IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
US MAGNESIUM LLC,[1]	)	Case No. 25-11696 (BLS)
Debtor.	)	

DEBTOR'S MOTION FOR ENTRY OF AN ORDER (A) ENFORCING SALE ORDER, (B) DIRECTING TURNOVER OF ESTATE ASSETS, (C) ENFORCING THE AUTOMATIC STAY, AND (D) GRANTING RELATED RELIEF

US Magnesium LLC ("USM" or the "Debtor"), debtor and debtor-in-possession in the above-captioned case, hereby moves (the "Motion"), pursuant to sections 105, 362, 542 of title 11 of the U.S. Code (the "Bankruptcy Code"), for entry of an Order (a) enforcing the February 5, 2026 Order of the Court (the "Sale Order") approving the sale of certain assets of the estate to the Utah Division of Forestry, Fire and State Lands ("FFSL"), (b) directing turnover of certain estate assets remaining on the Debtor's former premises now under the control of FFSL (the "Premises"), (c) enforcing the automatic stay, and (d) granting related relief. In support of the Motion, the Debtor respectfully states as follows:

PRELIMINARY STATEMENT

1. Having raised the issue of the Debtor's need to access the Premises in order to liquidate the Debtor's assets that remain on the Premises multiple times and having regrettably been unable to procure the requisite access from FFSL without Court order, the Debtor files this Motion to compel access to the Premises on a variety of legal grounds.

[1] The last four digits of the federal tax identification number of US Magnesium LLC (the "Debtor") are 5446. The Debtor's address is 238 N 2200 W, Salt Lake City, Utah 84116.

2. On February 5, 2026, the Court entered the Sale Order (A) Approving the Purchase Agreement Between the Debtor and the Successful Bidder, (B) Authorizing the Sale of the Purchased Assets Free and Clear of All Liens, Claims, Encumbrances and Interests, And (C) Granting Related Relief [D.I. 583] (the "Sale Order") authorizing the sale of certain assets (the "Sale Transaction") to FFSL. On February 6, 2026, the Debtor and FFSL closed on the Sale Transaction.

3. As the Court has observed, FFSL acquired control of the Premises in the Sale Transaction knowing that the Debtor's property remained thereon and that the Debtor would need access to the Premises in order to remove and liquidate its property. And, as the Court is aware as a result of the multiple status conferences that the Court held both before and after entry of the Sale Order, the Debtor's lender, Wells Fargo Bank, National Association ("Wells Fargo" or the "Lender"), has attempted to negotiate the terms of access to the Premises on behalf of the Debtor – to no avail. Terms and conditions for the access required for the Debtor to liquidate its assets have not been agreed upon. As a result, FFSL has denied the Debtor the access it requires in order to obtain possession of, and to liquidate, its assets that remain on the Premises.

4. By this Motion, the Debtor seeks such access to the Premises as is necessary for the Debtor to obtain those assets described as "Readily Saleable Collateral" in the Declaration in Support of the Debtor's Continued Access to the Real Property dated February 4, 2026 (D.I. 573) ("Thayer Declaration"). Such assets, consisting of lithium carbonate, magnesium metal, halite (*i.e.,* rock salt), equipment (including a turbine subject to a sale motion) and brine are (i) assets that clearly were *excluded* from the sale to FFSL, (ii) are easily identifiable on the Premises, and (iii) as described in the Thayer Declaration are capable of being removed from the Premises without causing any further environmental harm. For the reasons set forth in the Declarations of

Ron Thayer and Thomas J. Grabosky In Support of the Motion, dated February 26, 2026, (the "Second Thayer Declaration" and "Grabosky Declaration," respectively), and herein, the Court should direct FFSL to grant access the Debtor access to the Premises in order to sell and remove such Readily Saleable Collateral.

5. The Readily Saleable Collateral consists of:

a. Certain lithium carbonate which is already bagged and ready for removal ("Lithium Carbonate")[2];

b. Certain magnesium scraps and ingots which are boxed and/or on pallets and also ready for removal ("Magnesium Metal")[3];

c. A certain turbine which is unused and crated (the "Turbine") and which is the subject of a pending sale motion;

d. Brine in tanks ("Brine");

e. Certain Sodium Chloride (rock salt) ("Salt")[4]; and

f. Equipment described in Exhibit A to the Thayer Declaration ("Equipment")[5].

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[2] As set forth in the Declaration of Thomas Grabosky dated February 26, 2026, a senior officer at Wells Fargo, in support of the Motion (the "Grabosky Declaration"), Mr. Grabosky participated in a site visit to the Premises, observed and took photographs of the Readily Saleable Collateral. Attached as Exhibit A to Mr. Grabosky's Declaration is a photograph of the bagged and readily removable Lithium Carbonate described in paragraph 12 of the Thayer Declaration.

[3] Grabosky Declaration at Exhibit B is a photograph of the boxed and ready for removal Magnesium Metal described in paragraph 13 of the Thayer Declaration.

[4] Grabosky Declaration at Exhibit C is a photograph of the Salt located on the Premises that is ready for removal as set forth in paragraphs 20-21 of the Thayer Declaration.

[5] Grabosky Declaration at Exhibit D is a photograph of some of the Equipment at the Premises described in Exhibit A to the Thayer Declaration.

The foregoing assets are described in the Thayer Declaration at paragraphs 12 to 23.

6. As of the filing of this Motion, while FFSL has allowed some of the Debtor's employees to access the Premises and has allowed the approved purchaser of the turbine certain limited access, FFSL has denied the access needed to remove and liquidate these assets. In other words, FFSL will still not allow the Debtor to take possession of and to remove the Readily Saleable Collateral – despite ongoing efforts by the Lender to provide commercially reasonable terms and conditions for such access, including the payment of rent while the Readily Saleable Collateral remains on the Premises and the provision of insurance coverage in the event of any damage. Further, the Lender also agreed to fund the cost of a liquidation manager who is providing for weekly reporting to the State.

7. Permitting the Debtor access to the Premises to obtain possession of and to conduct a liquidation of the Readily Saleable Collateral is essential to maximizing the value of the Debtor's estate for the benefit of all of its creditors. Not only would it result in a significant paydown or payoff of the Lender's secured claims, but, as set forth the Thayer Declaration, the Debtor's liquidation efforts also are expected to unlock millions of dollars in asset value for the estate far and above what is owed to the Debtor's secured lenders.

8. The Debtor submits that no prejudice would inure to FFSL from permitting removal of the Readily Saleable Collateral. FFSL knew when it purchased the Premises that there were estate assets that remained and that would be required to be turned over to the Debtor. Indeed, there have been multiple Court conferences both prior to and after closing of the Sales Transaction in which it was made clear that estate assets remained on the Premises and that access to such assets would be granted. Further, the Debtor has offered to name FFSL as an additional insured/loss payee on its insurance coverage for property damage, general liability or

environmental concerns. And, more recently, the Lender, in an ongoing effort to satisfy FFSL, has offered to purchase new, additional insurance coverage for both the Debtor and the State of Utah. FFSL's continued refusal to permit the Debtor access to Readily Saleable Collateral is a violation of the Sale Order, the automatic stay and the Debtor's right and obligation to marshal its assets. Accordingly, an Order should be entered directing turnover of the Readily Saleable Collateral, or in the alternative, providing immediate access to the Debtor or its designee to enter the Premises to sell and remove the Readily Saleable Assets.

JURISDICTION

9. The Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334.

10. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of these proceedings and the Motion is proper under 28 U.S.C. § 1408.

11. The statutory bases for the relief requested herein are sections 105, 361, 362, 363, 541 and 542 of the Bankruptcy Code.

BACKGROUND

A. General Background

12. On September 10, 2025 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Since the Petition Date, the Debtor has managed its affairs as a debtor in possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

13. On September 23, 2025, the Office of the United States Trustee (the "U.S. Trustee") appointed the Official Committee of Unsecured Creditors in the Chapter 11 Case (the "Creditors' Committee"). *See* Dkt. No. 70. As of the date hereof, no trustee or examiner, has been appointed in the Chapter 11 Case.

14. Additional details regarding the Debtor's business, assets, capital structure, and the circumstances leading to the filing of this case are set forth in the *Declaration of Ron Thayer in Support of First Day Motions* (the "First Day Declaration").

B. Wells Fargo Prepetition Secured Indebtedness

15. USM, as borrower, and Wells Fargo, as lender, are party to that certain Loan and Security Agreement, dated June 24, 2002, as amended from time to time, most recently by that certain Forbearance Agreement and Amendment No. 42 to Loan and Security Agreement dated as of February 19, 2025 (as may be further amended, supplemented, or otherwise modified from time to time, the "Prepetition Credit Agreement"). The Debtor's obligations under the Prepetition Credit Agreement are secured by substantially all of the assets of the Debtor other than owned real property (the "Collateral"). As of the Petition Date, the Debtor had approximately $67 Million, including a Letter of Credit limit of $821,588.00, in total funded debt obligations under the Prepetition Credit Agreement.

C. The DIP Financing and Interim DIP Orders

16. Upon Motion by the Debtor, the Court approved proposed DIP Financing pursuant to the *Interim Order (I) Authorizing the Debtor to (A) Obtain Postpetition Financing, and (B) Grant Senior Secured Priming Liens and Superpriority Administrative Expense Claims; (II) Granting Adequate Protection; (III) Modifying the Automatic Stay; (IV) Scheduling Final Hearing; and (V) Granting Related Relief* [D.I. 32] (the "First Interim Order"), the *Second Interim Order (I) Authorizing the Debtor to (A) Obtain Postpetition Financing, and (B) Grant Senior Secured Priming Liens and Superpriority Administrative Expense Claims; (II) Authorizing the Use of Cash Collateral; (III) Granting Adequate Protection; (IV) Modifying the Automatic Stay; (V) Scheduling Final Hearing; and (V) Granting Related Relief* [D.I. 240] (the "Second Interim

Order”), the *Third Interim Order (I) Authorizing the Debtor to (A) Obtain Postpetition Financing, and (B) Grant Senior Secured Priming Liens and Superpriority Administrative Expense Claims; (II) Authorizing the Use of Cash Collateral; (III) Granting Adequate Protection; (IV) Modifying the Automatic Stay; (V) Scheduling Final Hearing; and (V) Granting Related Relief* [D.I. 325] (the “Third Interim Order”), and the *Fourth Interim Order (I) Authorizing the Debtor to (A) Obtain Postpetition Financing, and (B) Grant Senior Secured Priming Liens and Superpriority Administrative Expense Claims; (II) Authorizing the Use of Cash Collateral; (III) Granting Adequate Protection; (IV) Modifying the Automatic Stay; (V) Scheduling Final Hearing; and (V) Granting Related Relief* [D.I. 416] (the “Fourth Interim Order,” and together with the First Interim Order, Second Interim Order and Third Interim Order, the “Interim DIP Orders”).

17. Pursuant to the Interim DIP Orders, the Debtor has stipulated that, as of the Petition Date, the Debtor was justly and lawfully indebted and liable to Wells Fargo for the Pre-Petition Loan Obligations, which are secured by the Pre-Petition Liens on the Pre-Petition Collateral. The Creditors’ Committee has not challenged the Lender’s lien on any of the Readily Saleable Collateral (although it has challenged the participation of Renco Global LLC in the Lender’s pre-petition loans).

18. The advances made to the Debtor under the Interim DIP Order were recently repaid pursuant paragraph 49 of the Order (D.I. 583) approving the Sale Transaction.

D. The Lithium Sale

19. On December 22, 2025, the Court entered the *Order (A) Approving the Private Sale of Certain of Debtor’s Assets Free and Clear of Liens, Claims and Encumbrances, with such Interest to Attach to Their Proceeds, and (B) Granting Related Relief* [D.I. 408] (the “Lithium Sale Order”), pursuant to which the Court approved the Debtor’s sale of certain lithium carbonate (the

"Lithium Sale"). Although the Lithium was sold pursuant to Court order, a portion of it remains on the Premises and the Debtor has not been able to obtain access to remove. [Thayer Decl. at ¶ 12.]

E. Sale of Assets to FFSL

20. On February 5, 2026, the Court entered the Sale Order approving the Sale Transaction which authorized the sale of certain assets to FFSL. Per the Asset Purchase Agreement approved by the Sale Order, FFSL purchased only certain unencumbered assets and did *not* purchase, among other things, Inventory (including raw materials and works in progress) and Equipment. On February 6, 2026, the Debtor and FFSL closed on the Sale Transaction.

21. Leading up to entry of the Sale Order, as set forth in the Thayer Declaration, issues of access to the estate assets at the Premises were ongoing. In addition, the Court convened several conferences to discuss access issues prior to entry of the Sale Order. At the February 2 conference, the Court, among other things, stated on the record that the Sale Transaction did not include encumbered assets and that such assets were not abandoned by the Debtor:

> As we talked about last week, access and the mechanics, I see this as a threshold matter consistent with Mr. Helfat's observations, I see this as a threshold matter as a debtor issue. Mr. Hofmann's clients have eyes open, actively participated in an auction and were welcome to do so and prevailed in that. But they were also acutely aware that they were acquiring property that had on it estate property that they were not acquiring. There's been no abandonment in front of me today.
> Transcript of February 2, 2026 Conference at 17; ll.6-15.

22. In addition, this Court also expressly retained jurisdiction to consider access issues in paragraph 37 of the Sale Order which provides, in pertinent part, that "[t]his Bankruptcy Court shall retain jurisdiction to enforce the terms and provisions of this Order, the Bid Procedures Order, and the Purchase Agreement (including, without limitation, all documents and instruments executed in connection with the Closing) in all respects and to decide any disputes concerning this

Order, the Purchase Agreement, or the rights and duties of the parties hereunder or thereunder or any issues relating to the Purchase Agreement and this Order including, but not limited to: …. (iii) the terms and conditions relating to commercially reasonable access by the Debtor or its designee to the Purchased Assets…".

F. Cash Collateral Motion/Retention of Focus

23. On February 13, 2026, the Debtor filed a Motion pursuant to section 363(c)(2) of the Bankruptcy Code, for authority, on and interim and final basis, to use Cash Collateral to pay certain approved expenses of liquidating its remaining assets during the pendency of this Chapter 11 Case [D.I. 608] (the "Cash Collateral Motion"). Specifically, pending a final hearing, the Debtor requested the immediate interim use of Cash Collateral, subject to a limit of $400,000, for the following expenses (the "Authorized Disbursements"): a) Debtor's payroll and payroll expenses, including payroll taxes, medical benefits, and insurance; b) the compensation of the Debtor's independent manager; and c) an advance deposit for the Debtor's liquidation project manager. On February 19, 2026, the Court approved the Cash Collateral Motion.

24. The Authorized Disbursements are all necessary to continue the Debtor's efforts to sell its remaining assets including to retrieve the estate assets remaining on the Premises.

25. In addition, on February 18, 2026, the Debtor filed a motion seeking to appoint Focus Management Group USA Inc. ("Focus") as Liquidation Project Manager in the Debtor's chapter 11 case effective *nunc pro tunc* as of February 11, 2026 [D.I. 624]

G. The Liquidation of Estate Assets Remaining at the Premises

26. In addition to the retention of Focus and use of Cash Collateral, following the Sale Transaction, the Debtor, Wells Fargo and FFSL have engaged in an ongoing dialogue concerning an access agreement to permit the Debtor or its designee access to the Premises to remove estate

assets, including the Readily Saleable Collateral. While discussions have continued and remain ongoing, FFSL has not yet agreed to grant access to enable the Debtor to commence the liquidation of the Debtor's assets that remain on the Premises. And there is no indication whether FFSL ever will agree to grant such access.

27. As set forth in the Thayer Declaration, the assets have substantial liquidation value of up to $86 million. [Thayer Decl. at Ex. A].

28. However, FFSL has not agreed to what Wells Fargo and the Debtor believe are reasonable terms and conditions of access, including the payment of monthly rent, the naming of FFSL as an additional insured on the Debtor's insurance, and agreement to procure separate environmental policies on each of the Debtor's and FFSL's behalves.

29. As a result, FFSL has denied the Debtor the ability to collect and sell the Readily Saleable Collateral – namely, the Lithium Carbonate, the Magnesium Metal, the Turbine, Brine and Salt as well as the Equipment.

30. In respect of the Lithium Carbonate, which is an inorganic compound comprised of a white salt often used in manufacturing, it has already been sold to Glencore with approval from this Court. However, 36 tons of this Lithium Carbonate sold to Glencore remain on the Premises, where it is stored in 1,000 lb. bags. Removing this remaining Lithium Carbonate requires two to three of the Debtor's employees to load the bags of Lithium Carbonate onto the purchaser's trucks for ten hours per day. Accordingly, at the Debtor's fastest pace, it would take two to three days to move all of the sold Lithium Carbonate. [Thayer Decl. at ¶ 12.]

31. The Magnesium Metal will require approximately fifty-five (55) truckloads to remove. The Magnesium Metal is currently stored in 5' by 5' boxes in trailers on the Premises There are approximately 500 boxes of Magnesium Metal on the Premises. The Debtor has a buyer

lined up for the scrap Magnesium Metal, which will schedule trucks to arrive on the Premises to remove the Magnesium Metal and 1,500-pound palletized ingots once the purchase order is accepted. With four employees working 10 hours and 5 days per week, it would take approximately seven weeks to move approximately 1100 tons of Magnesium Metal. [Thayer Decl. at ¶ 13]

32. Since the Lithium Carbonate and Magnesium Metal are already bagged or boxed there is no environmental risk associated with the removal of either Asset, as it is simply a matter of loading these bags and boxes onto trucks. [Thayer Decl. at ¶ 15.]

33. In respect of the Turbine, on February 3, 2026, the Debtor and Total Energy Corp. entered into a bill of sale for the purchase and sale of the Turbine, subject to the Court's approval. By Motion dated, February 4, 2026, the Debtor sought approval of the sale of the Turbine. [D.I. 578]. The Debtor will require a 75-ton crane to load the Turbine onto a lowboy trailer to remove it from the Premises. [Thayer Decl. at ¶ 16]. There are no environmental concerns regarding removal of the turbine and the Debtor should be permitted to remove the Turbine upon reasonable notice to FFSL without obstruction.

34. With respect to the Brines and Salt, up to nine months would be required to remove some of the Debtor's interests in the Brines and Salt.

35. Finally, with respect to the Equipment at or on the Premises, removing the Equipment will require extensive cranes and rigging and would likely require approximately 100 to 300 truckloads to transport all the Debtor's equipment from the Premises.

RELIEF REQUESTED

36. Pursuant to sections 105(a), 362(a)(3) and 542(a) of the Bankruptcy Code and the Court's inherent power to interpret and enforce the Sale Order, the Debtor requests entry of an Order (a) enforcing the Sale Order, (b) directing turnover by FFSL of the Readily Saleable

Collateral remaining on the Premises to the Debtor, or in the alternative, permitting the Debtor or its designee access to the Premises to recover the Readily Saleable Collateral; and (c) such other relief as the Court deems just and proper.

37. It is well established that Section 362 of the Bankruptcy Code operates as a stay, applicable to all entities, of, among other things, "any act to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate." 11 U.S.C. § 362(a)(3). Further, Section 362(k) provides an enforcement mechanism for willful violations of the stay, including the recovery of actual damages, including costs and attorneys' fees, and, in appropriate circumstances, punitive damages for violations of the stay.

38. Pursuant to section 541(a)(1) of the Bankruptcy Code, "property of the estate" is defined to include, among other things, "all legal or equitable interests of the debtor in property as of the commencement of the case . . . wherever located and by whomever held." 11 U.S.C. § 541(a). It is undisputed that the Premises include property of the estate, namely the estate assets, including the Readily Saleable Collateral.

39. Section 542(a) of the Bankruptcy Code mandates that "[a]n entity, other than a custodian, in possession, custody, or control during the case, of property that the trustee may use, sell, or lease under section 363 of this title . . . shall deliver to the trustee, and account for, such property or the value of such property, unless such property is of inconsequential value or benefit to the estate." 11 U.S.C. § 542(a). "Turnover under 11 U.S.C. § 542 is a remedy available to debtors to obtain what is acknowledged to be property of the bankruptcy estate." See *In re Rite Way Elec., Inc.*, 510 B.R. 471, 484 (Bankr. E.D. Pa. 2014) (*quoting In re Asousa Partnership*, 264 B.R. 376, 384 (Bankr. E.D. Pa. 2001) (emphasis added)).

40. Turnover relief can be obtained through a contested matter; commencing an adversary proceeding is not necessary. *See* Order Granting Debtor's Mot. for Entry of an Order Pursuant to Section 542 of the Bankruptcy Code Directing the Turnover of Assets, *In re FTX Trading*, No. 22-11068 (JTD) (Apr. 12, 2023), [D.I. 1267]; Order Granting Debtor's Mot. for Turnover of Assets Held by Exchange Entities, *In re FTX Trading*, No. 22-11068 (JTD) (Apr. 10, 2023), [D.I. 1245]; Order Granting Debtor's Mot. for Turnover of Assets Held by Interactive Brokers, *In re FTX Trading*, No. 22-11068 (JTD) (Feb. 03, 2023) [D.I. 616] (each ordering turnover of assets pursuant to Bankruptcy Code sections 105(a), 541 and 542 via motion practice outside of an adversary proceeding); *In re LVI Intermediate Holdings, Inc., et al.*, Case No. 20-11413 (KBO) (Mar. 25, 2022), D.I. 700 (ordering the turnover of funds held in a debtor bank account pursuant to Bankruptcy Code sections 105, 541 and 542 via motion practice outside of an adversary proceeding); *In re Katy Indus., Inc.*, *et al.*, Case No. 17-11101 (KJC) (July 6, 2017), D.I. 223 (ordering the liquidation and turnover of assets held in a debtor trust account pursuant to Bankruptcy Code sections 105(a), 541 and 542 via motion practice outside of an adversary proceeding).

41. Finally, the relief requested herein is for the interpretation and enforcement of the Sale Order; and the Court expressly retained jurisdiction to consider disputes related to access to the Premises to recover estate assets. Sale Order at ¶ 37. In this respect, it is well established that a Court has the inherent power to interpret its own orders. *In re Lazy Days' RV Ctr. Inc.*, 724 F.3d 418 (3d Cir. 2013); *see also*, 11 U.S.C. 105(a). Pursuant to Section 105(a), this Court "may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions" of the Bankruptcy Code. 11 U.S.C. § 105(a); *see also U.S.* v. *Energy Resources Co.*, 495 U.S. 545, 549 (1990); *In re Continental Airlines*, 203 F.3d 203, 211 (3d Cir. 2000) ("Section 105(a) of the

Bankruptcy Code supplements courts' specifically enumerated bankruptcy powers by authorizing orders necessary or appropriate to carry out provisions of the Bankruptcy Code."). "The basic purpose of section 105 is to assure the bankruptcy courts power to take whatever action is appropriate or necessary in aid of the exercise of their jurisdiction." 2 COLLIER ON BANKRUPTCY ¶ 105.01 (Alan R. Resnick & Henry J. Sommer eds., 16th ed. 2022).

42. Here, all of these authorities provide grounds for the Court to compel FFSL to grant turn over to the Debtor, or to grant such access to the Debtor as is needed to obtain possession of, the Readily Saleable Collateral. Although FFSL acknowledges that the Premises has estate assets located on it, FFSL has denied the Debtor such access as is needed to recover and sell the Readily Saleable Collateral. Moreover, while removal of the Readily Saleable Collateral would not burden FFSL in any manner whatsoever, FFSL has refused to allow removal of any of the Debtor's property under any circumstances except for limited amounts of Salt requiring the Debtor to file this Motion. FFSL's refusal to permit the Debtor access to the estate assets constitutes a stay violation because FFSL is acting "to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate". Accordingly, FFSL should be directed to turnover the estate assets or provide access to the Debtor or its designee to retrieve the assets.

43. Permitting the Debtor access to the Utah Property to conduct a liquidation of the Estate Property is essential to maximizing the value of the Debtor's estate for the benefit of its creditors. Not only would it result in a significant paydown or payoff of Wells Fargo's secured claims, but as set forth the Thayer Declaration, the Debtor's liquidation efforts is expected to unlock millions of dollars in asset value for the estate far and above what is owed to Wells Fargo. In this regard, Wells Fargo has agreed to use of its cash collateral to enable the Debtor to satisfy any and all expenses in conducting the liquidation of the estate assets. In addition, Wells Fargo

has also agreed to provide the Debtor with the use of its cash collateral to fund the Debtor's cost of hiring a professional project manager (Focus Management Group) to oversee and manage the liquidation of the estate assets, as well as cover the cost of any incremental insurance.

44. The Debtor submits no prejudice would inure to FFSL from permitting immediate removal of the Readily Saleable Collateral. FFSL knew when it purchased the Premises that there were estate assets that remained and that would be required to be turned over to the Debtor. Indeed, there have been a number of Court conferences both prior to and after closing of the Sales Transaction in which it was made clear that estate assets remained on the Premises and access would be required by the Estate. Further, the Debtor is willing to name FFSL as an additional insured/loss payee on its insurance policies for property damage, general liability or environmental liability coverage.

45. Accordingly, for the foregoing reasons, this Court should enter an Order directing that FFSL immediately turnover the Readily Saleable Collateral, or in the alternative, provide immediate access to the Debtor or its designee to enter the Premises to remove the Readily Saleable Collateral.

NOTICE

46. Notice of this Motion is being provided to the following parties: (a) the Office of the United States Trustee for Region 3, serving the District of Delaware; (b) Counsel to the Committee; (c) the Debtor's twenty (20) largest unsecured creditors; (d) the Office of the United States Attorney for the District of Delaware; (e) Counsel to Wells Fargo; (f) Counsel to FFSL; and (g) all parties who are entitled to receive notices in this Chapter 11 Case pursuant to Bankruptcy Rule 2002. The Debtor submits that, in light of the nature of the relief requested, no other or

further notice need be given. No prior motion for the relief requested herein has been made to this or any other court.

WHEREFORE, the Debtor respectfully requests that the Court enter an Order directing that FFSL immediately turn over the estate assets, or in the alternative, provide immediate access to the Debtor or its designee to enter the Premises to remove the Readily Saleable Collateral while negotiations continue concerning a comprehensive access agreement covering all of the Debtor's property on the Premises, conditioned upon the Estate receiving commercially reasonable insurance coverage, including general property damage and environmental liability coverage naming FFSL as an insured or additional insured/loss payee and granting such other and further relief as the Court deems just and proper.

Dated: February 26, 2026

GELLERT SEITZ BUSENKELL &
BROWN, LLC

/s/ Michael Busenkell

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Counsel to the Debtor and Debtor-in-Possession

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
US MAGNESIUM LLC,[1]	)	Case No. 25-11696 (BLS)
Debtor.	)	

ORDER (A) ENFORCING SALE ORDER, (B) DIRECTING TURNOVER OF ESTATE ASSETS, (C) ENFORCING THE AUTOMATIC STAY, AND (D) GRANTING RELATED RELIEF

Upon consideration of the motion (the "Motion") of the above-captioned debtor and debtor in possession (the "Debtor") in the above-referenced chapter 11 case (the "Chapter 11 Case), for entry of an order (this "Order"), pursuant to sections 105, 362, 542 of title 11 of the U.S. Code (the "Bankruptcy Code"), for entry of an Order (a) enforcing the February 5, 2026 Order of the Court (the "Sale Order") approving the sale of certain assets of the estate to the Utah Division of Forestry, Fire and State Lands ("FFSL"), (b) directing turnover of certain estate assets remaining on the Debtor's former premises now under the control of FFSL, (c) enforcing the automatic stay, and (d) granting related relief; and the Hearing having been held by this Court; and this Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334(b) and 157; and this Court having found that venue of this Chapter 11 Case and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and due and sufficient notice of the Motion and the relief sought at the Hearing having been given under the particular circumstances by the Debtor; this Court having considered the Motion and all pleadings related thereto, including the record made by the

[1] The last four digits of the federal tax identification number of US Magnesium LLC (the "Debtor") are 5446. The Debtor's address is 238 N 2200 W, Salt Lake City, Utah 84116.

Debtor at the Hearing; and all objections, if any, to the relief requested in the Motion having been withdrawn, resolved, or overruled by this Court; after due deliberation and consideration, and good and sufficient cause appearing therefor:

THIS COURT HEREBY FINDS AS FOLLOWS:

A. On September 10, 2025 (the "Petition Date"), the Debtor filed with this Chapter 11 Case. The Debtor is continuing to operate its business and manage its property as Debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;

B. As part of the Chapter 11 Case, an auction was held to sell assets of the Debtor for the benefit of the creditors and FFSL submitted the winning bid to purchase certain assets of the Debtor, the result of which is that FFSL is in possession of the real property formerly used by the Debtor to conduct its operations (the "Premises"), along with all personal property thereon, including certain assets owned by the Debtor and pledged to its lender, Wells Fargo Bank, National Association ("Wells Fargo") as collateral;

C. Subsequent to the auction, the Debtor and FFSL entered into that certain Asset Purchase Agreement, dated February __, 2025 (the "Purchase Agreement"), whereby the Debtor agreed to sell, and FFSL agreed to buy, the rights to occupy the Premises, the "Fixtures" not constituting part of the collateral of Wells Fargo, the "Mineral Lease" and the "Memorandum of Understanding" (as such terms are defined in the Purchase Agreement, such purchased assets being referred to herein, collectively, as the "Property"). The sale to FFSL excluded all "Inventory" and "Equipment" of the Debtor (as defined in the Purchase Agreement) located on the Property;

D. The Debtor owns certain assets described in the Motion as "Readily Saleable Collateral" that remain on the Premises acquired by FFSL, that Wells Fargo claims to have a security interest and which are readily identifiable and which can be removed from the Premises and sold within the next nine months or sooner (the "Readily Saleable Collateral");

E. Other than the Purchased Assets (as defined in the Purchase Agreement), FFSL did not, as part of the Purchase Agreement, acquire any Debtor Assets, including, without limitation, any Collateral.

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** as set forth herein.

2. Debtor and its designees ("Debtor Representatives") shall have the right to access and use the Premises for the purpose of, and to the extent necessary for, inspecting, transporting, marketing, alienating, selling, preparing for removal, or removing, or otherwise dealing with the Readily Saleable Collateral. Such right of access shall include the right to use the mobile equipment shop on the Premises for purposes of maintaining and/or repairing mobile equipment necessary or useful in disposing, transporting, or removing Debtor Assets. The Debtor and Debtor Representatives shall be permitted access and use of the Property during such work hours that are consistent with the Debtor's current practices but which, in any event, shall include at minimum the hours of 6:00 a.m. through 8:00 p.m. (MT) during each calendar day unless otherwise agreed to by FFSL. FFSL and FFSL Representatives shall also be permitted at all times to have access and use of the Property but shall not hinder or delay the rights of Debtor and/or Debtor Representatives to access and use the Property in accordance with the terms of this Agreement.

3. Debtor and Debtor Representatives may only access and use the Property (a) to repair and/or maintain mobile equipment necessary or useful in disposing, transporting, or removing the Debtor Assets, (b) to obtain, transport, sell, prepare for removal, remove or otherwise alienate the Debtor Assets, including any disposition to a third-party purchaser, and (c) to inspect

assets on the Property which are the subject of dispute between the parties but for no other purpose except as may be consented to in writing by FFSL, which consent shall not be unreasonably withheld. Debtor hereby represents and warrants that all activities undertaken by the Debtor pursuant to this Agreement will be undertaken in accordance with applicable laws.

4. Following ninety (90) days after entry of this Order, Debtor shall pay a license fee (the "License Fee") to FFSL each month for the use of the Property in the amount of Two-Hundred Thousand Dollars and 00/100 ($200,000.00). After the expiration of the initial 90-day period, the License Fee shall be payable by the Debtor in advance each month, by no later than the fifth (5th) day of such month during the period that access is required by the Debtor and Debtor Representatives (the "License Period").

5. Debtor and Debtor Representatives shall promptly comply with all present and future rules and regulations including, without limitation, regulations applicable to use, storage, and disposal of hazardous substances and waste and other environmental matters, security policies and procedures, which have been published from time to time with respect to the access and use of the Property; and applicable laws and regulations of all state, federal, municipal, and local governments, departments, commissions and boards and any direction of any public officer pursuant to law having jurisdiction which shall impose any obligation or duty upon FFSL or Debtor or Debtor Representatives with respect to the Property.

6. Debtor shall, maintain and keep in force at all times during the License Period the following insurance (the "Insurance Policies"):

(i) Commercial general liability insurance, which shall include coverage against claims against the Debtor or Debtor Representatives for personal injury, death, or property damage occurring on, in, or about the Premises with limits of not less than [________] million Dollars ($ _________).

(ii) Employers' liability and workers' compensation insurance to the extent required by the Laws of Utah.

(iii) Environmental liability insurance to cover any Environmental Liabilities (as hereinafter defined) for any losses caused by Debtor or Debtor Representatives during the License Period.

7. Each Insurance Policy shall cover Debtor or any Debtor Representatives that access or may access the Property. FFSL shall be named as an additional insured and loss payee under all of the Insurance Policies.

8. The Debtor is authorized and empowered to take all actions necessary to implement the relief granted in this Order.

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