Risk Factors Comparison 2024-02-29 to 2023-03-01 Form: 10-K

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You should carefully consider the risks **, as** described below, together with all the other information in our Annual Report. If any of the following risks occur, our business, financial condition **,** and results of operations could be seriously harmed, and you could lose all or part of your investment. Further, if we fail to meet the expectations of the public market in any given period, the market price of our common stock could decline. We operate in a competitive environment that involves significant risks and uncertainties, some of which are outside of our control. If any of these risks actually occurs, our business and financial condition could suffer **,** and the price of our stock could decline. We caution you that the risks, uncertainties and other factors referred to below and elsewhere in our Annual Report may not contain all the risks, uncertainties, and other factors that may affect our future results and operations. Our future results and operations could also be affected by factors, events, or uncertainties that are not presently known to us or that we currently do not consider to present a material risk. It is not possible for our management to predict all risks. Business Risks Our future performance is difficult to evaluate because we have a limited operating history in the lithium industry. We began to implement our current business strategy in the lithium industry in 2016. ~~We have not~~ **Until the third quarter of 2023, we had yet to** ~~realized~~ - **realize** any revenues ~~to date~~ from the sale of lithium, and our operating cash flow needs have been financed primarily through issuances of common stock and not through cash flows derived from our operations. As a result, we have ~~little~~ **limited** historical financial and operating information available to help you evaluate our performance. ~~We are a development stage company, and there~~ **There** is no guarantee that our development will result in the commercial extraction of mineral deposits. We are engaged in the business of exploring and developing mineral properties with the intention of locating economic deposits of minerals. We have declared mineral reserves ~~but~~ **on our development stage properties; however, we** have ~~not~~ yet **to** ~~begun~~ **begin** ~~to~~ **commercial** ~~extract~~ **extraction of** ~~mineral~~ **minerals** ~~from our~~ **on these** ~~property~~ **properties** ~~interests~~ . Accordingly, we cannot assure you that we will realize profits in the medium to long term. ~~Any profitability in the future from our business will be dependent upon the development of an economic deposit of minerals and further exploration and development of other economic deposits of minerals, each of which is subject to numerous risk factors.~~ Further, we cannot assure you that any of our property interests can be commercially mined or that our ongoing exploration programs will result in profitable commercial mining operations. The exploration and development of mineral deposits ~~involves~~ - **involve** a high degree of financial risk over a significant period of time, which may or may not be reduced or eliminated through a combination of careful evaluation, experience, and skilled management. While discovery of additional ore- bearing deposits may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to construct mining and processing facilities and to establish additional reserves. The profitability of our operations will be, in part, directly related to the cost and success of our exploration and development programs, which may be affected by a number of factors. Additional expenditures are required to construct, complete, and install mining and processing facilities in those properties that are actually mined and developed. **Our** ~~In addition,~~ exploration and development projects ~~like ours~~ have no operating history upon which to base estimates of future operating costs and capital requirements. Exploration project items, such as any future estimates of reserves, metal recoveries **,** or cash operating costs will, to a large extent, be based upon the interpretation of geologic data, obtained from a limited number of drill holes and other sampling techniques ~~,~~ as well as future feasibility studies. Actual operating costs and economic returns of any and all exploration projects may materially differ from the costs and returns estimated, and accordingly, our financial condition, results of operations, and cash flows may be negatively affected ~~which could have a material adverse effect on our business,results of operations,financial condition,and cash flows~~ .We do not control our equity method investments.We apply the equity method **of accounting** to investments when we have the ability to exercise significant influence over the operational decision- making authority and financial policies of the investee ~~,~~ but we do not exercise control.Our equity method investees are governed by their own board of directors,whose members have fiduciary duties to the investees' shareholders.While we have certain rights to appoint representatives to the investees' boards of directors,the interests of the investees' shareholders may not align with our interests or the interests of our shareholders **and strategic and contractual disputes may arise** . **We** ~~In addition,we~~ are generally dependent on the management team of our investees to operate and control such projects or businesses.While we may exert influence pursuant to our positions,as applicable,on the boards of directors and through certain limited governance or oversight roles,such influence may be limited.The management teams of our investees may not have the level of experience,technical expertise,human resources,management,and other attributes necessary to operate their projects or businesses optimally,and they may not share our business priorities **,including,but not limited to,those priorities that relate to desired production levels** .This could have a material adverse effect on the value of such investments as well as our growth,business,financial condition,results of operations,and prospects . Some of our current or future properties may not contain any reserves, and any funds spent on exploration and evaluation may be lost. We are a development stage mining company. We cannot assure you that our exploration programs will identify economically extractable mineralization, nor can we assure you about the quantity or grade of any mineralization we seek to extract. Our exploration prospects may not contain any reserves and any funds spent on evaluation and exploration may be lost. Even for the mineral reserves we have reported for our properties, any quantity or grade of reserves we indicate must be considered as estimates only until such reserves are actually mined. We do not know with certainty that economically recoverable lithium exists on our properties. In addition, the quantity of any reserves may vary depending on commodity prices. Any material change in the quantity or grade of reserves may affect the economic viability of our properties. We face risks related to mining, exploration, mine construction, and plant construction, if warranted, on our properties. Our level of profitability, if any, in future years will depend to a great degree on lithium prices and whether our exploration- stage properties can be brought into production. Exploration and development of lithium resources are highly speculative in nature, and it is impossible to ensure that ~~the~~ current and future exploration programs and / or feasibility studies on our existing properties will establish reserves. Whether it will be economically feasible to extract lithium depends on a number of factors, including, but not limited to: the particular attributes of the deposit ~~,~~ such as size, grade, and proximity to infrastructure; lithium prices; mining, processing and transportation costs; the willingness of lenders and investors to provide project financing; labor costs and possible labor strikes; and governmental regulations, including, without limitation, regulations ~~relating~~ **related** to prices, taxes, royalties, land tenure, land use, importing and exporting materials, foreign exchange, environmental protection, employment, worker safety, transportation, and reclamation and closure obligations. We could be adversely affected by a failure to complete our plant construction projects on time or on budget, and a substantial delay in the progress of construction due to adverse weather, work stoppages, shortages of materials, non- issuances of permits, nonperformance of suppliers or contractors, or other factors could result in a material increase in the overall cost of such projects. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in us receiving an inadequate return on invested capital. In addition, we are subject to the risks normally encountered in the mining industry, such as: • the discovery of unusual or unexpected geological formations; • accidental fires, floods, earthquakes, severe weather, or other natural disasters; • unplanned power outages and water shortages; • construction delays and higher than expected capital costs due to, among other things, supply chain disruptions, higher transportation costs, and inflation; • controlling water and other similar mining hazards; • explosions and mechanical failure of equipment; • operating labor disruptions and labor disputes; • shortages in materials or equipment and energy and electrical power supply interruptions or rationing; • seismic activity; • the ability to obtain suitable or adequate machinery, equipment, or labor; • our liability for pollution or other hazards; and • other unknown risks involved in the conduct of exploration and operation of mines. The nature of these risks is such that liabilities could exceed any applicable insurance policy limits or could be excluded from coverage. There are also risks against which we cannot insure or ~~against which~~ we may elect not to insure. The potential costs, which could be associated with any liabilities not covered by insurance or in excess of insurance coverage, or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting our future earnings, competitive position, and potentially our financial viability. Our long- term success will depend ultimately on our ability to generate revenues, achieve and maintain profitability, and develop positive cash flows from our mining activities. Our ability to ~~(i)~~ recover carrying values of our assets, ~~(ii)~~ acquire additional lithium projects, ~~(iii)~~ continue with exploration, development, commissioning, **and** mining, and ~~(iv)~~ manufacture lithium hydroxide, ultimately depends on our ability to generate revenues, achieve and maintain profitability, and generate positive cash flow from our operations. The economic viability of our future mining activities has many risks and uncertainties including, but not limited to ~~:~~ **;** • a significant, prolonged decrease in the market price of lithium or lithium hydroxide; • difficulty in marketing and / or selling lithium or lithium hydroxide; • significantly higher than expected capital costs to construct our mine **or production facilities** ; • significantly higher than expected extraction costs; • significantly lower than expected lithium extraction; • significant delays, reductions, or stoppages of lithium extraction activities; • shortages of adequate and skilled labor or a significant increase in labor costs; • the introduction of significantly more stringent regulatory laws and regulations; and • delays in the availability of construction equipment. We are concurrently overseeing the advancement of several major lithium projects, including Carolina Lithium, which is in the development planning stage, and Tennessee Lithium, which **completed all** ~~is currently in the~~ FEED **activities in 2023** ~~stage and we are managing through a partnership with Kiewit~~ . Work to advance these projects requires the dedication of considerable time and resources by us and our management team. The advancement of several major resource projects concurrently brings with it the associated risk of strains on managerial, human **,** and other resources. Our ability to successfully manage each of these processes will depend on a number of factors, including **, but not limited to,** our ability to manage competing demands on time and other resources, financial or otherwise, and successfully retain personnel and recruit new personnel to support our growth and the advancement of our projects. **Our** ~~In addition, our~~ plan is to produce battery- grade lithium hydroxide from spodumene concentrate at **Carolina Lithium and** Tennessee Lithium using the innovative Metso: Outotec Pressure Leach Technology as well as a number of processes commonly used in the lithium industry today. We may encounter difficulties or unforeseen expenditures in integrating new, unproven technologies. It is common for a new mining operation to experience unexpected costs, problems **,** and delays during construction, commissioning **,** and mine start- up. Most mining projects suffer delays during these periods due to numerous factors, including the factors listed above. Any of these factors could result in changes to economic returns or cash flow estimates of the project or have other negative impacts on our financial position. There is no assurance that our projects will commence commercial production on schedule, or at all, or will result in profitable mining operations. If we are unable to develop our projects into a commercial operating mine, our business and financial condition will be materially adversely affected. Moreover, even if the feasibility study continues to support a commercially viable project, there are many additional factors that could impact the project' s development, including terms and availability of financing, cost overruns, litigation or administrative appeals concerning the project, delays in development, and any permitting changes, among other factors. Our future mining and lithium manufacturing activities may change as a result of any one or more of these risks and uncertainties. We cannot assure you that any ore body from which we extract mineralized materials will result in achieving and maintaining profitability and developing positive cash flows. Our ~~. Our~~ business is subject to cybersecurity risks.Our operations depend on effective and secure information technology systems.Threats to information technology systems,such as cyberattacks and cyber incidents,continue to increase.Cybersecurity risks include,but are not limited to,malicious software,attempts to gain unauthorized access to our data and the unauthorized release,corruption or loss of our data and personal information,as well as interruptions in communication and operations.It is possible that our business,financial,and other systems could be compromised,which could go unnoticed for a prolonged period of time.We have not experienced a material breach of our information technologies.Nevertheless,we continue to take steps to mitigate these risks by employing a variety of measures,including employee training,technical security controls,and maintenance of backup and protective systems.Despite these mitigation efforts,cybersecurity attacks and other threats exist and continue to increase,any of which could have a material adverse effect on our business,results of operations,financial condition,and cash flows **.Our** long- term success depends on our ability to enter into and deliver product under offtake agreements. We may encounter difficulty entering and fulfilling offtake agreements for our products. We may fail to deliver the product required by such agreements or may experience production costs in excess of the price to be paid to us under such **agreements. Failure to meet these specifications could result in price adjustments, the rejection of deliveries, or termination of the contracts. Our supply agreements contain force majeure provisions allowing temporary suspension of performance by us or the customer during specified events beyond the control of the affected party. As a result of these issues, we may not achieve the revenue or profit we expect to achieve from our offtake** agreements. As of the date of this filing, we have entered into two offtake agreements for our lithium products. On January 2, 2023, we entered into an amended offtake agreement with Tesla **, Inc.** to provide spodumene concentrate from NAL in Quebec. The agreement commits us to sell 125, 000 **dmt** ~~metric tons~~ of spodumene concentrate from our offtake agreement with Sayona Quebec. The term of the agreement is three years, from **January** ~~the second half~~ of 2023 until the end of 2025, and pricing is determined by a market- based mechanism. The three- year term can be extended for an additional three years upon mutual agreement. On February 16, 2023 **,** we entered into a spodumene concentrate offtake agreement with LG Chem **, which** ~~. That agreement~~ commits us to sell 200, 000 **dmt** ~~metric tons~~ of spodumene concentrate from our offtake agreement with Sayona Quebec. The term of the agreement is four years, beginning in the third quarter of 2023 until the third quarter of 2027 or until we have delivered 200, 000 **dmt** ~~metric tons~~ of spodumene concentrate. Pricing is determined by a market- based mechanism. Our business, results of operations, and financial condition may be materially and adversely affected if we are unable to enter into similar agreements with other buyers, deliver the products required by such agreements, or incur costs in excess of the price set forth in such agreements. We depend on our ability to successfully access the capital and financial markets. Any inability to access the capital or financial markets may limit our ability to meet our liquidity needs and long- term commitments, fund our ongoing operations, execute our business plan or pursue investments that we may rely on for future growth. **We may** ~~Until commercial production is achieved from our planned projects, we will~~ continue to incur operating and investing net cash outflows associated with ~~including~~ , but not limited to, maintaining and acquiring exploration properties, undertaking ongoing exploration activities, the development of our planned **Carolina Lithium and** Tennessee ~~Lithium and Carolina~~ Lithium projects, and our funding obligations to develop the assets of our joint ventures with Sayona Mining, including ~~the~~ NAL ~~project~~ , and Atlantic Lithium' s Ewoyaa project. As a result, we rely on access to capital markets as a source of funding for our capital and operating requirements. We **will** require additional capital to meet our liquidity needs related to expenses for our various corporate activities, including ~~the~~ costs related to our status as a publicly traded company, ~~fund~~ **funding of** our ongoing operations, ~~explore~~ **exploring** and ~~define~~ **defining** lithium mineralization, and ~~establish~~ **establishing** any future mining or lithium manufacturing operations. We cannot assure you that such additional funding will be available to us on satisfactory terms, or at all. To finance our future ongoing operations ~~,~~ and future capital needs, we may require additional funds through the issuance of additional equity or debt securities. Depending on the type and terms of any financing we pursue, stockholders' rights and the value of their investment in our common stock could be reduced. Any additional equity financing will dilute shareholdings. If the issuance of new securities results in diminished rights to holders of our common stock, the market price of our common stock could be negatively impacted. New or additional debt financing, if available, may involve restrictions on financing and operating activities. In addition, if we issue secured debt securities, the holders of the debt would have a claim to our assets that would be prior to the rights of stockholders until the debt is paid. Interest on such debt securities would increase costs and negatively impact operating results. We have a shelf registration statement on file with the SEC to provide us with capacity to publicly offer common stock, preferred stock, warrants, debt, convertible or exchangeable securities, depositary shares, or units, or any combination thereof. We may, from time to time, raise capital under our shelf registration statement in amounts, at prices, and on terms to be announced when and if any securities are offered. ~~The~~ **As of December 31, 2023, we had $ 369. 2 million remaining under our** shelf registration statement **, which** expires on September 24, 2024. If we are unable to obtain additional financing, as needed, at competitive rates, our ability to fund our current operations and implement our business plan and strategy will be affected. These circumstances may require us to reduce the scope of our operations and scale back our exploration, development and mining programs. There is, however, no guarantee that we will be able to secure any additional funding or be able to secure funding to provide us with sufficient funds to meet our objectives, which may adversely affect our business and financial position. Certain market disruptions may increase our cost of borrowing or affect our ability to access one or more financial markets. Such market disruptions could result from, but are not limited to: • adverse economic conditions; • adverse general capital market conditions; • poor performance and health of the lithium or mining industries in general; • bankruptcy or financial distress of unrelated lithium companies or marketers; • significant decrease in the demand for lithium products; • significant decrease in the price of lithium products; or • adverse regulatory actions that affect our exploration and construction plans or the use of lithium generally. Our ability to manage growth will have an impact on our business, financial condition, and results of operations. Future growth may place strains on our financial, technical, operational, and administrative resources and cause us to rely more on project partners and independent contractors, thus, potentially adversely affecting our financial position and results of operations. Our ability to grow will depend on a number of factors, including, but not limited to: • our ability to purchase, obtain leases on, or obtain options on properties; • our ability to identify and acquire new exploratory prospects; • our ability to develop existing prospects; • our ability to continue to retain and attract skilled personnel; • our ability to maintain or enter into new relationships with project partners and independent contractors; • the results of our exploration programs; • the market price for lithium products; • our ability to successfully complete construction projects on schedule, and within budget; • our access to capital; and • our ability to enter into agreements for the sale of lithium products. We may not be successful in upgrading our technical, operational, and administrative resources or increasing our internal resources sufficiently to provide certain services currently provided by third parties. Our inability to achieve or manage growth may materially and adversely affect our business, results of operations, and financial condition. We may acquire additional businesses or assets, form joint ventures, or make investments in other companies that may be unsuccessful and harm our operating results and prospects. As part of our business strategy, we may pursue additional acquisitions of complementary businesses or assets or seek to enter into joint ventures. We ~~also~~ may pursue strategic alliances, such as our Sayona Mining **,** ~~investment and our~~ Atlantic Lithium **, and Vinland Lithium** ~~investment~~ **investments** , in an effort to leverage our existing operations and industry experience, increase our product offerings, expand our distribution, and make investments in other companies. The success of any acquisitions, joint ventures, strategic alliances, or investments, including our Sayona **Quebec,** ~~Mining investment and~~ Atlantic Lithium **, and Vinland Lithium** ~~investment~~ **investments** , will depend on our ability to identify, negotiate, complete and, in the case of acquisitions, integrate those transactions and, if necessary, obtain satisfactory debt or equity financing to fund those transactions. We may not realize the anticipated benefits of any acquisition, joint venture, strategic alliance or ~~investments~~ - **investment** . We may not be able to integrate acquisitions successfully into our existing business, maintain the key business relationships of businesses we acquire, or retain key personnel of an acquired business. We could assume unknown or contingent liabilities or incur unanticipated expenses. Integration of acquired companies or businesses also may require management resources that otherwise would be available for ongoing development of our existing business. Any acquisitions or investments made by us ~~also~~ could result in significant write- offs or the incurrence of debt and contingent liabilities, any of which could harm our operating results. **If** ~~In addition, if~~ we choose to issue equity as consideration for any acquisition, our stockholders may experience dilution. We are dependent upon key management employees. The responsibility of overseeing the day- to- day operations and the strategic management of our business depends substantially on our senior management and key personnel. Loss of any such personnel may have an adverse effect on our performance. The success of our operations will depend upon numerous factors, many of which, in part, are beyond our control, including our ability to attract and retain additional key personnel in sales, marketing, technical support, and finance. Certain areas in which we operate are highly competitive and competition for qualified personnel is significant. We may be unable to hire suitable field personnel for our technical team or there may be periods of time where a particular position remains vacant while a suitable replacement is identified and appointed. We may not be successful in attracting and retaining the personnel required to grow and operate our business profitably. Our growth will require new personnel, which we will be required to recruit, hire, train, and retain. Members of our management team possess significant experience and have previously carried out or been exposed to exploration, development, and production activities. However, we have **a** limited operating history with respect to lithium projects and our ability to achieve our objectives depends on the ability of our directors, officers, and management to implement current plans and respond to any unforeseen circumstances that require changes to those plans. The execution of our exploration, development, and production plans will place demands on us and our management. Thus, our ability to recruit and assimilate new personnel will be critical to our performance. We will be required to recruit additional personnel and to train, motivate, and manage employees ~~, which~~ **. Failure to meet these requirements** may adversely affect our plans. Lawsuits may be filed against us and an adverse ruling in any such lawsuit may adversely affect our business, financial condition, or liquidity or the market price of our common stock. We may become involved in, named as a party to, or be the subject of ~~,~~ various legal proceedings, including regulatory proceedings, tax proceedings, and legal actions ~~relating~~ **related** to personal injuries, property damage, property taxes, land rights, the environment, and contract disputes. For additional information, refer to Part I, Item 3, “ Legal Proceedings. ” The outcome of outstanding, pending, or future proceedings cannot be predicted with certainty and may be determined adversely to us and as a result, could have a material adverse effect on our assets, liabilities, business, financial condition, or results of operations. Even if we prevail in any such legal proceeding, the proceedings could be costly, time- consuming, and may divert the attention of management and key personnel from our business operations, which could adversely affect our financial condition. Our mineral properties may be subject to defects in title. Title to the majority of our properties for Carolina Lithium are derived from option agreements with local landowners in North Carolina, which ~~,~~ upon exercise, allow us to purchase, or in certain cases, long- term lease the real property and associated mineral rights from the local landowners. If we exercise the option to purchase a property, we will pay cash consideration, approximating the fair market value of the real property, excluding the value of any minerals, plus a premium ~~(at~~ **based on** a negotiated fixed price or percentage premium ~~)~~. If we exercise the option for a long- term lease, we will pay annual advanced royalty payments per acre. Some landowners also retain a production royalty payable on production of ore from the property. The ownership and title to unpatented mining claims and concessions are often uncertain and may be contested. We ~~also~~ may not have, or may not be able to obtain, all necessary rights to develop a property. Although we have obtained title opinions with respect to certain of our properties and have taken reasonable measures to ensure proper title to our properties, there is no guarantee that title to any of our properties will not be challenged or impugned. Title insurance is generally not available for mineral properties and our ability to ensure that we have obtained ~~“~~ clear title ~~”~~ to individual mineral properties or mining concessions may be severely constrained. Our mineral properties may be subject to prior unregistered agreements, transfers **,** or claims, and title may be affected by, among other things, undetected defects. We may incur significant costs related to defending the title to our properties. A successful claim contesting our title to a property may cause us to compensate other persons or perhaps reduce our interest in the affected property or lose our rights to explore and develop that property. This could result in our not being compensated for our prior expenditures ~~relating~~ **related** to the property. **In** ~~Also, in~~ any such case, the investigation and resolution of title issues would divert our management’ s time from ongoing exploration and, if warranted, development programs. Any impairment or defect in title could negatively affect us. Our directors **and officers** may be in a position of conflict of interest. Some of our directors and officers currently serve as directors and officers of other companies involved in natural resource exploration, development **,** and production, and any of our directors **and**

officers may serve in such positions in the future. As of the date of this Annual Report, none of our directors or officers serves as an officer or director of a lithium exploration, development **,** or producing company nor possess a conflict of interests with our business, other than as follows: (i) pursuant to our agreements related to our Sayona Mining investment, Keith Phillips, our President and Chief Executive Officer, was appointed as a board member of Sayona Quebec, ~~and~~ (ii) pursuant to our agreements related to our Atlantic Lithium investment, Patrick Brindle, our Executive Vice President and Chief Operating Officer, was appointed as a **board** member of ~~the technical committee of~~ Atlantic **Lithium, a position he resigned from in 2024 upon Piedmont Lithium' s shareholding in Atlantic Lithium falling below the threshold required to appoint a director, and (iii) pursuant to our agreements related to our Vinland Lithium investment, Mr. Brindle was appointed as a board member of Vinland** Lithium. However, there exists the possibility that they may be in a position of conflict of interest in the future. Any decision made by such persons involving us will be made in accordance with their duties and obligations to deal fairly and in good faith with us and such other companies. In addition, any such directors **and officers** will declare, and refrain from voting on, any matter in which such directors **and officers** may have a material interest . Our business is subject to cybersecurity......, results of operations, and prospects . In order to manage our growth effectively and support our future operations, we expect to improve our financial and operations systems. To manage our growth and support our future manufacturing operations, we will **periodically** ~~need to~~ upgrade our operational and financial systems and procedures. This requires management time and may result in significant expense ~~. In 2022, we replaced our legacy Enterprise Resource Planning system to improve financial reporting controls and accommodate our expanding operations~~ . We cannot be certain that we will institute ~~,~~ in a timely or efficient manner **,** or at all, the improvements to our managerial, operational, and financial systems and procedures necessary to support our anticipated increased levels of operations. Problems associated with, or disruptions resulting from, any improvement or expansion of our operational and financial systems could adversely affect our relationships with our suppliers and customers, inhibit our ability to expand or take advantage of market opportunities, cause harm to our reputation, result in errors in our financial and other reporting, and **adversely** affect our ability to maintain an effective internal control environment and meet our external reporting obligations, any of which could harm our business and operating results and affect our stock price. ~~If~~ **There is no assurance** we ~~do not satisfy~~ **will secure a loan from** the ~~terms~~ **Department** of **Energy' s Loan Programs Office. We** ~~our DOE grant, we may not receive the entire amount or any of the grant funding we~~ were **previously** ~~pre- awarded. We have been~~ selected to receive a $ 141. 7 million grant under the Bipartisan Infrastructure Law to advance **Tennessee Lithium; however, as our detailed engineering plans evolved and inflation across** the **capital equipment sector has grown, we decided to pivot away from** ~~expansion of domestic manufacturing of batteries for electric vehicles. As part of~~ the ~~Company~~ **DOE grant to pursue an ATVM loan through the DOE** ' s ~~selection~~ **Loan Programs Office. Similarly, we previously received a conditional invitation to due diligence** for ~~this DOE grant~~ **an ATVM loan for our Carolina Lithium project. As our Carolina Lithium project has not yet met the conditional criteria for the Loan Programs Office to start due diligence** , we ~~have been invited to negotiate~~ **withdrew our application in 2023 with** the **intention to resubmit an application at a future date. We are currently in the pre- application stage of the ATVM loan process for both Carolina Lithium and Tennessee Lithium. If and when we submit an application for an ATVM loan, the Loan Programs Office must make a finding that Carolina Lithium or Tennessee Lithium is both eligible and meets the viability thresholds** ~~specific~~ **specified under law. Thereafter, our application becomes subject to both preliminary and advanced- stage due diligence and the negotiation of preliminary** terms ~~of the grant, including timing~~ and **conditions** ~~any co- funding~~ . ~~Any~~ **Should the Loan Programs Office issue a conditional commitment letter for either project, and should we satisfy all conditions precedent and requirements specified in the letter, we would become eligible to enter into a** final **loan** ~~grant award is subject to these negotiations. Once the grant~~ agreement ~~has been finalized~~ **. Upon closing** , ~~funding of~~ the ~~grant will~~ **loan would** remain subject to **certain restrictive covenants** ~~satisfaction, from time to time, of conditions~~ and financial reporting requirements set forth in the final ~~grant~~ **loan** agreement **. As a result, there can be no assurance that we will secure such loan from the DOE for either project within the expected timeframe, on terms that are acceptable to the Company, or at all. The Company is dependent on a limited number of customers, which makes it vulnerable to the continued relationship with and financial health of those customers. Three customers have accounted for 100 % of our sales as of the date of this Annual Report. The Company' s future prospects may depend on the continued business of a limited number of key customers and on our continued status as a qualified supplier to such customers. The Company cannot guarantee that these key customers will continue to buy products from us at current levels. The loss of a key customer could have a material adverse effect on our business, financial condition, and results of operations** . If we are ~~unable~~ **required** to **register** ~~meet the obligation of the grant agreement, we may be unable to take advantage of all or part of the entire award, and / or be subject to penalties in the grant agreement, such~~ as **an investment company,** ~~ineligibility for continued participation in the grant program. We cannot assure that~~ we will ~~have~~ **be subject to a significant regulatory burden and our results of operations will suffer. We are an operating company and believe we are not subject to regulation as an investment company under** the **U. S. Investment Company Act of 1940, as amended. However, if we were required to register as an investment company, our** ability to ~~meet any~~ **use debt would be substantially reduced, and we would be subject to significant additional disclosure obligations and restrictions on** ~~or~~ **our** ~~all grant~~ **operational activities. Because of the additional** requirements **imposed on** ~~necessary to receiving grant funding and~~ - **an** ~~/~~ **investment company with regard to the distribution of earnings, operational activities and the use of debt, in addition to increased expenditures due to additional reporting responsibilities,** ~~or~~ **our cash available** ~~the grant agreement will not be terminated prior to receiving any or~~ **for** ~~all~~ **investments would be reduced. The additional expenses would reduce income. These factors would adversely affect our business, financial condition, and** the ~~grant funds~~ **results of operations and cash flows** . Regulatory and Industry Risks We will be required to obtain governmental permits and approvals in order to conduct development and mining operations, a process that is often costly and time- consuming. There is no certainty that all necessary permits and approvals for our planned operations will be granted. We are required to obtain and renew governmental permits and approvals for our exploration and development activities ~~and~~ , **and** prior to mining any mineralization we discover, we will be required to obtain additional governmental permits and approvals that we do not currently possess. Obtaining and renewing any of these governmental permits is a complex, time **-** consuming **,** and uncertain process involving numerous jurisdictions, public hearings, and possibly costly undertakings. The timeliness and success of permitting efforts are contingent upon many variables not within our control, including the interpretation of approval requirements administered by the applicable governmental authority. We may not be able to obtain or renew permits or approvals that are necessary to our planned operations, or we may discover that the cost and time required to obtain or renew such permits and approvals exceeds our expectations. Any unexpected delays, costs or conditions associated with the governmental approval process could delay our planned exploration, development **,** and mining operations, which in turn could materially adversely affect our prospects, revenues, and profitability. In addition, our prospects may be adversely affected by the revocation or suspension of permits or by changes in the scope or conditions to use of any permits obtained. For example, in addition to the permits that we have been issued to date, we are required to obtain other permits and approvals before construction or operations of Carolina Lithium, including approvals related to zoning, rezoning, mining, mineral concentration, and chemical manufacturing. Such permits include a state mining permit that would be issued by the North Carolina DEMLR, an air permit that would be issued by the ~~DAQ,~~ **Division of Air Quality and** rezoning that would be approved by the Gaston County Board of Commissioners ~~, and, potentially, a Special Use or Conditional Permit that would be approved by the Gaston County Board~~ . The following permits have been submitted for Carolina Lithium: (~~1~~ **i**) Mine Permit to DEMLR on August 30, 2021, (~~2~~ **ii**) Prevention of Significant Deterioration ~~(" PSD ")~~ Title V Air Permit to the ~~DAQ~~ **Division of Air Quality** on August 31, 2022, and ~~NPDES~~ **(iii) National Pollutant Discharge Elimination System** permits to the NCDEQ Division of Water Resources on December 28, 2022. Private parties, such as environmental activist organizations, frequently attempt to intervene in the permitting process to persuade regulators to deny necessary permits or seek to overturn permits that have been issued. These third- party actions can materially increase the costs, cause delays in the permitting process, and could cause us to not proceed with the development or operation of a property. **Our** ~~In addition, our~~ ability to successfully obtain key permits and approvals to explore for, develop, operate, and expand operations will likely depend on our ability to undertake such activities in a manner consistent with the creation of social and economic benefits in the surrounding communities, which may or may not be required by law. Our ability to obtain permits and approvals and to successfully operate in particular communities may be adversely affected by real or perceived detrimental events associated with our activities. Certain members of the Gaston County Board have indicated opposition to ~~the~~ granting ~~of~~ **the** approvals necessary for Carolina Lithium. In September 2021, the Gaston County Board approved updates to the Gaston County Unified Development Ordinance **,** which ~~,~~ in part, established certain operating limitations for new mines and quarries within the county ~~. It also established that new mines~~ and **provides the parameters for** ~~quarries must be located on industrially- zoned property and require~~ **requisite Conditional District zoning** ~~a Special Use Permit approved by the Gaston County Board~~ . While we have initiated a dialog with the Gaston County Board, we are unable to predict the duration, scope, result, or related costs or conditions associated with the Boards' review, nor can we assure you that we will be successful in obtaining required local approvals. Tennessee Lithium ~~, which was announced on September 1, 2022,~~ is being designed as a lithium hydroxide manufacturing facility in the ~~city~~ **City** of Etowah, McMinn County, Tennessee. Similar to Carolina Lithium, we are required to obtain governmental permits and approvals **prior to constructing and operating Tennessee Lithium. In July 2023** , ~~which~~ we **received** ~~do not currently possess, prior to constructing and operating this project. We have also submitted~~ our ~~Conditional Major non- Title V~~ Air Permit ~~to TDEC for our Tennessee Lithium project on October 31, 2022. Other permits to be obtained include a construction stormwater permit~~ from TDEC, **which was the final material permit necessary to commence construction given our previous receipt of our Construction Stormwater Permit in April 2023. In addition to the Air Permit and Construction Stormwater Permit, we will need to obtain additional permits including** a municipal wastewater permit ~~form~~ - **from** the City of Etowah ~~,~~ as well as permits for post construction stormwater controls. ~~ability~~ **.Lithium and lithium byproduct prices are subject** to ~~develop~~ **unpredictable fluctuations.We expect to derive revenues,if any,from** ~~them~~ - **the** ~~successfully~~ **extraction and sale of lithium and lithium byproducts** .The prices of lithium and lithium byproducts may fluctuate widely and are affected by numerous factors beyond our control,including international,economic,and political trends,expectations of inflation,currency exchange fluctuations,interest rates,global ~~and~~ **or** regional consumptive patterns,speculative activities,increased production due to new extraction developments and improved extraction and production methods and technological changes in the markets for the end products.The effect of these factors on the prices of lithium and lithium byproducts,and therefore the economic viability of any of our exploration ~~,development,and operational~~ properties,cannot **accurately** be ~~accurately~~ predicted ~~and could have dramatic effects on the results of our operations and our ability to execute our business plan~~ . ~~New~~ **Additionally,new** production of lithium hydroxide or lithium carbonate from current or new competitors in the lithium markets could adversely affect prices.In recent years,new and existing competitors have increased the supply of lithium hydroxide and lithium carbonate,which has affected pricing.Further production increases could negatively affect prices.There is limited information on the status of new lithium hydroxide production capacity expansion projects being developed by current and potential competitors and,as such,we cannot make accurate projections regarding the capacities of possible new entrants into the market and the dates on which they could become operational.If these potential projects are completed in the short term,they could adversely affect market lithium prices,thereby resulting in a material adverse effect on the economic feasibility of extracting any mineralization we discover and reducing or eliminating any reserves we identify ~~.We may not~~ The proposed Carolina Lithium project will be subject to significant governmental regulations, including the U. S. Federal Mine Safety and Health Act. Mining activities in the U. S. are subject to extensive foreign, federal, state, and local laws and regulations governing environmental protection, natural resources, prospecting, development, production, post- closure reclamation, taxes, labor standards, and occupational health and safety laws and regulations, including mine safety, toxic substances, and other matters. The costs associated with compliance with such laws and regulations are substantial. In addition, changes in such laws and regulations, or more restrictive interpretations of current laws and regulations by governmental authorities, could result in unanticipated capital expenditures, expenses, or restrictions on or suspensions of our operations and delays in the development of our properties. The planned Tennessee Lithium project will be dependent upon our ability to source spodumene concentrate feedstock to be converted to lithium hydroxide at the facility. Tennessee Lithium will **be** ~~depend~~ **dependent** upon **the** sourcing **of** spodumene concentrate to produce lithium hydroxide. We intend to provide spodumene concentrate to Tennessee Lithium from our international assets, primarily Ewoyaa in Ghana **. While we do not have reason to believe that spodumene concentrate from Ewoyaa would not be available, we expect there to be options available for exploring alternative sources to feed Tennessee Lithium, if needed** . However, we cannot guarantee our ability to source spodumene concentrate, and our inability to do so would negatively impact our ability to produce lithium hydroxide in Tennessee **and could have an adverse effect on our business, results of our operations, and our financial condition** . Compliance with environmental regulations and litigation based on environmental regulations could require significant expenditures. Environmental regulations mandate, among other things, the maintenance of air and water quality standards, land development, and land reclamation, and set forth limitations on the generation, transportation, storage, and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner that may require stricter standards and enforcement, increased fines and penalties for non- compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for mining companies and their officers, directors, and employees. In connection with our current exploration activities or in connection with our prior mining operations, we may incur environmental costs that could have a material adverse effect on **the** financial condition and results of **our** operations. Any failure to remedy an environmental problem could require us to suspend operations or enter into interim compliance measures pending completion of the required remedy. Moreover, governmental authorities and private parties may bring lawsuits based upon damage to property and injury to persons resulting from the environmental, health, and safety impacts of prior and current operations, including operations conducted by other mining companies many years ago at sites located on properties that we currently own or formerly owned. These lawsuits could lead to the imposition of substantial fines, remediation costs, penalties, and other civil and criminal sanctions ~~,~~ as well as reputational harm, including damage to our relationships with customers, suppliers, investors, governments **,** or other stakeholders. Such laws, regulations, enforcement, or private claims may have a material adverse effect on our financial condition, results of operations, or cash flows . Lithium and lithium byproduct prices are...... reducing or eliminating any reserves we identify . Changes in technology or other developments could adversely affect demand for lithium compounds or result in preferences for substitute products. Lithium and its derivatives are preferred raw materials for certain industrial applications, such as rechargeable batteries. For example, current and future high energy density batteries for use in electric vehicles will rely on lithium compounds as a critical input. The pace of advancements in current battery technologies, development and adoption of new battery technologies that rely on inputs other than lithium compounds, or a delay in the development and adoption of future high nickel battery technologies that utilize lithium hydroxide could significantly impact our prospects and future revenues. Many materials and technologies are being researched and developed with the goal of making batteries lighter, more efficient, faster charging, and less expensive, some of which could be less reliant on lithium hydroxide or other lithium compounds. Some of these technologies, such as commercialized battery technologies that use no, or significantly less, lithium compounds, could be successful and could adversely affect demand for lithium batteries in personal electronics, electric and hybrid vehicles, and other applications. We cannot predict which new technologies may ultimately prove to be commercially viable and on what time horizon. In addition, alternatives to industrial applications dependent on lithium compounds may become more economically attractive as global commodity prices shift. Any of these events could adversely affect demand for and market prices of lithium, thereby resulting in a material adverse effect on the economic feasibility of extracting any mineralization we discover and reducing or eliminating any reserves we identify. Our growth depends upon the continued growth in demand for electric vehicles with high performance lithium compounds. We plan to be one of a few producers of performance lithium compounds that are a critical input in current and next generation high energy density batteries used in electric vehicle applications. Our growth is dependent upon the continued adoption of electric vehicles by consumers. If the market for electric vehicles does not develop as we expect, or develops more slowly than we expect, our business, prospects, financial condition, and results of operations will be affected. The market for electric vehicles is relatively new, rapidly evolving, and could be affected by numerous external factors, such as: • government regulations and automakers' responses to these regulations ; • tax and economic incentives ; • rates of consumer adoption, which is driven in part by perceptions about electric vehicle features (including range per charge), quality, safety, performance, cost, and charging infrastructure ; • competition, including from other types of alternative fuel vehicles, plug- in hybrid electric vehicles, and high fuel- economy internal combustion engine vehicles ; • volatility in the cost of battery materials, oil, and gasoline ; • rates of customer adoption of higher performance lithium compounds ; and • rates of development and adoption of next generation high nickel battery technologies. Our operations may be further disrupted, and our financial results may **continue to** be adversely affected by the ~~novel coronavirus~~ **COVID- 19** pandemic. The COVID- 19 pandemic **, or a similar public health crisis,** has the potential to continue to pose a material risk to our business and operations. If a significant portion of our workforce or consultants become unable to work or travel to our operations due to illness or state or federal government restrictions ~~(including travel restrictions and " shelter- in- place " and similar orders restricting certain activities that may be issued or extended by authorities)~~ , we may be forced to reduce or suspend our exploration and development activities. ~~The COVID- 19 pandemic had a broad impact globally and may materially affect us economically, although~~ **Although significant** progress has been made in the development and distribution of vaccines ~~. The~~ **, the future** scope and duration of COVID- 19' s ~~economic~~ impact may be difficult to assess or predict, **and the virus** ~~but COVID- 19~~ has **the potential to continue to** negatively ~~impacted~~ -- **impact** global economic conditions, which, in turn, could adversely affect our business, results of operations and financial condition. In addition, a recession or market correction resulting from **a rise in** COVID- 19 **infections** could materially affect our business and the value of our common stock. ~~It~~ **Our cash and cash equivalents could be adversely affected if the financial institutions in which we hold our cash and cash equivalents fail. We maintain cash deposits in accounts that, at times may exceed the amount of insurance provided on such deposits by the FDIC. If one or more of the financial institutions in which we hold cash deposits fails, we could lose all or a portion of our uninsured cash balances. If access to our cash accounts in the future** is **impaired, whether temporarily or otherwise, we may be unable to pay our operational expenses such as payroll or make other payments. There can be** ~~not~~ - **no assurance** ~~possible to estimate the full and complete impact~~ that ~~COVID- 19~~ **the FDIC will take actions to support deposits in excess of existing FDIC insured limits. If banks and financial institutions enter receivership or become insolvent in the future, including the financial institutions in which we, our equity method investments, or our customers hold cash, our and their ability to access existing cash, cash equivalents, and investments may be threatened and** could have **a material adverse effect** on our business ~~, results of operations~~ and financial condition. ~~The extent to~~ **In addition, there is a risk that one or more of our current service providers, financial institutions, and other partners may be adversely affected by the foregoing risks,** which **could directly affect** ~~the COVID- 19 pandemic will impact~~ our ~~financial condition will depend~~ **ability to conduct our business plans** on **schedule** ~~future developments that are highly uncertain~~ and ~~cannot be predicted, including new government actions or restrictions, new information that may emerge concerning the severity, longevity and impact of the COVID- 19 pandemic~~ on **budget** ~~economic activity. As of December 31, 2022, the effects from the COVID- 19 pandemic have not had a material impact on our financial results or operations. However, the effects from the COVID- 19 pandemic could have a material impact on our operations, and we will continue to closely monitor the COVID- 19 situation~~ . Risks Related to an Investment in Our Common Stock The market price and trading volume of our common stock may be volatile and may be affected by economic conditions beyond our control. The market price of our common stock may be highly volatile and subject to wide fluctuations **. For instance, from January 1, 2023, through February 15, 2024, the closing price of our common stock on Nasdaq ranged from as high as $ 73. 46 to as low as $ 12. 38** . In addition, the trading volume of our common stock may fluctuate and cause significant price variations to occur. If the market price of our common stock declines significantly, you may be unable to resell your shares of our common stock at or above the purchase price, if at all. We cannot assure you that the market price of our common stock will not fluctuate or significantly decline in the future. Some specific factors that could negatively affect the price of our common stock or result in fluctuations in ~~their~~ -- **the** price and trading volume include: • actual or expected fluctuations in our prospects or operating results; • changes in the demand for, or market price of lithium, lithium hydroxide, or lithium- ion batteries; • additions to or departures of our key personnel; • changes or proposed changes in laws and regulations; • changes in trading volume of our common stock on Nasdaq **or the ASX** ; • sales or perceived potential sales of our common stock by us, our directors, senior management, or our stockholders in the future; • announcement or expectation of additional financing efforts; • conditions in the financial markets or changes in general economic and political conditions and events **, including repercussions from the war in Ukraine and the escalating conflict in the Middle East** ; • market conditions or investor sentiment in the broader stock market, or in our industry in particular ; • introduction of new products and services by us or our competitors ; • issuance of new or changed securities analysts' reports or recommendations ; • litigation and governmental investigations ; and • changes in investor perception of our market ~~positions~~ - **position** based on third- party information. ~~In addition, when~~ **When** the market price of a stock is volatile, certain holders of that stock may institute securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit or any future securities class litigation that may be brought against us. We incur significant costs as a result of being publicly traded in the U. S. and Australia. As a company whose common stock is publicly traded in both the U. S. and Australia, we incur significant legal, accounting, insurance, and other expenses related to compliance with applicable regulations. Our management and other personnel devote a substantial amount of time to these compliance initiatives, and we may need to continue to add additional personnel and build our internal compliance infrastructure. Our common stock is publicly traded on the ASX in the form of CDIs. As a result, we must comply with the ASX Listing Rules. We have policies and procedures that we believe are designed to provide reasonable assurance of our compliance with the ASX Listing Rules. If, however, we do not follow those procedures and policies, or they are not sufficient to prevent non- compliance, we could be subject to liability, fines, and lawsuits. These laws, regulations, and standards are subject to varying interpretations ~~and~~ , **and** as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. We intend to invest resources to comply with evolving laws, regulations, and standards, and this investment may result in increased **selling,** general and administrative expenses and a diversion of management' s time and attention from **growth and** revenue- generating activities to compliance activities. If, notwithstanding our efforts to comply with new laws, regulations, and standards, we fail to comply, regulatory authorities may initiate legal proceedings against us **,** and our business may be harmed. Some provisions of Delaware law and our certificate of incorporation and bylaws may deter third parties from acquiring us or limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees. Our certificate of incorporation and bylaws provide for, among other things: • a staggered board and restrictions on the ability of our stockholders to fill a vacancy on ~~the~~ **our** Board ; • the authorization of undesignated preferred stock, the terms of which may be established and shares of which may be issued without stockholder approval ; • advance notice requirements for stockholder proposals ; • a requirement that, except as otherwise provided for or fixed with respect to actions required or permitted to be taken by holders of preferred stock, no action that is required or permitted to be taken by the stockholders may be affected by consent of stockholders in lieu of a meeting of stockholders; • permit the Board to establish the number of directors; • a provision that the Board is expressly authorized to adopt, amend, or repeal our amended and restated bylaws; • a provision that stockholders can remove directors only for cause and only upon the approval of not less than 66 2 / 3 **%** of all outstanding shares of our voting stock; • a requirement that the approval of not less than 66 2 / 3 **%** of all outstanding shares of our voting stock to adopt, amend, or repeal certain provisions of our bylaws and certificate of incorporation; and • limit the jurisdictions in which certain stockholder litigation may be brought. These anti- takeover defenses could discourage, delay, or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for stockholders to elect directors of their choosing and cause us to take other corporate actions than desired. Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the sole and exclusive forum for any complaint asserting any internal corporate claims (including claims in the right of the Company that are based upon a violation of a duty by current or former director, officer, employee, or stockholder in such capacity, or as to which the Delaware General Corporation Law confers jurisdiction upon the Court of Chancery) or a cause of action arising under the Securities Act. This provision shall not apply to suits brought to enforce a duty or liability created by the Exchange Act. This choice of forum provision may limit a stockholder' s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees. If a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business. For example, under the Securities Act, federal courts have concurrent jurisdiction over all suits brought to enforce any duty or liability created by the Securities Act, and investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. We do not anticipate paying dividends in the foreseeable future. We have not declared any dividends during the ~~year~~ **years** ended December 31, **2023, or** 2022, the six months ended December 31, 2021 **,** or for the ~~years~~ - **year** ended June 30, 2021 ~~or 2020~~ , and do not anticipate that we will do so in the foreseeable future. We currently intend to retain future earnings, if any, to finance the development of our business. Dividends, if any, on our outstanding shares of common stock will be declared by and subject to the discretion of the Board on the basis of our earnings, financial requirements **,** and other relevant factors. As a result, a return on your investment will only occur if our common stock price appreciates. We cannot assure you that our common stock will appreciate in value or even maintain the price at which you purchase shares of our common stock. You may not realize a return on your investment in our common stock, and you may even lose your entire investment in our common stock. Therefore, you should not rely on an investment in our common stock as a source for any future dividend income. If U. S. securities or industry analysts do not publish research reports about our business, or if they issue an adverse opinion about our business, the market price and trading volume of our common stock could decline. The trading market for our common stock will be influenced by the research and reports that U. S. securities or industry analysts publish about us ~~or~~ **and** our business. Securities and industry analysts may discontinue research on us, to the extent such coverage currently exists, or in other cases, may never publish research on us. If no **,** or too few **,** U. S. securities or industry analysts commence coverage of our Company, the trading price for our common stock would likely be negatively affected. In the event securities or industry analysts initiate coverage, if one or more of the analysts who cover us downgrade our common stock or publish inaccurate or unfavorable research about our business, the market price of our common stock would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, demand for our common stock could decrease, which might cause our price and trading volume to decline. In addition, research and reports that Australian securities or industry analysts publish about us, our business **,** or our common stock may impact the market price of our common stock. Unstable market and economic conditions may have serious adverse consequences on our business and financial condition. Global credit and financial markets have experienced extreme disruptions at various points over the last few decades, characterized by diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates, and uncertainty about economic stability. If another such disruption in credit and financial markets and deterioration of confidence in economic conditions occurs, our business may be adversely affected. If the equity and credit markets were to deteriorate significantly in the future, it may make any necessary debt or equity financing more difficult to complete, more costly, and more dilutive. Failure to secure any necessary financing in a timely manner and on favorable terms could have a material adverse effect on our growth strategy, financial performance, and share price and could require us to delay or abandon development or commercialization plans. In addition, there is a risk that one or more of our service providers, manufacturers, or other partners would not survive or be able to meet their commitments to us under such circumstances, which could directly affect our ability to attain our operating goals on schedule and on budget. Sales of our common stock, or the perception that such sales may occur, could depress the price of our common stock. Sales of a substantial number of shares of our common stock in the public market, or the perception that such sales may occur, could depress the market price of our common stock. We have filed a registration statement registering under the Securities Act the shares of our common stock reserved for issuance under our Stock Incentive Plan, including shares issuable upon exercise of outstanding options. These shares can be freely sold in the public market upon issuance, subject to volume limitations applicable to affiliates. Further, as opportunities present themselves, we may enter into financing or similar arrangements in the future, including the issuance of debt or equity securities. If we issue common stock or securities convertible into our common stock, our common stockholders would experience additional dilution ~~and~~ , **and** as a result, the price of our common stock may decline.