UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended: **September 30, 2023**

or

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

For the transition period from _______ to _______

Commission File Number: **000-55456**

American Resources Corporation

(Exact name of registrant as specified in its charter)

Florida	**46-3914127**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

12115 Visionary Way Fishers, IN 46038
(Address and Zip Code of principal executive offices)

Registrant's telephone number, including area code: **(317) 855-9926**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common, $0.0001 Par Value	AREC	NASDAQ Capital Market
Warrant	ARECW	NASDAQ Capital Market

Indicate by check mark whether the Issuer (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 and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting Company. See the definitions of the "large accelerated filer," "accelerated filer," and "smaller reporting Company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller Reporting Company	☒
Emerging growth Company	☒		

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

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

As of November 14, 2023, the registrant had 78,268,338 shares of Class A common stock issued and outstanding.

AMERICAN RESOURCES CORPORATION

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PART I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

AMERICAN RESOURCES CORPORATION

CONSOLIDATED
FINANCIAL STATEMENTS
(UNAUDITED)

For the three months and nine months ended
September 30, 2023

AMERICAN RESOURCES CORPORATION
CONSOLIDATED CONDENSED BALANCE SHEETS
UNAUDITED

	September 30, 2023	December 31, 2022
ASSETS		
CURRENT ASSETS		
Cash	$ 3,117,380	$ 8,868,566
Accounts Receivable	4,390,828	660,755
Inventory	2,166,526	446,690
Prepaid fees	1,917,642	786,576
Total Current Assets	12,352,376	10,762,587
OTHER ASSETS		
Cash - restricted	41,595,685	2,122,263
Property and Equipment, Net	11,688,155	9,113,722
Right of use assets, net	18,461,300	13,033,889
Investment in LLC – Related Party	19,483,593	20,784,866
Note Receivable	99,022	99,022
Total Other Assets	91,327,755	45,153,762
TOTAL ASSETS	$ 102,920,131	$ 55,916,349

LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)

CURRENT LIABILITIES		
Accounts payable	$ 4,331,281	$ 4,916,243
Non-Trade payables	2,776,368	2,524,243
Accounts payable – related party	2,544,796	4,295,232
Accrued interest	142,881	106,886
Current portion of debt	804,656	1,917,506
Current portion of convertible debt	-	9,787,423
Current portion of lease liabilities, net	5,407,406	3,889,235
Total Current Liabilities	16,207,388	27,436,768
OTHER LIABILITIES		
Remediation liability	21,040,507	20,295,634
Lease liabilities, net	7,773,155	7,899,251
Bonds Payable, net	43,202,858	-
Total Other Liabilities	72,016,520	28,682,904
Total Liabilities	88,223,908	55,631,653
STOCKHOLDERS' EQUITY (DEFICIT)		
AREC - Class A Common stock: $0.0001 par value; 230,000,000 shares authorized, 66,860,522 and 65,084,992 shares issued and outstanding	7,627	6,680
Additional paid-in capital	178,533,973	167,517,259
Accumulated deficit	(163,845,377)	(167,239,243)
Total stockholders' deficit	14,696,223	(284,696)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	102,920,131	55,916,349

The accompanying footnotes are integral to the unaudited consolidated financial statements

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AMERICAN RESOURCES CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
UNAUDITED

	For the three months ended September 30, 2023	For the three months ended September 30, 2022	For the nine months ended September 30, 2023	For the nine months ended September 30, 2022
Coal Sales	$ 5,721,840	$ 9,441,366	$ 16,120,841	$ 34,442,413
Metal Aggregating, Processing and Sales	5,723	4,988	60,148	45,507
Royalty Income	100,963	63,384	496,682	301,646
Total Revenue	5,828,526	9,509,738	16,677,671	34,789,566
Cost of Coal Sales and Processing	(286,330)	(6,955,403)	(6,562,425)	(15,415,398)
Accretion Expense	(248,291)	(356,303)	(744,873)	(987,744)
Depreciation	(9,218)	(602,503)	(31,036)	(1,858,886)
Amortization of Mining Rights	(311,685)	(311,685)	(929,229)	(926,764)
General and Administrative	(1,299,303)	(734,515)	(3,755,386)	(2,658,376)
Professional Fees	(359,411)	(302,732)	(999,143)	(889,157)
Production Taxes and Royalties	(891,180)	(1,185,970)	(2,369,640)	(2,791,455)
Development Costs	(1,331,118)	(3,692,774)	(9,859,609)	(22,009,368)
Total Operating Expenses	(4,736,536)	(14,141,885)	(25,251,341)	(47,537,148)

Net Loss from Operations	1,091,990	(4,632,147)	(8,573,670)	(12,747,582)
Other Income (loss)	150,000	36,224	503,000	194,381
Unrealized loss on trading securities	-	(1,960)	-	(9,562)
Gain (loss) on cancelation of debt	-	(362,377)	-	3,050,775
Gain on sale of assets	2,538,576	-	8,475,468	-
Interest Income	2,831	1,162	21,595	14,489
Interest expense	(299,762)	(310,681)	(1,043,551)	(969,018)
Total Other income (expense)	2,391,645	(637,632)	7,956,512	2,281,065
Net Income (Loss)	$ 3,483,635	$ (5,226,840)	$ (617,158)	$ (10,466,517)
Net loss per common share - basic and diluted	$ 0.05	$ (0.08)	$ 0.00	$ (0.16)
Weighted average common shares outstanding	76,245,984	66,377,788	75,144,374	65,846,220

The accompanying footnotes are integral to the unaudited consolidated financial statements

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AMERICAN RESOURCES CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
FOR THE PERIOD FROM JANUARY 1, 2022 THROUGH SEPTEMBER 30, 2022 AND JANUARY 1, 2023 THROUGH SEPTEMBER 30, 2023
UNAUDITED

Statement of Stockholders' Deficit
September 30, 2022

	American Resources Common Stock Par value Shares	0.0001 Amount	APIC	Accumulated Deficit	Total
Balance December 31, 2021	**65,084,992**	**$ 6,508**	**$ 163,441,655**	**$ (165,793,571)**	**$ (2,345,408)**
Issuance of common shares for Warrant Conversion	488,594	50	665,341	-	665,391

Issuance of common shares for Conversion of debt and interest	582,885	58	622,152	-	622,210
Amortization of debt discount	-	-	(40,655)	-	40,655
Stock compensation - options	-	-	199,843	-	199,843
Net Loss	-	-		(2,752,902)	(2,752,902)
Balance March 31, 2022	**66,156,471**	**6,616**	**164,888,336**	**(168,538,589)**	**(3,651,521)**
Issuance of common shares for Conversion of debt and interest	451,250	45	1,199,955	-	1,200,000
Issuance of common shares for Warrant Conversion	5,364	-	8,064	-	8,064
Stock Compensation - Options	-	-	190,024	-	190,024
Net Loss	-	-	-	(2,443,834)	(2,443,834)
Balance June 30, 2022	**66,613,085**	**$ 6,661**	**$ 166,286,379**	**$ (170,969,757)**	**$ (4,697,267)**
Issuance of common shares for payables conversion	172,000	17	601,983	-	602,000
Issuance of common shares for Warrant Conversion	55,437	5	83,151	-	83,156
Issuance of common shares for professional services	20,000	2	38,798	-	38,800
Stock compensation - options	-	-	170,385	-	170,385
Net loss	-	-	-	(5,269,779)	(5,269,779)
Balance September 30, 2022	**66,860,522**	**$ 6,685**	**$ 167,180,697**	**$ (176,196,598)**	**$ (9,072,705)**

The accompanying footnotes are integral to the unaudited consolidated financial statements

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	Par value Shares	0.0001 Amount	APIC	Accumulated Deficit	Total
Balance December 31, 2022	**66,777,620**	**$ 6,680**	**$ 167,517,259**	**$ (167,239,243)**	**$ (284,696)**
Issuance of common shares for Warrant Conversion	9,420,230	942	9,786,481	-	9,787,423
Stock compensation - options	-	-	376,573	-	376,573
Net Loss	-	-		(3,100,869)	(3,100,869)
Balance March 31, 2023	**76,197,850**	**7,622**	**177,680,313**	**(170,340,112)**	**7,347,823**
Recapture expenses for bond issuance	-	-	-	4,011,025	4,011,025
Stock compensation - options	-	-	376,573	-	376,573
Net loss	-	-	-	(999,925)	(999,925)
Balance June 30, 2023	**76,197,850**	**$ 7,622**	**$ 178,056,886**	**$ (167,329,012)**	**$ 10,735,496**
Issuance of common shares for consulting services	49,020	5	99,995		100,000
Issuance of common shares for Warrant Conversion	500	-	519	-	519
Stock compensation - options	-	-	376,573	-	376,573
Net loss	-	-	-	3,483,635	3,483,635
Balance September 30, 2023	**76,247,370**	**$ 7,627**	**$ 178,533,973**	**$ (163,845,377)**	**$ 14,696,223**

AMERICAN RESOURCES CORPORATION
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
UNAUDITED

	For the nine months ended September 30, 2023	For the nine months ended September 30, 2022
Cash Flows from Operating activities:		
Net loss	$ 142,842	$ (10,466,517)
Adjustments to reconcile net loss to net cash used in operating activities:		
Gain on debt forgiveness	-	(3,050,771)
Depreciation expense	31,036	1,858,886
Amortization of mining rights	929,229	926,764
Accretion expense	744,873	1,274,320
Amortization expense of right to use assets	(2,918,365)	(378,198)
Amortization of issuance costs and debt discount	-	-
Options expense	1,129,719	560,252
Warrant expense	519	756,611
Issuance of common shares for service	99,995	38,800
Change in current assets and liabilities:		
Accounts receivable	(4,490,073)	(2,495,408)
Inventory	(1,719,836)	(730,023)
Prepaid expenses and other assets	(1,131,066)	(429,737)
Accounts payable	(332,837)	269,564
Accrued interest	35,995	(3,194)
Accounts payable - related party	(1,750,436)	(12,920)
Net cash (used in)/generated from operations	(9,028,400)	(11,881,575)
Cash Flows from Investing activities:		
Cash used in investments in LLCs	1,301,273	(1,240,438)
Cash invested in note receivable	-	(335,000)
Cash received (paid) for PPE, net	(3,534,698)	5,052,912
Net cash (used in)/generated from investing activities	(2,233,425)	3,477,474
Cash Flows from Financing activities:		
Principal payments on finance lease	(1,116,969)	(286,573)
Principal payments on debt	(1,112,852)	(1,604,003)
Proceeds from Bonds	43,202,858	-
Proceeds from the bond Lookback	4,011,024	-
Proceeds from debt	-	2,563,000
Proceeds from warrant conversions	-	-
Net cash (used in)/generated from financing activities	44,984,061	672,422
Increase(decrease) in cash and restricted cash	33,722,236	(7,731,677)
Cash and restricted cash, beginning of period	10,990,829	12,588,113
Cash and restricted cash, end of period	$ 44,713,065	$ 4,856,436
Supplemental Information		
Cash paid for interest	$ -	$ 64,094
Conversion of debt, interest and payables to common shares	$ -	$ 2,424,210
Acquisition of right of use assets for lease obligations	$ -	6,252,088

The accompanying footnotes are integral to the unaudited consolidated financial statements

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AMERICAN RESOURCES CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

American Resources Corporation (ARC or the Company) operates through subsidiaries that were formed or acquired in 2020, 2019, 2018, 2016 and 2015 for the purpose of acquiring, rehabilitating and operating various natural resource assets including coal used in the steel making and industrial markets, critical and rare earth elements used in the electrification economy and aggregated metal and steel products used in the recycling industries.

Basis of Presentation and Consolidation *:*

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries American Carbon Corp (ACC), Deane Mining, LLC (Deane), ERC Mining Indiana Corp (ERC), McCoy Elkhorn Coal LLC (McCoy), Knott County Coal LLC (KCC), Wyoming County Coal (WCC),Perry County Resources LLC (PCR), American Rare Earth LLC (ARE), American Metals LLC (AM) and American Opportunity Venture II, LLC (AOV II). All significant intercompany accounts and transactions have been eliminated.

Entities for which ownership is less than 100% a determination is made whether there is a requirement to apply the variable interest entity (VIE) model to the entity. Where the company holds current or potential rights that give it the power to direct the activities of a VIE that most significantly impact the VIE's economic performance, combined with a variable interest that gives the Company the right to receive potentially significant benefits or the obligation to absorb potentially significant losses, the Company would be deemed to have a controlling interest.

The accompanying Consolidated Financial Statements are unaudited and have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP").

Interim Financial Information

Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with U.S. GAAP have been omitted. In the opinion of management, these interim unaudited Consolidated Financial Statements reflect all normal and recurring adjustments necessary for a fair presentation of the results for the periods presented. Results of operations for the three and nine months ended September 30, 2023 are not necessarily indicative of the results to be expected for the year ending December 31, 2023 or any other period. These financial statements should be read in conjunction with the Company's 2022 audited financial statements and notes thereto which were filed on Form 10-K on March 31, 2023.

Convertible Preferred Securities: We account for hybrid contracts that feature conversion options in accordance with U.S. GAAP. ASC 815, *Derivatives and Hedging Activities* ("ASC 815") requires companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments according to certain criteria. The criteria includes circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument.

We also follow ASC 480-10, *Distinguishing Liabilities from Equity* ("ASC 480-10") in its evaluation of the accounting for a hybrid instrument. A financial instrument that embodies an unconditional obligation, or a financial instrument other than an outstanding share that embodies a conditional obligation, that the issuer must or may settle by issuing a variable number of its equity shares shall be classified as a liability (or an asset in some circumstances) if, at inception, the monetary value of the obligation is based solely or predominantly on any one of the following: (a) a fixed monetary amount known at inception; (b) variations in something other than the fair value of the issuer's equity shares; or (c) variations inversely related to changes in the fair value of the issuer's equity shares. Hybrid instruments meeting these criteria are not further evaluated for any embedded derivatives and are carried as a liability at fair value at each balance sheet date with remeasurements reported as a component of other income/expense in the accompanying Consolidated Statements of Operations.

Cash is maintained in bank deposit accounts which, at times, may exceed federally insured limits. To date, there have been no losses in such accounts.

Cash, Cash Equivalents and Restricted Cash:
The following table sets forth a reconciliation of cash, cash equivalents, and restricted cash reported in the consolidated balance sheet that agrees to the total of those amounts as presented in the consolidated statement of cash flows for the six months ended September 30, 2023 and June 30, 2022.

	September 30, 2023	September 30, 2022
Cash	$ 3,117,380	$ 3,769,465
Restricted Cash	41,595,685	1,086,971
Total cash and restricted cash presented in the consolidated statement of cash flows	$ 44,713,065	$ 4,856,436

Asset Retirement Obligations (ARO) – Reclamation: At the time they are incurred, legal obligations associated with the retirement of long-lived assets are reflected at their estimated fair value, with a corresponding charge to mine development. Obligations are typically incurred when we commence development of underground and surface mines, and include reclamation of support facilities, refuse areas and slurry ponds or through acquisitions.

Obligations are reflected at the present value of their future cash flows. We reflect accretion of the obligations for the period from the date they incurred through the date they are extinguished. The asset retirement obligation assets are amortized using the units-of-production method over estimated recoverable (proved and probable) reserves. We are using a discount rate of 10%. Federal and State laws require that mines be reclaimed in accordance with specific standards and approved reclamation plans, as outlined in mining permits. Activities include reclamation of pit and support acreage at surface mines, sealing portals at underground mines, and reclamation of refuse areas and slurry ponds.

We assess our ARO at least annually and reflect revisions for permit changes, change in our estimated reclamation costs and changes in the estimated timing of such costs.

The table below reflects the changes to our ARO:

Balance at December 31, 2022	$	20,295,634
Accretion – nine months September 30, 2023		744,873
Reclamation work – nine months September 30, 2023		-
Reduction of ARO due to dispositions		-
Balance at September 30, 2023	$	21,040,507
Balance at December 31, 2021	$	18,951,587
Accretion – nine months September 30, 2022		987,744
Reclamation work – nine months September 30, 2022		-
Reduction of ARO due to dispositions		-
Balance at September 30, 2022	$	19,939,332

Allowance For Doubtful Accounts: The Company recognizes an allowance for losses on trade and other accounts receivable in an amount equal to the estimated probable losses net of recoveries. The allowance is based on an analysis of historical bad debt experience, current receivables aging and expected future write-offs, as well as an assessment of specific identifiable amounts considered at risk or uncollectible.

Allowance for trade receivables as of September 30, 2023 and December 31, 2022 amounted to $ 0, for both periods. Allowance for other accounts receivables, including note receivables as of September 30, 2023 and December 31, 2022 amounted to $804,478 and $1,744,570, respectively.

Trade and loan receivables are carried at amortized cost, net of allowance for losses. Amortized cost approximated book value as of September 30, 2023 and December 31, 2022.

Prepaid Fees and Advance Royalties: Coal leases that require minimum annual or advance payments and are recoverable from future production are generally deferred and charged to expense as the coal is subsequently produced.

Inventory: Inventory consisting of mined coal is stated at the lower of cost (first in, first out method) or net realizable value.

Reclassifications: Reclassifications of prior periods have been made to conform with current year presentation.

NOTE 2 - PROPERTY AND EQUIPMENT

At September 30, 2023 and December 31, 2022, property and equipment were comprised of the following:

	September 30, 2023	December 31, 2022
Processing and rail facility	$ 553,105	$ -
Underground equipment	-	-
Surface equipment	-	-
Coal refuse storage	12,134,192	12,134,192
Mine Development	561,575	561,575
Construction in Progress	2,981,813	-
Land	1,617,435	1,617,435
Less: Accumulated depreciation	(6,159,744)	(5,199,478)
Total Property and Equipment, Net	$ 17,848,120	$ 9,113,724

Depreciation expense amounted to $9,218 and $602,503 for the three-month periods September 30, 2023 and September 30, 2022, respectively. Depreciation expense amounted to $31,036 and $1,858,886 for the nine-month periods September 30, 2023 and September 30, 2022, respectively.

The estimated useful lives are as follows:

Processing and Rail Facilities	7-20 years
Surface Equipment	7 years
Underground Equipment	5 years
Rare Earth Processing Equipment	5 Years
Mining Rights	5-10 years
Coal Refuse Storage	10 years

NOTE 3 - NOTES PAYABLE

During the three-month period ended September 30, 2023, principal reductions on long term debt totaled $ 14,029.

During the three-month period ended September 30, 2022, principal reductions on long term debt totaled $ 325,191.

NOTE 4 - BONDS PAYABLE

On May 31, 2023, WCC entered into a Bond Purchase Agreement in the principal amount of $ 45,000,000 less a $900,000 underwriting discount. The bonds carry an interest rate of 9% and mature on June 8, 2038.

In accordance with the Bond Purchase Agreement three reserves were established: the project reserve, the principal reserve and the interest reserve. The balances of the reserves as of September 30, 2023 are as follows:

Project Reserve Fund:	$ 4,500,000
Principal Reserve Fund:	$ 29,133,246
Interest Reserve Fund:	$ 6,075,000

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NOTE 5 – RIGHT OF USE ASSETS AND LEASES

The right-of-use asset is the Company's right to use an asset over the life of a lease. The asset is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, minus any lease incentives received.

The Company's discounted lease payment rate is 10.82%.

Our principal offices are located at 12115 Visionary Way, Fishers, Indiana 46038. We pay $ 5,726 per month in rent for the office space and the rental lease expires December 2026. On January 1, 2023, the Company entered into an expansion lease for the site. The amended lease has a ten-year term and $5,869 per month rate.

We also rent office space from an affiliated entity, LRR, at 11000 Highway 7 South, Kite, Kentucky 41828 and pay $ 1,702 per month rent and the rental lease expires January 1, 2030.

On August 17, 2022, American Rare Earth entered into a Commercial Land Lease sublease agreement with Land Betterment for nearly 7 acres of land for the purpose of building a commercial grade critical element purification facility. The sublease is for the period of 5 years with a rate of $3,500 a month.

On October 8, 2022, American Rare Earth entered into a Commercial Lease for 6,700 square feet of warehouse space for the purpose of building a commercial grade critical element purification facility. The is for the period of 2 years with a rate of $4,745.83 a month.

On November 8, 2022, American Carbon Corp entered into a Financial Lease for equipment at 2069 Highway

At September 30, 2023, right of use assets and liabilities were comprised of the following:

	September 30, 2023		September 30, 2022	
	Asset	**Liability**	**Asset**	**Liability**
Operating Leases	563,914	569,884	682,551	656,515
Finance Leases	17,897,385	13,705,567	4,828,966	4,464,846

NOTE 6 - RELATED PARTY TRANSACTIONS

Land Resources & Royalties

The Company leases property from Land Resources & Royalties (LRR), an entity controlled by certain members of the Company's management who are also directors and shareholders. Until July 1, 2018, LRR was consolidated as a VIE resulting in transaction between the two companies to be eliminated upon consolidation. Upon deconsolidation, amounts paid and owed to LRR have been disclosed discreetly in the consolidated financial statements. For the three-month period ending September 30, 2023, royalty expense incurred with LRR amounted to $103,234 and amounts advanced from LRR amounted $0 and amounts repaid amounted to $ 0. As of September 30, 2023, total amounts owed LRR amounted to $ 339,565. For the three-month period ending September 30, 2022, royalty expense incurred with LRR amounted to $113,218 and amounts advanced from LRR amounted to $ 0 and amounts repaid to LRR amounted to $0. As of September 30, 2022, total amounts owed LRR amounted to $ 41,317.

Land Betterment Corp

On February 13, 2020, the Company entered into a Contract Services Agreement with Land Betterment Corporation, an entity controlled by certain members of the Company's management who are also directors and shareholders. The contract terms state that service costs are passed through to the Company with a 10% mark-up and a 50% share of cost savings which includes payroll covering aforementioned members of the Company's management. The services agreement covers all of the Company's properties.

For the three-months ended September 30, 2023 amounts incurred under the agreement amounted to $ 1,269,115 and amounts paid totaled $ 1,373,000. For the three-months ended September 30, 2023, service charges covering members of the Company's management amounted to $0.

For the nine-months ended September 30, 2023 amounts incurred under the agreement amounted to $ 3,381,676 and amounts paid totaled $ 4,957,957. For the nine-months ended June 30, 2023, service charges covering members of the Company's management amounted to $0.

For the three-months ended September 30, 2022 amounts incurred under the agreement amounted to $ 1,618,627 and amounts paid totaled $ 319,202. For the three-months ended June 30, 2022, service charges covering members of the Company's management amounted to $0.

For the nine-months ended September 30, 2022 amounts incurred under the agreement amounted to $ 3,555,587 and amounts paid totaled $ 2,273,749. For the nine-months ended June 30, 2022, service charges covering members of the Company's management amounted to $0.

American Opportunity Venture, LLC

During January 2022, the company invested $2,250,000 for 50% ownership and become the managing member of American Opportunity Venture, LLC. (AOV) It has been determined that AOV is a variable interest entity and that the Company is not primary beneficiary. As such, the investment in AOV will be accounted for using the equity method of accounting.

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American Opportunity Venture II, LLC

During March 2022, the Company invested $25,000 for 100% ownership and become the managing member of American Opportunity Venture II, LLC. (AOVII). As such, the investment in AOVII has been eliminated in the accompanying financial statements. As of September 30, 2023, AOVII has had no operational activity.

Novusterra, Inc.

During March 2022, the Company licensed certain technology to an unrelated entity, Novusterra, Inc. According to the commercial terms of the license, the Company is to receive 50% of future cash flows and 15,750,000 common shares of Novusterra, Inc. It has been determined that Novusterra is a variable interest entity and that the Company is not the primary beneficiary. As such, the investment in Novusterra will be accounted for using the equity method of accounting. As of September 30, 2023, Novusterra has had no operational activity.

Land Betterment Exchange (LBX)

The Company is the holder of 2,000,000 LBX Tokens with a par value of $250 for each token. The token issuance process is undertaken by a related party, Land Betterment, and is predicated on proactive environmental stewardship and regulatory bond releases. As of September 30, 2023, there is no market for the LBX Token and therefore no value has been assigned.

FUB Mineral LLC

On October 1, 2022, the Company invested $250,000 into FUB Mineral, LLC a company with common owners.

NOTE 7 – EQUITY TRANSACTIONS

Employee stock compensation expense for the three-month period ending September 30, 2023 and 2022 amounted to $ 376,573 and $190,024 respectively.

Employee stock compensation expense for the six-month period ending September 30, 2023 and 2022 amounted to $ 753,146 and $389,868 respectively.

On May 1, 2023, the company issued employee stock options in the amount of 6,500 Class A Common Stock.

Class A Common Shares Issued in exchange for services, trade payables and related party debt

On March 31, 2022, the Company issued 884,229 class A common shares pursuant to the conversion of $ 1,006,726 of accrued interest.

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Warrant Exercises

On January 13, 2022, the Company issued 117,250 shares of Class A Common Stock based upon a cash pay warrant exercise. The share price at issuance was $1.50.

On March 30, 2022, the Company issued 47,500 shares of Class A Common Stock based upon a cash pay warrant exercise. The share price at issuance was $1.50.

On March 31, 2022, the Company issued 22,500 shares of Class A Common Stock based upon a cash pay warrant exercise. The share price at issuance was $1.50.

New Warrant Issuances

On January 26, 2022, the Company issued Common Stock Purchase Warrant "A-10" for rare earth capture advisory. The warrant provides the option to purchase 10,000 Class A Common Shares at a price of $ 2.05. The warrants expire on January 26, 2024.

On February 2, 2022, the Company issued Common Stock Purchase Warrant "C-37" in conjunction with the issuance of $ 600,000 convertible note. The warrant provides the option to purchase 60,000 Class A Common Shares at a price of $ 1.50. The warrants expire on February 2, 2023.

On February 7, 2022, the Company issued Common Stock Purchase Warrant “A-11” for rare earth processing advisory. The warrant provides the option to purchase 50,000 Class A Common Shares at a price of $ 4.25. The warrants expire on February 7, 2026.

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The Company uses the Black Scholes option pricing model to value its warrants and options. The significant inputs are as follows:

	September 30, 2023
Expected Dividend Yield	0%
Expected volatility	87.97%
Risk-free rate	0.870%
Expected life of warrants	1.592-6.60 years

Company Warrants:

	Number of Warrants		Weighted Average Exercise Price	Weighted Average Contractual Life in Years		Aggregate Intrinsic Value
Exercisable (Vested) – December 31,2021	8,401,221	$	1.135	2.152	$	7,453,214
Granted	4,601,250	$	3.531	4.814	$	69,700
Forfeited or Expired	-	$	-	-	$	-
Exercised	1,732,508	$	0.86	2.16	$	7,038,153
Outstanding – September 30, 2022	11,296,963	$	2.25	2.39	$	4,221,721
Exercisable (Vested) – September 30, 2022	11,296,963	$	2.25	2.69	$	4,221,721
Exercisable (Vested) – December 31, 2022	10,213,764	$	2.25	2.69	$	121,018
Granted	-	$	-	-	$	-
Forfeited or Expired	-	$	-	-	$	-
Exercised	248,051	$	1.50	2.00	$	-
Outstanding - September 30, 2023	9,965,713	$	1.14	3.86	$	49,193
Exercisable (Vested) - September 30, 2023	9,965,713	$	1.14	3.86	$	49,193

Company Options:

	Number of Options		Weighted Average Exercise Price	Weighted Average Contractual Life in Years		Aggregate Intrinsic Value
Outstanding – December 31, 2021	2,159,269	$	1.606	5.660	$	1,919,129
Exercisable (Vested) – December 31, 2021	888,659	$	1.581	5.047	$	749,470
Granted	325,000	$	2.30	6.74	$	105,000
Forfeited or Expired	275,000	$	1.45	3.54	$	199,500
Exercised	25,000	$	1.640	6.562	$	41,500
Outstanding – September 30, 2022	2,184,269	$	1.67	5.369	$	1,416,548
Exercisable (Vested) – September 30, 2022	1,134,268	$	1.52	4.91	$	774,380
Outstanding – December 31, 2022	4,209,269	$	1.665	5.39	$	3,186,870
Exercisable (Vested) – December 31, 2022	3,159,268	$	1.517	4.91	$	3,141,183
Granted	-	$	-	-	$	-
Forfeited or Expired	-	$	-	-	$	-
Exercised	-	$	-	-	$	-
Outstanding - September 30, 2023	4,209,269	$	1.980	6.49	$	3,257,470
Exercisable (Vested) - September 30, 2023	4,209,269	$	1.980	6.49	$	3,257,470

NOTE 8 - CONTINGENCIES

In the course of normal operations, the Company is involved in various claims and litigation that management intends to defend. The range of loss, if any, from potential claims cannot be reasonably estimated. However, management believes the ultimate resolution of matters will not have a material adverse impact on the Company's business or financial position. These claims include amounts assessed by the Kentucky Energy Cabinet totaling $1,165,400, the Company has accrued $1,432,077 as a payable to the Commonwealth of Kentucky including amounts owed to the Kentucky Energy Cabinet. Claims assessed by the Mine Health Safety Administration totaling $755,377 of which the Company has accrued $351,303 as a payable. During 2019, McCoy and Deane, received notice of intent to place liens for amounts owed on federal excise taxes. The amounts totaling $322,233, associated with the notices are included in the Company's trade payables.

Our principal offices are located at 12115 Visionary Way, Fishers, Indiana 46038. We pay $ 5,726 per month in rent for the office space and the rental lease expires December 2026. On January 1, 2023, the Company entered into an expansion lease for the site. The amended lease has a ten year term and $5,869 per month rate.

We also rent office space from an affiliated entity, LRR, at 11000 Highway 7 South, Kite, Kentucky 41828 and pay $ 1,702 per month rent and the rental lease expires January 1, 2030.

On August 17, 2022, American Rare Earth entered into a Commercial Land Lease sublease agreement with Land Betterment for nearly 7 acres of land for the purpose of building a commercial grade critical element purification facility. The sublease is for the period of 5 years with a rate of $3,500 a month.

On October 8, 2022, American Rare Earth entered into a Commercial Lease for 6,700 square feet of warehouse space for the purpose of building a commercial grade critical element purification facility. The is for the period of 2 years with a rate of $4,745.83 a month.

The Company also utilizes various office spaces on-site at its coal mining operations and coal preparation plant locations in eastern Kentucky, with such rental payments covered under any surface lease contracts with any of the surface land owners.

On August 1, 2023 American Resources Corporation ("American Resources" or the "Company"), received a deposit ("Deane Deposit") whereby entering the Company's subsidiary, American Carbon Corporation ("American Carbon"or "ACC"), into a binding letter of intent ("Letter of Intent") to sell certain assets associated to its Deane Mining complex to Integrity Carbon Solutions LLC ("Integrity" or "ICS"). Total consideration for the Company's Deane Mining complex is approximately $20,600,000 of enterprise value which consists of: (i) the $ 200,000 Deane Deposit, (ii) $800,000 paid upon the consummation of the transaction as contemplated in the Letter of Intent ("Closing Payment"), (iii) $500,000 per calendar quarter for a period twenty-one consecutive calendar quarters following the Closing Payment ("Quarterly Payments"), and (iv) the assumption and replacement of approximately $9,100,000 of associated environmental reclamation bonds. As of the report date, this transaction has not closed.

On August 11, 2023 American Carbon Corp ("ACC") entered into a coal sale agreement with Marco International Corporation. The agreement is for an amount up to $20,000,000 and is based on an advance rate of 70% of the index pricing value of accepted coal and the agreement carries a premium of 3.25% of the index pricing. As of the report date, $ 2,020,311 has been sold under this agreement.

On August 13, 2023 American Resources Corporation ("American Resources" or the "Company"), received a non-binding letter of interest for the assets of American Carbon Corporation ("American Carbon" or "ACC"), from a non-affiliated party. Total consideration for ACC's assets is approximately $300,000,000 of cash value which consists of: (i) $ 20,000,000 cash at closing and (2) balance to be paid out as a royalty agreement at a rate of 10% plus a profit split to determined subject to further diligence

On August 13, 2023 American Resources Corporation ("American Resources" or the "Company"), received a non-binding letter of interest for the assets of Perry County Resources ("PCR"), from a non-affiliated party. Total consideration for PCR's assets is approximately $40,000,000 of cash value which consists of: (i) $2,000,000 cash at closing and (2) balance to be paid out as a royalty agreement at a rate of 10% plus a profit split to determined subject to further diligence and (3) the assumption and replacement of associated environmental reclamation bonds. As of the report date, this transaction has not closed.

NOTE 9 - SUBSEQUENT EVENTS

On October 10, 2023, ReElement converted from an Indiana LLC to an Indiana Corporation.

On November 2, 2023, American Resources Corporation's ("American Resources" or the "Company") entered into a Bond Purchase Agreement ("Purchase Agreement") with the City of Marion, Indiana (the "City"), to where the City has authorized the issuance of Economic Development Revenue Bonds, Series 2023 in the form of a tax increment financing bond in the amount of $44,897,000 of local incentives for the Company's development of its 42-acre, critical mineral refining campus. The Purchase Agreement closed and the initial incremental payment was made on November 3, 2023.

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

This Form 10-Q and other reports filed by Registrant from time to time with the Securities and Exchange Commission (collectively the "Filings") contain or may contain forward looking statements and information that are based upon beliefs of, and information currently available to, Registrant's management as well as estimates and assumptions made by Registrant's management. When used in the filings the words "anticipate", "believe", "estimate", "expect", "future", "intend", "plan" or the negative of these terms and similar expressions as they relate to Registrant or Registrant's management identify forward looking statements. Such statements reflect the current view of Registrant with respect to future events and are subject to risks, uncertainties, assumptions and other factors relating to Registrant's industry, Registrant's operations and results of operations and any businesses that may be *acquired by Registrant. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from those anticipated, believed, estimated, expected, intended or planned.*

Although Registrant believes that the expectations reflected in the forward-looking statements are reasonable, Registrant cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, Registrant does not intend to update any of the forward-looking statements to conform these statements to actual results.

Overview

When we formed our Company, our focus was to (i) construct and/or purchase and manage a chain of combined gasoline, diesel and natural gas (NG) fueling and service stations (initially, in the Miami, FL area); (ii) construct conversion factories to convert NG to liquefied natural gas (LNG) and compressed natural gas (CNG); and (iii) construct conversion factories to retrofit vehicles currently using gasoline or diesel fuel to also run on NG in the United States and also to build a convenience store to serve our customers in each of our locations.

On January 5, 2017, American Resources Corporation (ARC) executed a Share Exchange Agreement between the Company and Quest Energy Inc. (“Quest Energy”), a private Company incorporated in the State of Indiana on May 2015 with offices at 12115 Visionary Way, Fishers, IN 46038, and due to the fulfillment of various conditions precedent to closing of the transaction, the control of the Company was transferred to the Quest Energy shareholders on February 7, 2017. This transaction resulted in Quest Energy becoming a wholly-owned subsidiary of ARC. Through Quest Energy, ARC was able to acquire coal mining and coal processing operations, substantially all located in eastern Kentucky and western West Virginia. On November 25, 2021, Quest Energy changed its name to American Carbon Corp. (American Carbon)

American Carbon currently has seven coal mining and processing operating subsidiaries: McCoy Elkhorn Coal LLC (doing business as McCoy Elkhorn Coal Company) (McCoy Elkhorn), Knott County Coal LLC (Knott County Coal), Deane Mining, LLC (Deane Mining) and Wyoming County Coal LLC (Wyoming County), , Perry County Resources (Perry County) located in eastern Kentucky and western West Virginia within the Central Appalachian coal basin, and ERC Mining Indiana Corporation (ERC) located in southwest Indiana within the Illinois coal basin. The coal deposits under control by the Company are generally comprise of metallurgical coal (used for steel making), pulverized coal injections (used in the steel making process) and high-BTU, low sulfur, low moisture bituminous coal used for a variety of uses within several industries, including industrial customers and specialty products. Since mid-2019, we have not mined or sold coal which is sold into the thermal coal markets. All production and future investment will be for the mining of metallurgical coal used in the steel and specialty markets.

Efforts to diversify revenue streams have led to the establishment of additional subsidiaries; American Metals LLC (AM) which is focused on the recovery and sale of recovered metal and steel and American Rare Earth LLC (ARE) which is focused on the aggregation and monetization of critical and rare earth element deposits.

We have not classified, and as a result, do not have any "proven" or "probable" reserves as defined in United States Securities and Exchange Commission Industry Guide 7, and as a result, our Company and its business activities are deemed to be in the exploration stage until mineral deposits are defined on our properties.

McCoy Elkhorn Coal LLC

General:

Located primarily within Pike County, Kentucky, McCoy Elkhorn is currently comprised of two mines (Mine #15 and the Carnegie 1 Mine) in "hot idle" status, and one mine in development (Carnegie 2 Mine), two coal preparation facilities (Bevins #1 and Bevins #2), and other mines in various stages of development or reclamation. McCoy Elkhorn sells its coal to a variety of customers, both domestically and internationally, primarily to the steel making industry as a high-vol "B" coal or blended coal. The coal controlled at McCoy Elkhorn (along with our other subsidiaries) has not been classified as either "proven" or "probable" as defined in the United States Securities and Exchange Commission Industry Guide 7, and as a result, do not have any "proven" or "probable" reserves under such definition and are classified as an "Exploration Stage" pursuant to Industry Guide 7.

Mines:

Mine #15 is an underground mine in the Millard (also known as Glamorgan) coal seam and located near Meta, Kentucky. Mine #15 is mined via room-and-pillar mining methods using continuous miners, and the coal is belted directly from the stockpile to McCoy Elkhorn's coal preparation facility. Mine #15 is currently a "Company run" mine, whereby the Company manages the workforce at the mine. The coal from Mine #15 is stockpiled at the mine site and belted directly to the Company's nearby coal preparation facilities. Production at Mine #15 re-commenced under Quest Energy's ownership in September 2016.

The Carnegie 1Mine is an underground mine in the Alma and Upper Alma coal seams and located near Kimper, Kentucky. In 2011, coal production from the Carnegie Mine in the Alma coal seam commenced and then subsequently the mine was idled. Production at the Carnegie Mine was reinitiated in early 2017 under Quest Energy's ownership and is currently being mined via room-and-pillar mining methods utilizing a continuous miner. The coal is stockpiled on-site and trucked approximately 7 miles to McCoy Elkhorn's preparation facilities. The Carnegie Mine is currently operated as a modified contractor mine, whereby McCoy Elkhorn provides the mining infrastructure and equipment for the operations and pays the contractor a fixed per-ton fee for managing the workforce, procuring the supplies, and maintaining the equipment and infrastructure in proper working order.

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Beginning in January 2021 through the report date, Mine #15 and Carnegie 1 mines were idled due to the adverse market effects Covid-19 global pandemic.

Processing & Transportation:

The Bevins #1 Preparation Plant is an 800 ton-per hour coal preparation facility located near Meta, Kentucky, across the road from Mine #15. Bevins #1 has raw coal stockpile storage of approximately 25,000 tons and clean coal stockpile storage of 100,000 tons of coal. The Bevins #1 facility has a fine coal circuit and a stoker circuit that allows for enhance coal recovery and various coal sizing options depending on the needs of the customer. The Company acquired the Bevins Preparation Plants as idled facilities, and since acquisition, the primary work completed at the Bevins Preparation Plants by the Company includes rehabilitating the plants' warehouse and replacing belt lines.

The Bevins #2 Preparation Plant is on the same permit site as Bevins #1 and is a 500 ton-per-hour processing facility with fine coal recovery and a stoker circuit for coal sizing options. Bevins #2 has raw coal stockpile storage of 25,000 tons of coal and a clean coal stockpile storage of 45,000 tons of coal. We are currently utilizing less than 10% of the available processing capacity of Bevins #1 and Bevins #2.

Both Bevins #1 and Bevins #2 have a batch-weight loadout and rail spur for loading coal into trains for rail shipments. The spur has storage for 110 rail cars and is serviced by CSX Transportation and is located on CSX's Big Sandy, Coal Run Subdivision. Both Bevins #1 and Bevins #2 have coarse refuse and slurry impoundments called Big Groundhog and Lick Branch. While the Big Groundhog impoundment is nearing the end of its useful life, the Lick Branch impoundment has significant operating life and will be able to provide for coarse refuse and slurry storage for the foreseeable future at Bevins #1 and Bevins #2. Coarse refuse from Bevins #1 and Bevins #2 is belted to the impoundments. Both Bevins #1 and Bevins #2 are facilities owned by McCoy Elkhorn, subject to certain restrictions present in the agreement between McCoy Elkhorn and the surface land owner.

Both Bevins #1 and Bevins #2, as well as the rail loadout, are operational and any work required on any of the plants or loadouts would be routine maintenance. The allocated cost of for this property at McCoy Elkhorn Coal paid by the Company is $95,210.

Due to additional coal processing storage capacity at Bevins #1 and Bevins #2 Preparation Plants, McCoy Elkhorn has the ability to process, store, and load coal for other regional coal producers for an agreed-to fee.

Additional Permits:

In addition to the above mines, McCoy Elkhorn holds 11 additional coal mining permits that are idled operations or in various stages of reclamation. For the idled coal mining operations, McCoy Elkhorn will determine which coal mines to bring back into production, if any, as the coal market changes, and there are currently no other idled mines within McCoy Elkhorn that are slated to go into production in the foreseeable future. Any idled mines that are brought into production would require significant upfront capital investment, and there is no assurance of the feasibility of any such new operations.

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Knott County Coal LLC

General:

Located primarily within Knott County, Kentucky (but with additional idled permits in Leslie County, Perry County, and Breathitt County, Kentucky), Knott County Coal is comprised of 22 idled mining permits (or permits in reclamation) and permits for one preparation facility: the idled Supreme Energy Preparation Plant. The idled mining permits are either in various stages of reclamation or being maintained as idled, pending any changes to the coal market that may warrant reinitiating production. The idled mines at Knott County Coal are primarily underground mines that utilize room-and-pillar mining. The coal controlled at Deane Mining (along with our other subsidiaries) has not been classified as either “proven” or “probable” as defined in the United States Securities and Exchange Commission Industry Guide 7, and as a result, do not have any “proven” or “probable” reserves under such definition and are classified as an “Exploration Stage” pursuant to Industry Guide 7.

Mines:

Currently all permitted mines are idled, in development or in reclamation.

Processing & Transportation:

The idled Supreme Energy Preparation Plant is a 450 ton-per-hour coal preparation facility located in Kite, Kentucky. The Bates Branch rail loadout associated with the Supreme Energy Preparation Plant is a batch-weigh rail loadout with 110 rail car storage capacity and serviced by CSX Transportation in their Big Sandy rate district. The Supreme Energy Preparation Plant has a coarse refuse and slurry impoundment called the King Branch Impoundment.

The Supreme Energy Preparation Plant is owned by Knott County Coal, subject to certain restrictions present in the agreement between Knott County Coal and the surface land owner, Land Resources & Royalties LLC.

The Company acquired the Supreme Energy Preparation Plants as an idled facility, and since acquisition, no work has been performed at the facility other than minor maintenance. Both the Supreme Energy Preparation Plant and the rail loadout are idled and would require an undetermined amount of work and capital to bring them into operation. The allocated cost of for the property at Knott County Coal paid by the Company is $286,046.

Additional Permits:

In addition to the above mines, Knott County Coal holds 22 coal mining permits that are in development, idled or in various stages of reclamation. Any idled mines that are brought into production would require significant upfront capital investment and there is no assurance of the feasibility of any such new operations.

Deane Mining LLC

General:

Located within Letcher County and Knott County, Kentucky, Deane Mining is comprised of one idled underground coal mine (the Access Energy Mine), one idled surface mine (Razorblade Surface) and one idled coal preparation facility called Mill Creek Preparation Plant, along with 12 additional idled mining permits (or permits in reclamation). The idled mining permits are either in various stages of development, reclamation or being maintained as idled, pending any changes to the coal market that may warrant re-starting production. The coal controlled at Deane Mining (along with our other subsidiaries) has not been classified as either "proven" or "probable" as defined in the United States Securities and Exchange Commission Industry Guide 7, and as a result, do not have any "proven" or "probable" reserves under such definition and are classified as an "Exploration Stage" pursuant to Industry Guide 7.

Mines:

Access Energy is an underground mine in the Elkhorn 3 coal seam and located in Deane, Kentucky. Access Energy is mined via room-and-pillar mining methods using continuous miners, and the coal is belted directly from the mine to the raw coal stockpile at the Mill Creek Preparation Plant across the road from Access Energy. Access Energy is currently a “Company run” mine, whereby the Company manages the workforce at the mine and pays all expenses of the mine. During 2019, the permit related to the Access Energy mine was idled and is not expected to produce again under the Company’s control due to the continued focused on the metallurgical and industrial markets.

Razorblade Surface is a surface mine targeting the Hazard 4 and Hazard 4 Rider coal seams and located in Deane, Kentucky. Deane Mining commenced mining activity at Razorblade Surface during the spring of 2018. Coal produced from Razorblade Surface is trucked approximately one mile to the Mill Creek Preparation Plant. Razorblade Surface is currently run as a contractor model for which the contractor is paid a fixed per-ton fee for the coal produced. During 2019, the permit related to the Access Energy mine was idled and is not expected to produce again under the Company’s control due to the continued focused on the metallurgical and industrial markets.

Processing & Transportation:

Coal from Access Energy is processed at Deane Mining’s Mill Creek Preparation Plant, an 800 ton-per hour coal preparation facility with a batch-weight loadout and rail spur for loading coal into trains for rail shipments. The spur has storage for 110 rail cars and is serviced by CSX Transportation and is located on both CSX's Big Sandy rate district and CSX's Elkhorn rate district. The Mill Creek Preparation Plant has a coarse refuse and slurry impoundment called Razorblade Impoundment.

Both the Mill Creek Preparation Plant and the rail loadout are operational, and any work required on any of the plant or loadouts would be routine maintenance. The allocated cost of for the property at Deane Mining paid by the Company is $1,569,641.

Additional Permits:

In addition to the above mines and preparation facility, Deane Mining holds 12 additional coal mining permits that are in development, idled or in various stages of reclamation. Any idled mines that are brought into production would require significant upfront capital investment and there is no assurance of the feasibility of any such new operations.

Wyoming County Coal LLC

General:

Located within Wyoming County, West Virginia, Wyoming County Coal is comprised of two idled underground mining permits and the three permits associated with the idled Pioneer Preparation Plant, the Hatcher rail loadout, and Simmons Fork Refuse Impoundment. The two idled mining permits are undisturbed underground mines that are anticipated to utilize room-and-pillar mining. The coal controlled at Wyoming County Coal (along with our other subsidiaries) has not been classified as either "proven" or "probable" as defined in the United States Securities and Exchange Commission Industry Guide 7, and as a result, do not have any "proven" or "probable" deposits under such definition and are classified as an "Exploration Stage" pursuant to Industry Guide 7.

Mines:

The mining permits held by Wyoming County Coal are in various stages of planning with no mines currently in production.

Potential customers of Wyoming County Coal would include steel mills in the United States or international marketplace although no definitive sales have been identified yet.

Processing & Transportation:

The idled Pioneer Preparation Plant is a 350 ton-per-hour coal preparation facility located near Oceana, West Virginia. The Hatcher rail loadout associated with the Pioneer Preparation Plant is a rail loadout serviced by Norfolk Southern Corporation. The refuse from the preparation facility is trucked to the Simmons Fork Refuse Impoundment, which is approximately 1.0 mile from the Pioneer Preparation facility. The preparation plant utilizes a belt press technology which eliminates the need for pumping slurry into a slurry pond for storage within an impoundment.

The Company is in the initial planning phase of getting estimates on the cost to upgrade the preparation facility to a modern 350 ton per hour preparation facility, although no cost estimates have yet been received. The Company is also in the initial planning phase of getting estimates on the cost and timing of upgrading the rail load out facility to a modern batch weight load out system, although no cost estimates have yet been received.

The Company acquired the Pioneer Preparation Plants as an idled facility, and since acquisition, no work has been performed at the facility. Both the Pioneer Preparation Plant and the rail loadout are idled and would require an undetermined amount of work and capital to bring them into operation, which is currently in the initial phases of planning and no cost estimates have been received. The allocated cost for the property at Wyoming County Coal will pay by the Company is $22,326,101 of which $22,091,688 has been paid using shares of the Company's Class A Common stock. The remaining portion was paid in cash.

Permits:

Wyoming County Coal holds two coal mining permits that are in the initial planning phase and three permits associated with the idled Pioneer Preparation Plant, the Hatcher rail loadout, and Simmons Fork Refuse Impoundment. Any mine that is brought into production would require significant upfront capital investment and there is no assurance of the feasibility of any such new operations. As of the report date, the permits have not been fully transferred as they await final regulatory approval. As of the balance sheet date and report date, the West Virginia permit transfers have not yet been approved, and WCC has not substituted its reclamation surety bonds for the seller's bond collateral. The transfer of any new permits to the Company is subject to regulatory approval. This approval is subject to the review of both unabated or uncorrected violations that are listed on the Applicator Violator List. The Company, to include several of its subsidiaries, does have unabated and/or uncorrected violations that are listed on the Applicator Violator List. Should the state regulators believe that the Company is not in the process of abating or correcting the currently outstanding issues associated with their currently held permits they may choose not to issue the Company any new permits until such issues are properly rectified.

Perry County Resources LLC

General:

Located primarily within Perry County, Kentucky, Perry County Resources LLC is comprised of one active underground mine (the E4-2 mine) and one active coal processing facility called the Davidson Branch Preparation Plant, along with two additional idled underground mining permits. The two idled mining permits are for underground mines and have been actively mined in the past and being maintained as idled, pending any changes to the coal market that may warrant re-starting production. The coal controlled at Perry County Resources (along with our other subsidiaries) has not been classified as either "proven" or "probable" as defined in the United States Securities and Exchange Commission Industry Guide 7, and as a result, do not have any "proven" or "probable" reserves under such definition and are classified as an "Exploration Stage" pursuant to Industry Guide 7.

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Mines:

The E4-2 mine is an underground mine in the Elkhorn 4 (aka the Amburgy) coal seam located near the town of Hazard, Kentucky. The E4-2 mine is mined via room-and-pillar mining methods using both continuous miners and continuous haulage systems, and the coal is belted directly from the mine to the raw coal stockpile at the Davidson Branch Preparation Plant less than a mile away. The E4-2 mine is currently a "Company-run" mine, whereby the Company manages the workforce at the mine and pays all expenses of the mine. The Company acquired the E4-2 mine as an active mine, and since acquisition in September 2019, the primary work at the E4-2 mine has been rehabilitation of existing infrastructure to increase the operational efficiencies of the mine, including replacing belt structure, repairing equipment, replacing underground mining infrastructure, and installing new mining infrastructure as the mine advances due to coal extraction. The E4-2 mine has the estimated capacity to produce up to approximately 80,000 tons per month of coal.

Mining operations at the E4-2 mine re-commenced on March 29, 2022 under updated licensing after being idled beginning in January 2021 due to the adverse market effects Covid-19 global pandemic.

Processing and Transportation:

The Davidson Branch Preparation Plant is a 1,300 ton-per-hour coal preparation facility located near Hazard, Kentucky. The associated "Bluegrass 4" rail loadout is a batch-weight rail loadout with 135 car storage capacity and services by CSX Transportation in their Hazard/Elkhorn rate district. The Davidson Branch Preparation Plant is owned by Perry County Resources. We are currently utilizing less than 10% of the available processing capacity of the Davidson Branch Preparation Plant.

Both the Davidson Branch Preparation Plant and the rail loadout are operational, and any work required on any of the plant or loadouts would be routine maintenance. The allocated cost of for the property at Perry County Resources paid by the Company is $1,954,317.

Additional Permits:

In addition to the above mine, preparation facility, and related permits, Perry County Resources holds four additional coal mining permits that are idled or in development. Any idled mines that are brought into production would require significant upfront capital investment and there is no assurance of the feasibility of any such new operations.

The transfer of any new permits to the Company is subject to regulatory approval. This approval is subject to the review of both unabated or uncorrected violations that are listed on the Applicator Violator List. The Company, to include several of its subsidiaries, does have unabated and/or uncorrected violations that are listed on the Applicator Violator List. Should the state regulators believe that the Company is not in the process of abating or correcting the currently outstanding issues associated with their currently held permits they may choose not to issue the Company any new permits until such issues are properly rectified.

Mineral and Surface Leases

Coal mining and processing involves the extraction of coal (mineral) and the use of surface property incidental to such extraction and processing. All of the mineral and surface related to the Company's coal mining operations is leased from various mineral and surface owners (the "Leases"). The Company's operating subsidiaries, collectively, are parties to approximately 200 various Leases and other agreements required for the Company's coal mining and processing operations. The Leases are with a variety of Lessors, from individuals to professional land management firms such as the Elk Horn Coal Company LLC and Alma Land Company. In some instances, the Company has leases with Land Resources & Royalties LLC (LRR), a professional leasing firm that is an entity wholly owned by Wabash Enterprises, Inc, an entity owned by members of ARC's management.

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Coal Sales

ARC sells its coal to domestic and international customers, some which blend ARC’s coal at east coast ports with other qualities of coal for export. Coal sales currently come from the Company’s McCoy Elkhorn’s Carnegie 1 and 2 mines. The Company may, at times, purchase coal from other regional producers to sell on its contracts.

Coal sales at the Company is primarily outsource to third party intermediaries who act on the Company’s behalf to source potential coal sales and contracts. The third-party intermediaries have no ability to bind the Company to any contracts, and all coal sales are approved by management of the Company.

Due to the Covid-19 global pandemic, traditional sales channels have been disrupted. As a supplier of the raw materials into the steel and industrial industries, our customers are sensitive to global fluctuations in steel demand.

Competition

The coal industry is intensely competitive. The most important factors on which the Company competes are coal quality, delivered costs to the customer and reliability of supply. Our principal domestic competitors will include Corsa Coal Corporation, Ramaco Resources, Blackhawk Mining, Coronado Coal, Arch Coal, Alpha Energy, and Warrior Met Coal. Many of these coal producers may have greater financial resources and larger coal deposit bases than we do. We also compete in international markets directly with domestic companies and with companies that produce coal from one or more foreign countries, such as China, Australia, Colombia, Indonesia and South Africa.

Legal Proceedings

From time to time, we are subject to ordinary routine litigation incidental to our normal business operations.

Please see financial statement note 9 for detail on cases.

Environmental, Governmental, and Other Regulatory Matters

Our operations are subject to federal, state, and local laws and regulations, such as those relating to matters such as permitting and licensing, employee health and safety, reclamation and restoration of mining properties, water discharges, air emissions, plant and wildlife protection, the storage, treatment and disposal of wastes, remediation of contaminants, surface subsidence from underground mining and the effects of mining on surface water and groundwater conditions. In addition, we may become subject to additional costs for benefits for current and retired coal miners. These environmental laws and regulations include, but are not limited to, SMCRA with respect to coal mining activities and ancillary activities; the CAA with respect to air emissions; the CWA with respect to water discharges and the permitting of key operational infrastructure such as impoundments; RCRA with respect to solid and hazardous waste management and disposal, as well as the regulation of underground storage tanks; the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA" or "Superfund") with respect to releases, threatened releases and remediation of hazardous substances; the Endangered Species Act of 1973 ("ESA") with respect to threatened and endangered species; and the National Environmental Policy Act of 1969 ("NEPA") with respect to the evaluation of environmental impacts related to any federally issued permit or license. Many of these federal laws have state and local counterparts which also impose requirements and potential liability on our operations.

Compliance with these laws and regulations may be costly and time-consuming and may delay commencement, continuation or expansion of exploration or production at our facilities. They may also depress demand for our products by imposing more stringent requirements and limits on our customers' operations. Moreover, these laws are constantly evolving and are becoming increasingly complex and stringent over time. These laws and regulations, particularly new legislative or administrative proposals, or judicial interpretations of existing laws and regulations related to the protection of the environment could result in substantially increased capital, operating and compliance costs. Individually and collectively, these developments could have a material adverse effect on our operations directly and/or indirectly, through our customers' inability to use our products.

Certain implementing regulations for these environmental laws are undergoing revision or have not yet been promulgated. As a result, we cannot always determine the ultimate impact of complying with existing laws and regulations.

Due in part to these extensive and comprehensive regulatory requirements and ever- changing interpretations of these requirements, violations of these laws can occur from time to time in our industry and also in our operations. Expenditures relating to environmental compliance are a major cost consideration for our operations and safety and compliance is a significant factor in mine design, both to meet regulatory requirements and to minimize long-term environmental liabilities. To the extent that these expenditures, as with all costs, are not ultimately reflected in the prices of our products and services, operating results will be reduced.

In addition, our customers are subject to extensive regulation regarding the environmental impacts associated with the combustion or other use of coal, which may affect demand for our coal. Changes in applicable laws or the adoption of new laws relating to energy production, greenhouse gas emissions and other emissions from use of coal products may cause coal to become a less attractive source of energy, which may adversely affect our mining operations, the cost structure and, the demand for coal.

We believe that our competitors with operations in the United States are confronted by substantially similar conditions. However, foreign producers and operators may not be subject to similar requirements and may not be required to undertake equivalent costs in or be subject to similar limitations on their operations. As a result, the costs and operating restrictions necessary for compliance with United States environmental laws and regulations may have an adverse effect on our competitive position with regard to those foreign competitors. The specific impact on each competitor may vary depending on a number of factors, including the age and location of its operating facilities, applicable legislation and its production methods.

The Mine Act and the MINER Act, and regulations issued under these federal statutes, impose stringent health and safety standards on mining operations. The regulations that have been adopted under the Mine Act and the MINER Act are comprehensive and affect numerous aspects of mining operations, including training of mine personnel, mining procedures, roof control, ventilation, blasting, use and maintenance of mining equipment, dust and noise control, communications, emergency response procedures, and other matters. The Mine Safety and Health Administration (“MSHA”) regularly inspects mines to ensure compliance with regulations promulgated under the Mine Act and MINER Act.

Due to the large number of mining permits held by the Company that have been previously mined and operated, there is a significant amount of environmental reclamation and remediation required by the Company to comply with local, state, and federal regulations for coal mining companies.

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Property

Our principal offices are located at 12115 Visionary Way, Fishers, Indiana 46038. We pay $5,726 per month in rent for the office space and the rental lease expires December 2026. On January 1, 2023, the Company entered into an expansion lease for the site. The amended lease has a ten year term and $5,869 per month rate.

We also rent office space from an affiliated entity, LRR, at 11000 Highway 7 South, Kite, Kentucky 41828 and pay $1,702 per month rent and the rental lease expires January 1, 2030.

On August 17, 2022, American Rare Earth entered into a Commercial Land Lease sublease agreement with Land Betterment for nearly 7 acres of land for the purpose of building a commercial grade critical element purification facility. The sublease is for the period of 5 years with a rate of $3,500 a month.

On October 8, 2022, American Rare Earth entered into a Commercial Lease for 6,700 square feet of warehouse space for the purpose of building a commercial grade critical element purification facility. The is for the period of 2 years with a rate of $4,745.83 a month.

The Company also utilizes various office spaces on-site at its coal mining operations and coal preparation plant locations in eastern Kentucky, with such rental payments covered under any surface lease contracts with any of the surface land owners.

Employees

ARC, through its operating subsidiaries, employs a combination of Company employees and contract labor to mine coal, process coal, and related functions. The Company is continually evaluating the use of Company employees and contract labor to determine the optimal mix of each, given the needs of the Company. Currently, McCoy's Carnegie 1 and 2 mines are run by contract labor, and the Company's various coal preparation facilities are run by contract labor.

The Company currently has approximately 11 employees, with a substantial majority based in eastern Kentucky. The Company is headquartered in Fishers, Indiana with six members of the Company's executive team based at this location.

Results of Operations

Our consolidated operations had operating revenues of $5,828,526 and $9,509,738 for the three-months and nine-months ended September 30, 2023 and $16,677,671 and $34,789,566 operating revenue for the three-months and nine-months ended September 30, 2022.

For the three-months and nine-months ended September 30, 2023 we have incurred net income attributable to American Resources Corporation Shareholders in the amount of $142,842 and $4,243,635. For the three-months and nine-months ended September 30, 2022 we have incurred net loss attributable to American Resources Corporation Shareholders in the amount of $5,226,840 and $10,403,028.

The primary driver for increase in revenue was an increase in coal production since the Covid-19 global pandemic.

For the three months ended September 30, 2023 and 2022, coal sales and processing expenses were $286,330 and $ 6,955,403 respectively, development costs, including loss on settlement of ARO were $1,331,118 and $3,692,774, respectively, and production taxes and royalties $891,180 and $1,185,970, respectively. Depreciation expense for the same periods ended September 30, 2023 and 2022 were $9,218 and $602,503 respectively. Increase operating expenses were due to increased mining activities, increased development activity and increased asset purchases which led to increased depreciation.

For the nine months ended September 30, 2023 and 2022, coal sales and processing expenses were $6,562,425 and $15,415,398 respectively, development costs, including loss on settlement of ARO were $9,859,609 and $ 22,009,368 , respectively, and production taxes and royalties $2,791,455 and $2,791,455, respectively. Depreciation expense for the same periods ended September 30, 2023 and 2022 were $31,036 and $1,858,886 respectively. Increase in coal sales and processing expenses were due to increase in mine development and expansion. Increase operating expenses were due to increased mining activities, increased development activity and increased asset purchases which led to increased depreciation.

For the three months ended September 30, 2023 and 2022, Other Income (Expense) amounted to $150,000 and $36,224, respectively. For the nine months ended September 30, 2023 and 2022, Other Income (Expense) amounted to $503,000 and $194,381, respectively. The primary driver of reduced Other Income (Expense) is less settlement expenses for the current period.

Liquidity and Capital Resources

As of September 30, 2023, our available cash was $3,117,380. From our inception to-date our activities have been primarily financed from the proceeds of our acquisitions, common stock equity investments and loans.

We expect to fund our liquidity requirements with cash on hand, future borrowings and issuance of common stock and cash flow from operations. If future cash flows are insufficient to meet our liquidity needs or capital requirements, we may reduce our mine development and/or fund a portion of our expenditures through issuance of debt or equity securities, the entry into debt arrangements or from other sources, such as asset sales.

For the nine months ending September 30, 2023 our net cash flow used in operating activities was $(9,028,400) and for the nine months ending September 30, 2022 the net cash flow used in operating activities was $(11,881,575) .

For the nine months ending September 30, 2023 and 2022 net cash proceeds from and (used in) investing activities were $(2,233,425) and $3,477,474 respectively.

For the nine months ending September 30, 2023 and 2022 net cash proceeds from financing activities were $44,984,061 and $672,424 respectively.

As a public Company, we will be subject to certain reporting and other compliance requirements of a publicly reporting Company. We will be subject to certain costs for such compliance which private companies may not choose to make. We have identified such costs as being primarily for audits, legal services, filing expenses, financial and reporting controls and shareholder communications and estimate the cost to be approximately $35,000 monthly if the activities of our Company remain somewhat the same for the next few months. We have included such costs in our monthly cash flow needs and expect to pay such costs from a combination of cash from operations and debt offerings.

Business Effect of Covid-19

During 2022 and 2021, the worldwide COVID-19 outbreak has resulted in muted demand for infrastructure and steel products and their necessary inputs including Metallurgical coal. These recent developments are expected to result in lower sales and gross margins. Because of the adverse market conditions caused by the global pandemic the Company's operations were idled in January 2021 and resumed during December 2021. Additionally, supply chain constraints are persistent in all parts of our business.

Off Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that we are required to disclose pursuant to these regulations. In the ordinary course of business, we enter into operating lease commitments, purchase commitments and other contractual obligations. These transactions are recognized in our financial statements in accordance with generally accepted accounting principles in the United States.

Critical Accounting Policies

The preparation of financial statements requires management to utilize estimates and make judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances. The estimates are evaluated by management on an ongoing basis, and the results of these evaluations form a basis for making decisions about the carrying value of assets and liabilities that are not readily apparent from other sources. Although actual results may differ from these estimates under different assumptions or conditions, management believes that the estimates used in the preparation of our financial statements are reasonable. The critical accounting policies affecting our financial reporting are summarized in Note 1 to the financial statements included in the December 31, 2022 10-K filed on March 30, 2023.

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Recent Accounting Pronouncements

New Accounting Pronouncements: Management has determined that the impact of the following recent FASB pronouncements will not have a material impact on the financial statements.

ASU 2021-01, *Equity Method Investments*, effective for years beginning after December 15, 2021.

ASU 2019-12, *Simplifying the Accounting for Income Taxes (Topic 740)* effective for years beginning after December 31, 2021.

ASU 2019-05, *Financial Instruments – Credit Losses (Topic 326)* effective for years beginning after December 15, 2019

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Because we are a smaller reporting Company we are not required to include any disclosure under this item.

Item 4. Controls and Procedures

(a) Management's Conclusions Regarding Effectiveness of Disclosure Controls and Procedures.

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed under the supervision of the Company's Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

As of June 30, 2023, under the supervision and with the participation of our management, we conducted an evaluation of the effectiveness of the design and operations of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934.

Based upon our evaluation, as of September 30, 2023, the Company's management, including its Chief Executive Officer and Chief Financial Officer, has concluded that its disclosure controls and procedures were not effective due to the Company's insufficient number of staff performing accounting and reporting functions and lack of timely reconciliations. Through the use of external consultants and the review process, management believes that the financial statements and other information presented herewith are materially correct.

The Company's disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives. However, the Company's management, including its Chief Executive Officer and Chief Financial Officer, does not expect that its disclosure controls and procedures will prevent all error and all fraud. A control system, 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 reflect the fact that there are resource constraints, and the benefit of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected.

(b) Changes in Internal Controls.

There have been no changes in the Company's internal control over financial reporting during the period ended September 30, 2023 that have materially affected the Company's internal controls over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are currently not involved in any litigation that we believe could have a material adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of our Company or any of our subsidiaries, threatened against or affecting our Company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

Item 1A. Risk Factors

Not applicable.

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

On March 17, 2022, 425,000 of restricted common shares were sold. Gross proceeds to the Company amounted to $1,275,000 which were used for general business purposes.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

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

Item 5. Other Information

None.

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Item 6. Exhibits

The following exhibits are filed herewith except as otherwise noted:

Exhibit Number	Description	Location Reference
3.1	Articles of Incorporation of Natural Gas Fueling and Conversion Inc.	Incorporated herein by reference to Exhibit 3.1 to the Company's Registration Statement on Form S-1, filed with the SEC on November 27, 2013.
3.2	Amended and Restated Articles of Incorporation of NGFC Equities Inc.	Incorporated herein by reference to Exhibit 3.1 to the Company's 8k filed on February 25, 2015.
3.3	Articles of Amendment to Articles of Incorporation of NGFC Equities, Inc.	Incorporated herein by reference to Exhibit 10.2 to the Company's Form 8-K on February 21, 2017.
3.4	Articles of Amendment to Articles of Incorporation of American Resources Corporation dated March 21, 2017.	Incorporated herein by reference to Exhibit 3.4 to the Company's Form 10-Q, filed with the SEC on February 20, 2018.
3.5	Bylaws of Natural Gas Fueling and Conversion Inc.	Incorporated herein by reference to Exhibit 3.2 to the Company's Registration Statement on Form S-1, filed with the SEC on November 27, 2013.
3.6	Bylaws, of NGFC Equities Inc., as amended and restated.	Incorporated herein by reference to Exhibit 3.2 to the Company's 8k filed on February 25, 2015.
3.7	Articles of Amendment to Articles of Incorporation of American Resources Corporation dated November 8, 2018.	Filed as Exhibit 99.1 to the Company's 8k filed on November 13, 2018, incorporated herein by reference.
3.8	Bylaws of American Resources Corporation, as amended and restated	Incorporated herein by reference to Exhibit 99.2 to the Company's 8k filed on November 13, 2018.
4.1	Common Stock Purchase Warrant "B-4" dated October 4, 2017	Incorporated herein by reference to Exhibit 4.1 to the Company's 8k filed on October 11, 2017.
4.2	Common Stock Purchase Warrant "C-1" dated October 4, 2017	Incorporated herein by reference to Exhibit 4.2 to the Company's 8k filed on October 11, 2017.
4.3	Common Stock Purchase Warrant "C-2" dated October 4, 2017	Incorporated herein by reference to Exhibit 4.3 to the Company's 8k filed on October 11, 2017.
4.4	Common Stock Purchase Warrant "C-3" dated October 4, 2017	Incorporated herein by reference to Exhibit 4.4 to the Company's 8k filed on October 11, 2017.
4.5	Common Stock Purchase Warrant "C-4" dated October 4, 2017	Incorporated herein by reference to Exhibit 4.5 to the Company's 8k filed on October 11, 2017.
4.6	Promissory Note for $600,000.00 dated October 4, 2017	Incorporated herein by reference to Exhibit 4.6 to the Company's 8k filed on October 11, 2017.
4.7	Promissory Note for $1,674,632.14 dated October 4, 2017	Incorporated herein by reference to Exhibit 4.7 to the Company's 8k filed on October 11, 2017.
4.8	Loan Agreement for up to $6,500,000 dated December 31, 2018	Incorporated herein by reference to Exhibit 99.1 to the Company's 8k filed on January 3, 2019.
4.9	Promissory Note for up to $6,500,000 dated December 31, 2018	Incorporated herein by reference to Exhibit 99.2 to the Company's 8k filed on January 3, 2019.
10.1	Secured Promissory Note	Incorporated herein by reference to Exhibit 99.1 to the Company's 8k filed on May 15, 2018.
10.2	Security Agreement	Incorporated herein by reference to Exhibit 99.2 to the Company's 8k filed on May 15, 2018.
10.3	Pledge Agreement	Incorporated herein by reference to Exhibit 99.3 to the Company's 8k filed on May 15, 2018.
10.4	Guaranty Agreement	Incorporated herein by reference to Exhibit 99.4 to the Company's 8k filed on May 15, 2018.
10.5	Bill of Sale	Incorporated herein by reference to Exhibit 99.5 to the Company's 8k filed on May 15, 2018.
10.6	Sublease Agreement Between Colonial Coal Company, Inc. and McCoy Elkhorn Coal LLC	Incorporated herein by reference to Exhibit 99.1 to the Company's 8k filed on May 1, 2018
10.7	Interim Operating Agreement	Incorporated herein by reference to Exhibit 99.2 to the Company's 8k filed on May 1, 2018
10.8	Consolidated and Restated Loan and Security Agreement dated October 4, 2017	Incorporated herein by reference to Exhibit 10.1 to the Company's 8k filed on October 11, 2017
10.9	Asset Purchase Agreement between Wyoming County Coal LLC and Thomas Shelton dated November 7, 2018	Incorporated herein by reference to Exhibit 10.9 to the Company's registration statement filed on December 11, 2018.

10.10	Asset Purchase Agreement between Wyoming County Coal LLC and Synergy Coal, LLC dated November 7, 2018	Incorporated herein by reference to Exhibit 10.10 to the Company's registration statement filed on December 11, 2018.
10.11	Security Agreement	Incorporated herein by reference to Exhibit 99.3 to the Company's 8k filed on January 3, 2019.
10.12	Purchase Order	Incorporated herein by reference to Exhibit 99.4 to the Company's 8k filed on January 3, 2019.
10.13	Employment Agreement with Mark C. Jensen	Incorporated herein by reference to Exhibit 10.13 to the Company's registration statement filed on February 6, 2019.
10.14	Employment Agreement with Thomas M. Sauve	Incorporated herein by reference to Exhibit 10.14 to the Company's registration statement filed on February 6, 2019.
10.15	Employment Agreement with Kirk P. Taylor	Incorporated herein by reference to Exhibit 10.15 to the Company's registration statement filed on February 6, 2019.
10.16	Employee Stock Option Plan	Incorporated herein by reference to Exhibit 10.16 to the Company's registration statement filed on February 6, 2019.
10.17	Letter of Intent	Incorporated herein by reference to Exhibit 10.17 to the Company's registration statement filed on February 6, 2019.
10.18	Merger Agreement with Colonial Coal	Incorporated herein by reference to Exhibit 10.18 to the Company's registration statement filed on February 14, 2019.
10.19	Share Exchange Agreement to replace Merger Agreement with Colonial Coal	Incorporated herein by reference to Exhibit 10.19 to the Company's registration statement filed on February 14, 2019.
14.1	Code of Conduct	Incorporated herein by reference to Exhibit 99.2 to the Company's 8k filed on November 13, 2018.
14.2	Financial Code of Ethics	Incorporated herein by reference to Exhibit 99.3 to the Company's 8k filed on November 13, 2018.
21.1	Subsidiaries of the Registrant	Filed Herewith
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed Herewith
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed Herewith
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Filed Herewith
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Filed Herewith
95.1	Mine Safety Disclosure pursuant to Regulation S-K, Item 104	Filed Herewith
101.INS	XBRL Instance Document	
101.SCH	XBRL Taxonomy Extension Schema Document	
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	
101.LAB	XBRL Taxonomy Extension Label Linkbase Document	
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	

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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.

AMERICAN RESOURCES CORPORATION

Date: November 14, 2023

By: */s/ Mark C. Jensen*
Name: Mark C. Jensen
Title: CEO, Chairman of the Board
(Principal Executive Officer)

EXHIBIT 21.1

EXHIBIT 21 -- SUBSIDIARIES OF THE REGEISTRANT

American Resources Corp
Subsidiaries of the Registrant
September 30, 2023

The following is a list of the Company's subsidiaries as of September 30, 2023, except for unnamed subsidiaries which, considered in the aggregate as a single subsidiary, would not constitute a "significant subsidiary" as defined in Regulation S-X of the United States Securities and Exchange Commission (17 CFR 210.1-02(w)).

Entity Name	Domestic Jurisdiction
American Carbon Corp	Indiana
Deane Mining, LLC	Delaware
ERC Mining Indiana Corp	Indiana
McCoy Elkhorn Coal LLC d/b/a McCoy Elkhorn Coal	Indiana
Knott County Coal LLC	Indiana
Wyoming County Coal LLC	Indiana
Perry County Resources LLC	Indiana
reELEMENT Technologies Corp	Indiana
American Metals LLC	Indiana
Advanced Carbon Materials LLC	Indiana
American Opportunity Ventures, LLC	Delaware
American Opportunity Ventures II, LLC	Delaware
Novusterra Inc	Florida

EXHIBIT 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002
Certification of Principal Executive Officer

I, Mark C. Jensen, certify that:

1. I have reviewed this quarterly report on Form 10-Q of American Resources 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

AMERICAN RESOURCES CORPORATION

Date: November 14, 2023

By: */s/ Mark C. Jensen*
Mark C. Jensen
Chief Executive Officer
Principal Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002
Certification of Principal Financial Officer and
Principal Accounting Officer

I, Kirk P. Taylor, certify that:

1. I have reviewed this quarterly report on Form 10-Q of American Resources 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

AMERICAN RESOURCES CORPORATION

Date: November 14, 2023

By: */s/ Kirk P. Taylor*
Kirk P. Taylor,
Chief Financial Officer
Principal Financial Officer
Principal Accounting Officer

EXHIBIT 32.1

Certification of Principal Executive Officer
Pursuant to 18 U.S.C. SECTION 1350

In connection with the Quarterly Report of American Resources Corporation, (the "Company") on Form 10-Q for the period ending September 30, 2023 to be filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Mark C. Jensen, Principal Executive Officer of the Company, certify, to my knowledge, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(i) the accompanying Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods covered by the Report.

It is not intended that this statement be deemed to be filed for purposes of the Securities Exchange Act of 1934.

AMERICAN RESOURCES CORPORATION

Date: November 14, 2023

By: */s/ Mark C. Jensen*
Mark C. Jensen,
Chief Executive Officer
Principal Executive Officer

EXHIBIT 32.2

**Certification of Principal Financial Officer
and Principal Accounting Officer
Pursuant to 18 U.S.C. SECTION 1350**

In connection with the Quarterly Report of American Resources Corporation (the "Company") on Form 10-Q for the period ending September 30, 2023 to be filed with the Securities and Exchange Commission on or about the date hereof (the "Report"), I, Kirk P. Taylor, Principal Financial Officer and Principal Accounting Officer of the Company, certify, to my knowledge, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(i) the accompanying Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods covered by the Report.

It is not intended that this statement be deemed to be filed for purposes of the Securities Exchange Act of 1934.

AMERICAN RESOURCES CORPORATION

Date: November 14, 2023

By: */s/ Kirk P. Taylor*
Kirk P. Taylor,
Chief Financial Officer
Principal Financial Officer
Principal Accounting Officer

EXHIBIT 95.1

Federal Mine Safety and Health Act Information

We work to prevent accidents and occupational illnesses. We have in place health and safety programs that include extensive employee training, safety incentives, drug and alcohol testing and safety audits. The objectives of our health and safety programs are to provide a safe work environment, provide employees with proper training and equipment and implement safety and health rules, policies and programs that foster safety excellence.

Our mining operations are subject to extensive and stringent compliance standards established pursuant to the Federal Mine Safety and Health Act of 1977 (the "Mine Act"). MSHA monitors and rigorously enforces compliance with these standards, and our mining operations are inspected frequently. Citations and orders are issued by MSHA under Section 104 of the Mine Act for violations of the Mine Act or any mandatory health or safety standard, rule, order or regulation promulgated under the Mine Act.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") requires issuers to include in periodic reports filed with the SEC certain information relating to citations or orders for violations of standards under the Mine Act. We present information below regarding certain mining safety and health violations, orders and citations, issued by MSHA and related assessments and legal actions and mine-related fatalities with respect to our active coal mining operations. In evaluating this information, consideration should be given to factors such as: (i) the number of violations, orders and citations will vary depending on the size of the coal mine, (ii) the number of violations, orders and citations issued will vary from inspector to inspector and mine to mine, and (iii) violations, orders and citations can be contested and appealed, and in that process, are often reduced in severity and amount, and are sometimes dismissed.

The following tables include information required by the Dodd-Frank Act for the nine months ended September 30, 2023. The mine data retrieval system maintained by MSHA may show information that is different than what is provided herein. Any such difference may be attributed to the need to update that information on MSHA's system and/or other factors.

Mine or Operating Name / MSHA Identification Number	***Section 104(a) S&S Citations***[(1)]	***Section 104(b) Orders***[(2)]	***Section 104(d) Citations and Orders***[(3)]	***Section 110(b)(2) Violations***[(4)]	***Section 107(a) Orders***[(5)]	***Total Dollar Value of MSHA Assessments Proposed (in thousands)***[(6)]
Active Operations						
McCoy Elkhorn Mine #15 / 15-18775	0	0	0	0	0	$ 441.2
McCoy Elkhorn Carnegie Mine / 15-19313	0	3	0	0	0	$ 17.7
McCoy Elkhorn Carnegie Mine 2/ 15-19801	0	0	0	0	0	$ 17.8
McCoy Elkhorn Bevins Branch Preparation Plant / 15-10445	0	0	0	0	0	$ 28.9
McCoy Elkhorn Point Rock / 15-07010	0	0	0	0	0	$ 0.0
Deane Mining Access Mine/ 15-19532	0	0	0	0	0	$ 95.0
Deane Mining Mill Creek Preparation Plant / 15-16577	0	0	0	0	0	$ 0.0
Deane Mining Razorblade / 15-19829	0	0	0	0	0	$ 0.0
Perry County Resources / E4-2 15-19015	9	5	3	0	0	$ 128.3
Perry County Resources Davidson Preparation Plant / 15-05485	1	0	0	0	0	$ 25.5
Knott County Coal Supreme / 15-16567	0	1	0	0	0	$ 0
Wyoming County Loadout / 46-05893	0	0	0	0	0	$ 0.0

Mine or Operating Name / MSHA Identification Number	*Total Number of Mining Related Fatalities*	*Received Notice of Pattern of Violations Under Section 104(e) (yes/no)*[7]	*Legal Actions Pending as of Last Day of Period*	*Legal Actions Initiated During Period*	*Legal Actions Resolved During Period*
Active Operations					
McCoy Elkhorn Mine #15 / 15-18775	0	No	0	0	0
McCoy Elkhorn Carnegie Mine / 15-19313	0	No	0	0	0
McCoy Elkhorn Carnegie Mine 2/ 15-19801	0	No	0	0	0
McCoy Elkhorn Bevins Branch Preparation Plant / 15-10445	0	No	0	0	0
McCoy Elkhorn Point Rock / 15-07010	0	No	0	0	0
Deane Mining Access Mine / 15-19532	0	No	0	0	0
Deane Mining Mill Creek Preparation Plant / 15-16577	0	No	0	0	0
Deane Mining Razorblade / 15-19829	0	No	0	0	0
Perry County Resources E4-2 / 15-19402	0	No	0	0	0
Perry County Resources Davidson Preparation Plant / 15-05485	0	No	0	0	0
Knott County Coal Wayland / 15-19402	0	No	0	0	0
Wyoming County Loadout / 46-05893					

The number of legal actions pending before the Federal Mine Safety and Health Review Commission as of September 30, 2023 that fall into each of the following categories is as follows:

Mine or Operating Name / MSHA Identification Number	*Contests of Citations and Orders*	*Contests of Proposed Penalties*	*Complaints for Compensation*	*Complaints of Discharge / Discrimination / Interference*	*Applications for Temporary Relief*	*Appeals of Judge's Ruling*
Active Operations						
McCoy Elkhorn Mine #15 / 15-18775	0	0	0	0	0	0
McCoy Elkhorn Carnegie Mine / 15-19313	4	4	0	0	0	0
McCoy Elkhorn Carnegie Mine 2/ 15-19801	0	0	0	0	0	0
McCoy Elkhorn Bevins Branch Preparation Plant / 15-10445	0	0	0	0	0	0
McCoy Elkhorn Point Rock / 15-07010	0	0	0	0	0	0
Deane Mining Access Mine / 15-19532	0	0	0	0	0	0
Deane Mining Mill Creek Preparation Plant / 15-16577	0	0	0	0	0	0
Deane Mining Razorblade / 15-19829	0	0	0	0	0	0
Perry County Resources E4-2/ 15-19402	0	0	0	0	0	0
Perry County Resources Davidson Preparation Plant / 15-05485	0	0	0	0	0	0
Knott County Coal Wayland / 15-19402	0	0	0	0	0	0
Wyoming County Loadout / 46-05893	0	0	0	0	0	0

(1) Mine Act section 104(a) S&S citations shown above are for alleged violations of mandatory health or safety standards that could significantly and substantially contribute to a coal mine health and safety hazard. It should be noted that, for purposes of this table, S&S citations that are included in another column, such as Section 104(d) citations, are not also included as Section 104(a) S&S citations in this column.

(2) Mine Act section 104(b) orders are for alleged failures to totally abate a citation within the time period specified in the citation.

(3) Mine Act section 104(d) citations and orders are for an alleged unwarrantable failure (i.e., aggravated conduct constituting more than ordinary negligence) to comply with mandatory health or safety standards.

(4) Mine Act section 110(b)(2) violations are for an alleged "flagrant" failure (i.e., reckless or repeated) to make reasonable efforts to eliminate a known violation of a mandatory safety or health standard that substantially and proximately caused, or reasonably could have been expected to cause, death or serious bodily injury.

(5) Mine Act section 107(a) orders are for alleged conditions or practices which could reasonably be expected to cause death or serious physical harm before such condition or practice can be abated and result in orders of immediate withdrawal from the area of the mine affected by the condition.

(6) Amounts shown include assessments proposed by MSHA during the three months ended September 30, 2023 on all citations and orders, including those citations and orders that are not required to be included within the above chart. This number may differ from actual assessments paid to MSHA as the Company may contest any proposed penalty.

(7) Mine Act section 104(e) written notices are for an alleged pattern of violations of mandatory health or safety standards that could significantly and substantially contribute to a coal mine safety or health hazard.