

U.S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 27, 2023

ADVANCED EMISSIONS SOLUTIONS, INC.

(Name of registrant as specified in its charter)

Delaware

001-37822

27-5472457

(State or other jurisdiction of incorporation)

(Commission File Number)

(I.R.S. Employer Identification Number)

8051 E Maplewood Ave, Suite 210, Greenwood Village, CO 80111

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(720) 598-3500**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Class	Trading Symbol	Name of each exchange on which registered
Common stock, par value \$0.001 per share	ADES	Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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

Item 7.01 Regulation FD Disclosure.

On March 29, 2023, the Company issued a press release announcing the closing of the transactions contemplated by the Purchase Agreement, a copy of which is attached as Exhibit 99.1 to this Form 8-K.

The information in Item 7.01 of this Form 8-K and Exhibit 99.1 attached hereto is intended to be furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 8.01 Other Events.

As previously disclosed on a Current Report on Form 8-K filed on September 6, 2022, (the "Agreement Date"), a subsidiary of Advanced Emissions Solutions, Inc. (the "Company"), ADA Carbon Solutions (Operations), LLC (the "Seller"), entered into a Membership Interest Purchase Agreement (the "Purchase Agreement") with Caddo Creek Resources Company, L.L.C. (the "Buyer") to sell all of its membership interests in Marshall Mine LLC to the Buyer (the "Transaction") in exchange for a cash payment to be made by the Seller to the Buyer and the assumption by the Buyer of certain liabilities of Marshall Mine LLC. The Buyer previously operated the Marshall Mine on behalf of Marshall Mine LLC and is currently performing final mine reclamation under a fixed price contract.

The obligations of the Seller and the Buyer to close the Transaction were subject to certain customary closing conditions (the "Conditions") as set forth in the Purchase Agreement, including, but not limited to, (1) obtaining the approval of the Railroad Commission of Texas (the "Commission") for a change in control of Marshall Mine from Seller to Buyer or an affiliate of the Buyer; and (2) the Buyer replacing the Seller's surety bond with a reclamation performance bond, letter of credit or other form of security to which the Buyer or an affiliate of the Buyer is the principal that is satisfactory to the Commission.

On March 27, 2023, (the "Closing Date") all of the Conditions for closing the Transaction were satisfied, and the Company made a cash payment to the Buyer in the amount of \$2.2 million (the "Purchase Price"). As of the Closing Date, Marshall Mine LLC had outstanding liabilities of approximately \$4.9 million that were discharged upon payment of the Purchase Price, and the Company recognized a gain of approximately \$2.7 million.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated March 29, 2023
104	Cover Page Interactive Data File

SIGNATURES

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

Date: March 29, 2023

Advanced Emissions Solutions, Inc.
Registrant

/s/ Greg Marken

Greg Marken
Chief Executive Officer



Advanced Emissions Solutions, Inc.
Advancing **Cleaner** Energy

Advanced Emissions Solutions Completes Sale of Marshall Mine to Caddo Creek Resource Company

Streamlined balance sheet will better support operational focus on growth plans

GREENWOOD VILLAGE, Colorado, March 29, 2023 - GlobeNewswire - Advanced Emissions Solutions, Inc. (NASDAQ: ADES) (the "Company" or "ADES"), a leader in environmental solutions for power generation, industrial and municipal water purification markets, today announced that it closed its previously announced transaction to sell Marshall Mine LLC, the entity that owns the former lignite mine currently being reclaimed, located in Marshall, Texas ("Marshall Mine"), to Caddo Creek Resources Company, L.L.C. ("Caddo Creek")

The Company paid \$2.2 million to Caddo Creek in exchange for Caddo Creek's assumption of the Company's \$4.9 million asset retirement obligation related to the mine. The Company will recognize a gain of approximately \$2.7 million related to this transaction.

"I am pleased to announce the closing of our Marshall Mine sale to Caddo Creek, which fortifies our balance sheet and further de-risks the organization," said Greg Marken, CEO of ADES. "Since acquiring Marshall Mine in 2020, working with our partners at Caddo Creek, we have completed a significant portion of the reclamation activities that we set out to accomplish and we are proud of the successes that have been achieved. With the transaction complete, we possess a cleaner and stronger balance sheet better suited to execute our growth plans in 2023 and fulfilling our objective of becoming a leading diversified environmental technology company."

About Advanced Emissions Solutions, Inc.

Advanced Emissions Solutions, Inc. serves as the holding entity for a family of companies that provide environmental solutions to customers in the power generation, industrial and municipal water purification markets.



ADA brings together ADA Carbon Solutions, LLC, a leading provider of powder activated carbon ("PAC") and ADA-ES, Inc., the providers of ADA® M-Prove™ Technology. We provide products and services to control mercury and other contaminants at coal-fired power generators and other industrial companies. Our broad suite of complementary products control contaminants and help our customers meet their compliance objectives consistently and reliably.



CarbPure Technologies LLC, ("CarbPure"), formed in 2015 provides high-quality PAC and granular activated carbon ideally suited for treatment of potable water and wastewater. Our affiliate company, ADA Carbon Solutions, LLC manufactures the products for CarbPure.



FluxSorb, LLC, formed in 2022, is an emerging technology company that introduces highly engineered activated carbons with a focus on the emerging remediation markets. Our vision is to partner with our customers to collaborate, develop and deploy best in class activated carbon solutions to meet even the most extreme challenges.



Arq is an environmental technology business founded in 2015 that has developed a novel process for producing specialty carbon products from coal mining waste. Arq has the technology and large-scale manufacturing facilities to produce a micro-fine hydrocarbon powder, Arq powder™, that can be used as a feedstock to produce activated carbon and as an additive for other products.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, which provides a "safe harbor" for such statements in certain circumstances. When used in this press release, the words "can," "will," "intends," "expects," "believes," similar expressions and any other statements that are not historical facts are intended to identify those assertions as forward-looking statements. All statements that address activities, events or developments that the Company intends, expects or believes may occur in the future are forward-looking statements. These forward-looking statements may relate to such matters such as optimizing cash flows and maximizing shareholder value. These forward-looking statements involve risks and uncertainties. Actual events or results could differ materially from those discussed in the forward-looking statements as a result of various factors including, but not limited to: risks related to our results of operations and business generally; the rate of coal-fired power generation in the United States; timing of new and pending regulations and any legal challenges to or extensions of compliance dates of them, the U.S. government's failure to promulgate regulations that benefit our business; changes in laws and regulations; Internal Revenue Service interpretations or guidance, accounting rules, any pending court decisions, prices, economic conditions and market demand; impact of competition; availability, cost of and demand for alternative energy sources and other technologies; technical, start up and operational difficulties; competition within the industries in which the Company operates; loss of key personnel; ongoing effects of the COVID-19 pandemic and associated economic downturn on operations and prospects; as well as other factors relating to our business, as described in "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC. You are cautioned not to place undue reliance on the forward-looking statements and to consult filings ADES has made and will make with the SEC for additional discussion concerning risks and uncertainties that may apply to our business. The forward-looking statements speak only as to the date of this press release, and the Company does not undertake any obligation to update its forward-looking statements to reflect events or circumstances that may arise after the date of this press release.

Source: Advanced Emissions Solutions, Inc.

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