unrealized loss on securities of \$0.5 million and a loss of \$0.1 million on the market trading values sale of the publicly listed warrants decreased during the period equipment.

Income taxes

The Company incurred Nil net income tax expense or benefit for ~~three~~both the six months ended ~~March 31, 2024~~June 30, 2024 and ~~March 31, 2023~~June 30, 2023.

For additional details, see [See Note 17.16 – Loss Per Share in the Notes to the Financial Statements](#), [Income Taxes](#).

Liquidity and Capital Resources

General

The Company's *Cash and cash equivalents* at ~~March 31, 2024~~June 30, 2024, were ~~\$57.6 million~~\$58.5 million, as compared with ~~\$106.2 million~~\$106.2 million at December 31, 2023. As discussed in *Note 14 – Stockholders' Equity* in the Notes to the Financial Statements, the Company raised cash through its ~~at-the-market public offering program ("ATM Program")~~ Program as follows:

- On June 2, 2023, the Company filed a prospectus supplement reactivating the ATM Program and updating the amount of shares that the Company may sell through the ATM Program to an aggregate offering price of up to \$361.4 million. On November 17, 2023, the Company again began accessing the ATM Program, and as of December 31, 2023, sold an additional 523,328 shares of common stock for aggregate gross proceeds, before commissions and offering expenses, of \$1.1 million. As of December 31, 2023, there was common stock available for issuance under the ATM Program with an aggregate offering sales price of up to \$360.3 million.
- On March 19, 2024, the Company filed a prospectus supplement subject to Instruction I.B.6. to Form S-3, which is referred to as the baby shelf rule. For so long as the Company's public float is less than ~~\$75.0 million~~\$75.0 million, it may not sell more than the equivalent of one-third of its public float during any 12 consecutive months pursuant to the baby shelf rules. The prospectus supplement updated the remaining amount~~number~~ of shares that the Company may sell through the ATM Program to an aggregate offering price of up to \$15.3 million. On April 11, 2024, the Company's public float exceeded the \$75.0 million baby shelf threshold and on May 15, 2024, the Company filed a prospectus supplement subject to Instruction I.B.6 to Form S-3 updating the remaining number of shares that the Company may sell through the ATM Program to an aggregate offering price of up to \$100.0 million.
- In On May 15, 2024, the ~~first~~ Company filed a new \$350.0 million prospectus subject to Instruction I.B.6 to Form S-3, referred to as a universal shelf registration statement, that included the New ATM Program. The universal shelf registration statement became effective on May 31, 2024, at 4:00 p.m. Eastern Daylight Time, which replaced the prior universal shelf registration statement that was originally filed June 30, 2021.
- For the six months ended June 30, 2024, the Company sold 2,992,547 shares of common stock for aggregate gross proceeds, before commissions and offering expenses, of \$10.4 million. The Company sold 2,474,859 shares of common stock for aggregate gross proceeds, before commissions and offering expenses, of \$9.2 million during the second quarter of 2024 and the Company continued to access the ATM Program, and as of March 31, 2024, sold an additional 517,688 shares of common stock for aggregate gross proceeds, before commissions and offering expenses, of \$1.2 million. As million in the first quarter of March 31, 2024, there was 2024.
- There were no sales of common stock under the New ATM Program during June 2024, accordingly up to \$100.0 million of common stock was available for issuance under the New ATM Program with an aggregate offering sales price of up to \$14.8 million. On April 11, 2024, the Company's public float exceeded the \$75.0 million baby shelf threshold, at June 30, 2024.

As the Company completed recovering gold and silver ounces previously placed on the leach pad in 2022, the Company does not expect to generate net positive cash for the foreseeable future. Accordingly, the Company will be dependent on its unrestricted cash and other sources of cash to fund the business. Historically, the Company has been dependent on various forms of debt and equity financing to fund its business. While the Company has been successful in the past raising funds through equity and debt financings, no assurance can be given that additional financing will be available to it in amounts sufficient to meet the Company's needs or on terms acceptable to the Company. If funds are unavailable, the Company may be required to materially change its business plan.

The Company's future liquidity and capital resources management strategy entails a disciplined approach to monitor the timing and extent of any drilling, metallurgical and mineralogical studies while attempting to remain in a position that allows the Company to respond to changes in the business environment,

such as a decrease in metal prices or lower than forecasted future cash flows, and changes in other factors beyond the Company's control. The Company has undertaken efforts aimed at managing its liquidity and preserving its capital resources by, among other things: (i) monitoring metal prices and the impacts (near-term and future) they have on the business; (ii) ceasing open pit mining operations to reduce net cash outflows; (iii) reducing the size of the workforce to reflect the cessation of mining operations; (iv) controlling working capital and managing discretionary spending; (v) reviewing contractor usage and rental agreements for more economic options, including termination of certain agreements in accordance with their terms; (vi) decreasing *Restricted Cash* balances that collateralize bonds, as available; (vii) planning the timing and amounts of capital expenditures and costs for drilling, metallurgical and technical studies costs at the Hycroft Mine; and (viii) deferring such items that are not expected to benefit our near term operating plans. The Company has undertaken and continues to undertake additional efforts including: (i) monetizing non-core equipment and

excess supplies inventories; (ii) selling uninstalled mills that are not expected to be needed for a future milling operation; and (iii) working with existing debt holders to adjust debt service requirements.

In addition, the Company will continue to evaluate alternatives to raise additional capital necessary to fund the future development of the Hycroft Mine and will continue to explore other strategic initiatives to enhance stockholder value.

Cash and liquidity

The Company has placed substantially all its unrestricted cash in operating and investing accounts with well-capitalized financial institutions, thereby ensuring balances remain readily available. The Company uses AAA rated U.S. Government Money Market Funds for its unrestricted cash investments. Due to the nature of its operations and the composition of current assets, *Cash and cash equivalents*, *Income tax receivable*, and *Assets held for sale* represent substantially all the liquid assets on hand.

The following table summarizes projected sources of future liquidity, as recorded within the Financial Statements (in thousands):

	March 31, 2024	December 31, 2023		June 30, 2024	December 31, 2023
Cash and cash equivalents					
Other receivable					
Income tax receivable					
Assets held for sale, net of option payments received of \$0.1 million and \$1.6 million, respectively ⁽¹⁾					
Income tax receivable					
Income tax receivable					
Assets held-for-sale ⁽¹⁾⁽²⁾					
Total projected sources of future liquidity					

(1) In May 2024, the Company entered into an Equipment Purchase Agreement to sell two substation transformers for consideration of \$2.0 million. As of June 30, 2024, the Company has received \$0.3 million in non-refundable deposit payments.

(2) In August 2022, the Company entered into an Equipment Purchase Agreement to sell one ball mill and one SAG mill for consideration of \$12.0 million. The agreement was amended in December 2022 to include a sub-station transformer two substation transformers for an additional amount of \$1.6 million for a total amended equipment purchase price of \$13.6 million, of which the company has Company had received payments totaling \$1.6 million. As of December 31, 2023, the total deposit payments received was \$1.6 million. Effective March 1, 2024, the buyer terminated a portion of the Equipment Purchase Agreement and effective April 5, 2024, the entire Equipment Purchase Agreement was terminated. Because the sale did not materialize, \$1.4 million \$1.5 million of the nonrefundable deposit payments was recognized as Other income in the first quarter of 2024, \$0.1 million and \$0.1 million of the nonrefundable deposit payments will be recognized as Other income in the second quarter of 2024, and the remaining \$0.1 million in nonrefundable deposit payments have been included in Contract liabilities. 2024.

Three Six months ended March 31, 2024 June 30, 2024 compared to three six months ended March 31, 2023 June 30, 2023

The following table summarizes sources and uses of cash for the following periods (in thousands):

	Three Months Ended March 31,		Six Months Ended June 30,		
	2024	2024	2023	2024	2023
Net loss					
Net loss					
Net loss					
Net non-cash adjustments					
Net change in operating assets and liabilities					
Net cash used in operating activities					
Net cash provided by (used in) investing activities					
Net cash used in financing activities					
Net decrease in cash					
Cash, cash equivalents, and restricted cash, beginning of period					
Cash, cash equivalents, and restricted cash, end of period					
Reconciliation of cash, cash equivalents, and restricted cash:					
Reconciliation of cash, cash equivalents, and restricted cash:					
Reconciliation of cash, cash equivalents, and restricted cash:					
Cash and cash equivalents					
Cash and cash equivalents					
Cash and cash equivalents					
Restricted cash					
Cash, cash equivalents, and restricted cash, end of period					

Cash used in operating activities

During the **three six months ended March 31, 2024 June 30, 2024**, the Company used **\$11.7 million \$20.3 million** of cash in operating activities primarily attributable to a net loss of **\$20.7 million \$33.9 million**, the cash impact of which was **\$8.9 million \$18.9 million**. There was a **\$2.8 million \$1.4 million** deficit to working capital, and other, including cash used for Other liabilities of **\$2.6 million \$1.8 million**. The largest non-cash items included in net Net loss during for the **three six months ended March 31, 2024 June 30, 2024**, were Accelerated amortization Non-cash interest expense of original issue discount and issuance costs of **\$6.9 million**, non-cash interest expense of **\$2.7 million \$12.4 million** and non-cash ARO Asset retirement obligation adjustments and accretion of **\$2.2 million \$4.0 million**.

During the **three six months ended March 31, 2023 June 30, 2023**, the Company used **\$8.8 million \$22.4 million** of cash in operating activities primarily attributable to a net loss of **\$13.9 million \$27.8 million**, the cash impact of which was **\$9.5 million**, and **\$0.7 million \$19.9 million**. There was provided by a **\$2.6 million** deficit to working capital that included **\$2.8 million** cash received on with the collection of Accounts receivable as the Company collected its remaining receivables related to gold and silver sales during 2022 and an increase in Prepays and deposits of **\$0.8 million**, partially offset by cash used to reduce Other liabilities of **\$1.8 million** and Accounts payable and accrued liabilities of **\$1.1 million**. The largest non-cash item included in net Net loss during for the **three six months ended March 31, 2023, was June 30, 2023** being Non-cash portion of interest expense of **\$3.0 million \$6.0 million**.

Cash used in provided by (used in) investing activities

During For the **three six months ended March 31, 2024 June 30, 2024**, investing activities generated cash of **\$0.2 million \$1.3 million**, comprised of Proceeds from the sale of patents of **\$1.4 million** and Proceeds from the sale of equipment of **\$0.3 million**, partly **\$0.3 million**, partially offset by Additions to property, plant, and equipment of **\$0.1 million \$0.4 million**.

For the **three six** months ended **March 31, 2023** **June 30, 2023**, investing activities used cash of **\$0.3 million** **\$0.6 million** primarily attributable to **purchaseAdditions to property, plant, and equipment and patented mining claims** of **\$0.7 million**, partially offset by **Proceeds from the sale of equipment** of **\$0.1 million**.

Cash used in financing activities

During For the **three six** months ended **March 31, 2024** **June 30, 2024**, financing activities used cash of **\$36.9 million** **\$28.0 million** that was primarily related to principal payments on debt and notes payable including the **\$38.0 million** **\$38.0 million** voluntary prepayment of the first lien debt and **\$10.1 million** from the **Issuance of common stock**.

During For the **three six** months ended **March 31, 2023** **June 30, 2023**, financing activities used cash of **\$0.6 million** **\$1.2 million** that was primarily related to **Principal payments on debt of \$1.1 million** and **Principal payments on notes payable of \$0.6 million** **\$0.1 million**.

Future capital and cash requirements

The following table provides the Company's gross contractual cash obligations as of **March 31, 2024** **June 30, 2024**, which are grouped in the same manner as they are classified in the Unaudited Condensed Consolidated Statement of Cash Flows in order to provide a better understanding of the nature of the obligations and to provide a basis for comparison to historical information. The Company believes that the following provides the most meaningful presentation of near-term obligations expected to be satisfied using current and available sources of liquidity (in thousands):

	Payments Due by Period									
	Total	Total	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years	Total	Less than 1 Year	1 - 3 Years	3 - 5 Years
Operating activities:										
Sprott Royalty Agreement ⁽¹⁾										
Sprott Royalty Agreement ⁽¹⁾										
Sprott Royalty Agreement ⁽¹⁾										
Remediation and reclamation expenditures ⁽²⁾										
Interest payments ⁽³⁾										
Crofoot Royalty ⁽⁴⁾										
Financing activities:										
Repayments of debt principal ⁽⁵⁾										
Repayments of debt principal ⁽⁵⁾										
Repayments of debt principal ⁽⁵⁾										
Total										
Total										
Total										

(1) The Company is required to pay a perpetual royalty equal to 1.5% of the net smelter returns from the Hycroft Mine ("Sprott Royalty Agreement"), payable monthly that also includes an additional amount for withholding taxes payable by the royalty holder. Amounts presented above incorporate mineral resource estimates as reported in the 2023 Hycroft TRS.

(2) Mining operations are subject to extensive environmental regulations in the jurisdictions in which they are conducted, and we are required, upon cessation of operations, to reclaim and remediate the lands that our operations have disturbed. The estimated undiscounted inflated cash outflows of these remediation and reclamation obligations are reflected here. In the above presentation, no

offset has been applied for the \$58.3 million of our reclamation bonds or for the **\$26.6** **\$26.9 million** of cash collateral for those bonds included in Restricted Cash.

- (3) Interest payments consist of monthly payments under the Amended and Restated Credit Agreement ("Sprott Credit Agreement") (as amended by the March 30, 2022 amended agreement (the "Second A&R Agreement") at the minimum interest rate of 7.5%, monthly interest payments for other debt, and paid in kind interest associated with the subordinated debt paid at maturity.
- (4) The Company is required to pay a 4% net profit royalty ("Crofoot Royalty") (Crofoot Royalty), including advance royalty payments of \$120,000 \$0.1 million in any year where mining occurs on the Crofoot claims and an additional \$120,000 \$0.1 million if tons mined from the Crofoot claim blocks exceed 5.0 million tons. See Note 22 – *Commitments and Contingencies* in the Notes to the Financial Statements for additional information. Amounts shown represent the current estimates of cash payment timing using consensus pricing for gold and silver.
- (5) Repayments of principal on debt consists of amounts due under the Sprott Credit Agreement (as amended by the Second A&R Agreement), the amendment to the 10% Senior Secured Notes and Note Exchange Agreement ("Subordinated Notes"), and notes payable for equipment purchases. Included in the repayment of the Sprott Credit Agreement is the \$3.3 million fee that was capitalized as payable in-kind in connection with the Second A&R Agreement. Included in the repayment of the Subordinated Notes principal is interest that is payable in-kind and capitalized on a quarterly basis. See Note 9 – *Debt, Net* in the Notes to the Financial Statements for additional information.

Debt covenants

The Company's debt agreements contain representations and warranties, events of default, restrictions and limitations, reporting requirements, and covenants that are customary for agreements of these types.

The Sprott Credit Agreement (as amended by the Second A&R Agreement and the Second Amendment to the Second A&R Agreement) contains covenants that, among other things, restrict or limit the ability of the Company to enter into encumbrances (other than Permitted Encumbrances), incur indebtedness (other than Permitted Indebtedness), dispose of its assets (other than Permitted Disposals), pay dividends, and purchase or redeem shares, as such terms are defined in the Sprott Credit Agreement (as amended by the Second A&R Agreement and the Second Amendment to the Second A&R Agreement). The Sprott Credit Agreement (as amended by the Second A&R Agreement and the Second Amendment to the Second A&R Agreement) requires the Company to ensure that, at all times, both its Working Capital and Unrestricted Cash are at least \$15.0 million, as such terms are defined in the Sprott Credit Agreement (as amended by the Second A&R Agreement and the Second Amendment to the Second A&R Agreement), and that at least every six months the Company demonstrates its ability to repay and meet all present and future obligations as they become due with a financial model that uses consensus gold prices discounted by 5.0%. The Subordinated Notes include customary events of default, including those relating to a failure to pay principal or interest, a breach of a covenant, representation or warranty, a cross-default to other indebtedness, and non-compliance with security documents. As of **March 31, 2024** **June 30, 2024**, the Company was in compliance with all covenants under its debt agreements.

On March 9, 2023, the Company entered into a letter agreement (the "Waiver and Amendment"), by and between the Company, the **Lender**, ("Lender"), and Sprott Private Resource Lending II (Co) Inc. ("SPRL II" and together with the Lender, the "Sprott Parties"). Pursuant to the terms of the Sprott Credit Agreement, the Company agreed that while any indebtedness is outstanding under the Sprott Credit Agreement or while the credit facility under the Sprott Credit Agreement remains available to the Company, the Company and guarantors under the Sprott Credit Agreement would not undertake certain corporate actions without the Lender's prior written consent.

On May 24, 2023, the Company's stockholders approved a proposed amendment of the Company's second amended and restated certificate of incorporation (the "Certificate of Incorporation") to effectuate a reverse stock split of the Company's outstanding shares of Class A common stock, par value \$0.0001 per share, at a ratio of no less than 1-for-10 and no more than 1-for-25, with such ratio to be determined at the sole discretion of the Board (the "Reverse Stock Split"). Pursuant to the terms of the Waiver and Amendment, Lender agreed to waive certain provisions of the Sprott Credit Agreement so that the Company may effectuate the proposed Reverse Stock Split of the Company's common stock, including amendment of the Certificate of Incorporation necessary to effectuate the Reverse Stock Split. The Company notified the Nasdaq Stock Market LLC ("Nasdaq") on October 26, 2023, that the Board of Directors approved filing the amendment to the Certificate of Incorporation in order that the Reverse Stock Split will be effective on November 14, 2023, at a ratio of 1-for-10. Except as set forth in the Waiver and Amendment, the Sprott Credit Agreement remains in full force and effect.

On January 5, 2024, the Company voluntarily pre-paid \$34.7 million of the first lien loan, along with \$3.3 million for the additional interest balance, totaling \$38.0 million with a remaining outstanding balance of \$15.0 million. As a result of this payment, the applicable margin was reduced by 100 basis points through the final payment.

Off-balance sheet arrangements

As of **March 31, 2024** **June 30, 2024**, the Company's off-balance sheet arrangements consisted of a net profit royalty arrangement and a net smelter royalty arrangement (see Note 22 – *Commitments and Contingencies* in the Notes to the Financial Statements).

Critical Accounting Estimates

This Management's Discussion and Analysis is based on the Financial Statements, which have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). The preparation of these statements requires the Company to make assumptions, estimates, and judgments that affect the reported amounts of assets, liabilities, revenues, and expenses. For information on the most critical accounting estimates used to prepare the Financial Statements, see the *Critical Accounting Estimates* section included in *Part II – Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As the Company qualifies as a smaller reporting company under Item 10(f) of Regulation S-K, quantitative and qualitative disclosures about market risk are not required, and such are omitted from this filing.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our internal control over financial reporting is designed to provide reasonable assurance to our management and Board of Directors regarding the preparation and fair presentation of published Financial Statements. Internal control over financial reporting is promulgated under the Exchange Act as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our Board of Directors, management, and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with GAAP. Internal control over financial reporting, no matter how well designed, has inherent limitations and may not prevent or detect misstatements. Therefore, even effective internal control over financial reporting can only provide reasonable assurance with respect to the financial statement preparation and presentation.

The Company's management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures, as required by Rules 13a-15(b) and 15d-15(b) under the Exchange Act as of March 31, 2024.

Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of March 31, 2024 to provide such reasonable assurance that information required to be disclosed by us, including our consolidated subsidiaries, in reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding disclosure and is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission's rules and forms.

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must consider the benefits of controls relative to their costs. Inherent limitations within a control system include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. While the design of any system of controls is to provide reasonable assurance of the effectiveness of disclosure controls, such design is also based in part upon certain assumptions about the likelihood of future events, and such assumptions, while reasonable, may not take into account all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be prevented or detected.

Changes in Internal Control Over Financial Reporting

There were no significant changes in our internal control over financial reporting during the quarter ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Cautionary Statement Regarding Forward-Looking Statements

In addition to historical information, this Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Private Securities Litigation Reform Act of 1995 (the "PSLRA") or in releases made by the SEC, all as may be amended from time to time. All statements,

other than statements of historical fact, included herein or incorporated by reference, that address activities, events, or developments that we expect or anticipate will or may occur in the future, are forward-looking statements, including but not limited to such things as:

The words "estimate", "plan", "anticipate", "expect", "intend", "believe", "project", "target", "budget", "may", "can", "will", "would", "could", "should", "seeks", or "scheduled to", or other similar words, or negatives of these terms or other variations of these terms or comparable language or any discussion of strategy or intentions identify forward-looking statements. These cautionary statements are being made pursuant to the Securities Act, the Exchange Act and the PSLRA with the intention of obtaining the benefit of the "safe harbor" provisions of such laws. These statements involve known and unknown risks, uncertainties, assumptions, and other factors that may cause our actual results, performance or achievements to be materially different from any results, performance, or achievements expressed or implied by such forward-looking statements. Forward-looking statements are based on current expectations.

Although we have attempted to identify important factors that could cause actual results to differ materially from those described in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Although we base these forward-looking statements on assumptions that we believe are reasonable when made, we caution you that forward-looking statements are not guarantees of future performance and that our actual results, performance or achievements may differ materially from those made in or suggested by the forward-looking statements contained in this Quarterly Report on Form 10-Q. In addition, even if our results, performance, or achievements are consistent with the forward-looking statements contained in this Quarterly Report on Form 10-Q, those results, performance or achievements may not be indicative of results, performance or achievements in subsequent periods.

Given these risks and uncertainties, you are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statements that we make in this Quarterly Report on Form 10-Q speak only as of the date of those statements, and we undertake no obligation to update those statements or to publicly announce the results of any revisions to any of those statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

See *Risk Factors* set forth in our Annual Report on Form 10-K for the year ended December 31, 2023, as the same may be updated from time to time, and other SEC filings, for more information about these and other risks.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As the Company qualifies as a smaller reporting company under Item 10(f) of Regulation S-K, quantitative and qualitative disclosures about market risk are not required, and such are omitted from this filing.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our internal control over financial reporting is designed to provide reasonable assurance to our management and Board of Directors regarding the preparation and fair presentation of published Financial Statements. Internal control over financial reporting is promulgated under the Exchange Act as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our Board of Directors, management, and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with GAAP. Internal control over financial reporting, no matter how well designed, has inherent limitations and may not prevent or detect misstatements. Therefore, even effective internal control over financial reporting can only provide reasonable assurance with respect to the financial statement preparation and presentation.

The Company's management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures, as required by Rules 13a-15(b) and 15d-15(b) under the Exchange Act as of June 30, 2024.

Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of June 30, 2024 to provide such reasonable assurance that information required to be disclosed by us, including our consolidated subsidiaries, in reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding disclosure and is recorded, processed, summarized, and reported within the time periods specified in SEC's rules and forms.

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must consider the benefits of controls relative to their costs. Inherent limitations within a control system include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. While the design of any system of controls is to provide reasonable assurance of the effectiveness of disclosure controls, such design is also based in part upon certain assumptions about the likelihood of future events, and such assumptions, while reasonable, may not take into account all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be prevented or detected.

Changes in Internal Control Over Financial Reporting

There were no significant changes in our internal control over financial reporting during the quarter ended June 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company may be involved in various legal actions related to our business, some of which are class action lawsuits. The Company does not believe, based on currently available information, that contingencies related to any pending or threatened legal matter will have a material adverse effect on the Company's Unaudited Condensed Consolidated Financial Statements, although a contingency could be material to the Company's results of operations or cash flows for a particular period depending on its results of operations and cash flows for such period. Regardless of the outcome, litigation can have a material adverse impact on the Company because of defense and settlement costs, diversion of management resources, and other factors.

ITEM 1A. RISK FACTORS

As the Company qualifies as a smaller reporting company under Item 10(f) of Regulation S-K, risk factors are not required to be included in a Quarterly Report and, therefore, are omitted from this filing.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

The Company believes "the miner is the most important asset to come out of a mine" and it supports that belief through its philosophy of "continuous improvement." The Company's mandated mine safety and health programs include employee and contractor training, risk management, workplace inspection, emergency response, accident investigation, and program auditing. These programs are a focus for the Company's leadership and top management and are essential at all levels to ensure that its employees, contractors, and visitors operate safely. The Company's goal for these programs is to have zero workplace injuries and occupational illnesses and it will focus on continuous improvement of its programs and practices to achieve this goal and is implementing programs and practices to align its safety culture with that goal.

The information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Act and Item 104 of Regulation S-K is included in Exhibit 95.1 to this Quarterly Report on Form 10-Q.

ITEM 5. OTHER INFORMATION

- (a) None.
- (b) There have been no material changes to the procedures by which security holders may recommend nominees to the Company's Board of Directors since the Company last provided disclosure in response to the requirements of Item 407(c)(3) of Regulation S-K.
- (c) During the quarter ended **March 31, 2024** **June 30, 2024**, no director or officer of the Company adopted or terminated a contract, instruction or written plan for the purchase or sale of securities of the Company intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) and/or

a non-Rule 10b5-1 trading arrangement.

ITEM 6. EXHIBITS

(a) Exhibits

Exhibit Number	Description
10.1	Employment Agreement, dated as of April 10, 2024 May 29, 2024, by and between the registrant and Diane R. Garrett Rebecca A. Jennings (incorporated by reference to Exhibit 10.1 to the registrant's Current Report on Form 8-K filed on April 12, 2024).† May 30, 2024)†
10.2	Employment Agreement, dated as of April 10, 2024 May 28, 2024, by and between the registrant and Stanton K. Rideout David B. Thomas (incorporated by reference to Exhibit 10.2 to the registrant's Current Report on Form 8-K filed on April 12, 2024).† May 30, 2024)†
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended*
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended*
32.1	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**
32.2	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**
95.1	Mine Safety Disclosures*
101.INS	Inline XBRL Instance Document (the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)*
101.SCH	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)*

,
*Filed herewith.

**Furnished herewith.

† Management contract or compensatory plan or arrangement.

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.

HYCROFT MINING HOLDING CORPORATION
(Registrant)

Date: **May 7, 2024** August 6, 2024

By: /s/ Diane R. Garrett

Diane R. Garrett
President and Chief Executive Officer
(*Principal Executive Officer*)

Date: **May 7, 2024** August 6, 2024

By: /s/ Stanton Rideout

Stanton Rideout
Executive Vice President and Chief Financial Officer
(*Principal Financial Officer and Accounting Officer*)

Exhibit 31.1

CERTIFICATION

I, Diane R. Garrett, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hycroft Mining Holding Corporation;
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 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 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 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.

May 7, August 6, 2024

/s/ Diane R. Garrett

Diane R. Garrett

President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Stanton Rideout, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hycroft Mining Holding Corporation;
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 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 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 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.

May 7, August 6, 2024

/s/ Stanton Rideout

Stanton Rideout

Executive Vice President and Chief Financial
Officer

Exhibit 32.1

CERTIFICATION 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 Hycroft Mining Holding Corporation (the "Corporation") on Form 10-Q for the period ended **March 31, 2024** **June 30, 2024**, as filed with the Securities and Exchange Commission (the "Report"), the undersigned officer of the Corporation does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 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, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

May 7, August 6, 2024

/s/ Diane R. Garrett

Diane R. Garrett

President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION 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 Hycroft Mining Holding Corporation (the "Corporation") on Form 10-Q for the period ended **March 31, 2024** **June 30, 2024**, as filed with the Securities and Exchange Commission (the "Report"), the undersigned officer of the Corporation does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 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, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

May 7, August 6, 2024

/s/ Stanton Rideout

Stanton Rideout

Executive Vice President and Chief Financial
Officer

Exhibit 95.1

MINE SAFETY DISCLOSURE

The following disclosures are provided pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Financial Reform Act") and Item 104 of Regulation S-K, which requires certain disclosures by companies required to file periodic reports under the Exchange Act 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 which describes the alleged violation and fixes a time within which the operator (e.g., our subsidiary, Hycroft Resources & Development Inc.) 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, are often reduced in severity and amount, and are sometimes dismissed.

The following table reflects citations and orders issued to us by MSHA during the **three** **six** months ended **March 31, 2024** **June 30, 2024**, excluding citations and orders issued to contractors. The proposed assessments as of and for the **three** **six** months ended **March 31, 2024** **June 30, 2024** were taken from the MSHA Mine Data Retrieval System. Section references below are to sections of the Mine Act.

Mine or Operation ¹ :	Hycroft Mine (MSHA ID# 2601962)
Total # of "Significant and Substantial" Violations Under §104(a) ²	—
Total # of Orders Issued Under §104(b) ³	—
Total # of Citations and Orders Issued Under §104(d) ⁴	—
Total # of Flagrant Violations Under §110(b)(2) ⁵	—
Total # of Imminent Danger Orders Under §107(a) ⁶	—
Total Amount of Proposed Assessments from MSHA under the Mine Act ⁷	—
Total # of Mining-Related Fatalities ⁸	—
Pending Legal Actions ⁹	—
Legal Actions Instituted ¹⁰	—
Legal Actions Resolved ¹¹	—

¹ MSHA assigns an identification number to each mine or operation and may or may not assign separate identification numbers to related facilities. The definition of "mine" under section 3 of the Mine Act includes the mine, as well as other items used in, or to be used in, or resulting from, the work of extracting minerals, such as land, structures, facilities, equipment, machines, tools, and minerals preparation facilities.

² Represents the total number of citations issued by MSHA under Section 104 of the Mine Act for violations of health or safety standards that could significantly and substantially contribute to a serious injury if left unabated.

³ Represents the total number of orders issued under Section 104(b) of the Mine Act, which represents a failure to abate a citation under Section 104(a) of the Mine Act within the period prescribed by MSHA. This results in an order of immediate withdrawal from the area of the mine affected by the condition until MSHA determines the violation has been abated.

⁴ Represents the total number of citations and orders issued by MSHA under Section 104(d) of the Mine Act for unwarrantable failure to comply with mandatory health or safety standards.

⁵ Represents the total number of flagrant violations identified by MSHA under Section 110(b)(2) of the Mine Act.

⁶ Represents the total number of imminent danger orders issued under Section 107(a) of the Mine Act.

⁷ Amount represents the total United States dollar value of proposed assessments received from MSHA during the three six months ended March 31, 2024 June 30, 2024.

⁸ Represents the total number of mining-related fatalities at mines subject to the Mine Act pursuant to Section 1503(a)(1)(G) of the Financial Reform Act.

⁹ Represents the total number of legal actions pending as of March 31, 2024 June 30, 2024 before the Federal Mine Safety and Health Review Commission as required by Section 1503(a) of the Financial Reform Act.

¹⁰ Represents the total number of legal actions instituted as of March 31, 2024 June 30, 2024 before the Federal Mine Safety and Health Review Commission as required by Section 1503(a) of the Financial Reform Act.

¹¹ Represents the total number of legal actions resolved as of March 31, 2024 June 30, 2024 before the Federal Mine Safety and Health Review Commission as required by Section 1503(a) of the Financial Reform Act.

Exhibit 95.1

Pattern or Potential Pattern of Violations

In addition, as required by the reporting requirements regarding mine safety included in Section 1503(a)(2) of the Financial Reform Act, for the three six months ended March 31, 2024 June 30, 2024, none of the Company's mines of which the Company is an operator has received written notice from MSHA of:

- (a) a pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of coal or other mine health or safety hazards under Section 104(e) of the Mine Act; or
- (b) the potential to have such a pattern.

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