

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
SEARLES VALLEY MINERALS INC., <i>et al.</i> , ¹	)	Case No. 26-10966
Debtors.	)	(Joint Administration Requested)
)	
)	

**MOTION OF DEBTORS FOR ENTRY OF ORDERS (I) APPROVING
BIDDING PROCEDURES FOR THE SALE OF CERTAIN OR ALL OF THE
DEBTORS’ ASSETS; (B) AUTHORIZING THE DEBTORS TO DESIGNATE ONE OR
MORE STALKING HORSE BIDDERS AND TO PROVIDE BID PROTECTIONS;
(C) APPROVING ASSUMPTION AND ASSIGNMENT PROCEDURES;
(D) SCHEDULING A HEARING TO CONSIDER ANY PROPOSED SALE; AND
(II) (A) APPROVING THE SALE OF THE DEBTORS’ ASSETS FREE AND CLEAR OF
ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS,
(B) APPROVING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN
EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND
(C) GRANTING RELATED RELIEF**

Searles Valley Minerals Inc. (“SVM”) and certain of its subsidiaries, the debtors and debtors in possession in the above-captioned cases (collectively, the “**Debtors**”), hereby move (this “**Motion**”) the United States Bankruptcy Court for the District of Delaware (this “**Court**”) for entry of orders granting the relief described below. In support of this Motion, the Debtors rely upon and incorporate by reference the contemporaneously filed *Declaration of Adrian Frankum in Support of Chapter 11 Petitions and First Day Papers* (the “**First Day Declaration**”),² and further represent as follows:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number or business identification number, as applicable, are: Searles Valley Minerals Inc. (9263); Trona Railway Company LLC (3177); and Searles Domestic Water Company LLC (N/A). The location of Searles Valley Mineral Inc.’s corporate headquarters and the Debtors’ service address is 9401 Indian Creek Parkway, Suite 1000, Overland Park, Kansas 66210.

² Capitalized terms used but not defined herein shall the meanings ascribed to them in the First Day Declaration or the proposed Bidding Procedures, as applicable.

RELIEF REQUESTED

1. By this Motion, the Debtors request entry of the following:
 - (a) an order, substantially in the form attached hereto as **Exhibit A** (the “**Bidding Procedures Order**”):
 - (i) authorizing and approving certain proposed bidding and sale procedures, substantially in the form attached to the Bidding Procedures Order as **Exhibit 1** (the “**Bidding Procedures**”), in connection with one or more sales or dispositions (each, a “**Sale Transaction**” and collectively, the “**Sale**”) of certain or all of the assets (the “**Assets**”) of the Debtors;
 - (ii) establishing procedures for the Debtors to designate a stalking horse bidder or stalking horse bidders with respect to certain or all of the Assets (each, a “**Stalking Horse Bidder**”) and to enter into a stalking horse agreement or stalking horse agreements (each, a “**Stalking Horse Agreement**”) containing bid protections;
 - (iii) establishing certain dates and deadlines for the sale process, including scheduling an auction of the Assets (the “**Auction**”), if any, in accordance with the Bidding Procedures, and the hearing with respect to the approval of the Sale (the “**Sale Hearing**”);
 - (iv) approving the Assumption Procedures in respect of the Assumed Contracts and approving the form and manner of service of the Contract Assumption Notice (each as defined below);
 - (v) approving the form and manner of service of the Sale Notice (as defined below); and
 - (vi) granting related relief; and
 - (b) following entry of, and compliance with, the Bidding Procedures Order, one or more orders (each, a “**Sale Order**”) at the Sale Hearing, the proposed form of which is attached hereto as **Exhibit B**, authorizing and approving the following:
 - (i) authorizing and approving the sale of the Assets to the Successful Bidder or Successful Bidders (or, if the Successful Bidder or Successful Bidders fail to consummate the Sale, to the Back-Up Bidder or Back-Up Bidders) free and clear of all liens, claims, encumbrances, and other interests;
 - (ii) authorizing and approving the assumption or assumption and assignment of the Assigned Contracts; and
 - (iii) granting related relief;

JURISDICTION AND VENUE

2. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157(a)–(b)(1) and 1334(b) and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding under 28 U.S.C. § 157(b)(2)(A). Venue of these cases and this Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

3. The legal predicates for the relief requested herein are sections 105(a), 363, and 365 of title 11 of the United States Code (the “**Bankruptcy Code**”), rules 2002, 6004, and 6006 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and rule 6004-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Bankruptcy Rules**”).

4. Pursuant to Local Bankruptcy Rule 9013-1(f), the Debtors consent to the entry of a final order with respect to this Motion if it is determined that this Court would lack Article III power to enter such final order absent the consent of the parties.

PRELIMINARY STATEMENT

5. The Debtors commenced these chapter 11 cases with the goal of achieving a value-maximizing going-concern sale of their business. Subject to this Court’s approval, the Debtors have secured much-needed liquidity to run a postpetition marketing process designed to supplement the Debtors’ extensive prepetition efforts to procure a buyer, which were unsuccessful given the Debtors’ legacy liabilities. The proposed Bidding Procedures and Sale timeline are carefully calibrated to allow for the Debtors and their advisors to take advantage of groundwork already laid during the prepetition marketing process to generate as much interest and value as possible for the Debtors’ estates, while also allowing them to operate within the liquidity runway provided by the financing arrangements supporting these cases. While the Company would have

preferred to commence these cases with a stalking horse bidder locked in, the Company decided to commence these cases upon obtaining financing and a cash collateral arrangement. By this Motion, the Debtors seek authority, in accordance with the Bidding Procedures, to designate one or more Stalking Horse Bidders, in the exercise of the Debtors' business judgment, and to offer market based stalking horse bid protections to any such Stalking Horse Bidder, including a break-up fee and expense reimbursement in the aggregate of up to a 3% of the cash portion of the applicable Transaction Purchase Price.

BACKGROUND

I. The Chapter 11 Cases

6. On June [●], 2026 (the "**Petition Date**"), each Debtor commenced a case by filing a petition for relief under chapter 11 of the Bankruptcy Code (collectively, the "**Chapter 11 Cases**"). The Debtors have requested that the Chapter 11 Cases be jointly administered under Local Bankruptcy Rule 1015-1.

7. The Debtors continue to operate their businesses and manage their properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

8. To date, the Office of the United States Trustee for the District of Delaware (the "**U.S. Trustee**") has not appointed a creditors' committee in the Chapter 11 Cases, nor has any trustee or examiner been appointed therein.

9. SVM (together with its Debtor and non-Debtor subsidiaries, the "**Company**") operates a vertically integrated mining and processing complex at Searles Lake in Trona, California, where it produces critical industrial minerals, including borates, sodium sulfate, and salt, sourced from one of the largest known deposits of water-soluble borates in North America. The Company is among the largest and lowest cost producers of borates, serving a diversified global customer base across industrial, agricultural, and specialty chemical end markets. The

Company historically mined and processed Sodium Carbonate (soda ash) until February 2026, and continues to source and supply soda ash to its customers in North America. In addition, the Debtors source and provide potable water for approximately 760 residential and commercial customers in certain areas on the west shoreline of Searles Lake, California, including the town of Trona, California. The Company's business operations, corporate and capital structures, and restructuring efforts are described in greater detail in the First Day Declaration.

II. The Debtors' Prepetition Marketing Efforts

10. In February, 2024, Debtor SVM and SVM's immediate parent, non-Debtor Karnavati Holdings, Inc. ("**KHI**"), engaged Lazard & Co, Limited ("**Lazard Ltd.**") as their investment banker to assist in the evaluation and marketing of the Debtors' assets for a potential sale transaction. In August 2025, the Debtors, with the assistance of Lazard Ltd., commenced a comprehensive strategic marketing process to gauge market interest in the Debtors' business (the "**SVM Sale Process**"). In connection with that process and subsequent engagement to date, Lazard Ltd. contacted over 140 parties, with over 50 parties executing NDAs and obtaining confidential information on the Debtors' business. As the SVM Sale Process further developed, it became clear in April 2026 that an out-of-court transaction was not viable due in part to the Debtors' legacy liabilities and the lack of appetite from potential buyers to acquire the Debtors' business outside of a court-supervised process. At that time, Lazard pivoted to the preparation of an in-court process and shifted discussions in the SVM Sale Process with several buyers to potentially acquire the assets as part of an in-court sale process.³

³ Accordingly, on May 12, 2026, SVM entered into a further letter agreement with Lazard Ltd., which superseded the prior engagement and engaged Lazard Frères & Co. LLC and Lazard Ltd. (collectively, "**Lazard**") as SVM's investment banker in the evaluation of strategic and capital structure alternatives.

11. As of the Petition Date, a number of potential buyers have engaged with the Company in advanced discussions regarding the in-court sale process. There remains interest from multiple parties in the Debtors' assets and business. Both the Debtors' management and Lazard have made themselves available for calls with interested parties upon request and have fielded diligence questions from potential buyers.

12. Given that no actionable bids were received for the Debtors' business on an out-of-court basis, the Debtors began evaluating strategic alternatives to maximize value. After consulting with their advisors and taking into account various factors, including the Debtors' liquidity position, the difficult decision to mothball soda ash production in February 2026, the corresponding reduction in force, and the time needed to conduct further diligence and finalize definitive documentation, the Debtors decided to commence these Chapter 11 Cases to implement a section 363 sale that would allow potential buyers to acquire the Debtors' assets free and clear of claims and interests.

13. To this end, the Debtors have developed the terms of the Bidding Procedures and the Sale timeline set forth therein. The Debtors submit that the Bidding Procedures and Sale timeline are reasonable and will assist the Debtors in reaching a resolution of these Chapter 11 Cases in advance of any liquidity shortfall.

III. The Bidding Procedures

14. The Bidding Procedures describe, among other things, the procedures for interested parties to access due diligence, the manner in which bids become Qualified Bids (as defined in the Bidding Procedures), the receipt and negotiation of bids received, the conduct of any Auction, the selection and designation of a Stalking Horse Bidder, the selection and approval of any ultimate Successful Bidder, and the deadlines with respect to the foregoing. The Debtors believe that the

Bidding Procedures afford the Debtors a sufficient opportunity to maximize the value of a sale of the Assets for their estates.

15. In accordance with Local Bankruptcy Rule 6004-1, the below chart summarizes the Bidding Procedures and the procedures for conducting the Auction⁴:

Provision	Summary
Qualification of Bidders	To participate in the bidding process and to receive access to due diligence (the “ Diligence Materials ”), a party must submit to the Debtors (i) an executed confidentiality agreement in such a form reasonably satisfactory to the Debtors and (ii) reasonable evidence demonstrating the party’s financial capability to consummate a Sale Transaction as reasonably determined by the Debtors. A party that qualifies for access to Diligence Materials pursuant to the prior sentence shall be a “ Potential Bidder. ” Any bidder that has previously satisfied the foregoing requirements prior to the date hereof will be deemed a Potential Bidder.
Bid Deadlines	<p>The Bidding Procedures provide interested parties with the opportunity to qualify for and participate in the Auction and to submit competing bids for the Assets. The Debtors shall assist Potential Bidders in conducting their respective due diligence investigations and shall accept Bids (as defined below) until August 6, 2026 at 11:59 p.m. (prevailing Eastern Time) (the “Bid Deadline”); <i>provided</i> that any Potential Bidder submitting a Bid has submitted a letter of intent setting forth the primary commercial terms of such Potential Bidder’s proposed Bid (an “LOI”) by July 10, 2026 at 11:59 p.m. (prevailing Eastern Time) (the “Non-Binding LOI Deadline”).</p> <p>None of the dates or deadlines set forth in Section III of the Bidding Procedures, including the Bid Deadline, may be extended, adjourned or otherwise modified in any respect (i) without the prior written consent of the DIP Lender, or (ii) in a manner that is inconsistent with the milestones or other applicable provisions in the DIP Order; <i>provided, however</i>, that the Debtors may waive or extend the Non-Binding LOI Deadline in their reasonable discretion following consultation with the DIP Lender.</p>
Qualified Bids	To be eligible for consideration as a Qualified Bid to participate in the Auction, each Potential Bidder must deliver to the Debtors and their advisors a written, non-binding LOI prior to the Non-Binding LOI Deadline, and a written, irrevocable offer, solicitation or proposal (each,

⁴ The following summary is qualified in its entirety by reference to the provisions of the Bidding Procedures. In the event of any inconsistencies between the provisions of the Bidding Procedures and the terms herein, the terms of the Bidding Procedures shall govern. Unless otherwise defined in the summary set forth in the accompanying text, capitalized terms have the meaning ascribed to them in the Bidding Procedures.

a “**Bid**”) prior to the Bid Deadline that must be determined by the Debtors, in their business judgment and in consultation with the DIP Lender and the Prepetition Secured Lender (the “**Consultation Parties**”), to satisfy each of the following conditions:

(a) *Good Faith Offer*: Each Bid must constitute a good faith, bona fide offer to purchase all or certain of the Assets.

(b) *Purchase Price*: All Bids (other than a Credit Bid (as defined herein) by the DIP Lender and/or the Prepetition Secured Lender) must be for cash. The LOI and Bid must clearly set forth the cash purchase price, and any other non-cash consideration (with the form of such consideration specified), to be paid (the “**Transaction Purchase Price**”). If the LOI and Bid propose an acquisition of only certain of the Assets, the Transaction Purchase Price must be allocated among each of the categories of Assets expressly identified in such LOI and Bid.

(c) *Good Faith Deposit*: Each Bid must be accompanied by a deposit in the amount of ten percent (10%) of the cash consideration portion of the Transaction Purchase Price, before any reductions for assumed liabilities or other adjustments (the “**Good Faith Deposit**”).

(d) *Executed Agreement*: Each Bid must be based on the proposed purchase agreement, which will be prepared by the Debtors, and will be filed as a supplement to this Motion and uploaded to the data room as soon as practicable following the filing of this Motion (the “**Purchase Agreement**”), and must include executed transaction documents, signed by an authorized representative of such Potential Bidder, pursuant to which the Potential Bidder proposes to effectuate a Sale Transaction (a “**Modified Purchase Agreement**”). Each Bid must also include a copy of the Modified Purchase Agreement marked against the Purchase Agreement to show all changes requested by the Potential Bidder (including those related to the assumption and assignment of contracts and licenses, and other material terms such that the Debtors may determine how such Bid compares to the terms of competing Bids). Each Modified Purchase Agreement must provide (i) a commitment to close within two business days after all closing conditions are satisfied and (ii) a commitment that the Potential Bidder will (A) make all necessary filings under the Hart Scott Rodino Antitrust Improvements Act of 1976, as amended (the “**HSR Act**”) and any other applicable antitrust, competition or merger control laws, rules or regulations enacted or promulgated by any governmental authority (“**Foreign Corruption Laws**”), and (B) submit all necessary filings under the HSR Act and any Foreign Competition Laws on the second business day following the conclusion of the Auction.

(e) *Designation of Assigned Contracts and Leases:* A Bid must identify any and all executory contracts and unexpired leases of the Debtors that the Potential Bidder wishes to assume pursuant to the Sale Transaction. A Bid must specify whether the Debtors or the Potential Bidder will be responsible for any cure costs associated with such assumption, and include a good faith estimate of such cure costs (which estimate may be provided by the Debtors).

(f) *Designation of Assumed Liabilities:* An LOI and Bid must identify all liabilities which the Potential Bidder proposes to assume.

(g) *Corporate Authority:* A Bid must include written evidence reasonably acceptable to the Debtors demonstrating appropriate corporate authorization to consummate the proposed Sale Transaction; *provided* that, if the Potential Bidder is an entity specially formed for the purpose of effectuating the Sale Transaction, then the Potential Bidder must also furnish written evidence reasonably acceptable to the Debtors of the approval of the Sale Transaction by the equity holder(s) of such Potential Bidder.

(h) *Disclosure of Identity of Qualified Bidder:* A Bid must fully disclose the identity of each entity that will be bidding for or purchasing the Assets or otherwise participating in connection with such Bid (including the identity of any parent companies of such entity), and the complete terms of any such participation, including any connections, agreements, arrangements or understandings (a) with the Debtors, any officer, director, or equity holder of the Debtors, or any other known, potential, or prospective bidder and (b) concerning a collaborative or joint bid or any other combination concerning the proposed Bid; *provided* that, if the Potential Bidder is an entity specially formed for the purpose of effectuating the Sale Transaction, then the Potential Bidder must fully disclose the identity of each direct and indirect equity holder of such Potential Bidder.

(i) *Contact Information and Affiliates:* A Bid must provide the identity and contact information for the Potential Bidder and full disclosure of any parent companies, controlling investors, or fund managers of the Potential Bidder.

(j) *Proof of Financial Ability to Perform:* A Bid must include written evidence from which the Debtors may reasonably conclude, in consultation with their advisors and the Consultation Parties, that the Potential Bidder has the necessary financial ability to consummate a Sale Transaction and must further contain information that can be publicly filed or disseminated providing adequate assurance of future performance of all contracts and leases to be assumed and assigned in such Sale

Transaction. Such information may include, among other things, the following:

(i) contact names and numbers for verification of financing sources;

(ii) written evidence of the Potential Bidder's internal resources and, if applicable, binding debt funding commitments from a recognized banking institution and equity commitments in an aggregate amount equal to the cash portion of such Bid, plus associated fees and expenses, or the posting of an irrevocable letter of credit from a recognized banking institution issued in favor of the Debtors in the amount of the cash portion of such Bid, in each case, as are needed to close the Sale Transaction;

(iii) the Potential Bidder's most current audited (if any) and latest unaudited financial statements or, if the bidder is an entity formed for the purpose of making a bid, the current audited (if any) and latest unaudited financial statements of the equity holder(s) of the bidder or such other form of financial disclosure, and a guaranty from such equity holder(s);

(iv) a description of the Potential Bidder's pro forma capital structure; and

(v) any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors, in consultation with the Consultation Parties, demonstrating that such Potential Bidder has the ability to close the Sale Transaction and pay all associated fees and expenses.

(k) *Regulatory and Third Party Approvals:* An LOI and Bid must set forth each regulatory and third-party approval required for the Potential Bidder to consummate the Sale Transaction, and the time period within which the Potential Bidder expects to receive such regulatory and third-party approvals, and the Debtors, in consultation with the Consultation Parties, may consider the timing and likelihood of obtaining such approvals, and any actions the Potential Bidder will take to ensure receipt of such approval(s) as promptly as possible, when considering the other Bid Assessment Criteria (as defined below).

(l) *Conditions/Contingencies:* A Bid must not be subject to further due diligence or any financing contingency.

(m) *Bid Irrevocable:* Subject to the following sentence with respect to the requirement to serve as a Backup Bidder, a Bid must provide that it is irrevocable until two business days after the closing of

the relevant Sale Transaction; *provided* that if such Bid is accepted as the Successful Bid or the Backup Bid, such Bid shall continue to remain irrevocable as and to the extent provided in the Modified Purchase Agreement. Each Potential Bidder that submits a Bid further agrees that, if not chosen as a Successful Bidder, such Potential Bidder shall serve, without modification, as a Backup Bidder as may be designated by the Debtors, in consultation with the Consultation Parties, at the Sale Hearing, in the event the relevant Successful Bidder with respect to a Sale Transaction fails to close as provided in the Successful Bidder Purchase Agreement, as modified, if at all, and the applicable Sale Order.

(n) *As-Is, Where-Is*: Each Bid must include a written acknowledgement and representation that the Potential Bidder: (i) has conducted, to its satisfaction, its own independent investigation of the condition (financial or otherwise), operations and business of the Debtors and the Assets to be acquired; (ii) in making its determination to proceed with the transactions contemplated by its Bid, it has relied solely on the results of its own independent investigation and has not relied directly or indirectly on any materials or information made available to it and/or its representatives by or on behalf of any Debtor; and (iii) that, should such Potential Bidder be deemed the Successful Bidder with respect to the proposed Sale Transaction and close such Sale Transaction, such Potential Bidder shall acquire the Assets to be acquired without any surviving representations or warranties, on an “as is” and “where is” basis.

(o) *Consent to Jurisdiction*. Each Potential Bidder must (i) submit to the jurisdiction of the Bankruptcy Court to enter an order or orders, which shall be binding in all respects, in any way related to the Debtors, the Bidding Procedures, the Auction, any Modified Purchase Agreement, or the construction and enforcement of documents relating to any Sale Transaction, (ii) waive any right to a jury trial in connection with any disputes relating to the Debtors, the Bidding Procedures, the Auction, any Modified Purchase Agreement, or the construction and enforcement of documents relating to any Sale Transaction and (iii) commit to the entry of a final order or judgment in any way related to the Debtors, the Bidding Procedures, the Auction, any Modified Purchase Agreement, or the construction and enforcement of documents relating to any Sale Transaction if it is determined that the Bankruptcy Court would lack Article III jurisdiction to enter such a final order or judgment absent the consent of the parties.

(p) *No Bid Protections*. Except with respect to any Stalking Horse Bidder designated by the Debtors as set forth below, a Bid must not entitle the Potential Bidder to any break-up fee, termination fee, transaction fee, expense reimbursement, or any similar type of payment or reimbursement and, by submitting a Bid, the Potential Bidder waives

	<p>the right to pursue a substantial contribution claim under 11 U.S.C. § 503 related in any way to the submission of its Bid or participation in any Auction. Each Potential Bidder presenting a Bid will bear its own costs and expenses (including legal fees) in connection with any proposed Sale Transaction.</p> <p>(q) <i>Credit Bids for Stalking Horse Assets:</i> Any Bid for all or some of any Assets included as part of a Stalking Horse Bid, if any, that is made as a credit bid pursuant to section 363(k) of the Bankruptcy Code shall include cash consideration in an amount equal to or greater than any Bid Protections granted to the applicable Stalking Horse Bidder.</p>
<p>Bid Protections to Any Replacement Stalking Horse Bidder or Additional Stalking Horse Bidder</p>	<p>The Debtors, as they may reasonably determine to be in the best interests of their estates, and in consultation with the Consultation Parties, may select a Stalking Horse Bidder or Stalking Horse Bidders for the Assets (or one or more subgroupings of Assets) for the purposes of establishing one or more minimum acceptable bids with which to begin the Auction with respect to certain or all of the Assets (each, a “Stalking Horse Bid”) and provide any such Stalking Horse Bidder with Bid Protections (described below) pursuant to an agreement with such Stalking Horse Bidder (the “Stalking Horse Agreement”); <i>provided</i> that no insider or affiliate of the Debtors shall be entitled to any Bid Protections.</p> <p>In the event that the Debtors designate a Stalking Horse Bidder and the Stalking Horse Bidder is not the Successful Bidder with respect to the Stalking Horse Bid, the Debtors shall be authorized, but not directed, to make certain payments in consideration of its being the Stalking Horse Bidder with respect to the Stalking Horse Bid and to reimburse it for its reasonable and necessary out-of-pocket expenses, including (a) a break-up fee (the “Break-Up Fee”) and (b) reimbursement of reasonable, documented and necessary out-of-pocket expenses incurred in connection with such Stalking Horse Bid (the “Expense Reimbursement Amount”). The amount of any Break-Up Fee and the Expense Reimbursement Amount shall in the aggregate not exceed 3% of the cash portion of the applicable Transaction Purchase Price for such Stalking Horse Bid, with such amount to be paid in accordance with the terms and conditions set forth in the applicable Stalking Horse Agreement and as approved by the Bankruptcy Court in the Bidding Procedures Order (the “Bid Protections”); <i>provided, however</i>, that notwithstanding anything to the contrary herein, no other bidder, nor any party making a Credit Bid (irrespective of whether it is a Stalking Horse Bidder) will be entitled to any Bid Protections or any other expense reimbursement, break-up fee, termination fee or any other similar fee or payment.</p>
<p>Modification of Bidding and</p>	<p><i>Additional Procedures.</i> The Debtors, in consultation with the Consultation Parties, may announce at the Auction additional or modified procedural rules that are reasonable under the circumstances for</p>

<p>Auction Procedures</p>	<p>conducting the Auction, so long as such rules are not inconsistent in any material respect with the Bidding Procedures.</p> <p><i>Reservation of Rights.</i> Except as otherwise provided in the Purchase Agreement, any Stalking Horse Agreement, the Bidding Procedures, or the Bidding Procedures Order, the Debtors, in consultation with the Consultation Parties, further reserve the right as they may reasonably determine to be in the best interest of their estates and in the exercise of their fiduciary duties to: (a) determine which bidders are Qualified Bidders; (b) determine which bids are Qualified Bids; (c) determine whether to enter into a Stalking Horse Agreement; (d) determine which Qualified Bid is the highest or otherwise best proposal and which is the next highest or otherwise best proposal with respect to a Sale Transaction; (e) reject any Bid that is (1) inadequate or insufficient, (2) not in conformity with the requirements of the Bidding Procedures or the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, or the Bidding Procedures, or (3) contrary to the best interests of the Debtors and their estates, creditors, interest holders, or parties in interest; (f) waive terms and conditions set forth herein otherwise applicable to all Potential bidders; (g) impose additional terms and conditions with respect to all Potential bidders; (h) modify the deadlines set forth herein; (i) continue or cancel the Auction and/or Sale Hearing in open court without further notice; and (j) modify the Bidding Procedures and implement additional procedural rules that the Debtors determine, in their business judgment, will better promote the goals of the bidding process and discharge the Debtors' fiduciary duties and are not inconsistent with any Bankruptcy Court order.</p>
<p>Closing with Alternative Backup Bidders</p>	<p>Subject to the following sentence with respect to the requirement to serve as a Backup Bidder, a Bid must provide that it is irrevocable until two business days after the closing of the relevant Sale Transaction; <i>provided</i> that if such Bid is accepted as the Successful Bid or the Backup Bid, such Bid shall continue to remain irrevocable as and to the extent provided in the Modified Purchase Agreement. Each Potential Bidder that submits a Bid further agrees that, if not chosen as a Successful Bidder, such Potential Bidder shall serve, without modification, as a Backup Bidder (as defined below) as may be designated by the Debtors at the Sale Hearing, in the event the relevant Successful Bidder with respect to a Sale Transaction fails to close as provided in the Successful Bidder Purchase Agreement, as modified, if at all, and the applicable Sale Order</p> <p>Notwithstanding anything in the Bidding Procedures to the contrary, if an Auction is conducted with respect to a Sale Transaction, the Qualified Bidder with the next highest or otherwise best Bid with respect to such Sale Transaction at the Auction, as determined by the Debtors, in consultation with the Consultation Parties, in the exercise of their business judgment, will be designated as the backup bidder (the "Backup</p>

	<p>Bidder”) for such Sale Transaction. The Backup Bidder shall be required to keep its Qualified Bid (or if the Backup Bidder submitted one or more Overbids at the Auction, the Backup Bidder’s final Overbid) (the “Backup Bid”) with respect to such Sale Transaction open and irrevocable until the earlier of (i) 5:00 p.m. (prevailing Eastern Time) on the date that is at least 60 calendar days after the date of entry of the Sale Order (or an order confirming a plan of reorganization if the Successful Bid is a Plan Bid) (the “Outside Backup Date”), or (ii) the closing of the transaction with the Successful Bidder (or effective date of the plan of reorganization if the Successful Bid is a Plan Bid).</p> <p>Following the Sale Hearing, if the Successful Bidder fails to consummate an approved transaction with respect to the Assets that are the subject of the Successful Bid, the Backup Bidder will be deemed to have the new prevailing Bid with respect to such Assets, and the Debtors will be authorized, but not required, without further order of the Bankruptcy Court, to consummate the transaction with the Backup Bidder with respect to such Assets.</p>
<p>Date, Time, Place, and Notice of Auction</p>	<p>The Auction, if necessary, shall take place on August 13, 2026 at 10:00 a.m. (prevailing Eastern Time) at the offices of counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, 395 9th Ave., New York, New York 10001, or such other place (which may be virtual) and time as the Debtors shall notify all Qualified Bidders that have submitted Qualified Bids (including any Stalking Horse Bidders). The Auction may be postponed, adjourned or cancelled as the Debtors, in consultation with the Consultation Parties, deem appropriate. Reasonable notice as is reasonably practicable under the circumstances of such postponement or adjournment and the time and place for the commencement or resumption of the Auction or cancellation shall be given to all Qualified Bidders.</p>
<p>No Collusion</p>	<p>Each Qualified Bidder (including any Stalking Horse Bidder) participating in the Auction must confirm that it (a) has not engaged in any collusion with respect to the bidding or sale of any of the assets described herein and (b) has reviewed, understands and accepts the Bidding Procedures, and (c) has consented to the core jurisdiction of the Bankruptcy Court.</p>
<p>Auction Participation</p>	<p>Only the Debtors, the DIP Lender, the Prepetition Secured Lender, and any Qualified Bidder that has submitted a Qualified Bid (including any Stalking Horse Bidders), in each case, along with their representatives and counsel, or such other parties as the Debtors shall determine shall attend the Auction and only such Qualified Bidders (including any Stalking Horse Bidders) will be entitled to make any further Bids at the Auction.</p>

Transcription or Video Recording	The Auction shall be transcribed.
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IV. Key Dates and Deadlines

16. The table below sets forth the proposed key dates and deadlines with respect to the Sale process:

Date/Time	Event
July 6, 2026 at 11:59 p.m. EDT	Entry of Bidding Procedures Order
July 7, 2026 at 11:59 p.m. EDT	Sale Notice Deadline
July 10, 2026 at 11:59 p.m. EDT	Assumption and Assignment Service Deadline
July 10, 2026 at 11:59 p.m. EDT	Non-Binding LOI Deadline
August 6, 2026 at 11:59 p.m. EDT	Bid Deadline (due date for Bids and Good Faith Deposits)
August 13, 2026 at 10:00 a.m. EDT	Auction
August 17, 2026 at 11:59 p.m. EDT	Deadline to enter into and file Successful Bidder Purchase Agreement with a Successful Bidder (the “ Transaction Approval Filing ”)
August 18, 2026 at 4:00 p.m. EDT	Sale Objection Deadline
August 19, 2026 at 11:59 p.m. EDT	Deadline to respond to objections to the Sale of the Assets to Successful Bidder or Successful Bidders
August 20, 2026 at [●] [a/p].m. EDT	Sale Hearing

V. Procedures for the Designation of a Stalking Horse Bidder

17. The Debtors are and will be continuing to evaluate the designation of a stalking horse bidder with respect to their Assets. Accordingly, by this Motion, the Debtors seek to establish procedures to enter into a Stalking Horse Agreement or Stalking Horse Agreements containing certain bid protections. The Debtors believe their ability to maximize value may be enhanced by entering into such agreements. Pursuant to the Bidding Procedures, the Debtors, as they may reasonably determine to be in the best interests of their estates, may select a Stalking Horse Bidder or Stalking Horse Bidders for the Assets (or one or more subgroupings of Assets) for the purposes of establishing one or more minimum acceptable bids with which to begin the Auction with respect to certain or all of the Assets (each, a “**Stalking Horse Bid**”) and provide

any such Stalking Horse Bidder with Bid Protections. The proposed procedures provide that no insider or affiliate of the Debtors shall be entitled to any Bid Protections.

18. The Debtors submit that in order to entice potential bidders to serve as a Stalking Horse Bidder, which would help facilitate a competitive Auction by setting a minimum price for the applicable Assets covered by any such Stalking Horse Bid at the Auction, they will need to offer such Stalking Horse Bidder the Bid Protections, in each case in an aggregate amount not to exceed to 3% of the cash portion of the applicable Transaction Purchase Price for such Stalking Horse Bid. No other bidder, nor any party making a Credit Bid (irrespective of whether it is a Stalking Horse Bidder) will be entitled to any Bid Protections or any other expense reimbursement, break-up fee, termination fee or any other similar fee or payment.

19. The Debtors submit that the Bid Protections are fair and reasonable in light of the circumstances because, in the event the Bid Protections are triggered, any Stalking Horse Bidder's efforts will have promoted more competitive bidding, and thereby increased the chances that the Debtors will receive the highest or otherwise best offer for the Sale Transaction contemplated by such Stalking Horse Bid, to the benefit of the Debtors' creditors. As such, the Debtors seek authority to enter into a Stalking Horse Agreement or Stalking Horse Agreements containing such Bid Protections pursuant to the procedures described herein, without further order of the Court.

20. For reference, the proposed form of purchase agreement for the Sale Transactions contemplated by the Sale (the "**Purchase Agreement**" or the "**APA**") will be filed as a supplement to this Motion and uploaded to the data room as soon as practicable following the filing of this

Motion. The Debtors anticipate that the material terms of the Purchase Agreement, including those provisions required to be highlighted pursuant to Local Bankruptcy Rule 6004-1, are as follows⁵:

Provision⁶	Summary
Sale to Insider	N/A
Agreements with Management	N/A
Releases	N/A
Private Sale/No Competitive Bidding <i>Section [•]</i>	N/A The Purchase Agreement will be subject to higher and better offers as set forth herein and provides for a fiduciary out as follows: Notwithstanding anything in this Agreement to the contrary, Sellers may participate in discussions or negotiations with, or furnish information with respect to Sellers, the Business[, or the Transferred Subsidiaries] to any Person if (a) (i) such Person has submitted to Sellers a bona fide written proposal to acquire the stock or assets of Sellers, upon receipt of which Sellers shall give prompt written notice to Buyer and (ii) Sellers determine in their good faith judgment that taking such action is consistent with their fiduciary duties or (b) in accordance with the Bidding Procedures. In addition, notwithstanding anything in this Agreement to the contrary, Sellers may terminate this Agreement if Sellers determine in their good faith judgment that taking such action is consistent with their fiduciary duties.
Closing and Other Deadlines <i>Section [•]</i>	The Debtors' DIP Financing facility requires, and the Debtors' liquidity constraints dictate, that the Sale be consummated not later than 90 days after the Petition Date
Good Faith Deposit <i>Section [•]</i>	The Buyer has deposited an amount equal to 10% of the cash consideration portion of the Transaction Purchase Price such amount, together with all interest and other earnings accrued thereon, the " Deposit Funds ") into escrow with an escrow agent reasonably acceptable to Sellers (the

⁵ The following summary and terms defined in this Part III are qualified in their entirety by reference to provisions of the applicable APA. In the event of any inconsistencies between the provisions of the APA and the terms herein, the terms of the APA shall govern. Capitalized terms used in this section of the Sale Motion and not otherwise defined shall have the meanings ascribed thereto in the APA.

⁶ **NTD:** To be updated in accordance with form APA.

Provision ⁶	Summary
	<p>“Escrow Agent”), pursuant to the terms of an escrow agreement reasonably acceptable to and executed by the Sellers and Buyer (the “Escrow Agreement”). Notwithstanding the foregoing, no Good Faith Deposit shall be required in connection with any Credit Bid submitted by the DIP Lender and/or the Prepetition Secured Lender pursuant to section 363(k) of the Bankruptcy Code.</p> <p>The Deposit Funds shall be released by the Escrow Agent and delivered to either (x) Buyer or (y) SVM on behalf of the Sellers, as follows:</p> <p>(a) if the Closing shall occur, the Deposit Funds shall be applied towards the Purchase Price payable by Buyer;</p> <p>(b) if the APA is terminated by Sellers pursuant to Section [●] of the APA, related to [a breach by Buyer of any of its representations, warranties or covenants set forth in the APA in a manner that, either individually or in the aggregate, would prevent the satisfaction of its conditions to Closing], the Deposit Funds shall be delivered to [SVM]; or</p> <p>(c) if the APA is terminated other than in a manner provided by the preceding subsection, the Deposit Funds shall be delivered to Buyer.</p>
Interim Arrangements with Proposed Buyer	N/A
Use of Proceeds	Proceeds to be paid at closing to pay broker fee and Prepetition Lender and DIP Lender claims secured by assets being sold.
Tax Exemption	N/A
Record Retention <i>Section [●]</i>	From and after the Closing, until the closing of the Chapter 11 Case, Buyer will provide Sellers and their Representatives, at Sellers’ sole expense, with reasonable access, during normal business hours, and upon reasonable advance notice, subject to reasonable denials of access or delays to the extent any such access would unreasonably interfere with the operations of Buyer or the Business, to the books and records, including work papers, schedules, memoranda, and other documents (for the purpose of examining and copying) relating to the Transferred Assets, the Assumed Liabilities, or the Excluded Assets with respect to periods or occurrences prior to the Closing Date, for the purposes of (i) complying with the requirements of any Governmental Authority, including the Bankruptcy Court, (ii) the closing of the Chapter 11 Case and the wind down of Sellers’ estates (including reconciliation of claims and preparation of Tax Returns or other Tax proceedings and the functions of any trusts

Provision ⁶	Summary
	<p>established under a Chapter 11 plan of Sellers or any other successors of Sellers), (iii) complying with applicable Laws, or (iv) other reasonable business purposes; <i>provided</i> that Buyer shall not be obligated to provide any such access that would, in the reasonable, good faith judgment of Buyer, conflict with the Disclosure Limitations. Unless otherwise consented to in writing by SVM, Buyer will not, for a period of three (3) years following the Closing Date, destroy, alter or otherwise dispose of any of such books and records without first offering to surrender to SVM such books and records or any portion thereof that Buyer may intend to destroy, alter or dispose of.</p>
<p>Sale of Avoidance Actions</p>	<p>N/A</p>
<p>Requested Findings as to Successor Liability</p> <p><i>Section [•]/Form of Sale Order Paragraph [•]</i></p>	<p>The Debtors are requesting that any Sale Order (a) approve, pursuant to Sections 105, 363, and 365 of the Bankruptcy Code, the sale of the Transferred Assets to Buyer on the terms set forth in the Purchase Agreement and free and clear of all Encumbrances (other than Encumbrances included in the Permitted Encumbrances), and (b) find that Buyer shall have no Liability for any Liability that is not an Assumed Liability, including, without limitation, under any otherwise applicable law, rule, regulation, or legal theory that otherwise would impute successor liability on Buyer.</p> <p>By virtue of the Sale Transaction, and notwithstanding any otherwise applicable law, rule, or regulation to the contrary, neither the Buyer nor any of its affiliates shall be deemed to: (i) be a legal successor, or otherwise deemed to be a successor, to any of the Debtors under any theory of law or equity; (ii) have, <i>de facto</i> or otherwise, merged with or into any or all Debtors or their estates; (iii) have a common identity or a continuity of enterprise with the Debtors; or (iv) be a mere continuation or substantial continuation, or be holding itself out as a mere continuation, of the Debtors or any business, enterprise, or operation of the Debtors; or (v) to be liable for any acts or omissions of the Debtors in the conduct of their business or arising under or related to the Transferred Assets, other than as set forth in the Asset Purchase Agreement. To the maximum extent available under applicable law, the Buyer's acquisition of the Debtors' right, title and interest in the Transferred Assets shall be free and clear of any "successor liability" claims and other types of transferee liability of any nature whatsoever, whether known or unknown and whether asserted or unasserted at the time of the closing of the Sale Transaction. The operations of the Buyer and its Affiliates shall not be deemed a continuation of the Debtors' business as a result of the acquisition of the Transferred Assets.</p>

Provision ⁶	Summary
<p>Sale Free and Clear of Unexpired Leases</p> <p><i>Form of Sale Order Paragraph [•]</i></p>	<p>Pursuant to Sections 105, 363 and 365 of the Bankruptcy Code, upon the terms and subject to the conditions of the Purchase Agreement and subject to approval of the Bankruptcy Court, at the Closing, Sellers shall sell, assign, transfer, convey and deliver, or cause to be sold, transferred, assigned, conveyed and delivered, to Buyer, and Buyer shall purchase, all right, title and interest of Sellers, in, to or under the Transferred Assets free and clear of any and all Encumbrances (other than Permitted Encumbrances), with the same attaching to the proceeds of such sale.</p>
<p>Credit Bid</p> <p><i>Bidding Procedures</i></p>	<p>See Bidding Procedures, <i>supra</i>.</p> <p>Any Qualified Bidder may submit a Final Bid or Overbid in cash, cash equivalents or other forms of consideration, including a credit bid, either in whole or in part, to the extent permitted under and consistent with section 363(k) of the Bankruptcy Code up to the full allowed amount of the Debtors' Prepetition Secured Lender's claims or DIP Lender's claims, which credit bid(s), if otherwise meeting the above requirements, as determined by the Debtors, shall be deemed as a part of a Qualified Bid in connection with the bidding process, the Auction, and the Sale.</p> <p>Notwithstanding anything to the contrary contained herein, each of (i) the DIP Lender and (ii) the Prepetition Secured Lender shall be deemed a Qualified Bidder and shall have the right (but not the obligation) to credit bid at the Auction all or any portion of the aggregate amount of its applicable outstanding secured obligations pursuant to section 363(k) of the Bankruptcy Code, and any such credit bid will be considered a Qualified Bid (a "Credit Bid").</p> <p>For the avoidance of doubt, the Debtors shall not be required to consult with any Consultation Party (and its advisors) during a period, if any, during which a party has ceased to be a Consultation Party pursuant to Section II of the Bidding Procedures.</p>
<p>Relief from Bankruptcy Rule 6004(h)</p>	<p>This Motion seeks relief from Bankruptcy Rule 6004(h) in connection with the Sale.</p>

VI. Notice Procedures

21. **Notice of Sale Hearing.** Within three business days following the entry of the Bidding Procedures Order or as soon as reasonably practicable thereafter (the "**Mailing Date**"), the Debtors will cause the notice substantially in the form attached as **Exhibit 2** to the Bidding Procedures Order (the "**Sale Notice**") to be served on: (a) all entities reasonably known by the

Debtors to have expressed a bona fide interest in acquiring any of the Assets during the year preceding the date hereof; (b) all entities known to have asserted any claim, liens, interests, or encumbrances in or upon any of the Assets; (c) all federal, state, and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief requested by this Motion; (d) the U.S. Trustee; (e) counsel to the Prepetition Secured Lender; (f) counsel to the DIP Lender; (g) the parties included on the Debtors' consolidated list of their 30 largest unsecured creditors, (h) the office of the attorney general for each of the states in which the Debtors operate; (i) the United States Attorney's Office for the District of Delaware; (j) the Internal Revenue Service; (k) the United States Securities and Exchange Commission, (l) the United States Department of Justice; (m) the U.S. Environmental Protection Agency, (n) counsel to any statutory committee appointed in the Chapter 11 Cases; (n) the representatives for the union party to a collective bargaining agreement with the Debtors; (o) the Federal Trade Commission; (p) the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice; (q) each governmental agency that has a reasonably known interest with respect to the Sale and transactions proposed thereunder; (r) any party that has requested notice pursuant to Bankruptcy Rule 2002, and (s) all parties entitled to notice pursuant to Local Bankruptcy Rules 2002-1(b) and 9013-1(m).

22. **Publication Notice.** Additionally, on the Mailing Date or as soon as reasonably practicable thereafter, the Debtors shall publish a notice, substantially in the form of the Sale Notice, on one occasion, in the national edition of *The New York Times* and *The Daily Independent*, a local publication based in Ridgecrest, California. Such publication notice shall be deemed sufficient and proper notice of the Sale to any other interested parties whose identities are unknown to the Debtors.

23. **Notice of Successful Bidder.** As provided in the Bidding Procedures, promptly following the Debtors' selection of the Successful Bid or Successful Bids with respect to all Sale Transactions considered at the Auction and the resulting conclusion of the Auction, the Debtors shall announce the Successful Bid or Successful Bids and Successful Bidder or Successful Bidders with respect to all such Sale Transactions and shall file with the Court notice of such Successful Bid or Successful Bids and Successful Bidder or Successful Bidders.

24. The Debtors submit that the Sale Notice is reasonably calculated to provide all interested parties with timely and proper notice of the proposed Sale, including: (a) the date, time, and place of the Auction (if one is held); (b) the Bidding Procedures and certain dates and deadlines related thereto; (c) the objection deadline for the Sale of the Assets to the Successful Bidder or Successful Bidders (the "**Sale Objection Deadline**") and the date, time, and place of the Sale Hearing; (d) reasonably specific identification of the assets for sale; (e) instructions for promptly obtaining a copy of the Stalking Horse Agreement (if any); (f) representations describing the Sale Transactions as being free and clear of liens, claims, interests, and other encumbrances, with all such liens, claims, interests, and other encumbrances attaching with the same validity and priority to the Sale proceeds; (g) the commitment by the Stalking Horse Bidder (if any) to assume the Assumed Liabilities (as defined in the Stalking Horse Agreement); and (h) notice of the proposed assumption and assignment of the Assigned Contracts to the Successful Bidder or Successful Bidders and the right, procedures, and deadlines for objecting thereto, and, thus, no other or further notice of the Sale should be required.

VII. Assumption Procedures

25. The Debtors are also seeking approval of procedures regarding the assumption and assignment of the executory contracts proposed to be assumed by the Debtors pursuant to section 365(b) of the Bankruptcy Code and assigned to a Successful Bidder or Successful Bidders

pursuant to section 365(f) of the Bankruptcy Code in connection with the Sale (the “**Assumption Procedures**”).

26. The Assumption Procedures are intended to facilitate the assumption and assignment of all of the Debtors’ executory contracts and unexpired leases to be assumed and assigned in connection with the Sale (each, an “**Assigned Contract**,” and, collectively, the “**Assigned Contracts**”), subject to the payment of any payments necessary to cure any defaults arising under any Assigned Contract (the “**Cure Payments**”).

27. The key provisions of the Assumption Procedures are:

- (a) **Contract Assumption Notice.** No later than **July 10, 2026 at 11:59 p.m. (prevailing Eastern Time)** (the “**Assumption and Assignment Service Deadline**”), the Debtors shall serve a notice of contract assumption in substantially the form attached to the Bidding Procedures Order as **Exhibit 3** (the “**Contract Assumption Notice**”) via first-class mail on all counterparties to all potential Assigned Contracts and provide a copy of the same to any Stalking Horse Bidder. The Contract Assumption Notice shall inform each recipient of the timing and procedures relating to the potential assumption and assignment of the Assigned Contracts to a Successful Bidder or Successful Bidders upon entry of the Sale Order, and, to the extent applicable, (i) Debtors’ good faith estimates of the Cure Payments (if any) required in connection with the executory contract or unexpired lease, as applicable, (ii) whether the potential Assigned Contract is anticipated to be assumed and assigned to any Stalking Horse Bidder in connection with a Stalking Horse Bid; (iii) the Cure Objection Deadline, and (iv) the Sale Objection Deadline; *provided, however*, that service of a Contract Assumption Notice does not constitute an admission that any contract is an executory contract or that the stated Cure Payment related to any contract or unexpired lease constitutes a claim against the Debtors or a right against any Stalking Horse Bidder (all rights with respect thereto being expressly reserved). Further, the inclusion of a contract or unexpired lease, as applicable, on the Contract Assumption Notice is not a guarantee that such contract or unexpired lease, as applicable, will ultimately be assumed and assigned.
- (b) **Cure Payments and Adequate Assurance of Future Performance.** The payment of the applicable Cure Payments by the Debtors or any Successful Bidder, as applicable, shall (i) effect a cure of all defaults existing thereunder and (ii) compensate for any actual pecuniary loss to such counterparty resulting from such default.
- (c) **Supplemental Contract Assumption Notice.** Although the Debtors intend to make a good faith effort to identify all Assigned Contracts that may be assumed

and assigned in connection with a Sale Transaction, the Debtors may discover certain executory contracts inadvertently omitted from the Assigned Contracts list or Successful Bidders may identify other executory contracts that they desire to assume and assign in connection with a Sale Transaction. Accordingly, the Debtors reserve the right, at any time after the Assumption and Assignment Service Deadline and at least two days before the closing of a Sale Transaction, or as otherwise agreed by the Debtors and the Successful Bidder or Successful Bidders, to (i) supplement the list of Assigned Contracts with previously omitted executory contracts (“**Additional Assigned Contracts**”), (ii) remove Assigned Contracts from the list of executory contracts ultimately selected as Assigned Contracts that a Successful Bidder proposes be assumed and assigned to it in connection with a Sale Transaction, and/or (iii) modify the previously stated Cure Payment associated with any Assigned Contracts. In the event the Debtors exercise any of these reserved rights, the Debtors will promptly serve a supplemental notice of contract assumption (a “**Supplemental Assumption Notice**”) on each of the counterparties to such contracts and their counsel of record, if any; *provided, however*, the Debtors may not add an executory contract to the list of Assigned Contracts that has been previously rejected by the Debtors by order of the Court. Each Supplemental Assumption Notice will include the same information with respect to listed Assigned Contracts as was included in the Contract Assumption Notice, or in the event of a removal, indicating that the Debtors no longer intend to assign the counterparty’s contract or unexpired lease, as applicable, to the applicable Successful Bidder in connection with a Sale Transaction.

- (d) **Objections.** Objections, if any, to the proposed assumption and assignment or the Cure Payment proposed with respect thereto, *must* (i) be in writing, (ii) comply with the applicable provisions of the Bankruptcy Rules and the Local Bankruptcy Rules, (iii) state with specificity the nature of the objection and, if the objection pertains to the proposed amount of the Cure Payment, the correct cure amount alleged by the objecting counterparty, together with any applicable and appropriate documentation in support thereof, and (iv) be filed with the Court and served upon, so as to be actually received by proposed counsel to the Debtors and counsel to the applicable Successful Bidder (if such counsel is known), as applicable, on or before **the 14th day after service (or as reflected by the postmarked date) of the relevant Contract Assumption Notice or Supplemental Assumption Notice (the “Cure Objection Deadline”)**, or such deadline set forth in the applicable Supplemental Assumption Notice.

The deadline for objections to the proposed assumption and assignment of an Assigned Contract *solely* with respect to (i) the identity of the Successful Bidder or Successful Bidders or (ii) adequate assurance of future performance provided by the Successful Bidder or Successful Bidders shall be the Sale Objection Deadline.

28. Any party failing to timely file an objection to the proposed Cure Payment, the proposed assumption and assignment of an Assigned Contract or Additional Assigned Contract

listed on a Contract Assumption Notice or Supplemental Assumption Notice, or the Sale is deemed to have consented to (a) such Cure Payment, (b) the assumption and assignment of such Assigned Contract or Additional Assigned Contract (including the adequate assurance of future payment), (c) the related relief requested in the Motion, and (d) the Sale. Such party shall be forever barred and estopped from objecting to the Cure Payments, the assumption and assignment of the Assigned Contract, or Additional Assigned Contract, adequate assurance of future performance, the relief requested in the Motion, whether applicable law excuses such counterparty from accepting performance by, or rendering performance to, the Successful Bidder or Successful Bidders for purposes of section 365(c)(1) of the Bankruptcy Code and from asserting any additional cure or other amounts against the Debtors and the Successful Bidder or Successful Bidders, as applicable, with respect to such party's Assigned Contract or Additional Assigned Contract.

BASIS FOR RELIEF REQUESTED AND APPLICABLE AUTHORITY

I. The Sale Represents a Sound Exercise of the Debtors' Business Judgment.

29. Ample authority exists for approval of the Bidding Procedures, the Bid Protections, and the Sale. The Debtors submit that application of the section 363(b) standard for sales outside of the ordinary course of a debtor's business is met here. Section 363(b) of the Bankruptcy Code provides, in relevant part: "The trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. §363(b)(1). This Court's power under section 363 of the Bankruptcy Code is supplemented by section 105(a) of the Bankruptcy Code, which provides in relevant part: "The Court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." *Id.* § 105(a). As set forth below, the Debtors submit they have satisfied the requirements of sections 105, 363, and 365 of the Bankruptcy Code as those sections have been construed by courts in the Third Circuit.

30. “Under Delaware law, the business-judgment rule operates as a presumption ‘that directors making a business decision, not involving self-interest, act on an informed basis, in good faith and in the honest belief that their actions are in the corporation’s best interest.’” *Continuing Creditors’ Comm. of Star Telecomms., Inc. v. Edgcomb*, 385 F. Supp. 2d 449, 462 (D. Del. 2004) (quoting *Grobow v. Perot*, 539 A.2d 180, 187 (Del. 1988)); accord *Ad Hoc Comm. of Equity Holders of Tectonic Network, Inc. v. Wolford*, 554 F. Supp. 2d 538, 555 n.111 (D. Del. 2008). Thus, this Court should grant the relief requested in this Motion if the Debtors demonstrate a sound business justification therefor. See *In re Del. & Hudson Ry. Co.*, 124 B.R. 169, 179 (D. Del. 1991).

31. The Debtors have sound business justifications for selling the Assets at this time through the proposed postpetition marketing process. After an extensive prepetition marketing process, the Debtors, in their reasonable business judgment, have determined that the proposed Sale of their Assets through the court supervised Auction process will yield the highest value for their Assets. The marketing process set forth in the Bidding Procedures is value maximizing, in that it allows Potential Bidders maximum flexibility to structure Bids in a manner that best suits the goals of the Potential Bidder, while ensuring that Qualified Bids provide maximum value for the Assets. To this end, this Court should approve the Bidding Procedures and the Sale.

II. The Bidding Procedures Are Fair and Are Designed to Maximize the Value Received for the Assets.

32. The purpose of bidding procedures is to promote competitive bidding and maximize the value of the Debtors’ assets. See *Calpine Corp. v. O’Brien Env’tl. Energy, Inc. (In re O’Brien Env’tl. Energy, Inc.)*, 181 F.3d 527, 537 (3d Cir. 1999); see also *Official Comm. of Subordinated Bondholders v. Integrated Res. Inc. (In re Integrated Res. Inc.)*, 147 B.R. 650, 659 (S.D.N.Y. 1992). Courts uniformly recognize that procedures intended to enhance competitive bidding are consistent with the goal of maximizing the value received by the estate and, therefore, are

appropriate in the context of bankruptcy transactions. *See, e.g., In re Dura Auto, Sys.*, No. 06-11202(KJC), 2007 WL 7728109, at *90 (Bankr. D. Del. Aug. 15, 2007) (bidding procedures “enhanc[ing] competitive bidding are consistent with the goal of maximizing the value received by the estate and therefore are appropriate in the context of bankruptcy sales”); *Integrated Res., Inc.*, 147 B.R. at 659 (bidding procedures “are important tools to encourage bidding and to maximize the value of the debtor’s assets”).

33. Here, the Bidding Procedures are designed to ensure that the bidding process is fair and, by facilitating a competitive bidding process in which all potential bidders are encouraged to participate and submit competing bids (while giving Potential Bidders flexibility in structuring their Bids), designed to yield the maximum value for the Debtors’ estates and stakeholders. In particular, the Bidding Procedures contemplate an open auction process with minimal barriers to entry and provide prospective purchasers with sufficient time to perform due diligence and acquire the information necessary to submit a timely and well-informed bid. At the same time, the Bidding Procedures provide the Debtors with the opportunity to consider all competing Bids and to select, in their reasonable business judgment, and after consultation with the Consultation Parties, the highest and best offers for the Assets. Thus, all parties in interest can be assured that the consideration received for the Assets will be fair and reasonable.

34. Further, and as described above, the Debtors submit that the Sale timeline is reasonable. As noted above, the Debtors, with the assistance of their advisors, developed a reasonable Sale timeline for a potential sale of the Assets consistent with the realities of the Debtors’ postpetition liquidity. In developing the sale timeline outlined above, the Debtors and their advisors took various factors into account, including but not limited to the Debtors’ most recent liquidity forecasts, the time needed to market the Assets, and the time potential buyers

would need to complete diligence and submit Bids. Accordingly, proposed Bidding Procedures and associated Sale process timeline will provide the Debtors with ample time to ensure an extensive and robust marketing process, while ensuring that the Debtors are not unnecessarily continuing to incur costs associated with preserving the value of the Assets pending consummation of a Sale.

35. For these reasons, the Debtors submit that the proposed Bidding Procedures, including the Debtors' proposed Sale timeline, will encourage competitive bidding and maximize value for the Debtors' estates, are appropriate under section 363 of the Bankruptcy Code, and are consistent with other procedures previously approved by this Court. *See, e.g., In re Reliz Technology Group Holdings Inc.*, Case No. 26-10371 (TMH) (Bankr. D. Del. Apr. 14, 2026) (approving bidding procedures 19 days after filing motion (30 days after petition date), including bid deadline 29 days after entry of bidding procedures order (60 days after petition date) and sale hearing 63 days after motion filed (75 days after petition date)); *In re Tonopah Solar Energy, LLC*, Case No. 26-10060 (JKS) (Bankr. D. Del. Feb. 10, 2026) (approving bidding procedures 20 days after filing motion (20 days after petition date), including bid deadline 17 days after entry of bidding procedures order (37 days after petition date) and sale hearing 57 days after petition date); *In re Out The Gate, Inc.*, Case No. 25-12023 (KBO) (Bankr. D. Del. Dec. 10, 2025) (approving bidding procedures 19 days after filing motion (28 days after petition date), including bid deadline 27 days after entry of bidding procedures order (55 days after petition date) and sale hearing 61 days after motion filed (70 days after petition date)); *In re Village Roadshow Ent. Grp. USA Inc.*, Case No. 25-10475 (TMH) (Bankr. D. Del. Apr. 22, 2025) (approving bidding procedures with designated stalking horse bid protections, including bid deadline 25 days after entry of bidding procedures order (61 days after petition date) and sale hearing 57 days after motion filed (87 days

after petition date)); *In re Nikola Corp.*, Case No. 25-10258 (TMH) (Bankr. D. Del. Mar. 7, 2025) (approving bidding procedures with designated stalking horse bid protections 17 days after filing motion (concurrently with petition date), including bid deadline 28 days after entry of bidding procedures order (44 days after petition date) and sale hearing 51 days after petition date); *In re True Value Company, L.L.C.*, Case No. 24-12337 (KBO) (Bankr. D. Del. Nov. 4, 2024) (approving bidding procedures 22 after filing motion (concurrently with petition date) with designated stalking horse bid protections, including bid deadline four days after entry of bidding procedures order (26 days after petition date) and sale hearing 30 days after petition date).

A. The Bid Protections Should be Authorized.

36. The Debtors believe that having the ability to offer the Bid Protections to a Stalking Horse Bidder will ensure the Debtors' ability to maximize the realizable value of the Assets for the benefit of the Debtors' estates, creditors and other parties in interest. Approval of break-up fees and expense reimbursements, and other forms of bidding protections in connection with the sale of significant assets pursuant to section 363 of the Bankruptcy Code has become established practice in chapter 11 cases. Such bidding protections enable a debtor to ensure a sale to a contractually committed bidder at a price the debtor believes is fair, while providing the debtor with an opportunity to enhance the value received by its estate through an auction process.

37. Historically, bankruptcy courts have approved bidding incentives similar to the Bid Protections pursuant to the business judgment rule. *See Integrated Res., Inc.*, 147 B.R. at 654–63; *In re 995 Fifth Ave. Assocs., L.P.*, 96 B.R. 24, 28–29 (Bankr. S.D.N.Y. 1989). The United States Court of Appeals for the Third Circuit, however, has established standards for determining the propriety of bidding incentives in the bankruptcy context. *See In Calpine Corp. v. O'Brien Env'tl. Energy, Inc. (In re O'Brien Env'tl. Energy, Inc.)*, 181 F.3d 527, 533–38 (3d Cir. 1999); *see also Reliant Energy Channelview LP v. Kelson Channelview LLC (In re Reliant Energy Channelview*

LP), 594 F.3d 200, 206 (3d Cir. 2010). The Court has held that even though bidding incentives are measured against a business judgment standard in nonbankruptcy transactions, the administrative expense provisions of section 503(b) of the Bankruptcy Code govern in the bankruptcy context. *See In re Reliant Energy*, 594 F.3d at 206 (finding that there is no “compelling justification for treating an application for a break-up fee and expenses under § 503(b) differently from other applications for administrative expenses under the same provision.” (citing *In re O’Brien*, 181 F.3d at 535)).

38. Accordingly, to be approved, bidding incentives must provide some postpetition benefit to the debtor’s estate. *See In re Energy Future Holdings Corp.*, 904 F.3d 298, 314 (3rd Cir. 2018), *In re O’Brien*, 181 F.3d at 533. The Third Circuit has recognized several instances in which a break-up fee might confer a benefit on the estate. *In re Energy Future Holdings*, 904 F.3d at 314. For example, “such a benefit could be found if assurance of a break-up fee promoted more competitive bidding, such as by inducing a bid that otherwise would not have been made and without which bidding would have been limited” or by “serv[ing] as a catalyst to higher bids.” *In re O’Brien*, 181 F.3d at 537. Break-up fees may also benefit the estate by “induc[ing] a bidder to research the value of the debtor and convert that value to a dollar figure on which other bidders can rely,” thereby “increasing the likelihood that the price at which the debtor is sold will reflect its true worth.” *Id.* Finally, a break-up fee may also benefit the estate if it induces a bidder to remain committed to its purchase after an auction is ordered. *In re Reliant Energy*, 594 F.3d at 207–08; *see also In re Energy Future Holdings*, 904 F.3d at 314.

39. The Debtors will only designate a Stalking Horse Bidder or offer Bid Protections in the event that the Debtors determine that doing so will promote competitive bidding and will not hamper bidding. The ability to offer Bid Protections will induce potential bidders to serve as

a Stalking Horse Bidder, which enables the Debtors to promote a sale of the Assets with the greatest benefit to the estates. The Bid Protections only become payable in the event the Stalking Horse Bidder is not the Successful Bidder. Accordingly, payment of the Bid Protections in the context of a sale to another purchaser will not diminish the Debtors' estates to the extent they become payable, as the Bidding Procedures require that any competing bid must exceed the Stalking Horse Bid by an amount in excess of the Break-Up Fee and Expense Reimbursement. Thus, the Bid Protections are actual and necessary to preserve the value of the estates. Without the Bid Protections, the Debtors might lose the opportunity to obtain the highest or otherwise best offer for their Assets and would certainly lose the downside protection that will be afforded by the existence of a Stalking Horse Bidder.

40. Further, the aggregate amount of the Bid Protections is reasonable and appropriate in light of the size and nature of the transaction and the efforts that will be expended by any Stalking Horse Bidder. Similar types of bid protections have been approved by this Court. *See, e.g., In re Nikola Corp.*, Case No. 25-10258 (TMH) (Bankr. D. Del. Mar. 7, 2025) (authorizing stalking horse break-up fee of 3% and expense reimbursement of \$400,000); *In re Liberated Brands LLC*, No. 25-10168 (JKS) (Bankr. D. Del. Mar. 5, 2025) (authorizing stalking horse break-up fee and expense reimbursement of up to 3% in the aggregate); *In re Am. Tire Distribs., Inc.*, No. 24-12391 (CTG) (Bankr. D. Del. Nov. 26, 2024) (authorizing stalking horse break-up fee and expense reimbursement of up to 4% in the aggregate); *In re SunPower Corp.*, No. 24-11649 (CTG) (Bankr. D. Del. Aug. 29, 2024) (authorizing stalking horse break-up fee of 3% and expense reimbursement of \$550,000); *In re Vyair Medical, Inc.*, No. 24-11217 (BLS) (Bankr. D. Del. July 11, 2024) (authorizing stalking horse break-up fee of 3% and expense reimbursement of

\$250,000); *In re Sientra, Inc.*, No. 24- 10245 (JTD) (Bankr. D. Del. Mar. 5, 2024) (authorizing stalking horse break-up fee of 3% and expense reimbursement of \$500,000).

41. Accordingly, based on the foregoing, the Debtors submit that the Bid Protections reflect a sound business purpose, are fair and appropriate under the circumstances, and should be approved.

III. Approval of the Sale Is Warranted Under Section 363(b) of the Bankruptcy Code Because a Sound Business Justification Exists.

42. The Debtors submit that compelling business justifications exist for the proposed Sale, and, therefore, the Sale should be approved as a sound exercise of the Debtors' business judgment. Section 363 of the Bankruptcy Code provides that "[t]he [debtor in possession], after notice and a hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate" 11 U.S.C. § 363(b)(1). "It is a well-established principle of bankruptcy law that the . . . [Debtor's] duty with respect to such sales is to obtain the highest price or greatest overall benefit possible for the estate. *In re Integrated Res.*, 147 B.R. at 659. Courts in the Third Circuit have used the "sound business purpose" standard for approving sales pursuant to section 363. *See In re Abbotts Dairies of Pa., Inc.*, 788 F.2d 143 (3d Cir. 1986); *see also, e.g., In re ICL Holding Co. Inc.*, 802 F.3d 547, 551 (3d Cir. 2015); *Myers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) (approving a sale pursuant to section 363 where there was a "legitimate business justification").

43. The Debtors have articulated a clear business justification for entering into the Sale. As explained in greater detail above, after extensively exploring strategic alternatives and engaging in an out-of-court sale process for over 10 months that yielded no actionable bids, the Debtors have determined in their business judgment that a sale of the Assets, conducted in accordance with the Bidding Procedures, will maximize value and is in the best interests of the Debtors, their creditors,

their estates, their stakeholders, and other parties in interest. It is well-settled that, where there is a court-approved auction process, a full and fair price is presumed to have been obtained for the assets sold, as the best way to determine value is exposure to the market. *See Bank of Am. Nat’l Trust & Sav. Ass’n. v. 203 N. LaSalle St. P’ship*, 526 U.S. 434, 457 (1999); *see also In re Trans World Airlines, Inc.*, No. 01-00056, 2001 WL 1820326, *4 (Bankr. D. Del. 2001) (“[I]t is worth noting that a [section] 363(b) sale transaction does not require an auction procedure. The auction procedure has developed over the years as an effective means for producing an arm’s length fair value transaction.”). Consequently, the Debtors believe that any Successful Bid, after being market-tested in accordance with the Bidding Procedures through a competitive, arms’ length process, will provide a greater recovery for their estates than any known or practicably available alternative. As such, the Debtors’ determination to sell the Assets through an Auction process and subsequently to enter into a purchase agreement with the Successful Bidder will be a valid and sound exercise of the Debtors’ business judgment. Therefore, the Debtors request that the Court make a finding that the proposed sale of the Assets is a proper exercise of the Debtors’ business judgment and is rightly authorized.⁷

IV. The Proposed Sale Satisfies the Requirements of Section 363(f) of the Bankruptcy Code for a Sale Free and Clear of all Encumbrances, Including Successor Liability Claims.

44. Section 363(f) of the Bankruptcy Code provides:

The Trustee may sell property under subsection (b) or (c) of this section free and clear of any interest in such property of an entity other than the estate, only if—

- (1) applicable non-bankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;

⁷ The Debtors intend to submit evidence at or prior to the Sale Hearing to further support these conclusions. The Debtors reserve the right to submit supplemental materials, including declarations, in connection with the Sale.

(3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;

(4) such interest is in *bona fide* dispute; or

(5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f).

45. As section 363(f) of the Bankruptcy Code is stated in the disjunctive, when proceeding pursuant to section 363(b), it is only necessary to meet one of the five conditions of section 363(f). The Debtors submit that one or more of the conditions set forth in section 363(f) of the Bankruptcy Code will be satisfied with respect to any Sale Transaction as part of the Sale process.

46. The Debtors will send the Sale Notice to, among others, all parties who assert liens or claims against the Assets. Any holder of a claim against or interest in the Assets who does not object to the applicable Sale Transaction will be deemed to have consented to the sale of the Assets free and clear. 11 U.S.C. 363(f)(2); *see Hargrave v. Twp. of Pemberton*, 175 B.R. 855, 858 (Bankr. D.N.J. 1994). Moreover, the Debtors believe that any parties that do object on the basis that they hold liens or claims against the Assets will either (a) be holders of liens or claims that are subject to a *bona fide* dispute or (b) would be compelled to accept cash in satisfaction of their interests. *Cf.* 11 U.S.C. §§ 363(f)(3) & 363(f)(5).

47. Any lienholder also will be adequately protected by having its liens, if any, attach to the proceeds of the applicable Sale Transaction, in the same order of priority, with the same validity, force, and effect, that such creditor had prior to the sale, subject to any claims and defenses that the Debtors and their estates may possess with respect thereto. *Cf. id.* § 363(f)(3). Therefore, pursuant to section 363 of the Bankruptcy Code, the Debtors may sell the Assets free and clear of all liens, claims, and encumbrances, except to the extent of the permitted encumbrances.

48. The Debtors also submit that it is appropriate to sell the Assets free and clear of successor liability relating to the Debtors' businesses. Such a provision ensures that any Successful Bidder will be protected from any claims or lawsuits premised on the theory that such Successful Bidder is a successor in interest to one or more of the Debtors. Courts have consistently held that a buyer of a debtor's assets pursuant to a section 363 of the Bankruptcy Code sale takes free and clear from successor liability relating to the debtor's business. *See, e.g., In re Trans World Airlines, Inc.*, 322 F.3d 283, 288–93 (3d Cir. 2003) (sale of assets pursuant to section 363(f) barred successor liability claims for employment discrimination and rights under travel voucher program); *United Mine Workers of Am. 1992 Benefit Plan v. Leckie Smokeless Coal Co. (In re Leckie Smokeless Coal Co.)*, 99 F.3d 573, 585–87 (4th Cir. 1996) (affirming the sale of debtors' assets free and clear of certain taxes); *Amphenol Corp. v. Shandler (In re Insilco Techs., Inc.)*, 351 B.R. 313, 322 (Bankr. D. Del. 2006) (stating that a 363 sale permits a buyer to take ownership of property without concern that a creditor will file suit based on a successor liability theory); *see also In re Gen. Motors Corp.*, 407 B.R. 463, 505–06 (Bankr. S.D.N.Y. 2009) (holding that “[t]he law in this Circuit and District is clear; the Court will permit GM’s assets to pass to the purchaser free and clear of successor liability claims, and in that connection, will issue the requested findings and associated injunction.”); *In re Chrysler LLC*, 405 B.R. 84, 111 (Bankr. S.D.N.Y. 2009) (“[I]n *personam* claims, including any potential state successor or transferee liability claims against New Chrysler, as well as *in rem* interests, are encompassed by section 363(f) and are therefore extinguished by the Sale.”).

49. The purpose of an order authorizing the transfer of assets free and clear of all liens, claims, encumbrances and all other interests would be frustrated if claimants could thereafter use the transfer as a basis to assert claims against a purchaser arising from a seller's pre-sale conduct.

Moreover, without such assurances, the Debtors would run the risk that potential bidders may not enter the Auction or, if they did, would do so with reduced Bid amounts. To that end, the Successful Bidder or Successful Bidders for the Debtors' Assets should not be liable under any theory of successor liability relating to the Debtors' businesses, but should hold the Assets free and clear. The Debtors accordingly request authority to convey the assets to the Successful Bidder free and clear of all liens, claims, rights, interests, pledges, obligations, restrictions, limitations, charges, or encumbrances, with any such liens, claims, rights, interests, pledges, obligations, restrictions, limitations, charges, or encumbrances to attach to the proceeds of the Sale.

V. Any Successful Bidder Should Be Entitled to the Protections of Bankruptcy Code Section 363(m).

50. Section 363(m) of the Bankruptcy Code provides in relevant part that the reversal or modification on appeal of an authorization under section 363(b) of a sale or lease of property does not affect the validity of a sale or lease under such authorization to a buyer who bought or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal. *See* 11 U.S.C. § 363(m). Pursuant to section 363(m) of the Bankruptcy Code, a good faith purchaser is one who purchases assets for value, in good faith, and without notice of adverse claims. *See Mark Bell Furniture Warehouse, Inc. v. D.M. Reid Assocs., Ltd. (In re Mark Bell Furniture Warehouse, Inc.)*, 992 F.2d 7, 8 (1st Cir. 1993); *Willemain v. Kivitz*, 764 F.2d 1019, 1023 (4th Cir. 1985); *In re Congoleum Corp.*, Case No. 03-51524, 2007 WL 1428477, at *2 (Bankr. D. N.J. May 11, 2007); *In re Abbotts Dairies of Pa.*, 788 F.2d at 147 (“Typically, the misconduct that would destroy a [buyer’s] good faith status at a judicial sale involves fraud, collusion between the [proposed buyer] and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders.”).

51. As set forth in greater detail herein, the Debtors' marketing efforts and negotiations with potential bidders have been and will continue to be undertaken at arm's-length and without collusion, with all parties having the opportunity to be represented by their own sophisticated counsel. Accordingly, the Debtors request that any Sale Order include a provision that any Successful Bidder for the Assets is a "good faith" buyer within the meaning of section 363(m) of the Bankruptcy Code. The Debtors believe that providing the Successful Bidder or Successful Bidders with such protection will ensure that the maximum price will be received by the Debtors for the Assets and that the closing of the Sale will occur promptly. Moreover, neither the Debtors nor any potential bidder has engaged in any conduct that would cause or permit any Sale Transaction to be avoided under section 363(n) of the Bankruptcy Code. Additionally, the Bidding Procedures are designed to prevent the Debtors or any Successful Bidder (or any Backup Bidder) from engaging in any conduct that would cause or permit any Sale Transaction to any Successful Bidder (or any Backup Bidder) pursuant thereto and hereto, to be avoided under section 363(n) of the Bankruptcy Code. Accordingly, the Debtors believe that the Stalking Horse Bidder and/or other Successful Bidder arising from the Auction, if any, should be entitled to the full protections of section 363(m) of the Bankruptcy Code.

VI. Assumption and Assignment of Executory Contracts and Unexpired Leases Should be Authorized.

A. The Assumption and Assignment Procedures Reflect the Debtors' Reasonable Business Judgment.

52. Section 365(a) of the Bankruptcy Code provides, in pertinent part, that a debtor in possession "subject to the court's approval, may assume or reject any executory contract or [unexpired] lease of the debtor." 11 U.S.C. § 365(a). The standard governing bankruptcy court approval of a debtor's decision to assume or reject an executory contract or unexpired lease is whether the debtor's reasonable business judgment supports assumption or rejection. *See, e.g., In*

re HQ Glob. Holdings, Inc., 290 B.R. 507, 511 (Bankr. D. Del. 2003) (debtor’s decision to assume or reject executory contract is governed by business-judgment standard and can only be overturned if decision was “product of bad faith, whim, or caprice”); *see also In re Market Square Inn, Inc.*, 978 F.2d 116, 121 (3d Cir. 1992) (assumption or rejection of lease “will be a matter of business judgment by the bankruptcy court”); *Sharon Steel Corp. v. Nat’l Fuel Gas Distrib. Corp.*, 872 F.2d 36, 39–40 (3d Cir. 1989) (same); *Grp. of Institutional Inv’rs v. Chi. M. St. P. & P.R. Co.*, 318 U.S. 523, 550–51 (1943) (applying Bankr. Act section 77(b), predecessor to Bankruptcy Code section 365, and rejecting test of whether executory contract was burdensome in favor of whether rejection is within debtor’s business judgment).

53. Here, the Court should approve the Debtors’ decision to assume and assign certain designated executory contracts and unexpired leases in connection with the Sale as a sound exercise of the Debtors’ business judgment. Many of the executory contracts and unexpired leases are necessary to operate the Assets and, as such, they are essential to inducing the best offer for the Assets. It is unlikely that any purchaser would want to acquire the Assets unless a significant number of the executory contracts and unexpired leases needed to manage the Debtors’ day-to-day operations were included in the transaction. In addition, the Assigned Contracts will be assumed and assigned through the process approved by the Court pursuant to the Bidding Procedures Order and, thus, will be reviewed by key constituents in these chapter 11 cases. Accordingly, the Debtors submit that the assumption and assignment of the Assigned Contracts by way of the Assumption and Assignment Procedures should be approved as an exercise of their business judgment.

B. Defaults Under the Assigned Contracts Will be Cured Through the Sale Transaction(s).

54. Upon finding that a debtor has exercised its business judgment in determining that assuming an executory contract or unexpired lease is in the best interest of its estate, courts must then evaluate whether the assumption meets the requirements of section 365(b)(1) of the Bankruptcy Code, specifically that a debtor must “cure[, or provide] adequate assurance that the [debtor] will promptly cure” any default, including compensation for any “actual pecuniary loss” relating to such default. 11 U.S.C. § 365(b)(1). This section “attempts to strike a balance between two sometimes competing interests, the right of the contracting non-debtor to get the performance it bargained for and the right of the debtor’s creditors to get the benefit of the debtor’s bargain.” *In re Luce Indus., Inc.*, 8 B.R. 100, 107 (Bankr. S.D.N.Y. 1980).

55. The Debtors submit that the statutory requirements of section 365(b)(1)(A) and (B) of the Bankruptcy Code will be promptly satisfied because the Purchase Agreement will require the cure of all defaults associated with, or that are required to properly assume, any Assigned Contracts. Because the Assumption and Assignment Procedures (once approved) provide a clear process by which to resolve disputes over Cure Payments or other defaults, the Debtors maintain that if defaults exist that must be cured, such cure will be achieved fairly, efficiently, and properly, consistent with the Bankruptcy Code and with due respect to the rights of contract counterparties.

C. Contract Counterparties Will Be Adequately Assured of Future Performance.

56. Section 365(f) of the Bankruptcy Code provides that the “trustee may assign an executory contract . . . only if . . . the trustee assumes such contract . . . and . . . adequate assurance of future performance . . . is provided.” 11 U.S.C. § 365(f)(2). The meaning of “adequate assurance of future performance” depends on the facts and circumstances of each case, but should be given a “practical, pragmatic construction.” *In re DBSI, Inc.*, 405 B.R. 698, 708 (Bankr. D. Del. 2009); *EBG Midtown S. Corp. v. McLaren/Hart Envtl. Eng’g Corp. (In re Sanshoe Worldwide Corp.)*, 139 B.R. 585, 592 (S.D.N.Y. 1992), *aff’d*, 993 F.2d 300 (2d Cir. 1993); *see also In re*

Decora Indus. Inc., 2002 WL 32332749 at *8 (D. Del. May 20, 2002) (“adequate assurance falls short of an absolute guaranty of payment”); *Carlisle Homes, Inc. v. Azzari (In re Carlisle Homes, Inc.)*, 103 B.R. 524, 538 (Bankr. D.N.J. 1988).

57. Adequate assurance of future performance under both section 365(b)(1) and 364(f)(2) of the Bankruptcy Code is also satisfied given the facts and circumstances present here. “The phrase ‘adequate assurance of future performance,’ adopted from section 2-609(1) of the Uniform Commercial Code, is to be given a practical, pragmatic construction based upon the facts and circumstances of each case. *In re U.L. Radio Corp.*, 19 B.R. 537, 542 (Bankr. S.D.N.Y. 1982). Although no single solution will satisfy every case, “the degree of assurance necessary falls considerably short of an absolute guaranty.” *In re Decora Indus., Inc.*, No. 00-4459, 2002 WL 32332749, at *8 (D. Del. May 20, 2002) (citing *In re Prime Motor Inns, Inc.*, 166 B.R. 993, 997 (Bankr. S.D. Fla. 1994)). Among other things, adequate assurance may be given by demonstrating the assignee’s financial health and experience in managing the type of enterprise or property assigned. *See Dura Auto.*, 2007 WL 7728109, at *97 (adequate assurance of future performance present where a prospective assignee has financial resources and has expressed a willingness to devote sufficient funding to a business to give it a strong likelihood of succeeding); *In re Bygaph, Inc.*, 56 B.R. 596, 605–06 (Bankr. S.D.N.Y. 1986) (same).

58. The Debtors believe that they can and will demonstrate that the requirements for assumption and assignment of the Assigned Contracts to the Successful Bidder will be satisfied. As required by the Bidding Procedures, the Debtors will evaluate the financial wherewithal of Potential Bidders before designating such party a Qualified Bidder (*e.g.*, financial credibility, willingness, and ability of the interested party to perform under any contracts and leases to be assumed) and will demonstrate such financial wherewithal, willingness, and ability to perform

under any contracts or leases to be assumed and assigned to a Successful Bidder. Further, the Assumption and Assignment Procedures provide the Court and other interested parties ample opportunity to evaluate and, if necessary, challenge the ability of the Successful Bidder to provide adequate assurance of future performance and object to the assumption of the Contracts or proposed Cure Payments.

59. To the extent necessary, the Debtors will present facts at the Sale Hearing to show the financial credibility, willingness, and ability of any Successful Bidder to perform under the Assumed Contracts. The Sale Hearing thus will afford the Court and other interested parties the opportunity to evaluate the ability of the Successful Bidder or Successful Bidders to provide adequate assurance of future performance under the Assumed Contracts, as required under section 365(b)(1)(C) of the Bankruptcy Code. Further, as set forth above, the Debtors will give notice to all parties to the Assumed Contracts of their intention to assume or assume and assign the Assumed Contracts, as the case may be, and what the Debtors believe are the Cure Payments. The Court, therefore, should have a sufficient basis to authorize the Debtors to reject or assume and assign the any executory contract and unexpired lease to be assumed and assigned to any Successful Bidder.

D. Assignment of the Executory Contracts and Unexpired Leases Will Maximize the Value of the Debtors' Estates.

60. Once an executory contract is assumed, the trustee or debtor in possession may elect to assign such contract. *See L.R.S.C. Co. v. Rickel Home Ctrs., Inc. (In re Rickel Home Ctrs., Inc.)*, 209 F.3d 291, 299 (3d Cir. 2000) (“[T]he Code generally favors free assignability as a means to maximize the value of the debtor’s estate”); *see also Leonard v. Gen. Motors Corp. (In re Headquarters Dodge, Inc.)*, 13 F.3d 674, 682 (3d Cir. 1994) (noting purpose of section 365(f) is to assist trustee in realizing the full value of the debtor’s assets). Section 365(f)(1) of the

Bankruptcy Code permits a debtor to assign unexpired leases and contracts free from anti-assignment restrictions, providing, in pertinent part, that:

[n]otwithstanding a provision in an executory contract or unexpired lease of the debtor, or in applicable law, that prohibits, restricts, or conditions the assignment of such contract or lease, the trustee may assign such contract or lease under paragraph (2) of this subsection.

11 U.S.C. § 365(f)(1).

61. Furthermore, section 365(f)(3) of the Bankruptcy Code prohibits enforcement of any clause creating a right to modify or terminate the contract or lease upon a proposed assumption or assignment thereof. *See* 11 U.S.C. § 365(f)(3); *see, e.g., In re Jamesway Corp.*, 201 B.R. 73, 77–78 (Bankr. S.D.N.Y. 1996) (section 365(f)(3) of the Bankruptcy Code prohibits enforcement of any lease clause creating a right to terminate the lease because it is being assumed or assigned, thereby indirectly barring assignment by a debtor). Courts have recognized that provisions that have the effect of restricting assignments cannot be enforced. *See In re Rickel Home Ctrs., Inc.*, 240 B.R. 826, 831 (D. Del. 1998) (“In interpreting Section 356(f) [sic], courts and commentators like have construed the terms to not only render unenforceable lease provisions which prohibit assignment outright, but also lease provisions that are so restrictive that they constitute de facto anti-assignment provisions.”).

62. The Debtors request approval under section 365 of the Bankruptcy Code of the Debtors’ assumption and assignment of certain executory contracts and unexpired leases to any Successful Bidder. The assumption or assumption and assignment is necessary for the Successful Bidder or Successful Bidders to conduct business going forward. Because no purchaser would take the Assets without certain executory contracts and unexpired leases, the assumption and assignment of such agreements is essential to securing the highest or otherwise best offer for the Assets. Further, upon consummation of any Sale Transaction, the Debtors will no longer continue

to operate the Assets and will therefore have no use for any of the executory contracts and unexpired leases previously utilized in the ordinary course of the operation of the Assets.

63. Accordingly, the Debtors submit that implementation of the proposed Assumption Procedures is appropriate in these cases. The Court, therefore, should have a sufficient basis to authorize the Debtors to reject or assume and assign contracts as will be set forth in the Successful Bidder's or Successful Bidders' APA.

VII. The Forms of Notice and Notice Procedures for the Bidding Procedures, the Auction, and the Sale Hearing Are Reasonable and Appropriate.

64. Pursuant to Bankruptcy Rule 2002(a), the Debtors are required to provide creditors with 21-days' notice of a hearing where the Debtors will seek to use, lease, or sell property of the estate outside the ordinary course of business. Bankruptcy Rule 2002(c) requires any such notice to include the time and place of the auction and the hearing and the deadline for filing any objections to the relief requested therein. *See* Fed. R. Bankr. P. 2002 (a), (c).

65. The Debtors submit that the notice procedures described above fully comply with Bankruptcy Rule 2002 and are reasonably calculated to provide timely and adequate notice of the Bidding Procedures, the Auction, and the Sale Hearing to the Debtors' creditors and all other interested parties that are entitled to notice, as well as those parties that have expressed a bona fide interest in acquiring the Assets. Accordingly, the Debtors respectfully request that the Court approve the notice procedures set forth herein, including the form and manner of service of the Sale Notice, and that no other or further notice of the Bidding Procedures, the Auction, and Sale Hearing is necessary or required.

VIII. Relief Under Bankruptcy Rules 6004(h) and 6006(d) Is Appropriate.

66. Bankruptcy Rule 6004(h) provides that an "order authorizing the use, sale, or lease of property . . . is stayed until the expiration of 14 days after entry of the order, unless the court

orders otherwise.” Fed. R. Bankr. P. 6004(h). Additionally, Bankruptcy Rule 6006(d) provides that an “order authorizing the trustee to assign an executory contract or unexpired lease . . . is stayed until the expiration of 14 days after the entry of the order, unless the court orders otherwise.” Fed. R. Bankr. P. 6006(d). The Debtors request that each of the Bidding Procedures Order and the Sale Order be effective immediately upon its entry by providing that the 14-day stays under Bankruptcy Rules 6004(h) and 6006(d) are waived.

67. The purpose of Bankruptcy Rules 6004(h) and 6006(d) is to provide sufficient time for an objecting party to request a stay pending appeal before an order can be implemented. *See* Fed R. Bankr. P. 6004(h), 6006(d) advisory committee’s note to 1999 amendment. The stay pursuant to Bankruptcy Rule 6004(h) may be waived to allow a Sale to close immediately “where there has been no objection to the procedure.” *See* 10 Collier on Bankruptcy ¶ 6004.11 (16th ed. 2016). Furthermore, if an objection is filed and overruled, and the objecting party informs the court of its intent to appeal, the stay may be reduced to the amount of time actually necessary to file an appeal. *Id.*

68. Following the Sale Hearing, the Debtors seek to close the Sale as soon as possible following the Sale Hearing in order to maximize value received for the Assets. Accordingly, the Debtors hereby request that the Court waive the 14-day stay period under Bankruptcy Rules 6004(h) and 6006(d).

RESERVATION OF RIGHTS

69. Nothing in this Motion should be construed as (a) authority to assume or reject any executory contract or unexpired lease of real property, or as a request for the same; (b) an admission as to the validity, priority, or character of any claim or other asserted right or obligation, or a waiver or other limitation on the Debtors’ ability to contest the same on any ground permitted by bankruptcy or applicable non-bankruptcy law; (c) a promise to pay any claim or other

obligation; (d) granting third party beneficiary status or bestowing any additional rights on any third party; or (e) being otherwise enforceable by any third party. The inclusion of a contract, lease or other agreement on the Sale Notice shall not constitute or be deemed a determination or admission by the Debtors and their estates or any other party in interest that such contract, lease or other agreement is, in fact, an executory contract or unexpired lease within the meaning of the Bankruptcy Code, and any and all rights of the Debtors and their estates with respect thereto shall be reserved. Nothing contained in the Sale Order shall be deemed to increase, reclassify, elevate to an administrative expense status, or otherwise affect any claim to the extent it is not paid.

NOTICE

70. Notice of this Motion will be given to: (a) all entities reasonably known by the Debtors to have expressed a bona fide interest in acquiring any of the Assets during the year preceding the date hereof; (b) all entities known to have asserted any claim, liens, interests, or encumbrances in or upon any of the Assets; (c) all federal, state, and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief requested by this Motion; (d) the U.S. Trustee; (e) counsel to the Prepetition Secured Lender; (f) counsel to the DIP Lender; (g) the parties included on the Debtors' consolidated list of their 30 largest unsecured creditors, (h) the office of the attorney general for each of the states in which the Debtors operate; (i) the United States Attorney's Office for the District of Delaware; (j) the Internal Revenue Service; (k) the United States Securities and Exchange Commission, (l) the United States Department of Justice; (m) the U.S. Environmental Protection Agency, (n) counsel to any statutory committee appointed in the Chapter 11 Cases; (n) the representatives for the union party to a collective bargaining agreement with the Debtors; (o) the Federal Trade Commission; (p) the California Public Utilities Commission; (q) the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice; (r) each governmental agency that has a

reasonably known interest with respect to the Sale and transactions proposed thereunder; (s) any party that has requested notice pursuant to Bankruptcy Rule 2002, and (t) all parties entitled to notice pursuant to Local Bankruptcy Rules 2002-1(b) and 9013-1(m).

NO PRIOR REQUEST

71. No previous request for the relief sought therein has been made to this Court or any other court.

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CONCLUSION

The Debtors respectfully request that this Court enter the Bidding Procedures Order and, following the Sale Hearing, the Sale Order, each substantially in the form annexed hereto, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: Wilmington, Delaware
June 15, 2026

/s/Laura Davis Jones

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EXHIBIT A

Proposed Bidding Procedures Order

deadlines; and (f) granting related relief, all as more fully set forth in the Motion; and upon consideration of the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the Motion having been given under the particular circumstances; and it appearing that no other or further notice is necessary; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation thereon; and good and sufficient cause appearing therefor; it is hereby;

FOUND, CONCLUDED, AND DETERMINED THAT:

A. *Bidding Procedures.* The Debtors have articulated good and sufficient reasons for authorizing and approving the Bidding Procedures attached hereto as **Exhibit 1**, which are fair, reasonable, and appropriate under the circumstances and designed to maximize the recovery on, and realizable value of, the Assets.

B. *Stalking Horse Bidder Procedures.* The Debtors have articulated good and sufficient business reasons for the Court to approve the procedures for designating any Stalking Horse Bidder, including the Break-Up Fee and Expense Reimbursement Amount (together, the “**Bid Protections**”).

C. *Bid Protections.* The Bid Protections, to the extent applicable and payable, (i) shall be deemed an actual and necessary cost of preserving the Debtors’ estates within the meaning of

section 503(b) of the Bankruptcy Code; (ii) are of substantial benefit to the Debtors' estates (iii) are reasonable and appropriate, including in light of the size and nature of the Sale and the efforts that would be expended by any Stalking Horse Bidder and (iv) enable the Debtors to promote the Sale with the greatest benefit to the estate.

D. *Sale Notice.* The notice, substantially in the form attached hereto as **Exhibit 2**, provided by the Debtors regarding the Sale of the Assets by Auction and Sale Hearing (the "**Sale Notice**") is reasonably calculated to provide all interested parties with timely and proper notice of the proposed Sale, including: (i) the date, time, and place of the Auction (if one is held); (ii) the Bidding Procedures and certain dates and deadlines related thereto; (iii) the objection deadline for the Motion and the date, time, and place of the Sale Hearing; (iv) reasonably specific identification of the assets for sale; (v) instructions for promptly obtaining a copy of the Purchase Agreement; (vi) representations describing the Sale Transactions as being free and clear of liens, claims, interests, and other encumbrances, with all such liens, claims, interests, and other encumbrances attaching with the same validity and priority to the Sale proceeds; and (viii) notice of the proposed assumption and assignment of the Assigned Contracts to any Successful Bidder and the right, procedures, and deadlines for objecting thereto, and no other or further notice of the Sale shall be required.

E. *Assumption and Assignment Procedures.* The Motion and the Contract Assumption Notice (as defined herein) are reasonably calculated to provide counterparties to the Assigned Contracts with proper notice of the potential assumption and assignment of their executory contracts and unexpired leases to any Successful Bidder, any Cure Payments (as defined herein), and the Assumption Procedures (as defined herein), and are appropriate.

F. *Other Findings.* The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the preceding findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the preceding conclusions of law constitute findings of fact, they are adopted as such.

NOW, THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED

THAT:

1. The Motion is GRANTED to the extent set forth herein.

I. Important Dates and Deadlines

2. **Sale Hearing.** The Sale Hearing will commence on **August 20, 2026 at [●] [a/p].m., prevailing Eastern Time**, before the Honorable [●] of the United States Bankruptcy Court for the District of Delaware, 824 Market St. N., Wilmington, Delaware 19801. The Sale Hearing may be adjourned by the Debtors, in consultation with the Consultation Parties, without further notice other than by announcement in open Court or on the docket.

3. **Sale Objection Deadline.** Objections, if any, to the Sale of the Assets to a Successful Bidder or Successful Bidders must be made by **August 18, 2026, at 4:00 p.m.**, prevailing Eastern Time (the "**Sale Objection Deadline**"). All objections must: (a) be in writing; (b) conform to the applicable provisions of the Bankruptcy Rules, the Local Rules, and any orders of the Court; (c) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (d) be filed with the Court no later than the Sale Objection Deadline, and be served on (i) proposed counsel to the Debtors, (ii) counsel to the Successful Bidder or Successful Bidders, (iii) counsel to the DIP Lender, (iv) counsel to the Prepetition Secured Lender, and (v) counsel to any statutory committee appointed in the Chapter 11 Cases.

4. **Response Deadline.** Responses or replies, if any, to timely filed objections to the Sale of the Assets to a Successful Bidder or Successful Bidders must be filed by **August 19, 2026, at 11:59 p.m., prevailing Eastern Time** (or may be presented at the Sale Hearing); *provided* that such deadlines may be extended by agreement of the Debtors, the DIP Lender and the affected objecting party.

5. **Competitive Bidding.** The following dates and deadlines regarding competitive bidding are hereby established:

- (a) **Non-Binding LOI Deadline: July 10, 2026, at 11:59 p.m., prevailing Eastern Time**, the deadline by which a non-binding letter of intent setting forth the primary commercial terms of any Potential Bidder's proposed Bid must be actually received in writing in electronic format by the parties specified in the Bidding Procedures (the "**Non-Binding LOI Deadline**");
- (b) **Bid Deadline: August 6, 2026, at 11:59 p.m., prevailing Eastern Time**, the deadline by which all Bids must be actually received in writing in electronic format by the parties specified in the Bidding Procedures (the "**Bid Deadline**"); and
- (c) **Auction: August 13, 2026, at 10:00 a.m.**, prevailing Eastern Time, is the date and time the Auction, if one is needed, will be held at the offices of [proposed] counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, 395 9th Ave., New York, New York 10001, or such other place (which may be virtual) and time as the Debtors shall notify all Qualified Bidders that have submitted Qualified Bids (including any Stalking Horse Bidders), the DIP Lender, the Prepetition Secured Lender and their counsel.

II. Bidding Procedures and Related Relief

6. **Bidding Procedures.** The Bidding Procedures, substantially in the form attached hereto as **Exhibit 1** and incorporated by reference as though fully set forth herein, are hereby approved in their entirety, and the Bidding Procedures shall govern the submission, receipt, and analysis of all bids relating to the proposed Sale, and any party desiring to submit an offer for the Debtors' Assets must comply with the terms of the Bidding Procedures and this Order. The Bidding Procedures shall also govern the terms on which the Debtors will proceed with the Auction

or the Sale. The Debtors are authorized to take any and all actions reasonably necessary or appropriate to implement the Bidding Procedures.

7. The failure to specifically include or reference any particular provision, section, or article of the Bidding Procedures in this Bidding Procedures Order shall not diminish or impair the effectiveness of such provision, section, or article, it being the intent of this Court that the Bidding Procedures are authorized in their entirety.

8. **Procedures for Designation of a Stalking Horse Bidder.** The Debtors, as they may reasonably determine to be in the best interests of their estates, and in consultation with the Consultation Parties, may select a Stalking Horse Bidder or Stalking Horse Bidders for the Assets (or one or more subgroupings of Assets) for the purposes of establishing one or more Stalking Horse Bids with respect to certain or all of the Assets and provide any such Stalking Horse Bidder with Bid Protections pursuant to a Stalking Horse Agreement.

9. No insider or affiliate of the Debtors shall be entitled to any Bid Protections.

10. In the event that the Debtors designate a Stalking Horse Bidder and the Stalking Horse Bidder is not the Successful Bidder with respect to the Stalking Horse Bid, the Debtors shall be authorized, but not directed, to make certain payments in consideration of its being the Stalking Horse Bidder with respect to the Stalking Horse Bid and to reimburse it for its reasonable and necessary out-of-pocket expenses, including (a) the Break-Up Fee and (b) the Expense Reimbursement Amount. The amount of any Break-Up Fee and the Expense Reimbursement Amount shall in the aggregate not exceed 3% of the cash portion of the applicable Transaction Purchase Price for such Stalking Horse Bid, with such amount to be paid in accordance with the terms and conditions set forth in the applicable Stalking Horse Agreement. The sole remedy of any Stalking Horse Bidder (if any such Stalking Horse Bidder is designated) against the Debtors

shall be the return of the applicable deposit (if applicable) and the Bid Protections in the event that the applicable Stalking Horse Agreement is terminated pursuant to the applicable provisions of such agreement.

11. No other bidder, nor any party making a credit bid (irrespective of whether it is a Stalking Horse Bidder) will be entitled to any Bid Protections or any other expense reimbursement, break-up fee, termination fee or any other similar fee or payment.

III. Auction

12. The Debtors are authorized, subject to the terms of this Order and the Bidding Procedures, to take all actions reasonably necessary, in the discretion of the Debtors, to conduct and implement the Auction.

13. Only the Debtors, the DIP Lender, the Prepetition Secured Lender and any Qualified Bidder that has submitted a Qualified Bid (including any Stalking Horse Bidders), in each case, along with their representatives and counsel, or such other parties as the Debtors shall determine, shall attend the Auction and only such Qualified Bidders (including any Stalking Horse Bidders) or Qualified Bidders under section V.(q) of the Bidding Procedures will be entitled to make any further bids at the Auction.

14. The Debtors and their professionals shall direct and preside over the Auction and the Auction shall be transcribed. The Debtors shall conduct the Auction in the manner set forth in this Order and the Bidding Procedures.

15. Each Qualified Bidder (including any Stalking Horse Bidder) participating in the Auction must confirm that it (a) has not engaged in any collusion with respect to the bidding or sale of any of the Assets, (b) has reviewed, understands and accepts the Bidding Procedures and (c) has consented to the core jurisdiction of this Court as set forth in the Bidding Procedures.

16. The Debtors, in consultation with the Consultation Parties, may (a) select, in their business judgment, pursuant to the Bidding Procedures, the overall highest or otherwise best Qualified Bid and the Successful Bidder or Successful Bidders with respect to any Sale Transaction, and (b) in accordance with the Bidding Procedures, reject any Bid that, in the Debtors' business judgment, is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules or the Bidding Procedures or (iii) contrary to the best interests of the Debtors and their estates, creditors, interest holders, or parties in interest.

17. The Good Faith Deposits of all Qualified Bidders (including any Stalking Horse Bidders) shall be held in escrow by the Debtors or their agent, and shall not become property of the Debtors' bankruptcy estates unless and until released from escrow to the Debtors pursuant to the terms of the applicable escrow agreement or order of this Court.

IV. Sale Hearing Notice and Related Relief

18. The Sale Notice is hereby approved. Within three business days following the entry of this Order or as soon as reasonably practicable thereafter (the "**Mailing Date**"), the Debtors will cause the Sale Notice to be served on: (a) all entities reasonably known by the Debtors to have expressed a bona fide interest in acquiring any of the Assets during the year preceding the date hereof; (b) all entities known to have asserted any claim, liens, interests, or encumbrances in or upon any of the Assets; (c) all federal, state, and local regulatory or taxing authorities or recording offices which have a reasonably known interest in the relief requested by this Motion; (d) the U.S. Trustee; (e) counsel to the Prepetition Secured Lender; (f) counsel to the DIP Lender; (g) the parties included on the Debtors' consolidated list of their 30 largest unsecured creditors, (h) the office of the attorney general for each of the states in which the Debtors operate; (i) the United States Attorney's Office for the District of Delaware; (j) the Internal Revenue Service; (k) the

United States Securities and Exchange Commission, (l) the United States Department of Justice; (m) the U.S. Environmental Protection Agency, (n) counsel to any statutory committee appointed in the Chapter 11 Cases; (n) the representatives for the union party to a collective bargaining agreement with the Debtors; (o) the Federal Trade Commission; (p) the California Public Utilities Commission; (q) the Assistant Attorney General in charge of the Antitrust Division of the Department of Justice; (r) each governmental agency that has a reasonably known interest with respect to the Sale and transactions proposed thereunder; (s) any party that has requested notice pursuant to Bankruptcy Rule 2002, and (t) all parties entitled to notice pursuant to Local Bankruptcy Rules 2002-1(b) and 9013-1(m).

19. Additionally, on the Mailing Date or as soon as reasonably practicable thereafter, the Debtors shall publish a notice, substantially in the form of the Sale Notice, on one occasion, in the national edition of *The New York Times* and *The Daily Independent*, a local publication based in Ridgecrest, California. Such publication notice shall be deemed sufficient and proper notice of the Sale to any other interested parties whose identities are unknown to the Debtors.

V. Assumption Procedures

20. The procedures set forth below regarding the assumption and assignment of the executory contracts proposed to be assumed by the Debtors pursuant to Bankruptcy Code section 365(b) and assigned to a Successful Bidder or Successful Bidders pursuant to Bankruptcy Code section 365(f) in connection with the Sale (the “**Assumption Procedures**”) are hereby approved to the extent set forth herein.

21. These Assumption Procedures shall govern the assumption and assignment of all of the Debtors’ executory contracts and unexpired leases to be assumed and assigned in connection with the Sale (each, an “**Assigned Contract**,” and, collectively, the “**Assigned Contracts**”),

subject to the payment of any payments necessary to cure any defaults arising under any Assigned Contract (the “**Cure Payments**”):

- (a) **Contract Assumption Notice.** No later than **July 10, 2026, at 11:59 p.m. (prevailing Eastern Time)** (the “**Assumption and Assignment Service Deadline**”), the Debtors shall serve a notice of contract assumption in substantially the form attached hereto as **Exhibit 3** (the “**Contract Assumption Notice**”) via first-class mail on all counterparties to all potential Assigned Contracts and provide a copy of the same to any Stalking Horse Bidder. The Contract Assumption Notice shall inform each recipient of the timing and procedures relating to the potential assumption and assignment of the Assigned Contracts to a Successful Bidder or Successful Bidders upon entry of the Sale Order, and, to the extent applicable, (i) Debtors’ good faith estimates of the Cure Payments (if any) required in connection with the executory contract or unexpired lease, as applicable, (ii) whether the potential Assigned Contract is anticipated to be assumed and assigned to any Stalking Horse Bidder in connection with a Stalking Horse Bid; (iii) the Cure Objection Deadline and (iv) the Sale Objection Deadline; *provided, however*, that service of a Contract Assumption Notice does not constitute an admission that any contract is an executory contract or that the stated Cure Payment related to any contract or unexpired lease constitutes a claim against the Debtors or a right against any Stalking Horse Bidder (all rights with respect thereto being expressly reserved). Further, the inclusion of a contract or unexpired lease, as applicable, on the Contract Assumption Notice is not a guarantee that such contract or unexpired lease, as applicable, will ultimately be assumed and assigned.
- (b) **Cure Payments and Adequate Assurance of Future Performance.** The payment of the applicable Cure Payments by the Debtors or any Successful Bidder, as applicable, shall (i) effect a cure of all defaults existing thereunder and (ii) compensate for any actual pecuniary loss to such counterparty resulting from such default.
- (c) **Supplemental Contract Assumption Notice.** Although the Debtors intend to make a good faith effort to identify all Assigned Contracts that may be assumed and assigned in connection with a Sale Transaction, the Debtors may discover certain executory contracts inadvertently omitted from the Assigned Contracts list or Successful Bidders may identify other executory contracts that they desire to assume and assign in connection with a Sale Transaction. Accordingly, the Debtors reserve the right, at any time after the Assumption and Assignment Service Deadline and at least two days before the closing of a Sale Transaction, or as otherwise agreed by the Debtors and the Successful Bidder or Successful Bidders, to (i) supplement the list of Assigned Contracts with previously omitted executory contracts (“**Additional Assigned Contracts**”), (ii) remove Assigned Contracts from the list of executory contracts ultimately selected as Assigned Contracts that a Successful Bidder proposes be assumed and assigned to it in connection with a Sale Transaction, and/or (iii) modify the previously stated Cure Payment associated with any Assigned Contracts. In the event the Debtors exercise any of these

reserved rights, the Debtors will promptly serve a supplemental notice of contract assumption (a “**Supplemental Assumption Notice**”) on each of the counterparties to such contracts and their counsel of record, if any; *provided, however*, the Debtors may not add an executory contract to the list of Assigned Contracts that has been previously rejected by the Debtors by order of the Court. Each Supplemental Assumption Notice will include the same information with respect to listed Assigned Contracts as was included in the Contract Assumption Notice, or in the event of a removal, indicating that the Debtors no longer intend to assign the counterparty’s contract or unexpired lease, as applicable, to the applicable Successful Bidder in connection with a Sale Transaction.

- (d) **Objections.** Objections, if any, to the proposed assumption and assignment or the Cure Payment proposed with respect thereto, *must* (i) be in writing, (ii) comply with the applicable provisions of the Bankruptcy Rules and the Local Bankruptcy Rules, (iii) state with specificity the nature of the objection and, if the objection pertains to the proposed amount of the Cure Payment, the correct cure amount alleged by the objecting counterparty, together with any applicable and appropriate documentation in support thereof, and (iv) be filed with the Court and served upon, so as to be actually received by proposed counsel to the Debtors and counsel to the applicable Successful Bidder (if such counsel is known), as applicable, on or before **the 14th day after service (or as reflected by the postmarked date) of the relevant Contract Assumption Notice or Supplemental Assumption Notice (the “Cure Objection Deadline”)**, or such deadline set forth in the applicable Supplemental Assumption Notice.

The deadline for objections to the proposed assumption and assignment of an Assigned Contract *solely* with respect to (i) the identity of the Successful Bidder or Successful Bidders or (ii) adequate assurance of future performance provided by the Successful Bidder or Successful Bidders shall be the Sale Objection Deadline.

22. Any party failing to timely file an objection to the proposed Cure Payment, the proposed assumption and assignment of an Assigned Contract or Additional Assigned Contract listed on a Contract Assumption Notice or Supplemental Assumption Notice, or the Sale is deemed to have consented to (a) such Cure Payment, (b) the assumption and assignment of such Assigned Contract or Additional Assigned Contract (including the adequate assurance of future payment), (c) the related relief requested in the Motion, and (d) the Sale. Such party shall be forever barred and estopped from objecting to the Cure Payments, the assumption and assignment of the Assigned Contract, or Additional Assigned Contract, adequate assurance of future performance, the relief requested in the Motion, whether applicable law excuses such counterparty from accepting

performance by, or rendering performance to, the Successful Bidder or Successful Bidders for purposes of Bankruptcy Code section 365(c)(1) and from asserting any additional cure or other amounts against the Debtors and the Successful Bidder or Successful Bidders, as applicable, with respect to such party's Assigned Contract or Additional Assigned Contract.

23. The Debtors shall have no liability or obligation with respect to defaults relating to the Assigned Contracts arising, accruing, or relating to a period on or after the effective date of assignment.

VI. Other Relief

24. Any objections to the entry of this Order and the relief granted herein that have not been withdrawn, waived, resolved, or settled, and all reservations of rights included therein, are hereby overruled on the merits.

25. Any Sale Transaction Fee³ or Other Sale Transaction Fee due to Lazard as a result of the closing of any Sale Transaction shall be segregated and escrowed (for the exclusive benefit of Lazard) from the proceeds of such Sale Transaction (including, without limitation, from the proceeds of any liquidation or other disposition of the Debtors' Assets), as an express carve-out from the collateral of the Debtors' pre- and postpetition secured lenders, prior to any other use or distribution of such proceeds. Any Successful Bid (including on account of any successful Credit Bid) must contain a cash component sufficient to pay the corresponding Sale Transaction Fee or Other Sale Transaction Fee due to Lazard in full, *provided* that if the Sale Transaction does not yield at closing sufficient cash to pay the unpaid portion of such Sale Transaction Fee or Other Sale Transaction Fee in full, or any portion thereof, then the Successful Bidder (including on

³ Terms used in this paragraph but not otherwise defined herein shall have the meanings given to them in that certain letter agreement between Lazard and Searles Valley Minerals Inc. dated as of May 12, 2026.

account of any successful Credit Bid) shall immediately set aside from its own funds and escrow (for the exclusive benefit of Lazard) at the closing of the Transaction giving rise to such fee any such amount necessary to pay Lazard such unpaid portion of the Sale Transaction Fee or Other Sale Transaction Fee in full. For the avoidance of doubt, nothing in this Order shall prohibit or be construed to prohibit the use of any unencumbered assets of the Debtors or the proceeds thereof to pay any fees and expenses of Lazard or the assertion or allowance of an administrative priority claim under sections 503(b)(2) and 507(a)(2) of the Bankruptcy Code, if applicable, on account of any fees or expenses of Lazard.

26. Notwithstanding Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately upon entry hereof.

27. To the extent the provisions of this Order are inconsistent with the provisions of any exhibits referenced herein or with the Motion, the provisions of this Order shall control.

28. The Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

29. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

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EXHIBIT 1

Bidding Procedures

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
SEARLES VALLEY MINERALS INC., <i>et al.</i> , ¹	)	Case No. 26-19066
Debtors.	)	(Jointly Administered)
)	
)	

BIDDING PROCEDURES

On [____], 2026 the United States Bankruptcy Court for the District of Delaware entered an order [Docket No. __] (the “**Bidding Procedures Order**”) in the jointly administered chapter 11 cases (the “**Chapter 11 Cases**”) filed by Searles Valley Minerals Inc. and its debtor subsidiaries (collectively, the “**Debtors**”), which, among other things, approved these bidding procedures (the “**Bidding Procedures**”) and certain other relief sought in the motion [Docket No. __] (the “**Motion**”).²

These Bidding Procedures set forth the process by which the Debtors are authorized to solicit bids for and conduct an auction (the “**Auction**”) for the sale or disposition of certain or all of the assets (the “**Assets**”) of the above-captioned debtors (collectively, the “**Debtors**”) in these chapter 11 cases (the “**Chapter 11 Cases**”) in one or more sale transactions pursuant to Bankruptcy Code section 363 (each, a “**Sale Transaction**” and collectively, the “**Sale**”). In addition, at any time, the Debtors, in consultation with the Consultation Parties, may, but are not required to, designate a stalking horse bidder or stalking horse bidders with respect to certain or all of the Assets (each, a “**Stalking Horse Bidder**”) in accordance with the procedures set forth below.

In the alternative to the Sale, a transaction for the sale or transfer of substantially all of the Assets of the Debtors proposed by a Qualified Bidder (as defined below) shall not be limited to an asset purchase under section 363, but rather may be structured as a sponsorship of a plan of reorganization (a “**Plan Sale**” and a bid with respect thereto, a “**Plan Bid**”). With respect to a Plan Sale, any references in the Bidding Procedures relating to the Sale, the Assets, or the hearing(s) and order(s) approving the Sale (including, without limitation, the Sale Hearing (as defined below)), shall be read to refer to a restructuring transaction to be consummated pursuant

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number or business identification number, as applicable, are: Searles Valley Minerals Inc. (9263); Trona Railway Company LLC (3177); and Searles Domestic Water Company LLC (N/A). The location of Searles Valley Mineral Inc.’s corporate headquarters and the Debtors’ service address is 9401 Indian Creek Parkway, Suite 1000, Overland Park, Kansas 66210.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion or, if not defined therein, the Bidding Procedures Order.

to a plan of reorganization or a plan support agreement supporting a plan of reorganization, as the case may be and, as applicable, a hearing to confirm a plan of reorganization or to approve a plan support agreement, as applicable. The Debtors, in consultation with the Consultation Parties, shall negotiate and evaluate a bid proposed as a Plan Sale in good faith and in a manner that is substantively comparable to a bid submitted as an asset purchase agreement, and the Debtors shall use their commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws to accommodate a bid structured as a Plan Sale. The additional statutory conditions to confirmation of a plan of reorganization shall not be deemed to be a prohibited contingency contemplated by subsection (l) of the section titled “Determination of Qualified Bid Status” of the Bidding Procedures.

For the avoidance of doubt, any consultation rights provided to the Consultation Parties by these Bidding Procedures shall not limit the Debtors’ discretion in any way and shall not include the right to veto any decision made by the Debtors in the exercise of their business judgment; *provided, however*, that the foregoing shall not impact any consent rights that the DIP Lender may have under the [DIP Financing Order] [Docket No. ____] and any related final order (together, the “DIP Order”), the DIP Loan Documents (as defined in the DIP Order), or otherwise.

I. Description of the Assets

The Debtors are offering for sale the Assets. Except in the case of a Plan Bid and except as otherwise provided in the Purchase Agreement or a Modified Purchase Agreement (both as defined below) submitted by a Successful Bidder (as defined below) (including any exhibits or schedules thereto), all of the Debtors’ right, title and interest in and to the Assets subject thereto shall be sold free and clear of any pledges, liens, security interests, encumbrances, successorship liability, claims, charges, options and interests thereon (collectively, the “**Interests**”) to the maximum extent permitted by Bankruptcy Code section 363, with such Interests to attach to the net proceeds of the sale of the Assets with the same validity and priority as such Interests applied against the Assets. More detail regarding the Assets will be posted in an electronic data room to be made available to Potential Bidders (as defined below).

II. Bidding Process

The Debtors and their advisors shall (a) determine, in consultation with the Consultation Parties, whether any person is a Qualified Bidder, (b) coordinate the efforts of Potential Bidders in conducting their due diligence investigations, (c) receive offers from Potential Bidders, (d) negotiate any offers made to purchase the Assets; and (e) determine, in consultation with the Consultation Parties, if any Qualified Bidder should be selected as a Stalking Horse Bidder in accordance with the procedures set forth below.

Notwithstanding anything to the contrary in these Bidding Procedures, if the DIP Lender or the Prepetition Secured Lender submits or causes to be submitted a Bid (including, without limitation, any Credit Bid) for any of the Assets, then for so long as such Bid has not been withdrawn or disqualified or finally rejected by the Debtors or the Court, such party shall automatically cease to be, and shall not be treated as, a Consultation Party under these Bidding Procedures and the Debtors shall no longer be obligated to consult with such party (or provide such party with copies or summaries of Bids or other confidential information that is not provided

to other Qualified Bidders) in connection with the marketing, bidding and Auction process; *provided* that, upon such Bid being withdrawn by the party or disqualified or finally rejected by the Debtors or the Court, such party's consultation rights shall be automatically reinstated on a going-forward basis.

III. Key Dates for Potential Bidders

The Bidding Procedures provide interested parties with the opportunity to qualify for and participate in the Auction and to submit competing bids for the Assets. The Debtors shall assist Potential Bidders in conducting their respective due diligence investigations and shall accept Bids (as defined below) until **August 6, 2026 at 11:59 p.m. (prevailing Eastern Time)** (the "**Bid Deadline**"); *provided* that any Potential Bidder submitting a Bid has submitted a non-binding letter of intent setting forth the primary commercial terms of such Potential Bidder's proposed Bid (an "**LOI**") by **July 10, 2026 at 11:59 p.m. (prevailing Eastern Time)** (the "**Non-Binding LOI Deadline**").

No later than the Non-Binding LOI Deadline or Bid Deadline (as applicable), a Potential Bidder that desires to make a bid to consummate a Sale Transaction shall deliver written copies of its LOI or Bid (as applicable) in electronic format to: (a) Searles Valley Minerals Inc. 9401 Indian Creek Parkway, Suite 1000, Overland Park, KS 66210 (Attn: [SVM contact name and email]); (b) proposed co-counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, 320 S. Canal Street, Chicago, Illinois 60606 (Attn: James J. Mazza, Jr., Esq. (james.mazza@skadden.com) and Mike Jones (mike.jones@skadden.com), 525 University Avenue, Palo Alto, California 94301 (Attn: Jennifer Madden, Esq. (jennifer.madden@skadden.com)), 2000 Avenue of the Stars, Suite 200N, Los Angeles, California 90067 (Attn: Destiny N. Almogue, Esq. (destiny.almogue@skadden.com)), One Manhattan West, 395 9th Ave., New York, New York 10001 (Attn: Dohyun Kim, Esq. (dohyun.kim@skadden.com)); (c) proposed co-counsel for the Debtors, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, Delaware 19899 (Courier 19801) (Attn: Laura Davis Jones, Esq. (ljones@pszjlaw.com) and Edward A. Corma, Esq. (ecorma@pszjlaw.com)); and (d) proposed investment banker for the Debtors, Lazard Frères & Co. LLC and Lazard Ltd., 30 Rockefeller Plaza, New York, New York 10112 (Attn: Christian Tempke (Christian.tempke@lazard.com) and Lee West (lee.west@lazard.com)) and 20 Manchester Square, London W1U 3PZ, United Kingdom (Attn: Krzysztof Bieliński (krzysztof.bielski@lazard.com)). The Debtors shall deliver, no later than 24 hours following the Bid Deadline, written copies of any such LOI and Bid to counsel for each Qualified Bidder, the DIP Lender and the Prepetition Secured Lender.

LOIs and Bids must identify any regulatory and third-party approvals that may be anticipated for the Qualified Bidder to consummate the proposed Sale Transaction, and the time period within which the Qualified Bidder expects to receive such regulatory and third-party approvals.

The Debtors will be deemed to have accepted a Qualified Bid (as defined below) only when such Qualified Bid has been approved by the Bankruptcy Court at the Sale Hearing. In the event that the Successful Bid (as defined below) is a Plan Bid, the Sale Hearing will not occur and the Debtors will seek confirmation of a plan of reorganization consistent with such Plan Bid.

The key dates for the sale process are as follows³:

Date/Time	Event
July 7, 2026 at 11:59 p.m. EDT	Mailing Date for Sale Notice
July 10, 2026 at 11:59 p.m. EDT	Assumption and Assignment Service Deadline
July 10, 2026 at 11:59 p.m. EDT	Non-Binding LOI Deadline
August 6, 2026 at 11:59 p.m. EDT	Bid Deadline (due date for Bids and Good Faith Deposits)
August 13, 2026 at 10:00 a.m. EDT	Auction
August 17, 2026 at 11:59 p.m. EDT	Deadline to enter into and file Successful Bidder Purchase Agreement with Successful Bidder (the “ Transaction Approval Filing ”)
August 18, 2026 at 4:00 p.m. EDT	Sale Objection Deadline
August 19, 2026 at 11:59 p.m. EDT	Deadline to respond to objections to the Sale of the Assets to Successful Bidder or Successful Bidders
August 20, 2026 at [●] [a/p].m. EDT	Sale Hearing

None of the dates or deadlines set forth in this Section III may be extended, adjourned or otherwise modified in any respect (i) without the prior written consent of the DIP Lender, or (ii) in a manner that is inconsistent with the milestones or other applicable provisions in the DIP Order; *provided, however*, that the Debtors may waive or extend the Non-Binding LOI Deadline in their reasonable discretion following consultation with the DIP Lender.

IV. Due Diligence

A. Access to Diligence Materials

To participate in the bidding process and to receive access to due diligence (the “**Diligence Materials**”), a party must submit to the Debtors (i) an executed confidentiality agreement in such a form reasonably satisfactory to the Debtors and (ii) reasonable evidence demonstrating the party’s financial capability to consummate a Sale Transaction as reasonably determined by the Debtors. A party that qualifies for access to Diligence Materials pursuant to the prior sentence shall be a “**Potential Bidder**.” Any Stalking Horse Bidder that has previously satisfied the foregoing requirements prior to the date hereof will be deemed a Potential Bidder.

The Debtors will afford any Potential Bidder the time and opportunity to conduct reasonable due diligence, as determined by the Debtors, including reasonable access to management, access to the electronic data room and other information that a Potential Bidder may reasonably request; *provided, however*, that the Debtors shall not be obligated to furnish any due diligence information after the Bid Deadline to any party that has not submitted a Qualified Bid. The availability of additional due diligence to a Qualified Bidder will cease on the Auction date;

³ As reflected below in subsection (h) of the section titled “Reservation of Rights of the Debtors,” the Debtors, with the consent of the DIP Lender and the Prepetition Secured Lender, reserve the right to modify the deadlines set forth herein.

provided, however, that any Successful Bidder shall be permitted to continue to conduct due diligence until the closing of the Sale. The Debtors reserve the right to withhold any Diligence Materials that the Debtors determine are necessary to protect attorney-client privilege, are business-sensitive, competitively sensitive, or otherwise not appropriate for disclosure to a Potential Bidder that is a competitor of the Debtors or is affiliated with any competitor of the Debtors. Neither the Debtors nor their representatives shall be obligated to furnish information of any kind whatsoever to any person that is not determined to be a Potential Bidder.

Each Potential Bidder will be deemed to acknowledge and represent that it (a) has had an opportunity to conduct any and all due diligence regarding the Debtors' assets and liabilities that are the subject of the Auction to the extent of the assets and liabilities that are the subject of their Bid prior to making any such Bids, (b) has relied solely upon its own independent review, investigation, or inspection of any documents and/or the assets in making its Bid, and (c) did not rely upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied, by operation of law, or otherwise regarding the Debtors' assets or liabilities, or the completeness of any information provided in connection therewith, except as expressly stated in these Bidding Procedures or the Purchase Agreement. All due diligence requests must be directed to Lazard (project_spectre_wg@lazard.com), Lee West (lee.west@lazard.com), and Krzysztof Bieliński (krzysztof.bielski@lazard.com).

B. Due Diligence from Potential Bidders

Each Potential Bidder shall comply with all reasonable requests for additional information and due diligence access by the Debtors or their advisors regarding the ability of such Potential Bidder to consummate its contemplated transaction. Failure by a Potential Bidder to comply with requests for additional information and due diligence access may be a basis for the Debtors to determine that such bidder is no longer a Potential Bidder or that a bid made by such Potential Bidder is not a Qualified Bid.

C. Communications with Potential Bidders

There must be no communications with respect to Bids or potential Bids between and amongst Potential Bidders unless the Debtors have previously authorized such communication in writing or with the participation of representatives of the Debtors or their advisors. Should any Potential Bidder attempt to communicate directly with another Potential Bidder regarding a bid or potential bid, the Potential Bidder so contacted shall immediately direct the other Potential Bidder to the Debtors' counsel and financial advisors. The Debtors, in consultation with the Consultation Parties, reserve the right, in their reasonable business judgment, to disqualify any Potential Bidders that have engaged in communications between or amongst themselves without the participation of the Debtors (or a representative of the Debtors) or the Debtors' prior written consent.

V. Determination of Qualified Bid Status

To be eligible for consideration as a Qualified Bid to participate in the Auction, each Potential Bidder must deliver to the Debtors and their advisors a written, non-binding LOI prior to the Non-Binding LOI Deadline, and a written, irrevocable offer, solicitation or proposal (each, a "**Bid**") prior to the Bid Deadline that must be determined by the Debtors, in their business

judgment, and in consultation with the Consultation Parties, to satisfy each of the following conditions:

- (a) *Good Faith Offer*: Each Bid must constitute a good faith, bona fide offer to purchase all or certain specified Assets.
- (b) *Purchase Price*: All Bids (other than a Credit Bid by the DIP Lender and/or the Prepetition Secured Lender) must be for cash. The LOI and Bid must clearly set forth the cash purchase price, and any other non-cash consideration (with the form of such consideration specified), to be paid (the “**Transaction Purchase Price**”). If the LOI and Bid propose an acquisition of only certain of the Assets, the Transaction Purchase Price must be allocated among each of the categories of Assets expressly identified in such LOI and Bid.
- (c) *Good Faith Deposit*: Each Bid must be accompanied by a deposit in the amount of ten percent (10%) of the cash consideration portion of the Transaction Purchase Price, before any reductions for assumed liabilities or other adjustments (the “**Good Faith Deposit**”). The Good Faith Deposit shall come in the form of a wire transfer, certified check or other form acceptable to the Debtors. Each Good Faith Deposit will be deposited and held in one or more interest-bearing escrow accounts by the Debtors, but shall not become property of the Debtors’ estates absent further order of the Bankruptcy Court. Requests for wire instructions should be directed to Lazard, (project_spectre_wg@lazard.com), Lee West (lee.west@lazard.com) Krzysztof Bieliński (krzysztof.bielinski@lazard.com). Notwithstanding the foregoing, no Good Faith Deposit shall be required in connection with any Credit Bid submitted by the DIP Lender and/or the Prepetition Secured Lender pursuant to section 363(k) of the Bankruptcy Code.
- (d) *Executed Agreement*: Each Bid must be based on the proposed purchase agreement, which will be prepared by the Debtors and will be posted to the data room no later than June [•], 2026 (the “**Purchase Agreement**”), and must include executed transaction documents, signed by an authorized representative of such Potential Bidder, pursuant to which the Potential Bidder proposes to effectuate a Sale Transaction (a “**Modified Purchase Agreement**”). Each Bid must also include a copy of the Modified Purchase Agreement marked against the Purchase Agreement to show all changes requested by the Potential Bidder (including those related to the assumption and assignment of contracts and licenses, and other material terms such that the Debtors may determine how such Bid compares to the terms of competing Bids). Each Modified Purchase Agreement must provide (i) a commitment to close within two business days after all closing conditions are satisfied and (ii) a commitment that the Potential Bidder will (A) make all necessary filings under the Hart Scott Rodino Antitrust Improvements Act of 1976, as amended (the “**HSR Act**”) and any other applicable antitrust, competition or merger control laws, rules or regulations enacted or promulgated by any governmental authority (“**Foreign Corruption Laws**”), and (B) submit all necessary filings under the HSR Act and any Foreign Competition Laws on the second business day following the conclusion of the Auction.

- (e) *Designation of Assigned Contracts and Leases:* A Bid must identify any and all executory contracts and unexpired leases of the Debtors that the Potential Bidder wishes to assume pursuant to the Sale Transaction. A Bid must specify whether the Debtors or the Potential Bidder will be responsible for any cure costs associated with such assumption, and include a good faith estimate of such cure costs (which estimate may be provided by the Debtors).
- (f) *Designation of Assumed Liabilities:* An LOI and Bid must identify all liabilities which the Potential Bidder proposes to assume.
- (g) *Corporate Authority:* A Bid must include written evidence reasonably acceptable to the Debtors demonstrating appropriate corporate authorization to consummate the proposed Sale Transaction; *provided* that, if the Potential Bidder is an entity specially formed for the purpose of effectuating the Sale Transaction, then the Potential Bidder must also furnish written evidence reasonably acceptable to the Debtors of the approval of the Sale Transaction by the equity holder(s) of such Potential Bidder.
- (h) *Disclosure of Identity of Qualified Bidder:* A Bid must fully disclose the identity of each entity that will be bidding for or purchasing the Assets or otherwise participating in connection with such Bid (including the identity of any parent companies of such entity), and the complete terms of any such participation, including any connections, agreements, arrangements or understandings (a) with the Debtors, any officer, director, or equity holder of the Debtors, or any other known, potential, or prospective bidder and (b) concerning a collaborative or joint bid or any other combination concerning the proposed Bid; *provided* that, if the Potential Bidder is an entity specially formed for the purpose of effectuating the Sale Transaction, then the Potential Bidder must fully disclose the identity of each direct and indirect equity holder of such Potential Bidder.
- (i) *Contact Information and Affiliates:* A Bid must provide the identity and contact information for the Potential Bidder and full disclosure of any parent companies, controlling investors, or fund managers of the Potential Bidder.
- (j) *Proof of Financial Ability to Perform:* A Bid must include written evidence from which the Debtors may reasonably conclude, in consultation with their advisors and the Consultation Parties, that the Potential Bidder has the necessary financial ability to consummate a Sale Transaction and must further contain information that can be publicly filed or disseminated providing adequate assurance of future performance of all contracts and leases to be assumed and assigned in such Sale Transaction. Such information may include, among other things, the following:
 - (i) contact names and numbers for verification of financing sources;
 - (ii) written evidence of the Potential Bidder's internal resources and, if applicable, binding debt funding commitments from a recognized banking institution and equity commitments in an aggregate amount equal to the

cash portion of such Bid, plus associated fees and expenses, or the posting of an irrevocable letter of credit from a recognized banking institution issued in favor of the Debtors in the amount of the cash portion of such Bid, in each case, as are needed to close the Sale Transaction;

- (iii) the Potential Bidder's most current audited (if any) and latest unaudited financial statements or, if the bidder is an entity formed for the purpose of making a bid, the current audited (if any) and latest unaudited financial statements of the equity holder(s) of the bidder or such other form of financial disclosure, and a guaranty from such equity holder(s);
 - (iv) a description of the Potential Bidder's pro forma capital structure; and
 - (v) any such other form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors, in consultation with the Consultation Parties, demonstrating that such Potential Bidder has the ability to close the Sale Transaction and pay all associated fees and expenses.
- (k) *Regulatory and Third Party Approvals:* An LOI and Bid must set forth each regulatory and third-party approval required for the Potential Bidder to consummate the Sale Transaction, and the time period within which the Potential Bidder expects to receive such regulatory and third-party approvals, and the Debtors, in consultation with the Consultation Parties, may consider the timing and likelihood of obtaining such approvals, and any actions the Potential Bidder will take to ensure receipt of such approval(s) as promptly as possible, when considering the other Bid Assessment Criteria (as defined below).
- (l) *Conditions/Contingencies:* A Bid must not be subject to further due diligence or any financing contingency.
- (m) *Bid Irrevocable:* Subject to the following sentence with respect to the requirement to serve as a Backup Bidder, a Bid must provide that it is irrevocable until two business days after the closing of the relevant Sale Transaction; *provided* that if such Bid is accepted as the Successful Bid or the Backup Bid, such Bid shall continue to remain irrevocable as and to the extent provided in the Modified Purchase Agreement. Each Potential Bidder that submits a Bid further agrees that, if not chosen as a Successful Bidder, such Potential Bidder shall serve, without modification, as a Backup Bidder (as defined below) as may be designated by the Debtors, in consultation with the Consultation Parties, at the Sale Hearing, in the event the relevant Successful Bidder with respect to a Sale Transaction fails to close as provided in the Successful Bidder Purchase Agreement, as modified, if at all, and the applicable Sale Order (as defined below).
- (n) *As-Is, Where-Is:* Each Bid must include a written acknowledgement and representation that the Potential Bidder: (i) has conducted, to its satisfaction, its own independent investigation of the condition (financial or otherwise), operations

and business of the Debtors and the Assets to be acquired; (ii) in making its determination to proceed with the transactions contemplated by its Bid, it has relied solely on the results of its own independent investigation and has not relied directly or indirectly on any materials or information made available to it and/or its representatives by or on behalf of any Debtor; and (iii) that, should such Potential Bidder be deemed the Successful Bidder with respect to the proposed Sale Transaction and close such Sale Transaction, such Potential Bidder shall acquire the Assets to be acquired without any surviving representations or warranties, on an “as is” and “where is” basis.

- (o) *Consent to Jurisdiction.* Each Potential Bidder must (i) submit to the jurisdiction of the Bankruptcy Court to enter an order or orders, which shall be binding in all respects, in any way related to the Debtors, the Bidding Procedures, the Auction, any Modified Purchase Agreement, or the construction and enforcement of documents relating to any Sale Transaction, (ii) waive any right to a jury trial in connection with any disputes relating to the Debtors, the Bidding Procedures, the Auction, any Modified Purchase Agreement, or the construction and enforcement of documents relating to any Sale Transaction and (iii) commit to the entry of a final order or judgment in any way related to the Debtors, the Bidding Procedures, the Auction, any Modified Purchase Agreement, or the construction and enforcement of documents relating to any Sale Transaction if it is determined that the Bankruptcy Court would lack Article III jurisdiction to enter such a final order or judgment absent the consent of the parties.
- (p) *No Bid Protections.* Except with respect to any Stalking Horse Bidder designated by the Debtors as set forth below, a Bid must not entitle the Potential Bidder to any break-up fee, termination fee, transaction fee, expense reimbursement, or any similar type of payment or reimbursement and, by submitting a Bid, the Potential Bidder waives the right to pursue a substantial contribution claim under 11 U.S.C. § 503 related in any way to the submission of its Bid or participation in any Auction. Each Potential Bidder presenting a Bid will bear its own costs and expenses (including legal fees) in connection with any proposed Sale Transaction.
- (q) *Credit Bids:* Notwithstanding anything to the contrary contained herein, each of (i) the DIP Lender and (ii) the Prepetition Secured Lender shall be deemed a Qualified Bidder and shall have the right (but not the obligation) to credit bid at the Auction all or any portion of the aggregate amount of its applicable outstanding secured obligations pursuant to section 363(k) of the Bankruptcy Code, and any such Credit Bid will be considered a Qualified Bid. Any Bid for all or some of any Assets included as part of a Stalking Horse Bid, if any, that is made as a Credit Bid shall include cash consideration in an amount equal to or greater than any Bid Protections granted by the applicable Stalking Horse Bidder.

A Bid received from a Potential Bidder prior to the Bid Deadline that meets the above requirements, as determined by the Debtors, in consultation with the Consultation Parties, shall constitute a “**Qualified Bid**” for such assets (and such Potential Bidder, a “**Qualified Bidder**”); *provided* that if the Debtors receive a Bid prior to the Bid Deadline that is not a Qualified

Bid, the Debtors, in consultation with the Consultation Parties, may provide the Potential Bidder with the opportunity to remedy any deficiencies prior to the Auction. Any Stalking Horse Bidder will be deemed a Qualified Bidder at all times. For the avoidance of doubt, a Bid submitted after the Bid Deadline shall not be a Qualified Bid, except only as provided in section V.(q) of these Bidding Procedures.

Within two business days after the Bid Deadline, the Debtors and their advisors, in consultation with the Consultation Parties, will determine which Potential Bidders are Qualified Bidders and whether Bids submitted constitute Qualified Bids. Any Bid that is not deemed a Qualified Bid will not be considered by the Debtors. Any Stalking Horse Agreement submitted by a Stalking Horse Bidder will be deemed a Qualified Bid, qualifying such Stalking Horse Bidder to participate in the Auction. To the extent there is any dispute regarding whether a Bid submitted prior to the Bid Deadline is a Qualified Bid, such dispute may be raised with the Bankruptcy Court on an expedited basis prior to the commencement of the Auction. If any Bid is determined by the Debtors, in consultation with the Consultation Parties, not to be a Qualified Bid, the Debtors will refund such Potential Bidder's Good Faith Deposit on or within ten business days after the Bid Deadline.

Prior to the Auction, the Debtors and their advisors, in consultation with the Consultation Parties, will evaluate Qualified Bids and identify the Qualified Bid that is, in the Debtors' reasonable business judgment, the highest or otherwise best bid (the "**Starting Bid**") with respect to a proposed Sale Transaction. In making such determination, the Debtors will take into account, among other things, the execution risk of non-consummation attendant to any submitted Qualified Bids. No later than 24 hours before the start of the Auction, the Debtors will notify each Qualified Bidder who has timely submitted a Bid with respect to a Sale Transaction that its Bid is a Qualified Bid so as to enable such Qualified Bidders to bid at the Auction. As soon as practicable prior to the Auction the Debtors will further (a) notify each Qualified Bidder who has submitted a Qualified Bid as to which Qualified Bid is the Starting Bid with respect to a Sale Transaction; and (b) distribute copies of the Modified Purchase Agreement(s) or any Stalking Horse Agreement, as applicable, associated with such Starting Bid(s) to each Qualified Bidder who has submitted a Qualified Bid with respect to a Sale Transaction.

By submitting its Bid, each Potential Bidder is agreeing with each other Potential Bidder to abide by and honor the terms of these Bidding Procedures and agrees not to submit a bid or seek to reopen the Auction after the Auction.

VI. Auction

The Debtors, in consultation with the Consultation Parties, may conduct the Auction in any manner to facilitate a Sale Transaction for all or different subgroupings of the Assets, including conducting multiple Auctions for different subgroupings of the Assets (each, a "**Sub-Auction**").

If two or more Qualified Bids with respect to all or a subgrouping of the Assets are received by the Bid Deadline, the Debtors will conduct the Auction (including any Sub-Auction(s)) to determine the highest or otherwise best Qualified Bid with respect to such Assets. This determination shall take into account any factors the Debtors, in consultation with the Consultation

Parties, reasonably deem relevant to the value of the Qualified Bid to the estates and may include, but are not limited to, the following: (a) the amount and nature of the consideration, including any cash and non-cash consideration (including assumed liabilities); (b) the number, type and nature of any changes to the Purchase Agreement requested by each Qualified Bidder; (c) the extent to which such modifications or provisions are likely to delay closing of the sale of the Debtors' Assets and the cost to the Debtors of such modifications or delay, and whether such modifications increase the risk of non-consummation; (d) which Assets the Qualified Bid covers and the likelihood that any other potential bidders would have interest in separately acquiring remaining Assets; (e) the total consideration to be received by the Debtors; (f) the likelihood of the Qualified Bidder's ability to close a transaction and the timing thereof; (g) the net benefit to the Debtors' estates, taking into account, if applicable, any Stalking Horse Bidder's right to any break-up fee or expense reimbursement or similar fee (each as defined below); (h) the impact on employees, the number or percentage of employees to be retained post-closing, employee claims against Debtors, and collective bargaining agreements; (i) in a Sale Transaction seeking to acquire only certain Assets, the execution risk and additional costs related to separate documentation regard the sale(s), if any, of the remaining Assets; (j) any other qualitative or quantitative factor the Debtors, in consultation with the Consultation Parties, deem reasonably appropriate under the circumstances and (k) the extent to which the proposed Sale Transaction results in infeasible payment in full in cash (or such other treatment as is acceptable to the DIP Lender and the Prepetition Secured Lender in their respective sole discretions) of the DIP Obligations, the Liquidity Advance and the Prepetition Obligations (as those terms are defined in the DIP Order) and the and the timing of such payment. (collectively, the "**Bid Assessment Criteria**").

If two or more Qualified Bids are not received by the Bid Deadline, the Debtors, in consultation with the Consultation Parties, may determine not to conduct the Auction. If only one Qualified Bid is received by the Bid Deadline, the Debtors, in consultation with the Consultation Parties, may select the Modified Purchase Agreement or Stalking Horse Agreement, as applicable, of such Qualified Bidder to be the Successful Bid and such Qualified Bidder shall be the Successful Bidder.

VII. Procedures for the Designation of a Stalking Horse Bidder and Bid Protections

The Debtors, as they may reasonably determine to be in the best interests of their estates, and in consultation with the Consultation Parties, may select a Stalking Horse Bidder or Stalking Horse Bidders for the Assets (or one or more subgroupings of Assets) for the purposes of establishing one or more minimum acceptable bids with which to begin the Auction with respect to certain or all of the Assets (each, a "**Stalking Horse Bid**") and provide any such Stalking Horse Bidder with Bid Protections (described below) pursuant to an agreement with such Stalking Horse Bidder (the "**Stalking Horse Agreement**"); *provided* that no insider or affiliate of the Debtors shall be entitled to any Bid Protections.

In the event that the Debtors designate a Stalking Horse Bidder and the Stalking Horse Bidder is not the Successful Bidder with respect to the Stalking Horse Bid, the Debtors shall be authorized, but not directed, to make certain payments in consideration of its being the Stalking Horse Bidder with respect to the Stalking Horse Bid and to reimburse it for its reasonable and necessary out-of-pocket expenses, including (a) a break-up fee (the "**Break-Up Fee**") and (b) reimbursement of reasonable, documented and necessary out-of-pocket expenses incurred in

connection with such Stalking Horse Bid (the “**Expense Reimbursement Amount**”). The amount of any Break-Up Fee and the Expense Reimbursement Amount shall in the aggregate not exceed 3% of the cash portion of the applicable Transaction Purchase Price for such Stalking Horse Bid, with such amount to be paid in accordance with the terms and conditions set forth in the applicable Stalking Horse Agreement and as approved by the Bankruptcy Court in the Bidding Procedures Order (the “**Bid Protections**”); *provided, however*, that notwithstanding anything to the contrary herein, no other bidder, nor any party making a Credit Bid (irrespective of whether it is a Stalking Horse Bidder) will be entitled to any Bid Protections or any other expense reimbursement, break-up fee, termination fee or any other similar fee or payment with respect to a Bid.

VIII. Procedures for Auction

The Auction, if necessary, shall take place on **August 13, 2026 at 10:00 a.m. (prevailing Eastern Time)** at the offices of counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, 395 9th Ave., New York, New York 10001, or such other place (which may be virtual) and time as the Debtors shall notify all Qualified Bidders that have submitted Qualified Bids (including any Stalking Horse Bidders). The Auction may be postponed, adjourned or cancelled as the Debtors, in consultation with the Consultation Parties, deem appropriate. Reasonable notice as is reasonably practicable under the circumstances of such postponement or adjournment and the time and place for the commencement or resumption of the Auction or cancellation shall be given to all Qualified Bidders, the DIP Lender and the Prepetition Secured Lender. The Auction (and any Sub-Auction(s)) shall be conducted according to the following procedures:

A. Participation

Only the Debtors, the DIP Lender, the Prepetition Secured Lender and any Qualified Bidder that has submitted a Qualified Bid (including any Stalking Horse Bidders), in each case, along with their representatives and counsel, or such other parties as the Debtors shall determine shall attend the Auction and only such Qualified Bidders (including any Stalking Horse Bidders or a Qualified Bidder pursuant to section V.(q) of these Bidding Procedures), will be entitled to make any further Bids at the Auction.

B. The Debtors Shall Conduct the Auction

The Debtors and their professional shall direct and preside over the Auction and the Auction shall be transcribed. Other than as expressly set forth herein, the Debtors, in consultation with the Consultation Parties, may conduct the Auction in the manner they reasonably determine will result in the highest or otherwise best Qualified Bid with respect to a given Sale Transaction. The Debtors shall use their commercially reasonable best efforts to provide each participant in the Auction with a copy of the Modified Purchase Agreement or any Stalking Horse Agreement, as applicable, associated with the Starting Bid with respect to a proposed Sale Transaction. In addition, at the start of the Auction, the Debtors shall describe the terms of each such Starting Bid. Each Qualified Bidder (including any Stalking Horse Bidder) participating in the Auction must confirm that it (a) has not engaged in any collusion with respect to the bidding or sale of any of the assets described herein and (b) has reviewed, understands and accepts the Bidding Procedures, and (c) has consented to the core jurisdiction of the Bankruptcy Court.

All Qualified Bidders, including any Stalking Horse Bidders, may submit further Bids, along with a markup or a further markup of the applicable purchase agreement. The Auction will be conducted in rounds. All participating Qualified Bidders are required to bid in each round or they forfeit their right to participate in subsequent rounds. At any time, a Qualified Bidder may request that the Debtors announce the then current highest and best Bid with respect to a proposed Sale Transaction. If requested, the Debtors shall use reasonable efforts to clarify any and all questions any Qualified Bidder may have regarding the Debtors' announcement of the Starting Bid or the then current and highest Bid with respect to a proposed Sale Transaction.

C. Terms of Overbids

An "**Overbid**" is any Bid made at the Auction subsequent to the Debtors' announcement of the respective Starting Bid with respect to a Sale Transaction. Any Overbid for purposes of this Auction must comply with the following conditions:

- (a) *Minimum Overbid Increments*: (i) The first Overbid after the respective Starting Bid (the "**First Overbid**") must be made in an amount equal to or greater than the sum of (x) the amount of the respective Starting Bid *plus* (y) the amount of any Bid Protections granted to such Starting Bid *plus* (z) \$1,000,000; and (ii) any subsequent Overbid after the First Overbid shall be made in increments valued at not less than \$1,000,000. In order to maximize value, the Debtors, in consultation with the Consultation Parties, reserve the right to announce reductions or increases in the minimum incremental Bids (or in valuing such Bids) at any time during the Auction. Additional consideration in excess of the amount set forth in the applicable Starting Bid may include cash and/or non-cash consideration; *provided, however*, that the value for such non-cash consideration shall be determined by the Debtors in their reasonable business judgment and in consultation with the Consultation Parties. If any Stalking Horse Bidder submits an Overbid, it will receive a credit equal to the Bid Protections granted to it when bidding during the Auction.
- (b) *Remaining Terms Are the Same as for Qualified Bids*: Except as modified herein or by the Debtors, in consultation with the Consultation Parties, at the Auction, an Overbid at the Auction must comply with the conditions for a Qualified Bid set forth above, *provided, however*, that (i) the Bid Deadline shall not apply; (ii) no additional Good Faith Deposit shall be required beyond the Good Faith Deposit previously submitted by a Qualified Bidder, *provided* that the Successful Bidder with respect to a Sale Transaction shall be required to make a representation at the end of the Auction that it will provide any additional deposit necessary so that its Good Faith Deposit is equal to the amount of ten percent (10%) of the cash portion of the purchase price contained in the Successful Bid; and (iii) each Overbid may be based on the Starting Bid, or any other form Modified Purchase Agreement or Stalking Horse Agreement submitted prior to the Auction. Any Overbid must include, in addition to the amount and the form of consideration of the Overbid, a description of all changes (if any) requested by the Qualified Bidder to the Purchase Agreement or a previously submitted Modified Purchase Agreement or Stalking Horse Agreement, in connection therewith (including any changes to the designated

assigned contracts and leases and assumed liabilities). Any Overbid must remain open and binding on the Qualified Bidder until and unless the Debtors accept a higher or otherwise better Overbid from another Qualified Bidder (except, to the extent required hereby, to serve as the Backup Bid) with respect to a Sale Transaction.

The Debtors, in their reasonable business judgment, may require, to the extent not previously provided (which shall be determined by the Debtors in consultation with the Consultation Parties), a Qualified Bidder submitting an Overbid at the Auction to submit, as part of its Overbid, written evidence (in the form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors in consultation with the Consultation Parties) reasonably demonstrating such Qualified Bidder's ability to close the Sale Transaction proposed by such Overbid.

D. Announcement and Consideration of Overbids

- (a) *Announcement of Overbids:* The Debtors shall announce at the Auction the material terms of each Overbid with respect to a Sale Transaction, the total amount of consideration offered in each such Overbid, the basis for calculating such total consideration, and such other terms as the Debtors, in consultation with the Consultation Parties, reasonably determine will facilitate the Auction.
- (b) *Consideration of Overbids:* Prior to the closing of the Auction and subject to the deadlines set forth herein, the Debtors reserve the right in their reasonable business judgment, and in consultation with the Consultation Parties, to make one or more continuances of the Auction to, among other things: facilitate discussions between the Debtors and individual Qualified Bidders; allow individual Qualified Bidders to consider how they wish to proceed; or give Qualified Bidders the opportunity to provide the Debtors with such additional evidence as the Debtors, in their reasonable business judgment, and in consultation with the Consultation Parties, may require, that the Qualified Bidder has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed Sale Transaction at the prevailing Overbid amount.

E. Selecting Highest or Otherwise Best Bid

At the Auction, the Debtors, in consultation with the Consultation Parties, will be permitted to request best and final offers from the Qualified Bidders (including any Stalking Horse Bidders). The Debtors, in consultation with the Consultation Parties, may identify the highest or otherwise best Qualified Bid(s) as the successful bid(s) (such Bid, the "**Successful Bid**," the Qualified Bidder submitting such Successful Bid, the "**Successful Bidder**" and the Qualified Bidder's purchase agreement, the "**Successful Bidder Purchase Agreement**") with respect to a Sale Transaction. The Auction with respect to a Sale Transaction shall close when a Successful Bidder submits fully executed sale and transaction documents in form and substance acceptable to the Debtors memorializing the terms of the Successful Bid with respect to such Sale Transaction. Notwithstanding anything herein to the contrary, the Debtors may, in their reasonable business

judgment and in consultation with the Consultation Parties, at any time announce the adjournment or conclusion of the Auction.

Promptly following the conclusion of the Auction, the Debtors shall announce the Successful Bid or Successful Bids and Successful Bidder or Successful Bidders with respect to any Sale Transactions and shall file with the Bankruptcy Court notice of such Successful Bid or Successful Bids and Successful Bidder or Successful Bidders.

Unless otherwise required pursuant to the Debtors' fiduciary duties, the Debtors shall not consider any Bids submitted after the conclusion of the Auction (a "**Late Bid**"). Should the Debtors determine that their fiduciary duties require them to consider a Late Bid, the Debtors may not take any action in furtherance of such Late Bid until the Bankruptcy Court enters an order authorizing such action after notice and a hearing.

Notwithstanding anything in the Bidding Procedures to the contrary, a Bid shall not be considered a Late Bid if such Bid does not apply to the Assets that were the subject of an Auction or Sub-Auction, as applicable.

F. Designation of Backup Bidder

Notwithstanding anything in the Bidding Procedures to the contrary, if an Auction is conducted with respect to a Sale Transaction, the Qualified Bidder with the next highest or otherwise best Bid with respect to such Sale Transaction at the Auction, as determined by the Debtors, in the exercise of their business judgment, and in consultation with the Consultation Parties, will be designated as the backup bidder (the "**Backup Bidder**") for such Sale Transaction. The Backup Bidder shall be required to keep its Qualified Bid (or if the Backup Bidder submitted one or more Overbids at the Auction, the Backup Bidder's final Overbid) (the "**Backup Bid**") with respect to such Sale Transaction open and irrevocable until the earlier of (i) 5:00 p.m. (prevailing Eastern Time) on the date that is at least 60 calendar days after the date of entry of the Sale Order (or an order confirming a plan of reorganization if the Successful Bid is a Plan Bid) (the "**Outside Backup Date**"), or (ii) the closing of the transaction with the Successful Bidder (or effective date of the plan of reorganization if the Successful Bid is a Plan Bid).

Following the Sale Hearing, if the Successful Bidder fails to consummate an approved transaction with respect to the Assets that are the subject of the Successful Bid, the Backup Bidder will be deemed to have the new prevailing Bid with respect to such Assets, and the Debtors will be authorized, but not required, without further order of the Bankruptcy Court, to consummate the transaction with the Backup Bidder with respect to such Assets.

G. Additional Procedures

The Debtors, in consultation with the Consultation Parties, may announce at the Auction additional or modified procedural rules that are reasonable under the circumstances for conducting the Auction, so long as such rules are not inconsistent in any material respect with the Bidding Procedures.

H. Sale Is “As Is/Where Is”

Except as otherwise provided in the applicable Successful Bidder Purchase Agreement or the applicable Sale Order, any Assets of the Debtors sold pursuant to the Bidding Procedures shall be conveyed at the closing of a transaction with a Successful Bidder in their then-present condition, **“AS IS, WITH ALL FAULTS, AND WITHOUT ANY WARRANTY WHATSOEVER, EXPRESS OR IMPLIED.”** Except as may be set forth in the applicable Successful Bidder Purchase Agreement or the applicable Sale Order, the Assets are sold free and clear of any and all liens, claims, interests, restrictions, charges and encumbrances of any kind or nature to the fullest extent permissible under the Bankruptcy Code, with such liens, claims, interests, restrictions, charges, and encumbrances to attach to the net proceeds of sale with the same validity and in the same order of priority.

I. Sale Hearing

Each Successful Bid (including any Backup Bid that is subsequently deemed a Successful Bid) will be subject to Bankruptcy Court/ approval. A hearing to consider approval of the Successful Bid with respect to any Sale Transaction consummated in accordance with these Bidding Procedures (the **“Sale Hearing”**) is presently scheduled to take place on **August 20, 2026 at [●] [a/p].m., prevailing Eastern Time**, at the Bankruptcy Court.

At the Sale Hearing, the Debtors will present the Successful Bid or Successful Bids to the Bankruptcy Court for approval.

The Sale Hearing may be adjourned by the Debtors, in consultation with the Successful Bidder and the Consultation Parties, from time to time, upon the filing of a notice of adjournment on Bankruptcy Court’s docket of the date scheduled for the Sale Hearing.

IX. Transaction Fee

Any Sale Transaction Fee⁴ or Other Sale Transaction Fee due to Lazard as a result of the closing of any Sale Transaction shall be segregated and escrowed (for the exclusive benefit of Lazard) from the proceeds of such Sale Transaction (including, without limitation, from the proceeds of any liquidation or other disposition of the Debtors’ Assets), as an express carve-out from the collateral of the Debtors’ pre- and postpetition secured lenders, prior to any other use or distribution of such proceeds. Any Successful Bid (including on account of any successful Credit Bid) must contain a cash component sufficient to pay the corresponding Sale Transaction Fee or Other Sale Transaction Fee due to Lazard in full, *provided* that if the Sale Transaction does not yield at closing sufficient cash to pay the unpaid portion of such Sale Transaction Fee or Other Sale Transaction Fee in full, or any portion thereof, then the Successful Bidder (including on account of any successful Credit Bid) shall immediately set aside from its own funds and escrow (for the exclusive benefit of Lazard) at the closing of the Transaction giving rise to such fee any such amount necessary to pay Lazard such unpaid portion of the Sale Transaction Fee or Other Sale Transaction Fee in full. For the avoidance of doubt, nothing in this Order shall prohibit or be

⁴ Terms used in this paragraph but not otherwise defined herein shall have the meanings given to them in that certain letter agreement between Lazard and Searles Valley Minerals Inc. dated as of May 12, 2026.

construed to prohibit the use of any unencumbered assets of the Debtors or the proceeds thereof to pay any fees and expenses of Lazard or the assertion or allowance of an administrative priority claim under sections 503(b)(2) and 507(a)(2) of the Bankruptcy Code, if applicable, on account of any fees or expenses of Lazard.

X. Return of Good Faith Deposits of Qualified Bidders

The Good Faith Deposits of all Qualified Bidders (including any Stalking Horse Bidders) shall be held in escrow by the Debtors, or their agent, and shall not become property of the Debtors' estates unless and until released from escrow to the Debtors pursuant to the terms of the applicable escrow agreement or order of the Bankruptcy Court. The Good Faith Deposit of any Qualified Bidder that is neither the Successful Bidder nor the Backup Bidder with respect to a Sale Transaction shall be returned to such Qualified Bidder not later than five business days after the Sale Hearing. If the Backup Bidder is not designated the Successful Bidder with respect to a Sale Transaction, the Good Faith Deposit of such Backup Bidder, if any, shall be returned to the Backup Bidder on the date that is the earlier of 72 hours after (a) the closing of the applicable transaction with the Successful Bidder and (b) the Outside Backup Date with respect to such transaction. Upon the return of the Good Faith Deposits, their respective owners shall receive any and all interest that will have accrued thereon. If a Successful Bidder timely closes the winning transaction, its Good Faith Deposit shall be credited towards the purchase price for the applicable Sale Transaction.

In the case of a breach or failure to perform on the part of the Successful Bidder (including any Backup Bidder designated as a Successful Bidder) with respect to a Sale Transaction, the defaulting Successful Bidder's Good Faith Deposit shall be forfeited to the Debtors as liquidated damages, in addition to any and all rights, remedies, or causes of action that may be available to the Debtors at law or in equity, and, the Debtors shall be free to consummate the proposed transaction at the next highest price bid at the Auction by a Qualified Bidder, without the need for any additional hearings or orders of the Bankruptcy Court or any other court. The Debtors, on their behalf and on behalf of each of their respective estates, specifically reserve the right to seek all available damages, including specific performance, from any defaulting Successful Bidder (including any Backup Bidder designated as a Successful Bidder) in accordance with the terms of the Bidding Procedures.

Notwithstanding any provision hereof, the terms pertaining to any Good Faith Deposit submitted by any Stalking Horse Bidder pursuant to a Stalking Horse Agreement (including, without limitation, the entitlements of such Stalking Horse Bidder and the Debtors to such Good Faith Deposit and the timing of return of any good faith deposit to a Stalking Horse Bidder) shall be governed by the terms of such Stalking Horse Agreement. In the case of a breach or failure to perform on the part of the Debtors with respect to such Stalking Horse Agreement, such Stalking Horse Bidder specifically reserves all rights, remedies, or causes of action that may be available to it at law or in equity.

XI. The Consultation Parties

The Debtors shall consult with the DIP Lender and the Prepetition Lender and their respective advisors (collectively, the "Consultation Parties" and each, a "Consultation Party") as

explicitly provided for in the Bidding Procedures; *provided, however*, that the Debtors shall not be required to consult with any Consultation Party (and its advisors) during a period, if any, during which a party has ceased to be a Consultation Party pursuant to Section II of these Bidding Procedures.

XII. Rights of DIP Lender and the Prepetition Secured Lender

Notwithstanding anything to the contrary contained in these Bidding Procedures or otherwise, all rights of the DIP Lender to consent to the sale of any portion of its collateral, including, without limitation, any Assets, on terms and conditions acceptable to the DIP Lender, are hereby expressly reserved and not modified, waived or impaired in any way by these Bidding Procedures.

Notwithstanding anything to the contrary contained in these Bidding Procedures or otherwise, all rights of the Prepetition Secured Lender to consent to the sale of any portion of its collateral, including, without limitation, any Assets, on terms and conditions acceptable to the Prepetition Secured Lender, are hereby expressly reserved and not modified, waived or impaired in any way by these Bidding Procedures.

XIII. Reservation of Rights of the Debtor

Except as otherwise provided in the Purchase Agreement, any Stalking Horse Agreement, the Bidding Procedures, or the Bidding Procedures Order, the Debtors, in consultation with the Consultation Parties, further reserve the right as they may reasonably determine to be in the best interest of their estates and in the exercise of their fiduciary duties to: (a) determine which bidders are Qualified Bidders; (b) determine which bids are Qualified Bids; (c) determine whether to enter into a Stalking Horse Agreement; (d) determine which Qualified Bid is the highest or otherwise best proposal and which is the next highest or otherwise best proposal with respect to a Sale Transaction; (e) reject any Bid that is (1) inadequate or insufficient, (2) not in conformity with the requirements of the Bidding Procedures or the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, or the Bidding Procedures, or (3) contrary to the best interests of the Debtors and their estates, creditors, interest holders, or parties in interest; (f) waive terms and conditions set forth herein otherwise applicable to all potential bidders; (g) impose additional terms and conditions with respect to all potential bidders; (h) modify the deadlines set forth herein; (i) continue or cancel the Auction and/or Sale Hearing in open court without further notice; and (j) modify the Bidding Procedures and implement additional procedural rules that the Debtors determine, in their business judgment, will better promote the goals of the bidding process and discharge the Debtors' fiduciary duties and are not inconsistent with any Bankruptcy Court order.

Nothing in these Bidding Procedures shall prejudice the substantive rights of any party, including with respect to the Debtors' evaluation of any bid.

EXHIBIT 2

Sale Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

)		
In re:	)	)	Chapter 11
))	
SEARLES VALLEY MINERALS INC., <i>et al.</i> , ¹	)	)	Case No. 26-10966
))	
Debtors.	)	)	(Jointly Administered)
))	
))	

NOTICE OF AUCTION AND SALE HEARING

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On June [●], 2026 (the “**Petition Date**”), Searles Valley Minerals Inc. and certain of its subsidiaries, the debtors and debtors in possession in the above-captioned cases (collectively, the “**Debtors**”), each filed voluntary petitions for relief pursuant to chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”).

2. On June [●], 2026, the Debtors filed a motion (the “**Motion**”)² seeking, among other things, (a) entry of an order (the “**Bidding Procedures Order**”) approving the bidding procedures (the “**Bidding Procedures**”) for the sale or disposition of certain or all of the Debtors’ assets (the “**Assets**”) in one or more sale transactions pursuant to Bankruptcy Code section 363 (each, a “**Sale Transaction**” and collectively, the “**Sale**”); (b) establishing procedures for the Debtors to designate a stalking horse bidder (the “**Stalking Horse Bidder**”) and to enter into a stalking horse agreement (a “**Stalking Horse Agreement**”) containing bid protections; (c) establishing certain dates and deadlines for the Sale process, including scheduling (i) an auction of the Assets (the “**Auction**”), if any, in accordance with the Bidding Procedures, and (ii) the hearing with respect to the approval of the Sale of the Assets free and clear of all liens, claims and encumbrances (the “**Sale Hearing**”); (d) approving procedures for the assumption and assignment

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number or business identification number, as applicable, are: Searles Valley Minerals Inc. (9263); Trona Railway Company LLC (3177); and Searles Domestic Water Company LLC (N/A). The location of Searles Valley Mineral Inc.’s corporate headquarters and the Debtors’ service address is 9401 Indian Creek Parkway, Suite 1000, Overland Park, Kansas 66210.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion or the Bidding Procedures, as applicable.

of certain executory contracts and unexpired leases (the “**Assumption Procedures**”); and (iv) approving the form and manner of notice of the Sale [Docket No. ___].

3. Any property sold pursuant to the Bidding Procedures shall be sold free and clear of all claims, liens, interests, and encumbrances of any kind or nature whatsoever (other than the Assumed Liabilities and the Permitted Encumbrances) to the fullest extent permitted by section 363(f) of the Bankruptcy Code.

4. On June [___], 2026, the Bankruptcy Court entered the Bidding Procedures Order [Docket No. ___]. The Bidding Procedures provide the following:

- (a) **Auction.** If two or more Qualified Bids with respect to all or a subgrouping of the Assets are received by the Bid Deadline, the Debtors will conduct an auction (the “**Auction**”) (including any Sub-Auction(s)) to determine the highest or otherwise best Qualified Bid with respect to such Assets. The Auction will begin on **August 13, 2026 at 10:00 a.m. prevailing Eastern Time** at the offices of counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, One Manhattan West, 395 9th Ave., New York, New York 10001, or such other place (which may be virtual) and time as the Debtors shall notify all Qualified Bidders that have submitted Qualified Bids (including any Stalking Horse Bidder), the DIP Lender and the Prepetition Secured Lender and their counsel. Only the Debtors, the DIP Lender, the Prepetition Secured Lender and any Qualified Bidder that has submitted a Qualified Bid (including any Stalking Horse Bidder) by no later than **August 6, 2026 at 11:59 p.m. prevailing Eastern Time** (the “**Bid Deadline**”), in each case, along with their representatives and counsel, or such other parties as the Debtors shall determine shall attend the Auction and only such Qualified Bidders (including any Stalking Horse Bidder) will be entitled to make any further Bids at the Auction. Any Qualified Bidder that wishes to take part in this process and submit a bid for the Debtors’ assets must submit their competing bid prior to the Bid Deadline and in accordance with the Bidding Procedures. If two or more Qualified Bids are not received by the Bid Deadline, the Debtors may determine not to conduct the Auction. If only one Qualified Bid is received by the Final Bid Deadline, the Debtors may select the Modified Purchase Agreement or Stalking Horse Agreement, as applicable, of such Qualified Bidder to be the Successful Bid and such Qualified Bidder shall be the Successful Bidder.
- (b) **Sale Hearing.** The Sale Hearing is presently scheduled to take place on **August 20, 2026, at [___] [a/p].m., prevailing Eastern Time**, at the Bankruptcy Court. At the Sale Hearing, the Debtors will present the Successful Bid or Successful Bids to the Bankruptcy Court for approval. The Sale Hearing may be adjourned by the Debtors and Successful Bidder, from time to time, upon the filing of a notice of adjournment on Bankruptcy Court’s docket of the date scheduled for the Sale Hearing.
- (c) **Objection Deadline.** Objections, if any, to the Sale of the Assets to a Successful Bidder or Successful Bidders must be made by **August 18, 2026, at 4:00 p.m., prevailing Eastern Time** (the “**Sale Objection Deadline**”). All objections must:

(a) be in writing; (b) conform to the applicable provisions of the Bankruptcy Rules, the Local Rules, and any orders of the Court; (c) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (d) be filed with the Court no later than the Sale Objection Deadline, and be served on (i) proposed counsel to the Debtors, (ii) counsel to the Successful Bidder or Successful Bidders, (iii) counsel to the DIP Lender, (iv) counsel to the Prepetition Secured Lender, and (v) counsel to any statutory committee appointed in the Chapter 11 Cases. ***Unless an objection is timely served and filed in accordance with this notice, it may not be considered by the Bankruptcy Court and the Bankruptcy Court may grant the relief requested without further hearing and notice.***

5. The key dates for the Transaction process are as follows:

Date/Time	Event
July 7, 2026 at 11:59 p.m. EDT	Mailing Date for Sale Notice
July 10, 2026 at 11:59 p.m. EDT	Assumption and Assignment Service Deadline
July 10, 2026 at 11:59 p.m. EDT	Non-Binding LOI Deadline
August 6, 2026 at 11:59 p.m. EDT	Bid Deadline (due date for Bids and Good Faith Deposits)
August 13, 2026 at 10:00 a.m. EDT	Auction
August 17, 2026 at 11:59 p.m. EDT	Deadline to enter into and file Successful Bidder Purchase Agreement with Successful Bidder (the “ Transaction Approval Filing ”)
August 18, 2026 at 4:00 p.m. EDT	Sale Objection Deadline
August 19, 2026 at 11:59 p.m. EDT	Deadline to respond to objections to the Sale of the Assets to Successful Bidder or Successful Bidders
August 20, 2026 at [●] [a/p].m. EDT	Sale Hearing

6. This notice (the “**Sale Notice**”) and the Sale Hearing are subject to the fuller terms and conditions of the Motion and the Bidding Procedures Order, which shall control in the event of any conflict, and the Debtors encourage parties in interest to review such documents in their entirety. Parties interested in receiving more information regarding the sale of certain or all of the Debtors’ Assets or copies of any related document, including the Motion or the Bidding Procedures Order, may make a written request to counsel for the Debtors, (a) Skadden, Arps, Slate, Meagher & Flom LLP, 320 S. Canal Street, Chicago, Illinois 60606 (Attn: James J. Mazza, Jr., Esq. (james.mazza@skadden.com) and Mike Jones (mike.jones@skadden.com), 525 University

Avenue, Palo Alto, California 94301 (Attn: Jennifer Madden, Esq. (jennifer.madden@skadden.com)), 2000 Avenue of the Stars, Suite 200N, Los Angeles, California 90067 (Attn: Destiny N. Almogue, Esq. (destiny.almogue@skadden.com)), One Manhattan West, 395 9th Ave., New York, New York 10001 (Attn: Dohyun Kim, Esq. (dohyun.kim@skadden.com)), and (b) Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, Delaware 19899 (Courier 19801) (Attn: Laura Davis Jones, Esq. (ljones@pszjlaw.com) and Edward A. Corma, Esq. (ecorma@pszjlaw.com)). In addition, copies of the Motion, the Bidding Procedures Order and this Notice can be found (a) at <https://cases.stretto.com/SVM>; and (b) through PACER on the Court's website, <https://ecf.deb.uscourts.gov> (registration required), and are on file with the Clerk of the Bankruptcy Court, 824 Market St. N., Wilmington, Delaware 19801.

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Dated: Wilmington, Delaware
June __, 2026

/s/ DRAFT

**PACHULSKI STANG ZIEHL
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*Proposed Co-Counsel to Debtors and
Debtors in Possession*

EXHIBIT 3

Contract Assumption Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
SEARLES VALLEY MINERALS INC., <i>et al.</i> , ¹	)	Case No. 26-10966
)	
Debtors.	)	(Jointly Administered)
)	
)	

**NOTICE OF PROPOSED ASSUMPTION AND
ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS**

PLEASE TAKE NOTICE OF THE FOLLOWING:

7. On June [●], 2026 (the “**Petition Date**”), Searles Valley Minerals Inc. and certain of its subsidiaries, the debtors and debtors in possession in the above-captioned cases (collectively, the “**Debtors**”), each filed voluntary petitions for relief pursuant to chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”).

8. On June [●], 2026, the Debtors filed a motion (the “**Motion**”)² seeking, among other things, (a) entry of an order (the “**Bidding Procedures Order**”) approving the bidding procedures (the “**Bidding Procedures**”) for the sale or disposition of certain or all of the Debtors’ assets (the “**Assets**”) in one or more sale transactions pursuant to Bankruptcy Code section 363 (each, a “**Sale Transaction**” and collectively, the “**Sale**”); (b) establishing procedures for the Debtors to designate a stalking horse bidder (the “**Stalking Horse Bidder**”) and to enter into a stalking horse agreement (a “**Stalking Horse Agreement**”) containing bid protections; (c) establishing certain dates and deadlines for the Sale process, including scheduling (i) an auction of the Assets (the “**Auction**”), if any, in accordance with the Bidding Procedures, and (ii) the hearing with respect to the approval of the Sale (the “**Sale Hearing**”); (d) approving procedures for the assumption and assignment of certain executory contracts and unexpired leases (the “**Assumption Procedures**”); and (iv) approving the form and manner of notice of the Sale [Docket No. ____].

9. On [____], 2026, the Bankruptcy Court entered the Bidding Procedures Order [Docket No. ____]. Pursuant to the Bidding Procedures Order, the Debtors hereby provide notice that they are seeking to assume and assign to a Successful Bidder or Successful Bidders with

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number or business identification number, as applicable, are: Searles Valley Minerals Inc. (9263); Trona Railway Company LLC (3177); and Searles Domestic Water Company LLC (N/A). The location of Searles Valley Mineral Inc.’s corporate headquarters and the Debtors’ service address is 9401 Indian Creek Parkway, Suite 1000, Overland Park, Kansas 66210.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

respect to a given Sale Transaction the executory contracts or unexpired leases (each, an “**Assigned Contract**”) listed on **Exhibit A** attached hereto.

10. If the Debtors assume and assign to a Successful Bidder or Successful Bidders an Assigned Contract to which you are a party, on the closing date of the applicable Sale Transaction, or as soon thereafter as practicable, such Successful Bidder or Successful Bidders will pay you the amount the Debtors’ records reflect is owing for prepetition arrearages as set forth on **Exhibit A** (the “**Cure Payment**”). The Debtors’ records reflect that all postpetition amounts owing under your Assigned Contract have been paid and will continue to be paid until the assumption and assignment of the Assigned Contract, and that other than the Cure Payment, there are no other defaults under the Assigned Contract.

11. The Debtors’ inclusion of an executory contract or unexpired lease as an Assigned Contract on **Exhibit A** is not a guarantee that such executory contract or unexpired lease will ultimately be assumed and assigned to any Successful Bidder. Should it be determined that an Assigned Contract will not be assumed and assigned, the Debtors shall notify such party to the Assigned Contract in writing of such decision.

12. Under the terms of the Bidding Procedures Order, the Debtors may modify the list of Assumed Contracts on **Exhibit A** until consummation of the Sale, and the Debtors reserve the right, but only in accordance with the Successful Bidder Purchase Agreement or any Stalking Horse Agreement, as applicable, or as otherwise agreed by the Debtors and the Successful Bidder or Successful Bidders, at any time after the closing of a Sale Transaction and before the deadline for designation of additional Assigned Contracts or removal of potentially Assigned Contracts set forth in the Successful Bidder Purchase Agreement or any Stalking Horse Agreement, to (i) supplement the list of Assigned Contracts with previously omitted executory contracts, (ii) remove Assigned Contracts from the list of executory contracts ultimately selected as Assigned Contracts that a Successful Bidder proposes be assumed and assigned to it in connection with a Sale Transaction, or (iii) modify the previously stated Cure Payment associated with any Assigned Contracts. In the event the Debtors exercise any of these reserved rights, the Debtors will promptly serve a supplemental notice of contract assumption (a “**Supplemental Assumption Notice**”) on each of the counterparties to such contracts and their counsel of record, if any; provided, however, the Debtors may not add an executory contract to the list of Assigned Contracts that has been previously rejected by the Debtors by order of the Court. Each Supplemental Assumption Notice will include the same information with respect to listed Assigned Contracts as was included in the Contract Assumption Notice, or in the event of a removal, the information required in a Removal Notice.

13. Any objection to the Cure Payment or to assumption and assignment must be filed with the Bankruptcy Court on or before **the 14th day after service (or as reflected by the postmarked date) of the relevant Contract Assumption Notice or Supplemental Assumption Notice** (the “**Cure Objection Deadline**”), or such deadline set forth in the applicable Supplemental Assumption Notice, and served on: (a) co-counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, 320 S. Canal Street, Chicago, Illinois 60606 (Attn: James J. Mazza, Jr., Esq. (james.mazza@skadden.com) and Mike Jones (mike.jones@skadden.com)), 525 University Avenue, Palo Alto, California 94301 (Attn: Jennifer Madden, Esq. (jennifer.madden@skadden.com)), 2000 Avenue of the Stars, Suite 200N, Los Angeles, California

90067 (Attn: Destiny N. Almogue, Esq. (destiny.almogue@skadden.com)), One Manhattan West, 395 9th Ave., New York, New York 10001 (Attn: Dohyun Kim, Esq. (dohyun.kim@skadden.com)); (b) co-counsel for the Debtors, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, Delaware 19899 (Courier 19801) (Attn: Laura Davis Jones, Esq. (ljones@pszjlaw.com) and Edward A. Corma, Esq. (ecorma@pszjlaw.com)); (c) counsel to the applicable Successful Bidder; (d) counsel to the DIP Lender; and (e) counsel to the Prepetition Secured Lender. The deadline for objections to the proposed assumption and assignment of an Assigned Contract solely with respect to (i) the identity of the Successful Bidder or Successful Bidders or (ii) adequate assurance of future performance provided by the Successful Bidder or Successful Bidders shall be **August 18, 2026 at 4:00 p.m.** (the “**Sale Objection Deadline**”). Any objections must (1) be in writing, (2) comply with the applicable provisions of the Bankruptcy Rules and the Local Bankruptcy Rules, and (3) state with specificity the nature of the objection and, if the objection pertains to the proposed amount of the Cure Payment, the correct cure amount alleged by the objecting counterparty, together with any applicable and appropriate documentation in support thereof.

14. If an objection to the Cure Payment or assumption and assignment is timely filed and not resolved by the parties, a hearing with respect to the objection will take place in the United States Bankruptcy Court for the District of Delaware, 24 Market St. N., Wilmington, Delaware 19801 at the Sale Hearing to be held at [a/p].m. (**prevailing Eastern Time**) on **August 20, 2026**, or at a later hearing, as determined by the Debtors, which later hearing may include any hearing to consider an order confirming a chapter 11 plan. A hearing regarding the Cure Payment, if any, may be continued at the discretion of the Debtors and the applicable Successful Bidder until after the closing of the relevant Sale Transaction.

15. Any party failing to timely file an objection to the proposed Cure Payment, the proposed assumption and assignment of an Assigned Contract or Additional Assigned Contract listed on a Contract Assumption Notice or the Supplemental Assumption Notice, or the Sale is deemed to have consented to (a) such Cure Payment, (b) the assumption and assignment of such Assigned Contract or Additional Assigned Contract (including the adequate assurance of future payment), (c) the related relief requested in the Motion, and (d) the Sale. Such party shall be forever barred and estopped from objecting to the Cure Payments, the assumption and assignment of the Assigned Contract, or Additional Assigned Contract, adequate assurance of future performance, the relief requested herein, whether applicable law excuses such counterparty from accepting performance by, or rendering performance to, the Successful Bidder or Successful Bidders for purposes of Bankruptcy Code section 365(c)(1) and from asserting any additional cure or other amounts against the Debtors and the Successful Bidder or Successful Bidders, as applicable, with respect to such party’s Assigned Contract or Additional Assigned Contract.

16. After the Auction, the Debtors will file, but not serve, a notice that identifies the Successful Bidder or Successful Bidders. The Debtors or any Successful Bidder reserve all of their rights, claims and causes of action with respect to the contracts and agreements listed on **Exhibit A** hereto. Notwithstanding anything to the contrary herein, the proposed assumption and assignment of each of the Assigned Contracts listed on **Exhibit A** hereto (a) shall not be an admission as to whether any such Assigned Contract was executory or unexpired as of the Petition Date or remains executory or unexpired postpetition within the meaning of Bankruptcy Code section 365; and (b) shall be subject to the Debtors’ or any Successful Bidder’s right to conduct

further confirmatory diligence with respect to the Cure Payment of each Assigned Contract and to modify such Cure Payment accordingly. In the event that the Debtors or any Successful Bidder determine that your Cure Payment should be modified, you will receive a notice, which will provide for additional time to object to such modification.

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Dated: Wilmington, Delaware
June __, 2026

/s/ DRAFT

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EXHIBIT B

Proposed Sale Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
	)	Chapter 11
SEARLES VALLEY MINERALS INC., <i>et al.</i> , ¹	)	Case No. 26-10966
Debtors.	)	(Jointly Administered)
)	
	)	Related Docket No(s).

**ORDER (A) APPROVING THE SALE OF [CERTAIN OF]
THE DEBTORS’ ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS,
ENCUMBRANCES, AND OTHER INTERESTS, (B) APPROVING THE ASSUMPTION
AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED
LEASES RELATED THERETO, AND (C) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)² of the Debtors for an order (this “**Order**”)

(a) authorizing and approving the entry into and performance under the terms and conditions of that certain [Asset Purchase Agreement], substantially in the form attached hereto as **Exhibit 1**, and which for purposes of this Order shall include all exhibits, schedules and ancillary documents related thereto and hereto, including the [Ancillary Documents] (collectively, and as may be amended, supplemented or restated, the “**Purchase Agreement**”), by and among the Seller Debtors and [_____] (the “**Buyer**”); (b) approving the sale (collectively, and including all actions taken or required to be taken in connection with the implementation and consummation of the Purchase Agreement, the “**Sale Transaction**”) of [certain] [all] of the assets of the Debtors as

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number or business identification number, as applicable, are: Searles Valley Minerals Inc. (9263); Trona Railway Company LLC (3177); and Searles Domestic Water Company LLC (N/A). The location of Searles Valley Mineral Inc.’s corporate headquarters and the Debtors’ service address is 9401 Indian Creek Parkway, Suite 1000, Overland Park, Kansas 66210.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion or the Purchase Agreement, as applicable.

set forth in the Purchase Agreement (the “**Transferred Assets**”), free and clear of all claims, liens, interests, and encumbrances (other than Assumed Liabilities and Permitted Encumbrances); (b) authorizing the assumption and assignment of certain executory contracts and unexpired leases (the “**Assigned Contracts**”) and the assumption of the Assumed Liabilities, each as more fully described in the Purchase Agreement; and the Court having held a hearing on [____], 2026 (the “**Sale Hearing**”) to consider the Motion and to consider approval of the Sale Transaction; and the Court having reviewed and considered the relief sought in the Motion with respect to the Sale Transaction, the declarations submitted in support of the Motion, all objections to the Motion and the Debtors’ responses thereto at the Sale Hearing, and the arguments of counsel made, and the declarations admitted into evidence at the Sale Hearing; and all parties in interest having been heard or having had the opportunity to be heard regarding the Sale Transaction and the relief requested in this Order; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and due and sufficient notice of the Motion and the Sale Hearing been given under the particular circumstances and in accordance with the Bidding Procedures Order; and it appearing that no other or further notice need be provided; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation thereon; and good and sufficient cause appearing therefor; it is hereby;

FOUND, CONCLUDED, AND DETERMINED THAT³:

A. A reasonable opportunity to object or to be heard regarding the requested relief has been afforded to all interested parties and entities.

B. On [____], 2026, the Court entered an order [Docket No. ____] (the “**Bidding Procedures Order**”), which, among other things, (i) authorized and approved the Bidding Procedures in connection with the sale of [certain] [all] of the assets of the Debtors (the “**Assets**”); (ii) approved procedures for the assumption and assignment of contracts and noticing of related Cure Payments; (iii) approved the form and manner of notice of the Auction and the Sale Hearing, (iv) scheduled the Sale Hearing and set other related dates and deadlines; and (iv) granted related relief.

C. On [____], 2026, the Debtors announced their determination that the Buyer submitted the highest or best bid for the Transferred Assets.

D. The Debtors have articulated good and sufficient business reasons for the Court to authorize (i) the Debtors’ entry into the Purchase Agreement and consummation of the Sale Transaction including the sale of the Transferred Assets to the Buyer pursuant to the terms of the Purchase Agreement and this Order, (ii) the assumption and assignment of the Assigned Contracts as set forth herein and in the Purchase Agreement, and (iii) the assumption of the Assumed Liabilities as set forth herein and in the Purchase Agreement. Entry into the Purchase Agreement and consummation of the Sale Transaction pursuant to this Order are sound exercises of business

³ The findings and conclusions set forth herein constitute this Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such. Furthermore, any findings of fact or conclusions of law made by the Court on the record at the close of the Sale Hearing are incorporated herein pursuant to Fed. R. Bank. P. 7052.

judgment, and such acts are in the best interests of the Debtors, their estates and creditors, and all parties in interest.

E. The Debtors have articulated good and sufficient business reasons justifying the sale of the Transferred Assets to the Buyer. Additionally, (i) the Debtors conducted a robust marketing process to sell the Transferred Assets and the Purchase Agreement constitutes the highest and best offer for the Transferred Assets; (ii) the Bidding Procedures utilized were designed to yield the highest or otherwise best bids for the Transferred Assets; (iii) the Purchase Agreement and the closing of the Sale Transaction present the best opportunity to realize the highest value for the Transferred Assets; (iv) there is risk of deterioration of the value of the Transferred Assets if the Sale Transaction is not consummated promptly; and (v) the Purchase Agreement and the sale of the Transferred Assets to the Buyer provide greater value to the Debtors' estates than would be provided by any other presently available alternative.

F. The Debtors have demonstrated compelling circumstances and a good, sufficient and sound business purpose for the sale outside of (i) the ordinary course of business, pursuant to section 363(b) of the Bankruptcy Code; and (ii) a plan of reorganization, in that, among other things, the immediate consummation of the Sale Transaction is necessary and appropriate to maximize the value of the Debtors' estates.

G. As evidenced by the affidavits of service [Docket Nos. ___] and publication [Docket No. ___] previously filed with the Court, and based on the representations of counsel at the Sale Hearing, (i) proper, timely, adequate and sufficient notice of the Motion, the Sale Hearing, the Sale Transaction, the Assumption Procedures, and the assumption and assignment of the Assigned Contracts to be assigned to the Buyer and the applicable Cure Payments has been provided in compliance with the Bidding Procedures Order and in accordance with

sections 102(1), 363, and 365 of the Bankruptcy Code, and Bankruptcy Rules 2002, 4001, 6004, 6006, 9006, 9007 and 9014, (ii) such notice was good and sufficient, and appropriate under the particular circumstances, and (iii) no other or further notice of the Motion, the Sale Hearing, the Sale Transaction, the assumption and assignment of the Assigned Contracts to be assigned to the Buyer or the Cure Payments related thereto is or shall be required. With respect to entities whose identities were not reasonably ascertained by the Debtors, publication of the Sale Notice was made in the national edition of the *New York Times* and *The Daily Independent*, a local publication based in Ridgecrest, California, on [____], 2026. Such notice was sufficient and reasonably calculated under the circumstances to reach all known and unknown holders of claims and interests and non-Debtor counterparties to executory contracts.

H. The Bidding Procedures were substantively and procedurally fair to all parties and all potential bidders and afforded notice and a full, fair and reasonable opportunity for any person to make a higher or otherwise better offer to purchase [certain] [all] of the Assets. The Debtors and their professionals adequately marketed the Assets and conducted the marketing and sale process in accordance with the Bidding Procedures and the Bidding Procedures Order. The Debtors determined that the Purchase Agreement constituted the highest and best offer with respect to the Transferred Assets and selected the Purchase Agreement as the Successful Bid with respect to the Transferred Assets. The Debtors therefore determined in a valid and sound exercise of their business judgment, and in accordance with the Bidding Procedures and Bidding Procedures Order, that the highest and best Qualified Bid for the Transferred Assets is that of the Buyer and that the Purchase Agreement will provide a greater recovery for the Debtors' estates than would be provided by any other available alternative.

I. There is no evidence before the Court of any collusion in connection with the Sale Process.

J. The Purchase Agreement was negotiated and is undertaken by the Debtors and the Buyer at arm's-length and in good faith within the meaning of section 363(m) of the Bankruptcy Code. The Buyer is not an "insider" of any of the Debtors as that term is defined by section 101(31) of the Bankruptcy Code. The Buyer recognized that the Debtors were free to deal with any other party interested in acquiring the Transferred Assets, complied with the Bidding Procedures Order, and agreed to, and did, subject its bid to the competitive Bidding Procedures approved in the Bidding Procedures Order. As a result of the foregoing, the Buyer is entitled to the protections of section 363(m) of the Bankruptcy Code, including in the event this Order or any portion thereof is reversed or modified on appeal, and otherwise has proceeded in good faith in all respects in connection with these Chapter 11 Cases.

K. All payments to be made by the Buyer and other agreements or arrangements entered into by the Buyer in connection with the Sale Transaction have been disclosed.

L. The Debtors (i) have full power and authority to execute the Purchase Agreement and all other documents contemplated thereby; (ii) have all of the power and authority necessary to consummate the transactions contemplated by the Purchase Agreement; and (iii) have taken all corporate action necessary to authorize and approve the Purchase Agreement, the sale of the Transferred Assets, and all other actions required to be performed by the Debtors in order to consummate the transactions contemplated in the Purchase Agreement. No consents or approvals, other than those already obtained or expressly provided for in the Purchase Agreement or this Order, are required for the Debtors to consummate the Sale Transaction.

M. The total consideration provided by the Buyer for the Transferred Assets represents the highest and best offer received by the Debtors for the Transferred Assets, and the Transaction Purchase Price constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code, the Uniform Voidable Transactions Act, the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act and any other applicable laws.

N. The Buyer would not have entered into the Purchase Agreement and would not agree to consummate the Sale Transaction if the sale of the Transferred Assets to the Buyer were not free and clear of all claims, liens, interests, and encumbrances (other than Assumed Liabilities and Permitted Encumbrances) to the fullest extent permitted pursuant to section 363(f) of the Bankruptcy Code or if the Buyer would, or in the future could, be liable for any of such claims, liens, interests, and encumbrances.

O. The Debtors may sell the Transferred Assets free and clear of claims, liens, interests, and encumbrances (other than Assumed Liabilities and Permitted Encumbrances) to the fullest extent permitted by section 363(f) of the Bankruptcy Code because, with respect to each creditor asserting a claim, lien, interest or encumbrance, one or more of the standards set forth in section 363(f)(1)–(5) of the Bankruptcy Code has been satisfied. Those holders of claims, liens, interests or encumbrances that did not object to or that withdrew their objections to the sale of the Transferred Assets or the Motion, are barred from challenging the Motion, the Sale Transaction, or the sale of the Transferred Assets free and clear of claims, liens, interests, and encumbrances. Those holders of claims, liens, interests, or encumbrances that did object fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code or are adequately protected by the terms of this Order.

P. There is no evidence that the Debtors or the Buyer engaged in any conduct that would cause or permit the Purchase Agreement or the consummation of the Sale Transaction to be avoided, or costs or damages to be imposed, under section 363(n) of the Bankruptcy Code or under any other law of the United States, any state, territory, possession thereof, or any other applicable law.

Q. The Purchase Agreement was not entered into, and the Sale Transaction is not consummated, for the purpose of hindering, delaying or defrauding the Debtors' creditors under the Bankruptcy Code or under any other law of the United States, any state, territory, possession thereof, or any other applicable law. Neither the Debtors nor the Buyer have entered into the Purchase Agreement, or is consummating the Sale Transaction, for any fraudulent or otherwise improper purpose.

R. The Buyer would not have acquired the Transferred Assets but for the protections against potential claims based upon successor liability, de facto merger, or theories of similar effect that are set forth in this Order.

S. The Debtors have proven and demonstrated that it is an exercise of their sound business judgment to assume and assign the Assigned Contracts to be assigned to the Buyer in connection with the consummation of the Sale Transaction, and the assumption and assignment of the Assigned Contracts to be assigned to the Buyer is in the best interests of the Debtors, their estates and creditors and all parties in interest. The Assigned Contracts being assigned to the Buyer are an integral part of the Transferred Assets being purchased by the Buyer, and accordingly, such assumption and assignment of such Assigned Contracts is reasonable and enhances the value of the Debtors' estates.

T. The Cure Payments with respect to the Assigned Contracts to be assigned to the Buyer are deemed to be the entire cure obligation due and owing under such Assigned Contracts under section 365(b) of the Bankruptcy Code. To the extent that any non-Debtor counterparty to an Assigned Contract to be assigned to the Buyer failed to timely file an objection to the proposed Cure Payment filed with the Bankruptcy Court and associated with such Assigned Contract, the Cure Payment listed in the applicable Contract Assumption Notice with respect to such Assigned Contract shall be deemed to be the entire cure obligation due and owing under such Assigned Contract.

U. Each provision of the Assigned Contracts to be assigned to the Buyer or applicable non-bankruptcy law that purports to prohibit, restrict or condition, or could be construed as prohibiting, restricting or conditioning, assignment of any Assigned Contracts to be assigned to the Buyer has been satisfied or is otherwise unenforceable under section 365 of the Bankruptcy Code.

V. Assumption and assignment of any Assigned Contract to be assigned to the Buyer pursuant to this Order and the Purchase Agreement and full payment of any applicable Cure Payment shall result in the full release and satisfaction of any and all cures, claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting change in control or ownership interest composition or other bankruptcy-related defaults, arising under any Assigned Contract to be assigned to the Buyer at any time prior to the Closing Date, and shall relieve the Debtors and their estates from any liability for any breach of such Assigned Contract occurring after such assignment.

W. The Buyer has demonstrated adequate assurance of future performance of all Assigned Contracts to be assigned to the Buyer, within the meaning of section 365 of the Bankruptcy Code.

X. Upon the assignment to the Buyer and the payment of the relevant Cure Payment (if applicable), (i) each Assigned Contract to be assigned to the Buyer shall be deemed valid and binding and in full force and effect in accordance with its terms, and all defaults thereunder, if any, shall be deemed cured, subject to the provisions of this Order; and (ii) the Buyer shall assume all obligations under each such Assigned Contract.

Y. The injunction set forth in this Order against creditors and third parties pursuing claims against, and liens, interests, and encumbrances on, the Transferred Assets is necessary to induce the Buyer to close the Sale Transaction, and the issuance of such injunctive relief is therefore necessary to avoid irreparable injury to the Debtors' estates and will benefit the Debtors' creditors.

Z. The Sale Transaction does not constitute a *sub rosa* chapter 11 plan. The Sale Transaction neither impermissibly restructures the rights of the Debtors' creditors nor impermissibly dictates a chapter 11 plan for any of the Debtors.

AA. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), the Court expressly finds that there is no just reason for delay in the implementation of this Order, and, sufficient cause having been shown, waives any such stay, and expressly directs entry of judgment as set forth herein. The Debtors have demonstrated compelling circumstances and a good, sufficient and sound business purpose and justification for the immediate approval and consummation of the Sale Transaction as contemplated by the Purchase Agreement. The Buyer, being a good faith purchaser under

section 363(m) of the Bankruptcy Code, may close the Sale Transaction contemplated by the Purchase Agreement at any time after entry of this Order.

BB. The relief granted herein is in the best interests of the Debtors, their estates and creditors, and other parties in interest.

NOW, THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is GRANTED, to the extent set forth herein.
2. Any Objection to the Motion, the Sale Transaction, or any other relief granted in this Order, to the extent not resolved, adjourned for hearing on a later date, waived or withdrawn, or previously overruled, and all reservations of rights included therein, is hereby OVERRULED and DENIED on the merits.
3. The Bidding Procedures utilized by the Debtors with respect to the Sale Transaction are hereby ratified and were appropriate under the circumstances in order to maximize the value obtained from the Sale Transaction for the benefit of the estates.
4. The Purchase Agreement and the Sale Transaction are hereby approved and the Debtors are authorized to enter into and perform under the Purchase Agreement.
5. Subject in all respects to the Carve Out and the funding of the Post-Carve Out Trigger Notice Cap into the Professional Fee Escrow Account (as defined in the Final DIP Order), and subject to paragraph 32 below: (i) all net cash proceeds generated from the sale of the Transferred Assets that constitute the Prepetition Secured Lender's collateral shall be immediately and indefeasibly paid by the Debtors to the Prepetition Secured Lender upon the closing of the Sale Transaction for indefeasible application against the Prepetition Obligations (as defined in the Final DIP Order); and (ii) all net cash proceeds generated from the sale of Transferred Assets that

constitute the DIP Lender's collateral, to the extent such proceeds remain after payments made to the Prepetition Lender, shall be immediately and indefeasibly paid by the Debtors to the DIP Lender at the closing of the Sale Transaction for application against the obligations owing by the Debtors under the DIP Obligations (as defined in the Final DIP Order); in each case, in accordance with the terms and conditions of the Final DIP Order, the DIP Loan Documents, and the Prepetition Loan Documents (each as defined in the Final DIP Order).

6. Each of the Debtors and the Buyer are hereby authorized and directed to take any and all actions necessary or appropriate to (a) consummate the Sale Transaction and the Closing in accordance with the Motion, the Purchase Agreement, and this Order; (b) assume and assign the Assigned Contracts to be assigned to the Buyer pursuant to the Purchase Agreement; (c) provide for the assumption of the Assumed Liabilities; and (d) perform, consummate, implement and close fully the Purchase Agreement together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement.

7. Notwithstanding any provision of any Assigned Contract to be assigned to the Buyer or applicable non-bankruptcy law that prohibits, restricts or conditions the assignment of such Assigned Contracts, the Debtors are authorized to assume such Assigned Contracts and to assign such Assigned Contracts to the Buyer, which assignment shall take place on and be effective as of the Closing or as otherwise provided by order of this Court. There shall be no accelerations, assignment fees, increases, or any other fees charged to the Buyer or the Debtors as a result of the assumption and assignment of the Assigned Contracts to be assigned to the Buyer.

8. The Buyer shall have assumed the Assigned Contracts to be assigned to the Buyer, and the assignment by the Debtors of such Assigned Contracts shall not be a default thereunder. After the payment of any relevant Cure Payment, neither the Debtors, their bankruptcy estates nor

the Buyer shall have any further liabilities to the non-Debtor counterparties to such Assigned Contracts, other than the Buyer's obligations under such Assigned Contracts that accrue or become due and payable on or after the Closing Date.

9. The Debtors' assumption of the Assigned Contracts to be assigned to the Buyer is subject to the consummation of the Sale Transaction. To the extent that an objection by a counterparty to any such Assigned Contract, including all objections related to any applicable Cure Payments, is not resolved prior to the Closing Date, the Debtors, with the consent of the Buyer and in accordance with the Purchase Agreement, may elect to (a) not assume and assign to the Buyer such Assigned Contract; (b) postpone the assumption of such Assigned Contract until the resolution of such objection; or (c) reserve the disputed portion of any applicable Cure Payment and assume such Assigned Contract on the Closing Date. So long as the claimed Cure Payment is held in reserve, and there are no other unresolved objections to the assumption and assignment of such applicable Assigned Contract, the Debtors can, without further delay, assume and assign such Assigned Contract that is the subject of the objection. Under such circumstances, the respective objecting counterparty's recourse would be limited to the funds held in reserve.

10. Upon the Closing, (a) the Debtors are hereby authorized and directed to consummate, and shall be deemed for all purposes to have consummated, the sale, transfer and assignment of all of the Debtors' rights, title and interest in the Transferred Assets to the Buyer free and clear of all claims, liens, interests, and encumbrances (other than the Assumed Liabilities and Permitted Encumbrances) to the fullest extent permitted by section 363(f) of the Bankruptcy Code; and (b) except as otherwise expressly provided in the Purchase Agreement, all Encumbrances and Liabilities (other than the Assumed Liabilities and the Permitted Encumbrances) shall not be enforceable as against any member of the Buyer Group (as defined below) or the Transferred

Assets. A certified copy of this Order may be filed with the appropriate clerk or recorder to act to cancel any such lien, claim, interest or encumbrance of record.

11. The transfer to the Buyer of the Debtors' rights, title, and interest in the Transferred Assets pursuant to the Purchase Agreement shall be, and hereby is deemed to be, a legal, valid, and effective transfer of the Debtors' rights, title, and interest in the Transferred Assets, and vests with or will vest in the Buyer all rights, title, and interest of the Debtors in the Transferred Assets, free and clear of all claims, liens, interests, and encumbrances of any kind or nature whatsoever (other than the Assumed Liabilities and the Permitted Encumbrances) to the fullest extent permitted by section 363(f) of the Bankruptcy Code, with any such claims, liens, interests, and encumbrances attaching to the net proceeds of such sale with the same validity, extent, and priority as existed immediately prior to the sale of the Transferred Assets, subject to the provisions of this Order, and any rights, claims, and defenses of the Debtors and other parties in interest.

12. Unless expressly included in the Assumed Liabilities and Permitted Encumbrances, neither the Buyer, nor any of the Buyer's affiliates (including any subsidiary of Buyer, nor any person or entity that could be treated as a single employer with the Buyer pursuant to Section 4001(b) the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or Section 414(b), (c), (m) or (o) of the Internal Revenue Code of 1986, as amended (collectively, the "**Buyer Group**")) shall be responsible for any claims, liens, liabilities, obligations, interests, and encumbrances in respect of any pension, multiemployer plan (as such term is defined in Section 3(37) or Section 4001(a)(3) of ERISA), health or welfare, compensation or other employee benefit plans, agreements, practices and programs, including, without limitation, any pension plan of any of the Debtors or any multiemployer plan to which the Debtors have at any time contributed to or had any liability or potential liability.

13. Subject to the Closing, none of the Buyer or its affiliates, successors, assigns, equity holders, officers, directors, employees, or professionals shall have or incur any liability to, or be subject to any action by any of the Debtors or any of their estates, predecessors, successors, or assigns, arising out of the negotiation, investigation, preparation, execution, or delivery of the Purchase Agreement and the entry into and consummation of the sale of the Transferred Assets, except as expressly provided in the Purchase Agreement and this Order.

14. Except as expressly provided in the Purchase Agreement or by this Order, all persons and entities, including, but not limited to, all debt security holders, equity security holders, governmental, tax and regulatory authorities, lenders, vendors, suppliers, customers, employees, trade creditors, litigation claimants, and other persons, holding claims, liens, interests, or encumbrances of any kind or nature whatsoever arising prior to the Closing Date against or in the Debtors or the Debtors' interests in the Transferred Assets (whether known or unknown, legal or equitable, matured or unmatured, contingent or noncontingent, liquidated, or unliquidated, asserted or unasserted, whether arising prior to or subsequent to the commencement of these Chapter 11 Cases, whether imposed by agreement, understanding, law, equity, or otherwise), including, without limitation, the non-Debtor party or parties to each Assigned Contract to be assigned to the Buyer holding claims arising prior to the Closing Date, shall be and hereby are forever barred, estopped and permanently enjoined to the fullest extent permitted by section 363(f) of the Bankruptcy Code from asserting, prosecuting or otherwise pursuing such pre-Closing Date claims, liens, interests, and encumbrances against the Buyer or its affiliates, successors, assigns, equity holders, directors, officers, employees or professionals, the Transferred Assets, or the interests of the Debtors in such Transferred Assets (other than Assumed Liabilities or Permitted Encumbrances). Following the Closing, and to the fullest extent permitted by section 363(f) of

the Bankruptcy Code, no holder of a pre-Closing Date claim, lien, interest, or encumbrance against the Debtors (other than those arising under the Assumed Liabilities or Permitted Encumbrances) shall interfere with the Buyer's title to or use and enjoyment of the Debtors' interest in the Transferred Assets based on or related to such claim, lien, interest, or encumbrance, and, except as otherwise provided in the Purchase Agreement with respect to Assumed Liabilities or this Order, all such claims, liens, interests, or encumbrances, if any, shall be, and hereby are transferred and will attach to the net available proceeds from the sale of the Transferred Assets in the order of their priority, with the same validity, force, and effect which they have against such Transferred Assets as of the Closing, subject to any rights, claims, and defenses that the Debtors' estates and the Debtors, as applicable, may possess with respect thereto. All persons are hereby enjoined from taking action that would interfere with or adversely affect the ability of the Debtors to transfer the Transferred Assets to the Buyer in accordance with the terms of this Order.

15. By virtue of the Sale Transaction, and notwithstanding any otherwise applicable law, rule, or regulation to the contrary, neither the Buyer nor any of its affiliates shall be deemed to: (i) be a legal successor, or otherwise deemed to be a successor, to any of the Debtors under any theory of law or equity; (ii) have, *de facto* or otherwise, merged with or into any or all Debtors or their estates; (iii) have a common identity or a continuity of enterprise with the Debtors; or (iv) be a mere continuation or substantial continuation, or be holding itself out as a mere continuation, of the Debtors or any business, enterprise, or operation of the Debtors; or (v) to be liable for any acts or omissions of the Debtors in the conduct of their business or arising under or related to the Transferred Assets, other than as set forth in the Asset Purchase Agreement. To the maximum extent available under applicable law, the Buyer's acquisition of the Debtors' right, title and interest in the Transferred Assets shall be free and clear of any "successor liability" claims and

other types of transferee liability of any nature whatsoever, whether known or unknown and whether asserted or unasserted at the time of the closing of the Sale Transaction. The operations of the Buyer and its Affiliates shall not be deemed a continuation of the Debtors' business as a result of the acquisition of the Transferred Assets.

16. The Purchase Agreement has been entered into by the Buyer in good faith and the Buyer is a good faith purchaser of the Transferred Assets as that term is used in section 363(m) of the Bankruptcy Code. The Buyer is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code.

17. No bulk sales law or any similar law of any state or other jurisdiction shall apply in any way to the Sale Transaction. Except as otherwise provided in the Purchase Agreement, no obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment is due to any person in connection with the Purchase Agreement or the transactions contemplated hereby or thereby for which the Buyer is or will become liable.

18. The consideration provided by the Buyer for the Transferred Assets under the Purchase Agreement shall be deemed for all purposes to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and any other applicable law, and the sale of the Transferred Assets may not be avoided, or costs or damages imposed or awarded under section 363(n) of the Bankruptcy Code or any other provision of the Bankruptcy Code, the Uniform Voidable Transactions Act, the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act, or any other similar federal or state laws.

19. There is no evidence that the Debtors or the Buyer have engaged in any conduct that would cause or permit the Purchase Agreement or the consummation of the Sale Transaction

to be avoided, or costs or damages to be imposed, under section 363(n) of the Bankruptcy Code or under any other law of the United States, any state, territory, possession thereof, or any other applicable law.

20. On the Closing Date, this Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of all of the Debtors' rights, title, and interest in the Transferred Assets or a bill of sale transferring good and marketable title in such Transferred Assets to the Buyer on the Closing Date pursuant to the terms of the Purchase Agreement, free and clear of all claims, liens, interests, and encumbrances (other than Assumed Liabilities and Permitted Encumbrances) to the fullest extent permitted by section 363(f) of the Bankruptcy Code.

21. This Order (a) is and shall be effective as a determination that other than Assumed Liabilities and Permitted Encumbrances, all claims, liens, interests, and encumbrances of any kind or nature whatsoever existing as to the Transferred Assets prior to the Closing have been unconditionally released, discharged, and terminated to the fullest extent permitted by section 363(f) of the Bankruptcy Code, and that the conveyances described herein have been effected, including claims in connection with any tax liability and (b) is and shall be binding upon and shall authorize all entities, including, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies or units, governmental departments or units, secretaries of state, federal, state and local officials and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to the Transferred Assets conveyed to the Buyer. Other than Permitted Encumbrances and liens and

security interests relating to the Assumed Liabilities, all recorded claims, liens, interests, and encumbrances against the Transferred Assets from their records, official and otherwise, shall be deemed stricken.

22. If any person or entity which has filed statements or other documents or agreements evidencing liens, interests, or encumbrances on, or claims against or interests in, the Transferred Assets shall not have delivered to the Debtors before the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of liens and easements, and any other documents necessary for the purpose of documenting the release of all claims, liens, interests, or encumbrances (other than Permitted Encumbrances and liens and security interests relating to the Assumed Liabilities) which the person or entity has or may assert with respect to the Transferred Assets, the Debtors and the Buyer are hereby authorized to file copies of this Order as evidence of the termination, satisfaction, and release of such claims, liens, interests, or encumbrances.

23. All counterparties to the Assigned Contracts to be assigned to the Buyer shall cooperate and expeditiously execute and deliver, upon the reasonable requests of the Buyer, and shall not charge the Debtors or the Buyer for any instruments, applications, consents or other documents which may be required or requested by any public or quasi-public authority or other party or entity to effectuate the applicable transfers in connection with the sale of the Transferred Assets.

24. Each and every federal, state and governmental agency or department, and any other person or entity, is hereby authorized to accept any and all documents and instruments in connection with or necessary to consummate the Sale Transaction contemplated by the Purchase Agreement.

25. Nothing in this Order or the Purchase Agreement releases, nullifies, precludes, or enjoins the enforcement of any police or regulatory power of a governmental unit with respect to environmental liability that any entity would be subject to as the owner or operator of property after the Closing Date. Nothing in this Order or the Purchase Agreement authorizes the transfer or assignment of any applicable governmental (a) license, (b) permit, (c) registration, (d) authorization, or (e) approval, or the discontinuation of any obligation thereunder, without compliance with all applicable legal requirements and approvals under applicable police or regulatory law. Nothing in this Order divests any tribunal of any jurisdiction it may have under applicable police or regulatory law to interpret this Order or to adjudicate any defense asserted under this Order; *provided, however*, that the Bankruptcy Court retains jurisdiction as set forth in and pursuant to the terms of this Order or any plan of reorganization or liquidation confirmed in these Chapter 11 Cases, including jurisdiction, but not exclusive jurisdiction, to determine whether liabilities asserted by any governmental unit are discharged or otherwise barred by this Order, any plan of reorganization or liquidation confirmed in these Chapter 11 Cases, or the Bankruptcy Code.

26. Without limiting the provisions of paragraph **Error! Reference source not found.** above, but subject to section 525(a) of the Bankruptcy Code, no governmental unit may revoke or suspend any right, license, trademark or other permission relating to the use of the Transferred Assets sold, transferred, or conveyed to the Buyer on account of the filing or pendency of these Chapter 11 Cases or the consummation of the sale of the Transferred Assets.

27. To the extent this Order is inconsistent with any prior order or pleading filed in these Chapter 11 Cases, the terms of this Order shall govern. To the extent there is any inconsistency between the terms of this Order and the terms of the Purchase Agreement, the terms of this Order shall govern.

28. All entities (other than holders of Assumed Liabilities or Permitted Encumbrances) that are presently, or on the Closing Date may be, in possession of some or all of the Transferred Assets are hereby directed to surrender possession of the Transferred Assets to the Buyer on the Closing Date.

29. This Order shall not be modified by any chapter 11 plan of any of the Debtors confirmed in these Chapter 11 Cases.

30. This Order and the Purchase Agreement shall be binding in all respects upon all creditors and interest holders of the Debtors, all non-Debtor parties to the Assigned Contracts, any statutory committee appointed in these Chapter 11 Cases, all successors and assigns of the Debtors and their affiliates and subsidiaries, and any trustees, examiners, “responsible persons,” or other fiduciaries appointed in the Chapter 11 Cases or upon a conversion of the Debtors’ cases to cases under chapter 7 of the Bankruptcy Code, including a chapter 7 trustee; and the Purchase Agreement shall not be subject to rejection or avoidance under any circumstances. If any order under section 1112 of the Bankruptcy Code is entered, such order shall provide (in accordance with sections 105 and 349 of the Bankruptcy Code) that this Order and the rights granted to the Buyer hereunder shall remain effective and, notwithstanding such dismissal or conversion, shall remain binding on parties in interest.

31. The failure specifically to include or make reference to any particular provisions of the Purchase Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Purchase Agreement is authorized and approved in its entirety subject to paragraph 27 of this Order.

32. Any Sale Transaction Fee⁴ or Other Sale Transaction Fee due to Lazard as a result of the closing of the Sale Transaction shall be segregated and escrowed (for the exclusive benefit of Lazard) from the proceeds of the Sale Transaction (including, without limitation, from the proceeds of any liquidation or other disposition of the Debtors' Assets), as an express carve-out from the collateral of the Debtors' pre- and postpetition secured lenders, prior to any other use or distribution of such proceeds. Any Successful Bid (including on account of any successful Credit Bid) must contain a cash component sufficient to pay the corresponding Sale Transaction Fee or Other Sale Transaction Fee due to Lazard in full, *provided* that if the Sale Transaction does not yield at closing sufficient cash to pay the unpaid portion of such Sale Transaction Fee or Other Sale Transaction Fee in full, or any portion thereof, then the Successful Bidder (including on account of any successful Credit Bid) shall immediately set aside from its own funds and escrow (for the exclusive benefit of Lazard) at the closing of the Transaction giving rise to such fee any such amount necessary to pay Lazard such unpaid portion of the Sale Transaction Fee or Other Sale Transaction Fee in full. For the avoidance of doubt, nothing in this Order shall prohibit or be construed to prohibit the use of any unencumbered assets of the Debtors or the proceeds thereof to pay any fees and expenses of Lazard or the assertion or allowance of an administrative priority claim under sections 503(b)(2) and 507(a)(2) of the Bankruptcy Code, if applicable, on account of any fees or expenses of Lazard. Notwithstanding anything to the contrary set forth herein, the requirements and obligations contained in this paragraph 32 to pay Lazard any such Sale Transaction Fee or Other Sale Transaction Fee on account of such Sale Transaction or Other Sale

⁴ Terms used in this paragraph but not otherwise defined herein shall have the meanings given to them in that certain letter agreement between Lazard and Searles Valley Minerals Inc. dated as of May 12, 2026.

Transaction shall be subject in all respects to the entry of an order by the Court approving any such fees including the Sale Transaction Fee or Other Sale Transaction Fee.

33. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order, including, without limitation, the authority to (a) interpret, implement and enforce the terms and provisions of this Order (including the injunctive relief provided in this Order), the terms of the Purchase Agreement, all amendments thereto and any waivers and consents thereunder; (b) protect the Buyer, or the Transferred Assets, from and against any of the claims, liens, interests, or encumbrances (other than Assumed Liabilities and Permitted Encumbrances); (c) compel delivery of all Transferred Assets to the Buyer (other than those in the possession of the holder of an Assumed Liability or Permitted Encumbrance); (d) compel the Buyer to perform all of its obligations under the Purchase Agreement and this Order; and (e) resolve any disputes arising under or related to the Purchase Agreement or the sale of the Transferred Assets.

34. The Purchase Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented through a written document signed by the parties thereto in accordance with the terms thereof without further order of this Court; *provided, however*, that any such modification, amendment, or supplement is neither material nor materially changes the economic substance of the transactions contemplated hereby.

35. Neither the Buyer nor the Debtors shall have an obligation to close the Sale Transaction until all conditions precedent in the Purchase Agreement to each of their respective obligations to close the Sale Transaction have been met, satisfied, or waived in accordance with the terms of the Purchase Agreement.

36. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Notwithstanding any provision in the Bankruptcy Rules to the contrary, including but not limited to Bankruptcy Rule 6004(h), the Court expressly finds there is no reason for delay in the implementation of this Order and, accordingly, (a) the terms of this Order shall be immediately effective and enforceable upon its entry; (b) the Debtors are not subject to any stay of this Order or in the implementation, enforcement, or realization of the relief granted in this Order; and (c) the Debtors may, in their discretion and without further delay, take any action and perform any act authorized under this Order.

37. The provisions of this Order are nonseverable and mutually dependent.