UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

X **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2023

OR

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

Commission File Number 000-04197

United States Lime & Minerals, Inc.

(Exact name of Registrant as specified in its charter)

Texas	**75-0789226**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
5429 LBJ Freeway, Suite 230, Dallas, Texas	**75240**
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: **(972) 991-8400**

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, $0.10 par value	USLM	The Nasdaq Stock Market LLC

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No X

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No X

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes X No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes X No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer X
Non-accelerated filer	☐	Smaller reporting company ☐
		Emerging growth company ☐

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

Indicate by check mark whether the Registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. X

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of Common Stock held by non-affiliates computed as of the last business day of the Registrant's quarter ended June 30, 2023: $434,073,420.

Number of shares of Common Stock outstanding as of February 27, 2024: 5,709,224.

DOCUMENTS INCORPORATED BY REFERENCE

Part III incorporates information by reference from the Registrant's definitive Proxy Statement to be filed for its 2024 Annual Meeting of Shareholders. Part IV incorporates certain exhibits by reference from the Registrant's previous filings.

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PART I

ITEM 1. BUSINESS.

General.

United States Lime & Minerals, Inc. (the "Company," the "Registrant," "We" or "Our"), which was incorporated in 1950, conducts its business primarily through its Lime and Limestone Operations segment. The Company's Other operations relate to its natural gas interests.

The Company's principal corporate office is located at 5429 LBJ Freeway, Suite 230, Dallas, Texas 75240. The Company's telephone number is (972) 991-8400 and its internet address is www.uslm.com. The Company's annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as well as the Company's definitive proxy statement filed pursuant to Section 14(a) of the Exchange Act, are available free of charge on the Company's website as soon as reasonably practicable after the Company electronically files such material with, or furnishes it to, the Securities and Exchange Commission (the "SEC").

Lime and Limestone Operations.

Business and Products. The Company, through its Lime and Limestone Operations, is a manufacturer of lime and limestone products, supplying primarily the construction (including highway, road, and building contractors), industrial (including paper and glass manufacturers), metals (including steel producers), environmental (including municipal sanitation and water treatment facilities and flue gas treatment processes), roof shingle manufacturers, oil and gas services, and agriculture (including poultry producers) industries. The Company is headquartered in Dallas, Texas and operates lime and limestone plants and distribution facilities in Arkansas, Colorado, Louisiana, Missouri, Oklahoma and Texas through its wholly owned subsidiaries, Arkansas Lime Company, ART Quarry TRS LLC (DBA Carthage Crushed Limestone), Colorado Lime Company, Mill Creek Dolomite, LLC, Texas Lime Company, U.S. Lime Company, U.S. Lime Company-Shreveport, U.S. Lime Company-St. Clair and U.S. Lime Company-Transportation.

The Company produces high-quality limestone from its open-pit quarries and underground mines that it sells as crushed limestone or processes further to produce several higher-value lime and limestone products, including pulverized limestone ("PLS"), quicklime, hydrated lime, and lime slurry. PLS (also referred to as ground calcium carbonate) is produced by applying heat to dry the limestone, which is then ground to granular and finer sizes. Quicklime (calcium oxide) is produced by heating limestone to very high temperatures in kilns in a process called calcination. Hydrated lime (calcium hydroxide) is produced by reacting quicklime with water in a controlled process. Lime slurry (milk of lime) is a suspended solution of calcium hydroxide produced by mixing quicklime with water in a lime slaker.

Crushed limestone is used primarily in construction aggregates. PLS is used in the production of construction materials, such as roof shingles and asphalt paving, as an additive to agriculture feeds, in the production of glass, as an agricultural soil enhancement, in flue gas treatment for utilities and other industries requiring scrubbing of emissions for environmental purposes and for mine safety dust in coal mining operations. Quicklime is used primarily in metal processing, in flue gas treatment, in soil stabilization for highway, road, and building construction, as well as for oilfield roads and drill sites, in the manufacturing of paper products, and in municipal sanitation and water treatment facilities. Hydrated lime is used primarily in municipal sanitation and water treatment facilities, in soil stabilization for highway, road, and building construction, in flue gas treatment, in asphalt as an anti-stripping agent, as a conditioning agent for oil and gas drilling mud, and in the production of chemicals. Lime slurry is used primarily in soil stabilization for highway, road and building construction.

Product Sales. In 2023, the Company sold almost all of its lime and limestone products in the states of Arkansas, Arizona, Colorado, Illinois, Iowa, Kansas, Louisiana, Mississippi, Missouri, Oklahoma, Tennessee, and Texas. Sales were made primarily by the Company's ten sales employees who call on current and potential customers and solicit orders, which are generally made on a purchase-order basis. The Company also receives orders in response to bids that it prepares and submits to current and potential customers.

Principal customers for the Company's lime and limestone products are construction customers (including highway, road, and building contractors), industrial customers (including paper manufacturers and glass manufacturers), metals producers (including steel producers), environmental customers (including municipal sanitation and water treatment facilities and flue gas treatment processes), roof shingle manufacturers, oil and gas services companies, and poultry producers.

Approximately 650 customers accounted for the Company's sales of lime and limestone products during 2023. No single customer accounted for more than 10% of such sales. The Company is generally not subject to significant customer demand and credit risks as its customers are considerably diversified within its geographic region and by industry concentration. However, given the nature of the lime and limestone industry, the Company's profits are very sensitive to changes in sales volumes, prices, and costs.

Lime and limestone products are transported by truck and rail to customers generally within a radius of 400 miles of each of the Company's plants. All of the Company's 2023 sales were made within the United States.

Seasonality. The Company's sales have typically reflected seasonal trends, with the largest percentage of total annual shipments and revenues normally being realized in the second and third quarters. Lower seasonal demand normally results in reduced shipments and revenues in the first and fourth quarters. Inclement weather conditions generally have a negative impact on the demand for lime and limestone products supplied to construction-related customers, as well as on the Company's open-pit quarrying operations.

Limestone Mineral Resources and Reserves. The Company's limestone mineral resources and reserves contain at least 96% calcium carbonate ($CaCO_3$). The Company has four subsidiaries that extract limestone from open-pit quarries: Texas Lime Company ("Texas Lime"), which operates the Texas Lime Quarry and is located near Cleburne, Texas; Arkansas Lime Company ("Arkansas Lime"), which operates the Batesville Quarry and is located near Batesville, Arkansas; ACT Holdings, Inc. ("ACT"), which owns the Love Hollow Quarry and is located near Cushman, Arkansas; and Mill Creek Dolomite, LLC ("Mill Creek"), acquired by the Company in February 2022, which operates the Mill Creek Quarry and is located near Mill Creek, Oklahoma. U.S. Lime Company-St. Clair ("St. Clair") extracts limestone from the St. Clair Mine, an underground mine located near Marble City, Oklahoma. Carthage Crushed Limestone ("Carthage") extracts limestone from the Carthage Mine, an underground mine located in Carthage, Missouri. Colorado Lime Company ("Colorado Lime") owns property containing limestone deposits at Monarch Pass, Colorado. Existing crushed limestone stockpiles on the property are being used to provide feedstock to the Company's plant in Delta, Colorado. Access to all properties is provided by paved roads and, in the case of Arkansas Lime, St. Clair, Carthage, and Mill Creek, also by rail.

The following table shows annual mined tons of limestone (in thousands) at the Company's mining properties for the years ended December 31, 2023, 2022, and 2021:

	Tons Mined (in thousands of tons)		
Mine/Location	**2023**	**2022**	**2021**
Texas Lime Quarry	1,575	1,610	1,421
Batesville Quarry	785	1,017	898
Love Hollow Quarry	266	57	-
St. Clair Mine	477	533	414
Carthage Mine	625	645	687
Mill Creek Quarry[1]	169	162	N/A
Total Production	3,897	4,024	3,420

[1] The Company acquired Mill Creek in February 2022. Tons mined only include production subsequent to the acquisition.

The Company engaged SYB Group, LLC ("SYB") to serve as the Qualified Person ("QP") to prepare estimates of the Company's limestone mineral resources and reserves, as of December 31, 2021, at its quarries and mines at Texas Lime, Batesville, Love Hollow, and St. Clair (collectively, the "Material Properties") and provide Technical Report

Summaries ("TRSs") to file as Exhibits 96.1-96.4 to its Report on its Form 10-K for the year ended December 31, 2021. The QP was not retained to prepare estimates at Carthage, Mill Creek, or Colorado because the Company had not completed a drilling program sufficient to enable the QP to prepare estimates of the limestone mineral resources and reserves at those properties.

During 2023, the Company engaged SYB to update its TRSs for the Material Properties as of December 31, 2023, primarily to update economic assumptions, including costs and recovery rates, and extend the point of reference to include the respective crushing circuits at each site. The Company has not conducted a drilling program on any of the Material Properties subsequent to the effective date of the 2021 TRSs. Updated resources and reserves have been calculated using a $12.70 per ton price assumption for crushed limestone based on the U.S. Geological Survey Mineral Commodity Summaries 2023. Updates to the TRSs did not have a material effect on any of the Company's mineral resources or reserves.

Summaries of the Company's total limestone mineral resources and reserves for all Material Properties as of December 31, 2023 and 2022 are shown below. The terms Mineral Resource, Measured Resources, Indicated Resources, Mineral Reserves, Proven Reserves, and Probable Reserves are defined in accordance with SEC Regulation S-K subpart 229.1300 governing disclosures by registrants engaged in mining operations. Limestone mineral resources are presented exclusive of limestone mineral reserves. Limestone mineral resources as of December 31, 2022, have been recast from the prior year presentation to present as exclusive of limestone mineral reserves in order to conform to the current year presentation.

Summary of Total Limestone Mineral Resources - Exclusive of Mineral Reserves - as of December 31, 2023, Based on $12.70 per Ton (in thousands of tons)

Measured Resources (tons)	Cutoff Grade	Indicated Resources (tons)	Cutoff Grade	Measured + Indicated Resources (tons)	Cutoff Grade
18,193	Above 96.0% ($CaCO_3$)	137,986	Above 96.0% ($CaCO_3$)	156,179	Above 96.0% ($CaCO_3$)

Summary of Total Limestone Mineral Resources - Exclusive of Mineral Reserves - as of December 31, 2022, Based on $12.70 per Ton (in thousands of tons)

Measured Resources (tons)	Cutoff Grade	Indicated Resources (tons)	Cutoff Grade	Measured + Indicated Resources (tons)	Cutoff Grade
18,193	Above 96.0% ($CaCO_3$)	137,986	Above 96.0% ($CaCO_3$)	156,179	Above 96.0% ($CaCO_3$)

Summary of Total Limestone Mineral Reserves as of December 31, 2023, Based on $12.70 per Ton (in thousands of tons)

Proven Reserves (tons)	Cutoff Grade	Probable Reserves (tons)	Cutoff Grade	Total Mineral Reserves (tons)	Cutoff Grade
157,863	Above 96.0% ($CaCO_3$)	72,037	Above 96.0% ($CaCO_3$)	229,900	Above 96.0% ($CaCO_3$)

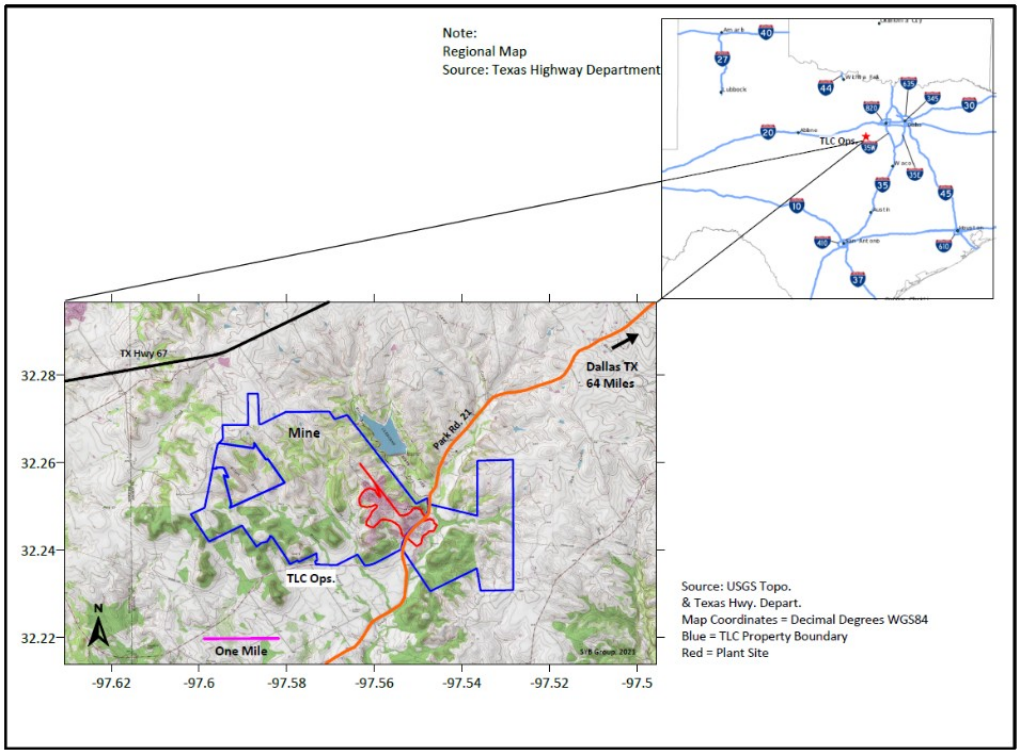
Summary of Total Limestone Mineral Reserves as of December 31, 2022, Based on $12.70 per Ton (in thousands of tons)

Proven Reserves (tons)	Cutoff Grade	Probable Reserves (tons)	Cutoff Grade	Total Mineral Reserves (tons)	Cutoff Grade
161,071	Above 96.0% ($CaCO_3$)	72,037	Above 96.0% ($CaCO_3$)	233,108	Above 96.0% ($CaCO_3$)

Set forth below is a description of each of the Company's limestone mining properties. The Company considers the four mining properties associated with Texas Lime, Batesville, Love Hollow, and St. Clair to be material for purposes of application of SEC Regulation S-K subpart 229.1300. Included in the description of each of these four Material Properties are disclosures with respect to such property's limestone mineral resources and reserves. For additional information with respect to the Material Properties, see the TRSs prepared by SYB, updated as of December 31, 2023, in Exhibits 96.1-96.4 to this Report on Form 10-K.

Texas Lime owns the Texas Lime Quarry and has crushed limestone, PLS, quicklime, and hydrated lime production facilities, located on approximately 5,200 acres of land in Johnson County, Texas that contains known high-quality limestone mineral resources in a bed averaging 25 to 35 feet in thickness. As of December 31, 2023, the total net book value of the Texas Lime Quarry was $13.8 million. As of December 31, 2023, the Texas Lime Quarry had 60.0 million tons of proven limestone mineral reserves and 47.5 million tons of probable limestone mineral reserves. Based on the current level of production and recovery rates, the Company estimates that these reserves are sufficient to sustain its limestone operations for approximately 65 years.

The following is a map of the Texas Lime Quarry location:



The tables below summarize the limestone mineral resources and reserves at the Texas Lime Quarry as of December 31, 2023 and 2022:

Texas Lime Quarry - Summary of Limestone Mineral Resources - Exclusive of Mineral Reserves
(in thousands of tons)

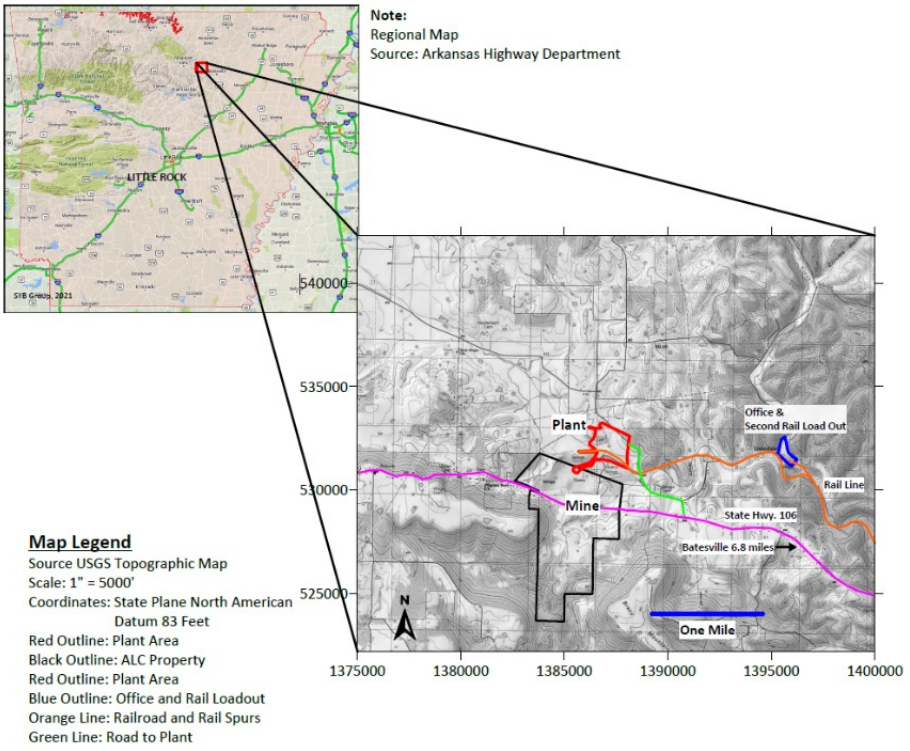
	as of December 31, 2023			as of December 31, 2022		
Resource Category	**Resources (tons)**	**Cutoff Grade**	**Processing Recovery**	**Resources (tons)**	**Cutoff Grade**	**Processing Recovery**
Measured Mineral Resources	-	96.0($CaCO_3$)	N/A	-	96.0($CaCO_3$)	N/A
Indicated Mineral Resources	-	-	N/A	-	-	N/A
Total Measured + Indicated Resources	-	96.0($CaCO_3$)	N/A	-	96.0($CaCO_3$)	N/A

Texas Lime Quarry - Summary of Limestone Mineral Reserves
(in thousands of tons)

	as of December 31, 2023			as of December 31, 2022		
Resource Category	**Reserves (tons)**	**Cutoff Grade**	**Mining Recovery**	**Reserves (tons)**	**Cutoff Grade**	**Mining Recovery**
Proven Reserves	59,989	96.0($CaCO_3$)	95%	61,564	96.0($CaCO_3$)	95%
Probable Reserves	47,532	96.0($CaCO_3$)	95%	47,532	96.0($CaCO_3$)	95%
Total Mineral Reserves	107,521	96.0($CaCO_3$)	95%	109,096	96.0($CaCO_3$)	95%

Arkansas Lime owns the Batesville Quarry and has crushed limestone, PLS, quicklime, and hydrated lime production facilities, located on approximately 1,260 acres of land located in Independence County, Arkansas that contains known high-quality limestone mineral resources in a bed averaging 60 feet in thickness. As of December 31, 2023, the Batesville Quarry had a net book value of $4.1 million. As of December 31, 2023, the Batesville Quarry had 8.2 million tons of indicated limestone mineral resources, 7.4 million tons of proven limestone mineral reserves, and 3.5 million tons of probable limestone mineral reserves. Based on forecasted production levels and recovery rates, the Company estimates that these reserves are sufficient to sustain its limestone operations for approximately 20 years.

The following is a map of the Batesville Quarry location:



The tables below summarize the limestone mineral resources and reserves at the Batesville Quarry as of December 31, 2023 and 2022:

Batesville Quarry - Summary of Limestone Mineral Resources - Exclusive of Mineral Reserves
(in thousands of tons)

	as of December 31, 2023			as of December 31, 2022		
Resource Category	**Resources (tons)**	**Cutoff Grade**	**Processing Recovery**	**Resources (tons)**	**Cutoff Grade**	**Processing Recovery**
Measured Mineral Resources	-	96.0($CaCO_3$)	N/A	-	96.0($CaCO_3$)	N/A
Indicated Mineral Resources	8,239	96.0($CaCO_3$)	N/A	8,239	96.0($CaCO_3$)	N/A
Total Measured + Indicated Resources	8,239	96.0($CaCO_3$)	N/A	8,239	96.0($CaCO_3$)	N/A

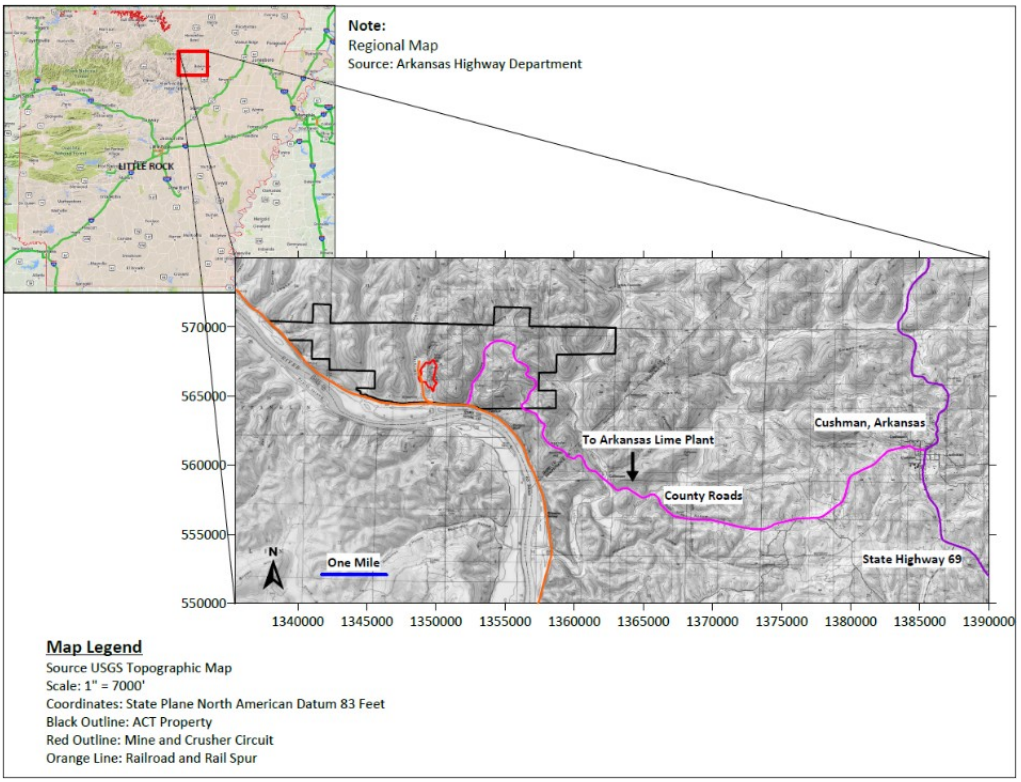
Batesville Quarry - Summary of Limestone Mineral Reserves
(in thousands of tons)

	as of December 31, 2023			as of December 31, 2022		
Resource Category	**Reserves (tons)**	**Cutoff Grade**	**Mining Recovery[1]**	**Reserves (tons)**	**Cutoff Grade**	**Mining Recovery[1]**
Proven Reserves	7,407	96.0($CaCO_3$)	82%/75%	8,192	96.0($CaCO_3$)	82%/75%
Probable Reserves	3,458	96.0($CaCO_3$)	82%/75%	3,458	96.0($CaCO_3$)	82%/75%
Total Mineral Reserves	10,865	96.0($CaCO_3$)	82%/75%	11,650	96.0($CaCO_3$)	82%/75%

(1) Mining recovery is listed as open-pit/underground recovery.

In 2005, the Company acquired the Love Hollow Quarry, which is owned by ACT and associated with Arkansas Lime, located on approximately 2,500 acres of land in Izard County, Arkansas. In 2022, the Company improved and developed the transportation infrastructure between the Love Hollow Quarry and Arkansas Lime's production facilities, incurred other development costs to prepare the Love Hollow Quarry for mining, and began sourcing a portion of the Arkansas Lime plant's limestone requirements from the Love Hollow Quarry. As of December 31, 2023, the Love Hollow Quarry had a net book value of $4.9 million. As of December 31, 2023, the Love Hollow Quarry had 10.4 million tons of measured limestone mineral resources, 68.2 million tons of proven limestone mineral reserves, and 21.0 million tons of probable limestone mineral reserves. Based on forecasted production levels and recovery rates, the Company estimates that these reserves are sufficient to sustain its limestone operations for approximately 80 years

The following is a map of the Love Hollow Quarry:



The tables below summarize the limestone mineral resources and reserves at the Love Hollow Quarry as of December 31, 2023 and 2022:

Love Hollow Quarry - Summary of Limestone Mineral Resources - Exclusive of Mineral Reserves
(in thousands of tons)

	as of December 31, 2023			as of December 31, 2022		
Resource Category	**Resources (tons)**	**Cutoff Grade**	**Processing Recovery**	**Resources (tons)**	**Cutoff Grade**	**Processing Recovery**
Measured Mineral Resources	10,392	96.0($CaCO_3$)	N/A	10,392	96.0($CaCO_3$)	N/A
Indicated Mineral Resources	-	-	N/A	-	-	N/A
Total Measured + Indicated Resources	10,392	96.0($CaCO_3$)	N/A	10,392	96.0($CaCO_3$)	N/A

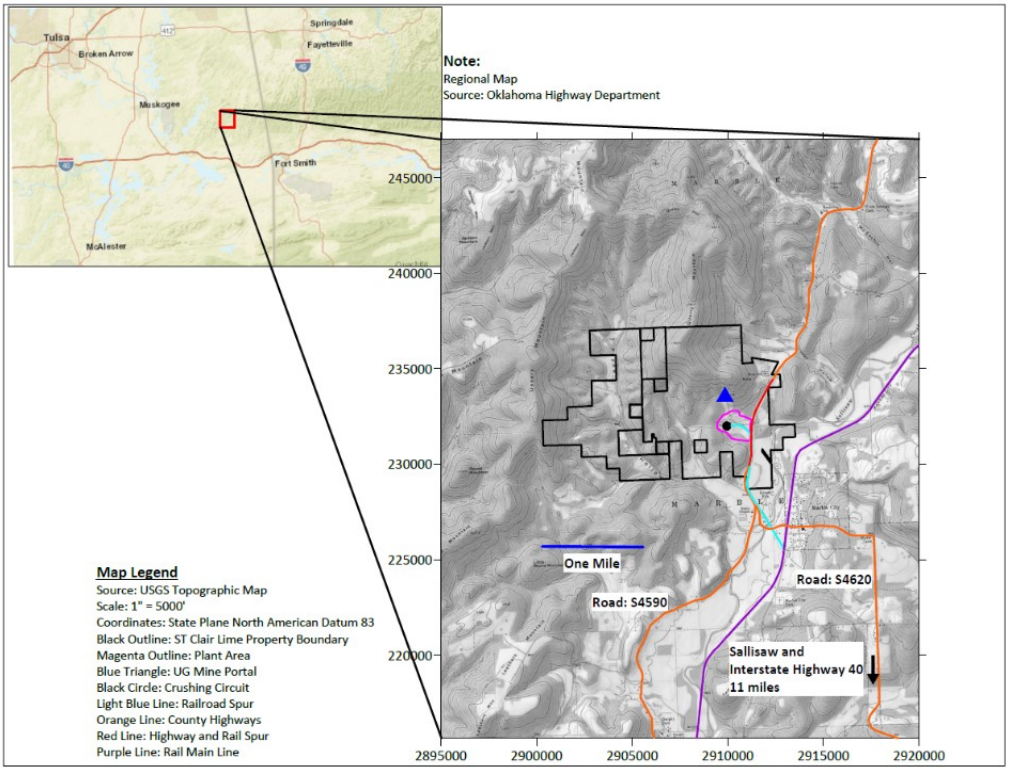
Love Hollow Quarry - Summary of Limestone Mineral Reserves
(in thousands of tons)

	as of December 31, 2023			as of December 31, 2022		
Resource Category	**Reserves (tons)**	**Cutoff Grade**	**Mining Recovery[1]**	**Reserves (tons)**	**Cutoff Grade**	**Mining Recovery[1]**
Proven Reserves	68,176	96.0($CaCO_3$)	95%/75%	68,442	96.0($CaCO_3$)	95%/75%
Probable Reserves	21,047	96.0($CaCO_3$)	95%/75%	21,047	96.0($CaCO_3$)	95%/75%
Total Mineral Reserves	89,223	96.0($CaCO_3$)	95%/75%	89,489	96.0($CaCO_3$)	95%/75%

(1) Mining recovery is listed as open-pit/underground recovery

St. Clair operates the St. Clair Mine and has crushed limestone, PLS, quicklime, and hydrated lime production facilities located on approximately 1,400 acres that it owns in Sequoyah County, Oklahoma containing high-quality limestone resources and also has long-term mineral leases that provide the right to mine high-quality limestone resources contained in approximately 1,340 adjacent acres. As of December 31, 2023, the St. Clair Mine had a net book value of $7.6 million. As of December 31, 2023, the St. Clair Mine had 7.8 million tons of measured limestone mineral resources, 129.7 million tons of indicated limestone mineral resources, and 22.3 million tons of proven limestone mineral reserves. Based on the current levels of production and recovery rates, the Company estimates that these reserves are sufficient to sustain its limestone operations for approximately 50 years.

The following is a map of the St. Clair Mine:



The tables below summarize the limestone mineral resources and reserves at the St. Clair Mine as of December 31, 2023 and 2022:

St. Clair Mine - Summary of Limestone Mineral Resources - Exclusive of Mineral Reserves
(in thousands of tons)

	as of December 31, 2023			as of December 31, 2022		
Resource Category	**Resources (tons)**	**Cutoff Grade**	**Processing Recovery**	**Resources (tons)**	**Cutoff Grade**	**Processing Recovery**
Measured Mineral Resources	7,801	96.0($CaCO_3$)	N/A	7,801	96.0($CaCO_3$)	N/A
Indicated Mineral Resources	129,747	96.0($CaCO_3$)	N/A	129,747	96.0($CaCO_3$)	N/A
Total Measured + Indicated Resources	137,548	96.0($CaCO_3$)	N/A	137,548	96.0($CaCO_3$)	N/A

St. Clair Mine - Summary of Limestone Mineral Reserves
(in thousands of tons)

	as of December 31, 2023			as of December 31, 2022		
Resource Category	Reserves (tons)	Cutoff Grade	Mining Recovery	Reserves (tons)	Cutoff Grade	Mining Recovery
Proven Reserves	22,291	96.0($CaCO_3$)	81%	22,873	96.0($CaCO_3$)	81%
Probable Reserves	-	96.0($CaCO_3$)	81%	-	96.0($CaCO_3$)	81%
Total Mineral Reserves	22,291	96.0($CaCO_3$)	81%	22,873	96.0($CaCO_3$)	81%

Carthage operates the Carthage Mine and has crushed limestone production facilities located on approximately 800 acres that it owns containing high-quality limestone. In addition, Carthage has the right to mine the high-quality limestone contained in approximately 760 adjacent acres pursuant to long-term mineral leases.

Mill Creek operates the Mill Creek Quarry and production facilities located on approximately 570 acres that it owns where it mines and processes crushed dolomitic limestone.

Colorado Lime acquired the Monarch Pass Quarry in November 1995 and has not carried out any mining on the property. The Monarch Pass Quarry, which had been operated for many years until the early 1990s, contains a mixture of limestone types, including high-quality calcium limestone.

Internal Controls Over Limestone Mineral Resources and Reserves Estimates. Internal control procedures followed by the Company's Quality Control/Quality Assurance Laboratories ("QC/QA Lab") and its contract geologists when assessing properties for limestone mineral resources and reserves estimates are clearly defined. Core drilling is conducted under the direct supervision of the geologists, and all core data is logged using a standard protocol. The geologists are responsible for examining the core and compiling an interval list for X-Ray Florescence ("XRF") analysis. Splits of cores are bagged and labeled with the depth interval to be analyzed, with the remaining split boxed and stored for reference. Bagged intervals are submitted to the Company's certified QC/QA Lab for XRF analysis, with any samples not destroyed by the testing process retained at the Company's core storage facility. On an ongoing basis, the QC/QA Lab analyzes production samples for cutoff grade consistency with expectations used in the estimates for limestone mineral resources and reserves.

When classifying limestone mineral resources and reserves, the Company's contract geologists apply a fixed cutoff grade and set parameters of geologic confidence to classify the respective resources and reserves. Company management reviews the geologists' assessments for reasonableness.

Quarrying and Mining. The Company extracts limestone by the open-pit method at its Texas, Batesville, Love Hollow, and Mill Creek Quarries. The Monarch Pass Quarry is also an open-pit quarry but is not being mined at this time. The open-pit method consists of removing any overburden comprising soil and other substances, including inferior limestone, and then extracting the exposed high-quality limestone. The Company removes such overburden by utilizing both its own employees and equipment and those of outside contractors. Open-pit mining is generally less expensive than underground mining. The principal disadvantage of the open-pit method is that operations are subject to inclement weather and overburden removal. The limestone is extracted by drilling and blasting, utilizing standard mining equipment. At the St. Clair and Carthage mines, the Company mines limestone underground using room and pillar mining. The Company has no knowledge of any recent changes in the physical quarrying or mining conditions on any of our properties that have materially affected quarrying or mining operations.

Plants and Facilities. After extraction, the limestone is further crushed and screened to produce crushed limestone, and, in the case of PLS, ground and dried, or, in the case of quicklime, processed in kilns. Quicklime may then be further processed in hydrators and slakers to produce hydrated lime and lime slurry. The Company produces and distributes crushed limestone, PLS, and quicklime products at five plants, six lime slurry facilities, and three terminal facilities. All of its plants and facilities are accessible by paved roads, and, in the case of the Arkansas Lime, St. Clair and Carthage plants, the Love Hollow Quarry, and the terminal facilities, also by rail.

In addition to the Company's production of crushed limestone at each of its plants, the following Company plants produce additional lime and limestone products:

The Texas Lime plant has an annual capacity of approximately 470 thousand tons of quicklime from two preheater rotary kilns. The plant also has PLS equipment, which, depending on the product mix, has the capacity to produce approximately 800 thousand tons of PLS annually.

The Arkansas Lime plant is situated at the Batesville Quarry. Utilizing three preheater rotary kilns, this plant has an annual capacity of approximately 650 thousand tons of quicklime. The Arkansas Lime plant is approximately 21 miles from the Love Hollow Quarry, to which it is connected by railroad. Arkansas Lime's PLS and hydrating facilities are situated on a tract of 290 acres located approximately two miles from the Batesville Quarry, to which it is connected by a Company-owned railroad. The PLS equipment, depending on the product mix, has the capacity to produce approximately 300 thousand tons of PLS annually.

The St. Clair plant has an annual capacity of approximately 250 thousand tons of quicklime from one vertical kiln and one preheater rotary kiln. The plant also has PLS equipment, which has the capacity to produce approximately 150 thousand tons of PLS annually.

The Carthage plant has facilities located next to the Carthage Mine that produce both crushed limestone and PLS. The equipment has the capacity to produce approximately 900 thousand tons annually.

The Mill Creek plant has facilities located next to the Mill Creek Quarry that produce dolomitic PLS products. The equipment has the capacity to produce approximately 300 thousand tons annually.

The Company also maintains lime hydrating and bagging equipment at the Texas, Arkansas, and St. Clair plants. Storage facilities for lime and limestone products at each plant consist primarily of cylindrical tanks, which are considered by the Company to be adequate to protect its lime and limestone products and to provide an available supply for customers' needs at the expected volumes of shipments. Equipment is maintained at each plant to load trucks and, at the Arkansas Lime, St. Clair, and Mill Creek plants, to load railroad cars.

Colorado Lime operates a limestone grinding and bagging facility with an annual capacity of approximately 125 thousand tons, located on approximately three and one-half acres of land in Delta, Colorado.

During 2023, the Company's utilization rate was approximately 66% of its total annual production capacity for the plants in its Lime and Limestone Operations.

U.S. Lime Company ("US Lime") uses quicklime to produce lime slurry, and has four Houston area facilities, including two distribution terminals connected to railroads, to serve the Greater Houston area construction market and four facilities to serve the Dallas-Ft. Worth Metroplex. The Company established U.S. Lime Company-Transportation to deliver some of the Company's products to its customers and facilities primarily in Texas.

U.S. Lime Company - Shreveport operates a distribution terminal in Shreveport, Louisiana, which is connected to a railroad, to provide lime storage, hydrating, slurrying, and distribution capacity to service markets in Louisiana and East Texas.

The Company believes that its plants and facilities are adequately maintained and insured.

Human Capital Resources. The Company is committed to attracting and retaining the best and brightest talent to meet the current and future needs of its business. Attracting, retaining, motivating, and investing in the development of human capital resources is a critical part of the Company's commitment to environmental, social, and governance ("ESG") and sustainability issues.

At December 31, 2023, the Company employed 333 persons, 111 of whom were represented by unions. The Company is a party to three collective bargaining agreements. The collective bargaining agreement for the Texas facilities expires in November 2026. The collective bargaining agreement for the Carthage facilities expires in May 2025. The Company successfully negotiated a new collective bargaining agreement for the Arkansas facilities in

February 2024, which has been ratified by the union. The agreement for the Arkansas facilities expires in January 2029. Overall, the Company believes that its employee relations are generally good.

Employee Retention and Incentivization. The Company has entered into an employment agreement with Timothy W. Byrne, its President and Chief Executive Officer. Mr. Byrne's employment agreement became effective as of January 1, 2020 for a five-year term and will continue for successive one-year periods unless the Company or Mr. Byrne gives at least one-year's prior written notice of intent not to renew. Under the employment agreement, in addition to the possibility of a discretionary cash bonus, Mr. Byrne is entitled each year to an EBITDA cash bonus opportunity under the United States Lime & Minerals, Inc. Amended and Restated 2001 Long-Term Incentive Plan (the "Plan"), and he is also entitled to grants of equity awards under the Plan.

Mr. Byrne's employment agreement provides that Mr. Byrne is subject to certain forfeiture/clawback and share ownership provisions designed to align Mr. Byrne's financial interests with those of the Company's long-term shareholders, and to ensure that he is incentivized not to take actions that may benefit the Company and its shareholders in the short-term at the expense of long-term corporate value creation and sustainability. In particular, in entering into the employment agreement with Mr. Byrne, the Company's Board of Directors and Compensation Committee were sensitive to how Mr. Byrne's leadership and actions could further the Company's various objectives, including human capital resources development and executive succession planning.

With respect to the Company's broader employee base, certain employees are eligible to receive annual cash bonuses based on discretionary determinations. Except in the case of Mr. Byrne, the Company has not adopted a formal or informal annual bonus arrangement with pre-set performance goals. Rather, the determination to pay a cash bonus, if any, is made in December each year based on the past performance of the individual and the Company or on the attainment of non-quantified performance goals during the year. In either such case, the discretionary bonus may be based on the specific accomplishments of the individual and/or on the overall performance of the Company. The amounts of the discretionary bonuses for 2023 were based on each employee's individual performance and accomplishments, as well as those of the Company, including productivity, sales, controlling costs, and contributions made to special projects.

In addition to cash bonuses, the Company makes equity awards to certain individuals under the Plan. The Company uses equity awards granted under the Plan as a means to attract, retain, and motivate the Company's directors, officers, employees, and consultants. The Company views the use of equity awards under the Plan as an important means of aligning the interests of its employees with those of its shareholders.

Employee Health and Safety. The Company believes that it is responsible to its employees to provide a safe and healthy workplace environment. The Company seeks to accomplish this by: training employees in safe work practices; openly communicating with employees; following safety standards and establishing and improving safe work practices; involving employees in safety processes; and recording, reporting, and investigating accidents, incidents, and losses to avoid reoccurrence.

Employee Development and Training. The Company encourages and supports the growth and development of its employees. It advances continual learning and career development through ongoing performance and development conversations or evaluations with employees and internally and externally developed training programs. The Company also provides reimbursement for certain educational programs relating to the Company's business.

Employee Diversity and Inclusion. The Company is committed to fostering a work environment that values and promotes diversity and inclusion. This commitment includes providing equal access to, and participation in, equal employment opportunities, programs, and services, without regard to a person's gender, nationality, race, and ethnicity. The Company is focused on the development and fair treatment of its employees, including equal employment hiring practices and policies, anti-harassment, and anti-retaliation policies. The Company is continuing to invest in efforts to create a more diverse and inclusive workforce and workplace environment.

Competition. The lime industry is highly regionalized and competitive, with price, quality, ability to meet customer demands and specifications, proximity to customers, personal relationships, and timeliness of deliveries being the prime competitive factors. The Company's competitors are predominantly private companies.

The lime industry is characterized by high barriers to entry, including: the scarcity of high-quality limestone deposits on which the required zoning and permitting for extraction can be obtained; the need for lime plants and facilities to be located close to markets, paved roads, and railroad networks to enable cost-effective production and distribution; clean air and anti-pollution regulations, including those related to greenhouse gas emissions, which make it more difficult to obtain permitting for new sources of emissions, such as lime kilns; and the high capital cost of the plants and facilities. These considerations reinforce the premium value of operations having permitted, long-term, high-quality limestone resources and good locations and transportation relative to markets.

Lime producers tend to be concentrated on known high-quality limestone formations where competition takes place principally on a regional basis. While the steel industry and environmental-related users are the largest market sectors, the lime industry also counts chemical users and other industrial users, including paper manufacturers, oil and gas services and highway, road and building contractors, among its major customers.

In recent years, the lime industry has experienced reduced demand from certain industries as they experience cyclical or secular downturns. For example, demand from the Company's steel and oil and gas services customers tends to vary with the demand for their products and services, which has continued to be cyclical. In addition, utility plants are continuing to use more natural gas and renewable sources for power generation instead of coal, with the permitting of new coal-fired utility plants becoming extremely difficult, which reduces their demand for lime and limestone for flue gas treatment processes. These reductions in demand have resulted in increased competitive pressures, including pricing and competition for certain customer accounts, in the industry.

Consolidation in the lime industry has left the three largest companies accounting for more than two-thirds of North American production capacity. In addition to the consolidations, and often in conjunction with them, many lime producers have undergone modernization and expansion and development projects to upgrade their processing equipment in an effort to improve operating efficiency. The Company believes that its modernization and expansion projects in Texas, Arkansas, and Oklahoma and its recent acquisitions, along with its lime slurry operations in Texas, should allow it to continue to remain competitive, protect its markets and position itself for the future. In addition, the Company will continue to evaluate internal and external opportunities for expansion, growth and increased profitability, as conditions warrant, or opportunities arise. The Company may have to revise its strategy or otherwise consider ways to enhance the value of the Company, including by entering into strategic partnerships, mergers or other transactions.

Compliance with Government Regulations. The Company is subject to various federal, state, and local laws and regulations that may materially impact the Company's financial condition, results of operations, cash flows and competitive position. These include laws and regulations relating to the environment, zoning and land use, mine permitting and operations, mine safety, and reclamation and remediation.

Environmental Laws. The Company owns or controls large areas of land on which it operates limestone quarries, two underground mines, lime plants, and other facilities with inherent environmental responsibilities, compliance costs, and liabilities. These include maintenance and operating costs for pollution control equipment, the cost of ongoing monitoring and reporting programs, the cost of reclamation efforts, and other similar environmental costs and liabilities.

The Company's operations are subject to various federal, state, and local laws and regulations relating to the environment, health and safety, and other regulatory matters, including the Clean Air Act, the Clean Water Act, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, and analogous state and local laws ("Environmental Laws"). These Environmental Laws grant the United States Environmental Protection Agency (the "EPA") and state governmental agencies the authority to promulgate and enforce regulations that could result in substantial expenditures on pollution control, waste management, permitting compliance activities, and mining reclamation. Many Environmental Laws also authorize private citizens and interest groups to file lawsuits in court to enforce alleged violations. Changes in policy or political leadership may affect how Environmental Laws are interpreted or enforced by the EPA and state governmental agencies. The failure to comply with Environmental Laws may result in administrative and civil penalties, injunctive relief, and criminal prosecution. The Company has not been named as a potentially responsible party in any federal superfund cleanup site or state-led cleanup site.

The rate of change of Environmental Laws continues to be rapid, and compliance can require significant expenditures. Permits and other authorizations under Environmental Laws are required for the Company's operations, and such permits are subject to modification during the permit renewal process and, in very rare instances, could be revoked.

The Clean Air Act and analogous state laws require the Company to obtain authorization to construct or modify existing facilities, and its lime plants are subject to operating permits that have significant ongoing compliance costs. Over time, the EPA has increased the stringency of the National Ambient Air Quality Standards ("NAAQS"), which are used to establish air emission permitting limits under the Clean Air Act. The EPA has lowered ozone standards and reclassified areas where State Implementation Plans (the "SIPs") exist. In 2015, the EPA issued a rule establishing the ground-level ozone NAAQS at 70 parts per billion. The EPA has proposed redesignating the Dallas-Fort Worth nonattainment area, which includes the Texas Lime facility, as severe under the 2008 standard 8-hour ozone classifications. The EPA has also published a finding that Texas, among 11 other states, failed to submit required SIP revisions and has given Texas until May 2025 to submit a complete SIP. Texas is in the process of developing regulations in response to the redesignations to reduce emissions of nitrogen oxides and volatile organic compounds, which will likely involve more stringent permitting requirements for stationary sources.

In February 2024, the EPA issued a final rule reducing the NAAQS for fine particulate matter. This regulation will significantly increase nonattainment areas across the United States, potentially including areas where the Company operates. States with delegated permitting authority under the Clean Air Act will be required to revise their SIPs accordingly.

In January 2023, under Section 112 of the Clean Air Act, the EPA proposed amendments to the National Emission Standards for Hazardous Air Pollutants ("NESHAPs") for lime plants, which would revise the standards required to meet the maximum achievable control technology ("MACT") at major sources of hazardous air pollutants within the lime industry. The proposed MACT rule would establish stringent emission limitations for four hazardous air pollutants which will require additional pollution control equipment at lime kilns subject to the rule. While the proposed rule has not been finalized, it is uncertain what limits the EPA will ultimately impose on the lime industry and what emission controls may be required by the final MACT rule. It is likely, however, that the final rule will incorporate more stringent standards than existing standards, which could require additional expenditures for designing, constructing, operating, and maintaining pollution control equipment necessary for compliance.

EPA regulations require large emitters of greenhouse gases, including the Company's plants, to collect and report greenhouse gas emissions data. The EPA has previously indicated that it will use the data collected through the greenhouse gas reporting rules to decide whether to promulgate future greenhouse gas emission limits. The EPA and delegated states also regulate greenhouse gas emissions under the New Source Review permitting and Federal Operating Permit programs for facilities that are otherwise subject to permitting based on their emissions of conventional, non-greenhouse gas pollutants. Thus, any new facilities or major modifications to existing facilities that exceed the federal New Source Review emission thresholds for conventional pollutants may be required to use "best available control technology" and energy efficiency measures to minimize greenhouse gas emissions.

Although the timing and impact of climate change legislation and of regulations limiting greenhouse gas emissions are uncertain, the consequences of such legislation and regulation are potentially significant for the Company because the production of CO_2 is inherent in the manufacture of lime through the calcination of limestone and combustion of fossil fuels. In February 2021, the current Administration rejoined the Paris Agreement. The Agreement commits the United States to reduce greenhouse gas emissions by 26 to 28 percent below 2005 levels by 2025. Future regulation related to the Paris Agreement or other greenhouse gas rulemakings could affect New Source Review permitting or other permitting programs and, thereby, increase the time and costs of plant upgrades and expansions. The passage of climate change legislation, and other regulatory initiatives by the Congress, the states, or the EPA that restrict or tax emissions of greenhouse gases, could adversely affect the Company. There is no assurance that changes in the law or regulations will not be adopted, such as the imposition of greenhouse gas emission limits, a carbon tax, a cap-and-trade program requiring the Company to purchase carbon credits, or other measures that would require reductions in emissions or changes to raw materials, fuel use, or production rates. Such changes, if adopted, could have a material adverse effect on the Company's financial condition, results of operations, cash flows, and competitive position.

These and similar rulemakings could increase the cost of future plant modifications or expansions, may make it difficult or impossible to obtain new authorizations and permits for new facilities, may require the Company to purchase emissions offsets as a condition of new authorizations and permits, and may increase compliance costs and have a material adverse effect on the Company's financial condition, results of operations, cash flows, and competitive position.

In addition to regulation, several court cases have been filed and decisions issued that may increase the risk of claims being filed by third parties against companies for their greenhouse gas emissions. Such cases may seek to challenge air permits, to force reductions in greenhouse gas emissions, or to recover damages for alleged climate change impacts.

The Company also holds permits for process water and storm water discharges and must comply with the Clean Water Act and analogous state laws and regulations. Any failure to comply with these permits could result in fines or other penalties. Material changes to the terms of these permits or changes to regulations affecting water discharges in the future could also increase compliance costs.

The manufacturing of quicklime and hydrated lime requires significant volumes of water. The Company operates multiple groundwater wells to provide water to its plants. Groundwater pumping is subject to increased regulation, and in some areas the Company is required to obtain permits from groundwater conservation districts to pump groundwater. Any failure to comply with these permits could result in fines or other penalties, and future changes that restrict the quantities of groundwater that may be pumped may increase compliance costs.

The Company incurred capital expenditures related to environmental matters of $1.5 million, $0.8 million, and $0.5 million in 2023, 2022, and 2021, respectively. The Company's recurring costs associated with managing environmental permitting and waste recycling and disposal (e.g., used oil and lubricants) and maintaining pollution control equipment amounted to $0.9 million, $0.4 million, and $0.7 million in 2023, 2022, and 2021, respectively.

*Mine Safety***.** The Company's mining operations are also subject to regulation under the Federal Mine Safety and Health Act of 1977 (the "Mine Act"). The Mine Act has been construed as authorizing the Mine Safety and Health Administration ("MSHA") to issue citations and orders pursuant to the legal doctrine of strict liability, or liability without fault. If, in the opinion of an MSHA inspector, a condition that violates the Mine Act or regulations promulgated pursuant to it exists, then a citation or order will be issued regardless of whether the operator had any knowledge of, or fault in, the existence of that condition. Many of the Mine Act standards include one or more subjective elements, so that issuance of a citation or order often depends on the opinions or experience of the MSHA inspector involved and the frequency and severity of citations and orders will vary from inspector to inspector.

Whenever MSHA believes that a violation of the Mine Act, any health or safety standard, or any regulation has occurred, it may issue a citation or order which describes the violation and fixes a time within which the operator must abate the violation. In some situations, such as when MSHA believes that conditions pose a hazard to miners, MSHA may issue an order requiring cessation of operations, or removal of miners from the area of the mine, affected by the condition until the hazards are corrected. Whenever MSHA issues a citation or order, it has authority to propose a civil penalty or fine, as a result of the violation, that the operator is ordered to pay.

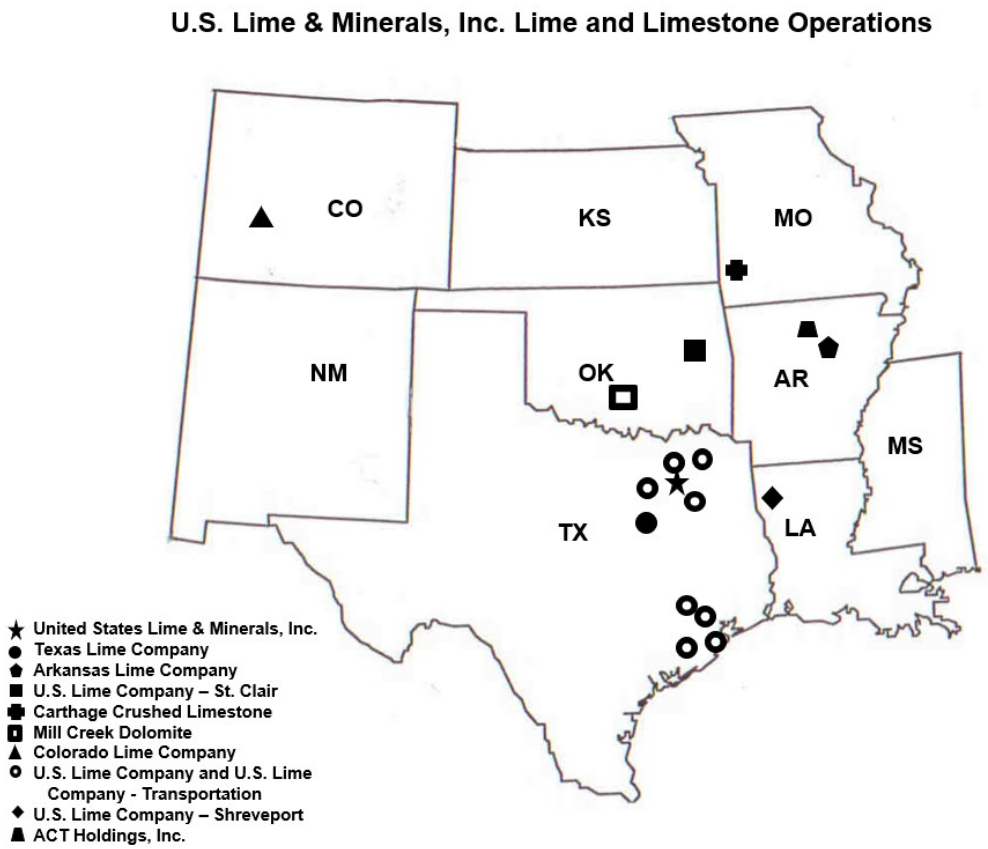
Citations and orders can be contested before the Federal Mine Safety and Health Review Commission (the "Commission"), and as part of that process, are often reduced in severity and amount, and are sometimes vacated. The Commission is an independent adjudicative agency that provides administrative trial and appellate review of legal disputes arising under the Mine Act. These cases may involve, among other questions, challenges by operators to citations, orders, and penalties that they have received from MSHA, or complaints of discrimination by miners under section 105 of the Mine Act.

For further information, see Exhibit 95.1 to this Report on Form 10-K.

Reclamation and Remediation. The Company recognizes legal reclamation and remediation obligations associated with the retirement of long-lived assets at their fair value at the time the obligations are incurred ("Asset Retirement Obligations" or "AROs"). Some of the states the Company operates in have reclamation regulations to properly reclaim surface mines. These regulations require permitting with the respective state to ensure reclamation

obligations are met. Over time, the liability for AROs is recorded at its present value each period through accretion expense, and the capitalized cost is amortized over the useful life of the related asset. Upon settlement of the liability, the Company either settles the ARO for its recorded amount or recognizes a gain or loss. AROs are estimated based on studies and the Company's process knowledge and estimates and are discounted using an appropriate interest rate. The AROs are adjusted when further information warrants an adjustment. The Company believes its accrual of $1.5 million for AROs at December 31, 2023 is reasonable.

Map of United States Lime & Minerals, Inc. Lime and Limestone Operations.



Other.

The Company's Other operations, consisting of its natural gas interests, are conducted through its wholly owned subsidiary, U.S. Lime Company – O&G, LLC ("U.S. Lime – O&G") and consist principally of a lease with respect to oil and gas rights on the Johnson County, Texas property, located in the Barnett Shale Formation. Pursuant to the lease, U.S. Lime – O&G has royalty interests ranging from 15.4% to 20% in oil and gas produced from any successful wells drilled on the leased property and an option to participate in any well drilled on the leased property as a 20% non-operated working interest owner. At December 31, 2023, the overall average interest under the oil and gas rights lease was 34.7% on 33 producing wells.

U.S. Lime – O&G has also entered into a drillsite agreement with an operator that has an oil and gas lease covering approximately 538 acres of land contiguous to our Johnson County, Texas property. Pursuant to the drillsite agreement, U.S. Lime – O&G has a 3% royalty interest and a 12.5% non-operated working interest. At December 31, 2023, U.S. Lime – O&G had a combined 12.4% royalty and non-operated working interest on 6 active wells drilled on a padsite located on the Johnson County, Texas property.

No new wells have been completed since 2011, and there are no plans to drill additional wells under either the oil and gas lease or the drillsite agreement. The carrying values of the long-lived assets related to the Company's natural gas interests were $0.4 million as of December 31, 2023.

ITEM 1A. RISK FACTORS.

Industry Risks

Our Lime and Limestone Operations are affected by general economic conditions in the United States and specific economic conditions in particular industries.

General and industry specific economic conditions in the United States could lead to reduced demand for our lime and limestone products. Specifically, demand from our utility customers has decreased due to the continuing trend in the United States to retire coal-fired utility plants. Our construction, steel, and oil and gas services customers reduce their purchase volumes, at times, due to cyclical economic conditions in their industries. Any overall reduction in demand for lime and limestone products could result in increased competitive pressures, including pricing pressure and competition for certain customer accounts, from other lime producers.

For us to maintain or increase our profitability, we must maintain or increase our revenues and improve cash flows, manage our capital expenditures, and control our operational and selling, general and administrative expenses. If we are unable to maintain our revenues and control our costs in these uncertain economic and regulatory times, our financial condition, results of operations, cash flows, and competitive position could be materially adversely affected.

Our mining and other operations are subject to operating risks that are beyond our control, which could result in materially increased operating expenses and decreased production and shipment levels that could materially adversely affect our Lime and Limestone Operations and their profitability.

We mine limestone in open-pit and underground mining operations and process and distribute that limestone through our plants and other facilities. Certain factors beyond our control could disrupt our operations, adversely affect production and shipments, and increase our operating costs, all of which could have a material adverse effect on our results of operations. These include geological formation problems that may cause poor mining conditions, variability of chemical or physical properties of our limestone, an accident or other major incident at a site that may cause all or part of our operations to cease for some period of time and increase our expenses, mining, processing, and plant equipment failures and unexpected maintenance problems that may cause disruptions and added expenses, strikes, job actions, or other work stoppages that may disrupt our operations or those of our suppliers, contractors, or customers and increase our expenses, and adverse weather conditions and natural disasters, such as hurricanes, tornadoes, excessive rains, flooding, ice storms, freezing weather, drought, and other natural events, that may affect operations, transportation, fuel supply, or customers.

If any of these conditions or events occurs, our operations may be disrupted, we could experience a delay or halt of production or shipments, our operating costs could increase significantly, and we could be exposed to fines, penalties, assessments, and other liabilities. If our insurance coverage is limited or excludes a given condition or event, we may not be able to recover in full the losses that we may incur as a result of such conditions or events, some of which may be substantial.

The lime and limestone industry is highly regionalized and competitive.

Our competitors are predominately large private companies. The primary competitive factors in the lime industry are price, quality, ability to meet customer demands and specifications, proximity to customers, personal relationships, and timeliness of deliveries, with varying emphasis on these factors depending upon the specific product application. To the extent that one or more of our competitors becomes more successful with respect to any key competitive factor, we may find it difficult to increase or maintain our prices or to retain certain customer accounts, and our financial condition, results of operations, cash flows, and competitive position could be materially adversely affected.

Business and Financial Risks

In the normal course of our Lime and Limestone Operations, we face various business and financial risks, including increased energy, labor, and parts and supplies costs, that could have a material adverse effect on our financial position, results of operations, cash flows, and competitive position. Not all risks are foreseeable or within our ability to control.

These risks arise from various factors, including, but not limited to, fluctuating demand and prices for our lime and limestone products, including as a result of downturns in the economy and in the construction, industrial, steel, and oil and gas services industries, and reduced demand from coal-fired utility plants, increased competitive pressures from other lime producers, changes in inflationary expectations, changes in legislation and regulations, including Environmental Laws, health and safety regulations, and requirements to renew or obtain operating permits, our ability to produce and store quantities of lime and limestone products sufficient in amount and quality to meet customer demands and specifications, the success of our modernization, expansion and development, and acquisition strategies, the uncertainty of our ability to sell our increased production capacity at acceptable prices, our ability to execute our strategies and complete projects on time and within budget, our ability to integrate, refurbish, and/or improve acquired facilities, our access to capital, volatile costs, especially energy costs, inclement weather and the effects of seasonal trends.

We receive most of our coal and petroleum coke by rail, so the availability of sufficient solid fuels to run our plants could be diminished significantly in the event of major rail disruptions. Domestic coal and petroleum coke may also be exported, which can increase competition and prices for the domestic supply. In addition, our freight costs to deliver our lime and limestone products are high relative to the value of our products, and they have generally increased in recent years. Our costs for delivery of solid fuels, as well as our products, also increase as demand for rail and trucking by other industries increases, and changes to Department of Transportation rules and regulations can reduce the availability of trucks, truck drivers, and rail cars to deliver solid fuels to our plants and deliver our products to our customers. Recent events, such as the ongoing conflicts in Ukraine, Israel, and the broader Middle East, and the sanctions and other actions resulting therefrom, could further increase our energy costs. If we are unable to continue to pass along our increasing energy, labor, and parts and supplies costs to customers through higher prices or surcharges, or unable to timely receive contracted supplies of solid fuel to run our plants, our financial condition, results of operations, cash flows, and competitive position could be materially adversely affected.

We quote our lime and limestone products on a delivered price basis to certain customers, which requires us to estimate future delivery costs. Our actual delivery costs may exceed these estimates, which would reduce our profitability.

Delivery costs are impacted by the price of diesel. When diesel prices increase, we incur additional fuel surcharges from freight companies that cannot be passed on to our customers that have been quoted a delivered price. Material increases in the price of diesel could have a material adverse effect on the Company’s profitability.

To maintain our competitive position in the lime and limestone industry, we may need to continue to increase the efficiency of our operations, expand production capacity, and sell any resulting increased production at acceptable prices.

We have in the past, and may in the future, undertake additional modernization and expansion and development projects and acquisitions. Given current and projected demand for lime and limestone products, we cannot guarantee that any such project or acquisition would be successful, that we would be able to sell any resulting increased production at acceptable prices, or that any such sales would be profitable. We are unable to predict future demand and prices, given the current economic and regulatory uncertainties in the United States economy as a whole and in particular industries, and cannot provide any assurance that current levels of demand and prices will continue or that any future increases in demand or prices can be maintained.

We may be limited in our ability to insure against certain risk of our operations.

Mining limestone and producing lime and limestone products involve risks which could result in damage to our facilities, personal injury, and environmental damage. Although we maintain insurance in an amount that we consider adequate, liabilities might exceed policy limits, in which event we could incur significant costs that could adversely affect our financial position, results of operations, cash flows, and competitive position. Additionally, the risks inherent in mining limestone and the production of lime and limestone products may significantly increase the cost of obtaining adequate insurance coverage, or make some coverage unavailable.

We may be adversely affected by any disruption in, or failure of, our information technology systems, including due to cybersecurity risks and incidents.

We rely upon the capacity, reliability, and security of our information technology ("IT") systems for our mining, manufacturing, sales, financial, and administrative functions. We also face the challenge of supporting our IT systems and implementing upgrades when necessary, including the prompt detection and remediation of any cybersecurity risks or incidents.

Our cybersecurity processes are focused on the prevention, detection, mitigation, and remediation of damage from computer viruses, natural disasters, unauthorized access, cyber-attack, and other cybersecurity risks and threats. However, our cybersecurity processes may not be successful in preventing unauthorized access, intrusion, disclosure, and damage. Risks and threats to our systems can derive from human error, fraud, or malice on the part of employees or third parties, ransomware, or technological failure. Any failure, threat, or incident involving our IT systems could adversely impact our mining and manufacturing operations, sales or financial and administrative functions, or result in the compromise of personal or other confidential information of our employees, customers, or suppliers.

To the extent any such cybersecurity threat or incident results in disruption to our operations or sales or loss or disclosure of, or damage to, our data or confidential information, our costs could increase, and our reputation, business, results of operations, competitive position, and financial condition could be materially adversely affected. Additionally, should we experience a cybersecurity incident, we may incur substantial costs, including remediation costs, such as liability for stolen assets or information, repairs of system damage, legal expenses, and losses and costs associated with regulatory actions.

Our financial condition, results of operations, cash flows, and competitive position could be materially adversely impacted by pandemics, epidemics, or disease outbreaks, such as the COVID-19 pandemic.

Disruptions caused by pandemics, epidemics, or disease outbreaks, such as COVID-19, could materially adversely impact our financial condition, results of operations, cash flows, and competitive position. The COVID-19 pandemic had an impact on our business and operations, particularly as it related to rising costs and supply chain delays and disruptions.

New or future variants of the COVID-19 virus or other pandemics, epidemics, or disease outbreaks and governmental responses to such events could similarly disrupt our business and operations. A pandemic, epidemic, or disease outbreak may limit our ability to produce, sell, and deliver our lime and limestone products to our customers; cause key management and plant-level employees not to be available to us; result in mine and plant shutdowns due to

contagion, in which case we may not be able to shift production to our other mines and plants; cause delays and disruptions to our supply chain as it relates to our suppliers, as well as delay and disrupt the supply chains of our customers; impede our ability to maintain and repair our plants and equipment; negatively impact our modernization, expansion, and development plans; negatively impact our ability to integrate acquisitions; as well as adversely impact demand and prices for our lime and limestone products and increase our costs.

Governmental, Legal, and Regulatory Risks

Our Lime and Limestone Operations are subject to general and industry specific regulations. Changes to the regulatory environment could increase our cost of compliance and adversely impact our financial condition, results of operations, cash flows, and competitive position.

We are in a period of economic and regulatory uncertainty, which has been heightened by the current divides in the branches of the United States federal government and the upcoming federal elections. The Administration and Congress may initiate actions to increase regulation of certain industries, including the lime industry, and may take other steps to restrict oil and gas drilling, reduce the use of coal, or regulate domestic manufacturing. There can be no assurance that any of these actions, if adopted, will not increase costs for our customers or increase our cost of compliance with zoning and land use, mine permitting and operating, mine safety, reclamation and remediation, and environmental laws. In addition, a variety of factors, including uncertainty with respect to governmental fiscal and budgetary constraints, including the timing and amount of construction and infrastructure spending, changes to tax laws, legislative impasses, extended government shutdowns, fallout from downgrades and potential U.S. government defaults on its obligations, pandemics, trade wars, tariffs, social unrest, international incidents, and increased inflationary pressures and interest rates, could have a material adverse effect on our financial condition, results of operations, cash flows, and competitive position.

We incur environmental compliance costs and liabilities in our Lime and Limestone Operations, including capital, maintenance, and operating costs, with respect to pollution control equipment, the cost of ongoing monitoring programs, the cost of reclamation and remediation efforts, and other similar costs and liabilities relating to our compliance with Environmental Laws. We expect these costs and liabilities to continue or increase, such as possible new costs, taxes, and limitations on operations, including regulation of greenhouse gas emissions. Similar environmental costs and liabilities may also be faced by some of our customers.

The rate of change of Environmental Laws has been rapid over the last decade, and we may face possible new uncertainties, costs and liabilities, taxes, and limitations on operations, including those related to climate change initiatives. Changes in policy or political leadership may affect how Environmental Laws are interpreted or enforced by the EPA and state governmental agencies. The current Administration has signaled its intent to increase regulation under Environmental Laws and has issued multiple executive orders reversing prior deregulation. We expect our expenditure requirements for future environmental compliance, including complying with nitrogen dioxide, sulfur dioxide, ozone, and particulate matter emission under the NAAQS and regulation of greenhouse gas emissions, to continue or increase. Discovery of currently unknown conditions and unforeseen costs and liabilities could require additional expenditures.

The regulation of greenhouse gas emissions remains an issue for us and some of our customers. In February 2021, the current Administration rejoined the Paris Agreement, under which the United States committed to reduce greenhouse gas emissions. There is no assurance that changes in the law or regulations will not be adopted, such as the imposition of greenhouse gas emission limits, a carbon tax, a cap-and-trade program requiring companies to purchase carbon credits, or other measures that would require reductions in emissions or changes to raw materials, fuel use, or production rates. These changes, if adopted, could have a material adverse effect on our financial condition, results of operations, cash flows and competitive position.

More stringent regulation of greenhouse gas emissions could also adversely affect the competitiveness of some of our customers, including coal-fired power plants, and indirectly the demand for our lime and limestone products. For example, our utility customers are continuing to switch from coal to natural gas or renewable sources for power generation for environmental and regulatory as well as cost reasons, thus reducing demand for our lime and limestone products for flue gas treatment processes.

We intend to comply with all Environmental Laws and believe our accrual for environmental costs and liabilities at December 31, 2023 is reasonable. Because many of the requirements are subjective and therefore not quantifiable or presently determinable, or may be affected by additional legislation and rulemaking, including those related to climate change and greenhouse gas emissions, there is no assurance that we will be able to successfully secure new permits in connection with our future modernization and expansion and development projects, and it is not possible to accurately predict the aggregate future costs and liabilities relating to environmental compliance and their effect on our financial condition, results of operations, cash flows, and competitive position.

Our lime and limestone operations are subject to various mine safety and reclamation and remediation obligations.

Our mining operations are subject to mine safety regulation under the Mine Act. The Mine Act has been construed as authorizing MSHA to issue citations and orders pursuant to the legal doctrine of strict liability, or liability without fault. Citations and orders can be contested before the Commission, and as part of that process, are often reduced in severity and amount, and are sometimes vacated.

We also have legal reclamation and remediation obligations associated with the retirement of AROs. Over time, the liability for AROs is recorded at its present value each period through accretion expense, and the capitalized cost is amortized over the useful life of the related asset. Upon settlement of the liability, we either settle the ARO for its recorded amount or recognize a gain or loss. We believe our accrual for AROs is reasonable, but there can be no assurance that any amounts accrued will be sufficient to meet our reclamation and remediation obligations at any point in time.

We intend to comply with all mining regulations and all of our reclamation and remediation obligations. If we fail to comply with such regulations and obligations, such noncompliance may adversely impact our financial condition, results of operations, cash flows, and competitive position.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy. We have designed and implemented processes to assess, identify, manage, detect, and respond to material cybersecurity risks and threats to our IT systems, including the prevention, detection, mitigation, and remediation of cybersecurity incidents in order to protect the confidentiality, integrity, and availability of our IT systems and the information residing on those systems. These processes are part of our overall risk management process and are embedded in our operating policies, procedures, and controls.

To protect our IT systems and information from cybersecurity risks, we use various security tools that help prevent, identify, escalate, investigate, resolve, and recover from identified cybersecurity vulnerabilities and incidents in a timely manner. These include, but are not limited to, internal reporting, monitoring, and detection tools. We also utilize a third-party security operations center connected to a networks operation center to identify, investigate, and resolve any cybersecurity threats and incidents.

We regularly assess technological risks to our IT systems and information and monitor our IT systems for potential vulnerabilities and risks. We frequently conduct mandatory cybersecurity and IT systems awareness training for all employees with access to our systems. We also conduct regular reviews and tests of our IT cybersecurity processes, including reviews, assessments, and exercises.

We aim to incorporate responsible practices throughout our cybersecurity risk management processes. Our cybersecurity strategy focuses on implementing effective and efficient controls, technologies, and other processes to assess, identify, and manage material cybersecurity risks to our IT systems and information. As a part of this process, we engage independent third-party specialists to review our cybersecurity environment, including formal reviews and assessments, and we request specific, actionable recommendations for improvement.

While we have not, as of the date of this Report on Form 10-K, experienced a cybersecurity threat or incident that has materially impacted our business or operations, there can be no guarantee that we will not experience such a threat or incident in the future. A material cybersecurity threat or incident could adversely impact our mining and manufacturing operations, our sales or financial and administrative functions, or result in the compromise of personal or other confidential information of our employees, customers, or suppliers. For this reason, we maintain cybersecurity liability insurance to provide additional support, expertise, and resources to help ensure the integrity of our cybersecurity processes through regular reviews and assessments, to provide incident response assistance and expertise, and to provide a level of financial protection in the event of cybersecurity incident related costs and losses. See "Risk Factors - We may be adversely affected by any disruption in, or failure of, our information technology systems, including due to cybersecurity risks and incidents."

Governance. Our Manager of Information Technology ("MIT") is responsible for our IT cybersecurity policies, procedures, and controls and reports to our Chief Financial Officer ("CFO"). Our MIT has a Bachelor of Business Administration degree in management information systems and has over 20 years of relevant experience in the IT field. Team members also include third-party service providers who have relevant education and experience in cybersecurity.

Our CFO is informed about and facilitates prevention, detection, mitigation, and remediation efforts through regular communication and reporting from the professionals on our cybersecurity team. In addition, we have an escalation process in place to inform our Chief Executive Officer and other members of our senior management and, if necessary, the Audit Committee and Board of Directors, of important issues or events.

Our Audit Committee has oversight of our cybersecurity risk processes, as part of its overall oversight of our risk management program. Our CFO and MIT regularly report to and review our cybersecurity processes with the Audit Committee, with formal cybersecurity reviews with the Committee generally occurring at least annually, and sometimes more frequently, as appropriate.

ITEM 2. PROPERTIES.

Reference is made to Item 1 of this Report for a description of the properties of the Company, and such description is hereby incorporated by reference in answer to this Item 2. As disclosed in Note 2 of Notes to Consolidated Financial Statements, the Company's plants and facilities and resources are subject to encumbrances to secure any Company loans under its credit agreement.

ITEM 3. LEGAL PROCEEDINGS.

Information regarding any legal proceedings is set forth in Note 8 of Notes to Consolidated Financial Statements and is hereby incorporated by reference in answer to this Item 3.

ITEM 4. MINE SAFETY DISCLOSURES.

Under Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K, each operator of a coal or other mine is required to include disclosures regarding certain mine safety results in its periodic reports filed with the SEC. The operation of the Company's quarries, underground mine, and plants is subject to regulation by MSHA. The required information regarding certain mining safety and health matters, broken down by mining complex, for the year ended December 31, 2023 is presented in Exhibit 95.1 to this Report on Form 10-K.

As discussed in Item 1 above, the Company believes it is responsible to employees to provide a safe and healthy workplace environment. The Company seeks to accomplish this by: training employees in safe work practices; openly communicating with employees; following safety standards and establishing and improving safe work practices; involving employees in safety processes; and recording, reporting, and investigating accidents, incidents, and losses to avoid reoccurrence.

Following passage of the Mine Improvement and New Emergency Response Act of 2006, MSHA significantly increased the enforcement of mining safety and health standards on all aspects of mining operations. There has also been an increase in the dollar penalties assessed for citations and orders issued in recent years.

PART II

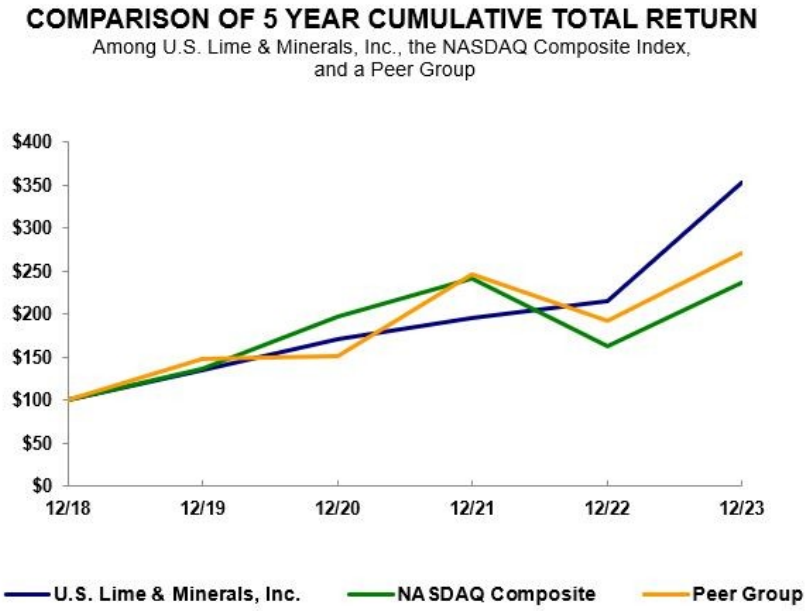
ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

The Company's common stock is listed on the Nasdaq Global Market® under the symbol "USLM." As of February 27, 2024, the Company had approximately 350 shareholders of record.

As of February 27, 2024, the Company had 500,000 shares of $5.00 par value preferred stock authorized; however, none has been issued.

PERFORMANCE GRAPH

The graph below compares the cumulative 5-year total shareholders' return on the Company's common stock with the cumulative total return on the NASDAQ Composite Index and a customized peer group index consisting of Eagle Materials, Inc., Mineral Technologies, Inc., and Summit Materials Inc. The graph assumes that the value of the investment in the Company's common stock and each index was $100 on December 31, 2018, and that all cash dividends, including the special cash dividend paid in the fourth quarter 2019, have been reinvested.



	2018	2019	2020	2021	2022	2023
U.S. LIME & MINERALS, INC.	100.00	135.07	171.77	195.29	214.51	352.51
NASDAQ COMPOSITE INDEX	100.00	136.69	198.10	242.03	163.28	236.17
PEER GROUP	100.00	148.39	151.73	246.83	192.64	271.19

The Plan allows employees and directors to pay the exercise price upon the exercise of stock options and the tax withholding liability upon exercise of stock options or the lapse of restrictions on restricted stock by payment in cash and/or withholding or delivery of shares of the Company's common stock to the Company. Pursuant to these provisions, the Company repurchased 4,918 shares at a price of $230.35 per share, the fair market value of one share on the date they were tendered to the Company, in the fourth quarter 2024 for payment of tax withholding liability upon the lapse of restrictions on restricted stock.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

FORWARD-LOOKING STATEMENTS.

Any statements contained in this Report that are not statements of historical fact are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this Report, including without limitation statements relating to the Company's plans, strategies, objectives, expectations, intentions, and adequacy of resources, are identified by such words as "will," "could," "should," "would," "believe," "possible," "potential," "expect," "intend," "plan," "schedule," "estimate," "anticipate," and "project." The Company undertakes no obligation to publicly update or revise any forward-looking statements. The Company cautions that forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from expectations, including without limitation the following: (i) the Company's plans, strategies, objectives, expectations, and intentions are subject to change at any time at the Company's discretion; (ii) the Company's plans and results of operations will be affected by its ability to maintain and increase its revenues and manage its growth; (iii) the Company's ability to meet short-term and long-term liquidity demands, including meeting the Company's operating and capital needs, including possible acquisitions and paying dividends, and conditions in the credit and equity markets, including the ability of the Company's customers to meet their obligations; (iv) interruptions to operations and increased expenses at the Company's facilities resulting from changes in mining methods or conditions, variability of chemical or physical properties of the Company's limestone and its impact on process equipment and product quality, inclement weather conditions, including more severe and frequent weather events resulting from climate change, natural disasters, accidents, IT systems failures or disruptions, including due to cybersecurity threats and incidents, utility disruptions, supply chain delays and disruptions, labor shortages and disruptions, or regulatory requirements; (v) volatile coal, petroleum coke, diesel, natural gas, electricity, and transportation costs and the consistent availability of trucks, truck drivers, and rail cars to deliver the Company's products to its customers and solid fuels to its plants on a timely basis at competitive prices; (vi) the Company's ability to expand its lime and limestone operations through projects and acquisitions of businesses with related or similar operations and the Company's ability to obtain any required financing for such projects and acquisitions, to integrate the projects and acquisitions into the Company's overall operations, and to sell any resulting increased production at acceptable prices; (vii) inadequate demand and/or prices for the Company's lime and limestone products due to increased competition from competitors, increasing competition for certain customer accounts, conditions in the U.S. economy, recessionary pressures in, and the impact of government policies on, particular industries, including oil and gas services, utility plants, steel, construction, and industrial, effects of governmental fiscal and budgetary constraints, including the level of highway construction and infrastructure funding, changes to tax laws, legislative impasses, extended governmental shutdowns, downgrades and defaults on U.S. government obligations, pandemics, trade wars, tariffs, international incidents, including conflicts in Ukraine, Israel, and the broader Middle East, oil cartel production and supply actions, sanctions, economic and regulatory uncertainties under state governments and the United States Administration and Congress, inflation, Federal Reserve responses to inflationary concerns, including increased interest rates, and inability to continue to maintain or increase prices for the Company's products, including passing through the increased costs of energy, labor, parts and supplies, and changes in inflationary expectations; (viii) ongoing and possible new regulations, investigations, enforcement actions and costs, legal expenses, penalties, fines, assessments, litigation, judgments and settlements, taxes and disruptions and limitations of operations, including those related to climate change, health and safety, human capital, diversity, and other ESG and sustainability considerations, and those that could impact the Company's ability to continue or renew its operating permits or successfully secure new permits in connection with its modernization and expansion and development projects; (ix) estimates of resources and reserves and remaining lives of reserves; (x) the impact of potential global pandemics, epidemics, or disease outbreaks, such as COVID 19, and governmental responses thereto, including decreased demand, lower prices, tightened labor and other markets, and increased costs, and the risk of non-compliance with health and safety protocols, social distancing and mask guidelines, and vaccination mandates, on the Company's financial condition, results of operations, cash flows, and competitive position; (xi) the impact of social or political unrest; (xii) risks relating to mine safety and reclamation and remediation; and (xiii) other risks and uncertainties set forth in this Report or indicated from time to time in the Company's filings with the Securities and Exchange Commission (the "SEC"), including the Company's Quarterly Reports on Form 10-Q.

OVERVIEW.

Set forth below is certain selected financial data for the five years ended December 31, 2023:

	Years Ended December 31,				
	2023	2022	2021	2020	2019
	(dollars in thousands, except per share amounts)				
Operating results					
Lime and limestone revenues	$ 280,202	233,421	187,365	159,707	156,981
Other revenues	1,128	2,729	1,890	997	1,296
Total revenues	$ 281,330	236,150	189,255	160,704	158,277
Gross profit	$ 102,867	70,342	59,260	47,587	41,676
Other (income) expense, net	$ (7,940)	(1,779)	(101)	11	(203)
Income tax expense	$ 18,813	11,133	9,473	5,849	4,844
Net income	$ 74,549	45,429	37,045	28,223	26,056
Net income per share of common stock:					
Basic	$ 13.10	8.01	6.55	5.01	4.64
Diluted	$ 13.06	8.00	6.54	5.00	4.64
Dividends per share of common stock [1]	$ 0.80	0.80	0.64	0.64	5.89

(1) Dividends per share of common stock for 2019 included a special dividend of $5.35 per share.

	As of December 31,				
	2023	2022	2021	2020	2019
Total assets	$ 440,602	367,772	279,098	247,037	244,671
Stockholders' equity per outstanding common share	$ 68.91	56.51	49.10	43.06	38.62
Employees	333	338	308	317	282

General.

We have identified one reportable business segment based on the distinctness of our activities and products: Lime and Limestone Operations. All operations are in the United States. Operating profit from our Lime and Limestone Operations includes all of our selling, general and administrative costs. We do not allocate interest income and expense and other expense to our Lime and Limestone Operations.

Our Other operations relate to our natural gas interests, consisting of royalty and non-operated working interests under an oil and gas lease and a drillsite agreement with two separate operators related to our Johnson County, Texas property, located in the Barnett Shale Formation, on which Texas Lime conducts its lime and limestone operations. The carrying values of the long-lived assets related to our natural gas interests were $0.4 million as of December 31, 2023. Based on current production and pricing estimates, we believe that the carrying value of these assets will be recoverable in future periods.

Our revenues increased 19.1% in 2023 compared to 2022. Revenues from our Lime and Limestone Operations increased 20.0% in 2023, compared to 2022, primarily due to an increase in average selling prices for our lime and limestone products of 21.1%, partially offset by a 1.1% decrease in sales volume. This decrease in demand was primarily from our industrial, steel, and construction customers, partially offset by increased demand from our roofing, environmental, and oil and gas services customers.

Our gross profit increased 46.2% in 2023, compared to 2022. Gross profit from our Lime and Limestone Operations in 2023 increased 49.2%, compared to 2022, primarily due to the increased revenues discussed above, partially offset by increased lime and limestone production costs, principally from higher energy, labor, and parts and supplies costs.

Our other (income) expense, net was $7.9 million income in 2023, compared to $1.8 million income in 2022, an increase of $6.2 million. The increase in other income, net in 2023, compared to 2022, was due to higher interest rates earned on higher average balances in our cash and cash equivalents.

Our net income increased $29.1 million, or 64.1%, in 2023, compared to 2022. Net income per fully diluted share increased to $13.06 in 2023, compared to $8.00 in 2022.

Cash flows from operations enabled us to make $34.3 million of capital investments in 2023. It also enabled us to pay $4.6 million in dividends in 2023 and increase our cash balances to $188.0 million as of December 31, 2023, compared to $133.4 million as of December 31, 2022. As of December 31, 2023 and 2022, we had no debt outstanding.

On February 2, 2024, we announced that our Board of Directors had declared an increased regular quarterly cash dividend of $0.25 per share. The dividend is payable on March 15, 2024 to shareholders of record on February 23, 2024.

Absent a significant acquisition opportunity arising during 2024, we anticipate funding our operating and capital needs and our increased regular cash dividends from our cash balances on hand and cash flows from operations.

Lime and Limestone Operations.

In our Lime and Limestone Operations, we produce and sell crushed limestone, PLS, aggregate, quicklime, hydrated lime and lime slurry. The principal factors affecting our success are the level of demand and prices for our products and whether we are able to maintain sufficient production levels and product quality while controlling costs.

Inclement weather conditions, such as winter ice and snowstorms, freezing weather, hurricanes, tornadoes, and excessive rainfalls generally reduce the demand for lime and limestone products supplied to construction-related customers that account for a significant amount of our revenues. Inclement weather also interferes with our open-pit mining operations and can disrupt our plant production. In addition to weather, various maintenance, environmental, accident, and other operational and construction issues can also disrupt our operations and increase our operating expenses.

Demand for our lime and limestone products in our market areas is also affected by general economic conditions, the pace of construction, the demand for steel, the level of oil and gas drilling in our markets, the level of governmental and private funding for highway construction and infrastructure, and utility plant usage of coal for power generation. Demand for our lime and limestone products from our industrial, steel, and construction customers decreased in 2023; however, this was partially offset by increased demand from our roofing, environmental, and oil and gas services customers. Looking ahead, we anticipate that soft construction demand, particularly from commercial building, will continue through at least the first half 2024.

In 2023, we continued to experience rising production costs, especially energy, labor, and parts and supplies costs. As we progressed through 2023, many of the supply chain delays and disruptions that challenged us in the previous year began to resolve.

Texas continues to invest heavily in its transportation, including directing certain sales and use tax revenues, state motor vehicle sales and rental tax revenues, and oil and gas tax revenues to the State Highway Fund, as required under the Texas constitution. In its fiscal 2023, Texas transferred approximately $6.4 billion of such tax revenues to the State Highway Fund. Additionally, for future roadway projects outlined in the Texas Department of Transportation's 2024 Unified Transportation Program, the state programmed a $15.5 billion increase in funding for a total of $100.6 billion in construction and major maintenance projects planned over the next 10 years. In 2021, the United States Congress passed the Infrastructure Investment and Jobs Act, which is estimated to apportion approximately $27.5 billion to Texas for federal-aid highway programs, of which $16.6 billion has been announced for roads, bridges, roadway safety, and major projects. With these funding sources, we would expect to see strong continued demand from our construction customers, but the timing and amount of any increase in demand is uncertain and subject to weather, political, economic, and other factors.

Our modernization and expansion and development projects and acquisitions in Texas, Arkansas, Oklahoma, and Missouri and our Texas slurry operations have positioned us to meet the demand for high-quality lime and limestone products in our markets. Our modernization and expansion and development projects have also equipped us with up-to-date, fuel-efficient plant facilities, which have resulted in lower production costs and greater operating efficiencies,

thus enhancing our competitive position. All of our rotary kilns are now fuel-efficient preheater kilns, and the addition of the vertical kiln at St. Clair further increased the fuel efficiency of our fleet of kilns.

For our plants to operate at peak efficiency, we must meet operational challenges that arise from time to time, including bringing new facilities on-line and refurbishing and/or improving acquired facilities, including the facilities acquired as a result of our acquisitions of Carthage and Mill Creek, as well as operating existing facilities efficiently. We also incur ongoing costs for maintenance and to remain in compliance with rapidly changing Environmental Laws and health and safety and other regulations.

Our primary variable cost is energy. Prices for coal, petroleum coke, diesel, natural gas, electricity, transportation, and freight are volatile, and our energy costs increased substantially in 2023. In addition, our freight costs, including the cost of diesel, to deliver our products can be high relative to the value of our products.

Historically, we have been able to mitigate to some degree the impact of volatile energy costs by varying the mixes of fuel used in our kilns, and by passing on some of any increase in costs to our customers, where possible, through higher prices and/or surcharges on certain products. In addition, we continually look for other ways to better manage our energy costs at our plants. Finally, we have not engaged in any significant hedging activity in an effort to control our energy costs but may do so in the future.

We have financed our modernization and expansion and development projects and acquisitions through a combination of debt financing, which has now been repaid, and cash flows from operations. We must generate sufficient cash flows to cover ongoing capital requirements, including current and possible future modernization and expansion and development projects and acquisitions, or borrow sufficient funds to finance any shortfall in our liquidity needs.

We continue to believe the enhanced efficiency and production capacity resulting from our modernization and expansion and development projects in Texas, Arkansas, and Oklahoma, our expanded slurry operations, our acquisitions, including the acquisitions of Carthage and Mill Creek, and the operational strategies we have implemented have allowed us to increase our efficiency, grow production capacity, improve product quality, better serve existing customers, attract new customers, and control costs. However, there can be no assurance that demand and prices for our lime and limestone products will enable us to fully utilize our additional production capacity, nor that our production will not be adversely affected by weather, maintenance, environmental, accident, cybersecurity, and other operational and construction issues; that we can successfully invest in improvements to our existing facilities and acquisitions; that our results will not be adversely affected by increases in fuel, natural gas, electricity, transportation and freight costs, taxes, or new environmental, health and safety, or other regulatory requirements; or that, with increasing competition with other lime and limestone producers, our revenues, gross profit, net income, and cash flows can be maintained or improved.

Other.

Revenues in 2023 included $1.1 million from our natural gas interests, compared to $2.7 million in 2022. Gross (loss) profit from our natural gas interests was a $38 thousand loss in 2023, compared to a $1.4 million profit in 2022.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES.

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities, at the date of our financial statements. Actual results may differ from these estimates and judgments under different assumptions or conditions and historical trends.

Critical accounting policies are defined as those that are reflective of significant management judgments and uncertainties and potentially result in materially different results under different assumptions and conditions. We believe the following critical accounting policies require the most significant management estimates and judgments used in the preparation of our consolidated financial statements.

Contingencies. We are party to proceedings, lawsuits, and claims arising in the normal course of business relating to regulatory, labor, product, and other matters. We are required to estimate the likelihood of any adverse judgments or outcomes with respect to these matters, as well as potential ranges of possible losses. A determination of the amount of reserves required, if any, for these contingencies is made after careful analysis of each individual matter, including coverage under our insurance policies. This determination may change in the future because of new information or developments.

Income taxes. We utilize the asset and liability approach in reporting our income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. We establish valuation allowances when necessary to reduce deferred tax assets to the amount more likely than not to be realized. Income tax related interest and penalties are included in income tax expense. We also assess individual tax positions to determine if they meet the criteria for some or all of the benefits of that position to be recognized in our financial statements and only recognize tax positions that meet the more-likely-than-not recognition threshold.

Environmental costs and liabilities. We record environmental accruals, including accrued reclamation costs, in other liabilities, based on studies and estimates, when it is probable we have incurred a reasonably estimable cost or liability. The accruals are adjusted when further information warrants an adjustment. Environmental expenditures that extend the life, increase the capacity, or improve the safety or efficiency of Company-owned assets or are incurred to mitigate or prevent future possible environmental issues are capitalized. Other environmental costs are expensed when incurred.

RESULTS OF OPERATIONS.

The following table sets forth certain financial information expressed as a percentage of revenues for the three years ended December 31, 2023:

	Year Ended December 31,		
	2023	**2022**	**2021**
Lime and limestone revenues	99.6 %	98.8 %	99.0 %
Other revenues	0.4	1.2	1.0
Total revenues	100.0	100.0	100.0
Cost of revenues			
Labor and other operating expenses	(55.1)	(60.9)	(57.8)
Depreciation, depletion and amortization	(8.3)	(9.3)	(10.9)
Gross profit	**36.6**	**29.8**	**31.3**
Selling, general and administrative expenses	(6.2)	(6.6)	(6.8)
Operating profit	**30.4**	**23.2**	**24.5**
Other income, net	2.8	0.7	0.1
Income tax expense	(6.7)	(4.7)	(5.0)
Net income	**26.5 %**	**19.2 %**	**19.6 %**

2023 vs. 2022

Our revenues for 2023 increased to $281.3 million from $236.2 million in 2022, an increase of $45.2 million, or 19.1%. Revenues from our Lime and Limestone Operations in 2023 increased $46.8 million, or 20.0%, to $280.2 million from $233.4 million in 2022. The increase in revenues from our Lime and Limestone Operations in 2023 was due to a 21.1% increase in average selling prices for our lime and limestone products, partially offset by a 1.1% decrease in sales volumes. The decrease in sales volumes was principally due to decreased demand from our industrial, steel, and construction customers, partially offset by increased demand from our roofing, environmental, and oil and gas services

customers. Other revenues included $1.1 million and $2.7 million in 2023 and 2022, respectively, from our natural gas interests.

Our gross profit increased to $102.9 million for 2023 from $70.3 million in 2022, an increase of $32.5 million, or 46.2%. Gross profit from our Lime and Limestone Operations in 2023 was $102.9 million, compared to $69.0 million in 2022, an increase of $34.0 million, or 49.2%. The increase in gross profit in 2023, compared to 2022, resulted primarily from the increased revenues discussed above, partially offset by increased lime and limestone production costs, principally from higher energy, labor, and parts and supplies costs. Gross profit also included a $38 thousand loss and $1.4 million profit in 2023 and 2022, respectively, from our natural gas interests.

Selling, general and administrative expenses ("SG&A") increased to $17.4 million for 2023, an increase of $1.9 million, or 12.1%, compared to $15.6 million in 2022. As a percentage of revenues, SG&A was 6.2% in 2023, compared to 6.6% in 2022. The increase in SG&A was primarily due to increased personnel expenses in 2023, compared to 2022.

Other (income) expense, net was $7.9 million income in 2023, compared to $1.8 million income in 2022, an increase of $6.2 million. The increase in other income, net in 2023 compared to 2022, was due to higher interest rates earned on higher average balances in our cash and cash equivalents.

Income tax expense was $18.8 million in 2023, for an effective rate of 20.2%, compared to $11.1 million in 2022, for an effective rate of 19.7%, an increase of $7.7 million, primarily due to the increase in income before taxes in 2023, compared to 2022. Our effective income tax rates for 2023 and 2022 were reduced from the statutory rate primarily due to statutory depletion in excess of basis.

Net income increased to $74.5 million ($13.06 per share diluted) in 2023, compared to $45.4 million ($8.00 per share diluted) in 2022, an increase of $29.1 million, or 64.1%.

2022 vs. 2021

Our revenues for 2022 increased to $236.2 million from $189.3 million in 2021, an increase of $46.9 million, or 24.8%. Revenues from our Lime and Limestone Operations in 2022 increased $46.1 million, or 24.6%, to $233.4 million from $187.4 million in 2021. The increase in revenues from our Lime and Limestone Operations in 2022 was primarily due to a 14.0% increase in sales volumes of our lime and limestone products, principally to our construction, oil and gas services, and steel customers. In addition, we realized a 10.6% increase in average selling prices for our lime and limestone products in 2022, compared to 2021. Other revenues included $2.7 million and $1.9 million in 2022 and 2021, respectively, from our natural gas interests.

Our gross profit increased to $70.3 million for 2022 from $59.3 million for 2021, an increase of $11.1 million, or 18.7%. Gross profit from our Lime and Limestone Operations for 2022 was $69.0 million, compared to $58.7 million in 2021, an increase of $10.3 million, or 17.6%. The increase in gross profit in 2022, compared to 2021, resulted primarily from the increased revenues discussed above, partially offset by increased lime and limestone production costs, principally from higher transportation, energy, labor, and supplies costs. Gross profit also included $1.4 million and $0.6 million in 2022 and 2021, respectively, from our natural gas interests.

SG&A increased to $15.6 million for 2022, an increase of $2.7 million, or 21.1%, compared to $12.8 million for 2021. As a percentage of revenues, SG&A was 6.6% in 2022, compared to 6.8% in 2021. The increase in SG&A was primarily due to increased personnel expenses in 2022, compared to 2021.

Other (income) expense, net was $1.8 million income in 2022, compared to $0.1 million income in 2021, an increase of $1.7 million, or 1,661.4%. The increase in other income, net in 2022, compared to 2021, was due to higher interest rates on higher average balances in our cash and cash equivalents.

Income tax expense was $11.1 million in 2022, for an effective rate of 19.7%, compared to $9.5 million in 2021, for an effective rate of 20.4%, an increase of $1.7 million, primarily due to the increase in income before taxes in 2022, compared to 2021. Our effective income tax rates for 2022 and 2021 were reduced from the statutory rate primarily due to statutory depletion in excess of basis.

Net income increased to $45.4 million ($8.00 per share diluted) in 2022, compared to $37.0 million ($6.54 per share diluted) in 2021, an increase of $8.4 million, or 22.6%.

Summary of Quarterly Financial Data
(dollars in thousands except per share amounts)

	2023			
	March 31,	June 30,	September 30,	December 31,
Revenues				
Lime and limestone operations	$ 66,538	$ 73,688	$ 74,582	$ 65,394
Other	239	295	296	298
	$ 66,777	$ 73,983	$ 74,878	$ 65,692
Gross profit (loss)				
Lime and limestone operations	$ 24,058	$ 27,121	$ 28,160	$ 23,566
Other	(66)	10	(5)	23
	$ 23,992	$ 27,131	$ 28,155	$ 23,589
Net income	$ 17,104	$ 19,712	$ 20,733	$ 17,000
Basic income per common share	$ 3.01	$ 3.46	$ 3.64	$ 2.98
Diluted income per common share	$ 3.00	$ 3.45	$ 3.63	$ 2.98

	2022			
	March 31,	June 30,	September 30,	December 31,
Revenues				
Lime and limestone operations	$ 50,296	$ 59,613	$ 65,699	$ 57,813
Other	613	879	758	479
	$ 50,909	$ 60,492	$ 66,457	$ 58,292
Gross profit				
Lime and limestone operations	$ 14,197	$ 15,975	$ 22,166	$ 16,613
Other	270	506	424	191
	$ 14,467	$ 16,481	$ 22,590	$ 16,804
Net income	$ 8,668	$ 10,238	$ 15,726	$ 10,797
Basic income per common share	$ 1.53	$ 1.80	$ 2.77	$ 1.90
Diluted income per common share	$ 1.53	$ 1.80	$ 2.77	$ 1.90

FINANCIAL CONDITION.

Capital Requirements. We require capital primarily for normal recurring capital and re-equipping projects, modernization and expansion and development projects, and acquisitions. Our capital needs are expected to be met principally from cash on hand, cash flows from operations, and our $75.0 million revolving credit facility.

We expect to spend approximately $22.0 million per year over the next several years in our Lime and Limestone Operations for normal recurring capital and re-equipping projects at our plants and facilities to maintain or improve efficiency, ensure compliance with Environmental Laws, meet customer needs, and reduce costs. As of December 31, 2023, we had $1.3 million in open orders for equipment and construction contracts for our Lime and Limestone Operations.

Liquidity and Capital Resources. Net cash provided by operating activities was $92.3 million in 2023, compared to $64.4 million in 2022, an increase of $27.9 million, or 43.3%. Our net cash provided by operating activities is composed of net income, depreciation, depletion and amortization ("DD&A"), other non-cash items included in net income, and changes in working capital. In 2023, net cash provided by operating activities was principally composed of $74.5 million net income, $23.8 million DD&A, and $3.2 million stock-based compensation, partially offset by a $0.9 million decrease in deferred income taxes and an $8.8 million decrease from changes in working capital. In 2023, the

changes in working capital were principally composed of a $4.5 million increase in trade receivables, net, primarily as a result of increased sales in the fourth quarter 2023, compared to the fourth quarter 2022, a $4.7 million increase in inventories, primarily due to increases in the volume of our solid fuel stockpiles and the costs of our supply of critical parts, and a $1.1 million increase in prepaid expenses and other current assets, partially offset by a $1.7 million increase in accounts payable and accrued expenses. In 2022, net cash provided by operating activities was principally composed of $45.4 million net income, $22.2 million DD&A, $2.5 million increase in deferred income taxes, and $2.6 million stock-based compensation, partially offset by an $8.1 million decrease from changes in working capital. In 2022, the changes in working capital were principally composed of a $6.4 million increase in trade receivables, net, primarily as a result of increased sales in the fourth quarter 2022, compared to the fourth quarter 2021, and a $4.3 million increase in inventories, primarily due to increases in the cost and volume of our solid fuel stockpiles and our supply of critical parts, partially offset by a $2.8 million increase in accounts payable and accrued expenses, and other liabilities.

Net cash used in investing activities was $32.0 million for 2023, compared to $31.2 million for 2022. Net cash used in investing activities for 2023 included $11.0 million for real property purchases. Net cash used in investing activities for 2022 included $5.6 million for the acquisition of Mill Creek and an additional $3.5 million of capital investments in the Mill Creek facility, $4.1 million for real property purchases, and $3.0 million for development of the Love Hollow Quarry and its connection to the Batesville plant. During 2022, we experienced increased costs associated with our normal recurring capital and re-equipping projects at our plants and facilities, as part of the overall inflationary environment. In 2023, we began to experience an increase in DD&A expense associated with higher recurring capital and re-equipping projects, which we expect will continue in future periods.

Net cash used in financing activities primarily consisted of $4.6 million for dividend payments and $1.3 million to repurchase shares of our common stock in 2023, compared to $4.5 million for dividend payments and $0.8 million to repurchase shares of our common stock in 2022.

Our cash and cash equivalents at December 31, 2023 increased to $188.0 million from $133.4 million at December 31, 2022.

Banking Facilities and Debt. Our credit agreement with Wells Fargo Bank, N.A. (the "Lender"), as amended as of August 3, 2023, provides for a $75 million revolving credit facility (the "Revolving Facility") and an incremental four-year accordion feature to borrow up to an additional $50 million on the same terms, subject to approval by the Lender or another lender selected by us. The credit agreement also provides for a $10 million letter of credit sublimit under the Revolving Facility. The Revolving Facility and any incremental loans mature on August 3, 2028.

Interest rates on the Revolving Facility are, at our option, SOFR, plus a SOFR adjustment rate of 0.10%, plus a margin of 1.000% to 2.000%, or the Lender's Prime Rate, plus a margin of 0.000% to 1.000%, and a commitment fee range of 0.225% to 0.350% on the undrawn portion of the Revolving Facility. The Revolving Facility interest rate margins and commitment fee are determined quarterly in accordance with a pricing grid based upon our Cash Flow Leverage Ratio, defined as the ratio of our total funded senior indebtedness to earnings before interest, taxes, depreciation, depletion, amortization, and stock-based compensation expense ("EBITDA") for the 12 months ended on the last day of the most recent calendar quarter, plus pro forma EBITDA from any businesses acquired during the period. Pursuant to a security agreement, dated August 25, 2004, the Revolving Facility is secured by our existing and hereafter acquired tangible assets, intangible assets, and real property. The maturity of the Revolving Facility and any incremental loans can be accelerated if any event of default, as defined under the credit agreement, occurs. Our maximum Cash Flow Leverage Ratio is 3.50 to 1.

We may pay dividends so long as we remain in compliance with the provisions of our credit agreement, and we may purchase, redeem, or otherwise acquire shares of our common stock so long as our pro forma Cash Flow Leverage Ratio is less than 3.00 to 1.00 and no default or event of default exists or would exist after giving effect to such stock repurchase.

At December 31, 2023, we had no debt outstanding and no draws on the Revolving Facility other than $0.5 million of letters of credit, which count as draws against the available commitment under the Revolving Facility.

Common Stock Buybacks. We spent $1.3 million, $0.8 million, and $0.7 million in 2023, 2022, and 2021, respectively, to repurchase treasury shares tendered for payment of the exercise price for stock options and the tax withholding liability upon the lapse of restrictions on restricted stock.

Contractual Obligations. The following table sets forth our contractual obligations as of December 31, 2023 (in thousands):

	Payments Due by Period				
Contractual Obligations	**Total**	**1 Year**	**2 - 3 Years**	**4 - 5 Years**	**More Than 5 Years**
Operating leases[1]	$ 5,872	1,721	2,723	1,328	100
Limestone mineral leases	$ 2,267	97	194	302	1,674
Purchase obligations[2][3]	$ 23,687	21,073	2,614	—	—
Other liabilities	$ 1,548	120	240	240	948
Total	$ 33,374	23,011	5,771	1,870	2,722

(1) Represents operating leases for railcars, corporate office space, and some equipment that are either non-cancelable or subject to significant penalty upon cancellation.

(2) Of these obligations, $1,196 were recorded on the Consolidated Balance Sheet at December 31, 2023.

(3) Purchase obligations includes enforceable agreements to purchase goods or services that specify all significant terms, including fixed or minimum quantities to be purchased, generally pertaining to fuel contracts, fixed-price provisions, and the approximate timing of the transaction, and are either non-cancelable or subject to significant penalty upon cancellation.

Absent a significant acquisition, we believe that cash on hand and cash flows from operations will be sufficient to meet our operating needs, ongoing capital needs, including our current and possible future modernization and expansion and development projects, and liquidity needs and allow us to pay our increased regular cash dividends for the near future.

Off-Balance Sheet Arrangements. We do not utilize off-balance sheet financing arrangements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

INTEREST RATE RISK.

We could be exposed to changes in interest rates, primarily as a result of floating interest rates on the Revolving Facility. There was no outstanding balance on the Revolving Facility subject to interest rate risk at December 31, 2023. Any future borrowings under the Revolving Facility would be subject to interest rate risk.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

Index to Consolidated Financial Statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
United States Lime & Minerals, Inc.

Opinion on the financial statements
We have audited the accompanying consolidated balance sheets of United States Lime & Minerals, Inc. (a Texas corporation) and subsidiaries (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of income, changes in stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2023, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), and our report dated February 29, 2024 expressed an unqualified opinion.

Basis for opinion
These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matters

The critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2005.

Dallas, Texas
February 29, 2024

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
United States Lime & Minerals, Inc.

Opinion on internal control over financial reporting
We have audited the internal control over financial reporting of United States Lime & Minerals, Inc. (a Texas corporation) and subsidiaries (the "Company") as of December 31, 2023, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated financial statements of the Company as of and for the year ended December 31, 2023, and our report dated February 29, 2024 expressed an unqualified opinion on those financial statements.

Basis for opinion
The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and limitations of internal control over financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ GRANT THORNTON LLP

Dallas, Texas
February 29, 2024

United States Lime & Minerals, Inc.
Consolidated Balance Sheets

(dollars in thousands, except share and per share amounts)

	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	$ 187,964	$ 133,384
Trade receivables, net	38,052	33,592
Inventories	24,313	19,579
Prepaid expenses and other current assets	4,640	3,435
Total current assets	254,969	189,990
Property, plant and equipment		
Mineral reserves and land	59,307	48,586
Proved natural gas properties, successful-efforts method	15,934	15,934
Buildings and building and leasehold improvements	10,732	9,588
Machinery and equipment	374,000	359,123
Furniture and fixtures	1,312	1,312
Automotive equipment	8,313	7,054
Property, plant and equipment	469,598	441,597
Less accumulated depreciation and depletion	(289,803)	(269,627)
Property, plant and equipment, net	179,795	171,970
Operating lease right-of-use assets	5,273	5,372
Other assets, net	565	440
Total assets	$ 440,602	$ 367,772
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 7,404	$ 7,725
Current portion of operating lease liabilities	1,582	1,411
Accrued expenses	8,505	6,401
Total current liabilities	17,491	15,537
Deferred tax liabilities, net	24,659	25,582
Operating lease liabilities, excluding current portion	3,919	4,129
Other liabilities	1,429	1,436
Total liabilities	47,498	46,684
Commitments and contingencies (Note 8)		
Stockholders' equity		
Preferred stock, $5.00 par value; authorized 500,000 shares; none issued or outstanding	—	—
Common stock, $0.10 par value; authorized 30,000,000 shares; 6,731,207 and 6,703,166 shares issued at December 31, 2023 and 2022, respectively	674	671
Additional paid-in capital	37,820	34,528
Retained earnings	412,499	342,504
Less treasury stock, 1,026,651 and 1,021,087 shares at December 31, 2023 and 2022, respectively, at cost	(57,889)	(56,615)
Total stockholders' equity	393,104	321,088
Total liabilities and stockholders' equity	$ 440,602	$ 367,772

The accompanying notes are an integral part of these consolidated financial statements.

United States Lime & Minerals, Inc.
Consolidated Statements of Income

(dollars in thousands, except per share amounts)

	Years Ended December 31,		
	2023	**2022**	**2021**
Revenues	$ 281,330	$ 236,150	$ 189,255
Cost of revenues			
Labor and other operating expenses	154,930	143,887	109,365
Depreciation, depletion and amortization	23,533	21,921	20,630
	178,463	165,808	129,995
Gross profit	102,867	70,342	59,260
Selling, general and administrative expenses	17,445	15,559	12,843
Operating profit	85,422	54,783	46,417
Other (income) expense, net	(7,940)	(1,779)	(101)
Income before income tax expense	93,362	56,562	46,518
Income tax expense	18,813	11,133	9,473
Net income	$ 74,549	$ 45,429	$ 37,045
Net income per share of common stock			
Basic	$ 13.10	$ 8.01	$ 6.55
Diluted	$ 13.06	$ 8.00	$ 6.54

The accompanying notes are an integral part of these consolidated financial statements

United States Lime & Minerals, Inc.
Consolidated Statements of Stockholders' Equity

(dollars in thousands)

	Common Stock		Additional			
	Shares Outstanding	Amount	Paid-In Capital	Retained Earnings	Treasury Stock	Total
Balances at December 31, 2020	5,648,084	$ 666	$ 29,457	$ 268,186	$ (55,117)	$ 243,192
Stock options exercised	5,310	1	83	—	—	84
Stock-based compensation	18,279	2	2,234	—	—	2,236
Treasury shares purchased	(5,661)	—	—	—	(731)	(731)
Cash dividends paid	—	—	—	(3,620)	—	(3,620)
Net income	—	—	—	37,045	—	37,045
Balances at December 31, 2021	5,666,012	669	31,774	301,611	(55,848)	278,206
Stock options exercised	2,400	—	120	—	—	120
Stock-based compensation	19,297	2	2,634	—	—	2,636
Treasury shares purchased	(5,630)	—	—	—	(767)	(767)
Cash dividends paid	—	—	—	(4,536)	—	(4,536)
Net income	—	—	—	45,429	—	45,429
Balances at December 31, 2022	5,682,079	671	34,528	342,504	(56,615)	321,088
Stock options exercised	9,288	1	112	—	—	113
Stock-based compensation	18,753	2	3,180	—	—	3,182
Treasury shares purchased	(5,564)	—	—	—	(1,274)	(1,274)
Cash dividends paid	—	—	—	(4,554)	—	(4,554)
Net income	—	—	—	74,549	—	74,549
Balances at December 31, 2023	5,704,556	$ 674	$ 37,820	$ 412,499	$ (57,889)	$ 393,104

The accompanying notes are an integral part of these consolidated financial statements.

United States Lime & Minerals, Inc.
Consolidated Statements of Cash Flows

(dollars in thousands)

	2023	2022	2021
OPERATING ACTIVITIES:			
Net income	$ 74,549	$ 45,429	$ 37,045
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, depletion and amortization	23,827	22,199	20,898
Amortization of deferred financing costs	17	2	6
Deferred income taxes	(923)	2,527	1,524
Loss (gain) on disposition of property, plant and equipment	363	(312)	10
Stock-based compensation	3,182	2,636	2,236
Changes in operating assets and liabilities:			
Trade receivables, net	(4,460)	(6,438)	(3,736)
Inventories	(4,734)	(4,294)	94
Prepaid expenses and other current assets	(1,140)	(191)	(999)
Other assets	(142)	8	(41)
Accounts payable and accrued expenses	1,666	2,701	(1,101)
Other liabilities	54	96	(247)
Net cash provided by operating activities	92,259	64,363	55,689
INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	(34,250)	(26,815)	(29,914)
Acquisition of a business, net of cash acquired	—	(5,630)	—
Proceeds from sale of property, plant and equipment	2,286	1,294	285
Net cash used in investing activities	(31,964)	(31,151)	(29,629)
FINANCING ACTIVITIES:			
Cash dividends paid	(4,554)	(4,536)	(3,620)
Proceeds from exercise of stock options	113	120	84
Purchase of treasury shares	(1,274)	(767)	(731)
Net cash used in financing activities	(5,715)	(5,183)	(4,267)
Net increase in cash and cash equivalents	54,580	28,029	21,793
Cash and cash equivalents at beginning of period	133,384	105,355	83,562
Cash and cash equivalents at end of period	$ 187,964	$ 133,384	$ 105,355

The accompanying notes are an integral part of these consolidated financial statements.

United States Lime & Minerals, Inc.

Notes to Consolidated Financial Statements

(dollars in thousands, except per share amounts)

Years Ended December 31, 2023, 2022 and 2021

(1) Summary of Significant Accounting Policies

(a) Organization and Presentation

United States Lime & Minerals, Inc. (the "Company") is a manufacturer of lime and limestone products, supplying primarily the construction (including highway, road, and building contractors), industrial (including paper and glass manufacturers), metals (including steel producers), environmental (including municipal sanitation and water treatment facilities and flue gas treatment processes), roof shingle manufacturers, oil and gas services, and agriculture (including poultry producers) industries. The Company is headquartered in Dallas, Texas and operates lime and limestone plants and distribution facilities in Arkansas, Colorado, Louisiana, Missouri, Oklahoma, and Texas through its wholly owned subsidiaries, Arkansas Lime Company, ART Quarry TRS LLC (DBA Carthage Crushed Limestone), Colorado Lime Company, Mill Creek Dolomite, LLC, Texas Lime Company, U.S. Lime Company, U.S. Lime Company-Shreveport, U.S. Lime Company-St. Clair, and U.S. Lime Company-Transportation. In addition, the Company, through its wholly owned subsidiary, U.S. Lime Company-O & G, LLC, has royalty and non-operated working interests in natural gas wells located in Johnson County, Texas, in the Barnett Shale Formation.

(b) Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany balances and transactions have been eliminated.

(c) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("US GAAP") requires management to make estimates and judgments that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates and judgments.

(d) Statements of Cash Flows

For purposes of reporting cash flows, the Company considers all bank deposits and highly liquid debt instruments, such as United States Treasury bills and notes, with maturities, at the time of purchase, of three months or less to be cash equivalents. Cash equivalents are carried at cost plus accrued interest, which approximates fair market value. Supplemental cash flow information is presented below:

	Years Ended December 31,		
	2023	2022	2021
Cash paid during the year for:			
Interest	$ 196	$ 113	$ 151
Income taxes	$ 17,994	$ 7,827	$ 9,483

(e) Revenue Recognition

The Company recognizes revenue for its Lime and Limestone Operations when (i) a contract with the customer exists and the performance obligations are identified; (ii) the price has been established; and (iii) the performance obligations have been satisfied, which is at a point in time, generally upon shipment. Revenues include external freight billed to customers with related costs accounted for as fulfillment costs and included in cost of revenues. The Company's returns and allowances are minimal. External freight billed to customers

included in revenues was $46,270, $44,233, and $34,307 for 2023, 2022, and 2021, respectively, which approximates the amount of external freight included in cost of revenues. Sales taxes billed to customers are not included in revenues. For its natural gas interests, the Company recognizes revenue in the month of production and delivery.

The Company operates its Lime and Limestone Operations within a single geographic region and derives all revenues from that segment from the sale of lime and limestone products. See Note 9 for disaggregation of revenues by the Lime and Limestone Operations segment and Other, which the Company believes best depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

(f) Fair Values of Financial Instruments

Fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." The carrying values of cash and cash equivalents, trade receivables, other current assets, accounts payable, and accrued expenses approximate fair value due to the short maturities of these instruments.

(g) Concentration of Credit Risk and Trade Receivables

Financial instruments that potentially subject the Company to a concentration of credit risk consist principally of cash and cash equivalents and trade receivables. The Company places its cash and cash equivalents with high-credit quality financial institutions and in highly rated commercial paper or United States Treasury bills and notes with maturities, at the time of purchase, of three months or less. The Company's cash and cash equivalents at commercial banking institutions normally exceed federally insured limits.

The majority of the Company's trade receivables are unsecured. Payment terms for all trade receivables are based on the underlying purchase orders, contracts, or purchase agreements, and are generally fixed, short-term, and do not contain a significant financing component. The Company estimates credit losses relating to trade receivables based on an assessment of the current and forecasted probability of collection, historical trends, economic conditions, and other significant events that may impact the collectability of accounts receivables. Due to the relatively homogenous nature of its trade receivables, the Company does not believe there is any meaningful asset-specific differences within its accounts receivable portfolio that would require the portfolio to be grouped below the consolidated level for review of credit losses. Credit losses relating to trade receivables have generally been within management expectations and historical trends. Uncollected trade receivables are charged-off when identified by management to be unrecoverable. Trade receivables are presented net of the related estimated credit losses, which totaled $575 and $550 at December 31, 2023 and 2022, respectively. Additions, adjustments for expected credit loss factors, and write-offs to the Company's estimated credit losses during the years ended December 31 were as follows:

	2023	2022
Beginning balance	$ 550	$ 450
Additions	49	108
Adjustments for expected credit loss factors	—	—
Write-offs	(24)	(8)
Ending balance	$ 575	$ 550

(h) Inventories

Inventories are valued principally at the lower of cost, determined using the average cost method, or net realizable value. Costs for raw materials and finished goods include materials, labor, and production overhead. A summary of inventories is as follows:

	December 31,	
	2023	2022
Lime and limestone inventories:		
Raw materials	$ 7,834	$ 5,506
Finished goods	3,107	2,951
	10,941	8,457
Parts inventories	13,372	11,122
	$ 24,313	$ 19,579

(i) Property, Plant and Equipment

For major constructed assets, the capitalized cost includes the price paid by the Company for labor and materials plus interest and internal and external project management costs that are directly related to the constructed assets. Machinery and equipment at December 31, 2023 and 2022 included $6,001 and $6,534, respectively, of construction in progress for various capital projects. No interest costs were capitalized for the years ended December 31, 2023 and 2022. At December 31, 2023 and 2022, accounts payable and accrued expenses included $1,196 and $1,079, respectively, of capitalized costs. Selling, general, and administrative expenses included depreciation expense of $294, $278, and $268 in 2023, 2022, and 2021, respectively. Depreciation of property, plant and equipment is being provided for by the straight-line method over estimated useful lives as follows:

Buildings and building and leasehold improvements	3 - 25 years
Machinery and equipment	2 - 30 years
Furniture and fixtures	3 - 10 years
Automotive equipment	3 - 10 years

Maintenance and repairs are charged to expense as incurred; renewals and betterments are capitalized. When units of property are retired or otherwise disposed of, their cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is credited or charged to income.

The Company expenses all exploration costs as incurred, as well as costs incurred at an operating quarry or mine, other than capital expenditures and inventory. Costs to acquire mineral reserves are capitalized upon acquisition. Development costs incurred to develop new mineral reserves, to expand the capacity of a quarry or mine, or to develop quarry or mine areas substantially in advance of current production are capitalized once proven and probable reserves exist and can be economically produced. For each quarry or mine, capitalized costs to acquire and develop mineral reserves are depleted using the units-of-production method based on the proven and probable reserves for such quarry or mine.

The Company reviews its long-lived assets for impairment and, when events or circumstances indicate the carrying amount of an asset may not be recoverable, the Company determines if impairment of value exists. If the estimated undiscounted future net cash flows are less than the carrying amount of the asset, an impairment exists, and an impairment loss must be calculated and recorded. If an impairment exists, the impairment loss is calculated based on the excess of the carrying amount of the asset over the asset's fair value. Any impairment

loss is treated as a permanent reduction in the carrying value of the asset. The Company had no impairments in the years presented in the financial statements.

(j) Asset Retirement Obligations

The Company recognizes legal obligations for reclamation and remediation associated with the retirement of long-lived assets at their fair value at the time the obligations are incurred ("AROs"). Over time, the liability for AROs is recorded at its present value each period through accretion expense, and the capitalized cost is depreciated over the useful life of the related asset. Upon settlement of the liability, the Company either settles the AROs for the recorded amount or recognizes a gain or loss. The Company's AROs of $1,548 and $1,556 as of December 31, 2023 and 2022, respectively, are included in Other liabilities and Accrued expenses on the Company's Consolidated Balance Sheets. As of December 31, 2023, assets, net of accumulated depreciation, associated with the Company's AROs totaled $603. During 2023 and 2022, the Company spent $36 and $24, respectively, on its AROs, and recognized accretion expense of $99, $97, and $92 in 2023, 2022 and 2021, respectively, on its AROs.

The AROs were estimated based on studies and the Company's process knowledge and estimates and are discounted using a credit adjusted risk-free interest rate. The AROs are adjusted when further information warrants an adjustment. The Company estimates annual expenditures of approximately $100 per year in years 2024 through 2028 relating to its AROs.

(k) Accrued Expenses

Accrued expenses consist of the following:

	December 31, 2023	2022
Personnel related expenses	$ 4,073	$ 2,970
Income taxes	2,010	237
Other taxes	1,112	1,208
Utilities	944	1,207
Other	366	779
	$ 8,505	$ 6,401

(l) Environmental Expenditures

Environmental expenditures that relate to current operations are expensed or capitalized as appropriate. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to current or future revenue generation, are expensed. Liabilities are recorded at their present value when environmental assessments and/or remedial efforts are probable, and the costs can be reasonably estimated. Generally, the timing of these accruals will coincide with completion of a feasibility study or the Company's commitment to a formal plan of action.

The Company incurred capital expenditures related to environmental matters of $1,456 in 2023, $779 in 2022, and $665 in 2021.

United States Lime & Minerals, Inc.

Notes to Consolidated Financial Statements (Continued)

(dollars in thousands, except per share amounts)

Years Ended December 31, 2023, 2022 and 2021

(m) Income and Dividends Per Share of Common Stock

The following table sets forth the computation of basic and diluted income per common share:

	Years Ended December 31,		
	2023	2022	2021
Net income for basic and diluted income per common share	$ 74,549	$ 45,429	$ 37,045
Weighted-average shares for basic income per common share	5,692,391	5,671,960	5,656,367
Effect of dilutive securities:			
Employee and director stock options[1]	14,285	8,449	11,992
Adjusted weighted-average shares and assumed exercises for diluted income per common share	5,706,676	5,680,409	5,668,359
Basic net income per common share	$ 13.10	$ 8.01	$ 6.55
Diluted net income per common share	$ 13.06	$ 8.00	$ 6.54

(1) Excludes 1,875, 16,125, and 600 stock options in 2023, 2022, and 2021, respectively, as antidilutive because the exercise price exceeded the average per share market price for the periods presented.

The Company paid $0.80, $0.80, and $0.64 of cash dividends per share of common stock in 2023, 2022, and 2021, respectively.

(n) Stock-Based Compensation

The Company expenses all stock-based payments to employees and directors, including grants of stock options and restricted stock, in the Company's Consolidated Statements of Income based on their fair values. Compensation cost is recognized on a straight-line basis over the vesting period.

(o) Income Taxes

The Company utilizes the asset and liability approach in its reporting for income taxes. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount more likely than not to be realized. Income tax related interest and penalties are included in income tax expense.

The Company also assesses individual tax positions to determine if they meet the criteria for some or all of the benefits of that position to be recognized in the Company's financial statements. The Company only recognizes tax positions that meet the more-likely-than-not recognition threshold.

(p) New Accounting Pronouncements

Segment Reporting – In November 2023, the Financial Accounting Standards Board (the "FASB") issued guidance that expands segment disclosures for public entities, including requiring disclosure of significant segment expenses that are regularly provided to the chief operating decision maker ("CODM"), the title and position of the CODM and an explanation of how the CODM uses reported measures of segment profit or loss in assessing segment performance and allocating resources. The new guidance also expands disclosures about a reportable segment's profit or loss and assets in interim periods and clarifies that a public entity may report

additional measures of segment profit if the CODM uses more than one measure of a segment's profit or loss. The new guidance does not remove existing segment disclosure requirements or change how a public entity identifies its operating segments, aggregates those operating segments, or determines its reportable segments. The guidance is effective for fiscal years beginning after December 15, 2023, and subsequent interim periods with early adoption permitted, and requires retrospective application to all prior periods presented in the financial statements. The Company is currently evaluating the impact this new guidance will have on its financial statements and disclosures.

Improvements to Income Tax Disclosures – In December 2023, the FASB issued guidance that expands income tax disclosures for public entities, including requiring enhanced disclosures related to the rate reconciliation and income taxes paid information. The guidance is effective for annual disclosures for fiscal years beginning after December 15, 2024, with early adoption permitted. The guidance should be applied on a prospective basis, with retrospective application to all prior periods presented in the financial statements permitted. The Company is currently evaluating the impact this new guidance will have on it financial statements and disclosures.

(2) Banking Facilities and Debt

The Company's credit agreement with Wells Fargo Bank, N.A. (the "Lender"), as amended as of August 3, 2023, provides for a $75,000 revolving credit facility (the "Revolving Facility") and an incremental four-year accordion feature to borrow up to an additional $50,000 on the same terms, subject to approval by the Lender or another lender selected by the Company. The credit agreement also provides for a $10,000 letter of credit sublimit under the Revolving Facility. The Revolving Facility and any incremental loans mature on August 3, 2028.

Interest rates on the Revolving Facility are, at the Company's option, SOFR, plus a SOFR adjustment rate of 0.10%, plus a margin of 1.000% to 2.000%, or the Lender's Prime Rate, plus a margin of 0.000% to 1.000%, and a commitment fee range of 0.225% to 0.350% on the undrawn portion of the Revolving Facility. The Revolving Facility interest rate margins and commitment fee are determined quarterly in accordance with a pricing grid based upon the Company's Cash Flow Leverage Ratio, defined as the ratio of the Company's total funded senior indebtedness to earnings before interest, taxes, depreciation, depletion, amortization, and stock-based compensation expense ("EBITDA") for the 12 months ended on the last day of the most recent calendar quarter, plus pro forma EBITDA from any businesses acquired during the period. Pursuant to a security agreement, dated August 25, 2004, the Revolving Facility is secured by the Company's existing and hereafter acquired tangible assets, intangible assets, and real property. The maturity of the Revolving Facility and any incremental loans can be accelerated if any event of default, as defined under the credit agreement, occurs. The Company's maximum Cash Flow Leverage Ratio is 3.50 to 1.

The Company may pay dividends so long as it remains in compliance with the provisions of the Company's credit agreement, and may purchase, redeem, or otherwise acquire shares of its common stock so long as its pro forma Cash Flow Leverage Ratio is less than 3.00 to 1.00 and no default or event of default exists or would exist after giving effect to such stock repurchase.

The Company had no debt outstanding at December 31, 2023 or 2022. The Company had $541 of letters of credit issued at December 31, 2023, which count as draws against the available commitment under the Revolving Facility.

United States Lime & Minerals, Inc.

Notes to Consolidated Financial Statements (Continued)

(dollars in thousands, except per share amounts)

Years Ended December 31, 2023, 2022 and 2021

(3) Leases

The Company has operating leases for the use of equipment, corporate office space, and some of its terminal and distribution facilities. The leases have remaining lease terms of 0 to 7 years, with a weighted-average remaining lease term of 4 years at December 31, 2023. Some operating leases include options to extend the leases for up to 5 years. The Company's lease calculations include the impact of options to extend when it is reasonably certain the Company will exercise the option. The Company used a weighted-average discount rate of 6.2% and 3.0% for leases entered into during 2023 and 2022, respectively. The components of net operating lease costs for 2023, 2022, and 2021 were as follows (in thousands):

		Year Ended December 31,		
	Classification	2023	2022	2021
Operating lease costs[1]	Cost of revenues	$ 3,090	$ 2,374	$ 1,552
Operating lease costs[1]	Selling, general and administrative expenses	216	275	243
Rental revenues	Revenues	(470)	(419)	(137)
Rental revenues	Other (income) expense, net	(91)	(70)	(89)
Net operating lease costs		$ 2,745	$ 2,160	$ 1,569

[1] Includes the costs of leases with a term of one year or less.

As of December 31, 2023, future minimum payments under operating leases that were either non-cancelable or subject to significant penalty upon cancellation, including future minimum payments under renewal options that the Company is reasonably certain to exercise, were as follows (in thousands):

2024	$ 1,721
2025	1,386
2026	1,337
2027	924
2028	404
Thereafter	100
Total future minimum lease payments	5,872
Less imputed interest	(371)
Present value of lease liabilities	$ 5,501

Supplemental cash flow information pertaining to the Company's leasing activity for the years ended December 31, 2023, 2022 and 2021 was as follows (in thousands):

	Year Ended December 31,		
	2023	2022	2021
Cash payments for lease liabilities included in operating cash flows	$ 1,641	$ 1,660	$ 1,420
Right-of-use assets obtained in exchange for operating lease obligations	$ 1,286	$ 3,456	$ 2,377

United States Lime & Minerals, Inc.

Notes to Consolidated Financial Statements (Continued)

(dollars in thousands, except per share amounts)

Years Ended December 31, 2023, 2022 and 2021

(4) Income Taxes

Income tax expense (benefit) for the years ended December 31 was as follows:

	2023	2022	2021
Current income tax expense	$ 19,736	$ 8,606	$ 7,949
Deferred income tax (benefit) expense	(923)	2,527	1,524
Income tax expense	$ 18,813	$ 11,133	$ 9,473

A reconciliation of income taxes computed at the federal statutory rate to income tax expense for the years ended December 31 is as follows:

	2023		2022		2021	
	Amount	Percent of Pretax Income	Amount	Percent of Pretax Income	Amount	Percent of Pretax Income
Income taxes computed at the federal statutory rate	$ 19,606	21.0 %	$ 11,878	21.0 %	$ 9,769	21.0 %
(Reduction) increase in taxes resulting from:						
Statutory depletion in excess of basis	(2,172)	(2.3)	(1,869)	(3.3)	(1,389)	(3.0)
State income taxes, net of federal income tax benefit	1,144	1.2	557	1.0	462	1.0
Disallowed executive compensation	818	0.9	493	0.9	456	1.0
Stock-based compensation	(218)	(0.2)	33	—	(35)	(0.1)
Other	(365)	(0.4)	41	0.1	210	0.5
Income tax expense	$ 18,813	20.2 %	$ 11,133	19.7 %	$ 9,473	20.4 %

Components of the Company's deferred tax liabilities and assets are as follows:

	December 31, 2023	December 31, 2022
Deferred tax liabilities		
Lime and limestone property, plant and equipment	$ 25,120	$ 25,703
Operating lease right-of-use assets	1,195	1,238
Natural gas interests drilling costs and equipment	87	259
	26,402	27,200
Deferred tax assets		
Operating lease liabilities	1,247	1,276
Other	496	342
	1,743	1,618
Deferred tax liabilities, net	$ 24,659	$ 25,582

Current income taxes are classified on the Company's Consolidated Balance Sheets as follows:

	December 31, 2023	December 31, 2022
Prepaid expenses and other current assets	$ —	$ —
Accrued expenses	$ 2,010	$ 237

The Company had no federal net operating loss carry forwards at December 31, 2023. The Company reduces deferred tax assets by a valuation allowance if, based on the weight of available evidence, it is "more likely than not" that some portion or all of the deferred tax assets will not be realized. Deferred tax assets are considered fully recognizable because of the Company's recent income history and expectations of income in the future. The Company's federal income tax returns for the year ended December 31, 2020 and subsequent years remain subject to examination. The Company's income tax returns in certain state income tax jurisdictions remain subject to examination for various periods for the year ended December 31, 2019 and subsequent years. The Company treats interest and penalties on income tax liabilities as income tax expense.

(5) Employee Retirement Plans

The Company has a contributory retirement (401(k)) savings plans for non-union employees and for union employees of Arkansas Lime Company, Carthage, and Texas Lime Company. Company contributions to these plans were $329, $311 and $322 in 2023, 2022 and 2021, respectively.

(6) Stock-Based Compensation

The Company has a long-term incentive plan, the Amended and Restated 2001 Long-Term Incentive Plan (the "Plan"). The Plan provides for stock options, restricted stock, and dollar-denominated cash awards, including performance-based awards. In addition to stock options, restricted stock, and cash awards, the Plan provides for the grant of stock appreciation rights, deferred stock, and other stock-based awards to directors, officers, employees, and consultants.

The number of shares of common stock that may be subject to outstanding awards granted under the Plan (determined immediately after the grant of any award) may not exceed 874,589 from the inception of the Plan. In addition, no individual may receive awards in any one calendar year of more than 100,000 shares of common stock. Stock options granted under the Plan expire ten years from the date of grant and generally become exercisable, or vest, immediately. Restricted stock generally vests over periods of one-half to three years. Upon the exercise of stock options, the Company issues common stock from its non-issued authorized or treasury shares that have been reserved for issuance pursuant to the Plan. Forfeitures are recognized in the period they occur. At December 31, 2023, the number of shares of common stock remaining available for future grants of stock options, restricted stock, or other forms of stock-based compensation under the Plan was 34,106.

The Company recorded $3,182, $2,636, and $2,236 for stock-based compensation expense related to stock options and shares of restricted stock for 2023, 2022, and 2021, respectively. The amounts included in cost of revenues were $248, $211, and $197 and in selling, general and administrative expense were $2,934, $2,425, and $2,039, for 2023, 2022, and 2021, respectively.

United States Lime & Minerals, Inc.

Notes to Consolidated Financial Statements (Continued)

(dollars in thousands, except per share amounts)

Years Ended December 31, 2023, 2022 and 2021

A summary of the Company's stock option and restricted stock activity and related information for the year ended December 31, 2023 and certain other information for the years ended December 31, 2023, 2022, and 2021 are as follows:

	Stock Options	Weighted-Average Exercise Price	Aggregate Intrinsic Value	Restricted Stock	Weighted-Average Grant-Date Fair Value
Outstanding (stock options); non-vested (restricted stock) at December 31, 2022	54,000	$ 100.58	$ 2,170	18,869	$ 132.73
Granted	9,900	214.75	154	18,870	204.17
Exercised (stock options); vested (restricted stock)	(17,400)	94.55	1,589	(19,374)	137.43
Forfeited	—	—	—	(118)	136.86
Outstanding (stock options); non-vested (restricted stock) at December 31, 2023	46,500	$ 127.15	$ 4,799	18,247	$ 201.59
Exercisable at December 31, 2023	36,500	$ 105.01	$ 4,575	n/a	n/a

	2023	2022	2021
Weighted-average fair value of stock options granted during the year	$ 84.30	$ 49.76	$ 42.10
Weighted-average remaining contractual life for stock options in years	6.85	6.87	6.85
Total fair value of stock options vested during the year	$ 434	$ 287	$ 321
Total intrinsic value of stock options exercised during the year	$ 1,589	$ 157	$ 647
Total fair value of restricted stock vested during the year	$ 2,663	$ 2,235	$ 2,096

There were 10,000 non-vested stock options at December 31, 2023, and the weighted-average remaining contractual life of the outstanding and exercisable stock options at such date was 6.85 years. The total compensation cost not yet recognized for restricted stock at December 31, 2023 was $3,656, which will be recognized over the weighted average of 1.17 years.

The fair value for the stock options was estimated at the date of grant using a lattice-based option valuation model, with the following weighted-average assumptions for the 2023, 2022, and 2021 grants: risk-free interest rates of 3.41% to 3.84% (weighted average 3.74%) in 2023, 2.92% to 3.94% (weighted average 3.74%) in 2022, and 0.86% to 1.26% (weighted average 1.19%) in 2021; a dividend yield of 0.35% to 0.48% (weighted average 0.39%) in 2023, 0.57% to 0.73% (weighted average 0.62%) in 2022, and 0.46% to 0.50% (weighted average 0.49%) in 2021; and a volatility factor of .389 to .400 (weighted average .397) in 2023, .374 to .385 (weighted average .382) in 2022, and .366 to .373 (weighted average .371) in 2021, based on the daily per-share closing prices for five years preceding the date of issuance. In addition, the fair value of these options was estimated based on an expected life of five years. The fair value of restricted stock is based on the closing per-share price of the Company's common stock on the date of grant.

(7) Share Repurchases

During 2023, pursuant to provisions in the Plan that allow employees and directors to pay the tax withholding liability upon the lapse of restrictions on restricted stock in either cash and/or delivery of shares of the Company's common stock, the Company repurchased 5,564 shares at a weighted-average price of $229.04 per share.

United States Lime & Minerals, Inc.

Notes to Consolidated Financial Statements (Continued)

(dollars in thousands, except per share amounts)

Years Ended December 31, 2023, 2022 and 2021

(8) Commitments and Contingencies

The Company is party to lawsuits and claims arising in the normal course of business, none of which, in the opinion of management, is expected to have a material adverse effect on the Company's financial condition, results of operations, cash flows, or competitive position.

The Company is not contractually committed to any planned capital expenditures until actual orders are placed for equipment or services. At December 31, 2023, the Company had $1,196 for open equipment and construction contracts.

(9) Reportable Segment

The Company has identified one reportable segment based on the distinctness of the Company's activities and products: lime and limestone operations. All operations are in the United States. In evaluating the operating results of the Company, management primarily reviews revenues, gross profit and operating profit from the lime and limestone operations. Operating profit from its lime and limestone operations includes all of the Company's selling, general and administrative costs. The Company does not allocate interest income and expense and other expense to its lime and limestone operations. Other identifiable assets includes assets related to the Company's natural gas interests, unallocated corporate assets, and cash items.

United States Lime & Minerals, Inc.

Notes to Consolidated Financial Statements (Continued)

(dollars in thousands, except per share amounts)

Years Ended December 31, 2023, 2022 and 2021

Operating results and certain other financial data for the years ended December 31, 2023, 2022, and 2021 for the Company's Lime and Limestone Operations segment and Other are as follows:

	2023	2022	2021
Revenues			
Lime and limestone operations	$ 280,202	$ 233,421	$ 187,365
Other	1,128	2,729	1,890
Total revenues	$ 281,330	$ 236,150	$ 189,255
Depreciation, depletion and amortization			
Lime and limestone operations	$ 22,980	$ 21,368	$ 20,052
Other	553	553	578
Total depreciation, depletion and amortization	$ 23,533	$ 21,921	$ 20,630
Gross profit (loss)			
Lime and limestone operations	$ 102,905	$ 68,951	$ 58,651
Other	(38)	1,391	609
Total gross profit	$ 102,867	$ 70,342	$ 59,260
Operating profit (loss)			
Lime and limestone operations	$ 85,474	$ 53,404	$ 45,835
Other	(52)	1,379	582
Total operating profit	$ 85,422	$ 54,783	$ 46,417
Identifiable assets, at period end			
Lime and limestone operations	$ 247,148	$ 228,984	$ 204,815
Other	193,454	138,788	111,381
Total identifiable assets	$ 440,602	$ 367,772	$ 316,196
Capital expenditures			
Lime and limestone operations	$ 34,250	$ 26,815	$ 29,914
Other	—	—	—
Total capital expenditures	$ 34,250	$ 26,815	$ 29,914

(10) Subsequent Events

On February 2, 2024, the Company declared an increased regular quarterly cash dividend of $0.25 per share on the Company's common stock. This dividend is payable on March 15, 2024 to shareholders of record at the close of business on February 23, 2024.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

ITEM 9A. CONTROLS AND PROCEDURES.

Evaluation of disclosure controls and procedures. The Company's management, with the participation of the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this Report on Form 10-K. Based on that evaluation, the CEO and CFO concluded that the Company's disclosure controls and procedures as of the end of the period covered by this Report were effective.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

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

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Additionally, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

As of December 31, 2023, management assessed the effectiveness of the Company's internal control over financial reporting based on the criteria for effective internal control over financial reporting established in the 2013 "Internal Control-Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission (the "COSO criteria"). Based on the assessment, management determined that the Company maintained effective internal control over financial reporting as of December 31, 2023, based on the COSO criteria.

Grant Thornton LLP, the Company's independent registered public accounting firm, has issued an audit report on the effectiveness of the Company's internal control over financial reporting, which appears elsewhere in this Report on Form 10-K.

Changes in internal control over financial reporting. No change in the Company's internal control over financial reporting occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION.

Billy R. Hughes, one of the Company's valued and long-standing directors, has passed away. On February 29, 2024 the Company's Board of Directors (the "Board") amended and restated the Company's Bylaws to decrease the size of the Board from six to five directors.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

The information appearing under "Election of Directors," "Information About Our Nominees for Director," "Information About Our Executive Officers Who Are Not Directors," and "Corporate Governance" in the definitive Proxy Statement for the Company's 2024 Annual Meeting of Shareholders (the "2024 Proxy Statement") is hereby incorporated by reference in answer to this Item 10. The Company anticipates that it will file the 2024 Proxy Statement with the SEC on or before April 29, 2024.

ITEM 11. EXECUTIVE COMPENSATION.

The information appearing under "Executive Compensation" and "Compensation of Directors" in the 2024 Proxy Statement is hereby incorporated by reference in answer to this Item 11.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The information appearing under "Voting Securities and Principal Shareholder," "Shareholdings of Company Directors and Executive Officers," and "Executive Compensation" in the 2024 Proxy Statement is hereby incorporated by reference in answer to this Item 12.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information appearing under "Voting Securities and Principal Shareholder" and "Corporate Governance" in the 2024 Proxy Statement is hereby incorporated by reference in answer to this Item 13.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The information appearing under "Independent Auditors" in the 2024 Proxy Statement is hereby incorporated by reference in answer to this Item 14.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) 1. The following financial statements are included in Item 8:

Reports of Independent Registered Public Accounting Firm
Consolidated Financial Statements:
Consolidated Balance Sheets as of December 31, 2023 and 2022;
Consolidated Statements of Income for the Years Ended December 31, 2023, 2022 and 2021;
Consolidated Statements of Stockholders' Equity for the Years Ended December 31, 2023, 2022 and 2021;
Consolidated Statements of Cash Flows for the Years Ended December 31, 2023, 2022 and 2021; and
Notes to Consolidated Financial Statements.

2. All financial statement schedules are omitted because they are not applicable or are immaterial or the required information is presented in the consolidated financial statements or the related notes.

(b) Exhibits

The Exhibit Index set forth below is incorporated by reference in response to this Item.

EXHIBIT INDEX

3.1	Articles of Amendment to the Restated Articles of Incorporation, as Amended, of United States Lime & Minerals, Inc., dated as of May 4, 2021 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed May 4, 2021, File Number 000-04197).
3.2	Restated Articles of Incorporation, as Amended, of United States Lime & Minerals, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021, File Number 000-04197).
3.3	Amended and Restated Bylaws of United States Lime & Minerals, Inc. as of February 29, 2024.
4.1	Description of Securities Registered Under Section 12 of the Securities Exchange Act of 1934, as Amended.
10.1.1	Form of stock option grant agreement under the United States Lime & Minerals, Inc. 2001 Long-Term Incentive Plan, as Amended and Restated (incorporated by reference to Exhibit 10.2.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, File Number 000-04197).
10.1.2	Form of restricted stock grant agreement under the United States Lime & Minerals, Inc. 2001 Long-Term Incentive Plan, as Amended and Restated (incorporated by reference to Exhibit 10.2.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2006, File Number 000-04197).
10.1.3	United States Lime & Minerals, Inc. 2001 Long-Term Incentive Plan, as Amended and Restated (incorporated by reference to Exhibit A to the Company's definitive Proxy Statement for its Annual Meeting of Shareholders held on May 3, 2019, File Number 000-04197).

10.2	Employment Agreement effective as of January 1, 2020 between United States Lime & Minerals, Inc. and Timothy W. Byrne, including Cash Performance Bonus Award Agreement dated as of January 1, 2020 between United States Lime and Minerals, Inc. and Timothy W. Byrne, set forth as Exhibit A thereto (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, File Number 000-04197).
10.3	Tenth Amendment to the Credit Agreement dated as of August 3, 2023 among United States Lime & Minerals, Inc., each lender from time to time a party thereto, and Wells Fargo, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the Quarter ended September 30, 2023, File Number 000-4197).
10.4	Security Agreement dated as of August 25, 2004 among United States Lime & Minerals, Inc., Arkansas Lime Company, Colorado Lime Company, Texas Lime Company and U. S. Lime Company-Houston, in favor of Wells Fargo Bank, N. A., as Administrative Agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated August 31, 2004, File Number 000-4197).
21.1	Subsidiaries of the Company.
23.1	Consent of Independent Registered Public Accounting Firm.
23.2	Consent of Qualified Person.
31.1	Rule 13a-14(a)/15d-14(a) Certification by Chief Executive Officer.
31.2	Rule 13a-14(a)/15d-14(a) Certification by Chief Financial Officer.
32.1	Section 1350 Certification by Chief Executive Officer.
32.2	Section 1350 Certification by Chief Financial Officer.
95.1	Mine Safety Disclosures.
96.1	Technical Report Summary on Texas Lime Company Limestone Operation, Johnson County, Texas, USA, effective December 31, 2023, with a report date of February 20, 2024.
96.2	Technical Report Summary on Arkansas Lime Company Limestone Operation, Independence County, Arkansas, USA effective December 31, 2023, with a report date of February 20, 2024.
96.3	Technical Report Summary on ACT Holdings Company Limestone Operation, Izzard County, Arkansas, USA, effective December 31, 2023, with a report date of February 20, 2024.
96.4	Technical Report Summary on U.S. Lime Company-St. Clair Limestone Operation, Sequoyah County, Oklahoma, USA, effective December 31, 2023, with a report date of February 20, 2024.
97	United States Lime & Minerals, Inc Compensation Recovery Policy dated November 15, 2023.
101	Interactive Data Files (formatted as Inline XBRL).
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

Exhibits 10.1.1 through 10.2 are management contracts or compensatory plans or arrangements required to be filed as exhibits.

ITEM 16. FORM 10-K SUMMARY.

Not Applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNITED STATES LIME & MINERALS, INC.

Date: February 29, 2024	By:	/s/ Timothy W. Byrne Timothy W. Byrne, *President and Chief Executive Officer*

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Date: February 29, 2024	By:	/s/ Timothy W. Byrne Timothy W. Byrne, *President, Chief Executive Officer, and Director (Principal Executive Officer)*
Date: February 29, 2024	By:	/s/ Michael L. Wiedemer Michael L. Wiedemer, *Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)*
Date: February 29, 2024	By:	/s/ Antoine M. Doumet Antoine M. Doumet, *Director and Chairman of the Board*
Date: February 29, 2024	By:	/s/ Richard W. Cardin Richard W. Cardin, *Director*
Date: February 29, 2024	By:	/s/ Sandra C. Duhé Sandra C Duhé, *Director*
Date: February 29, 2024	By:	/s/ Tom S. Hawkins Tom S. Hawkins, *Director*

AMENDED AND RESTATED AS OF FEBRUARY 29, 2024
BYLAWS
OF
UNITED STATES LIME & MINERALS, INC.

ARTICLE ONE
OFFICES

The Corporation may have, in addition to its registered office in the State of Texas, such other offices and places of business at such locations, both within and without the State of Texas, as the Board of Directors may from time to time determine or the business and affairs of the Corporation may require.

ARTICLE TWO
SHAREHOLDERS' MEETINGS

Section 1. Annual Meetings. An annual meeting of the shareholders shall be held each year on a date and at a time designated by the Board of Directors. At the meeting, the shareholders shall elect a board of directors and transact such other business as may properly be brought before the meeting.

Section 2. Special Meetings. Special meetings of the shareholders, for any purpose or purposes, unless otherwise prescribed by statute, the Restated Articles of Incorporation or these Bylaws, may be called by the Chairman of the Board, the President, the Board of Directors or the holders of at least ten (10) percent of all the shares entitled to vote at the proposed special meeting, unless the Restated Articles of Incorporation provide for a number of shares greater than or less than ten (10) percent, but not greater than fifty (50) percent, in which event special meetings of the shareholders may be called by the holders of at least the percentage of shares so specified in the Restated Articles of Incorporation. Only business within the purpose or purposes described in the notice of special meeting of shareholders may be conducted at the meeting.

Section 3. Place of Meetings. Meetings of the shareholders shall be held at such places, within or without the state of Texas, as may from time to time be fixed by the Board of Directors or as shall be specified or fixed in the respective notices or waivers of notice thereof.

Section 4. Voting List. The officer or agent having charge of the stock transfer books for shares of the Corporation shall make, at least ten (10) days before each meeting of the shareholders, a complete list of the shareholders entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares held by each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the registered office of the Corporation and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original stock transfer books shall be prima facie evidence as to who are the shareholders entitled to examine such list or transfer books or to vote at any meeting of shareholders.

Section 5. Notice of Meetings. Written or printed notice stating the place, day and hour of each meeting of the shareholders and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, either personally or by mail, reliable overnight or same-day courier or any mode of electronic transmission consented to by the shareholder, by or at the direction of the President, the Secretary or the body, officer or person calling the meeting, to each shareholder of record entitled to vote at the meeting. A consent to receive notice by electronic transmission may be revoked by the shareholder by giving written notice to the Corporation. If the Corporation is unable to deliver by electronic transmission two consecutive notices and the Secretary, Assistant Secretary, or the transfer agent of the Corporation or another person responsible for delivering the notice on behalf of the Corporation knows that two consecutive deliveries of notice by electronic transmission were unsuccessful, the shareholder's consent is deemed revoked. Notice shall be deemed to have been given at the time when delivered personally or by reliable overnight or same-day courier or deposited in the mail or if sent by electronic communication when transmitted by facsimile number provided by the shareholder for the purpose of receiving notice, transmitted to an electronic mail address provided by the shareholder for the purpose of receiving notice, posted on an electronic network and a message has been sent to the shareholder at the address provided by the shareholder for purpose of alerting the shareholder of a posting, or communicated to the shareholder by any other mode of electronic transmission consented to by the shareholder.

An affidavit of the mailing or other means of giving any notice of any meeting of the shareholders, executed by the Secretary, Assistant Secretary or the transfer agent of the Corporation or another person responsible for delivering the notice on behalf of the Corporation giving the notice, shall be prima facie evidence of the giving of such notice.

Section 6. Quorum of Shareholders. The holders of a majority of the shares entitled to vote thereat, present in person or represented by proxy, shall be requisite to and shall constitute a quorum at each meeting of the shareholders for the transaction of business, except as otherwise provided by statute, the Restated Articles of Incorporation or these Bylaws. If, however, such quorum shall not be present or represented at any meeting of the the shareholders, either (i) the chairman of the meeting or (ii) the shareholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At any such adjourned meeting at which a quorum shall be present or represented, any business may be transacted that might have been transacted at the meeting as originally convened. When a quorum is present at any meeting, the vote of the holders of a majority of the shares entitled to vote, and present in person or represented by proxy, shall be the act of the meeting, unless the vote of a greater number is required by statute, the Restated Articles of Incorporation or these Bylaws, in which case the vote of such greater number shall be requisite to constitute the act of the meeting. The shareholders present or represented at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

Section 7. Voting of Shares. Each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of the shareholders, except as and to the extent otherwise provided by statute or by the Restated Articles of Incorporation. At any meeting of the shareholders, every shareholder having the right to vote shall be entitled to vote either in person or by proxy executed in writing by such shareholder or by his duly authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Each proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest. Proxies coupled with an interest include the appointment as proxy of: (i) a pledgee; (ii) a person who purchased or agreed to purchase, or owns or holds an option to purchase, the shares; (iii) a creditor of the Corporation who extended it credit under terms requiring the appointment; (iv) an employee of the Corporation whose employment contract requires the appointment; or (v) a party to a voting trust or agreement created under Title 1. Chapter 6. Subchapter F. of the Texas Business Organizations Code. Each proxy shall be filed with the Secretary prior to or at the time of the meeting.

Section 8. Action Without a Meeting. Any action required to be taken at any annual or special meeting of the shareholders of the Corporation, or any action which may be taken at any annual or special meeting of such shareholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by all shareholders entitled to vote with respect to the subject matter thereof.

Section 9. Telephone Meetings. Subject to the provisions of any statute and these Bylaws regarding notice of meetings, shareholders may, unless otherwise restricted by the Restated Articles of Incorporation or these Bylaws, participate in and hold a meeting by using conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this section shall constitute presence in person at such meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

ARTICLE THREE
BOARD OF DIRECTORS

Section 1. Management of the Corporation. The business and affairs of the Corporation shall be managed by its Board of Directors, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute, the Restated Articles of Incorporation or these Bylaws directed or required to be exercised or done by the shareholders.

Section 2. Number and Qualifications. The Board of Directors shall consist of five (5) directors, which number may be increased or decreased from time to time by amendment to these Bylaws; provided, however, that at no time shall the number of directors be less than one (1), and no decrease shall have the effect of shortening the term of any incumbent director. None of the directors need be shareholders of the Corporation or residents of the State of Texas.

Section 3. Election and Term of Office. At each annual meeting of the shareholders, the shareholders shall elect directors to hold office until the next succeeding annual meeting. At each election, the persons receiving the greatest number of votes shall be the directors. Each director elected shall hold office for the term for which he is elected and until his successor shall have been duly elected and qualified or until his earlier death, resignation, retirement, disqualification or removal.

Section 4. Removal: Filling of Vacancies. Any or all of the directors may be removed, either for or without cause, at any meeting of the shareholders called expressly for that purpose, by the affirmative vote, in person or by proxy, of the holders of a majority of the shares then entitled to vote in an election of directors. Any vacancy occurring in the Board of Directors, resulting from the death, resignation, retirement, disqualification or removal from office of any director, or otherwise than as the result of an increase in the number of directors, may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board, or may be filled by election at any annual or special meeting of the shareholders called for that purpose. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. A directorship to be filled by reason of any increase in the number of directors may be filled by the Board of Directors for a term of office continuing only until the next election of one (1) or more directors by the shareholders, or may be filled by election at any annual or specia1 meeting of the shareholders called for that purpose; provided, however, that the Board of Directors may not fill more than two (2) such directorships during the period between any two (2) successive annual meetings of shareholders.

Section 5. Place of Meetings. Meetings of the Board of Directors, annual, regular or special, may be held either within or without the State of Texas.

Section 6. Annual Meetings. The first meeting of each newly elected Board of Directors shall be held for the purpose of organization and the transaction of any other business, without notice, immediately following the annual meeting of the shareholders, and at the same place, unless by unanimous consent of the directors then elected and serving such time or place shall be changed.

Section 7. Regular Meetings. Regular meetings of the Board of Directors, of which no notice shall be necessary, shall be held at such times and places as may be fixed from time to time by resolution adopted by the Board and communicated to all directors. Except as otherwise provided by statute, the Restated Articles of Incorporation or these Bylaws, any and all business may be transacted at any regular meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board or the President on twenty-four (24) hours' notice to each director, either personally or by mail or by email or fax. Special meetings shall be called by the President or the Secretary in like manner and on like notice on the written request of two (2) directors. Except as may be otherwise expressly provided by statute, the Restated Articles of Incorporation or these Bylaws, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 9. Quorum and Manner of Acting. At all meetings of the Board of Directors the presence of a majority of the number of directors fixed by or in the manner provided by these Bylaws shall be necessary and sufficient to constitute a quorum for the transaction of business, except as otherwise provided by statute, the Restated Articles of Incorporation or these Bylaws. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, the Restated Articles of Incorporation or these Bylaws, in which case the act of such greater number shall be requisite to constitute the act of the Board. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At any such adjourned meeting, any business may be transacted that might have been transacted at the meeting as originally convened.

Section 10. Action Without a Meeting. Unless otherwise restricted by the Restated Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee. An electronic transmission by a director, consenting to an action to be taken and transmitted by a director, is considered written, signed and dated if the transmission sets forth or is delivered with information from which the Corporation can determine that the transmission was transmitted by the director and the date on which the director transmitted the transmission.

Section 11. Telephone Meetings. Subject to the provisions of any statute and these Bylaws regarding notice of meetings, members of the Board of Directors or members of any committee designated by the Board may, unless

otherwise restricted by the Restated Articles of Incorporation or these Bylaws, participate in and hold a meeting of the Board or committee by using conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this section shall constitute presence in person at such meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 12. Interested Directors and Officers. No contract or transaction between the Corporation and one (1) or more of its directors or officers or between the Corporation and any other Corporation, partnership, association, or other organization in which one (1) or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if: (i) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Board or committee, and the Board or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; (ii) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the shareholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the shareholders; or (iii) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board, a committee thereof or the shareholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

Section 13. Directors' Compensation. The Board of Directors shall have authority to determine, from time to time, the amount of compensation, if any, which shall be paid to its members for their services as directors and as members of standing or special committees. The Board of Directors shall also have power in its discretion to provide for and to pay to directors rendering services to the Corporation not ordinarily rendered by directors as such, special compensation appropriate to the value of such services as determined by the Board from time to time. Nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 14. Advisory Directors. The Board of Directors may appoint such number of advisory directors as it shall from time to time determine. Each advisory director appointed shall hold office for the term for which he is elected or until his earlier death, resignation, retirement or removal by the Board. The advisory directors may attend and be present at the meetings of the Board, although a meeting of the Board may be held without notice to the advisory directors and the advisory directors shall not be considered in determining whether a quorum of the Board is present. The advisory directors shall advise and counsel the Board of Directors on the business and operations of the Corporation as requested by the Board; provided however, that the advisory directors shall not be entitled to vote on any matter presented to the Board.

Section 15. Directors Emeritus. The Board of Directors may appoint directors emeritus as provided in Article Three Section 14 hereof. All regular directors who have served as such for not less than ten (10) successive years at the time of the annual meeting of the shareholders next succeeding their retirement shall be eligible to be appointed as a director emeritus to serve until his death, resignation, retirement or removal by the Board. Directors emeritus shall be considered as advisory directors.

ARTICLE FOUR
NOTICES

Section 1. Manner of Giving Notice. Whenever under the provisions of any statute, the Restated Articles of Incorporation or these Bylaws, notice is required to be given to any committee member, director or shareholder of the Corporation, and no provision is made as to how such notice shall be given, it shall not be construed to mean personal notice, but any such notice may be given in writing by mail, postage prepaid, or reliable overnight or same-day courier, addressed to such member, director or shareholder at his address as it appears on the records or (in the case of a shareholder) the stock transfer books of the Corporation, or by any mode of electronic transmission consented to by such member, director or shareholder. Any notice required or permitted to be given by mail shall be deemed to be delivered when the same shall be thus deposited in the United States mail.

Section 2. Waiver of Notice. Whenever any notice is required to be given to any committee member, director or shareholder of the Corporation by any statute, the Restated Articles of Incorporation or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time

stated therein, shall be deemed equivalent to the giving of such notice. Attendance of a director at a meeting of the Board of Directors or a committee shall constitute a waiver of notice of such meeting, except where a director attends the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 3. When Notice Not Required. Any notice required to be given to any shareholder by statute, the Restated Articles of Incorporation or these Bylaws need not be given to the shareholder if: (i) notice of two (2) consecutive annual meetings and all notices of meetings held during the period between those annual meetings, if any, or (ii) all but in no event less than two (2) payments (if sent by first class mail) of distributions or interest on securities during a twelve (12)-month period have been mailed to that person, addressed at his address as shown on the records of the Corporation, and have been returned undeliverable. Any action or meeting taken or held without notice to such a person shall have the same force and effect as if the notice had been duly given and, if the action taken by the Corporation is reflected in any articles or document filed with the Secretary of State, those articles or that document may state that notice was duly given to all persons to whom notice was required to be given. If such a person delivers to the Corporation a written notice setting forth his then-current address, the requirement that notice be given to that person shall be reinstated.

ARTICLE FIVE
EXECUTIVE COMMITTEE

Section 1. Constitution and Powers. The Board of Directors, by resolution adopted by the affirmative vote of a majority of the number of directors fixed by or in the manner provided by these Bylaws, may designate two (2) or more directors (with such alternates, if any, as may he deemed desirable) to constitute an Executive Committee, which Executive Committee shall have and may exercise, when the Board is not in session, all the authority and powers of the Board in the business and affairs of the Corporation, even though such authority and powers be herein provided or directed to be exercised by a designated officer of the Corporation; provided, however, that the foregoing shall not be construed as authorizing action by the Executive Committee with respect to any action which by the Texas Business Organizations Code or other applicable stature, the Restated Articles of Incorporation or these Bylaws is required or specified to be taken by vote of a specified proportion of the number of directors fixed by or in the manner provided by these Bylaws, or by the Board, as such. The designation of the Executive Committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any member thereof of any responsibility imposed upon it or him by law. So far as practicable, members of the Executive Committee and their alternates (if any) shall be appointed by the Board of Directors at its first meeting after each annual meeting of shareholders and, unless sooner discharged by affirmative vote of a majority of the number of directors fixed by or in the manner provided by these Bylaws, shall hold office until their respective successors are duly appointed and qualify or until their earlier respective deaths, resignations, retirements or removal.

Section 2. Meetings. Regular meetings of the Executive Committee, of which no notice shall be necessary, shall be held at such times and places as may be fixed from time to time by resolution adopted by affirmative vote of a majority of the whole Committee and communicated to all the members thereof. Special meetings of the Executive Committee may be called by the Chairman of the Board, the President or any two (2) members thereof at any time on twenty-four (24) hours' notice to each member, either personally or by mail or by email or fax. Except as may be otherwise expressly provided by statute, the Restated Articles of Incorporation or these Bylaws, neither the business to be transacted at, nor the purpose of, any meeting of the Executive Committee need be specified in the notice or waiver of notice of such meeting. A majority of the Executive Committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of the Committee. The members of the Executive Committee shall act only as a committee, and the individual members shall have no power as such. The Executive Committee, at each meeting thereof, may designate one of its members to act as chairman and preside at the meeting or, in its discretion, may appoint a chairman from among its members to preside at all its meetings held during such period as the Committee may specify.

Section 3. Records. The Executive Committee shall keep a record of its acts and proceedings and shall report the same, from time to time, to the Board of Directors. The Secretary or, in his absence, an Assistant Secretary, shall act as secretary of the Executive Committee, or the Committee may, in its discretion, appoint its own secretary.

Section 4. Vacancies. Any vacancy in the Executive Committee may be filled by the affirmative vote of a majority of the number of directors fixed by or in the manner provided by these Bylaws.

ARTICLE SIX
OTHER COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors may, by resolution adopted by the affirmative vote of a majority of the number of directors fixed by or in the manner provided by these Bylaws, designate two (2) or more directors (with such alternates, if any, as may be deemed desirable) to constitute another committee or committees for any purpose permitted by statute, the Restated Articles of Incorporation and these Bylaws.

ARTICLE SEVEN
OFFICERS, EMPLOYEES AND AGENTS; POWERS AND DUTIES

Section 1. Elected Officers. The elected officers of the Corporation shall be a Chairman of the Board, a Vice Chairman of the Board, a President, one (1) or more Vice Presidents as may be determined from time to time by the Board (and in case of each such Vice President, with such descriptive title, if any, as the Board shall deem appropriate), a Secretary and a Treasurer. None of the elected officers, with the exception of the Chairman of the Board and the Vice Chairman of the Board, need be a member of the Board of Directors.

Section 2. Election. So far as is practicable, all elected officers shall be elected by the Board of Directors at its first meeting after each annual meeting of shareholders.

Section 3. Appointive Officers. The Board of Directors may also appoint one or more Assistant Secretaries and Assistant Treasurers and such other officers and assistant officers and agents (none of whom need be a member of the Board) as it shall from time to time deem appropriate, who shall exercise such powers and perform such duties as shall be set forth in these Bylaws or determined from time to time by the Board or by the Executive Committee.

Section 4. Two or More Offices. Any two (2) or more offices may be held by the same person.

Section 5. Compensation. The compensation of all executive officers of the Corporation shall be fixed from time to time by the Board of Directors or a Compensation Committee. The Board of Directors or the Compensation Committee may from time to time delegate to the President the authority to fix the compensation of any or all of the other officers of the Corporation.

Section 6. Term of Officer; Removal; Filling of Vacancies. Each elected officer of the Corporation shall hold office until his successor is duly elected and qualified in his stead or until his earlier death, resignation, retirement, disqualification or removal from office. Each appointive officer shall hold office at the pleasure of the Board of Directors without the necessity of periodic reappointment. Any officer or agent elected or appointed by the Board of Directors may be removed at any time by the Board whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

Section 7. Chairman of the Board. The Chairman of the Board shall preside when present at meetings of the shareholders and of the Board of Directors. He shall advise and counsel the President and the other officers of the Corporation and shall exercise such powers and perform such duties as shall be assigned to or required of him from time to time by the Board of Directors or the Executive Committee.

Section 8. Vice Chairman of the Board. The Vice Chairman of the Board shall generally assist, shall report to, and shall undertake such special projects as assigned to him by the Chairman of the Board and, subject to the provisions of these Bylaws, shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him by the Board of Directors, the Executive Committee or the Chairman of the Board. In the event of the absence or disability of the Chairman of the Board, his duties shall be performed and his powers may be exercised by the Vice Chairman of the Board, unless otherwise determined by the Board of Directors, the Executive Committee or the Chairman of the Board.

Section 9. President. The President shall be the chief executive officer of the Corporation and shall report to the Board of Directors. Subject to the provisions of these Bylaws, he shall have general supervision of the affairs of the Corporation and shall have general and active control of all of its business. In the event of the absence or disability of the Chairman of the Board and the Vice Chairman of the Board, or if such officer shall not have been elected or be serving, the President shall preside when present at meetings of the shareholders and of the Board of Directors. He shall have the power and general authority to execute bonds, deeds and contracts in the name of the Corporation and to affix the corporate seal thereto; to sign stock certificates; to cause the employment or appointment of such employees and agents of the Corporation as the proper conduct of operations may require and to fix the compensation of all such persons whose compensation is not fixed by the Board of Directors or the Compensation Committee, subject to the provisions of these Bylaws; to remove or suspend any employee or agent who shall have

been employed or appointed under his authority or under authority of an officer subordinate to him; to suspend for cause, pending final action by the authority which shall have elected or appointed him, any officer subordinate to the President; and in general to exercise all the powers usually appertaining to the office of president of a Corporation, except as otherwise provided by statute, the Restated Articles of Incorporation or these Bylaws. In the event of the absence or disability of the President, his duties shall be performed and his powers may be exercised by the Vice Presidents in the order of their seniority, unless otherwise determined by the President, the Executive Committee or the Board of Directors.

Section 10. Vice Presidents. Each Vice President shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him by the President, the Executive Committee or the Board of Directors,

Section 11. Secretary. The Secretary shall see that notice is given of all meetings of the shareholders and special meetings of the Board of Directors and committees thereof and shall keep and attest true records of all proceedings at all such meetings. He shall have charge of the corporate seal and have authority to attest any and all instruments or writings to which the same may be affixed. He shall keep and account for all books, documents, papers and records of the Corporation except those for which some other officer or agent is properly accountable. He shall have authority to sign stock certificates and shall generally perform all duties usually appertaining to the office of secretary of a Corporation. In the event of the absence or disability of the Secretary, his duties shall be performed and his powers may be exercised by the Assistant Secretaries in the order of their seniority, unless otherwise determined by the Secretary, the President, the Executive Committee or the Board of Directors.

Section 12. Assistant Secretaries. Each Assistant Secretary shall generally assist the Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him by the Secretary, the President, the Executive Committee or the Board of Directors.

Section 13. Chief Financial Officer. The Chief Financial Officer of the Corporation shall be the chief accounting and financial officer of the Corporation and shall have active control of and shall be responsible for all matters pertaining to the accounts and finances of the Corporation. He shall supervise all payrolls and vouchers of the Corporation and shall direct the manner of certifying the same; shall supervise the manner of keeping all vouchers for payments by the Corporation and all other documents relating to such payments; shall supervise the receipt, review and consolidation of all operating and financial statements of the Corporation and its various subsidiaries and departments; shall have supervision of the books of account of the Corporation and their arrangement and classification; shall supervise the accounting and financial reporting practices of the Corporation; and shall have charge of all matters relating to taxation. The Chief Financial Officer shall have the care and custody of all monies, funds and securities of the Corporation; shall deposit or cause to be deposited all such funds in and with such depositories as the Board of Directors or the Executive Committee shall from time to time direct or as shall be selected in accordance with procedures established by the Board or the Executive Committee; shall advise upon all terms of credit granted by the Corporation; shall supervise the collection of all its accounts and shall cause to be kept full and accurate accounts of all receipts and disbursements of the Corporation. He shall have the power to endorse for deposit or collection or otherwise all checks, drafts, notes, bills of exchange and other commercial paper payable to the Corporation and to give proper receipts or discharges for all payments to the Corporation. The Chief Financial Officer shall generally perform all duties usually appertaining to the office of chief financial officer of a Corporation. In the event of the absence or disability of the Chief Financial Officer, his duties shall be performed and his powers may be exercised by the Treasurer unless otherwise determined by the Chief Financial Officer, the President, the Executive Committee or the Board of Directors.

Section 14. Treasurer. The Treasurer shall generally assist the Chief Financial Officer and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him by the Chief Financial Officer, the President, the Executive Committee or the Board of Directors.

Section 15. Assistant Treasurers. Each Assistant Treasurer shall generally assist the Treasurer and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to him by the Chief Financial Officer, the Treasurer, the President, the Executive Committee or the Board of Directors.

Section 16. Additional Powers and Duties. In addition to the foregoing especially enumerated powers duties and services, the several elected and appointed officers of the Corporation shall perform such other duties and services and exercise such further powers as may be provided by statute, the Restated Articles of Incorporation or these Bylaws, or as the Board of Directors or the Executive Committee may from time to time determine or as may be assigned to them by any competent superior officer.

ARTICLE EIGHT
SHARES AND TRANSFERS OF SHARES

Section 1. Certificates Representing Shares. Certificates in such form as may be determined by the Board of Directors and as shall conform to the requirements of statute, the Restated Articles of Incorporation and these Bylaws shall be delivered representing all shares with respect to which shareholders request such certificates. Such certificates shall be consecutively numbered and shall be entered in the books of the Corporation as they are issued. Each certificate shall state on the face thereof that the Corporation is organized under the laws of the State Texas, the holder's name, the number and class of shares, and the par value of such shares or a statement that such shares are without par value. Each certificate shall be signed by the President or a Vice President and the Secretary or an Assistant Secretary and may be sealed with the seal of the Corporation or a facsimile thereof. The signatures of such officers may be facsimiles.

Section 2. Lost Certificates. The Board of Directors, the Executive Committee, the President or such other officer or officers or any agent of the Corporation as the Board may from time to time designate, in its or his discretion, may direct a new certificate representing shares to be issued in place of any certificate theretofore issued by the Corporation and alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Directors, the Executive Committee, the President or any such other officer or agent in its or his discretion and as a condition precedent to the issuance thereof may require the owner of such lost, stolen or destroyed certificate, or his legal representative, to advertise the same in such manner as it or he shall require and/or give the Corporation a bond in such form, in such sum, and with such surety or sureties as it or he may direct, as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 3. Transfers of Shares. Shares of the Corporation shall be transferable only on the books of the Corporation by the holder thereof in person or by his duly authorized attorney. If a certificate representing shares is presented to the Corporation or the transfer agent of the Corporation with a request to register transfer, it shall be the duty of the Corporation or the transfer agent of the Corporation to register the transfer, cancel the old certificate and, if requested, issue a new certificate if:

(i) the certificate is duly endorsed;

(ii) reasonable assurance is given that those endorsements are genuine and effective;

(iii) the Corporation has no duty as to adverse claims or has discharged the duty;

(iv) any applicable law relating to the collection of taxes has been complied with; and

(v) the transfer is in fact rightful or is to a bona fide purchaser.

Section 4. Registered Shareholders. Prior to the due presentment for registration or transfer of shares, the Corporation may treat the registered owner as the person exclusively entitled to vote, to receive notifications, and otherwise to exercise all the rights and powers of an owner. When shares are registered in the stock transfer books of the Corporation in the names of two (2) or more persons as joint owners with the right of survivorship, after the death of a joint owner and before the time that the Corporation receives actual written notice that a party or parties other than the surviving joint owner or owners claim an interest in the shares or any distributions thereon, the Corporation may record on its books and otherwise effect the transfer of those shares to any person, firm or Corporation (including the surviving joint owner or owners individually) and pay any distributions made in respect of those shares, in each case as if the surviving joint owner or owners were the absolute owners of the shares.

ARTICLE NINE
INDEMNIFICATION

Section 1. Indemnification of Directors. The Corporation shall indemnify a person who was, is, or is threatened to be made, a named defendant or respondent in a proceeding because the person is or was a director of the Corporation against any judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by the person in connection with the proceeding if it is determined, in the manner described below, that the person (i) conducted himself in good faith, (ii) reasonably believed, in the case of conduct in his official capacity as a director, that his conduct was in the Corporation's best interests, and in all other cases, that his conduct was at least not opposed to the Corporation's best interests, and (iii) in the case of any criminal proceeding, had no reasonable cause to believe that his conduct was unlawful; provided, however, that, if the person is found liable to the Corporation or is found liable on the basis that a personal benefit was improperly received by the person, the indemnification shall be limited to reasonable expenses actually incurred by the person in connection

with the proceeding and shall not be made in respect of any proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of his duty to the Corporation.

The determinations required above that the person has satisfied the prescribed conduct and belief standards must be made (a) by a majority vote of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the proceeding, (b) if such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors, designated to act in the matter by a majority vote of all directors, consisting solely of two (2) or more directors who at the time of the vote are not named defendants or respondents in the proceeding, (c) by special legal counsel selected by the Board or a committee of the Board by vote as set forth in clause (a) or (b) of this sentence, or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all directors, or (d) by the shareholders in a vote that excludes the shares held by directors who are named defendants or respondents in the proceeding. The determination as to reasonableness of expenses must be made in the same manner as the determination that the person has satisfied the prescribed conduct and belief standards, except that, if the determination that the person has satisfied the prescribed conduct and belief standards is made by special legal counsel, the determination as to reasonableness of expenses must be made by the Board of Directors or a committee of the Board by vote as set forth in clause (a) or (b) of the immediately preceding sentence or, if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all directors.

The termination of a proceeding by judgment, order, settlement or conviction, or on a plea of nolo contendere or its equivalent is not of itself determinative that the person did not meet the requirements for indemnification set forth above. A person shall be deemed to have been found liable in respect of any claim, issue or matter only after the person shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom.

Notwithstanding any other provision of these Bylaws, the Corporation shall pay or reimburse expenses incurred by a director in connection with his appearance as a witness or other participation in a proceeding at a time when he is not a named defendant or respondent in the proceeding.

Section 2. Advancement of Expenses to Directors. Reasonable expenses incurred by a director who was, is, or is threatened to be made, a named defendant or respondent in a proceeding, or incurred by a director in connection with his appearance as a witness or other participation in a proceeding at a time when he is not a named defendant or respondent in the proceeding, shall be paid or reimbursed by the Corporation, in advance of the final disposition of the proceeding and without any of the determinations specified in Section 1 of this Article, after the Corporation receives a written affirmation by the director of his good faith belief that he has met the standard of conduct necessary for indemnification under Section 1 of this Article and a written undertaking by or on behalf of such director to repay the amount paid or reimbursed if it is ultimately determined that he has not met those requirements. The written undertaking described in the immediately preceding sentence to repay the amount paid or reimbursed to the director by the Corporation must be an unlimited general obligation of the director but need not be secured and it may be accepted without reference to financial ability to make repayment.

Section 3. Officers. The Corporation shall indemnify and advance expenses to an officer of the Corporation to the same extent that it is required to indemnify and advance expenses to directors under these Bylaws or by statute. In addition, the Corporation may indemnify and advance expenses to an officer of the Corporation to such further extent, consistent with statute, as may be provided by the Restated Articles of Incorporation, these Bylaws, general or specific action of the Board of Directors, or contract or as permitted or required by common law.

Section 4. Others. The Corporation may indemnify and advance expenses to an employee or agent of the Corporation to the same extent that it is required to indemnify and advance expenses to directors under these Bylaws or by statute. The Corporation may indemnify and advance expenses to persons who are not or were not officers, employees or agents of the Corporation but who are or were serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another Corporation for profit subject to the provisions of the Texas Business Organizations Code, Corporation for profit organized under laws other than the laws of the State of Texas, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise to the same extent that it is required to indemnify and advance expenses to directors under this Article or by statute. The Corporation may indemnify and advance expenses to an employee, agent or other person serving at the request of the Corporation (as described above in this Section 4) who is not a director to such further extent, consistent with statute, as may be provided by the Restated Articles of Incorporation, these Bylaws, general or specific action of the Board of Directors, or contract or as permitted or required by common law.

Section 5. Insurance and Other Arrangements. The Corporation may purchase and maintain insurance or establish and maintain other arrangements on behalf of any person who is or was a director, officer, employee or

agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another Corporation for profit subject to the provisions of the Texas Business Organizations Code, Corporation for profit organized under laws other than the laws of the State of Texas, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, against or in respect of any liability asserted against him and incurred by him in such a capacity or arising out of his status as such a person, whether or not the Corporation would have the power to indemnify him against that liability by statute or under these Bylaws. If the insurance or other arrangement is with a person or entity that is not regularly engaged in the business of providing insurance coverage, the insurance or other arrangement may provide for payment of a liability with respect to which the Corporation would not have the power to indemnify the person only if including coverage for the additional liability has been approved by the shareholders of the Corporation.

Without limiting the power of the Corporation to purchase, procure, establish or maintain any kind of insurance or other arrangement, the Corporation may, for the benefit of persons indemnified by the Corporation, (i) create a trust fund; (ii) establish any form of self-insurance; (iii) secure its indemnity obligation by grant of a security interest or other lien on the assets of the Corporation; or (iv) establish a letter of credit, guaranty or surety arrangement. The insurance or other arrangement may be purchased, procured, maintained or established within the Corporation or with any insurer or other person deemed appropriate by the Board of Directors regardless of whether all or part of the stock or other securities of the insurer or other person are owned in whole or part by the Corporation. In the absence of fraud, the judgment of the Board of Directors as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other person participating in an arrangement shall be conclusive and the insurance or other arrangement shall not be voidable, and shall not subject the directors approving the insurance or other arrangement to liability, on any ground, regardless of whether directors participating in the approval are beneficiaries of the insurance or other arrangement.

Section 6. Report to Shareholders. Any indemnification of or advance of expenses to a director in accordance with this Article or the provisions of any statute shall be reported in writing to the shareholders with or before the notice or waiver of notice of the next shareholders' meeting or with or before the next submission to shareholders of a consent to action without a meeting and, in any case, within the twelve (12)-month period immediately following the date of the indemnification or advance.

Section 7. Entitlement. These indemnification provisions shall inure to each of the directors, officers, employees and agents of the Corporation, and other persons serving at the request of the Corporation (as provided in this Article), whether or not the claim asserted against him is based on matters that antedate the adoption of this Article, and in the event of his death shall extend to his legal representatives; but such rights shall not be exclusive of any other rights to which he may be entitled.

Section 8. Definitions. For purposes of this Article:

(a) The term "expenses" includes court costs and attorneys' fees;

(b) The term "proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, any appeal in such an action, suit or proceeding, and any inquiry or investigation that could lead to such an action, suit or proceeding;

(c) The term "director" means any person who is or was a director of the Corporation and any person who, while a director of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another Corporation for profit subject to the provisions of the Texas Business Organizations Code, Corporation for profit organized under laws other than the laws of the State of Texas, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise;

(d) The term "corporation" includes any domestic or foreign predecessor entity of the Corporation in a merger, consolidation or other transaction in which the liabilities of the predecessor are transferred to the Corporation by operation of law and in any other transaction in which the Corporation assumes the liabilities of the predecessor but does not specifically exclude liabilities that are the subject matter of this Article;

(e) The term "official capacity" means, when used with respect to a director, the office of director in the Corporation and, when used with respect to a person other than a director, the elective or appointive office in the Corporation held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the Corporation, but does not include service for any other Corporation for profit subject to the provisions of the Texas Business Organizations Code or Corporation for profit organized under laws other than the laws of the State of Texas or any partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise; and

(f) The Corporation is deemed to have requested a director to serve an employee benefit plan whenever the performance by him of his duties to the Corporation also imposes duties on or otherwise involves services by him to the plan or participants or beneficiaries of the plan. Excise taxes assessed on a director with respect to an employee benefit plan pursuant to applicable law are deemed fines. Action taken or omitted to be taken by a director with respect to an employee benefit plan in the performance of his duties for a purpose reasonably believed by him to be in the interest of the participants and beneficiaries of the plan is deemed to be for a purpose which is not opposed to the best interests of the Corporation.

Section 9. Severability. The provisions of this Article are intended to comply with Title 1. Chapter 8. Subchapters B. and C. of the Texas Business Organizations Code. To the extent that any provision of this Article authorizes or requires indemnification or the advancement of expenses contrary to such statute or the Restated Articles of Incorporation, the Corporation's power to indemnify or advance expenses under such provision shall be limited to that permitted by such statute and the Restated Articles of Incorporation and any limitation required by such statute or the Restated Articles of Incorporation shall not affect the validity of any other provision of this Article.

ARTICLE TEN
MISCELLANEOUS

Section 1. Distributions and Share Dividends. Distributions in the form of dividends and share dividends on the outstanding shares of the Corporation, subject to any restrictions in the Restated Articles of Incorporation and to the limitations imposed by statute, may be declared by the Board of Directors at any regular or special meeting. Distributions in the form of dividends may be declared and paid in cash, in property, or in evidences of the Corporation's indebtedness, or in any combination thereof, and may be declared and paid in combination with share dividends. Distributions of cash or property (tangible or intangible) made or payable by the Corporation, whether in liquidation or from earnings, profits, assets or capital, including all distributions that were payable but not paid to the registered owner of the shares, his heirs, successors or assigns but that are now being held in suspense by the Corporation or that were paid or delivered by it into an escrow account or to a trustee or custodian, shall be payable by the Corporation, escrow agent, trustee or custodian to the person registered as owner of the shares in the Corporation's stock transfer books as of the record date determined for the distribution, his heirs, successors or assigns. The person in whose name the shares are or were registered in the stock transfer books of the Corporation as of the record date shall be deemed to be the owner of the shares registered in his name at that time.

Section 2. Reserves. The Corporation may, by resolution of the Board of Directors, create a reserve or reserves out of its surplus or designate or allocate any part or all of its surplus in any manner for any proper purpose or purposes, and may increase, decrease or abolish any such reserve, designation or allocation in the same manner.

Section 3. Signature of Negotiable Instruments. All bills, notes, checks or other instruments for the payment of money shall be signed or countersigned by such officer, officers, agent or agents, and in such manner, as are permitted by these Bylaws and as from time to time may be prescribed by resolution (whether general or special) of the Board of Directors or the Executive Committee.

Section 4. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

Section 5. Seal. The seal of the Corporation shall be in such form as shall be adopted and approved from time to time by the Board of Directors. The seal may be used by causing it, or a facsimile thereof, to be impressed, affixed, imprinted or in any manner reproduced.

Section 6. Loans and Guaranties. The Corporation may lend money to, guaranty obligations of and otherwise assist its directors, officers and employees if the Board of Directors determines that such a loan, guaranty or assistance reasonably may be expected to benefit, directly or indirectly, the Corporation and is consistent with applicable law and other requirements.

Section 7. Closing of Transfer Books and Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive a distribution by the Corporation (other than a distribution involving a purchase or redemption by the Corporation of any of its own shares) or a share dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may provide that the stock transfer books of the Corporation shall be closed for a stated period not to exceed, in any case, sixty (60) days. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least ten (10) days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors

may fix in advance a date as the record date for any such determination of shareholders, such date in any case not to be more than sixty (60) days and, in case of a meeting of shareholders, not less than ten (10) days prior to the date on which the particular action requiring such determination of shareholders is to be taken. If the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or entitled to receive a distribution (other than a distribution involving a purchase or redemption by the Corporation of any of its own shares) or a share dividend, the date on which notice of the meeting is mailed, sent, or transmitted as provided by these Bylaws, or the date on which the resolution of the Board of Directors declaring such distribution or share dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. The record date for determining shareholders entitled to call a special meeting is the date the first shareholder signs the notice of that meeting. When a determination of shareholders entitled to vote at any meeting has been made as provided in this Section, such determination shall apply to any adjournment thereof except where the determination has been made through the closing of the stock transfer books and the stated period of closing has expired.

Section 8. Surety Bonds. Such officers and agents of the Corporation (if any) as the Board of Directors may direct from time to time shall be bonded for the faithful performance of their duties and for the restoration to the Corporation, in case of their death, resignation, retirement, disqualification or removal from office, of all books, papers, vouchers, money and other property of whatever kind in their possession or under their control belonging to the Corporation, in such amounts and by such surety companies as the Board may determine. The premiums on such bonds shall be paid by the Corporation, and the bonds so furnished shall be in the custody of the Secretary.

Section 9. Gender. Words of any gender used in these Bylaws shall be construed to include each other gender, unless the context requires otherwise.

ARTICLE ELEVEN
AMENDMENTS

These Bylaws may be amended or repealed, or new bylaws may be adopted, by the affirmative vote of a majority of the directors present at any meeting of the Board of Directors at which a quorum is present or by unanimous written consent of all the directors, unless (i) by statute or the Restated Articles of Incorporation the power is reserved exclusively to the shareholders in whole or in part, or (ii) the shareholders in amending, repealing or adopting a particular bylaw expressly provide that the Board may not amend or repeal that bylaw. Unless the Restated Articles of Incorporation or a bylaw adopted by the shareholders provides otherwise as to all or some portion of the Bylaws, the shareholders may amend, repeal or adopt the Bylaws even though the Bylaws may also be amended, repealed or adopted by the Board of Directors.

Exhibit 4.1

DESCRIPTION OF UNITED STATES LIME & MINERALS, INC.'S SECURITIES REGISTERED UNDER SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

General

United States Lime & Minerals, Inc. (the "Company," "we," or "our") is incorporated in the State of Texas. The rights of our shareholders are generally covered by Texas law and our articles of incorporation and bylaws (each as amended and restated and in effect on the date hereof). The terms of our common stock are therefore subject to Texas law, including the Texas Business Organizations Code (the "TBOC"), and the common and constitutional law of Texas.

This exhibit describes the general terms of our common stock. This description is a summary and does not purport to be complete. Our articles of incorporation and bylaws are incorporated by reference as exhibits to the Annual Report on Form 10-K of which this exhibit is a part, and amendments or restatements of each will be filed with the Securities and Exchange Commission (the "SEC") in future periodic or current reports in accordance with the rules of the SEC. You are encouraged to read these documents.

For more detailed information about the rights of holders of our common stock, you should refer to our articles of incorporation and bylaws and the applicable provisions of Texas law, including the TBOC.

Authorized Capital Stock

We are authorized to issue 30,000,000 shares of common stock, $0.10 par value, and 500,000 shares of preferred stock, $5.00 par value.

Common Stock

Voting Rights

Holders of our common stock are entitled to one vote per share in the election of directors and on all other matters submitted to a vote of shareholders. No shareholder has the right of cumulative voting.

With respect to any matter other than the election of directors or a matter for which the affirmative vote of the holders of a specified portion of the shares of our common stock entitled to vote is required by Texas law or our articles of incorporation, the act of the shareholders shall be the affirmative vote of the holders of a majority of the shares entitled to vote on, and voted for or against, the matter at a meeting of shareholders at which a quorum is present. Directors shall be elected by a plurality of the votes cast by the holders of shares entitled to vote in the election of directors at a meeting of shareholders at which a quorum is present. We do not have a classified board of directors. Our directors are elected for one-year terms.

Dividend Rights

Holders of our common stock are entitled to dividends when, as and if declared by our Board of Directors out of funds legally available therefor.

Liquidation Rights

If we liquidate, a holder of common stock will be entitled to share ratably with the other shareholders in the distribution of all assets that we have left after we pay all of our liabilities and make any necessary distributions to holders of our preferred stock.

Other

Our common stock has no preemptive or conversion rights and is not entitled to the benefits of any redemption or sinking fund provision. The outstanding shares of our common stock are fully paid and non-assessable.

Preferred Stock

The Company may issue shares of preferred stock from time to time upon the approval of our Board of Directors in one or more series without further stockholder approval. The Board of Directors may designate the number of shares to be issued in such series and the rights, preferences, privileges and restrictions granted to, or imposed on, the holders of such shares. If issued, such shares of preferred stock could have dividends and liquidation preferences over our shares of common stock, and may otherwise affect the rights of the holders of the common stock. The rights of the holders of our common stock will, therefore, generally be subject to the rights of the holders of any existing outstanding shares of preferred stock with respect to dividends, liquidation preferences and other matters. As of the date hereof, we have no outstanding shares of preferred stock.

Certain Business Combination Restrictions in Texas Law

Section 21.606 of the TBOC restricts certain business combinations between us and an affiliated shareholder (beneficial ownership of 20% or more of the voting power of our stock entitled to vote for directors) for three years after the shareholder becomes an affiliated shareholder. The restrictions do not apply if our Board of Directors approved the transaction that caused the shareholder to become an affiliated shareholder, or if the business combination is approved by the affirmative vote of two-thirds of our voting stock that is not beneficially owned by the affiliated shareholder at a meeting of shareholders called for that purpose within six months after the affiliated shareholder's acquiring the shares. Although we may elect to exclude ourselves from the restrictions imposed by Section 21.606, our articles of incorporation does not do so.

Certain Provisions of Our Articles of Incorporation and Bylaws

Some provisions of our articles of incorporation and bylaws could make the acquisition of control of the Company and/or the removal of our existing management more difficult, including those that provide as follows:

- cumulative voting in the election of our Board of Directors, which would otherwise allow holders of less than a majority of our shares to elect director candidates, is prohibited under our articles of incorporation;
- our Board of Directors may amend or repeal our bylaws, or adopt new bylaws without shareholder approval;
- our Board of Directors can increase or decrease the size of the Board without shareholder approval by amending the bylaws;
- shareholder action that is not taken at a regular or special meeting of our shareholders may only be taken by the unanimous written consent of our shareholders; and
- our Board of Directors is authorized to issue shares of our preferred stock without shareholder approval.

These provisions may be expected to discourage coercive takeover practices and inadequate takeover bids. They may also encourage persons seeking to acquire control of the Company to first negotiate with our Board of Directors. We believe that the benefits of our increased protection give us the potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us, and that these benefits outweigh the disadvantages of discouraging the proposals. Negotiating with the proponent could result in an improvement of the terms of the proposal.

Stock Exchange Listing

Our common stock is traded on the Nasdaq Stock Market under the symbol "USLM."

Transfer Agent and Registrar

Our transfer agent and registrar is Computershare Investor Services, 150 Royall Street, Suite 101, Canton, Massachusetts, 02021.

Exhibit 21.1

SUBSIDIARIES OF THE COMPANY

Arkansas Lime Company, an Arkansas Corporation
ACT Holdings, Inc. a Texas Corporation
ART Quarry TRS LLC (DBA Carthage Crushed Limestone), a Delaware LLC
Colorado Lime Company, a Colorado Corporation
Mill Creek Dolomite, LLC, an Oklahoma Corporation
Texas Lime Company, a Texas Corporation
U.S. Lime Company, a Texas Corporation
U.S. Lime Company - Shreveport, a Louisiana Corporation
U.S. Lime Company - St. Clair, a Delaware Corporation
U.S. Lime Company - Transportation, a Texas Corporation
U.S. Lime Company - O & G, LLC, a Texas LLC

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our reports dated February 29, 2024, with respect to the consolidated financial statements and internal control over financial reporting included in the Annual Report of United States Lime & Minerals, Inc. on Form 10-K for the year ended December 31, 2023. We consent to the incorporation by reference of said reports in the Registration Statements of United States Lime & Minerals, Inc. on Forms S-8 (File No. 333-236817 and File No. 333-196697).

/s/ GRANT THORNTON LLP (typed)

Dallas, Texas
February 29, 2024

Exhibit 23.2

CONSENT OF QUALIFIED PERSON

SYB Group, LLC ("SYB") in connection with the filing of the United States Lime & Minerals, Inc. Annual Report on Form 10-K for the year ended December 31, 2023 (the "Form 10-K"), consent to:

- The filing and use of the Technical Report Summary titled "Technical Report Summary on Texas Lime Company Limestone Operation, Johnson County, Texas, USA", effective December 31, 2023, with a report date of February 20, 2024, as Exhibit 96.1 to and referenced in the Form 10-K;
- The filing and use of the Technical Report Summary titled "Technical Report Summary on Arkansas Lime Company Limestone Operation, Independence County, Arkansas, USA", effective December 31, 2023, with a report date of February 20, 2024, as Exhibit 96.2 to and referenced in the Form 10-K;
- The filing and use of the Technical Report Summary titled "Technical Report Summary on ACT Holdings Company Limestone Operation, Izard County, Arkansas, USA", effective December 31, 2023, with a report date of February 20, 2024, as Exhibit 96.3 to and referenced in the Form 10-K;
- The filing and use of the Technical Report Summary titled "Technical Report Summary on U.S. Lime Company – St. Clair Limestone Operation, Sequoyah County, Oklahoma, USA", effective December 31, 2023, with a report date of February 20, 2024, as Exhibit 96.4 to and referenced in the Form 10-K;
- The use of and references to our name, including our status as an expert or "qualified person" (as defined in Subpart 1300 of Regulation S-K as promulgated by the Securities and Exchange Commission), in connection with the Form 10-K and any such Technical Report Summary;
- The information derived, summarized, quoted, or referenced from any of the Technical Report Summaries, or portions thereof, that were prepared by SYB, that SYB supervised the preparation of and/or that was reviewed and approved by SYB, that is included or incorporated by reference in the Form 10-K; and
- The incorporation by reference of the foregoing in the Registration Statements of United States Lime & Minerals, Inc. on Forms S-8 (File No. 333-236817 and File No. 333-196697).

SYB is responsible for authoring, and this consent pertains to, the Technical Report Summaries. SYB certifies that it has read the Form 10-K and that it fairly represents the information in the Technical Report Summaries for which SYB is responsible.

SYB Group, LLC
/s/ Keith Vickers
President
February 29, 2024

EXHIBIT 31.1

RULE 13a-14(a)/15d-14(a) CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER

I, Timothy W. Byrne, certify that:

1. I have reviewed this annual report on Form 10-K of United States Lime & Minerals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Dated: February 29, 2024

/s/ Timothy W. Byrne
Timothy W. Byrne
President and Chief Executive Officer

EXHIBIT 31.2

RULE 13a-14(a)/15d-14(a) CERTIFICATION BY THE CHIEF FINANCIAL OFFICER

I, Michael L. Wiedemer, certify that:

1. I have reviewed this annual report on Form 10-K of United States Lime & Minerals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

Dated: February 29, 2024

/s/ MICHAEL L. WIEDEMER
Michael L. Wiedemer
Vice President and Chief Financial Officer

EXHIBIT 32.1

SECTION 1350 CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER

I, Timothy W. Byrne, Chief Executive Officer of United States Lime & Minerals, Inc. (the "Company"), hereby certify that, to my knowledge:

(1) The Company's Annual Report on Form 10-K for the year ended December 31, 2023 (the "Form 10-K") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 29, 2024

/s/ TIMOTHY W. BYRNE
Timothy W. Byrne
President and Chief Executive Officer

EXHIBIT 32.2

SECTION 1350 CERTIFICATION BY THE CHIEF FINANCIAL OFFICER

I, Michael L. Wiedemer, Chief Financial Officer of United States Lime & Minerals, Inc. (the "Company"), hereby certify that to my knowledge:

(1) The Company's Annual Report on Form 10-K for the year ended December 31, 2023 (the "Form 10-K") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 29, 2024

/s/ Michael Wiedemer
Michael Wiedemer
Vice President and Chief Financial Officer

MINE SAFETY DISCLOSURES

The following disclosures are provided pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of SEC Regulation S-K, which requires certain disclosures by companies required to file periodic reports under the Securities Exchange Act of 1934, as amended, that operate mines regulated under the Federal Mine Safety and Health Act of 1977 (the "Mine Act").

The Mine Act has been construed as authorizing MSHA to issue citations and orders pursuant to the legal doctrine of strict liability, or liability without fault. If, in the opinion of an MSHA inspector, a condition that violates the Mine Act or regulations promulgated pursuant to it exists, then a citation or order will be issued regardless of whether the operator had any knowledge of, or fault in, the existence of that condition. Many of the Mine Act standards include one or more subjective elements, so that issuance of a citation or order often depends on the opinions or experience of the MSHA inspector involved, and the frequency and severity of citations and orders will vary from inspector to inspector.

Whenever MSHA believes that a violation of the Mine Act, any health or safety standard, or any regulation has occurred, it may issue a citation or order which describes the violation and fixes a time within which the operator must abate the violation. In some situations, such as when MSHA believes that conditions pose a hazard to miners, MSHA may issue an order requiring cessation of operations, or removal of miners from the area of the mine, affected by the condition until the hazards are corrected. Whenever MSHA issues a citation or order, it has authority to propose a civil penalty or fine, as a result of the violation, that the operator is ordered to pay.

The table that follows reflects citations, orders, violations and proposed assessments issued to the Company by MSHA during the year ended December 31, 2023 and any pending legal actions as of December 31, 2023. Due to timing and other factors, the data may not agree with the mine data retrieval system maintained by MSHA. The proposed assessments for the year ended December 31, 2023 were taken from the MSHA system as of February 27, 2024.

Additional information follows about MSHA references used in the table:

- *Section 104(a) Citations:* The total number of citations received from MSHA under section 104(a) of the Mine Act for alleged violations of health or safety standards that could significantly and substantially contribute to a serious injury if left unabated.
- *Section 104(b) Orders:* The total number of orders issued by MSHA under section 104(b) of the Mine Act, which represents a failure to abate a citation under section 104(a) within the period of time prescribed by MSHA. This results in an order of immediate withdrawal from the area of the mine affected by the condition until MSHA determines that the violation has been abated.
- *Section 104(d) Citations and Orders:* The total number of citations and orders issued by MSHA under section 104(d) of the Mine Act for unwarrantable failure to comply with mandatory health or safety standards.
- *Section 110(b)(2) Violations:* The total number of flagrant violations issued by MSHA under section 110(b)(2) of the Mine Act.
- *Section 107(a) Orders:* The total number of orders issued by MSHA under section 107(a) of the Mine Act for situations in which MSHA determined an imminent danger existed.

Citations and orders can be contested before the Federal Mine Safety and Health Review Commission (the "Commission"), and as part of that process, are often reduced in severity and amount, and are sometimes dismissed. The Commission is an independent adjudicative agency that provides administrative trial and appellate review of legal disputes arising under the Mine Act. These cases may involve, among other questions, challenges by operators to citations, orders and penalties they have received from MSHA, or complaints of discrimination by miners under section 105 of the Mine Act.

Year ended December 31, 2023

Mine(1)	Section 104 S & S Citations	Section 104(b) Orders	Section 104(d) Citations and Orders	Section 110(b)(2) Violations	Section 107(a) Orders	Proposed MSHA Assessments(2) ($ in thousands)	Fatalities	Pending Legal Actions(3)
Texas Lime Company	1	—	—	—	—	3.7	1	—
Arkansas Lime Company								
Plant	7	—	—	—	—	6.1	—	—
Limedale Quarry	5	—	—	—	—	4.3	—	—
U.S. Lime Company - St. Clair	—	—	—	—	—	1.1	—	—
Carthage Crushed Limestone	2	—	—	—	—	33.2	—	—
Mill Creek	7	—	—	—	—	4.2	—	—
Colorado Lime Company								
Monarch Quarry	—	—	—	—	—	—	—	—
Delta Plant	—	—	—	—	—	0.1	—	—

(1) The definition of a mine under section 3 of the Mine Act includes the mine, as well as other items used in, or to be used in, or resulting from, the work of extracting and processing limestone, such as roads, land, structures, facilities, equipment, machines, tools, kilns, and other property. These other items associated with a single mine have been aggregated in the totals for that mine.

(2) The proposed MSHA assessments issued during the reporting period do not necessarily relate to the citations or orders issued by MSHA during the reporting period or to any pending contests reported above.

(3) Includes any pending legal action before the Commission involving such mine as of December 31, 2023. Any pending legal actions were initiated by the Company and may include multiple citations or orders. The pending legal actions may relate to the citations or orders issued by MSHA during the reporting period or to citations or orders issued in prior periods. There was one legal action instituted during the reporting period and three legal actions resolved during the reporting period.

Pattern or Potential Pattern of Violations. During the year ended December 31, 2023, none of the mines operated by the Company received written notice from MSHA of either (a) a pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to mine health or safety hazards under section 104(e) of the Mine Act or (b) the potential to have such a pattern.

Exhibit 96.1

Technical Report Summary on
Texas Lime Company Limestone Operation
Johnson County, Texas, USA
Prepared for:
United States Lime and Minerals, Inc.

SK-1300 Report

Effective Date December 31, 2023
Report Date: February 20, 2024

DISCLAIMERS AND QUALIFICATIONS

SYB Group, LLC ("SYB") was retained by United States Lime & Minerals, Inc. ("USLM") to prepare this Technical Report Summary ("TRS") related to Texas Lime Company ("TLC") limestone reserves and resources, which was also prepared by SYB and originally filed as exhibit 96.1 to the USLM form 10-K for the year ended December 31, 2021. This TRS provides a statement of TLC's limestone reserves and resources at its mine located in Johnson County, Texas and has been prepared in accordance with the U.S. Securities and Exchange Commission ("SEC"), Regulation S-K 1300 for Mining Property Disclosure (S-K 1300) and 17 Code of Federal Regulations ("CFR") § 229.601(b)(96)(iii)(B) reporting requirements. This report was prepared for the sole use by USLM and its affiliates and is effective December 31, 2023.

This TRS was prepared by SYB Group's President who meets the SEC's definition of a Qualified Person and has sufficient experience in the relevant type of mineralization and deposit under consideration in this TRS.

In preparing this TRS, SYB relied upon data, written reports and statements provided by TLC and USLM. SYB has taken all appropriate steps, in its professional opinion, to ensure information provided by TLC and USLM is reasonable and reliable for use in this report.

The Economic Analysis and resulting net present value estimate in this TRS were made for the purposes of confirming the economic viability of the reported limestone reserves and not for the purposes of valuing TLC or its assets. Internal Rate of Return and project payback were not calculated, as there was no initial investment considered in the financial model. Certain information set forth in this report contains "forward-looking information," including production, productivity, operating costs, capital costs, sales prices, and other assumptions. These statements are not guarantees of future performance and undue reliance should not be placed on them. The ability to recover the reported reserves depends on numerous factors beyond the control of SYB Group that cannot be anticipated. Some of these factors include, but are not limited to, future limestone prices, mining and geologic conditions, obtaining permits and regulatory approvals in a timely manner, the decisions and abilities of management and employees, and unanticipated changes in environmental or other regulations that could impact performance. The opinions and estimates included in this report apply exclusively to the TLC mine as of the effective date of this report.

All data used as source material plus the text, tables, figures, and attachments of this document have been reviewed and prepared in accordance with generally accepted professional geologic practices.

SYB hereby consents to the use of TLC's limestone reserve and resource estimates as of December 31, 2023 in USLM's SEC filings and to the filing of this TRS update as an exhibit to USLM's SEC filings.

Qualified Person: /s/ Keith V. Vickers
Keith V. Vickers, TXPG #3938
President, SYB Group, LLC
1216 W. Cleburne Rd
Crowley, TX 76036

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1 Executive Summary

This Technical Report Summary ("TRS") is an update to the December 31, 2021 (filed March 2, 2022) to that TRS. This report contains reconciled resources and reserves, updates economic estimates, and extends to the crushing circuit output point of reference.

The Texas Lime Company ("TLC") mine is a production stage, open pit mine that produces high-grade limestone with calcium carbonate ("$CaCO_3$") quality above 96.0% from the Edwards formation that is delivered to the crushing circuit. After processing by the crushing circuit, the crushed limestone is available for sale to customers or TLC operations usage. The TLC mine is located in Johnson County, Texas on approximately 5,200 acres owned by TLC that contains known high-grade limestone reserves in a bed that typically ranges from 25 ft. to 35 ft. Operations began at the TLC mine in the 1940's.

Mining at the TLC mine consists of pushing aside the topsoil and overburden using conventional earthmoving equipment and methods. The topsoil and overburden are used as backfill for nearby previously mined pits. The limestone ore body is then drilled and blasted, followed by loading and haulage utilizing conventional limestone mining equipment. The extracted limestone is hauled to the crushing circuit for processing and then distribution to customers or the TLC operations as the need arises.

The TLC mine has procured, and is operating in compliance with, the required air and storm water permits that are required by the Texas Commission on Environmental Quality. TLC will be required to renew the permits when they expire in January 2026.

The TLC mine currently averages an annual production rate of approximately 1,600,000 tons of limestone per year. The expected mine life at that rate of production is approximately 65 years.

Over the last 65+ years, drilling reports from drilling programs performed and historical production records have established that the Edwards formation limestone has consistent high-grade limestone ($CaCO_3$ quality above 96.0%) in the TLC mine property. They have also confirmed the 25 to 35 ft. thickness of the Edwards limestone ore interval as well as the relatively shallow overburden that is favorable for open pit mining. The drilling data, along with information from mining faces and examination of widely spread Edwards outcrops, allow a high degree of geological confidence to be assigned to the quality and lateral continuity of the limestone on the property.

As noted in Section 2.1, Keith Vickers of SYB Group ("SYB"), a consultant for United States Lime & Minerals, Inc. ("USLM") for over 20 years, served as the Qualified Person ("QP") and prepared the estimates of limestone mineral resources and reserves for the TLC mine. Summaries of the TLC mine's limestone mineral resources and reserves are shown below in Tables 1.1 and 1.2, respectively. Sections 11 and 12 sets forth the definitions of mineral resources and reserves as well as the methods and assumptions used by the QP in determining the estimates and classifications of the TLC mine's limestone mineral resources and reserves.

Table 1.1 Texas Lime Company – Summary of Limestone Mineral Resources as of December 31, 2023, Based On $12.70 Crushed Limestone [1, 2]

Resource Category	In Place (tons)	Cutoff Grade (%X)	Processing Recovery (%)[3]
Total Mineral Resources[4]	113,180,000	Above 96.0 ($CaCO_3$)	N/A
Measured Mineral Resources[5]	0	Above 96.0 ($CaCO_3$)	N/A
Indicated Mineral Resources	0	Above 96.0 ($CaCO_3$)	N/A
Total Measured and Indicated Resources	0	Above 96.0 ($CaCO_3$)	N/A

Notes: 1 Price Source from USGS Mineral Commodity Summaries 2023.
2 Crushed limestone through the crushing circuit.
3 N/A: Not Applicable because estimated resources are in place.
4 Inclusive of Limestone Mineral Reserves.
5 Exclusive of Mineral Reserves.

Table 1.2 Texas Lime Company – Summary of Limestone Mineral Reserves as of December 31, 2023, Based On $12.70 Crushed Limestone [1, 2]

Reserve Category	Extractable (tons)	Cutoff Grade (%X)	Mining Recovery (%)
Probable Reserves	47,532,000	Above 96.0 ($CaCO_3$)	95.0
Proven Reserves	59,989,000	Above 96.0 ($CaCO_3$)	95.0
Total Mineral Reserves	107,521,000	Above 96.0 ($CaCO_3$)	95.0

Notes: 1 Price Source from USGS Mineral Commodity Summaries 2023.
2 Crushed limestone through the crushing circuit.

The modeling and analysis of the TLC mine's resources and reserves has been developed by TLC and USLM personnel and reviewed by management of the companies, as well as the QP. The development of such resources and reserves estimates, including related assumptions, was a collaborative effort between the QP and personnel of the companies.

The TLC mine has been a stable producer of crushed limestone using the current equipment fleet and operating parameters for many years. This operating history and its 2024 budget were used to estimate the unit costs for limestone mining, overburden stripping, and annual sustaining capital expenditures. As the area where mining activity changes, the distance from the existing crushing facility changes, causing changes to the haulage distance. This will require changes to the haul truck fleet size in certain future years. Capital and operating costs reflect the increased haulage requirement as shown in Appendix B. The fleet size is four trucks from 2024 until 2031. From 2031 to 2039 the fleet size is five trucks. From 2040 to 2041 the fleet size is three trucks. From 2042 to 2047 the fleet size is four trucks and from 2048 to 2062 the fleet size is five trucks. Tables 1.3 and 1.4 set forth the estimated capital costs and operating costs, respectively, used to estimate future operations for the TLC mine.

Table 1.3 Capital Costs

Capital Cost Estimate	Cost
Annual Maintenance of Operations	$1,315,000
Haul Truck Cost	$900,000

Table 1.4 Operating Costs

Operating Cost Estimate	Cost
Limestone Mining Cost Per Ton	$4.81
Contractor Limestone Mining Cost Per Ton	$5.05
Overburden Stripping Cost Per Ton	$2.25

It is the QP's overall conclusions that:

1. Geologically, the TLC mine limestone deposit has been proven by regional and detailed local drilling and sampling to have quality and thickness that is very consistent. Because of the simple geology, the mining method for the mine is straightforward and consists of uncomplicated open pit mining.
2. The data detailed in this report that was used to estimate the resources was adequate for the resource interpretation and estimation.
3. TLC has successfully mined this resource for many years using the same methods that are projected into the future. Significant increases in the cost of mining coupled with large decreases in the selling price of limestone would be required to make mining uneconomic. Historically, TLC has been able to increase sales prices in line with cost increases.
4. There are no significant factors onsite that will impact the extraction of this ore body. TLC has been in operation for many decades during varying economic and market conditions. The mining operation has been modernized over the last 25 years, which has allowed it to optimize mining of the limestone deposit.
5. Absent unforeseen changes in economic or other factors, including additional federal or state environmental regulations, the economic analysis and the quantity of Proven Reserves indicate the operation reasonably has approximately 65 years of estimated mine life at current production levels.

2 Introduction

This TRS is intended to be an update to the TRS filed December 31, 2021. Unchanged sections are included for clarity and completeness. There has not been any drilling programs on the property since the 2021 filing. The resource and reserve tables have been reconciled for production since the filing date of the previous TRS through the effective date of this update. A primary update was moving the sales point of reference from before the primary crusher to after the crushing circuit and aligning the costs associated with production and sale of crushed limestone.

2.1 Issuer of the Summary

Mr. Keith Vickers of SYB Group, LLC ("SYB"), a consultant for USLM for over 20 years, prepared this Technical Report Summary ("TRS") on TLC's mining operations located in Johnson County, Texas. Mr. Vickers is a Qualified Person ("QP"). USLM is a publicly-traded company on the NASDAQ Stock Exchange under the ticker symbol USLM and TLC is a wholly-owned subsidiary of USLM.

2.2 Terms of Reference and Purpose

The purpose of this TRS is to support the updated disclosure of mineral resource and reserve estimates for TLC's existing mining operations located in Johnson County, Texas, as of December 31, 2023. This TRS is to fulfill 17 Code of Federal Regulations ("CFR") § 229, "*Standard Instructions for Filing Forms Under Securities Act of 1933, Securities Exchange Act of 1934 and Energy Policy and Conservation Act of 1975 – Regulation S-K,"* subsection 1300, "Disclosure by Registrants Engaged in Mining Operations." The mineral resource and reserve estimates presented herein are classified according to 17 CFR § 229.1300 Definitions.

The QP prepared this TRS with information from various sources with detailed data about the historical and current mining operations, including individuals who are experts in an appropriate technical field.

The quality of information, conclusions, and estimates contained herein are based on: i) information available at the time of preparation; and ii) the assumptions, conditions, and qualifications outlined in this TRS.

Unless stated otherwise, all volumes and grades are in U.S. customary units and currencies are expressed in 2023 U.S. dollars. Distances are described in U.S. standard units.

2.3 Sources of Information

This TRS is based upon engineering data, financial and technical information developed and maintained by TLC or USLM personnel, work undertaken by third-party contractors and consultants on behalf of the mine, public data sourced from the United States Geological Survey, Texas Bureau of Economic Geology, internal TLC technical reports, previous technical studies, maps, TLC letters and memoranda, and public information as cited throughout this TRS and listed in Section 24. Table 2.3 is a list of the terms used in this TRS.

The 2021 TRS was prepared by Keith V. Vickers, BSGeol, MSGeol, TXPG #3938, CPetG #6152. Detailed discussions with the following were held during the preparation of the 2021 TRS:

Mr. Timothy W. Byrne, President, CEO, USLM, Dallas, Texas
Mr. Michael L. Wiedemer, Vice President, CFO, USLM, Dallas, Texas
Mr. Russell R. Riggs, Vice President, Production, USLM, Dallas, Texas
Mr. M. Michael Owens, Corporate Treasurer, USLM, Dallas, Texas
Mr. Jason Nutzman, Director of Legal and Compliance, USLM, Dallas, Texas
Mr. Wendell Smith, Director of Environmental, USLM Dallas, Texas
Mr. Julius J. Harris, Vice President and Plant Manager, TLC, Cleburne, Texas
Mr. Peter McKenzie, Mine Manager, TLC, Cleburne, Texas
Mr. Tom Quinlan, Quality Control Laboratory Manager, TLC, Cleburne, Texas
Mr. Keith Vickers, SYB Group, USLM Consulting Geologist, Crowley, Texas

Discussions with the following were held for the preparation of this updated TRS:

Mr. Timothy W. Byrne, President, CEO, USLM, Dallas, Texas
Mr. Michael L. Wiedemer, Vice President, CFO, USLM, Dallas, Texas
Mr. M. Michael Owens, Corporate Treasurer, USLM, Dallas, Texas
Mr. Jason Nutzman, Director of Legal and Compliance, USLM, Dallas, Texas
Mr. Julius J. Harris, Vice President and Plant Manager, TLC, Cleburne, Texas
Mr. Peter McKenzie, Mine Manager, TLC, Cleburne, Texas
Mr. Keith Vickers, SYB Group, USLM Consulting Geologist, Crowley, Texas

Table 2.3 Glossary of Terms and Abbreviations

Term	Definition
AAPG	American Association of Professional Geologists
AASHTO	American Association of State Highway and Transportation Officials
ASTM	American Society for Testing and Materials
$CaCO_3$	Calcium Carbonate
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
DFW	Dallas Fort Worth
DTM	Digital Terrain Model
E	East
F.	Fahrenheit
Fig.	Figure
ft.	Feet
GLONASS	Global Navigation Satellite System
GPS	Global Positioning System
LiDAR	Light Detection and Ranging
LST	Limestone
N	North
NAD	North American Datum
NPV	Net Present Value
P.E.	Professional Engineer
PG	Professional Geologist
QP	Qualified Person
QC/QA	Quality Control/Quality Assurance
S	South
SOFR	Secured Overnight Financing Rate
TRS	Technical Report Summary
TLC	Texas Lime Company
U.S.	United States
USGS	United States Geological Survey
USLM	United States Lime and Minerals, Inc.

WAAS	Wide Area Augmentation System
W	West
XRF	X-Ray Fluorescence

2.4 Personal Inspection

The QP, who has been a consulting geologist for USLM for over 20 years, is familiar with TLC's mine geology and operations. In addition, the QP conducted onsite visits to review data, confirm protocols, and gather specific information required for the TRS not previously available to him.

On September 3, 2021, the QP met TLC personnel in the TLC mine office to review the drill hole and surface sample database and discuss what data was available and needed for the TRS. The QP inspected the mine and reviewed the core storage methods. Core logging and sampling procedures were verified. The QP discussed quality control and quality assurance with the TLC QC/QA laboratory manager. A review of the core sawing methods and sample preparation for analytical tests also occurred.

On November 29, 2021, the QP visited the site to update and review a report checklist with TLC management and personnel. Also attending this visit was Mr. Peter Christensen (consultant) to provide clarity and insight into the new SK-1300 regulatory requirements. A review of the resource areas, grade controls, and production hole sampling and surveying procedures occurred at the plant office. The QP also inspected several mined locations in the mine to examine the consistency and thickness of the limestone interval. The mining faces were also compared to the existing geologic model and the QP met with the TLC QC/QA laboratory manager to obtain laboratory and X-Ray Fluorescence ("XRF") standard certifications and instrument service/care contracts. Table 2.4 is a partial list of dates the QP has visited the mine.

Table 2.4 Visits Made by QP to TLC

Date	Reason
1997	Performed Resource Estimate Based on Available Data
2008	Geologic Modeling from Test and Production Holes
2011	Supervise Percussion Drilling Project
2014	Oriented New Mine Manager, Assisted in Updating Stripping Program
2015	Updated Mine Model from Recent Production Data
2016	Supervised Core Drilling Project
2017	Geologic Support Adjacent Property Acquisition
2018	Geologist for Exploration Drilling, Adjacent Property

3 Property Description

3.1 Property Description and Location

TLC's operations (32°15'28.65" N, -97°33'46.41" W, Fig. 3.1, Google Earth, 2021) are located in Johnson County, southwest of Cleburne, Texas, 12 miles by a state highway.

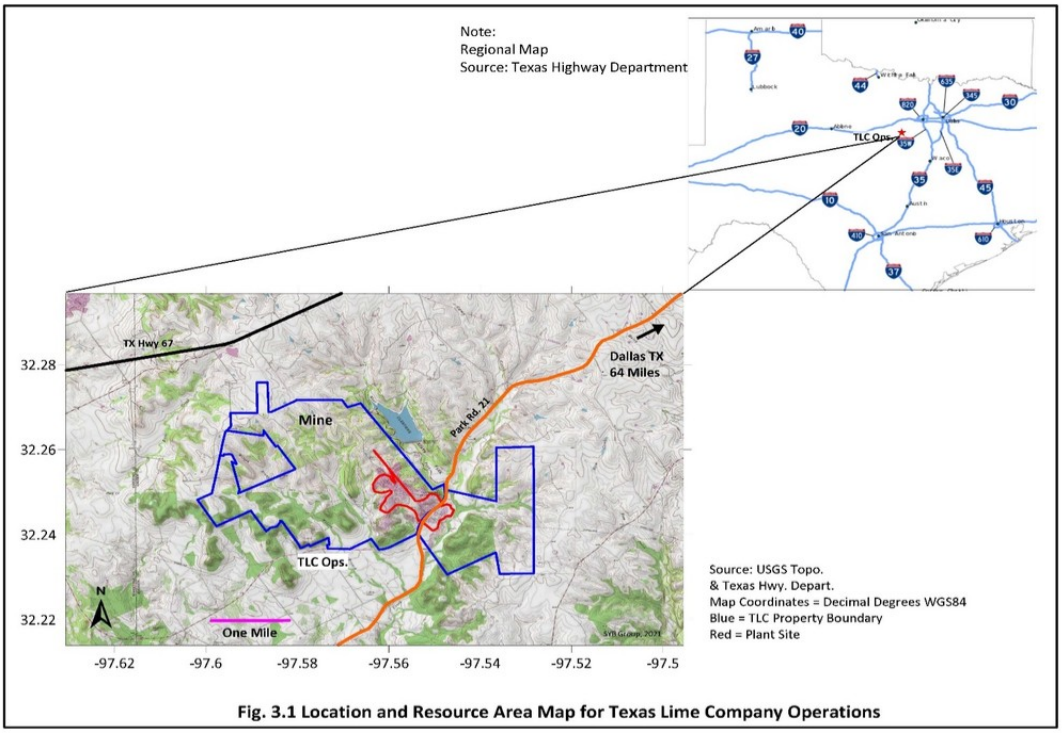


Fig. 3.1 Location and Resource Area Map for Texas Lime Company Operations

3.2 Mineral Rights

TLC wholly owns in fee (surface and mineral) approximately 5,200 acres with the exception of 333 +/- acres in Tract 1, Abstract 200, in which it owns the entire mineral estate only (no surface) (AcreValue website, 2021) (USLM internal report). Title includes a clause for negotiating the purchase of the surface. Information was furnished by TLC.

3.3 Significant Encumbrances or Risks to Performing Work on the Property

There are no significant issues or risks to work on the properties outside of those generally related to mining operations.

3.4 Lease Agreements and Royalties

TLC does not receive any royalties as it is not the lessor for any mineral rights on its properties.

4 Accessibility, Climate, Local Resources, Infrastructure, and Physiography

4.1 Topography, Vegetation, and Physiography

The area's topography comprises broad valleys associated with the Brazos River drainage and abundant small branch valleys extending on either side of the river. TLC's operations are on one of the ridge and plateau areas. The elevation ranges from 990 ft. to 660 ft. There is little soil covering the rock outcrops along the sides and ends of the ridges; slightly more occurs on top.

The tree types are consistent with the vegetation typically found in this region. The flat valley floors are primarily agricultural land with hay pastures the dominant agri-businesses.

The operation is in the physiographic province known as the Grand Prairie (Texas Almanac website, 2019). Rocky soils on limestone units and clay-rich soil developed on shale and clay and marl units characterize this province. Much of the province has thin to no soil thickness that results in treeless terrain for the most part.

4.2 Accessibility and Local Resources

Primary access to the operation is by State Highway 67 and then by State Park Road 21 or county road 1434. Cleburne has a

population of approximately 30,000 and is served by a municipal airport. Commercial airline travel is through DFW International Airport, 65 miles away. Roads are well paved with broad shoulders and load weight designed for multi-axle trucks. The majority of the operation's workers live in Johnson County and some live in the surrounding counties.

4.3 Climate and Operating Season

The average rainfall for Johnson County is 38 inches of rain per year. The County averages one inch of snow per year. On average, there are 231 sunny days per year in Johnson County. The County averages 75 precipitation days per year. Precipitation is rain, snow, sleet, or hail that falls to the ground. The average temperature ranges from a high in July of 95 degrees F. to a low of 33 degrees F. in January (https://www.bestplaces.net, 2021). There are infrequent winter storms that may make operations pause for a day or so but nothing long-term. The above conditions make year-round mine operation possible with little weather-related lost time.

4.4 Infrastructure

4.4.1 Water

There are no issues with the water supply. The operation water requirements are served by a water well and ponds.

4.4.2 Energy Supply

Fuel supply for TLC's mining operations is from distributors in Johnson County.

4.4.3 Personnel

The DFW Metroplex has a population of 7.6 million and the nearby town of Cleburne has 30,000 people that the mine can draw from for new or replacement employees (U.S. Census website, 2020).

4.4.4 Supplies

The mine's supply needs are not an issue since all the major manufacturers have representatives in the DFW Metroplex area. All the major airlines and air freight carriers serve DFW International Airport and the airport is considered a prime hub. Several trucking companies provide service to the operation from Johnson County and the DFW area.

5 History

5.1 Prior Company Ownership|

The TLC mine began operations in the 1940's. USLM (formerly known as Rangaire Corporation) purchased TLC in the 1960s, which owned 458 acres in Johnson County, Texas, at the time. In the years that followed, TLC acquired additional acres of land resulting in the current ownership of approximately 5,200 acres of land in Johnson County, and built three rotary kilns, two of which have preheaters and are still in operation, as well as other operational and office facilities. Information was provided by TLC.

5.2 Exploration and Development History

Table 5.2 Historical Exploration and Development Drilling

Year	Company	Purpose	Summary of Work	Comment
1955	TLC	Exploration	159 Core Holes	Hill & Johnson Co.
1955	TLC	Development	33 Core Holes	A.D. Holland Reserves
1958	TLC	Development	37 Core Holes	McClung Reserves
1997-Present	TLC	Production Drilling	Percussion Holes	Mine Bench QC
2009-2021	TLC	Development	Test Holes	Local Data Points

Note: A detailed discussion of all drilling and results is in Section 7.1.

6 Geologic Setting, Mineralization, and Deposit

The TLC mining operation has, and is, mining the upper part of the Cretaceous age Edwards Limestone. The associated operation requires unique chemical properties found in the Edwards. The mining operation has been mining continuously for the past seven decades. The longevity of this mine is due to the availability of resources, low chemical variability, consistent physical characteristics, and reasonably consistent thickness of the limestone ore mined.

6.1 Regional Geology

Shallow seas covered Texas during the early Paleozoic (Cambrian-Ordovician), the late Paleozoic (Permian) and the late Mesozoic (Cretaceous). These environments produced the extensive carbonate strata that form the limestone surface belt known as the Edwards Plateau.

The regional geology consists of northeast to southwest trends of outcropping and subcropping bands of rock groups ranging from the Permian age (oldest) to Eocene age toward the Gulf Coast. The Cretaceous age trend stretches from the border with Oklahoma down through the San Antonio area along with other outcrop trends (Fig. 6.1-1).

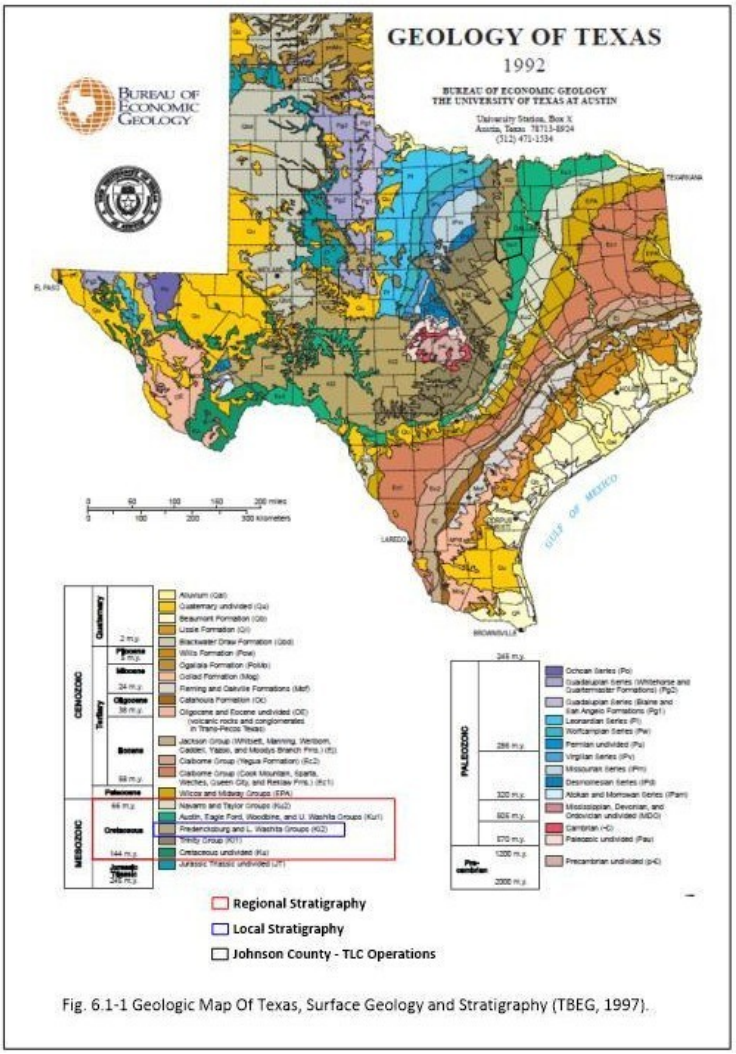


Fig. 6.1-1 Geologic Map Of Texas, Surface Geology and Stratigraphy (TBEG, 1997).

The Fredericksburg Group is part of this series and includes the Edwards Limestone formation. Fredericksburg Group sediments were deposited on an extensive reef bank. This environment covered nearly all of the Midwest of the United States. It was part of a seaway (broad trough) that extended northwest into western Canada (Fig. 6.1-2) (www.cretaceousatlas.org/geology/, 2021).

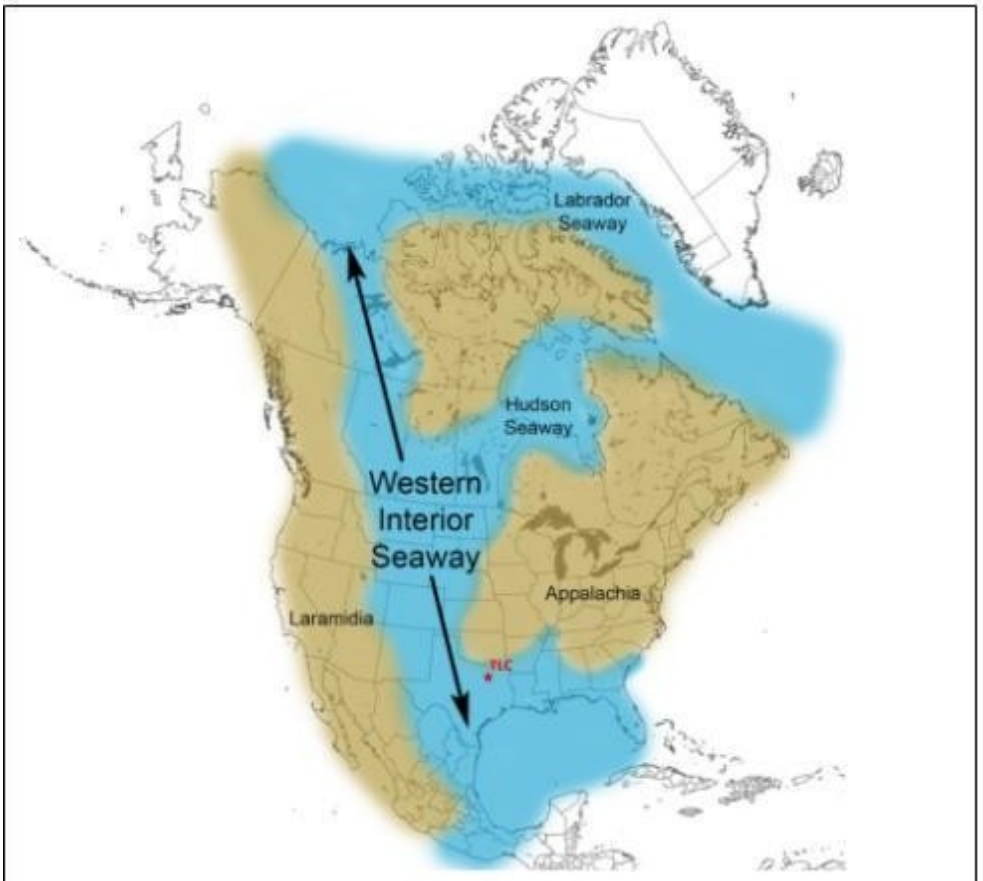


Fig. 6.1-2, Paleomap of Cretaceous Western Interior Seaway, the geologic environment responsible for producing the long-term conditions which the widespread Edwards reef developed. (https://www.cretaceousatlas.org/geology/)

6.2 Local and TLC Property Geology

Locally, Johnson County surface geology consists of almost flat-lying strata with the geologic age range of Cretaceous (oldest) and Quaternary (youngest). The units dip east-southeast gently toward the East Texas Basin further to the east. These units are unaffected by the significant faults that bound that basin (Collins and Baumgardner, 2011).

The structural fabric across the TLC property is straightforward, consisting of a dip with minimal range from two to four degrees to the east-southeast. In the past seven decades, no faulting has been observed on the surface or encountered by drilling or mining. The thickness of the Edwards ore interval ranges from 25 to 35 ft. and covers the entire property except were eroded. Photogeology and surface mapping have determined the outcrop is almost continuous in the area of the TLC property limits. The outcrop pattern reflects the almost flat dip with no subsurface structural relief.

In 1955, Albert A. Lewis drilled 159 holes on the property and locally. Data from recent holes on the site, contiguous parcels, and measured sections further confirm the same limestone bed is present across the entire TLC property. The Edwards is an almost linear north-south outcrop across the property. This data, along with information from mining faces and examination of nearby Edwards outcrops, provide a high degree of geological confidence of the quality and lateral continuity of the limestone on the property.

The TLC mine geology is a mirror image of the regional and local geology. The Edwards forms low relief cliffs that are bleached by the sun to bright white. In 1997 TerraCon, Inc. mapped the local area Edwards outcrop using photogeology methods (Bowers and Vickers, 1997). In some cases, the outcrop is hidden by weathering in the Kiamichi shale just above the formation.

6.3 Mineralization

Unlike other industrial minerals or metal deposits, high calcium limestones are the result of unique depositional environments only, not by subsurface alteration or enhancement. The $CaCO_3$ content is the product of reef organisms that build their exoskeletons out of $CaCO_3$ derived from the marine environment. The reef area has very limited or no exposure to non-carbonate materials such as clay, silica, and iron that reduce the $CaCO_3$ content. No subsurface mineralization has occurred to create or enhance the $CaCO_3$ content in this deposit.

6.4 Stratigraphy and Mineralogy

The following is a detailed discussion of the mine site stratigraphy. The Fredericksburg Group lithologies reflect changes in shoreline movement. The back-and-forth movement of the shoreline results from sea-level changes. Fig. 6.4-1 is the stratigraphic column for Western Johnson County (Brand, 1953).

Thin alternating shale and shaley limestone comprise the Walnut formation, deposited in near-shore shallow water such as a marsh or shallow tidal bay. The Comanche formation represents deeper water deposition with limestone beds alternating with widely separated shale layers, such as present in a lagoon or back reef bay environment. The Edwards formation is limestone with no land- derived shale or sand layers. The depositional conditions were clean seawater with moderate depth (sun light), resulting in massive carbonate reefs (Lozo et al., 1959).

Next, during deposition of the Kiamichi formation, the water depth deepened significantly, stopping nearly all reef production. This water depth change resulted in thick shale beds with very thin limestones and thin sandstones that typically represent deeper offshore areas and are associated with fine grain sediment input. The group's top and bottom are marked by a depositional hiatus, or erosional surface called an unconformity. These surfaces sometimes represent aerial exposure (dry land) and sediment removal. Fig. 6.4-1 contains the Fredericksburg Group stratigraphic sequence, thickness range, and lithology (Brand, 1953). Table 6.4 shows a stratigraphic order and thickness of the mined strata on the site. A cross-section index map with a north-south cross- section from the TLC mine is shown in Fig. 6.4-2.

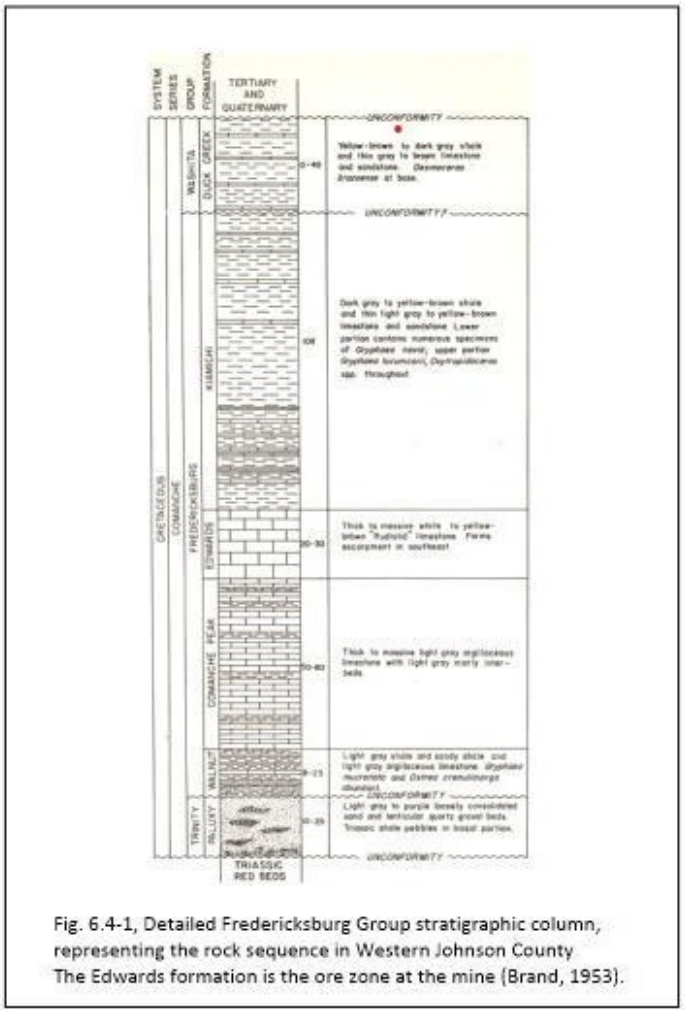
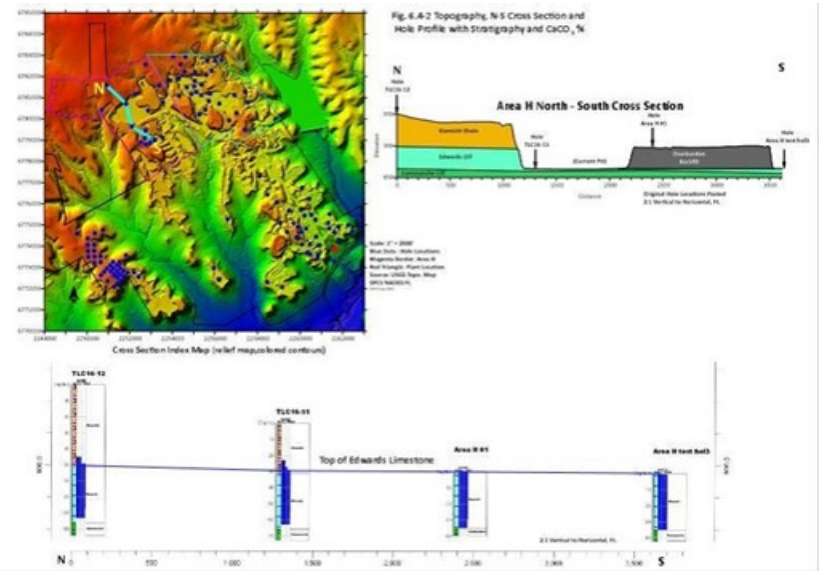


Fig. 6.4-1, Detailed Fredericksburg Group stratigraphic column, representing the rock sequence in Western Johnson County The Edwards formation is the ore zone at the mine (Brand, 1953).

Table 6.4 TLC Property Stratigraphy

Stratigraphic Unit	Thickness Approximate Range	Primary Lithology
Duck Creek	20 ft. to 35 ft.	Shale, Minor Limestone, Sandstone
Kiamichi Shale	35 ft. to 50 ft.	Shale, Very Thin Limestone, Sandstone
Edwards LST	25 ft. to 35 ft.	Clean Limestone, Abundant Reef Fossils
Comanche LST	30 ft. to 40 ft.	Clayey, Sandy Limestone



7 Exploration

The sample database used for the TLC geologic model is composed of multiple sources of data types. These sources include core and percussion drilling, measured sections with outcrop or highwall sampling, and photogeology mapping the Edwards limestone outcrop beyond the operation. Because of the TLC's significant land position, little exploration drilling has been necessary for the last 60 years. A considerable amount of the recent drilling has been near the mine and on TLC property.

7.1 Drilling Programs

A summary of all drilling projects in the local vicinity and on TLC property is in Table 7.1-1. These projects include exploration, development, and production drilling by diamond and percussion bit methods.

Table 7.1-1 All TLC Drilling Projects

Year	Company	Purpose	Summary of Work	Comment
1955	TLC	Exploration	189 Core Holes	Regional Area
1955	TLC	Exploration	7 Core Holes	Resource Purchase
1958	TLC	Development	123 Core Holes	Resource Purchase
1997-Present	TLC	Production Drilling	Percussion Holes	Mine Bench QC
2009-2021	TLC	Development	Test Holes	Near Pit Data Points
2016	3D Drilling Inc.	Development	12 Core Holes	Overburden and Ore Data
2018	Rubicon Drilling	Acquisition	12 Core Holes	Exploration

Fig 7.1-1 is a map of all core hole drilling programs utilized in the geologic model with labeled resource areas. A list of the hole database containing the hole name, XY coordinates, can be found in Appendix A.

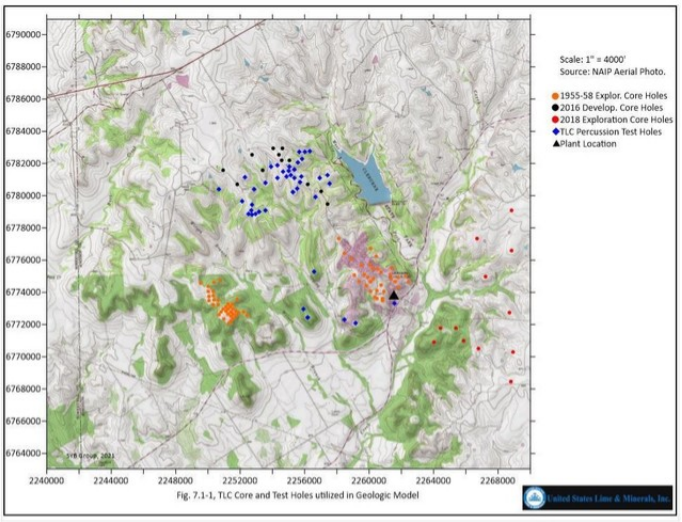


Fig. 7.1-1, TLC Core and Test Holes utilized in Geologic Model

Before 1955, TLC leased a mining property in Johnson County. To secure ownership of mining properties and extend resources, TLC sponsored an extensive exploration and development drilling program conducted by Albert A. Lewis P.E./Geologist in 1955 and 1958. These programs core drilled in southwestern Johnson County. The exploration area centered around the current mining area (Wilbanks Tract, Lewis, 1955). The program consisted of 189 core holes and provided detailed information when the Edwards was present. The program results led to the purchase of the first mining properties at the TLC's present-day location.

The average $CaCO_3$ percentage for entire 189-hole project was 97.9%. Table 7.1-2 lists the drilling results for properties located at the current mine site. The consistent $CaCO_3$ quality and thickness results from this detailed drilling was evidence that drill hole spacing was not a limiting factor in confirming continuity and consistency of the Edwards limestone. Summary tables for each parcel are in the internal reports. After review and verification, it was evident that the quality limit resulted in $CaCO_3$ percentages above 96.0% for the majority of the properties drilled.

Table 7.1-2 Summary of 1955 and 1958 TLC Mine Site Drilling*

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
1	12	26	98.2
2	13	19	96.9
3	3	22	97.9
4	36	27	98.8
5	7	30	97.6
6	6	29	98.7
7	5	27	98.6
8	6	28	97.1
9	4	27	98.4
10	33	28	97.6
11	5	23	97.2
Total	**130**	**26**	**97.9**

Note: *From Lewis, 1955 and 1958 internal drilling reports.

The core sampling and logging methods employed in the 1955 and 1958 drilling are comparable to modern-day techniques. Lewis reported the county surveyor surveyed the hole locations that produced maps for the reports' resource calculations. The reports do not contain the hole location coordinates. The reports have hole location maps for the leased and acquired tracts and provided property location maps for all the drilled properties.

During drilling, cuttings and core were collected. In the locations where the overburden was absent, cuttings were collected until enough hole was drilled to set up the core barrel assembly. An air compressor was used to clean the holes and retrieve the cuttings while drilling. A cone rock bit was used to drill the cuttings which produced coarse (-0.5 inch) cuttings. Samples were collected in the box from a pipe that ran to the collar flange over the hole. A sample was taken and bagged and the hole was blown clean every two ft. After five ft., the composited sample in a bag was labeled internally and externally. The collection box was then cleaned and the hole blown clean before the next composite. Hole locations with nearly ten ft. or more of overburden core drilling were started as soon as solid bedrock was drilled. The cuttings and core were logged at the hole site. The data logged were core recovered, stratigraphy, lithology, and stratigraphic top and bottom.

The reports provided detailed drill logs and laboratory result sheets. Holes, where mapped locations are provided, are material to developing the geologic model. The chemical analysis results are very comparable to analysis from holes recently drilled. These drilling reports establish that the Edwards limestone has consistent $CaCO_3$ quality above 96.0% around the current TLC operation site.

TLC has for many years conducted development drilling and sampling on the properties being actively mined. This drilling has consisted of percussion (test holes) and coring to provide geology/lithology, quality control, and data to confirm or update the mine geologic model.

In 2016, additional development core drilling was done to support the mine advancement (Fig. 7.1-1). A twelve-hole program was approved and followed the core logging and sampling USLM protocols. The TLC QC/QA laboratory conducted the XRF analysis. The results of this drilling and analysis are very comparable to the results from the other core projects. A summary of these results is presented in Table 7.1-3.

Table 7.1-3 Summary of 2016 Development Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
TLC North and West	12	27	Above 96.0

Note: From 2016 SYB Group Drilling Report.

The chemical results were consistent with the core analyzed in the 1955 drilling programs.

The most recent exploration project occurred in 2018 on land now owned by TLC. The land adjoins the mine property east of State Park Road 21. The drilling program consisted of eight core holes on the sale tract and four were drilled on adjacent TLC property to the west. The Edwards Limestone quality and minable thickness were confirmed on both parcels and the sale tract was purchased. Table 7.1-4 contains a summary of the drilling results. The holes were surveyed by a GPS unit and logged at the location according to the core logging protocols USLM had established. The drilling and core logging was supervised by SYB. The TLC QC/QA laboratory conducted the XRF analysis.

Table 7.1-4 Summary of 2018 Exploration Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
TLC East	12	24	Above 96.0

Note: From 2018 SYB Group Drilling Report.

The $CaCO_3$ percentage results were consistent with the drilling results in the active mine areas. Depths of the east drilling Edwards tops and bottoms compare well with the 2016 TLC drilling tops and bottoms, confirming a nearly flat-lying formation with a low dip range from two to four degrees to the east-southeast. The core loggings protocol for the 2016 and 2018 drilling projects is presented below.

SYB followed the drill site protocols established by USLM. These protocols for drilling, logging, and sampling cores had been developed as equipment and analyses had changed. The project procedures were:

- Contract geologists selected core drilling locations with the approval of sites and drilling budget by USLM management.
- Core drilling was conducted directly under the supervision of contract geologists. All core was logged by SYB or an approved USLM contract geologist using a protocol modified from the Shell Sample Examination Manual (Swanson, 1981) that was modified by SYB and approved by USLM.
- After final selection, hole locations were surveyed by hand GPS (WAAS and GLONASS capable).
- Immediately upon retrieval, the core was placed on a V-shaped trough. All core pieces were fitted together and labeled with a permanent marker in one-ft. intervals.
- Characteristics related to the suitability of the limestone products for customers and geology were recorded. These items are stratigraphy, key marker lenses/layers, lithology characteristics, visual identification of ore top and bottom, and structural disturbance.
- The core from each drill hole was placed into cardboard boxes in two ft. intervals totaling 10 ft. at the drill site. The boxes were labeled with a box number, company information, hole number, core runs, and depths marked on each box. The boxes were then delivered to the TLC core processing area. Then they were prepped for transport to the TLC core storage center. The contract geologists were responsible for examining the core and compiling a detailed interval list for XRF analysis. This list was later entered into Excel to build an analysis database. The analysis intervals were chosen on two ft. lengths and intervals of six ft. to ten ft. above and below the lithologically identified ore zone were chosen. This excess was so the top and bottom of the ore could be chemically defined.

Once the cores were at the TLC core storage area, the core intervals were diamond sawed into two- thirds to one-third splits. The interval's one-third split was then bagged in a plastic bag and labeled with the depth interval to be analyzed. The two-thirds split was placed back in the box for reference.

The bagged intervals are kept in plastic labeled buckets or boxes in separate groups by the hole and then submitted to the TLC QC/QA lab for XRF analysis. Any portions of samples not destroyed during the testing process are stored at TLC's core storage facility.

The percussion development or test hole drilling is ongoing. A hole is drilled as soon as new land is cleared, stripped, or new access to an area right above the top of the Edwards is available. Locations are selected to provide data points providing closer spacing to the core locations. Mine drilling crews performed test hole logging primarily but contract geologists logged the holes when needed. This program is utilized to confirm (pit specific) the mine geologic model and verify the $CaCO_3$ content between core holes. These holes were sampled by catching drill cuttings in a container next to the hole or from the cyclone dust collector, depending on the drill utilized while drilling the desired interval of five or two ft. The hole is then swept by cycling the drill string up and down while blowing the hole clean. The upper interval above is drilled and sampled if the hole location is not directly on top of the ore zone. This non-ore interval thickness is minimized so that contamination from above is not a concern. A 20-mesh steel screen is used to separate dust and fine particles to obtain the largest chip sizes for visual examination and XRF analysis.

Production holes are selected from the blast hole patterns and are part of a weekly quality control program that existed for most of the mine's life. These holes provide detailed bench-specific chemical quality and ore zone thickness data. The production hole results were not included in the TRS resource estimate because of the missing location information and high spatial density of data (model biases).

After surveying by drone (Firmatek Inc.), some locations are checked to be verified. When adjustment was needed in the horizontal plane, it was usually under 10 ft. The lithology, chemical analysis, and ore interval for all database holes were plotted as logs. A recent core log is shown below in Fig. 7.1-2. These logs were used to correlate stratigraphy, lithology, and ore zone intercepts. Also, they form a visual catalog for the hole data. Sources for this section were TLC personnel and historical reports.

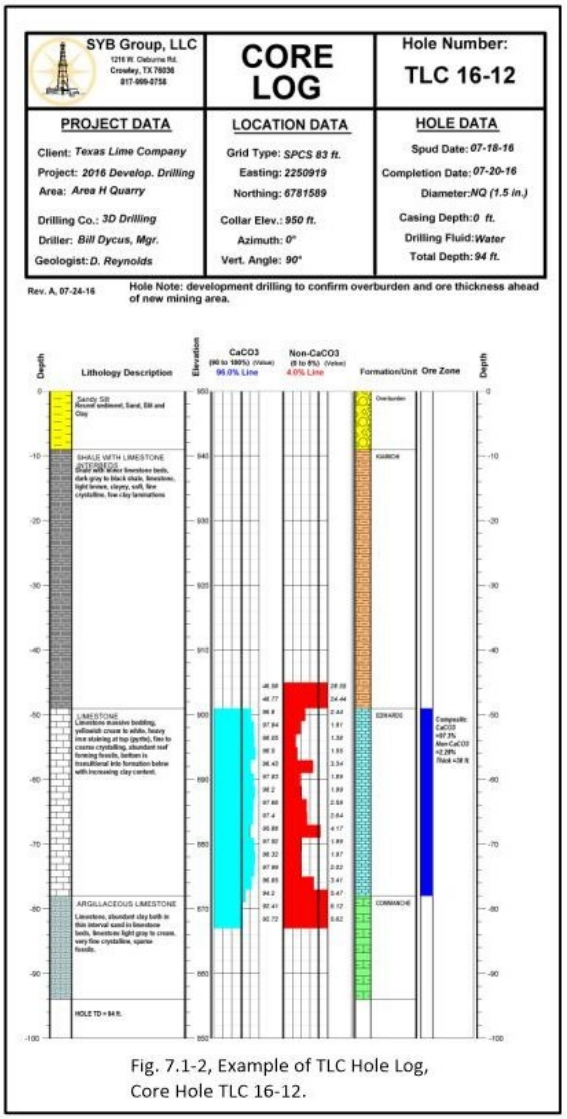


Fig. 7.1-2, Example of TLC Hole Log, Core Hole TLC 16-12.

7.2 Surface Mapping and Sampling

Outcrop section sampling and measuring had occurred when access for a drill was problematic or offsite. These sampling programs were conducted at TLC in 1998, 2015, 2017, and 2020 to locate and describe sample outcrops and extend the geologic database. A representative section was measured at each location, samples were collected, and the lithology was described. These sampling sites were used to provide chemical quality and surface mapping of the limestone units in and beyond the boundary of the active mining operation. The outcrop or highwall sampled section was surveyed by GPS and marked on aerial photos. Representative hand samples were obtained from each section, where access would allow, by a hammer. The piece was prepped, so only fresh material was present. The sample and a plastic zip bag were labeled with a permanent marker with the sample number. Samples were submitted to TLC QC/QA laboratory for prep and XRF analysis. A profile was made for each section using United States Geological Society ("USGS") LiDAR scanned topography, and outcrop samples were plotted with $CaCO_3$ percent results on the profile.

The N. West section was measured to confirm the presence of the Edwards and validate three holes drilled there because specific locations could not be established. Table 7.2 summarizes outcrop measured sections and the average $CaCO_3$ percentage for the section. Fig. 7.2-1 is an example of a measured section profile (N. West) with outcrop sample locations marked.

Table 7.2 Summary of Measured Section Sampling

Property	Number of samples	Estimated LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
TLC East	4	23	96.6
West	3	30	97.3
N. West	3	30*	98.3
North	4	30	98.4

Note: * Drilling was stopped in the ore interval.

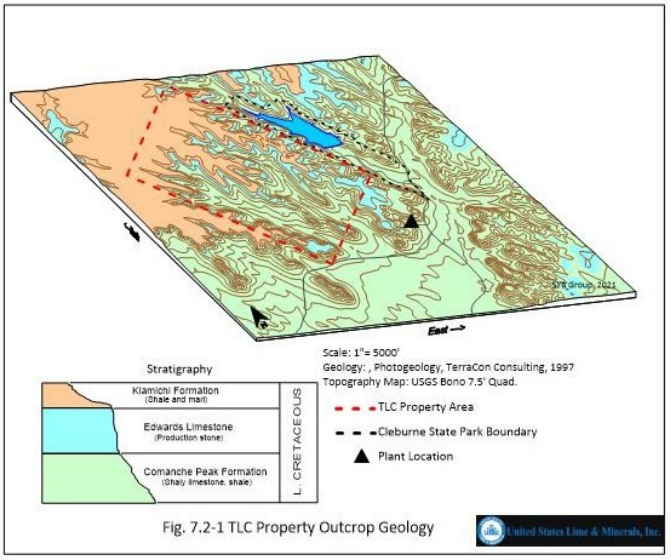


Fig. 7.2-1 TLC Property Outcrop Geology

The drilling, surface sampling, and mapping results have provided the following conclusions. Locally, the Edwards outcrop is almost continuously visible across the TLC area. Recent sampling confirmed the mapping by photogeology by TerraCon, Inc. in 1997. This mapping confirmed, and drilling has substantiated, the presence of the limestone throughout the TLC property. Sources for this section were consultants and TLC.

7.3 Hydrogeology Information

No hydrogeological studies have been conducted at the TLC property and the State of Texas does not require TLC to do so because the floor of the TLC mine is above the groundwater table.

7.4 Geotechnical Information

The state of Texas does not require geotechnical studies to be performed at mines.

8 Sample Preparation, Analyses, and Security

8.1 Sample Preparation and XRF Analysis

The TLC QC/QA laboratory was established many years ago and has been upgraded as required addressing strict chemical and physical parameters to meet the increasing demands of the customer base. In addition, customer quality control labs test TLC processed products shipments frequently.

XRF is one of the primary methods for determining the chemical content of limestone. The TLC QC/QA laboratory has been responsible for conducting XRF analysis on drilling, hand samples collected for outcrop confirmation, all limestone samples from stockpiles, belt feed samples and plant processed materials. The five significant oxides are analyzed.

When preparing an XRF sample, whether core or cuttings, the entire sample interval is crushed to -10 mesh. The sample is then separated and reduced by a ruffle to 250 grams, drying and pulverizing a representative split to -150 mesh. The samples are analyzed for the oxides CaO, MgO, Fe_2O_3, Al_2O_3, and SiO_2, following USLM's XRF analytical method for limestone analysis. The technique involves pressing the powder into a pellet using a wax binder to hold the shape. The sample trays are loaded into the instrument with samples, a copper standard, and a certified control standard. The analytical procedure and protocol information was

provided by TLC QC/QA personnel and other information for this section was provided by TLC personnel.

8.2 Quality Control/Quality Assurance

The unknown samples are analyzed twice in a run to provide data to confirm repeatability. All sample preparation equipment is cleaned after preparing each sample and before the subsequent preparation. The instrument is cleaned and calibrated each year by the manufacturer and is under a service contract. Whenever the device becomes dirty and registers out of calibration or out of specification for the standards, the manufacturer comes out to clean, recalibrate, and repair if necessary. The oxide results of each sample are totaled to determine if the data is within an acceptable error range around 100%. The sample analysis is rerun if the total oxide percentage exceeds acceptable error limits. Sample preparation and a newly prepped sample correct the problem in many cases. The laboratory has a set of certified limestone standards to cover the content range of the major oxides that can occur in limestones. The appropriate standard is run concurrently with the unknown samples. The standard results are compared run to run to ensure the instrument operates correctly.

USLM has a total of five QC/QA labs among its wholly owned subsidiaries. These labs can perform many of the same analyses, specifically XRF.

The TLC QC/QA laboratory is certified by:

- Highway Departments in Texas, Louisiana, Oklahoma, Kansas, New Mexico, and Colorado;
- The Food and Drug Administration;
- Underwriters Laboratory; and
- Member of Sedex Global.

The laboratory follows procedures and protocols set forth by:

- ASTM Methods: C-25, 50. 51, 110, 977;
- AASHTO Methods: M216-05, 219; and
- USLM protocols for testing whole-rock samples.

The laboratory utilizes certified limestone samples to verify the accuracy and calibration of its instrumentation. These are:

- Euronorm MRC 701-1;
- China National Analysis Center:
  - -NC DC 60107a;
  - -NCS DC 14147a;
  - -NCS DC 70307; and
  - -NCS DC 70304.

The security for limestone geological samples is not required as compared to the procedures needed for precious metals (gold, silver, etc.). Core or other samples are immediately taken after drilling or at the end of the current shift to the core storage area by the contract geologist, member of the drill crew, or the collector of limestone samples. They are logged in and then processed by TLC QC/QA laboratory personnel. The change of possession is limited to two or three people that can be identified and held accountable for the whereabouts of the samples before delivery to the laboratory. This information was provided by TLC QC/QA laboratory personnel.

8.3 Opinion of the Qualified Person on Adequacy of Sample Preparation

The QP noted the adherence to preparation and analytical procedure protocols by the TLC QC/QA laboratory personnel. The analysis of geologic samples is conducted with the same care as the TLC QC/QA testing for the materials processed by the plant. The opinion is that the analytical program and laboratory provide reasonably accurate data for determining resource estimates.

9 Data Verification

9.1 Source Material

The QP worked with onsite TLC personnel to obtain databases and raw data. There was an ongoing interface with TLC personnel while reviewing and verifying the data needed to model the resources. For this TRS, the hard copy data was compared with the digital database for correctness and thoroughness. The data from the old drilling programs were validated as reasonably as possible by comparing lithology and depths from nearby recent holes. Recent hole ore intercepts were cross-checked with the appropriate mine surveys to verify and confirm surveyed collar data.

The 1955 hole maps with the plotted surveyed locations were georeferenced using Global Mapper™ and then digitally overlain on age appropriate USGS Quad Geotiff raster maps to verify location and, when possible, topography (USGS MapView, https://ngmdb.usgs.gov/topoview/viewer).

When possible, the original hole analyses were re-composited using a cutoff above 96.0% $CaCO_3$ cutoff. Then $CaCO_3$ averages were compared to recent holes. The selected core from the recent drilling was compared to drill site core logs to confirm logging was suitable for the intercept data needs. The QP met with the QC/QA laboratory manager to validate that the QC/QA

protocol was followed for the geologic samples and the instrument's status records. The sources for this data are the TLC QC/QA laboratory, contract geologists, and Firmatek Surveying.

A truck LiDAR or drone photogrammetry elevation survey provides spatial control for TLC mining. These surveys are conducted quarterly and year-end. They are accurate to within one foot when coupled to a Trimble ground station. (Firmatek, 2020). All surface mapping and sample locations were surveyed by hand-held GPS and adjusted where necessary when compared with federal government or private LiDAR data sources. Locations for select accessible sites were survey-checked with GPS for validation.

9.2 Opinion of Qualified Persons on Data Adequacy

After contacting TLC personnel and subcontractors, reviewing the material, and performing verification processes, the QP is satisfied the drill hole database and chemical analysis data are reasonably valid. The QP's opinion is that the data has been analyzed and collected appropriately and reasonably and that the data was adequate for the resource interpretation and estimation.

10 Mineral Processing and Metallurgical Testing

The limestone mined at the TLC property is sedimentary without alteration due to metamorphic or igneous geologic processes. The uniqueness and suitability of the raw stone for making products are based on the percent of $CaCO_3$ content of the limestone. There is no metal content in the ore and no need to perform metallurgical testing. Extracted limestone from the mine has been supplied to TLC's operations for further processing for decades. The mined stone is processed through a conventional crushing circuit without any mineral or chemical processing before stockpiling. TLC personnel furnished the preceding information.

11 Mineral Resource Estimates

11.1 Definitions

A mineral resource is an estimate of mineralization, considering relevant factors such as cutoff grade, likely mining dimensions, location, or continuity, that, with the assumed and justifiable technical and economic conditions, is likely to, in whole or in part, become economically extractable. Mineral resources are categorized based on the level of confidence in the geologic evidence. According to 17 CFR § 229.1301 (2021), the following definitions of mineral resource categories are included for reference.

An inferred mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. An inferred mineral resource has the lowest level of geological confidence of all mineral resources, which prevents the application of the modifying factors in a manner useful for the evaluation of economic viability. An inferred mineral resource, therefore, may not be converted to a mineral reserve.

An indicated mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of adequate geological evidence and sampling. An indicated mineral resource has a lower level of confidence than the level of confidence of a measured mineral resource and may only be converted to a probable mineral reserve. As used in this subpart, the term adequate geological evidence means evidence that is sufficient to establish geological and grade or quality continuity with reasonable certainty.

A measured mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of conclusive geological evidence and sampling. As used in this subpart, the term conclusive geological evidence means evidence that is sufficient to test and confirm geological and grade or quality continuity.

11.2 Key Assumptions, Parameters, and Methods

11.2.1 Resource Classification Criteria

Geologic and analytical data from regional and local drilling along with surface sampling/mapping have proven that the Edwards limestone has a consistent $CaCO_3$ content above 96.0% and a small range of thickness (25 ft. to 35 ft.) across many square miles of outcrop area in Johnson County. These analytical results cover from 1955 to 2021 and are sufficient to establish reasonable certainty of geological presence, grade, and quality continuity on the property.

Practically any outcrop of the Edwards limestone on the TLC property will supply limestone with a $CaCO_3$ above 96.0%. The many years that the TLC mine has operated historically proves the extraction of the deposit is economical. The geologic confidence is high with the abundance of verified sampling, classifying these resources in the measured category is appropriate.

11.2.2 Market Price

The TLC mine is the sole supplier of limestone to TLC operations. After processing through the crushing circuit, the crushed limestone is available for sale to external customers or TLC operations usage. There are several limestone products for sale. Products are differentiated by size with all having common chemical and physical properties.

A market survey for crushed limestone is conducted by the USGS each year. The publication is titled "USGS Mineral Commodity Summaries 2023." Their database comprises sources from the entire United States and considers such material issues as regional price difference, weather effects, production issues, and decreased demand from downstream users. USGS reported an average value price of $14.00 of crushed limestone per metric ton which converts to $12.70 per short ton. After consulting with USLM

this source provides a reasonable value for the range of crushed limestone products sold by the Company.

11.2.3 Fixed CutOff Grade

The TLC mine supplies crushed limestone to the to the TLC operation and for sale to end-user markets. The TLC operation must be provided with a limestone source above an average $CaCO_3$ threshold for customer needs. No matter the product, the raw limestone must exceed a minimum average content above 96.0% $CaCO_3$. This percentage is considered a fixed cutoff grade because the percentage does not vary for the products supplied by the operation. The average percent of $CaCO_3$ can be higher but not lower to meet quality requirements. Mining limestone with a significantly higher average $CaCO_3$ percentage results in the deposit being high-graded which shortens the mine's life. Lowering the grade is unacceptable because of quality requirements.

A primary XRF analysis quality control check is to total all the oxide percentages to determine how close the analysis total is to 100%. CaO is the primary oxide of the sample analyzed and the remainder is comprised of MgO, Fe_2O_3, Al_2O_3, and SiO_2 (refer to Section 8).

Because the mine operates on a fixed cutoff grade, there are no specific economic criteria for changing the cutoff grade. Any cost factors that increase the mining cost of limestone at this fixed grade would be offset by appropriate downstream price increases to end-user markets or in the TLC operation's products.

11.2.4 Summary of Parameters

Modifying factors are the fixed cutoff grade, the final pit shell area, and property line offset. Key assumptions and parameters applied to estimate mineral resources are in Table 11.2-4.

Table 11.2-4 Resource Parameter Assumptions

Modifying Factor	Parameter
Fixed Grade Cutoff	Above 96.0% $CaCO_3$
Estimated Final Pit Shell	Pit Shell Outline
Property Offset	20 ft.
Mineability	Reasonably Expected to be Feasible to Mine

11.3 Resource Model

The beginning of the database came from the exploration programs in 1955 and 1958 and continued with the development test completed by TLC to continue to define the resource. This same database was updated in 2016 when development drilling occurred west of the mine. The QP reviewed the existing database, added new sample data, and verified to prepare for the TRS resource estimates. Table 11.3 lists the number of holes in the database and the data type.

Once the database had been updated a final data entry check was performed. Any sample data without a verifiable location was deleted or excluded. All production hole data was excluded because a significant number of the holes had no location data. Based on the QP's professional judgment, holes in that category were removed rather than selectively including some holes.

The mine is surveyed by Firmatek drone photogrammetry quarterly. The survey is accurate to one foot when coupled with a Trimble R8 GPS base station (Firmatek, 2020). The new survey is edited into the old topography using Global Mapper™ software. The current scan dated October 9, 2021, was used for the TRS resource estimate. The existing coordinate system was State Plane NAD 83 ft. and was not changed.

The ore body consists of a single limestone bed defined by top and bottom surfaces. The top and the bottom ore intercepts were created from total hole ore composites. The average $CaCO_3$ percentage is composited above 96.0% in each hole. If any hole's composite was below 96.0%, that area would be excluded from the resource estimate. This situation did not occur. Next, the hole intercepts and data points from the surface sections were utilized to produce top and bottom three-dimensional structural surfaces or contour maps based on the fixed cutoff grade composites.

The method chosen to model the deposit structure was gridding using SURFER™ software and Kriging was selected from twelve other algorithms. The selection process involved four steps:

- Rough hand contour data for trend and structure estimate;
- Run gridding script with basic inputs to compare gridding methods and produce a rough map;
- Select grid method/s then refine with specific inputs; and
- Run a residual test to see which grid method closely matches the hole intercepts.

These two surfaces were then truncated against the new topography to account for erosional effects. This truncation is done because the ore bed position does not occupy the floor of the valleys. There are several feet of non-ore below the defined ore bottom. Fig 11.3 is a map of ore thickness (isopach).

Next, ore isopach, overburden isopach, and overburden stripping ratio maps were constructed. These maps were compared to a block model created in Surpac ™ using the two ore boundary surfaces. The surfaces were also used to determine conformity and validate the block model. The block model was then utilized to design pits for mine planning and determine mine resource and reserve estimates. Those pit designs furnished the pit shell for defining the outer boundary for resource estimation. The methods employed using Surpac are discussed below.

The resources were estimated using Geovia Surpac software. Contours of the top and bottom of the ore were imported into Surpac in AutoCAD format exported from SURFER. Surpac DTM surfaces were created using these contours. The same drone survey performed on October 9, 2021 was imported into Surpac. Block models were developed for the resource areas on the property (refer to Fig. 11-3). The blocks were 20 ft. northing by 20 ft. easting and 2 ft. thick. The blocks were coded above or below the topography, above the ore bottom surface, and below the top ore surface. The blocks were coded within the resource boundaries for each area. Mine pits were designed using a 70-degree slope in limestone and a 45-degree slope in the overburden. The crests of the pits were offset 20 ft. from any external property boundaries.

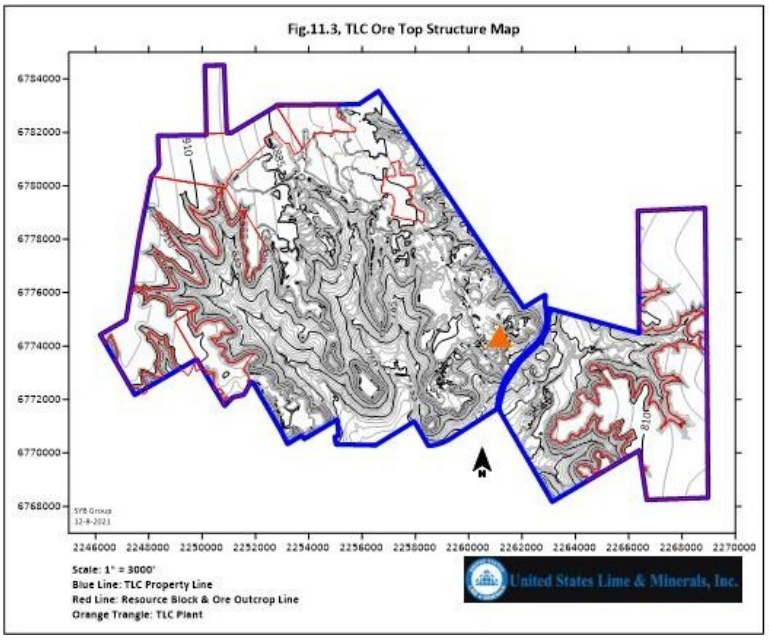


Table 11.3 Summary of Drill Hole Database for the Model

Data Type	Number of Records
Total Holes	142
Collar	139
Lithology	142
Chemical Analyses	142
Hole Composites	142
Holes Not on TLC Property	3*

*Note: Replaced by measured section, chemistry valid.

11.4 Mineral Resources

11.4.1 Estimate of Mineral Resources

The estimate of measured and indicated mineral in-place limestone resources for the TLC operation effective December 31, 2023, estimated from applying the resource parameters to the geologic model, are in Table 11.4-1. There are no indicated or inferred mineral resources. The crushing circuit output was selected as the point of reference for the resource determination. Because of the chemical quality of the limestone some size fractions in the stream from the crushing circuit are available for distribution after stockpiling.

Table 11.4-1 Texas Lime Company – Summary of Limestone Mineral Resources as of December 31, 2023, Based On $12.70 Crushed Limestone [1,2]

Resource Category	In Place (tons)	Cutoff Grade (% X)	Processing Recovery (%)[3]
Total Mineral Resources[4]	113,180,000	Above 96.0% ($CaCO_3$)	N/A
Total Measured Mineral Resources[5]	0	Above 96.0% ($CaCO_3$)	N/A
Indicated Mineral Resources	0	Above 96.0% ($CaCO_3$)	N/A
Total Measured and Indicated Resources	0	Above 96.0% ($CaCO_3$)	N/A

Notes: 1 Price Source from USGS Mineral Commodity Summaries 2023
2 Crushed limestone through the crushing circuit.
3 N/A: Not Applicable because estimated resources are in place.
4 Inclusive of Limestone Mineral Reserves.
5 Exclusive of Limestone Mineral Reserves.

11.4.2 Geologic Confidence and Uncertainty

The most uncertainty in the geologic data was associated with production hole locations. As discussed in Section 11.3, excluding that data removed the issue. The older chemical analysis consistently reports higher $CaCO_3$ results than recent data (Lewis, 1955). The older holes were composited at a higher cutoff than the current holes. The company mined through the older areas with no reported quality problems. The Edwards is a tabular, massively bedded limestone. For many decades, the TLC mining operation has produced crushed limestone meeting or surpassing customer requirements and the quality limits required by the plant. The continuity and quality consistency has been documented by abundant widespread local sampling and drilling results on the property. Because of those results, there is high confidence in the definition of the ore zone limits and that the quality is constantly above the $CaCO_3$ cutoff.

11.5 Opinion of the Qualified Person

There are no significant factors onsite that will impact the extraction of this ore body. Most directly involve the TLC plant and not the mine. After reviewing the resource model, the QP is confident that sampling the property at any Edwards outcrop in the area would provide a minable section provided erosion has not removed significant limestone thickness. TLC will continue to economically extract limestone above the quality cutoff for the foreseeable future.

The QP's opinion is that the following technical and economic factors could influence the economic extraction of the resource but the TLC plant insulates most of them from the mine. If the demand for higher value quicklime becomes economically unfeasible, the volume of production from the mine would significantly decline.

- Regional supply and demand – Due to the shipping cost of crushed stone and quicklime, sales are limited to a regional footprint at the TLC operations. The geographic location means the business is insulated from global import and export market changes as sales are domestic and regional.
- Fuel and power cost – mining equipment are major diesel consumers at the TLC mine. As diesel prices rise, the price per ton of production also rises and will need to be offset by increases in the selling prices for the products sold. The cost of electrical power to the crushing circuit could increase to a point where an offset similar to diesel would be needed.
- Skilled labor – This site is located near the DFW Metroplex, which should provide a sufficient source of skilled labor.
- Environmental Matters:
  - Federal or State regulations/legislation regarding greenhouse gas emission
  - Air and water quality standards

12 Mineral Reserve Estimates

Mineral resources were converted to reserves using a 95% recovery factor. The property boundary offsets and pit slopes were included in the resource estimate. The limestone is mined on a bench and breaks cleanly from the overburden. The limestone below the targeted pit floor has slightly lower quality and when encountered is blended with higher portions of the ore body without having a significant impact on quality. Dilution volume is minimal and was not estimated.

As discussed in Section 11.2.3, the average stripping ratio for the reserves is 1.0 tons of stripping per ton of limestone. The highest annual stripping ratio in the life of mine plan is 1.8:1.

12.1 Definitions

Mineral reserve is an estimate of tonnage and grade or quality of indicated and measured mineral resources that, in the opinion of the QP, can be the basis of an economically viable project. More specifically, it is the economically mineable part of a measured or indicated mineral resource, which includes diluting materials and allowances for losses that may occur when the material is mined or extracted (Dorsey, 2019).

Probable mineral reserve is the economically mineable part of an indicated and, in some cases, a measured mineral resource. For a probable mineral reserve, the QP's confidence in the results obtained from the application of the modifying factors and in the estimates of tonnage and grade or quality is lower than what is sufficient for a classification as a proven mineral reserve, but is still sufficient to demonstrate that, at the time of reporting, extraction of the mineral reserve is economically viable under reasonable investment and market assumptions (Dorsey, 2019).

Proven mineral reserve is the economically mineable part of a measured mineral resource. For a proven mineral reserve, the QP has a high degree of confidence in the results obtained from the application of the modifying factors and in the estimates of tonnage and grade or quality. Proven mineral reserve is the economically mineable part of a measured mineral resource and can only result from conversion of a measured mineral resource (Dorsey, 2019).

12.2 Market Price

As stated in Section 11.2.2, the TLC mine is a supplier of limestone to TLC operations. After processing by the crushing circuit, the crushed limestone is available for sale to customers or TLC operations usage. There are several limestone products for sale. Products are differentiated by size with all having common chemical properties.

A market survey for crushed limestone is conducted by the USGS each year. The publication is titled "USGS Mineral Commodity Summaries 2023." Their database comprises sources from the entire United States and considers such material issues as regional price difference, weather effects, production issues, and decreased demand from downstream users. USGS reported an average value price of $14.00 of crushed limestone per metric ton which converts to $12.70 per short ton. After consulting with USLM this source provides a reasonable value for the range of crushed limestone products sold by the Company.

12.3 Costs

Annual maintenance of operations and capital costs were estimated using prior-year capital expenditures and TLC's 2024 capital budget. Limestone mining costs for TLC were estimated using historical data and its 2024 budget. Contract limestone mining costs for the TLC East area were calculated using a vendor quote. Stripping costs were estimated using an existing stripping contract cost.

12.4 Reserve Estimates

The estimate of proven and probable limestone reserves for the TLC operation effective December 31, 2023, estimated from applying the reserve parameters to the geologic model, are in Table 12.4.

Table 12.4 Texas Lime Company – Summary of Limestone Mineral Reserves as of December 31, 2023, Based On $12.70 Crushed Limestone [1, 2]

Reserve Category	Extractable (tons)	Cutoff Grade (%X)	Mining Recovery (%)
Probable Reserves	47,532,000	Above 96.0 ($CaCO_3$)	95.0
Proven Reserves	59,989,000	Above 96.0 ($CaCO_3$)	95.0
Total Mineral Reserves	107,521,000	Above 96.0 ($CaCO_3$)	95.0

Notes: 1 Price Source from USGS Mineral Commodity Summaries 2023
2 Crushed limestone through the crushing circuit.

12.4.1 Reconciliation with Previous Estimates

Comparing TLC's high calcium limestone reserves as of December 31, 2023 with the estimates presented for December 31, 2021 a decrease of 3,185,000, tons occurred which is the result of routine mine production.

12.5 Opinion of the Qualified Person

TLC has successfully mined this resource for many years using the same methods that are projected into the future. Significant increases in the cost of mining coupled with large decreases in the selling price of limestone would be required to make mining uneconomic. Historically, TLC has been able to increase sales prices in line with cost increases. The limestone and the overburden are consistent across the reserves and allow for stable operating requirements from year to year.

13 Mining Methods

13.1 Geotechnical and Hydrologic Considerations

The State of Texas currently does not require geotechnical or hydrology modeling in mining operations. Since the operation is an open pit mine, no geotechnical or hydrological studies or models were needed.

The only geotechnical aspect of the mining investigated is modifying the blasting procedure to control the sizing of the limestone to be extracted. The only investigation into hydrologic conditions in the mine was to confirm drainage patterns and formation dip in the floor so that rainwater could be controlled at the mining face. The floor of the mine is above the water table of the area.

13.2 Mine Operating Parameters

The TLC mine currently averages an annual production rate of approximately 1,600,000 tons per year. The current expected mine life at the average rate stated is approximately 65 years.

Topsoil and vegetation are pushed aside utilizing conventional mining equipment. Some overburden is drilled using a five-inch bit. The spacing is determined by using best mining practices. The mining contractor removes the loose and or blasted overburden using conventional mining equipment. The overburden is backfilled into a nearby pit after the limestone has been extracted. The average stripping ratio for the life of mine is 1.0, with the highest stripping ratio of 1.8 and the lowest of zero. The standard deviation of the annual stripping ratio over the life of the mine is 0.5. This low standard deviation shows that the stripping requirements are relatively uniform from year to year.

The lowest strata of overburden is a shale layer that breaks away cleanly from the limestone ore body. The limestone ore body is drilled with a five-inch bit. The burden and spacing for the drill hole pattern are determined by using best mining practices. The limestone ore body mining thickness typically ranges from 25 ft. to 35 ft. Blastholes are sampled as required to confirm $CaCO_3$ content and the desired mining thickness. The limestone is mined with conventional mining equipment. The mining recovery is estimated to be 95%.

13.3 Mining Plan

Mining operations at the TLC property are straightforward and relatively simple. The overburden material is removed by contract stripping annually. This removal is not generally considered a capitalized activity and is expensed as incurred. It is simply the most efficient and economical way to handle the overburden. Mining operations are a repeated cycle of drilling and blasting the limestone benches followed by loading and haulage. TLC performs the drilling and a contractor carries out the blasting operations. The mine completes the load and haul operations using conventional mining equipment with a small ancillary equipment fleet, including a water truck, grader, and tracked dozer. Limestone is hauled to the crushing circuit.

13.4 Mine Plant, Equipment, and Personnel

The mining equipment fleet consists of three haul trucks, two loaders and a drill. Ancillary mobile equipment includes a water truck, a grader, an excavator, a dozer, and light vehicles. Contractors have additional equipment for blasting and overburden removal operations. Equipment necessary for mining operations includes three water pumps. The TLC mine operates 5 to 6 days per week depending on demand and maintenance requirements. Operating personnel, excluding contract operations, consist of nine operators and two maintenance personnel, with a mine manager supervising the operations. Fig.13.4 shows the TLC estimated final pit boundaries.

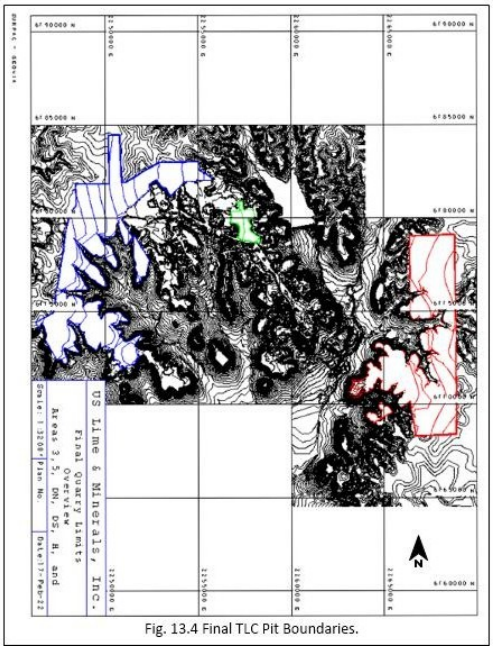


Fig. 13.4 Final TLC Pit Boundaries.

14 Processing and Recovery Methods

14.1 Crushing Circuit and Description

The TLC mine delivers mined limestone to the crushing circuit for processing and stockpiling. Afterwards the crushed limestone is sold or processed by TLC operations to create higher-valued quicklime or limestone products.

There is no history of any interruptions, outages, shortages, or failures related to the crushing circuit which have materially affected the operation. The crushing circuit has been in operation for many years. The QP believes the risk of such events significantly affecting the estimates of limestone mineral reserves documented here is low. TLC personnel are the sources for this section.

14.2 Crushing Circuit Throughput and Design

The limestone is blasted and loaded into haul trucks by a loader in the pit then hauled to the primary crusher. The primary crusher is of more than sufficient size to handle the daily mine production. The primary jaw crusher has been setup to maximize production for the size range required to feed the downstream part of the crushing circuit. The crushing circuit after the primary crusher consists of delivery by a mile long conveyor belt to screens and a cone crusher. This equipment is very similar to those installed at many aggregate plants throughout the United States. During the process any material that is rejected by the screening process is conveyed to surge piles where it can be cycled back to be crushed and screened again. Once through this crushing circuit, the sized crushed limestone is moved by conveyor belts to stockpiles for distribution to customers or the TLC operation for further processing.

14.3 Crushing Circuit Operational Requirements

The operational requirements are minimal. This is primarily because the crushing circuit is dry and does not utilize wash water in the process. Parts and equipment needs are of operational importance. The conveyors, screens and crushers are from well-established manufacturers. This translates to available parts or replacement equipment. The largest requirement for the crushing circuit is electricity. Maintenance is generally handled by TLC personnel and, other than repairs, consist of routine upkeep or worn parts replacement.

14.4 Application of Novel or Unproven Technology

Mining operations at the site follow standard open pit methods for extracting limestone formations. The crushing system is comprised of readily available stone processing equipment. There has not been any application of novel or unproven technologies or techniques.

15 Infrastructure

The TLC property is accessible by a paved state highway and the TLC mine operation by gravel roads and haul roads is maintained by the mine personnel. The mine site is a land-locked location with no rail or port facilities access. The mine has an office and maintenance shop near the primary crusher. Three-phase electric power is provided to the site via above-ground utility lines. Water is available, including dust control water for the mine, from a TLC-owned well on the property and potable water from the county system. Extracted limestone haul truck load-out to the primary crusher located close to the active mining area. A mile-long conveyor transports stone to the rest of the crushing circuit and crushed limestone stockpiles are adjacent to the plant area. Extracted limestone stockpiles and overburden piles are located in appropriate locations in the mine area. A natural gas system pipeline crosses the property along the western side of the active mining area (Fig.15.1). Several natural gas well pads and production lines, not owned by TLC, are on the property. These locations were preapproved by USLM management and situated to minimize hindrance to the mining process (in valleys or mined-out areas). The associated wells and surface equipment are readily identified and fenced according to the regulations established by the Railroad Commission of Texas. The light blue line is an electrical transmission line crossing the TLC property. Fig. 15.1 shows an aerial photo of the mine area and significant infrastructure features.

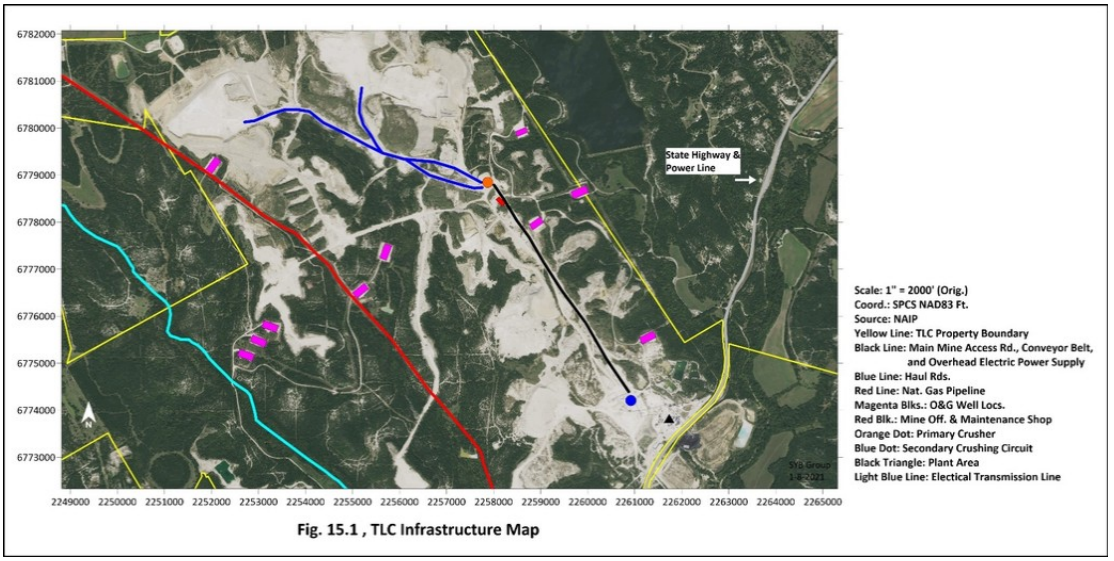


Fig. 15.1 , TLC Infrastructure Map

16 Market Studies

16.1 Market Outlook and Forecast

Demand for crushed limestone produced at the TLC mine is from various customers in the DFW market area and the TLC plant which also largely provides products into the same area.

Demand for limestone for the TLC operations has averaged approximately 1,600,000 tons per year over the previous five years. Demand for lime and crushed limestone materials from TLC's operations is from stable markets including the construction industry, aggregate, paper and glass manufacturers, municipal sanitation and water treatment facilities, roof shingle manufacturers, poultry and cattle feed producers, and oil and gas services industries. Current market conditions for these customers should result in continued steady demand for lime and crushed limestone materials in TLC's market areas for the foreseeable future.

16.2 Material Contracts

There are no individual material contracts with outside purchasers.

17 Environmental Studies, Permitting and Plans, Negotiations, or Agreements with Local Individuals or Groups

17.1 Environmental Studies and Permitting Requirements

The State of Texas has abundant laws and regulations pertaining to surface mining and reclamation for petroleum and coal resources; however, there are little to no regulations relating to other mineral resources, including limestone. Nearly all lands in Texas are privately owned and rarely state or federally owned. A private landowner is free to develop and use non-petroleum resources on his land. Other than environmental regulations, the State of Texas does not require a mining/reclamation permit to operate a limestone mine on private land. USLM furnished the environmental permit information provided in Table 17.1 consisting of the permits associated with the mine.

Table 17.1 Mining and Environmental Permits

Permit Number Issue Date	Issuer	Purpose	Expiration Date	Status
20519 January 11, 2016	TCEQ	Air Quality	January 11, 2026	In Place, Active
TX05M322 January 11, 2016	TCEQ	Storm Water	January 11, 2026	In Place, Active

The above-referenced air permit covers the mine's extracted limestone load-out area at the plant's crushing circuit and the rest of the non-mining operational areas. The stormwater permit covers weather-related discharge throughout the operations, including the mine areas.

17.2 Overburden, Site Monitoring, and Water Management

Non-production mine material consists of overburden with a minor amount of unusable limestone from the blasting process. Considerable natural erosion has occurred in areas at the mine site. Large areas exist where there is little to no overburden over the ore zone. When mining progresses into areas with overburden, it is utilized to backfill the active pits to the extent the material is

available.

The only water used in the mining operation is for dust control. Stormwater is allowed to run off by way of pre-existing natural erosion pathways. In some areas, stormwater must be pumped to a natural drainage from a mine sump used to control standing water at the mining face. The TLC mine area is situated above the natural water table. There are no natural artesian springs or flowing water outlet points associated with mining areas. Therefore, there is no requirement or need for groundwater monitoring. There are no existing environmental site monitors related to the mine.

17.3 Post-Mining Land Use and Reclamation

The State of Texas has no standard reclamation regulations for mine closure at this time. Currently, the mining operations use the stripped overburden to backfill the active pit as the volume allows.

17.4 Local or Community Engagement and Agreements

The operation has developed relationships over the years with various neighboring communities, including the adjacent Cleburne State Park.

17.5 Opinion of the Qualified Person

Texas is a heavily regulated State of environmental laws and regulations and has numerous permits that require ongoing compliance and oversight from the State agency. TLC and USLM personnel are well trained and stay up to date on all environmental regulations. All permits require constant reporting and oversight from the State environmental agency. In the QP's opinion, there are no current or outstanding issues in environmental governance.

18 Capital and Operating Costs

The TLC mine has been a stable producer of crushed limestone using the current equipment fleet and operating parameters for many years. This operating history and its 2024 budget were used to estimate the unit costs for limestone mining, overburden stripping, and annual sustaining capital expenditures. As the area where mining activity changes, the distance from the existing crushing facility changes, causing changes to the haulage distance. This will require changes to the haul truck fleet size in certain future years. Capital and operating costs reflect the increased haulage requirement as shown in Appendix B. The fleet size is four trucks from 2024 until 2031. From 2031 to 2039 the fleet size is five trucks. From 2040 to 2041 the fleet size is three trucks. From 2042 to 2047 the fleet size is four trucks and from 2048 to 2062 the fleet size is five trucks. Tables 18.1 and 18.2 set forth estimated capital costs and operating costs, respectively, used to estimate future operations for the TLC mine.

18.1 Capital Costs

Table 18.1 Capital Costs

Capital Cost Estimate	Cost
Annual Maintenance of Operations	$1,315,000
Haul Truck Cost	$900,000

18.2 Operating Costs

Table 18.2 Operating Costs

Operating Cost Estimate	Cost
Limestone Mining Cost Per Ton	$4.81
Contractor Limestone Mining Cost per Ton	$5.05
Overburden Stripping Cost Per Ton	$2.25

18.3 Accuracy of Capital and Operating Cost Estimates

The production and unit cost estimates are based on actual past performance and the customary internal budget review and approvals process. Operating volumes are well-defined and understood, as are mining and processing productivities. The operating cost accuracy and contingency factors were estimated by comparing the past five years of costs to budgeted amounts. The operating cost accuracy estimation is +/- 15% and the contingency factor is </= 10%. The operation and related facilities are fully developed and should not require any near-term major capital investment to maintain full commercial production. Historically, the timing and amount of capital expenditures has been largely discretionary. The capital cost accuracy estimation is +/- 10% and the contingency factor is </= 10%.

19 Economic Analysis

The block model was used to estimate overburden and limestone ore volumes for each reserve area. Overburden mining is contracted out on a cost per bank cubic yard basis. Limestone volumes were converted to tons for cost and revenue estimation using a density factor of 155 pounds per cubic foot.

The overburden thickness is generally uniform in each area. Northwest and East areas will have mining start where the limestone outcrops and the overburden is the thinnest or not present. This start method will allow TLC to develop the new areas at low initial stripping ratios. Thus, the stripping ratio can be averaged annually across each reserve area. As mining develops mining equipment and contract mining volumes will be added.

19.1 Key Parameters and Assumptions

The discount rate used in the economic analysis is 6.43%. This rate is TLC's incremental borrowing cost. Per the current debt agreement and TLC's current leverage ratio, TLC's borrowing rate is 6.43% (calculated from the December 2023 SOFR of 5.34%).

The tax was estimated using TLC's current effective income tax rate calculated as of September 30, 2023. In reviewing the September 30, 2023, tax provision, the effective tax rate contained no material non-recurring permanent items that would influence the rate, so it is considered appropriate to future periods. Demand for limestone is projected to be approximately 1,600,000 tons per year for the life of the mine. The sales price per ton is estimated using the USGS Mineral Commodity Summaries 2023. Depreciation was estimated using existing assets and the approved items in the 2024 budget. The later years' depreciations are calculated using the capital budget forecast and the asset life with a mid-year convention.

19.2 Economic Viability

TLC has positive cash flow and the current mine plan does not require a significant capital expenditure until 2025; therefore, payback and return on investment calculations are irrelevant. NPV of the life of mine plan is $109.7 million. The annual cash flows are in Appendix B.

19.3 Sensitivity Analysis

Sensitivity analysis was performed on the discount rate, contractor mining costs for stripping, contractor costs for limestone mining in the TLC East area, TLC mining costs, and all mining costs changing simultaneously.

Table 19.3-1 Sensitivity Analysis: Varying Discount Rate

Discount Rate	NPV (thousands)
0%	$507,686
1%	$364,974
2%	$272,758
5%	$139,162
10%	$70,487
15%	$46,695
20%	$34,984

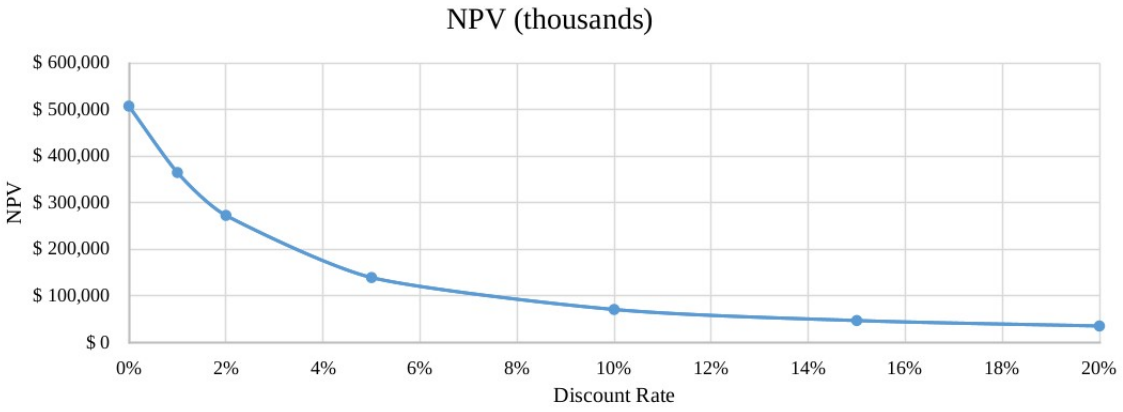


Table 19.3-2 Sensitivity Analysis: Varying Limestone Mining Cost

Limestone Mining Costs Per Ton	NPV (thousands)
$4.50	$115,423
$5.50	$97,083
$6.50	$78,743
$7.50	$60,403
$8.50	$42,063

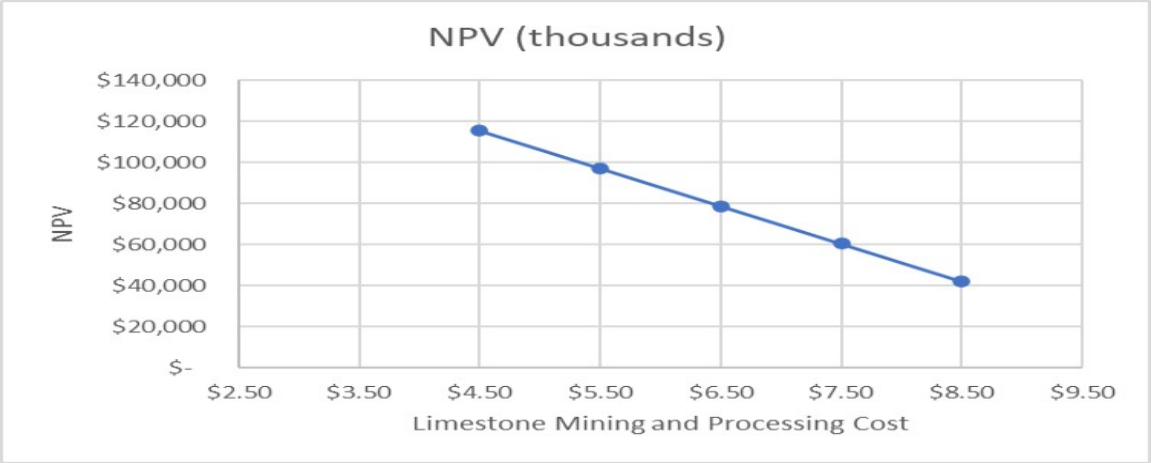


Table 19.3-3 Sensitivity Analysis: Varying TLC East Area Mining Cost

Contractor TLC East Cost	NPV (thousands)
$4.50	$110,575
$5.50	$109,053
$6.50	$107,532
$7.50	$106,010
$8.50	$104,488

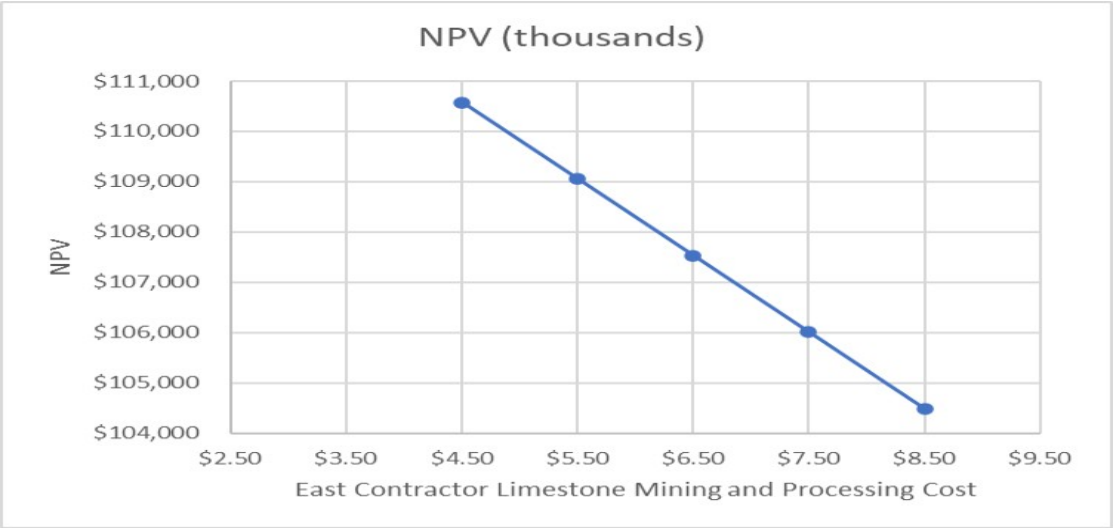


Table 19.3-4 Sensitivity Analysis: Varying Contractor Stripping Cost

Contractor Stripping Cost	NPV (thousands)
$2.00	$111,955
$3.00	$103,087
$4.00	$94,218
$5.00	$85,350
$6.00	$76,481

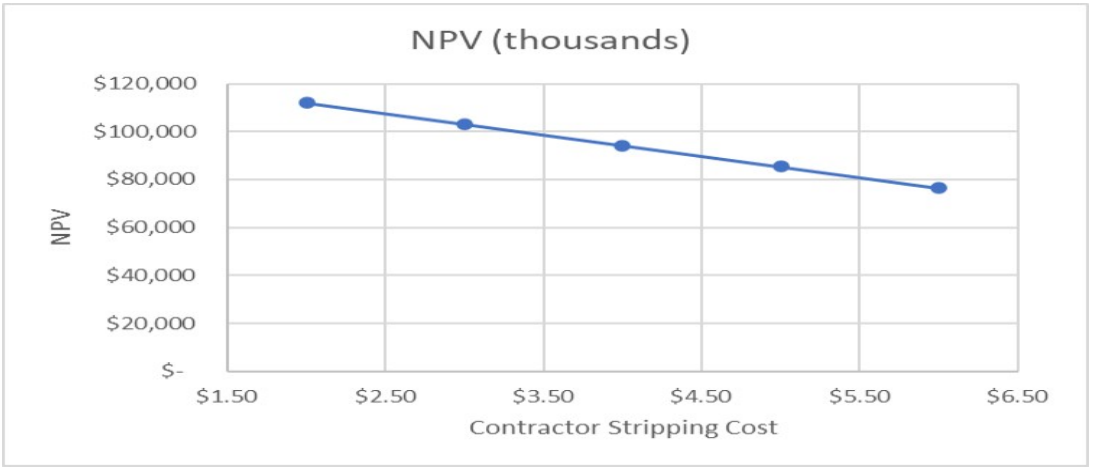


Table 19.3-5 Sensitivity Analysis: Varying All Mining and Contract Mining and Stripping Costs

All Mining Costs % Increase	NPV (thousands)
0%	$109,738
5%	$103,945
10%	$98,153
15%	$92,360
20%	$86,567

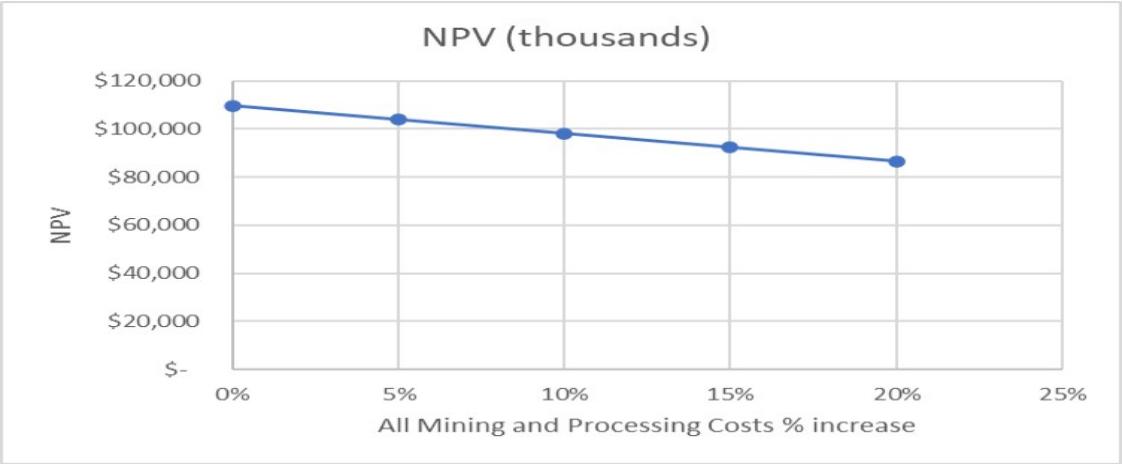
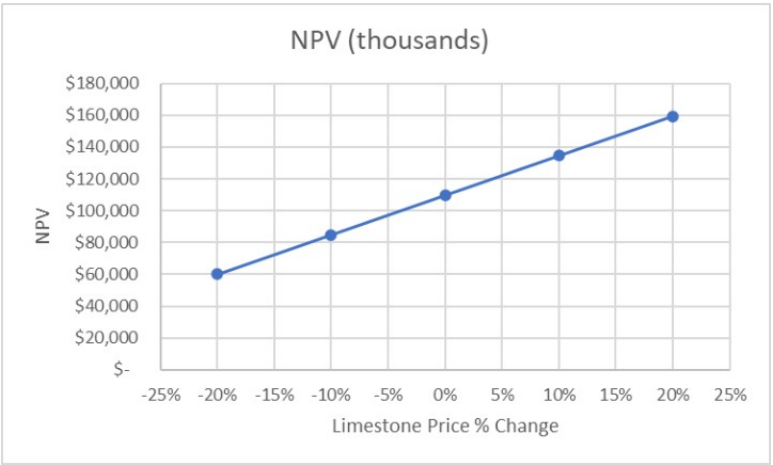


Table 19.3-6 Sensitivity Analysis: Varying Limestone Price

Limestone Price Change	NPV (thousands)
-20%	$60,014
-10%	$84,876
0%	$109,738
10%	$134,600
20%	$159,462



20 Adjacent Properties

Adjacent to the TLC property, there are many aggregate operations with quarries in the Edwards limestone. Some of these smaller privately owned operations have allowed the sampling or, in one instance, drilling on their property in exchange for the geologic data. The data the QP considered material to the geologic model was utilized for the resource estimate. The adjacent property data used was identified in Section 7.2 of this report.

21 Other Relevant Data and Information

All data relevant to the supporting studies and estimates of mineral resources and reserves have been included in the sections of this TRS. No additional information or explanation is necessary to make this TRS understandable and not misleading.

22 Interpretation and Conclusions

22.1 Interpretations and Conclusions

Geologically, the deposit is a simple tabular, single bed limestone deposit with no structure and a shallow dip angle. The formation has been proven by regional, detailed local sampling, and drilling that the quality and thickness are very consistent. Because of this simple geology, the mining method is straightforward and consists of uncomplicated open pit mining.

TLC has been in operation for many decades during varying economic and market conditions and the TLC operation has maintained a steady market share. The mining operation has been modernized over the last 25 years which has allowed it to optimize mining so that high grading is minimized. The economic analysis and the quantity of Proven and Probable Reserves indicate the operation reasonably has approximately 65 years of estimated mine life at current production levels.

22.2 Risks and Uncertainties

Internal to the mining operation, risks and uncertainties are minimal because of the uncomplicated geology and the employment of a standard mining method. Governmental, legal and regulatory risks, such as greenhouse gases, could adversely affect the market the TLC operation supplies.

23 Recommendations

Recommended mining projects include: determining if there is an economic benefit to mining lower stripping ratio reserves sooner than projected and evaluating economic benefits versus the cost of reducing haulage time by moving the primary crusher and conveyor closer to the active mining areas.

Development core drilling could be done in the northwest undeveloped area of the mine to prepare for mining in the future.

24 References

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25 Reliance on Information Provided by the Registrant

The QP has relied upon information and data from TLC and USLM personnel and historical records in completing this TRS. This material included written reports and statements of other individuals and companies with whom it does business. The material also includes permits, licenses, historical exploration data, production records, equipment lists, geologic and ore body resource and reserve information, mine modeling data, financial data and summaries, mine equipment specifications and summaries, records, and equipment lists. The QP believes that the assumptions were factual and accurate and that the interpretations were reasonable. This material has been relied upon in the mine planning, capital and cost planning, and reviewed. The TLC mine engineer assisted the QP in reviewing these materials and performed the final reserve modeling and economic analysis under the direction of the QP. There is no reason to believe that any material facts have been withheld or misstated. In his professional judgment, the QP has taken all appropriate steps to ensure that the information or advice from TLC and USLM personnel and records and outside entities are accurate. The QP does not disclaim any responsibility for this Technical Report Summary.

Appendix A: List of Data included in the Geologic Model

Resource Model Database Hole and Measured Section Locations

Local Grid System

Measured Section Location

Easting	Northing	Label
43746.61	89713.41	NMeaSec
44705.94	74754.64	WMeaSec
46900.63	78859.56	NWMeaSec
65087.01	73098.93	EmeaSec

1955-58 Drilling Program Locations

Easting	Northing	Label
51270.49	72091.36	CH-26
51426.85	72239.7	CH-27
51907.96	72760.9	CH-28
60072.91	74660.87	CH-29
59836.94	74422.91	CH-30
59890.24	74915.64	CH-31
60282.02	74832.24	CH-32
59690.47	75092.14	CH-33
60213.78	75449.11	CH-34
60728.11	75247.3	CH-35
61326.15	75095.14	CH-36
61616.7	74655.69	CH-37
61812.06	74312.72	CH-38
62435.67	74672.27	CH-39
62270.13	75000.45	CH-40
61790.36	74918.35	CH-41
61375.72	74841.32	CH-42
61393.57	75511.56	CH-43
60528.34	75478.1	CH-44
60459.72	74095.65	CH-45
60331.65	73713.61	CH-46
60913.4	74052.24	CH-47
60850.45	73607.25	CH-48
60832.53	73493.14	CH-49
60477.09	73624.61	CH-50
60757.04	74448.69	CH-51
60092.87	74076.12	CH-52
59394.74	74668.8	CH-53
59075.65	75078.56	CH-54
59499.94	75685.76	CH-55
58914.13	76081.47	CH-56
58469.95	76437.02	CH-57
58117.14	77319.04	CH-58
60098.95	76746.27	CH-59
60425.22	76232.78	CH-60
60043.08	75720.68	CH-61
50937.72	72949.34	Cm-10
51098.09	73093.67	Cm-11
51238.41	72949.34	CM-12
51406.8	72809.01	CM-13
51551.14	72672.7	CM-14
51723.54	72548.41	CM-15
51567.17	72384.03	CM-16
51707.5	72841.09	CM-17
51551.14	72961.37	CM-18
51398.79	73109.71	Cm-19
51226.39	73262.06	CM-20
51531.09	73266.07	Cm-21
51831.79	73574.79	Cm-22
50809.42	72788.97	CM-23
50657.07	72632.61	Cm-24
50969.79	72351.96	CM-25
52417.14	72552.42	CM-26
52208.66	72772.93	Cm-27
50645.04	73242.02	CM-28
50360.38	73510.64	Cm-29
50047.66	73771.24	Cm-30
50059.69	73494.6	Cm-31
50340.34	73783.27	CM-32
50637.02	73530.68	Cm-33
50348.35	73213.95	Cm-34
50035.63	74360.6	Cm-35
50368.4	74605.17	Cm-36
50749.28	74761.53	Cm-37
49538.48	74593.14	Cm-38
50336.33	74059.91	Cm-39
50039.64	74063.92	Cm-40
51258.46	72660.67	CM-7
51410.81	72540.39	CM-8
51110.12	72821.04	Cm-9

2016 Development Holes

Easting	Northing	Label
57410.35	79479.43	TLC16-1
52751.5	82558.48	TLC16-10
51837.57	80708.61	TLC16-11
50919.45	81588.84	TLC16-12
57026.7	80271.95	TLC16-2
56208.35	80715.3	TLC16-3
55066.58	82213.42	TLC16-4
54574.39	82215.62	TLC16-5
54392.2	82564.26	TLC16-6
54623.47	82917.61	TLC16-7
54046.09	82946.44	TLC16-8
53383.71	81581.09	TLC16-9

2018 Exploration Holes

Easting	Northing	Label
68846.08	79074.94	PF18-1
68854.66	76584.39	PF18-2
68705.18	72723.2	PF18-3
68915.17	70305.83	PF18-4
68790.1	68442.55	PF18-5
66766.96	70519.94	PF18-6
67203.47	74960.92	PF18-7
66715.38	77355.17	PF18-8
65394.44	71789.35	TLCE18-1
64012.37	70912.81	TLCE18-2
64400.17	71783.92	TLCE18-3
65846.95	70980.13	TLCE18-4

2004-Present TLC Test Holes

Easting	Northing	Label
58469.75	72299.2	McClung
55951.23	72963.71	Area J TH #2
56676.07	79923.21	Area C hol1
57549.43	80772.46	Area A test hol 2
57420.45	81281.65	Area B
55645.12	82723.51	Area B
56318.05	82779.57	Area B test hol5
56009.42	82738.29	Area B
55849.82	82269.77	Area B test 2
55782.63	81187.23	Area D test hol1-38
55026.21	81538.42	Area D test hol1-227
55130.02	81272.17	Area D test hol5
53908.5	81815.76	Area A
54318.7	81088.75	Area E test hol1
53562.61	80780.39	Area G
61575.16	73312.46	Area A
53548.56	79106.96	Area H test1
55595.82	82076.24	Area D North
50690.28	80414.25	Area H #3
52275.79	81155.7	Area H
52108.73	79638.33	Area H #1
52874.96	80390.86	Area D #1
54899.89	81174.75	Area D test hol3-36
55380.94	81615.59	Area D test hol5-227
55380.94	81615.59	Area D test hol5-227
55365.58	81116.9	Area D test hol2
59161.14	72079.56	McClung test hol2-314
56196.44	72430.26	Area J TH #6
56196.44	72430.26	Area J TH #6
56600.66	75273.65	Area ITH1
56926.63	81117.85	Area A TH2
55272.92	80208.37	Area D 3
55720.04	80846.42	Area D TH4
55552.88	80440.1	Area D 6
55272.92	80208.37	Area D 3
54682.23	81492.13	Area D TH5
54300.98	81882.91	Area D TH1
55048.83	81788.44	Area D TH 6
52532.63	78886.11	Area H TH-1
53170.72	79000.36	Area H test hol3
52749.44	79451.79	Area H test hol10
52711.09	79099.9	Area H TH 4
52756.59	78807.22	Area H TH 5
52970.72	78869.73	TH4
53170.72	79000.36	Area H test hol3

Appendix B: Annual Cash Flow Analysis

Texas Lime - Discounted Cash Flow
In Thousands
Discount Factor 6.43%
NPV $109,738

	2024	2025	2026	2027	2028	2029
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(9,735)	$(9,735)	$(9,735)	$(9,735)	$(9,735)	$(9,735)
-Depreciation	$(2,067)	$(2,010)	$(2,524)	$(2,779)	$(3,195)	$(3,406)
Taxable Income	$8,520	$8,576	$8,063	$7,808	$7,392	$7,181
-Tax	$(1,708)	$(1,720)	$(1,617)	$(1,565)	$(1,482)	$(1,440)
+Depreciation	$2,067	$2,010	$2,524	$2,779	$3,195	$3,406
-Capital Expenses	$(1,315)	$(2,215)	$(2,215)	$(2,215)	$(2,215)	$(1,315)
Free Cash Flow	$7,563	$6,652	$6,755	$6,806	$6,890	$7,832

	2030	2031	2032	2033	2034	2035
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(9,735)	$(10,035)	$(10,035)	$(11,324)	$(11,059)	$(11,059)
-Depreciation	$(3,094)	$(3,171)	$(3,351)	$(3,206)	$(3,491)	$(3,671)
Taxable Income	$7,493	$7,116	$6,936	$5,791	$5,772	$5,592
-Tax	$(1,502)	$(1,427)	$(1,391)	$(1,161)	$(1,157)	$(1,121)
+Depreciation	$3,094	$3,171	$3,351	$3,206	$3,491	$3,671
-Capital Expenses	$(1,315)	$(2,215)	$(2,215)	$(2,215)	$(2,215)	$(1,315)
Free Cash Flow	$7,769	$6,645	$6,681	$5,621	$5,890	$6,826

	2036	2037	2038	2039	2040	2041
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(11,059)	$(10,722)	$(9,698)	$(9,730)	$(9,130)	$(9,130)
-Depreciation	$(3,311)	$(3,041)	$(3,401)	$(3,311)	$(3,311)	$(3,671)
Taxable Income	$5,952	$6,559	$7,223	$7,280	$7,880	$7,520
-Tax	$(1,193)	$(1,315)	$(1,448)	$(1,460)	$(1,580)	$(1,508)
+Depreciation	$3,311	$3,041	$3,401	$3,311	$3,311	$3,671
-Capital Expenses	$(1,315)	$(2,215)	$(2,215)	$(2,215)	$(2,215)	$(1,315)
Free Cash Flow	$6,754	$6,069	$6,960	$6,917	$7,396	$8,368

	2042	2043	2044	2045	2046	2047
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(9,430)	$(9,430)	$(9,430)	$(9,430)	$(9,430)	$(9,430)
-Depreciation	$(3,311)	$(3,041)	$(2,861)	$(2,861)	$(3,041)	$(3,041)
Taxable Income	$7,580	$7,850	$8,030	$8,030	$7,850	$7,850
-Tax	$(1,520)	$(1,574)	$(1,610)	$(1,610)	$(1,574)	$(1,574)
+Depreciation	$3,311	$3,041	$2,861	$2,861	$3,041	$3,041
-Capital Expenses	$(1,315)	$(2,215)	$(2,215)	$(2,215)	$(2,215)	$(1,315)
Free Cash Flow	$8,056	$7,102	$7,066	$7,066	$7,102	$8,002

	2048	2049	2050	2051	2052	2053
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(9,730)	$(8,409)	$(8,409)	$(8,409)	$(8,409)	$(8,409)
-Depreciation	$(3,041)	$(3,041)	$(3,311)	$(3,581)	$(3,761)	$(3,761)
Taxable Income	$7,550	$8,872	$8,602	$8,332	$8,152	$8,152
-Tax	$(1,514)	$(1,779)	$(1,725)	$(1,670)	$(1,634)	$(1,634)
+Depreciation	$3,041	$3,041	$3,311	$3,581	$3,761	$3,761
-Capital Expenses	$(1,315)	$(2,215)	$(2,215)	$(2,215)	$(2,215)	$(1,315)
Free Cash Flow	$7,762	$7,919	$7,973	$8,027	$8,063	$8,963

	2054	2055	2056	2057	2058	2059
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(8,409)	$(8,409)	$(8,409)	$(8,409)	$(8,409)	$(12,128)
-Depreciation	$(3,581)	$(3,311)	$(3,041)	$(3,311)	$(3,761)	$(3,761)
Taxable Income	$8,332	$8,602	$8,872	$8,602	$8,152	$4,432
-Tax	$(1,670)	$(1,725)	$(1,779)	$(1,725)	$(1,634)	$(889)
+Depreciation	$3,581	$3,311	$3,041	$3,311	$3,761	$3,761
-Capital Expenses	$(1,315)	$(2,215)	$(2,215)	$(2,215)	$(2,215)	$(1,315)
Free Cash Flow	$8,927	$7,973	$7,919	$7,973	$8,063	$5,989

	2060	2061	2062	2063	2064	2065
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(12,128)	$(10,688)	$(10,993)	$(10,478)	$(10,478)	$(10,478)

-Depreciation	$(3,401)	$(3,041)	$(2,411)	$(1,288)	$(862)	$(616)
Taxable Income	$4,792	$6,592	$6,918	$8,555	$8,982	$9,228
-Tax	$(961)	$(1,322)	$(1,387)	$(1,715)	$(1,801)	$(1,850)
+Depreciation	$3,401	$3,041	$2,411	$1,288	$862	$616
-Capital Expenses	$(1,315)	$(1,315)	$(1,315)	$-	$-	$-
Free Cash Flow	$5,917	$6,996	$6,626	$8,128	$8,043	$7,994

	2066	2067	2068	2069	2070	2071
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(10,478)	$(10,478)	$(10,478)	$(10,478)	$(10,478)	$(10,478)
-Depreciation	$(369)	$(123)	$-	$-	$-	$-
Taxable Income	$9,474	$9,720	$9,844	$9,844	$9,844	$9,844
-Tax	$(1,899)	$(1,949)	$(1,974)	$(1,974)	$(1,974)	$(1,974)
+Depreciation	$369	$123	$-	$-	$-	$-
-Capital Expenses	$-	$-	$-	$-	$-	$-
Free Cash Flow	$7,944	$7,895	$7,870	$7,870	$7,870	$7,870

	2072	2073	2074	2075	2076	2077
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(10,478)	$(10,478)	$(10,478)	$(10,478)	$(10,478)	$(10,478)
-Depreciation	$-	$-	$-	$-	$-	$-
Taxable Income	$9,844	$9,844	$9,844	$9,844	$9,844	$9,844
-Tax	$(1,974)	$(1,974)	$(1,974)	$(1,974)	$(1,974)	$(1,974)
+Depreciation	$-	$-	$-	$-	$-	$-
-Capital Expenses	$-	$-	$-	$-	$-	$-
Free Cash Flow	$7,870	$7,870	$7,870	$7,870	$7,870	$7,870

	2078	2079	2080	2081	2082	2083
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(10,478)	$(10,478)	$(10,478)	$(10,478)	$(10,478)	$(10,478)
-Depreciation	$-	$-	$-	$-	$-	$-
Taxable Income	$9,844	$9,844	$9,844	$9,844	$9,844	$9,844
-Tax	$(1,974)	$(1,974)	$(1,974)	$(1,974)	$(1,974)	$(1,974)
+Depreciation	$-	$-	$-	$-	$-	$-
-Capital Expenses	$-	$-	$-	$-	$-	$-
Free Cash Flow	$7,870	$7,870	$7,870	$7,870	$7,870	$7,870

	2084	2085	2086	2087	2088	2089
Tons Limestone Sold	1,600	1,600	1,600	1,600	1,600	1,600

Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$20,321	$20,321	$20,321	$20,321	$20,321	$20,321
-Operating Costs	$(10,478)	$(10,478)	$(8,198)	$(8,198)	$(8,198)	$(7,943)
-Depreciation	$-	$-	$-	$-	$-	$-
Taxable Income	$9,844	$9,844	$12,123	$12,123	$12,123	$12,379
-Tax	$(1,974)	$(1,974)	$(2,431)	$(2,431)	$(2,431)	$(2,482)
+Depreciation	$-	$-	$-	$-	$-	$-
-Capital Expenses	$-	$-	$-	$-	$-	$-
Free Cash Flow	$7,870	$7,870	$9,693	$9,693	$9,693	$9,897

	2090
Tons Limestone Sold	500
Sales Price/Ton	$12.70
Revenue	$6,350
-Operating Costs	$(2,396)
-Depreciation	$-
Taxable Income	$3,955
-Tax	$(793)
+Depreciation	$-
-Capital Expenses	$-
Free Cash Flow	$3,162

Exhibit 96.2

Technical Report Summary on
Arkansas Lime Company Limestone Operation
Independence County, Arkansas, USA
Prepared for:
United States Lime and Minerals, Inc.

SK-1300 Report

Effective Date December 31, 2023
Report Date: February 20, 2024

DISCLAIMERS AND QUALIFICATIONS

SYB Group, LLC ("SYB") was retained by United States Lime & Minerals, Inc. ("USLM") to update this Technical Report Summary ("TRS") related to Arkansas Lime Company ("ALC") limestone reserves and resources, which was also prepared by SYB and originally filed as exhibit 96.2 to the USLM form 10-K for the year ended December 31, 2021. This TRS provides a statement of ALC's limestone reserves and resources at its mine located in Independence County, Arkansas and has been prepared in accordance with the U.S. Securities and Exchange Commission ("SEC"), Regulation S-K 1300 for Mining Property Disclosure (S-K 1300) and 17 Code of Federal Regulations ("CFR") § 229.601(b)(96)(iii)(B) reporting requirements. This report was prepared for the sole use by USLM and its affiliates and is effective December 31, 2023.

This TRS was prepared by SYB Group's President who meets the SEC's definition of a Qualified Person and has sufficient experience in the relevant type of mineralization and deposit under consideration in this TRS.

In preparing this TRS, SYB relied upon data, written reports and statements provided by ALC and USLM. SYB has taken all appropriate steps, in its professional opinion, to ensure information provided by ALC and USLM is reasonable and reliable for use in this report.

The Economic Analysis and resulting net present value estimate in this TRS were made for the purposes of confirming the economic viability of the reported limestone reserves and not for the purposes of valuing ALC or its assets. Internal Rate of Return and project payback were not calculated, as there was no initial investment considered in the financial model. Certain information set forth in this report contains "forward-looking information," including production, productivity, operating costs, capital costs, sales prices, and other assumptions. These statements are not guarantees of future performance and undue reliance should not be placed on them. The ability to recover the reported reserves depends on numerous factors beyond the control of SYB Group that cannot be anticipated. Some of these factors include, but are not limited to, future limestone prices, mining and geologic conditions, obtaining permits and regulatory approvals in a timely manner, the decisions and abilities of management and employees, and unanticipated changes in environmental or other regulations that could impact performance. The opinions and estimates included in this report apply exclusively to the ALC mine as of the effective date of this report.

All data used as source material plus the text, tables, figures, and attachments of this document have been reviewed and prepared in accordance with generally accepted professional geologic practices.

SYB hereby consents to the use of ALC's limestone reserve and resource estimates as of December 31, 2023 in USLM's SEC filings and to the filing of this TRS as an exhibit to USLM's SEC filings.

Qualified Person: /s/ Keith V. Vickers
Keith V. Vickers, TXPG #3938
President, SYB Group, LLC
1216 W. Cleburne Rd
Crowley, TX 76036

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1 Executive Summary

This Technical Report Summary ("TRS") is an update to the December 31, 2021 (filed March 2, 2022) to that TRS. This report contains reconciled resources and reserves, updates economic estimates, and extends to the crushing circuit output point of reference.

The Arkansas Lime Company ("ALC") mine is a production stage, open pit mine that produces high-grade limestone with above 96.0% calcium carbonate ("$CaCO_3$") from the Boone formation that is delivered to the crushing circuit. After processing by the crushing circuit, the crushed limestone is available for sale to customers or ALC operations usage. The ALC mine is located in Independence County, Arkansas on approximately 1,260 acres owned by ALC. Mining operations began at the ALC mine in the 1920's.

Geologic and analytical data from regional and local drilling have proven that the Boone limestone has a consistently high $CaCO_3$ content (above 96.0%) and a consistent mining thickness varying from 35 ft. to 75 ft. across the entire ALC property. These analytical results cover from 1959 to 2016 and are sufficient to establish reasonable certainty of geological presence, grade and quality continuity on the mine's property.

Mining at the ALC mine consists of pushing aside the topsoil and overburden using conventional earthmoving equipment where possible and routine drilling, blasting and haulage methods. The topsoil and overburden are used as backfill for nearby previously mined pits. The limestone ore body is then drilled and blasted, followed by loading and haulage utilizing conventional limestone mining equipment. The mined limestone is hauled to the crushing circuit for processing and then distribution to customers or the ALC operations as need arises.

The ALC mine has procured, and is operating in compliance with, the required authorization to quarry and air and storm water permits that were issued the Arkansas Department of Environmental Quality ("ADEQ"). ALC will be required to refile the authorization to quarry in 2028 and renew the air and storm water permits in 2026 and 2024, respectively.

Historically, the ALC mine averaged annual production of approximately 1,000,000 tons of limestone. In 2022, the ALC operations began sourcing a portion of its limestone from the Love Hollow mine belonging to ACT Holdings Company. In future periods, the annual production for the ALC mine is estimated to be 500,000 tons of limestone to account for the alternative sourcing to the ALC operations. Assuming annual production of 500,000 tons of limestone per year, the expected mine life is approximately 20 years.

As noted in section 2.1, Keith Vickers of SYB Group ("SYB"), a consultant for United States Lime & Minerals, Inc. ("USLM") for over 20 years served as the Qualified Person ("QP") and prepared the estimates of limestone mineral resources and reserves for the ALC mine. Summaries of the ALC mine's limestone mineral resources and reserves are shown below in Tables 1.1 and 1.2, respectively. Sections 11 and 12 set forth the definitions of mineral resources and reserves as well as the methods and assumptions used by the QP in determining the estimates and classifications of the ALC mine's limestone mineral resources and reserves.

Table 1.1 ALC – Summary of Limestone Mineral Resources as of December 31, 2023, Based On $12.70 Crushed Limestone 1, 2

Resource Category	In Place (tons)	Cutoff Grade (%X)	Processing Recovery (%)3
Total Mineral Resources4	22,169,000	Above 96.0 ($CaCO_3$)	N/A
Measured Mineral Resources5	-	Above 96.0 ($CaCO_3$)	N/A
Indicated Mineral Resources	8,239,000	Above 96.0 ($CaCO_3$)	N/A
Total Measured and Indicated Resources	8,239,000	Above 96.0 ($CaCO_3$)	N/A

Notes: 1 Price Source from USGS Mineral Commodity Summaries 2023.
2 Crushed limestone though the crushing circuit.
3 N/A: Not Applicable because estimated resources are in place.
4 Inclusive of Limestone Mineral Reserves.
5 Exclusive of Mineral Reserves.

Table 1.2 ALC – Summary of Limestone Mineral Reserves as of December 31, 2023, Based On $12.70 Crushed Limestone [1, 2]

Reserve Category	Extractable (tons)	Cutoff Grade (%X)	Mining Recovery (%)[3]
Probable Reserves	3,458,000	Above 96.0 ($CaCO_3$)	82.0/75.0
Proven Reserves	7,407,000	Above 96.0 ($CaCO_3$)	82.0/75.0
Total Mineral Reserves	10,865,000	Above 96.0 ($CaCO_3$)	82.0/75.0

Notes: 1 Price Source from USGS Mineral Commodity Summaries 2023.
[2] Crushed limestone through the crushing circuit.
[3] Mining recovery is listed as open pit/underground recovery.

The modeling and analysis of the ALC mine's resources and reserves has been developed by ALC and USLM

personnel and reviewed by management of the companies, as well as the QP. The development of such resources and reserves estimates, including related assumptions, was a collaborative effort between the QP and personnel of the companies.

The ALC mine has been a stable producer of limestone using the current equipment fleet and operating parameters for many years. This operating history and its 2024 budget were used to estimate the unit costs for open pit mining and annual sustaining capital expenditures. In 2035, limestone production is forecast to transition to underground mining which will require the purchase of a fleet of underground mining equipment. For purposes of this TRS, the estimated underground mining cost per ton is based on contract mining costs for other mines. Tables 1.3 and 1.4 set forth the estimated capital and operating costs, respectively, used to estimate future operations for the ALC mine.

Table 1.3 Capital Costs

Capital Cost Estimate	Cost
Annual Maintenance of Operations	$950,000
Underground Mining Equipment Fleet and Portal Preparation	$5,382,000

Table 1.4 Operating Costs

Operating Cost Estimate	Cost
Open Pit Mining and Crushing Cost Per Ton	$7.35
Underground Mining and Crushing Cost Per Ton	$9.58

It is the QP's overall conclusions that:

1. Geologically, the ALC mine limestone deposit has been proven by detailed production and drilling results to have quality and thickness that is very consistent. Because of the simple geology, the mining method for the mine is straight forward and consists of uncomplicated open pit and underground mining.
2. The data detailed in this report that was used to estimate the resources was adequate for the resource interpretation and estimation.
3. ALC has successfully mined this resource for many years using the same methods that are projected into the future. Significant increases in the cost of mining coupled with large decreases in the selling price of limestone would be required to make mining uneconomic. Historically, ALC has been able to increase sales prices in line with cost increases.
4. There are no significant factors onsite that will impact the extraction of this ore body. ALC has been in operation for many decades during varying economic and market conditions.
5. Absent unforeseen changes in economic or other factors, including additional federal or state environmental regulations, the economic analysis and the quantity of Proven Reserves indicate the operation reasonably has approximately 20 years of estimated mine life at current production levels.

2 Introduction

This TRS is intended to be an update to the TRS filed December 31, 2021. Unchanged sections are included for clarity and completeness. There have not been any drilling programs on the property since the 2021 filing. The resource and reserve tables have been reconciled for production since the filing date of the previous TRS through the effective date of this update. A primary update was moving the sales point of reference from before the primary crusher to after the crushing circuit and aligning the costs associated with production and sale of crushed limestone.

2.1 Issuer of Report

Mr. Keith Vickers of SYB Group, LLC ("SYB"), a consultant for USLM for over 20 years, prepared this Technical Report Summary ("TRS") on ALC's mining operations located in Independence County, Arkansas. Mr. Vickers is a Qualified Person ("QP"). USLM is a publicly-traded company on the NASDAQ Stock Exchange under the ticker symbol USLM and ALC is a wholly-owned subsidiary of USLM.

2.2 Terms of Reference and Purpose

The purpose of this TRS is to support the updated disclosure of mineral resource and mineral reserve estimates for ALC's existing mining operations located in Independence County, Arkansas, as of December 31, 2023. This report is to fulfill 17 Code of Federal Regulations ("CFR") § 229, "*Standard Instructions for Filing Forms Under Securities Act of 1933, Securities Exchange Act of 1934 and Energy Policy and Conservation Act of 1975 – Regulation S-K*," subsection 1300, "Disclosure by Registrants Engaged in Mining Operations." The mineral resource and reserve estimates presented herein are classified according to 17 CFR § 229.1300 Definitions.

The QP prepared this TRS with information from various sources with detailed data about the historical and current mining operations, including individuals who are experts in an appropriate technical field. The quality of information,

conclusions, and estimates contained herein are based on: 1) information available the time of preparation; and 2) the assumptions, conditions, and qualifications outlined in this TRS.

Unless stated otherwise, all volumes and grades are in U.S. customary units, and currencies are expressed in 2023 U.S. dollars. Distances are described in U.S. standard units.

2.3 Sources of Information

This TRS is based upon engineering data, financial and technical information developed and maintained by ALC or USLM personnel, work undertaken by third-party contractors and consultants on behalf of the mine, public data sourced from the United States Geological Survey, Arkansas Geological Survey, internal ALC technical reports, previous technical studies, maps, ALC letters and memoranda, and public information as cited throughout this TRS and listed in Section 24. Table 2.3 is the list of terms used in this TRS.

The 2021 TRS was prepared by Keith V. Vickers, BSGeol, MSGeol, TXPG #3938, CPetG # 6152. Detailed discussions with the following were held during the preparation of the TRS:

Mr. Timothy W. Byrne, President, CEO USLM, Dallas, Texas
Mr. Michael L. Wiedemer, Vice President, CFO USLM, Dallas, Texas
Mr. Russell R. Riggs, Vice President, Production, USLM, Dallas, Texas
Mr. M. Michael Owens, Corporate Treasurer, USLM, Dallas, Texas
Mr. Jason Nutzman, Director of Legal and Compliance, USLM, Dallas, Texas
Mr. Wendell Smith, Director of Environmental, USLM, Dallas, Texas
Mr. Nate O'Neill, Vice President and Plant Manager, ALC, Batesville, Arkansas
Mr. Tim Zuroweste, Mining and Projects Manager, ALC, Batesville, Arkansas
Mr. David Cox, Quality Control Laboratory Manager/Safety and Environmental Manager, ALC, Batesville, Arkansas
Mr. Marty Fulbright, Accounting Manager, ALC, Batesville, Arkansas
Mr. Keith Vickers, SYB Group, USLM Consulting Geologist, Crowley, Texas

Discussions with the following were held for the preparation of this updated TRS:

Mr. Timothy W. Byrne, President, CEO, USLM, Dallas, Texas
Mr. Michael L. Wiedemer, Vice President, CFO, USLM, Dallas, Texas
Mr. M. Michael Owens, Corporate Treasurer, USLM, Dallas, Texas
Mr. Jason Nutzman, Director of Legal and Compliance, USLM, Dallas, Texas
Mr. Dane Werner, Vice President and Plant Manager, ALC, Batesville, Arkansas
Mr. Jason Greenfield, Mine Manager, ALC, Batesville, Arkansas
Mr. Tim Zuroweste, Mining and Projects Manager, ALC, Batesville, Arkansas
Mr. Marty Fulbright, Accounting Manager, ALC, Batesville, Arkansas
Mr. Peter McKenzie, Mining Engineer, Texas Lime Company, Cleburne, Texas
Mr. Keith Vickers, SYB Group, USLM Consulting Geologist, Crowley, Texas

Table 2.3 Glossary of Terms and Abbreviations

Term	Definition
AAPG	American Association of Professional Geologists
AASHTO	American Association of State Highway and Transportation Officials
ADEQ	Arkansas Department of Environmental Quality
AGS	Arkansas Geological Survey
ALC	Arkansas Lime Company
ASTM	American Society for Testing and Materials
$CaCO_3$	Calcium Carbonate
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
CMC	Construction Materials Consultants
DTM	Digital Terrain Model
E	East
F.	Fahrenheit
Fig.	Figure
ft.	Feet
GLONASS	Global Navigation Satellite System
GPS	Global Positioning System
LiDAR	Light Detection and Ranging
LST	Limestone
N	North
NAD	North American Datum
NPV	Net Present Value
P.E.	Professional Engineer
PG	Professional Geologist
QP	Qualified Person
QC/QA	Quality Control/Quality Assurance
S	South
SOFR	Secured Overnight Financing Rate
TRS	Technical Report Summary
TLC	Texas Lime Company
U.S.	United States
USGS	United States Geological Survey
USLM	United States Lime and Minerals, Inc.
WAAS	Wide Area Augmentation System
W	West
XRF	X-Ray Fluorescence

2.4 Personal Inspection

The QP, who has been a consulting geologist for USLM for over 20 years, is familiar with ALC's mine geology and operations. Over the years, the QP has visited the operation to supervise drilling, log cores and investigate geologic issues associated with specific areas in the mine. Table 2.4 is a partial list of dates the QP has visited the mine. Data, protocols, and specific information required for the TRS were gathered during onsite visits. The ALC plant manager and the mine manager provided any detailed information the QP required for the resource estimation and mining operation sections of this report.

On October 18, 2021, the QP met in the ALC operations office to discuss the information requirements for this TRS report. He reviewed the production QC drill hole database. The QP inspected the mine, visited faces to examine the consistency and thickness, and discussed current status of core storage buildings. The equipment suite, blasting and mining methods, and costs were reviewed. The QP discussed QC/QA at the operations office with the plant Quality Control Laboratory Manager. The Quality Control Laboratory Manager provided laboratory and XRF standard certifications and instrument service/care contracts. A review of the core and sample preparation for analytical tests occurred and copies of their documentation were provided.

The QP reviewed a report checklist with ALC management and the mining engineer to ensure all materials needed for the TRS were available. The resource areas, fixed grade control, and production hole sampling procedures were reviewed and QP was made current on any changes. The mining faces were compared to the existing geologic model, and a comparison of the core to production sample chemistry was discussed. The QP had a meeting with the Accounting Manager to request the financials for the mine's economic analysis.

Table 2.4 Visits Made by QP to ALC

Date	Reason
1998*	Initial Visit and Data Audit
1998-99*	Supervise Core Drilling Project
1999	Performed Resource Assessment
2005*	Supervise Core Drilling Project
2007*	Supervisor Core Drilling Project
2008*	Supervise Core Drilling Project and Mine Plan
2016*	Supervise Core Drilling Project and Results Meeting
2021	Meeting to Review and Obtain Detailed Information for TRS

Note: * Multiple Trips Made to Mine.

3 Property Description

3.1 Property Description and Location

ALC operations (35°47'13.08" N, -91°45'10.03" W, Fig. 3.1, GoogleEarth, 2021) are located in Independence County, Arkansas. ALC operates an open pit mine at the location. The mine is six miles west of Batesville, Arkansas on State Highway 106.

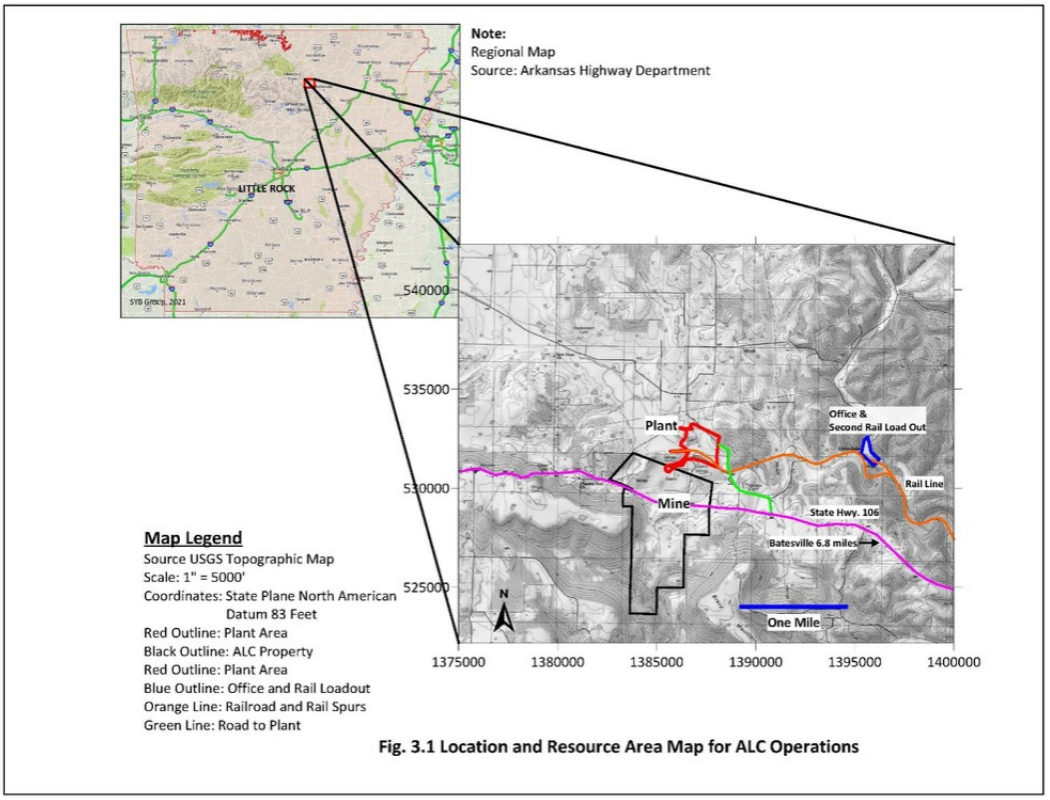


Fig. 3.1 Location and Resource Area Map for ALC Operations

3.2 Mineral Rights

ALC owns approximately 1,260 acres in fee (AcreValue website, 2021) (USLM internal report). ALC holds all surface and mineral rights on the fee property.

3.3 Significant Encumbrances or Risks to Perform Work on the Property

There are no significant issues or risks to work on the properties outside of those generally related to mining operations.

3.4 Lease Agreements or Income from Royalties

ALC does not receive any royalties as it is not the lessor for any mineral rights on its properties.

4 Accessibility, Climate, Local Resources, Infrastructure, and Physiography

4.1 Topography, Vegetation, and Physiography

The area's topography is characterized by broad valleys with rounded hills of variable elevation connecting to several main river drainages. The White River is the largest draining system in the local area. Occasionally the hills are more plateau-like with greater relief to them. ALC's operations are located in one of the valleys. The elevation ranges from 1144 ft. to 242 ft. The valleys are covered with thick alluvial sediments and the ridges have moderate soil cover on top and sufficient depth on the sides for abundant tree growth (Albin et al, 1967).

The tree types are dominated by oak, maples, hickories, and hawthorns (Mitchell, 2016). The flat valley floors are primarily agricultural land cover in typical grasses common to the area.

The operation is in the physiographic provinces known as the Ozark Plateaus (Chandler, 2014). The area has been eroded into high ridges approximately the same height separated by broad and steep valleys that merger into larger open flat areas occupied by the main river drainages.

4.2 Accessibility and Local Resources

Primary access to the operation is by Punch Lane County Road to State Highway 106 from the city of Batesville. Batesville is served by a regional airport and commercial airline travel is through Little Rock Arkansas (95 miles). County roads are paved. (GoogleMaps website, 2021). ALC has a private rail spur that connects to the Missouri and Northern Arkansas railroad line.

4.3 Climate and Operating Season

The average rainfall for Independence County, Arkansas, is 49 inches of rain per year. The County averages four inches of snow per year. On average, there are 219 sunny days per year in Independence County. The County averages 99 days of precipitation per year. Precipitation is rain, snow, sleet, or hail that falls to the ground. Average temperature ranges from a high in July of 91 degrees F. to a low of 26 degrees F. in January. The are infrequent winter storms that may make operations pause for a short period but nothing long-term. The above conditions make year-round mine operation possible with little weather-related lost time (www.bestplaces.net/climate, 2021)

4.4 Infrastructure

4.4.1 Water

There are no issues with the water supply. The operation water requirements are served by spring and surface water from the mine.

4.4.2 Energy Supply

The mine fuel supply is from distributors in Batesville, Arkansas. A state power grid supply supplies electrical power to the operation.

4.4.3 Personnel

The Batesville Metropolitan area population is estimated at 11,000 and several rural communities nearby that the mine can draw from for new or replacement employees (www.populationreview.com, 2021).

4.4.4 Supplies

The most common supplies needed by the mine are obtained from Batesville, Arkansas. Heavy equipment parts and other similar supplies come from Little Rock, Arkansas. Several trucking companies provide service to the operation from the above supply centers.

5 History

5.1 Prior Company Ownership

The ALC mine has been in operation for more than 80 years. USLM (formerly known as Rangaire Corporation) purchased ALC (then named Batesville White Lime Company) in the 1960's, which owned the Batesville Quarry in Independence County, Arkansas, at the time. In the years that followed, ALC acquired additional acres of land resulting in the current ownership of approximately 1,050 acres of land in Independence County. In the past 25 years, ALC has built three preheater rotary kilns as well as other operational and office facilities. Information was provided by ALC.

5.2 Exploration and Development History

Presently, ALC operates two open pits, one north of Highway 106 and another just south of the highway. Many of the early programs drilled only the north property. From 2005 drilling was done on both sides of the highway.

Table 5.2 ALC Historical Drilling Projects

Year	Company	Purpose	Summary of Work	Comment
1959	Albert Lewis	Development	21 Core Holes	First Resource Assessment
1989	Don Williams	Exploration	2 Plug Holes	Explore Areas Near Mine
1992	CMC	Development	7 Core Holes	Expand Mine
1996-97	Charles Mallete	Development	17 Core Holes	Resource Assessment
1998	ALC/TerraCon, Inc.	Development	38 Core Holes	Drill North and South Highway 106
2005	ALC	Development	19 Core Holes	West Side Stewart
2007	ALC	Development	19 Core Holes	North/South Stewart
2008	ALC	Development	9 Core Holes	East Side North Mine
2016	ALC	Development	34 Core Holes	Westside Both Mines

Note: A detailed discussion of all drilling and results is in Section 7.1.

6 Geologic Setting, Mineralization, and Deposit

The ALC mining operation started in the 1920's when excavation of the Mississippian age Boone limestone started.

6.1 Regional Geology

The state of Arkansas is divided into five geologic provinces (Fig. 6.1-1). These provinces were designated according to unique geology and topography. ALC is located in the Ozark Plateaus province. The following is excerpted from McFarland, 1998:

The Ozark Plateaus region of Arkansas is made up of typically flat-lying Paleozoic strata separated into three plateau surfaces based on their unique topography and geology. The northern-most plateau is the Salem Plateau and is generally underlain by dolostones, sandstones, and limestones of Ordovician age and low elevations. The Springfield Plateau stands above the Salem a few hundred feet and is ordinarily capped by lower Mississippian age cherty limestones and limestones. The Boston Mountains are southernmost plateau area and has the highest relief of the Ozarks. It is dominated by Pennsylvanian age shales, siltstones, and sandstones. The entire Ozark Plateaus province is deeply cut by numerous streams throughout the area. The faulting is generally normal; most faults displaying a displacement down on the southern side in the province. Gentle folds are mapped but are generally of very low amplitude. The depositional environment of the rocks found in the Arkansas Ozarks is one of a relatively shallow continental shelf, sloping toward deeper water generally toward the south. Sea level lowering caused the shelf emerged many times during the Paleozoic resulting in numerous erosional unconformities throughout the province's geologic history.

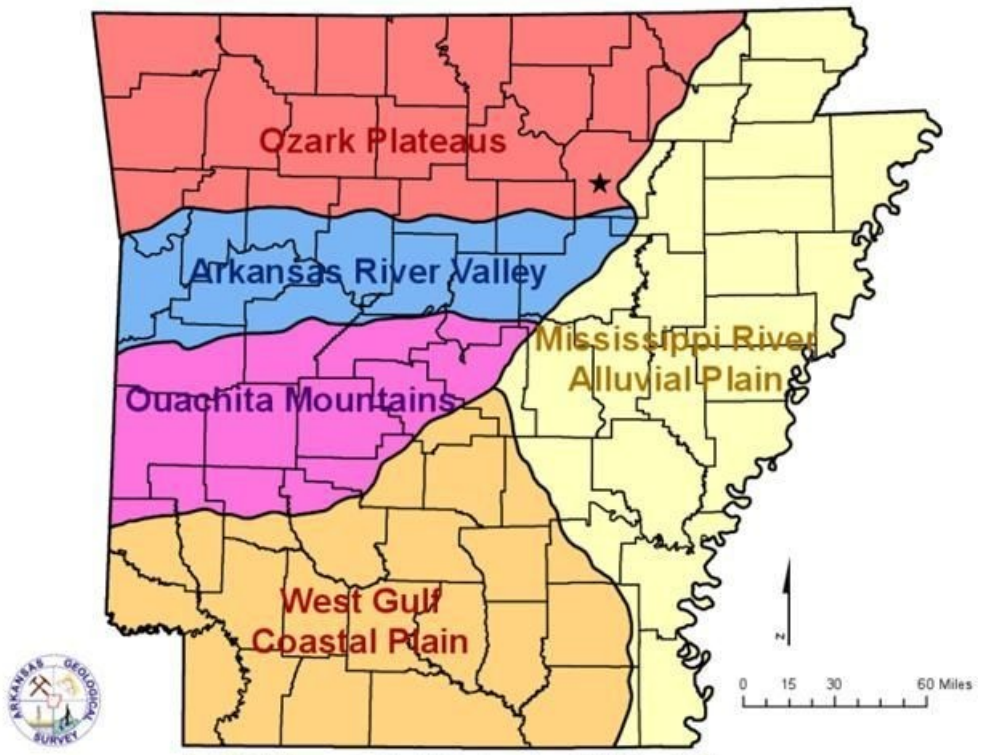


Fig. 6.1-1 Arkansas Geological Provinces (modified from AGS)
Black Star is ALC approximate location

Described below is the regional geologic history. Refer to Fig. 6.1-2 for the stratigraphic period and formation order/age. The Ozark Plateaus province began to form in the early Ordovician age when the first uplift of the region occurred. These uplift events occurred throughout geologic time until the Tertiary age. This last event and significant erosion left the current structural feature seen today. Between the Cambrian age and the present day there were repetitive erosional events. There are an estimated total of 17 events. They were caused by either uplift with erosion or erosion because of receding seas and resulted in depositional hiatuses or erosional unconformities. They are important because they produce a high degree of variability in thickness of strata. The Lower Ordovician age is characterized by deposition of dolomites until the Middle Ordovician age with the deposition of the Joachim formation. From the Upper Plattin formation until the Chattanooga shale at the end of the Devonian age limestone deposition was the dominate rock type. The rock types of this period represent deposition in a shallow marine environment existed for a long period of time until deep water marine environment conditions produced shale deposition (McFarland, 1998).

The Chattanooga shale was a period of deep-water fine-grained deposition that separated the long period of limestone deposition during the Ordovician to the end of the Devonian. After the Chattanooga shale deposition concluded the Mississippian deposition was dominated by limestone deposition especially of interest is the Boone limestone. Next the upper Mississippian interval to the Pennsylvanian interval was dominated by alternating limestone, shale, and sandstone deposition.

Fig. 6.1-2 is the geologic map of the eastern part of the Ozark Plateaus province with the ALC ore limestone highlighted.

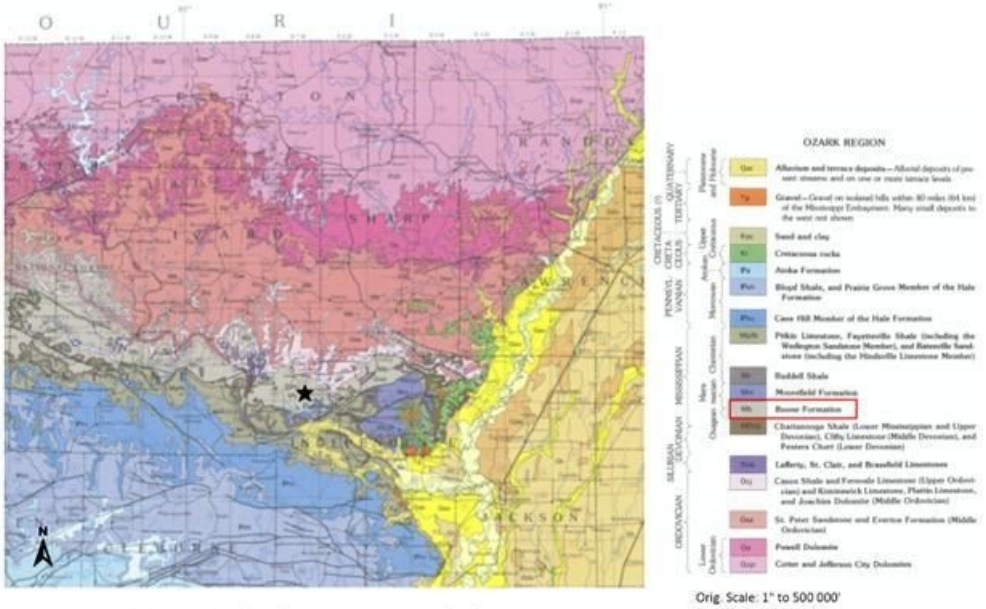


Fig 6.1-2 Regional Geologic Map, Eastern Ozark Plateau

6.2 Local and ALC Property Geology

Locally, the structural setting is simple. In over 80 years of mining only one fault was encountered (10 ft. throw, normal). The Boone limestone is moderately jointed. As with all surface exposed limestones in northern Arkansas and the southeastern part of the United States there are localized karst features present. The presence of erosional unconformities has the greatest impact on the local geology. Each unconformity has a different degree of erosion associated with it. These erosional episodes resulted in loss of stratigraphic section or thinning of rock units in a random pattern.

ALC is located in an east-west Boone limestone outcrop belt. Locally, Mississippian age limestones were not the result of reef formation but transported carbonate sand deposited further offshore from a massive reef bank located to the north and northwest of northern Arkansas. The almost chemically pure carbonate sand was deposited on a shallow offshore shelf by sea currents and storms. This isolated environment produced areas of high purity limestone. Later in the formation's geologic history subsurface conditions caused some replacement of the limestone by chert. This resulted in separating the areas of high calcium limestone.

Local drilling has defined the ore deposit as being an elongate northeast to southwest bowl or trough. The floor of the trough is where a distinctive lithology and chemical quality change occurs. The formation that comprises the floor is believed to be the Lafferty limestone. The shape of the trough is interpreted to be the result of an erosional unconformity or a submarine channel the Boone limestone was deposited.

6.3 Mineralization

High calcium limestones are the product of unique depositional environments only, not by subsurface alteration or enhancement. No subsurface mineralization has occurred to create or enhance the calcium carbonate content in this deposit. The $CaCO_3$ content is the product of reef organisms that build their exoskeletons out of calcium carbonate derived from the marine environment. The reef area has very limited or no exposure to sources of non- carbonate materials such as clay, silica, and iron that reduce the $CaCO_3$ content.

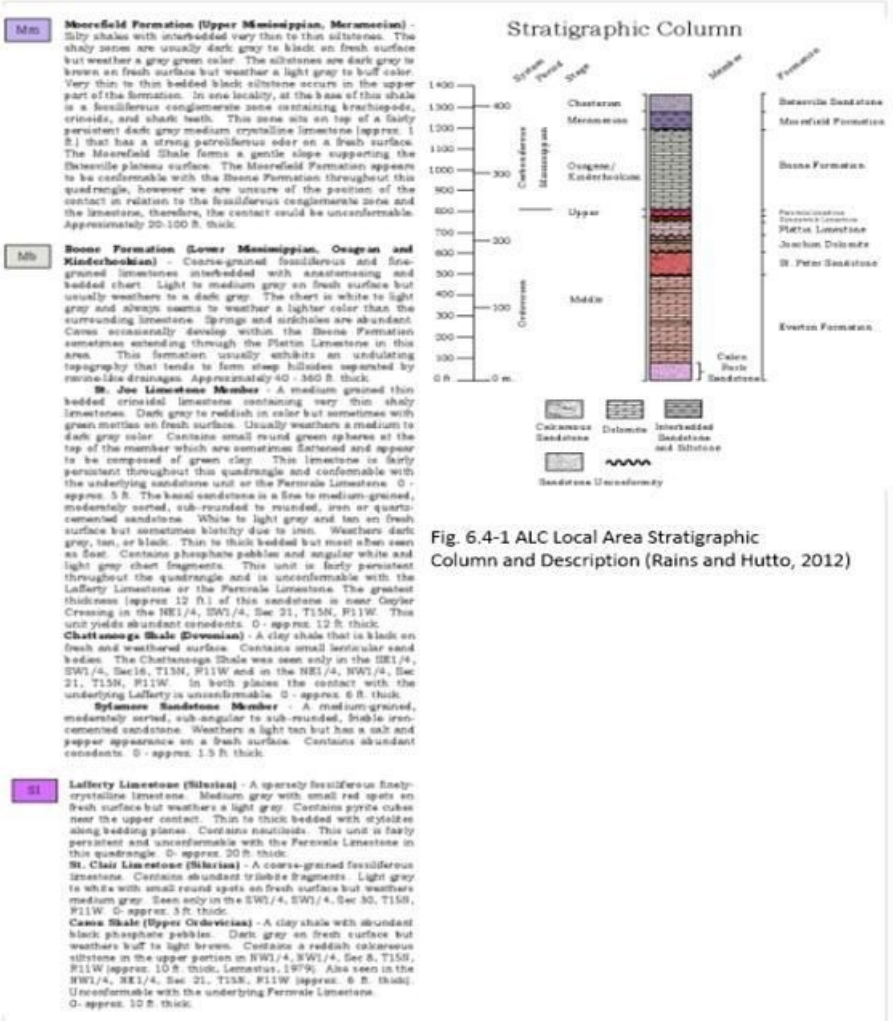


Fig. 6.4-1 ALC Local Area Stratigraphic Column and Description (Rains and Hutto, 2012)

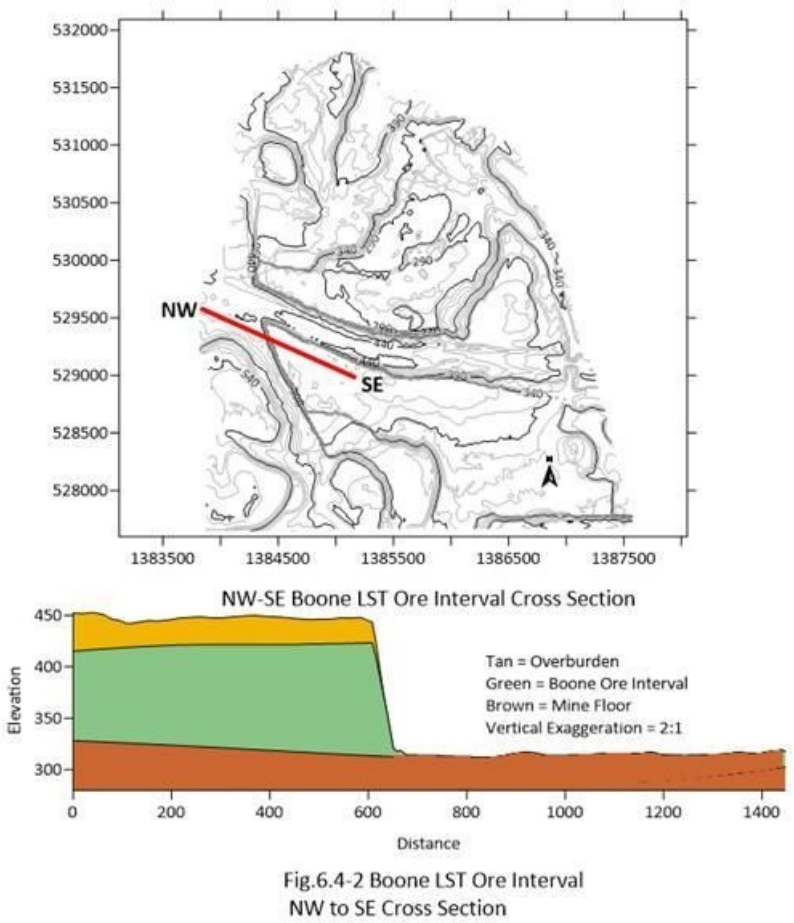


Fig.6.4-2 Boone LST Ore Interval
NW to SE Cross Section

Table 6.4 ALC Property Stratigraphy

Stratigraphic Unit	Thickness Approximate Range	Primary Lithology
Moorefield Shale	0 to 30 ft.*	Black very fine grain, thin LST lenses
Boone LST	150 to 200 ft.*	Gray coarse to fine crystalline, mostly recrystallized, very clean
Chattanooga Shale	0 to 4 ft.*	Black, fissile, rarely present
Lafferty LST	5 to 20 ft.*	Gray to dark gray, sandy, fine crystalline,

Note: *From multiple sources.

7 Exploration

The database used for the ALC geologic model consists of lithology and chemical analysis data from core drilling. Limited exploration drilling has been necessary for the past 30 years because of ALC's significant land position. A considerable amount of recent drilling has been near the mine and on ALC property.

7.1 Drilling Programs

A summary of drilling projects to date on ALC property is in Table 7.1-1. These projects include exploration, and development, by diamond bit and percussion drilling methods. Fig. 7.1-1 shows all the ALC Drill Holes.

Table 7.1-1 All ALC Drilling Projects

Year	Company	Purpose	Summary of Work	Comment
1959	Albert Lewis	Development	21 Core Holes	First Resource Assessment
1989	Don Williams	Exploration	2 Plug Holes	Explore Areas Near Mine
1992	CMC	Development	7 Core Holes	Expand Mine
1996-97	Charles Mallete	Development	17 Core Holes	Resource Assessment
1998	ALC/TerraCon, Inc.	Development	38 Core Holes	Drill North and South Highway 106
2005	ALC	Development	19 Core Holes	West Side Stewart
2007	ALC	Development	19 Core Holes	North/South Stewart
2008	ALC	Development	9 Core Holes	East Side North Mine
2016	ALC	Development	34 Core Holes	Westside Both Mines

The mining operation started in the early 1920's. In 1929 the Batesville White Lime Company saw the need to expand the mining operation. It drilled a few plug holes around the exiting mine to prove the Boone was present. Results from this project are not available. In 1959 Albert Lewis was contracted to confirm more ore near the active mine site and drilled 21 core holes. The cores were analyzed at 10 ft. intervals by an outside laboratory. Lewis conducted the first resource determination for the northern mine. The cores were preserved and TerraCon, Inc. reexamined and had them reanalyzed in 1998. The summary of the hole analysis are presented in Table 7.1-2 below.

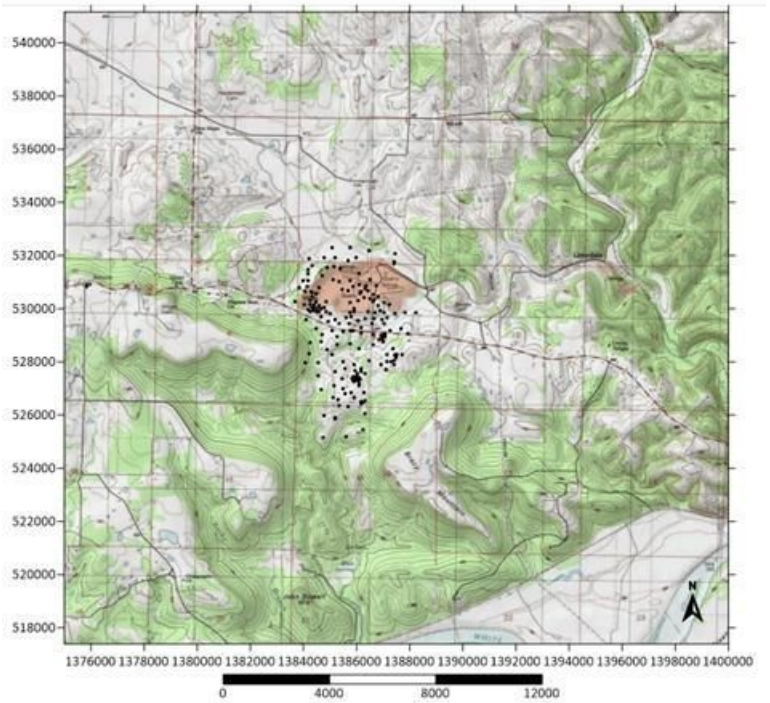


Fig. 7.1-1 All ALC Drill Hole Locations

Table 7.1-2 Summary of 1959 Development Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
ALC N. Property	21	78	98.1

The holes were drilled along the Boone outcrop ridge and south of it. Two holes resulted in coring limestone below the ore interval and the ore thickness was variable because of the feather edge of the outcrop.

If any drilling was conducted between 1959 and 1989 there are no records available. Don Williams drilled 12 plug holes directly around the active north mine for expansion purposes in 1989. Records for two holes were available for review. The summary results of the drilling are listed in table 7.1-3 below.

Table 7.1-3 Summary of 1989 Development Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
ALC N. Property	2	53	97.1

In 1992 CMC was contracted to drill seven core holes in areas that would be mined in the near future. From the drilling results the mine could expand into the areas drilled. Some of the holes had over 75 ft. of $CaCO_3$ above 96.0%. A summary of the results is presented in Table 7.1-4 below.

Table 7.1-4 Summary of 1992 Development Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
ALC N. Property	7	75	97.2

In 1996-97, Charles Mallete drilled 17 core holes across the property to perform a resource assessment. It appears he placed his holes to fill the gaps in the previous programs. Eight cores out of the 17 were located for the TerraCon, Inc. reexamination project. The summary of the core results is below in Table 7.1-5.

Table 7.1-5 Summary of 1996-97 Development Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
ALC North and South Properties	17	64	97.6

In 1998, TerraCon, Inc. was contracted to perform a resource assessment on the north mine. TerraCon, Inc. reviewed all previous drilling and resource studies. A 38-hole drilling project occurred that covered both the north mine and south unmined areas. The results of the study provided validation there were sufficient resources for several years in the future. Unlike the previous core projects, the sampling interval of 5 ft. or 10 ft. in this project was sampled on 2 ft. intervals to better define the top and the bottom of the ore. A summary table listing the results of the project is below in Table 7.1-6.

Table 7.1-6 Summary of 1998 Development Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
ALC North and South Properties	38	65*	97.3

Note: *Some holes drilled in existing mine floor.

TerraCon, Inc. followed the drill site protocols established by USLM. These protocols for drilling, logging, and sampling cores had been developed as equipment and analyses had changed. The project procedures were:

- Contract geologists selected core drilling locations with the approval of sites and drilling budget by USLM management.
- Core drilling was conducted directly under the supervision of contract geologists. All core was logged by SYB or an approved USLM contract geologist using a protocol modified from the Shell Sample Examination Manual (Swanson, 1981) that was modified by SYB and approved by USLM.
- After final selection, hole locations were surveyed by hand GPS (WAAS and GLONASS capable).
- Immediately upon retrieval, the core was placed on a V-shaped trough. All core pieces were fitted together and labeled with a permanent marker in one-ft. intervals.
- Characteristics related to the suitability of the limestone products for customers and geology were recorded. These items are stratigraphy, key marker lenses/layers, lithology characteristics, visual identification of ore top and bottom, and structural disturbance.
- The core from each drill hole was placed into cardboard boxes in two ft. intervals totaling 10 ft. at the drill site. The boxes were labeled with a box number, company information, hole number, core runs, and depths marked on each box. The boxes were then delivered to the ALC core processing area. Then they were prepped for transport to the ALC core storage center.

- The contract geologists were responsible for examining the core and compiling a detailed interval list for XRF analysis. This list was later entered into Excel to build an analysis database. The analysis intervals were chosen on two ft. lengths and intervals of six ft. to ten ft. above and below the lithologically identified ore zone were chosen. This excess was so the top and bottom of the ore could be chemically defined.
- Once the cores were at the ALC core storage area, the core intervals were diamond sawed into two- thirds to one-third splits. The interval's one-third split was then bagged in a plastic bag and labeled with the depth interval to be analyzed. The two-thirds split was placed back in the box for reference.
- The bagged intervals are kept in plastic labeled buckets or boxes in separate groups by the hole and then submitted to the ALC QC/QA laboratory for XRF analysis. Any portions of samples not destroyed during the testing process are still stored at the ALC core storage facility.

The ALC QC/QA laboratory performed the XRF analysis on these cores using the USLM laboratory protocols (discussed in Section 8).

The drilling project conducted in 2005 was to expand the southern mine to the west. The project followed the USLM drill site and laboratory protocols.

Table 7.1-7 Summary of 2005 Exploration Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
ALC South Mine	19	51	97.1

The 2007 drilling project was conducted with the goal of defining more west resources in the north mine and providing geotechnical support for gaining access to the proposed southern mine area in 2008. Nine holes were analyzed for mine development and ten holes were drilled for geotechnical measurements. The ten cores provided lithological data and were not analyzed for chemical content. The results of this drilling project are presented in Table 7.1-8. The standard USLM protocols for drilling and analysis were followed.

Table 7.1-8 Summary of 2007 Exploration Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
ALC 2007 Drilling	9*	60	97.8

Note: *19 holes drilled but only nine holes were analyzed for chemistry (see above).

In 2008, drilling was conducted on the northeast side of the north mine. This was a mine development project. Limited previous drilling in this area had indicated the possibility of a thicker ore section under shallow stripping. The results of this project proved the results of earlier drilling, and the mine planning was adjusted accordingly. The results of this drilling project are presented in Table 7.1-9. Protocols developed by USLM were followed during this drilling.

Table 7.1-9 Summary of 2008 Development Drilling

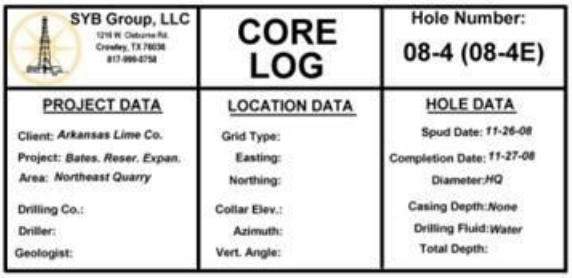
Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
ALC 2008 Drilling	9	97	97.9

In 2016, development drilling was conducted to update the existing mine model. The majority of the holes were drilled along the western side of both mines and in the southern area of the south mine. The project provided data for expanding both mines to the west. As with all USLM drilling projects the protocols discussed in the 2008 drilling results were followed. Table 7.1-10 summarizes the results from the 2016 project.

Table 7.1-10 Summary of 2016 Development Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
ALC 2016 Drilling	34	68	97.0

A list of the holes used in the model with the hole name and XY coordinates can be found in Appendix A. All holes' lithology, chemical analysis, and ore interval were plotted as logs. These logs were used to correlate stratigraphy, lithology, and ore zone intercepts. Also, they form a visual catalog of the hole data. A core log is shown below in Fig. 7.1-2.



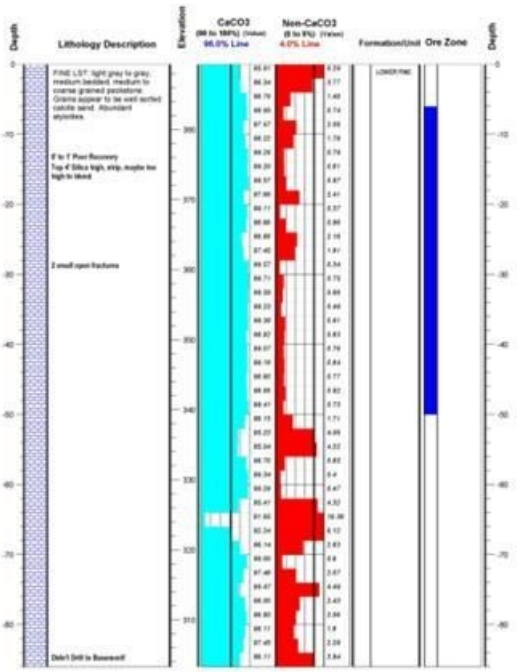


Fig.7.1-2 ALC Core Hole Log

7.2 Surface Mapping and Sampling

There was no surface sampling or measured section work associated with this operation.

7.3 Hydrogeology Information

The State of Arkansas does not require hydrogeological studies.

7.4 Geotechnical Information

The State of Arkansas does not require geotechnical studies to be performed at mines. Currently, the ALC mines are open pit mines and the company had no need to perform geotechnical studies.

8 Sample Preparation, Analyses, and Security

8.1 Sample Preparation and XRF Analysis

The ALC plant produces many products which are under strict parameters for chemical and physical quality. The ALC QC/QA laboratory was established many years ago and was upgraded several times to meet the increasing demands of the customer base. In addition, customer quality control labs test ALC product shipments frequently.

XRF is one of the primary methods for determining the chemical content of limestone. The ALC QC/QA laboratory has been responsible for conducting XRF analysis on plant products and all limestone samples from stockpiles, belt feed samples, drilling, to hand samples collected for outcrop identification. The five significant oxides are analyzed. CaO is most important because of the plant's raw limestone requirement above 96.0% $CaCO_3$.

When preparing an XRF sample, whether core or cuttings, the entire sample interval is crushed to -10 mesh. The sample is then separated and reduced by a ruffle to 250 grams, drying and pulverizing a representative split to -150 mesh. The samples are analyzed for these oxides CaO, MgO, Fe_2O_3, Al_2O_3, and SiO_2, following USLM's XRF analytical method for limestone analysis. The technique involves pressing the powder into a pellet using a wax binder to hold the shape. The analytical procedure and protocol information was provided by ALC QC/QA personnel and other information for this section was provided by ALC personnel.

8.2 Quality Control/Quality Assurance

The limestone samples are analyzed twice in a run to confirm repeatability. All sample preparation equipment is cleaned after preparing each sample and before the subsequent preparation. The instrument is cleaned and calibrated each year by the manufacturer and is under a service contract. Whenever the device becomes dirty and registers out of calibration or out of specification for the standards, a manufacturer service call is made to clean, recalibrate, and repair if necessary. The oxide results of each sample are totaled to determine if the data is within an acceptable error range around 100%. The sample analysis is rerun if the total oxide percentage exceeds acceptable error limits. The rerun is to correct or help define the error issue. Sample preparation and a newly prepped sample usually correct the problem in many cases. The laboratory has a set of certified limestone standards to cover the content range of the major oxides that can occur in limestones. The appropriate standard is run concurrently with the unknown samples. The standard results are compared run to run to ensure the instrument operates correctly.

USLM has five QC/QA labs among its wholly owned subsidiaries. These labs can perform many of the same analyses, specifically XRF.

The ALC QC/QA laboratory is certified by:

- The Food and Drug Administration
- Underwriters Laboratory

The laboratory follows procedures and protocols set forth by:

- ASTM Methods: C-25, 50. 51, 110, 977
- AASHTO Methods: M216-05, 219
- USLM protocols for testing whole-rock samples.

The laboratory utilizes certified limestone samples to verify the accuracy and calibration of its instrumentation. These are:

- Euronorm MRC 701-1
- China National Analysis Center:
  - -NC DC 60107a
  - -NCS DC 14147a
  - -NCS DC 70307
  - -NCS DC 70304

The security for geological samples is not required compared to the procedures needed for precious metals (gold, silver, etc.). Core or other samples are immediately taken after drilling or at the end of the current shift to the core storage area by the contract geologist, member of the drill crew, or limestone sample collector. They are logged in and processed by ALC QC/QA laboratory personnel. The change of possession is limited to two or three people who can be identified and held accountable for the locations of the samples before delivery to the laboratory. This information was provided by ALC QC/QA laboratory personnel.

8.3 Opinion of the Qualified Person on Adequacy of Sample Preparation

The analysis of geologic samples is conducted with the same care as the ALC QC/QA testing for the plant's products. The QP reviewed the preparation and analytical procedure protocols by the QC/QA laboratory personnel for proper adherence. The QP's opinion is that the analytical program and laboratory provide reasonably accurate chemical data

necessary for determining resource estimates.

9 Data Verification

9.1 Source Material

The QP obtained the analysis results and raw data from the ALC laboratory personnel. For this TRS, the hard copy data was compared with the digital database for correctness and thoroughness. The geologic data from the old drilling programs were validated as reasonably as possible by comparing lithology and depths from nearby recent holes and production data. Chemical results from the older work were compared to recent chemical results from the nearest production data or hole. This comparison was necessary to verify using the older data in the model. Recent hole ore intercepts were cross-checked with the appropriate mine data to verify and confirm surveyed collar data and check the ore zone.

The older hole maps with the plotted surveyed locations were georeferenced using Global MapperTM and then digitally overlaid on age appropriate USGS Quadrangle Geotiff raster maps to verify location, convert to State Plane System, and verify collar elevation.

The core logs from the various drilling projects were reviewed to confirm logging was suitable for the intercept data determination. The older hole analyses were composited above 96.0% $CaCO_3$ cutoff when possible. If re-compositing was not possible, the analytical results had to average above 96.0% cutoff. ALC has conducted a production QC program for many years. Data from this program was used to check on the chemical quality between core holes.

The QP met with the QC/QA laboratory manager to validate that the QC/QA protocol was followed for the geologic samples and reviewed the instrument's status records. The sources for this data are the ALC QC/QA laboratory, old resource studies, mine manager and contract geologists.

Any hole data where the location could not be verified were excluded. Also, any hole where chemical data appeared to be a partial analysis or incomplete was excluded.

9.2 Opinion of the Qualified Person on Data Accuracy

After reviewing the material, the QP is satisfied the drill hole database and chemical analysis data are reasonably valid. The QP's opinion is that the data utilized has been analyzed and collected appropriately, reasonably, and the data was adequate for the resource interpretation and estimation.

10 Mineral Processing and Metallurgical Testing

The Boone limestone mined at the ALC property is sedimentary without alteration due to metamorphic or igneous geologic processes. The uniqueness and suitability of the raw limestone for making the plant's products are based on the percent of $CaCO_3$ content in the limestone. There is no metal content in the ore and no need to perform metallurgical testing. Limestone from the mine has been supplied to ALC's operations for further processing for decades. The mined stone is processed through a conventional crushing circuit without any mineral or chemical processing before stockpiling. ALC personnel furnished the preceding information.

11 Mineral Resource Estimates

11.1 Definitions

A mineral resource is an estimate of mineralization by considering relevant factors such as cutoff grade, likely mining dimensions, location, or continuity that, with the assumed and justifiable technical and economic conditions, is likely to, in whole or in part become economically extractable. Mineral resources are categorized based on the level of confidence in the geologic evidence. According to 17 CFR § 229.1301 (2021), the following definitions of mineral resource categories are included for reference:

An inferred mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. An inferred mineral resource has the lowest level of geological confidence of all mineral resources, which prevents the application of the modifying factors in a manner useful for the evaluation of economic viability. An inferred mineral resource, therefore, may not be converted to a mineral reserve.

An indicated mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of adequate geological evidence and sampling. An indicated mineral resource has a lower level of confidence than the level of confidence of a measured mineral resource and may only be converted to a probable mineral reserve. As used in this subpart, the term adequate geological evidence means evidence that is sufficient to establish geological and grade or quality continuity with reasonable certainty.

A measured mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of conclusive geological evidence and sampling. As used in this subpart, the term conclusive geological evidence means evidence that is sufficient to test and confirm geological and grade or quality continuity.

11.2 Key Assumptions, Parameters, and Methods

11.2.1 Resource Classification Criteria

Geologic and analytical data from local drilling have proven that the Boone limestone has a consistently high $CaCO_3$ content (above 96.0%) and a consistent mining thickness of 30 plus ft. across the entire ALC property.

For many years the ALC mine has provided limestone of a consistent quality to the operation. Geologic confidence was established by the verified consistent analytical results from drilling. Classifying these resources in the indicated and measured categories is appropriate. The indicated category was applied to areas where some drilling was available but more was needed to increase the geologic confidence. The measured category was applied to tracts adjacent to the existing mines because: 1) there are sufficient drill holes in the area with analyses; and 2) the proximity (high walls) to the mines that have operated for decades extracting the same limestone with the same quality as seen in the holes. These two factors provide high geologic confidence in the resource model for this acreage.

11.2.2 Market Price

The ALC mine is a supplier of crushed limestone to ALC operations. After processing through the crushing circuit, the crushed limestone is available for sale to external customers or ALC operations usage. There are several limestone products for sale. Products are differentiated by size with all having common chemical properties.

A market survey for crushed limestone is conducted by the USGS each year. The publication is titled "USGS Mineral Commodity Summaries 2023." Their database comprises sources from the entire United States and considers such material issues as regional price difference, weather effects, production issues, and decreased demand from downstream users. USGS reported an average value price of $14.00 of crushed limestone per metric ton which converts to $12.70 per short ton. After consulting with USLM this source provides a reasonable value for the range of crushed limestone products sold by the Company.

11.2.3 Fixed Cutoff Grade

The ALC mine supplies crushed limestone to the ALC operation and for sale to end-user markets. The ALC operation must be provided with a limestone source above an average $CaCO_3$ threshold for customer needs. No matter the product, the raw limestone must exceed a minimum average content above 96.0% $CaCO_3$. This percentage is considered a fixed cutoff grade because the percentage does not vary for the products supplied by the operation. The average percent of $CaCO_3$ can be higher but not lower to meet quality requirements. Mining limestone with a significantly higher average $CaCO_3$ percentage results in the deposit being high-graded which shortens the mine's life. Lowering the grade is unacceptable because of quality requirements.

A primary XRF analysis quality control check is to total all the oxide percentages to determine how close the analysis total is to 100%. CaO is the primary oxide of the sample analyzed and the remainder is comprised of MgO, Fe_2O_3, Al_2O_3, and SiO_2 (refer to Section 8).

The fixed cutoff grade determines the mining thickness. Hole analyses are conducted on intervals of typically two to 10 ft. This thickness is determined by compositing the individual intervals in a hole until the average $CaCO_3$ is just above the fixed cutoff. Since the mine operates on a fixed cutoff grade, there are no specific economic criteria for changing the cutoff grade. Any cost factors that increase the mining cost of limestone at this fixed grade would be offset by appropriate downstream price increases to end-user markets or in the ALC operation's products.

11.2.4 Summary of Parameters

Primary modifying factors are fixed cutoff grade, the final underground mine layout, and property line offset. Key assumptions and parameters applied to estimate mineral resources are in Table 11.2-4.

Table 11.2-4 Resource Parameter Assumptions

Modifying Factor	Parameter
Fixed Grade Cutoff	Above 96.0% $CaCO_3$
Property Offset	50 ft.
Mineability	Reasonably Expected to be Feasible to Mine

11.3 Resource Model

Once the all the verified data was in the database, a final data entry check was performed. Any sample data without a verifiable location or complete analyses were excluded. Table 11.3 lists the number of drill holes used in the model database.

The mines are surveyed every year to document the mining face advance during the year. The existing mine map is updated with the newly surveyed mined areas and oriented to the mine grid. The current surface survey dated December 31, 2023, was used to determine the resource areas for the TRS resource estimate. The new surface survey and most recent USGS

LiDAR topography were edited using Global MapperTM software to reduce file size and crop to the resource area. The existing mining grid coordinate system was State Plane NAD 83 feet and was not changed.

The ore body consists of a horizontal single limestone bed defined by top and bottom surfaces. The top and the bottom ore intercepts were from total ore interval composites. The average $CaCO_3$ content above the 96.0% cutoff or higher was used to determine the ore interval in each hole. If any hole's composite was below 96.0% $CaCO_3$, that area would be excluded from the resource estimate. This situation did not occur within the defined ore body. Next, the hole intercepts were utilized to produce top and bottom three-dimensional structural surfaces.

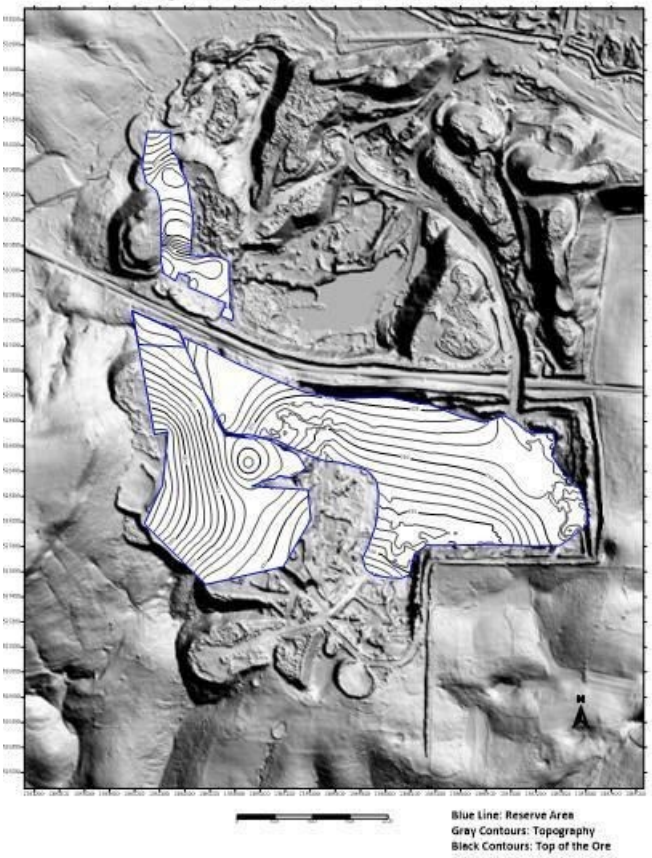
The method chosen to model the ore structures was gridding using SURFERTM software and gridded by Kriging was selected from eleven other algorithms. The selection process involved four steps:

- Rough hand contour data for trend and structure preview for comparison;
- Run gridding script with basic inputs to compare 12 gridding methods rough maps with hand contoured map;
- Select appropriate grid methods after comparison, then refine with specific inputs to further the selection process; and
- Run a residual test to select which grid method specifically honors the ore intercepts and approximates the hand contouring.

These structural surfaces were then truncated against the current topography to account for erosional effects and mined out areas. The outline of the ALC property was then used to define the gross boundary of the resource areas.

Next, ore isochore (thickness) and overburden isochore maps were constructed. These maps were used to determine model limits, thickness of overburden, ore and overburden to ore ratio. Fig. 11.3 is a map of the reserve areas and the top of the ore in each area.

Fig. 11.3 ALC, Top of the Ore in Each Reserve Area



The resource volume and tonnage were estimated using Surfer software. The volumes were determined by direct measurement of the thickness between the top and bottom of the ore surfaces as defined by gridding of the ore intercepts in each hole. The density factor for the ore was 167 pounds per cubic ft. from previous outside laboratory density measurements.

Table 11.3 Summary of Drill Hole Database for the Model

Data Type	Number of Records
Total Holes	166
Lithology	166
Chemical Analyses (Includes Mine Faces)	156*
Hole Composites	156*

Note: *10 holes were for lithology only.

11.4 Mineral Resources

11.4.1 Estimate of Mineral Resources

Resources for this deposit were estimated as in-place volumes and tonnages. The estimate of measured, indicated, and inferred mineral in-place limestone resources for the ALC operation effective December 31, 2023, as determined from applying the resource parameters to the geologic model, are in Table 11.4-1. The plant's crushing circuit output was selected as the point of reference for the resource determination. Because of the chemical quality of the limestone some size fractions in the stream from the crushing circuit are available for distribution after stockpiling.

Table 11.4-1 ALC – Summary of Limestone Mineral Resources as of December 31, 2023, Based On $12.70 Crushed Limestone[1,2]

Resource Category	In Place (tons)	Cutoff Grade (%X)	Processing Recovery (%)3
Total Mineral Resources[4]	22,169,000	Above 96.0 ($CaCO_3$)	N/A
Measured Mineral Resources[5]	-	Above 96.0 ($CaCO_3$)	N/A
Indicated Mineral Resources	8,239,000	Above 96.0 ($CaCO_3$)	N/A
Total Measured and Indicated Resources	8,952,000	Above 96.0 ($CaCO_3$)	N/A

Notes: [1] Price Source from USGS Mineral Commodity Summaries 2023
[2] Crushed limestone through the crushing circuit.
[3] N/A: Not Applicable because estimated resources are in place.
[4] Inclusive of Limestone Mineral Reserves.
[5] Exclusive of Limestone Mineral Reserves.

11.4.2 Geologic Confidence and Uncertainty

The core chemical analysis data in the database have been verified and there is a high degree of confidence in those results. The confidence was from the fact the composited $CaCO_3$ results were constantly above the 96.0% cutoff. At the ALC mine site the Boone formation is a tabular, medium bedded limestone with very little dip and no complicated structural features. For many decades, the ALC mining operation has produced crushed limestone meeting or surpassing the quality limits required by the plant during its entire operational history.

The analytical results cover from 1959 to 2021 and are sufficient to establish reasonable certainty of geological presence, grade, and quality continuity on the operation's property. 156 hole's chemical analyses were examined for this model and the average $CaCO_3$ % was constantly above 96.0%. approximately 79 acres have been excavated since the mine went into operation in the 1920's.

The continuity and quality consistency has been documented by drilling results on the property. The chemical quality for cores from unmined areas is consistent with past limestone production. This was verified by comparison of data from holes in mined out areas and QC/QA data.

Because of those results and the fact that the quality control drilling and production quality is constantly above the calcium carbonate cutoff for the deposit, there is high confidence in the definition of the ore zone limits,

11.5 Opinion of the Qualified Person

There are no significant factors onsite that will impact the mining of this ore body. After reviewing the resource model, the QP is confident that the limestone has consistent quality, lateral continuity and minable thickness within the drilled areas on the ALC property. The QP is also confident that ALC will continue to extract limestone above the quality cutoff for the foreseeable future.

The QP's opinion is that the following technical and economic factors could influence the economic extraction of the resource, but the ALC plant insulates most of them from the mine. Although, if quicklime production becomes unfeasible, the ALC plant would no longer require limestone from the ALC mine to produce quicklime.

- Regional supply and demand – Due to the shipping cost of crush limestone and quicklime, sales are limited to a regional footprint at the plant. The plant is insulated from global import and export market changes, as sales are domestic and regional.
- Fuel cost – mining equipment are major diesel consumers at the ALC mine. As diesel prices rise, the price per ton of production also rises and will need to be offset by increases in the selling prices for the products sold. The cost of electrical power to the crushing circuit could increase to a point where an offset similar to diesel would be needed.
- Skilled labor – This site is located near communities with an available labor source.
- Environmental Matters:
  - Federal or State regulations/legislation regarding greenhouse gas emission
  - Air and water quality standards

12 Mineral Reserve Estimates

Mineral resources were converted to reserves using the estimated percentage recovery factor for the mining method proposed. For open pit mining it is estimated to be an 82% recovery factor. For underground mining the recovery factor is estimated to be 75%. The overall recovery factor for all mining is estimated to be 78%.

12.1 Definitions

Mineral reserve is an estimate of tonnage and grade or quality of indicated and measured mineral resources that, in the opinion of the qualified person, can be the basis of an economically viable project. More specifically, it is the economically mineable part of a measured or indicated mineral resource, which includes diluting materials and allowances for losses that may occur when the material is mined or extracted (Dorsey, 2019).

Probable mineral reserve is the economically mineable part of an indicated and, in some cases, a measured mineral resource. For a probable mineral reserve, the qualified person's confidence in the results obtained from the application of the modifying factors and in the estimates of tonnage and grade or quality is lower than what is sufficient for a classification as a proven mineral reserve, but is still sufficient to demonstrate that, at the time of reporting, extraction of the mineral reserve is economically viable under reasonable investment and market assumptions (Dorsey, 2019).

Proven mineral reserve is the economically mineable part of a measured mineral resource. For a proven mineral reserve, the qualified person has a high degree of confidence in the results obtained from the application of the modifying factors and in the estimates of tonnage and grade or quality. Proven mineral reserve is the economically mineable part of a measured mineral resource and can only result from conversion of a measured mineral resource (Dorsey, 2019).

12.2 Market Price

As stated in Section 11.2.2, the ALC mine is a supplier of limestone to ALC operations. After processing by the crushing circuit, the crushed limestone is available for sale to customers or ALC operations usage. There are several limestone products for sale. Products are differentiated by size with all having common chemical properties.

A market survey for crushed limestone is conducted by the USGS each year. The publication is titled "USGS Mineral Commodity Summaries 2023." Their database comprises sources from the entire United States and considers such material issues as regional price difference, weather effects, production issues, and decreased demand from downstream users. USGS reported an average value price of $14.00 of crushed limestone per metric ton which converts to $12.70 per short ton. After consulting with USLM this source provides a reasonable value for the range of crushed limestone products sold by the Company.

12.3 Costs

Annual sustaining capital costs were estimated using prior-year capital expenditures and ALC's 2024 capital budget. Limestone surface mining costs for ALC were estimated using historical data and its 2024 budget. The underground mining costs are based on estimated mining, mining equipment, and contractor costs.

12.4 Reserve Estimates

The estimate of the proven and probable limestone reserves for the ALC operation effective December 31, 2023, estimated from applying the reserve parameters to the geologic model, are in Table 12.4.

Table 12.4 ALC – Summary of Limestone Mineral Reserves as of December 31, 2023, Based On $12.70 Crushed Limestone [1, 2]

Reserve Category	Extractable (tons)	Cutoff Grade (%X)	Mining Recovery (%)[3]
Probable Reserves	3,458,000	Above 96.0 ($CaCO_3$)	82.0/75.0
Proven Reserves	7,407,000	Above 96.0 ($CaCO_3$)	82.0/75.0
Total Mineral Reserves	10,865,000	Above 96.0 ($CaCO_3$)	82.0/75.0

Notes: [1] Price Source from USGS Mineral Commodity Summaries 2023.
[2] Crushed limestone through the crushing circuit.

[3] Mining recovery is listed as open pit/underground recovery.

12.4.1 Reconciliation with Previous Estimates

Comparing ALC's high calcium limestone reserves as of December 31, 2023 with the estimates presented for December 31, 2021, a decrease of 1,677,000 tons occurred which is the result of routine mine production.

12.5 Opinion of the Qualified Person

ALC has successfully mined this resource for many years utilizing conventional mining methods. The application of conventional underground room and pillar mining in the future is not anticipated to have a significant economic impact. Significant increases in the cost of mining coupled with large decreases in the selling price of limestone would make mining uneconomic. Historically, ALC has increased sales prices in line with cost increases. The limestone is consistent across the reserves and allows for stable operating requirements from year to year.

13 Mining Methods

13.1 Geotechnical and Hydrologic Considerations

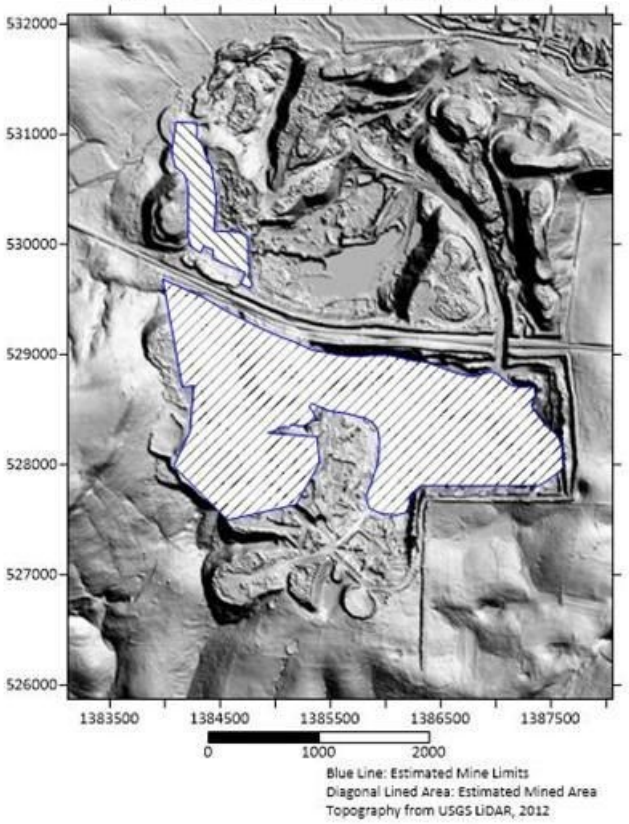
Currently, the State of Arkansas does not require geotechnical or hydrology modeling in mining operations.

13.2 Mine Operating Parameters

The ALC mine plans to produce 500,000 tons per year. The expected life of the mine is approximately 20 years. Overburden is removed by drilling and blasting. A vertical bench drill is used to drill the prescribed holes on designated spacing. Blasting is completed by a qualified contractor. The overburden is moved using excavators, bulldozers and haul trucks to designated overburden piles on the site.

Mining to date has been exclusively by open pit. Ore is excavated by drilling and blasting. Similar to the overburden, a vertical bench drill is used to drill the blast holes on a designed spacing. Blasting is completed by a qualified contractor. The ore is loaded using wheel mounted loaders and haul trucks. Fig. 13.2 reflects a current estimate of the final mine limits.

Fig. 13.2 Current Estimated Final Mine Limits



13.3 Mining Plan

ALC mining will include both open pit and underground mining methods. Open pit mining extraction will utilize typical mining techniques of vertical drill and blast overburden removal and typical mine haulage equipment such as bulldozers, excavators, wheel-loaders and haul trucks. Overburden will be generally targeted at a 2:1 stripping ratio with the non-ore materials being placed within the property. Limestone ore will be recovered with vertical drill and blast, single pass bench mining and typical mining diesel-powered mine haulage equipment such as wheel loaders, excavators and haul trucks.

When implemented designated underground areas will be extracted by the room and pillar mining method. Pillars will be designed as required by strata and depth constraints with estimated extraction ratios of 70-80%. Mining will be by horizontal drilling and blasting. Ground control will be maintained with mine scaling machines. Haulage will be via conventional underground mine haulage equipment.

13.4 Mine Plant, Equipment, and Personnel

ALC has a skilled labor force of qualified miners, mechanics, supervision and management. ALC operates 3 to 6 days per week depending on demand from the plant and maintenance requirements. The mining equipment fleet consists of wheel-loaders and haul trucks. Ancillary equipment includes a bench drill, excavators, water truck, motor grader, light vehicles and dewatering pumps.

14 Processing and Recovery Methods

14.1 Crushing Circuit and Description

The ALC mine delivers mined limestone to the crushing circuit for processing and stockpiling. Afterwards the crushed limestone is sold or processed by ALC operations to create higher-valued quicklime or limestone products.

There is no history of any interruptions, outages, shortages, or failures related to the crushing circuit which have

materially affected the operation. The crushing circuit has been in operation for many years. The QP believes the risk of such events significantly affecting the estimates of limestone mineral reserves documented here is low. ALC personnel are the sources for this section.

14.2 Crushing Circuit Throughput and Design

The limestone is blasted and loaded into haul trucks by a loader in the pit then hauled to the primary crusher. The primary crusher is more than sufficient size to handle the daily mine production. The primary jaw crusher has been setup to maximize production for the size range required to feed the downstream part of the crushing circuit. The crushing circuit after the primary crusher consists of delivery by a conveyor belt to screens and a cone crusher. This equipment is very similar to those installed at many aggregate plants throughout the United States. During the process any material that is rejected by the screening process is conveyed to surge piles where it can be cycled back to be crushed and screened again. Once through this crushing circuit, the sized crushed limestone is moved by conveyor belts to stockpiles for distribution to customers or the ALC operation for further processing.

14.3 Crushing Circuit Operational Requirements

The operational requirements are minimal. This is primarily because the crushing circuit is dry and does not utilize wash water in the process. Parts and equipment needs are of operational importance. The conveyors, screens and crushers are from well-established manufacturers. This translates to readily available parts or replacement equipment. The largest requirement for the crushing circuit is electricity. Maintenance is generally handled by ALC personnel and, other than repairs, consist of routine upkeep or worn parts replacement.

14.4 Application of Novel or Unproven Technology

Mining operations at the site follow standard open pit methods for extracting limestone. The crushing system is comprised of readily available stone processing equipment. There has not been any application of novel or unproven technologies or techniques.

15 Infrastructure

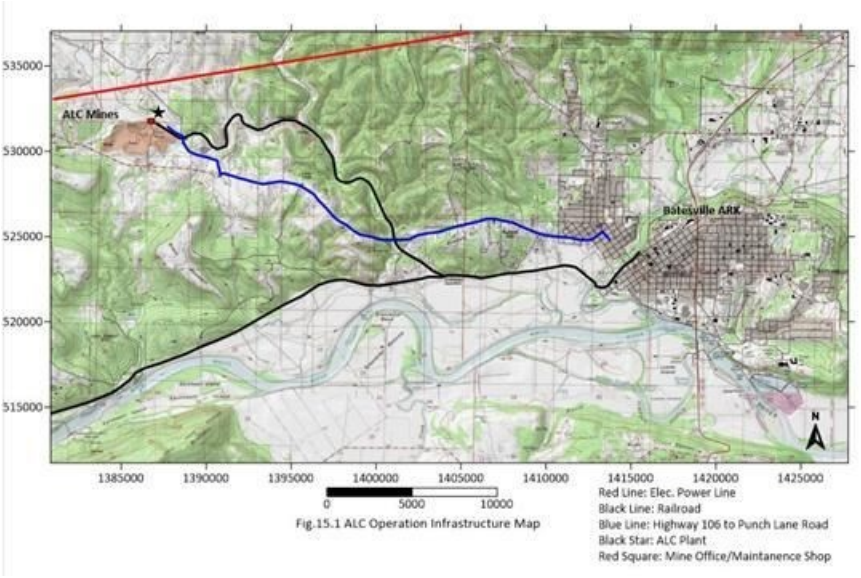


Fig.15.1 ALC Operation Infrastructure Map

The ALC property is accessible by a paved state highway and rail. The mine operation is accessed by a gravel haul road maintained by the mine personnel. The mine site is a land-locked location with no port facilities access. A rail spur is located on plant property connected to the Missouri and Northern Arkansas Railway. The mine has an onsite office and maintenance shop. Three-phase electric power is provided to the site via above-ground utility lines. A water source is available but not utilized by the mine. A water supply is available from the county system, but bottled water is supplied for drinking. Load-out to the crushing circuit is on the mine property. Fig. 15.1 shows a topographic map of the mine area and significant infrastructure features.

16 Market Studies

16.1 Market Outlook and Forecast

Demand for limestone produced at the ALC mine is exclusively for ALC's quicklime and crushed limestone production facilities next to the mine which have been in existence for over 80 years. ALC quicklime and crushed limestone products are delivered to customers by either truck or rail.

Historically, the ALC mine averaged annual production of approximately 1,000,000 tons of limestone. In 2022, the ALC plant began sourcing a portion of its crushed limestone from the Love Hollow mine belonging to ACT Holdings Company. In future periods, the annual production for the ALC mine is estimated to be 500,000 tons of limestone to account for the alternative sourcing to the ALC plant. Assuming annual production of 500,000 tons of limestone per year, the expected mine life is approximately 20 years.

Primary demand for quicklime and crushed limestone products from ALC's facilities is from stable markets including the steel industry, the construction industry, paper and glass manufacturers, municipal sanitation and water treatment facilities, roof shingle manufacturers, and poultry and cattle feed producers. Current market conditions for these customers should result in continued steady demand for quicklime and crushed limestone products in ALC's market areas for the foreseeable future.

16.2 Material Contracts

There are no material contracts with outside purchasers.

17 Environmental Studies, Permitting, and Plans, Negotiations for Agreements with Local Individuals or Groups

17.1 Environmental Studies and Permitting Requirements

The State of Arkansas regulates industrial activities and its potential impacts on the environment under the Arkansas Department of Environmental Quality (ADEQ). Open pit mining and reclamation are regulated in both the Coal and Non-Coal Programs, including soil, clay, shale, gravel, stone, limestone, sand, gypsum, bauxite, and novaculite under Arkansas Pollution Control and Ecology Commission Regulation 15, Act 827 of 1991, and Act 1166 of 1997.

In addition to open pit mining and reclamation, the ADEQ is also a delegated authority under the Clean Air Act and Clean Water Act, established by the Environmental Protection Agency, to protect the ambient air quality and water quality within the State of Arkansas. ALC has furnished the environmental permit information provided in Table 17.1 below associated with its mine:

Table 17.1 Mining and Environmental Permits

Permit Number	Issuer	Purpose	Expiration Date	Status
0053-MQ-A2 November 2, 2017	ADEQ	Authorization to Quarry	June 4, 2028	In Place, Active
0045-AOP-R9 November 29, 2021	ADEQ	Air Quality	November 28, 2026	In Place, Active
ARR00A109 July 1, 2019	ADEQ	Storm Water	July 30, 2024	In Place, Active

Note: The above-referenced permits cover the ALC mining operations.

17.2 Overburden, Site Monitoring, and Water Management

ALC produces and manages non-production material, which consists of overburden and a trace amount of unusable rock from the blasting process at the open pit mines. When mining operations progress into areas with overburden, the overburden is utilized to backfill active pits to the extent where the material is available.

Water management is conducted at the open pit mines to use for dust control and to manage stormwater run- off by way of pre-existing natural erosion pathways. In some areas of the mine, stormwater must be pumped to a natural drainage from a sump used to control standing water.

17.3 Post-Mining Land Use and Reclamation

A Financial Plan for Reclamation was developed as part of the Five-Year Plan submitted to The State of Arkansas. The Financial Plan outlines the non-ore materials to be stockpiled within the mine, topsoil management as part of the stripping process as well as the final reclamation process. A surety bond and an estimated acreage of land affected over the life of the mine is submitted as part of the Five-Year Plan.

17.4 Local or Community Engagements and Agreements

The operation has developed relationships over the years with various neighboring communities, including the small communities of Bethesda, Melbourne, and Batesville.

17.5 Opinion of the Qualified Person

Arkansas is a heavily regulated State of environmental laws and regulations and has numerous permits that require ongoing compliance and oversight from the State agencies. All permits require constant reporting and oversight from the State mining and environmental agencies. ALC and USLM personnel are well trained and stay up- to-date on all mining and environmental regulations. In the QP's opinion, there are no current or outstanding issues in environmental governance.

18 Capital and Operating Costs

The ALC mine has been a stable producer of limestone using the current equipment fleet and operating parameters for many years. This operating history, the 2024 budget, and estimated underground mining costs were used to estimate the unit costs for limestone mining and annual sustaining capital expenditures.

18.1 Capital Costs

Table 18.1 Capital Costs

Capital Cost Estimate	Cost
Annual Maintenance of Operations	$950,000
Underground Mining Equipment Fleet and Portal Preparation	$5,382,000

18.2 Operating Costs

Table 18.2 Operating Costs

Operating Cost Estimate	Cost
Open Pit Mining and Crushing Cost Per Ton	$7.35
Underground Mining and Crushing Cost Per Ton	$9.58

18.3 Accuracy of Capital and Operating Cost Estimates

The production and unit cost estimates are based on actual past performance and the customary internal budget review and approvals process. Operating volumes are well-defined and understood, as are mining and processing productivities. The operating cost accuracy and contingency factors were estimated by comparing the past five years of costs to budgeted amounts. The operating cost accuracy estimation is +/- 15% and the contingency factor is </= 10%. The operation and related facilities are fully developed and should not require any near-term major capital investment to maintain full commercial production. Historically, the timing and amount of capital expenditures has been largely discretionary. The capital cost accuracy estimation is +/- 10% and the contingency factor is </= 10%.

19 Economic Analysis

The gridded model estimated limestone ore volumes for each reserve area. Limestone volumes are converted to tons for cost and revenue estimation using a density factor of 167 pounds per cubic foot.

The ore thickness is generally uniform in each area. The mining methods and equipment are suitable for all reserve areas.

19.1 Key Parameters and Assumptions

The discount rate used in the economic analysis is 6.43%. This rate is ALC's incremental borrowing cost. Per the current debt agreement and ALC's current leverage ratio, ALC's borrowing rate is 6.43% (calculated from the December 2023 SOFR of 5.34%).

The tax was estimated using ALC's current effective income tax rate calculated as of September 30, 2023. In reviewing the September 30, 2023, tax provision, the effective tax rate contained no material non-recurring permanent items that would influence the rate, so it is considered appropriate to future periods. Demand for limestone is projected to be 1,000,000 tons per year for the life of the mine. The sales price per ton is estimated using the USGS Mineral Commodity Summaries 2023. Depreciation was estimated using existing assets and the approved items in the 2024 budget. The later years' depreciations are calculated using the capital budget forecast and the asset life.

19.2 Economic Viability

ALC has positive cash flow, and the current mine plan does not require significant capital expenditure until underground mining starts in 2037; therefore, payback and return on investment calculations are irrelevant. NPV of the life of mine plan is $11.6 million. The annual cash flows are in Appendix B.

19.3 Sensitivity Analysis

Sensitivity analysis was performed on the discount rate, the mining cost, and the crushed limestone sales price.

Table 19.3-1 Sensitivity Analysis: Varying Discount Rate

Discount Rate	NPV (thousands)
0%	$16,928
1%	$15,838
2%	$14,871
5%	$12,534
10%	$9,863
15%	$8,069
20%	$6,782

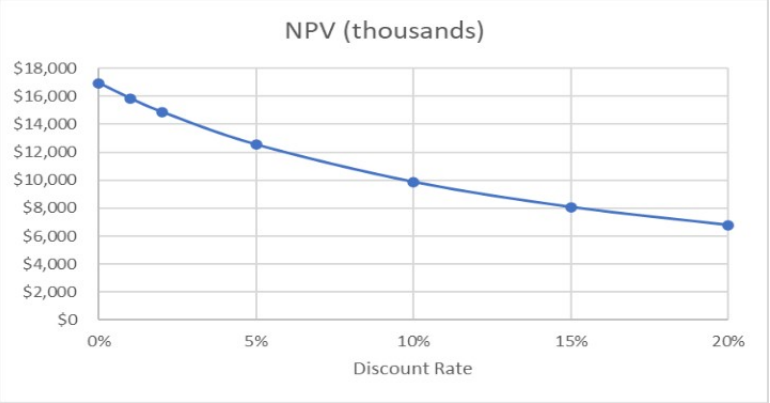


Table 19.3-2 Sensitivity Analysis: Varying Limestone Mining Costs

Limestone Mining Cost % Change	NPV (thousands)
-20%	$19,324

-10%	$15,484
0%	$11,645
10%	$7,805
20%	$3,966

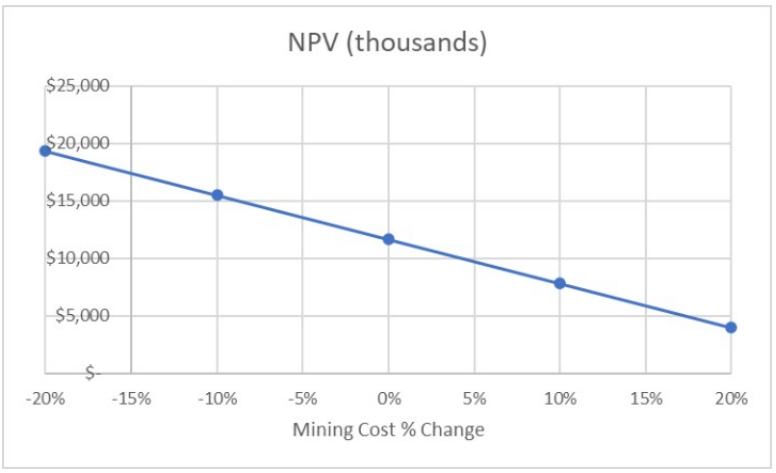
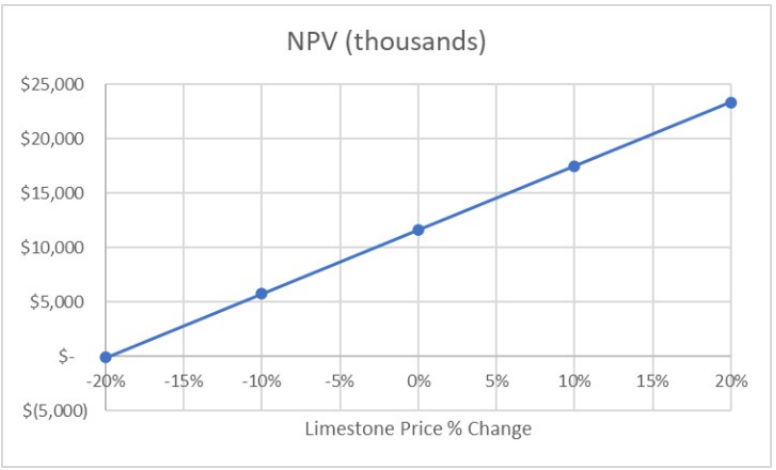


Table 19.3-3 Sensitivity Analysis: Varying Limestone Price

Selling Price %Change	NPV (thousands)
-20%	$(69)
-10%	$5,788
0%	$11,645
10%	$17,502
20%	$23,358



20 Adjacent Properties

Geologic information from adjacent properties was limited to that performed by the AGS and some regional drilling performed by ALC. The AGS material consisted of measured sections and sampled surface locations. The AGS information is public domain. This information was utilized primarily as evidence of lateral continuity and quality if chemical analysis was available. None of the AGS information was part of the geologic model database.

21 Other Relevant Data and Information

All data relevant to the supporting studies and estimates of mineral resources and reserves have been included in the sections of this TRS. No additional information or explanation is necessary to make this TRS understandable and not misleading.

22 Interpretation and Conclusions

22.1 Interpretation and Conclusions

Geology of the Boone limestone on the ALC property is simple. The deposit consists of a tabular, single limestone strata with no structure in the reserve areas and a shallow dip angle. The formation has been proven by drilling and production in and around the mines that the quality and thickness are very consistent. Because of this simple geology, the mining method is straightforward and consists of uncomplicated underground and open pit mining.

ALC has been in operation for many decades during varying economic and market conditions, and the ALC operation has maintained a steady market share. The quality control practices have helped to optimize the thickness and quality of the ore zone over the period of operation. The economic analysis and the quantity of Mineral Resources and Proven Reserves indicate the operation reasonably has approximately 20 years of estimated mine life at current production levels.

22.2 Risks and Uncertainties

Internal to the mining operation, risks and uncertainties are minimal because of the uncomplicated geology and the employment of a standard mining methods. Governmental, legal, and regulatory risks, such as greenhouse gases, could adversely affect the markets the ALC operation supplies.

23 Recommendations

The QP recommends a drilling project along the western side at the property line west of the south pit. This project would define and extent the resource potential out to the western property limits. The project could allow expansion of the mining operation in that direction.

24 References

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25 Reliance on Information Provided by the Registrant

The QP has relied upon information and data from ALC and USLM personnel and historical records in completing this TRS. This material included written reports and statements of other individuals and companies with whom it does business. The material also includes permits, licenses, historical exploration data, production records, equipment lists, geologic and ore body resource and reserve information, mine modeling data, financial data and summaries, mine equipment specifications and summaries, records, equipment lists. This material has been relied upon in the mine planning, capital and cost planning, and audited. The ALC mine engineer assisted the QP in reviewing these materials and performed the final reserve modeling and economic analysis under the direction of the QP. The QP believes that the basic assumptions were factual and accurate and that the interpretations were reasonable. There is no apparent reason to believe that any material facts have been withheld or misstated. In his professional judgment, the QP has taken all appropriate steps to ensure that the information or advice from ALC and USLM personnel and records and outside entities are accurate. The QP does not disclaim any responsibility for this Technical Report Summary.

List of Drill Holes In the Resource Model Database
Local Cooordinate System

1959 Drilling Program Locations

Easting	Northing	Label
86637.47	10261.06	200
86683.12	9834.52	201
86624.9	9030.96	S59-203
86620.82	8630.93	S59-204
87033.41	9856.94	205
87443.22	9830.75	206
87841.38	9838.68	207
88253.43	9836.47	208
87920.52	9067.73	209
87037.17	10224.97	210
87029.12	9436.91	211
86612.12	10521.37	212
86146.48	10565.14	213
85757.06	10238.05	214
85748.25	9865.07	215
85723.91	9440.24	216
84080.77	10632.24	217
84040.71	10137.56	218
84095.02	9578.9	S59-219
84461.92	10248.28	220
84862.01	10249.19	221

1989 Drilling Program Locations

Easting	Northing	Label
87412.45	11713.41	89-8
84476.19	10568.19	89-12

1992 Drilling Program Locations

Easting	Northing	Label
86864.99	9916.67	92-2
86306.78	9612.32	92-3A
85807.44	9686.43	92-4
85179.48	9603.83	92-5
84594.4	9900.86	92-6
84220.47	11873.05	92-7
86962.6	9582.61	92-10

1996 Drilling Program Locations

Easting	Northing	Label
84380.53	9918.05	96-1
87257.57	9182.52	96-2
86154.49	9292.82	96-3
85074.27	9193.83	S96-4
87414.98	11765.4	96-5
87430.05	12066.3	96-6
84164.28	11464.55	96-8B

1997 Drilling Program Locations

Easting	Northing	Label
85065.87	12288.5	97-9
85742.93	12281.58	97-10
86452.12	12189.32	97-11
85506.83	9142.4	S97-13
87139.13	9653.12	97-14
85768.21	8685.65	S97-17
86322.89	7566.78	S97-18-2
87421.4	7889.61	S97-19
85901.68	6671.91	S97-20
84565.87	7498.7	S97-22HS

1998 Drilling Program Locations

Easting	Northing	Label
86658.13	10325.87	98-1
85918.65	9900.34	98-2
85909.65	9998.45	98-3
86523.48	10362.25	98-4
86433.82	9908.08	98-5
86598.98	9431.3	98-6
86640.83	9610.91	98-7
84659.07	9720.17	98-8
85338.77	9434.17	98-9
85613.1	9656.41	98-10
87206.44	10150.23	98-11
87679.34	9250.23	98-12
84905.27	8462.92	S98-13

List of Drill Holes In the Resource Model Database
Local Cooordinate System

1998 Drilling Program Locations (continued)

Easting	Northing	Label
85499.44	8027.27	S98-15
86903.28	7887.4	S98-16A
87709.34	8270.74	S98-17
86182.03	9101	S98-19
86718.64	10864.35	98-20
86789.47	10454.55	98-21
85192.14	11920.64	98-22
84162.45	11334.04	98-23
84327.33	11612.91	98-24
84779.4	11905.35	98-25
84148.45	10844.59	98-26
84260.81	10289.84	98-27
84168.39	9956.72	98-28
84764.86	10040.65	98-29
84909.39	9502.57	98-30
86041.13	9554.02	98-31
86795	10114.43	98-32
86493.79	11078.69	98-34
86081.34	11335.95	98-35
85365.88	11500.28	98-36
85664.18	11818.3	98-37
85987.26	11918.02	98-38
85166.81	11595.34	BH98-1
84881.25	11545.24	BH98-2
84719.99	11229.83	BH98-3
85348.76	10999.36	BH98-4
85128.85	11110.63	BH98-5
85443.71	10699.34	BH98-6
86048.83	10308.09	BH98-12
86275.82	10400.79	BH98-13
86420.72	10681.36	BH98-14
86180.11	10626.81	BH98-15
86357.68	10875.04	BH98-16
86082.04	10914.86	BH98-17
85680.61	10684.92	BH98-18
85751.54	11068.26	BH98-19
84572.43	10785.25	BH98-20
85858.03	10820.13	BH98-21
86309.64	10773.51	BH98-22

2005 Drilling Program Locations

Easting	Northing	Label
84664.93	8779.08	S05-01HS
84565.74	7955.16	S05-02HS
85179.19	7636.53	S05-03bHS
85149.61	7092.22	S05-04HS
84667.58	6947.64	S05-05HS
85107.65	6644.13	S05-06HS
85880.62	7306.34	S05-7b
86094.75	7098.59	S05-08
85913.28	7890.67	S05-09
86483.59	8053.04	S05-10
86085	8497.61	S05-11
87153.37	8283.79	S05-12
87014.22	8773.78	S05-13
87382.33	8481.68	S05-14
85256.74	8648.86	S05-15HS
84751.8	5138.36	S05-16HS
84224.91	8293.33	S05-18HS
84078.72	7983.76	S05-19HS
84262.26	8718.03	S05-20HS

2007 Drilling Program Locations

Easting	Northing	Label
66432.59	-9426.76	.06-15
85016.44	9799.53	E07-1
84868.25	9881.06	E07-2
84577.45	10102.07	E07-3
84389.83	10142.99	E07-4
84338.55	10605.61	E07-5
66432.59	-9426.76	.07-12
66432.59	-9426.76	.07-13
66432.59	-9426.76	.07-14
85876.1	9162.64	S07-16
85804.07	9160.37	S07-17
85763.2	9173.79	S07-18
86848.81	8821.64	S07-19
86962.26	8863.48	S07-20
86920.38	8973.93	S07-21
87082.28	8961.28	S07-22
86987.27	8962.25	S07-24
87027.22	9054.86	S07-25
87064.19	9051.48	S07-26

List of Drill Holes In the Resource Model Database
Local Cooordinate System
2008 Drilling Program Locations

Easting	Northing	Label
87040.35	10231.87	8-1E
87017.16	10310.62	8-2E
86997.13	10431.4	8-3E
86973.88	10514.62	8-4E
86881.91	10373.52	8-5E
86823.84	10536.64	8-6E
86710.1	10601.21	8-7E
86737.22	10712.29	8-8E
86792.89	10808.49	8-9E

2016 Drilling Program Locations

Easting	Northing	Label
85253.29	8965	S16-1
85437.33	7384.67	S16-2
85505.7	7009.86	S16-3
85354.75	6368.21	S16-4
86314.8	6545.46	S16-5
86163.39	6501.06	S16-5D
84773.06	5963.94	S16-6HS
85185.36	5848.16	S16-7
85199.02	5900.53	S16-7bHS
86303.08	6040.21	S16-8
86254.39	5450.02	S16-9
85095.31	8277.48	S16-11
85317.56	6581.89	S16-12
86281.79	6847.7	S16-13
87094.58	7709.02	S16-14
84686.26	9033.14	S16-15
84471.91	9251.92	S16-16
85799.27	6836.22	S16-17
85679.1	6315.67	S16-18
85582.24	6792.5	S16-19
85592.14	5190.97	S16-20
84339.9	10464.18	16-1
84279.5	10655.14	16-2
84175.24	11049.99	16-3
83975.18	11061.88	16-4
83821.6	10804.2	16-5
83698.04	10273.84	16-6
84264.53	10153.2	16-7
84329.05	10044.25	16-8
84407.6	10023.76	16-9
84509.18	10009.59	16-10

84650.25	10004.87	16-11
84255.45	9907.17	16-12
84481.25	9908.32	16-13

Arkansas Lime - Discounted Cash Flow						
(In Thousands)						
Discount Rate:	**6.43%**					
NPV	**$11,645**					
	2024	2025	2026	2027	2028	2029
Tons Limestone Sold	500	500	500	500	500	500
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	6,350	6,350	6,350	6,350	6,350	6,350
-Operating Costs	(3,673)	(3,673)	(3,673)	(3,673)	(3,673)	(3,673)
-Depreciation	(2,305)	(2,554)	(2,508)	(2,601)	(2,677)	(2,645)
Taxable Income	373	124	169	76	1	32
-Tax	(75)	(25)	(34)	(15)	(0)	(6)
+Depreciation	2,305	2,554	2,508	2,601	2,677	2,645
-Capital Expenditures	(950)	(950)	(950)	(950)	(950)	(950)
Free Cash Flow	1,653	1,703	1,693	1,712	1,727	1,721

Arkansas Lime - Discounted Cash Flow						
(In Thousands)						
Discount Rate:	**6.43%**					
NPV	**$11,645**					
	2030	2031	2032	2033	2034	2035
Tons Limestone Sold	500	500	500	500	500	500
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	6,350	6,350	6,350	6,350	6,350	6,350
-Operating Costs	(3,673)	(3,673)	(4,062)	(4,791)	(4,791)	(4,791)
-Depreciation	(2,338)	(1,186)	(1,126)	(1,126)	(1,126)	(950)
Taxable Income	339	1,492	1,163	434	434	610
-Tax	(68)	(299)	(233)	(87)	(87)	(122)
+Depreciation	2,338	1,186	1,126	1,126	1,126	950
-Capital Expenditures	(950)	(950)	(950)	(950)	(950)	(950)
Free Cash Flow	1,659	1,428	1,105	523	523	487

Arkansas Lime - Discounted Cash Flow						
(In Thousands)						
Discount Rate:	6.43%					
NPV	$11,645					
	2036	2037	2038	2039	2040	2041
Tons Limestone Sold	500	500	500	500	500	500
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	6,350	6,350	6,350	6,350	6,350	6,350
-Operating Costs	(4,791)	(4,791)	(4,791)	(4,791)	(4,791)	(4,791)
-Depreciation	(950)	(1,836)	(1,836)	(1,836)	(1,836)	(1,836)
Taxable Income	610	(277)	(277)	(277)	(277)	(277)
-Tax	(122)	56	56	56	56	56
+Deprecitation	950	1,836	1,836	1,836	1,836	1,836
-Capital Expenditures	(950)	(5,382)	(950)	(950)	(950)	(950)
Free Cash Flow	487	(3,767)	665	665	665	665

Arkansas Lime - Discounted Cash Flow				
(In Thousands)				
Discount Rate:	6.43%			
NPV	$11,645			
	2042	2043	2044	2045
Tons Limestone Sold	500	500	500	365
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70
Revenue	6,350	6,350	6,350	4,636
-Operating Costs	(4,791)	(4,791)	(4,791)	(3,497)
-Depreciation	(950)	(950)	(950)	(950)
Taxable Income	610	610	610	188
-Tax	(122)	(122)	(122)	(38)
+Deprecitation	950	950	950	950
-Capital Expenditures	(950)	(950)	(950)	(950)
Free Cash Flow	487	487	487	151

Exhibit 96.3

Technical Report Summary on
ACT Holdings Company Limestone Operation
Izard County, Arkansas, USA
Prepared for:
United States Lime and Minerals, Inc.

SK-1300 Report

Effective Date December 31, 2023
Report Date: February 20, 2024

DISCLAIMERS AND QUALIFICATIONS

SYB Group, LLC ("SYB") was retained by United States Lime & Minerals, Inc. ("USLM") to prepare this Technical Report Summary ("TRS") related to ACT Holdings, Inc. ("ACT") limestone reserves and resources, was also prepared by SYB and originally filed as exhibit 96.3 to the USLM form 10-K for the year ended December 31, 2021. This TRS provides a statement of ACT's limestone reserves and resources at its mine located in Izard County, Arkansas, and has been prepared in accordance with the U.S. Securities and Exchange Commission ("SEC"), Regulation S-K 1300 for Mining Property Disclosure (S-K 1300) and 17 Code of Federal Regulations ("CFR") § 229.601(b)(96)(iii)(B) reporting requirements. This report was prepared for the sole use by USLM and its affiliates and is effective December 31, 2021.

This TRS was prepared by SYB Group's President who meets the SEC's definition of a Qualified Person and has sufficient experience in the relevant type of mineralization and deposit under consideration in this TRS.

In preparing this TRS, SYB relied upon data, written reports, and statements provided by ACT, Arkansas Lime Company, also a wholly-owned subsidiary of USLM, ("ALC") and USLM. SYB has taken all appropriate steps, in its professional opinion, to ensure information provided by ACT, ALC and USLM is reasonable and reliable for use in this report.

The Economic Analysis and resulting net present value estimate in this TRS were made for the purposes of confirming the economic viability of the reported limestone reserves and not for the purposes of valuing ACT or its assets. Internal Rate of Return and project payback were not calculated, as there was no initial investment considered in the financial model. Certain information set forth in this report contains "forward-looking information," including production, productivity, operating costs, capital costs, sales prices, and other assumptions. These statements are not guarantees of future performance and undue reliance should not be placed on them. The ability to recover the reported reserves depends on numerous factors beyond the control of SYB Group that cannot be anticipated. Some of these factors include, but are not limited to, future limestone prices, mining and geologic conditions, obtaining permits and regulatory approvals in a timely manner, the decisions and abilities of management and employees, and unanticipated changes in environmental or other regulations that could impact performance. The opinions and estimates included in this report apply exclusively to the ACT mine as of the effective date of this report.

All data used as source material plus the text, tables, figures, and attachments of this document have been reviewed and prepared in accordance with generally accepted professional geologic practices.

SYB hereby consents to the use of ACT's limestone reserve and resource estimates as of December 31, 2023 in USLM's SEC filings and to the filing of this TRS as an exhibit to USLM's SEC filings.

Qualified Person: /s/ Keith V. Vickers
Keith V. Vickers, TXPG #3938
President, SYB Group, LLC
1216 W. Cleburne Rd
Crowley, TX 76036

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1 Executive Summary

This Technical Report Summary ("TRS") is an update to the December 31, 2021 (filed March 2, 2022) to that TRS. This report contains reconciled resources and reserves, updates economic estimates, and extends to the crushing circuit output point of reference.

The ACT Holdings, Inc. ("ACT") mine is currently being mined by a contract miner using conventional open pit mining. In the future, as mining progresses, room and pillar underground mining will also be employed. It produces high-grade limestone with calcium carbonate ("$CaCO_3$") quality above 96.0% from the Plattin formation that is crushed by the contract miner's crushing circuit. The crushed limestone is conveyed to a rail spur on the mine property that is owned and operated by Arkansas Lime Company ("ALC"). ALC transports the limestone by rail to the ALC operation. This crushed limestone is available for sale to customers and ALC operations. The ACT mine is located in Izard County, Arkansas, on approximately 2,500 acres owned by ACT that contains known high-grade limestone reserves in a bed that typically ranges from 25 ft. to 30 ft. The mine was previously operated from approximately the 1950s to the late 1970s by former owners.

The ACT mine has procured and will operate in compliance with the required authorization to quarry and air and stormwater permits that were issued by the Arkansas Department of Environmental Quality ("ADEQ"). ACT will be required to refile the authorization to quarry in 2028 and renew the air and stormwater permits in 2027 and 2024, respectively.

The average annual production rate for the ACT mine is estimated to be approximately 500,000 to 1,000,000 tons of limestone per year. The expected mine life at that rate of production is approximately 80 years.

Geologic and analytical data from local drilling have proven that the Plattin limestone has a consistent $CaCO_3$ content above 96.0% and a small range of thickness (25 ft. to 30 ft.) across the entire ACT property. These analytical results from more than 70 drill holes are sufficient to establish reasonable certainty of geological presence and grade or quality continuity on the property. The geologic confidence is high and verified by the abundance of drilling results.

As noted in section 2.1, Keith Vickers of SYB Group ("SYB"), a consultant for United States Lime & Minerals, Inc. ("USLM") for over 20 years, served as the Qualified Person ("QP") and prepared the estimates of limestone mineral resources and reserves for the ACT mine. Summaries of the ACT mine's limestone mineral resources and reserves are shown below in Tables 1.1 and 1.2, respectively. Sections 11 and 12 set forth the definitions of mineral resources and reserves as well as the methods and assumptions used by the QP in determining the estimates and classifications of the ACT mine's limestone mineral resources and reserves.

Table 1.1 ACT Holding Company, Inc. – Summary of Limestone Mineral Resources as of December 31, 2023, Based On $12.70 Crushed Limestone 1, 2

Resource Category	In Place (tons)	Cutoff Grade (%X)	Processing Recovery (%)3
Total Mineral Resources [4]	115,428,000	Above 96.0 ($CaCO_3$)	N/A
Measured Mineral Resources [5]	10,392,000	Above 96.0 ($CaCO_3$)	N/A
Indicated Mineral Resources	-	-	N/A
Total Measured and Indicated Resources	10,392,000	Above 96.0 ($CaCO_3$)	N/A

Notes: 1 Price Source from USGS Mineral Commodity Summaries 2023.
2 Crushed limestone through the crushing circuit.
3 N/A: Not Applicable because estimated resources are in place.
4 Inclusive of Limestone Mineral Reserves.
5 Exclusive of Mineral Reserves.

Table 1.2 ACT Holding Company, Inc. – Summary of Limestone Mineral Reserves as of December 31, 2023, Based On $12.70 Crushed Limestone 1, 2

Reserve Category	Extractable (tons)	Cutoff Grade (%X)	Mining Recovery (%)3
Probable Reserves	21,047,000	Above 96.0 ($CaCO_3$)	95.0/75.0
Proven Reserves	68,176,000	Above 96.0 ($CaCO_3$)	95.0/75.0
Total Mineral Reserves	89,223,000	Above 96.0 ($CaCO_3$)	95.0/75.0

Notes: 1 Price Source from USGS Mineral Commodity Summaries 2023.
2 Crushed limestone through the crushing circuit.
3 Mining recovery is listed as open pit/underground recovery.

The modeling and analysis of the ACT mine's resources and reserves have been developed by ALC and USLM personnel

and reviewed by the management of the companies, as well as the QP. The development of such resources and reserves estimates, including related assumptions, was a collaborative effort between the QP and personnel of the companies.

Since all mining and overburden removal is performed by a contractor, there are no capital costs. Limestone mining and crushing costs for ACT were estimated using its contract with its contractor.

Table 1.3 Operating Costs

Operating Cost Estimate	Cost
Contractor Open Pit Mining Cost Per Ton	$6.75
Contractor Overburden Mining Cost Per Stripping Ton	$1.75
Contractor Underground Mining Cost Per Ton	$7.75

It is the QP's overall conclusions that:

1. The ACT mine limestone deposit has been proven by geologic and analytical data from local drilling to have quality and thickness that are very consistent. Because of the simple geology, the mining methods for the mine are straightforward and consist of conventional open pit mining and conventional room and pillar mining for the underground portion of the mine.

2. The data detailed in this report that was used to estimate the resources was adequate for the resource interpretation and estimation.

3. The mining operations are performed by contract miners, and there are no significant factors onsite that will impact the extraction of the ore body.

4. Absent unforeseen changes in economic or other factors, including additional federal or state environmental regulations, the economic analysis and the amount of Proven and Probable Reserves indicate the operation reasonably has approximately 80 years of estimated mine life at current production levels.

2 Introduction

This TRS is intended to be an update to the TRS filed on December 31, 2021. Unchanged sections are included for clarity and completeness. There have not been any drilling programs on the property since the 2021 filing. The resource and reserve tables have been reconciled for production since the filing date of the previous TRS through the effective date of this update. A primary update was moving the sales point of reference from before the crusher to after the crushing circuit and aligning the costs associated with the production and sale of crushed limestone.

2.1 Issuer of Report

Mr. Keith Vickers of SYB Group, LLC ("SYB"), a consultant for USLM for over 20 years, prepared this Technical Report Summary ("TRS") on ACT's mining operations located in Izard County, Arkansas. Mr. Vickers is a Qualified Person ("QP"). USLM is a publicly traded company on the NASDAQ Stock Exchange under the ticker symbol USLM, and ACT is a wholly-owned subsidiary of USLM.

2.2 Terms of Reference and Purpose

The purpose of this TRS is to support the updated disclosure of mineral resource and reserve estimates for ACT's mining operations located in Izard County, Arkansas, as of December 31, 2021. This TRS is to fulfill 17 Code of Federal Regulations ("CFR") § 229, *"Standard Instructions for Filing Forms Under Securities Act of 1933, Securities Exchange Act of 1934 and Energy Policy and Conservation Act of 1975 – Regulation S-K,"* subsection 1300, "Disclosure by Registrants Engaged in Mining Operations." The mineral resource and reserve estimates presented herein are classified according to 17 CFR § 229.1300 Definitions.

The QP prepared this TRS with information from various sources with detailed data about the historical and current mining operations, including individuals who are experts in an appropriate technical field.

The quality of information, conclusions, and estimates contained herein are based on i) information available at the time of preparation and ii) the assumptions, conditions, and qualifications outlined in this TRS.

Unless stated otherwise, all volumes and grades are in U.S. customary units, and currencies are expressed in 2023 U.S. dollars. Distances are described in U.S. standard units.

2.3 Sources of Information

This TRS is based upon engineering data, financial and technical information developed and maintained by ACT or USLM personnel, work undertaken by third-party contractors and consultants on behalf of the mine, and public data sourced from the United States Geological Survey, Arkansas Geological Survey, internal ACT technical reports, previous technical studies, maps, ACT letters and memoranda, and public information as cited throughout this TRS and listed in Section 24. Table 2.3 is a list of the terms used in this TRS.

The 2021 TRS was prepared by Keith V. Vickers, BSGeol, MSGeol, TXPG #3938, and CPetG #6152. Detailed

discussions with the following were held during the preparation of the TRS:

Mr. Timothy W. Byrne, President, and CEO of USLM, Dallas, Texas
Mr. Michael L. Wiedemer, Vice President, CFO USLM, Dallas, Texas
Mr. Russell R. Riggs, Vice President, Production, USLM, Dallas, Texas
Mr. M. Michael Owens, Corporate Treasurer, USLM, Dallas, Texas
Mr. Jason Nutzman, Director of Legal and Compliance, USLM, Dallas, Texas
Mr. Wendell Smith, Director of Environmental, USLM, Dallas, Texas
Mr. Nate O'Neill, Vice President and Plant Manager, ACT Holdings, Inc./ALC, Batesville, Arkansas
Mr. Tim Zuroweste, Mining and Projects Manager, ALC, Batesville, Arkansas
Mr. David Cox, Safety and Quality Control Manager, ALC, Batesville, Arkansas
Mr. Peter McKenzie, Mine Manager, Texas Lime Company, Cleburne, Texas
Mr. Keith Vickers, SYB Group, USLM Consulting Geologist, Crowley, Texas

Discussions with the following were held for the preparation of this updated TRS:

Mr. Timothy W. Byrne, President, CEO, USLM, Dallas, Texas
Mr. Michael L. Wiedemer, Vice President, CFO, USLM, Dallas, Texas
Mr. M. Michael Owens, Corporate Treasurer, USLM, Dallas, Texas
Mr. Jason Nutzman, Director of Legal and Compliance, USLM, Dallas, Texas
Mr. Nate O'Neill, USLM Operations, Vice President, Dallas, Texas
Mr. Dane Werner, Vice President and Plant Manager, ALC, Batesville, Arkansas
Mr. Tim Zuroweste, Mining and Projects Manager, ALC, Batesville, Arkansas
Mr. Marty Fulbright, Accounting Manager, ALC, Batesville, Arkansas
Mr. Peter McKenzie, Mining Engineer, Texas Lime Company, Cleburne, Texas
Mr. Keith Vickers, SYB Group, USLM Consulting Geologist, Crowley, Texas

Table 2.3 Glossary of Terms and Abbreviations

Term	Definition
AAPG	American Association of Professional Geologists
AASHTO	American Association of State Highway and Transportation Officials
ACT	ACT Holdings Company, Inc.
ADEQ	Arkansas Department of Environmental Quality
AGS	Arkansas Geological Survey
ALC	Arkansas Lime Company
ASTM	American Society for Testing and Materials
CaCO3	Calcium Carbonate
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
DTM	Digital Terrain Model
E	East
F.	Fahrenheit
Fig.	Figure
ft.	Feet
GLONASS	Global Navigation Satellite System
GPS	Global Positioning System
LiDAR	Light Detection and Ranging
LST	Limestone
N	North
NAD	North American Datum
NPV	Net Present Value
P.E.	Professional Engineer
PG	Professional Geologist
QP	Qualified Person
QC/QA	Quality Control/Quality Assurance
S	South
SOFR	Secured Overnight Financing Rate
SST	Sandstone
TRS	Technical Report Summary
TLC	Texas Lime Company
U.S.	United States
USGS	United States Geological Survey
USLM	United States Lime and Minerals, Inc.
WAAS	Wide Area Augmentation System
W	West
XRF	X-Ray Fluorescence

2.4 Personal Inspection

The QP, who has been a consulting geologist for USLM for over 20 years, is familiar with ACT's mine geology and operations. In addition, the QP conducted onsite visits to review data, confirm protocols, and gather specific information required for the TRS not previously available to him.

On October 3, 2021, the QP met in the ALC office to review the drill hole and surface sample database and discuss what data were available and needed for the TRS. The QP inspected the mine and discussed the core storage methods. Core logging and sampling procedures were verified. The QP discussed quality control and quality assurance with the ALC QC/QA laboratory manager. A review of the core sawing methods and sample preparation for analytical tests occurred also.

The QP was updated on the current mine status and reviewed a report checklist with ACT and ALC management and personnel.

Topics covered in the update were the resource areas, grade controls, and production hole sampling and surveying procedures. The QP also inspected several locations in the mine area. The existing geologic model and mine design were reviewed. The QP met with the QC/QA laboratory manager to obtain laboratory and XRF standard certifications and instrument service/care contracts. Table 2.4 is a partial list of dates the QP has visited the mine.

Table 2.4 Visits Made by QP to ACT

Date	Reason
2005	Supervised Exploration Drilling
2006	Supervised Exploration Drilling
2015	Geologic Mapping for Permitting
2017	Assisted in Mine Planning for Permitting
2019	Supervised and Served as Hole Site Geologist for Development Drilling

3 Property Description

3.1 Property Description and Location

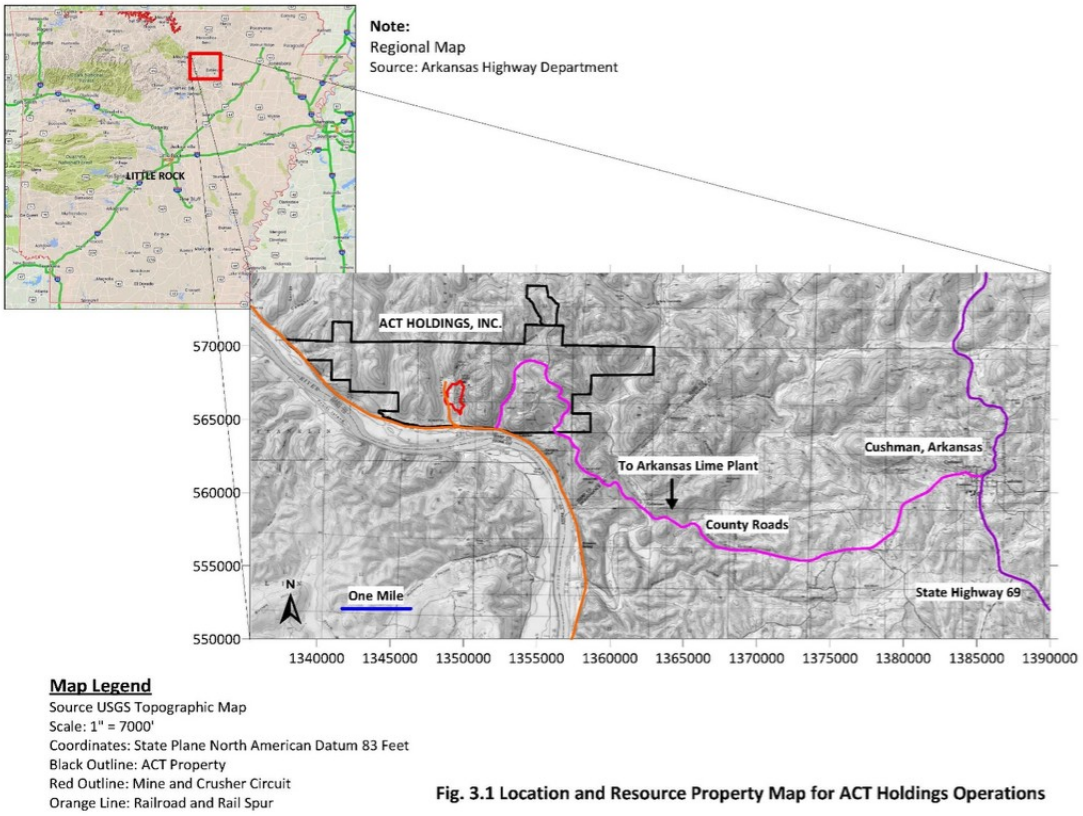


Fig. 3.1 Location and Resource Property Map for ACT Holdings Operations

ACT's operations (35053'27.13"N, - 91052'30.96"W, Fig. 3.1 GoogleEarth 2021) are located in Izard County, Arkansas, 5 miles east of Guion, Arkansas and 15 miles from Batesville, Arkansas.

3.2 Mineral Rights

The ACT Company owns approximately 2,500 acres in fee with all surface and subsurface mineral rights. Information furnished by ACT. (AcreValue website, 2021) (USLM Internal Report, 2005).

3.3 Significant Encumbrances or Risks to Performing Work on the Property

There are no significant issues or risks to work on the properties outside of those generally related to mining operations.

3.4 Lease Agreements and Royalties

ACT does not receive any royalties as it is not the lessor for any mineral rights on its properties.

4 Accessibility, Climate, Local Resources, Infrastructure, and Physiography

4.1 Topography, Vegetation, and Physiography

The ACT area is located in the Ozark Plateaus physiographic province, which is part of the Interior Highlands Physiographic region. Fig. 6.1-1 shows the regions and provinces with the ACT approximate location.

The province's topography is comprised of narrow valleys with steep-sided ridges. These valleys generally connect to major river drainages. The elevations range from 750 ft. to 290 ft. The valleys are covered with thick alluvial sediments, and the ridges have moderate soil cover on top but little to no soil on the sides.

The tree types consist predominately of upland forests consisting of oak and hickory trees (Foti, 1979). The limited area of the flat valley floor is agricultural land or small real estate tracts.

4.2 Accessibility and Local Resources

Primary access to the operation is by County Road 2 to County Road 5, then to Collietown Road into the town of Cushman, Arkansas. From Cushman, State Highway 69 runs through the city of Batesville, Arkansas. The nearest community, Guion, Arkansas, does not have an airport. Batesville is served by a regional airport, and commercial airline travel is through Little Rock, Arkansas (95 miles). County roads are gravel and paved.

4.3 Climate and Operating Season

The average rainfall for Izard County, Arkansas, is 48 inches of rain per year. The County averages six inches of snow per year. On average, there are 220 sunny days per year in Izard County. The County averages 98 days of precipitation per year. Precipitation is rain, snow, sleet, or hail that falls to the ground. The average temperature ranges from a high in July of 90 degrees F. to a low of 25 degrees F. in January. There are infrequent winter storms that may make operations pause for a short period but nothing long-term. The above conditions make year-round mine operation possible with little weather-related lost time (www.bestplaces.net/climate, 2021).

4.4 Infrastructure

4.4.1 Water

There are no issues with the water supply. Mine is located next to the White River.

4.4.2 Energy Supply

ACT's mining operations are conducted by a contract miner who is responsible for their own fuel. Electricity is available at the property.

4.4.3 Personnel

The contractor mining ACT is responsible for providing the contractor.

4.4.4 Supplies

All supplies needed are furnished by the contractor as stipulated in the mining contract.

5 History

5.1 Prior Company Ownership

ACT purchased two adjoining properties formerly known as the ALCOA property and Reynolds property in 2005, which together consisted of approximately 2,500 acres in Izard County, Arkansas. Both properties produced high-quality limestone for about 30 years before ceasing operations in the 1980s. Information was provided by USLM.

5.2 Exploration and Development History

Table 5.2 Historical Exploration and Development Drilling

Year	Company	Purpose	Summary of Work	Comment
2005	ACT/Longyear Drilling	Exploration	5 Hole Project	Confirm Platting Present and Quality
2006	ACT/Longyear Drilling	Exploration	48 Hole Project	Confirm Extent Across Property
2019	ACT/3D Drilling	Development	Drilling in Old Surface Mines 24 Hole Project	Quality and Mining Thickness Plattin

Note: A detailed discussion of all drilling and results is in Section 7.1.

6 Geologic Setting, Mineralization, and Deposit

6.1 Regional Geology

The state of Arkansas is divided into five geologic provinces (Fig. 6.1-1). These provinces were designated according to unique geology and topography. ACT is located in the Ozark Plateaus province. The target ore formation at the ACT mine is the Plattin limestone of the Middle Ordovician age. Described below is the regional geologic history with emphasis on this age and formation. Please refer to Fig. 6.1-2 for the stratigraphic period and formation order. The Ozark Plateaus province began to form in the early Ordovician when the first uplift of the region occurred. These uplift events occurred throughout geologic time until the Tertiary age. This last event and significant erosion left the current structural feature seen today. Between the Cambrian age and the present day, there were repetitive erosional events. There were a total of 17 events caused by either uplift with erosion or erosion because of receding seas. These are depositional hiatuses or erosional unconformities. They are important because they produce a high degree of variability in thickness. The Lower Ordovician age is characterized by the deposition of dolomites until the Middle Ordovician age with the deposition of the Joachim formation. From the Plattin formation until the Chattanooga shale at the end of the Devonian age, limestone deposition was the dominant rock type. The rock types of this period represent deposition in a shallow marine environment, which existed for a long period of time until deep water marine environment conditions produced shale deposition (McFarland, 1998.)

Structurally, the region is one of flat-lying strata (low dip angle), and faulting is generally the normal type with the downthrown part on the south side. There are gentle folds present and they are very low amplitude (height). Fig. 6.1-2 is the geologic map of the eastern part of the Ozark Plateaus province.

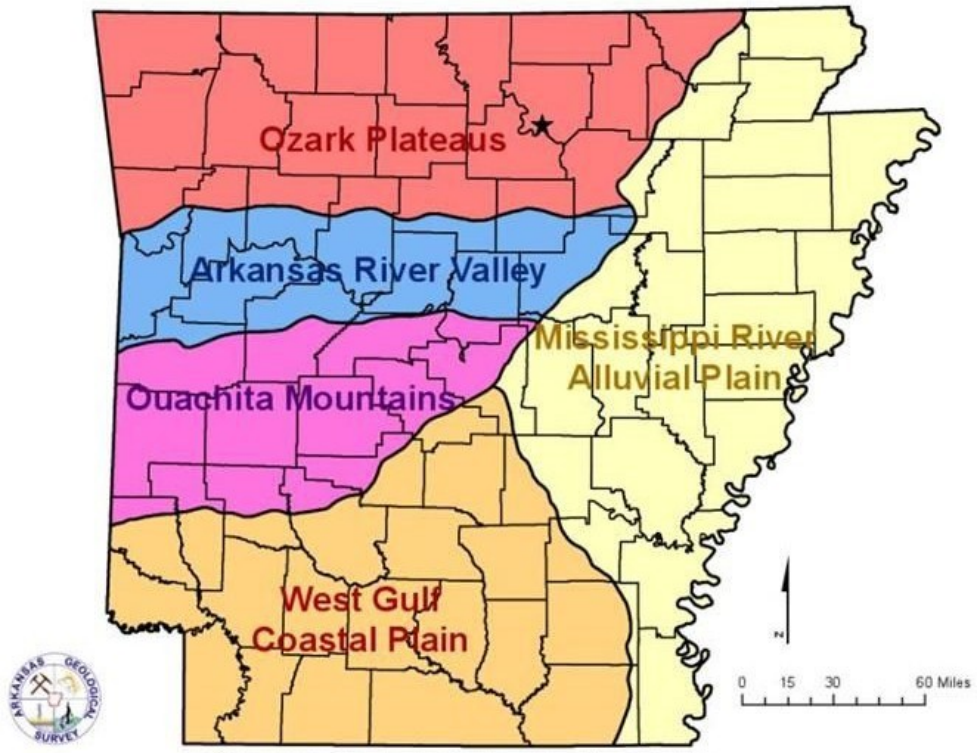


Fig. 6.1-1 Arkansas Geological Provinces (modified from AGS)
Black Star is ACT approximate location

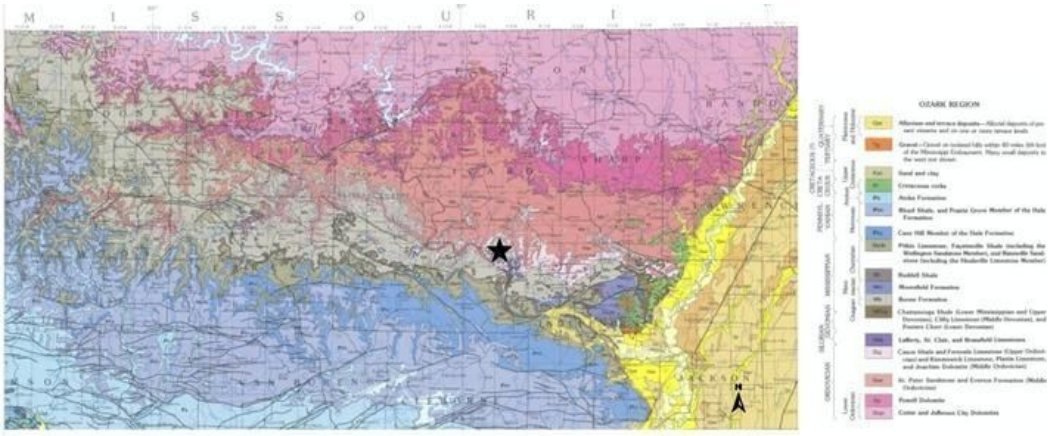


Fig 6.1-2 Regional Geologic Map, Eastern Ozark Plateau

Orig. Scale: 1" to 500 000'
Black Star: ACT Approximate Location
(Haley et al, 1993)

6.2 Local and ACT Property Geology

The local and ACT mine site geology are microcosms of the regional geologic events. The age range for the formations outcropping in the ACT area is Middle Ordovician to Mississippian age. Fig. 6.4-1 is a stratigraphic column with complete descriptions of the formations present in the ACT area. At the ACT mine site drilling revealed a transitional interval between the Kimmswick Formation above and the Upper Plattin Formation below. The interval consists of very fine crystalline limestone and dolomitic limestone with very fine quartz sand. This interval's thickness is highly variable, with a range from 0 ft. to 35 ft. Drilling and surface mapping have not found any faults in the area, but mapping in other nearby areas has encountered normal faults with displacements of 20 ft. or less. Similar to the regional structural fabric, there are a few gentle low-angle folds.

There are erosional surfaces present at every formational contact, which has produced variation in formation thicknesses. These are hiatuses in the depositional record called unconformities. This partial rock record poses some challenges in mapping and correlation because these events vary in length and magnitude. Table 6.4 contains typical ranges for formation thicknesses in the local area.

Karsting or limestone dissolution by meteoric water occurs all over northern Arkansas as the result of the large amount of rainfall the region receives. Typically, the more porous the rock, the greater the dissolution effect. Formations like the Fernvale or Kimmswick (coarse crystalline) are more affected than less porous formations such as the Upper Plattin formation (very fine crystalline).

6.3 Mineralization

Unlike other industrial minerals or metal deposits, high calcium limestones are the product of unique depositional environments only, not by subsurface alteration or enhancement. The $CaCO_3$ content is the product of reef organisms that build their exoskeletons out of $CaCO_3$ derived from the marine environment. The reef area has very limited or no exposure to sources of non-carbonate materials, such as clay, silica, and iron that reduce the $CaCO_3$ content. No subsurface mineralization has occurred to create or enhance the $CaCO_3$ content in this deposit.

6.4 Stratigraphy and Mineralogy

Fig. 6.4-1 is a stratigraphic column with detailed descriptions covering the local area around the ACT mine site. Fig. 6.4-2 is a cross-section through the center of the property. The section displays the variable nature of the interburden interval between the Kimmswick Formation and the Upper Plattin Formation. Table 6.4 is a listing of the mine site stratigraphy and the range of formation thicknesses that occur locally. (Rains and Hutto, 2012)

The Upper Plattin Formation is a very fine crystalline limestone that is composed of almost pure $CaCO_3$ mud. This type of lithology is deposited in clear water, in a shallow sheltered bay or lagoon, which has a limited source of open water, mostly at high tide.

Mb

Boone Formation (Osagean) - Typically consists of thick-bedded, fine-granular to coarse-bioclastic limestone interbedded with chert in nodules and anastomosing beds. Limestone is usually gray fresh and weathered. Common fossils include crinoids and brachiopods though others have been noted (see McFarland, 2004). Phosphate pebbles and pyrite crystals are rare. Chert is commonly white to gray on fresh and weathered surfaces, but weathers tan locally. Geomorphology is characterized by erratic rolling hills with abundant sinkholes and springs, covered by unconsolidated regolith, composed primarily of red clay, and chert gravel.

St. Joe Limestone Member (Kinderhookian to Osagean) Poorly exposed or absent. Where recognized, it consists of less than 2 feet of bioclastic, coarse- grained limestone. Gray fresh with faint pink and green- mottles. Gray on weathered surfaces. Phosphate pebbles and pyrite nodules are common. Manganese dendrites, calcite vugs and the absence of chert distinguish it from the upper Boone formation. Locally there is a pinkish- to light brownish-gray, fine- to medium-grained chert- and sandstone-pebble-conglomerate, up to 2 ft (.6 m) thick at the base. Undifferentiated Silurian and upper Ordovician rocks are also included in the Boone Formation because they are too thin and localized to be depicted separately. These consist primarily of red-mottled, gray micritite with fossil fragments and pyrite inclusions (Lafferty Limestone), and dark red to pale green conglomeratic sandstone and siltstone with shale interbeds and dark red and gray algal buttons (Cason shale). Total thickness of the Boone Formation up to 400 ft (122 m). Unconformable with the underlying Ordovician units.

Of

Fernvale Formation (Upper Ordovician) - Typically massive, coarse-grained, fossiliferous limestone. Gray to white with pink mottles on fresh surfaces. Weathered outcrops are characteristically rounded, moss- covered, and friable. Fossils are mostly indistinct fragments although barrel-shaped crinoid segments are a notable exception. Ranges from 0-80 ft (0-30 m) thick. Unconformable with the underlying Kimmswick or Plattin formation.

Ok

Kimmswick Limestone (Middle Ordovician) - Typically fine-grained, bioclastic limestone with micritic zones. Limestone is gray to white fresh with characteristic "sugary" appearance. Gray weathered. Micrite is gray both fresh and weathered. Outcrop locally splits into "nuggets" approximately 2 – 3 inches in diameter when struck with a hammer presumably due to the stylolites. Rare phosphate pebbles, chert lenses, and sinkholes. 0 – 40 ft (12 m) thick. Unconformable with the underlying Plattin Formation.

Op

Plattin Limestone (Middle Ordovician) - Typically thin- and flat-bedded micrite. Light- to medium- gray on fresh surfaces and light-gray weathered. Common clear to white calcite blebs. Rare buff to light-yellow, very fine-granular limestone interbeds. Rare calcareous greenish-gray shale interbeds near base. Common well-developed karst features including disappearing streams, caves, sinkholes and springs. Springs are very common along the lower contact with the Joachim Formation. Local rare fossil fragments include corals, gastropods, and bryozoans. 40 – 180 ft (12 – 55 m) thick. Unconformable with the underlying Joachim Formation.

Oj

Joachim Dolomite (Middle Ordovician) - Typically very fine granular dolostone with local interbedded fine- to medium-grained sandy limestone. The dolostone is tan to buff to gray on fresh surfaces and weathers light gray. The sandy limestone is gray on fresh and weathered surfaces. Ranges from very thin- to thick-bedded. Common small clear calcite vugs. The upper dolostone locally contains relatively larger calcite veins that stand in relief on weathered surfaces. The lower Joachim Dolomite locally contains breccia units composed of calcareous sandstone with angular dolostone rip-up clasts. Rare karst features include springs and sinkholes. Ranges from 5 – 140 ft (1 – 43 m) thick. Conformable with the underlying St. Peter Formation.

Osp

St. Peter Sandstone (Middle Ordovician) - Typically massive, fine- to medium-grained sandstone. White to buff on fresh surfaces. Brown to dark-greenish-gray to gray on weathered surfaces. Well-sorted and well-rounded. Locally contains minor clay. Faint thin- beds and cross-beds can be identified rarely. Usually calcareous and friable. Contains relatively resistant, cylindrical "sandstone pipes" ranging in diameter from approximately 4 in. to 3 ft (10 cm – 1 m). Springs and sinkholes are very common. Unconformable with the underlying Everton Formation. Ranges from 20 – 140 ft (6 – 43 m) thick.

Oe

Everton Formation (Middle Ordovician) – Consists of interbedded dolostone, limestone and sandstone. The dolostone and limestone are typically dark-gray on weathered surfaces and range from light-gray to light-greenish-gray on fresh surfaces. Texture is mostly very fine- to fine-granular and locally sandy. Calcite veins are common and quartz veins are rare. Typically very thin- to thin-bedded. Stromatolites are prevalent. Typically hummocky- to ripple-bedded and locally bioturbated. The sandstone is white to buff on fresh surfaces and gray weathered. Grains range from fine to medium and subangular to rounded. Typically calcareous. Ranges from thin- bedded to massive. Sandstone intervals vary in thickness from 1 inch to several feet and are interspersed throughout the formation although they are not abundant relative to the carbonate units. Up to 500 ft (152 m) thick. Conformable with the underlying Calico Rock Sandstone Member (Suhm, 1975).

Fig. 6.4-1 ACT, Local Area Stratigraphic Column

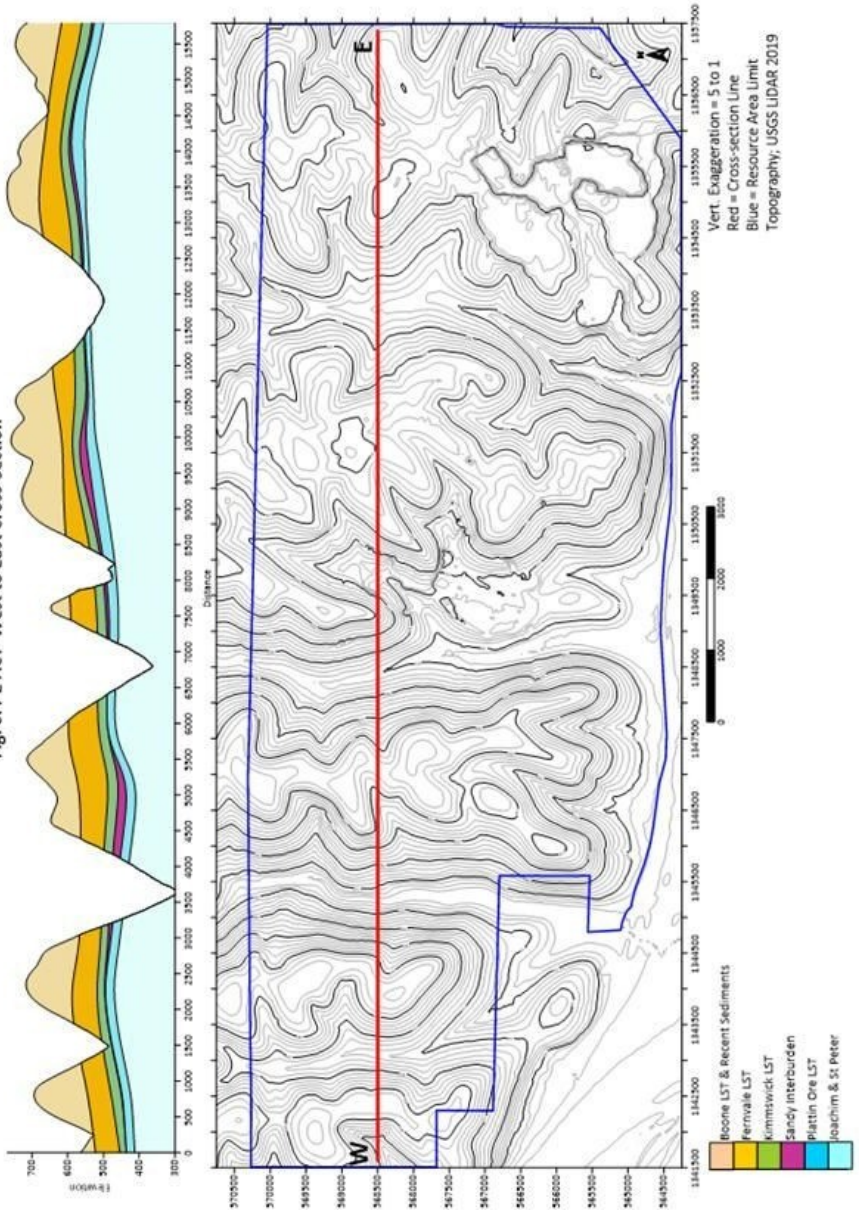


Fig. 6.4-2 ACT West to East Cross-Section

Table 6.4 ACT Property Stratigraphy

Stratigraphic Unit	Thickness Approximate Range	Primary Lithology
Alluvium	Variable	Recent Soils and Gravels (Chert)
Boone Formation	0 ft. to 200 ft.*	Cherty, Coarse to Fine Crystalline LST
St Joe Formation	0 ft. to 100 ft.*	Coarse Crystalline, Bioclastic LST
Sylamore Formation	0 ft. to 20 ft.*	Well Rounded, Medium Grained, SST
Lafferty Formation	5 ft. to 20 ft.*	Very Fine to Fine Crystalline, Clayey, LST
St Clair Formation	0 ft. to 100 ft.*	Very Coarse Crystalline, Fossiliferous LST
Cason Formation	0 ft. to 10 ft.*	Sandy, Calcareous, Shale Containing SST in areas
Fernvale Formation	60 ft. to 120 ft.*	Coarse Crystalline, Fossiliferous, LST
Kimmswick Formation	12 ft. to 55 ft.*	Coarse to Fine Crystalline, Surgery Texture, LST
Plattin Top Marker Bed	0 ft. to 35 ft.	Very Fine Crystalline, "Lime Green" Dolomitic LST
Plattin Formation	105 ft. to 240 ft.*	Upper Very Fine Crystalline, Clear Calcite Grains, LST
Joachim Formation	20 ft. to 150 ft.*	Very Fine Granular, Calcite Grains and Veins, Dolomite
St Peter Formation	120 ft. to 200 ft.*	Well Sorted and Rounded Grains, White, Friable, SST
Everton Formation	0 ft. to 600 ft.*	Thin Bedded, Interbedded SST, and Dolomite

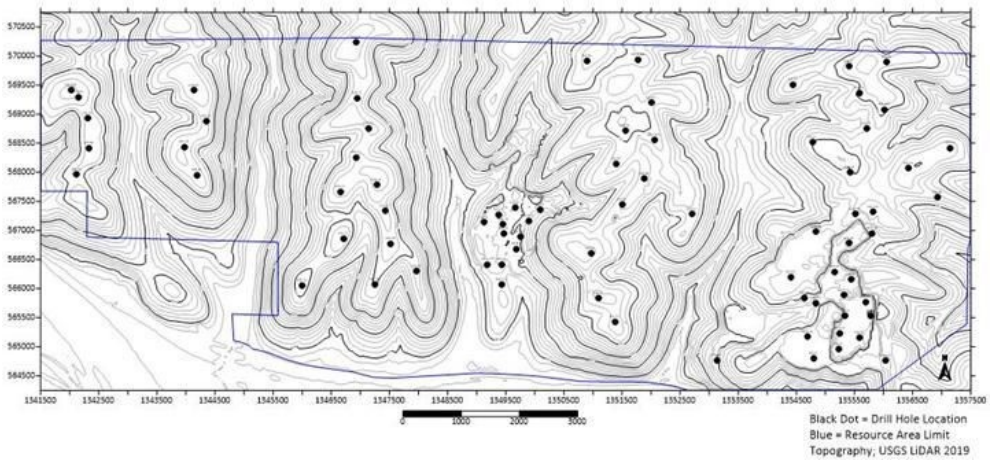
Note: *Multiple Sources AGS.

7 Exploration

The ACT sample consists of 76 core holes. Previous owners conducted drilling programs and mined the Fernvale Formation and Kimmswick Formation (open pit and underground mine). Their drilling information was not available.

7.1 Drilling Programs

Fig. 7.1-1 ACT, Drill Hole Locations



A summary of all drilling projects on the ACT property is in Table 7.1-1. These projects include exploration and development drilling by diamond rotary bit method. Fig. 7.1-1 is a location map of all core holes utilized in the geologic model with the resource area outlined. A list of the holes in the model database containing the hole name and XY coordinates can be found in Appendix A.

These drilling projects followed USLM protocols for drilling and analysis of the cores. The procedures for the projects were:

- Contract geologists selected core drilling locations with the approval of sites and drilling budget by USLM management.
- Core drilling was conducted directly under the supervision of contract geologists. All core was logged by SYB or an approved USLM contract geologist using a protocol modified from the Shell Sample Examination Manual (Swanson, 1981) that was modified by SYB and approved by USLM.
- After final selection, hole locations were surveyed by hand GPS (WAAS and GLONASS capable).
- Immediately upon retrieval, the core was placed on a V-shaped trough. All core pieces were fitted together and labeled with a permanent marker in one-ft. intervals.
- Characteristics related to the suitability of the limestone products for customers and geology were recorded.
- These items are stratigraphy, key marker lenses/layers, lithology characteristics, visual identification of ore top and bottom, and structural disturbance.

- The core from each drill hole was placed into cardboard boxes in two ft. intervals totaling 10 ft. at the drill site. The boxes were labeled with a box number, company information, hole number, core runs, and depths marked on each box. The boxes were then delivered to the ALC core processing area. Then, they were prepped for transport to the ALC core storage center.
- The contract geologists were responsible for examining the core and compiling a detailed interval list for XRF analysis. This list was later entered into Excel to build an analysis database. The analysis intervals were chosen on two ft. lengths, and intervals of six ft. to ten ft. above and below the lithologically identified ore zone were chosen. This excess was so the top and bottom of the ore could be chemically defined.
- Once the cores were at the ALC core storage area, the core intervals were diamond-sawed into two-thirds to one-third splits. The interval's one-third split was then bagged in a plastic bag and labeled with the depth interval to be analyzed. The two-thirds split was placed back in the box for reference.
- The bagged intervals are kept in plastic labeled buckets or boxes in separate groups by the hole and then submitted to the ALC QC/QA laboratory for XRF analysis. Any portions of samples not destroyed during the testing process are still stored at the ALC core storage facility.

The ALC QC/QA laboratory performed the XRF analysis on these cores using the USLM laboratory protocols (discussed in Section 8).

Table 7.1-1 All ACT Drilling Projects

Year	Company	Purpose	Summary of Work	Comment
2005	ACT/Longyear Drilling	Exploration	5 Hole Project	Confirm Platting Present and Quality
2006	ACT/Longyear Drilling	Exploration	48 Hole Project	Confirm Extent Across Property
2019	ACT/3D Drilling	Development	Drilling in Old Surface Mines 24 Hole Project	Quality and Mining Thickness Plattin

ACT purchased the properties located in Izard County, Arkansas, in 2005, and as part of the due diligence, five exploratory core holes were drilled across the properties. These holes were wide-spaced and drilled to a depth below the Upper Plattin formation limestone target to preliminarily evaluate the area's stratigraphy and the Upper Plattin formation's quality. The exploration data indicated that the formation was present across the property with the quality and continuity needed to justify more development drilling. The results from this project are in Table 7.1-2 below.

Table 7.1-2 Summary of 2005 Exploration Drilling

Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
5	29	97.1

Note: From 2005 SYB Group Drilling Report.

Based on the previous project, a 48-core hole exploration project was undertaken to prove with reasonable certainty the continuity and quality of the Upper Plattin formation was present across the property. During drilling, at some locations, karsting was encountered in the limestone formations above and a few in the Upper Plattin formation. This issue, at times, presented a risk of losing the drill string, so that location was abandoned, and drilling was done at an alternate location. The results of the project are listed below.

Table 7.1-3 Summary of 2006 Exploration Drilling

Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
48	31	97.1

Note: From 2006 SYB Group Drilling Report.

The average $CaCO_3$ percentage results in 2006 were consistent with the drilling results from the 2005 drilling project. Both projects' data confirm a nearly flat-lying formation with a low dip range from two to five degrees to the southwest.

In 2019, a development project was approved for drilling around the two open pit mines. The goal was to provide detailed information for mine planning. The project followed the protocols utilized in the previous two drilling projects. The results from this project are provided in Table 7.1-4 below.

Table 7.1-4 Summary of 2019 Development Drilling

Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
24	38	97.5

Note: From 2019 SYB Group Drilling Report.

The drilling results prove the Upper Plattin formation ore interval has a reasonable continuous thickness across the entire property. The $CaCO_3$ quality surpasses the minimum needed by the ALC operation. The zone has a mineable average thickness across the property both for open pit mining and for underground mining. Table 7.1-5 lists the average thickness and $CaCO_3$ percentage of all the holes.

Table 7.1-5 Summary of All ACT Drilling

Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
77	32	97.2

Fig. 7.1-2 is an example of the core logs produced from the core description log and chemical analysis. These composite logs are used for correlation, determining ore intercepts, and a visual record of the core data.

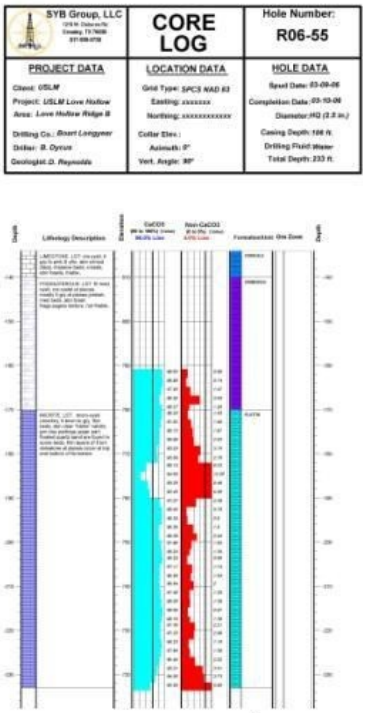


Fig. 7.1-2 ACT Core Hole Log

7.2 Surface Mapping and Sampling

The AGS had measured several stratigraphic sections (Halbrook, 1950) locally and on ACT property in the past. The QP has examined a representative number of the sections in the field.

7.3 Hydrogeology Information

No hydrogeological studies have been conducted at the ACT property, and the State of Arkansas does not require ACT to do so.

7.4 Geotechnical Information

The State of Arkansas does not require geotechnical studies to be performed.

8 Sample Preparation, Analyses, and Security

8.1 Sample Preparation and XRF Analysis

The ALC operation produces many products that are under strict quality parameters for chemical and physical quality. The ALC QC/QA laboratory was established many years ago and has been upgraded as required to meet the increasing demands of the customer base. In addition, customer quality control labs test ALC product shipments frequently.

XRF is one of the primary methods for determining the chemical content of limestone. The ALC QC/QA laboratory has been responsible for conducting XRF analysis on plant products and all limestone samples from stockpiles, belt feed samples, and drilling, to hand samples collected for outcrop identification. The five significant oxides are analyzed. CaO is most important because of the plant's raw limestone requirement above 96.0% $CaCO_3$.

XRF sample preparation, whether core or cuttings, the entire sample is crushed to -10 mesh. The sample is separated and reduced by a ruffle to 250 grams then drying and pulverizing a representative split to -150 mesh. The samples are analyzed for oxides CaO, MgO, Fe2O3, Al2O3, and SiO2, following USLM's XRF analytical method for limestone analysis. The technique involves pressing the powder into a pellet using a wax binder to hold the shape. The sample trays are loaded into the instrument with samples, a copper standard, and a certified control standard. The analytical procedure and protocol information was provided by ALC QC/QA personnel.

8.2 Quality Control/Quality Assurance

The unknown samples are analyzed twice in a run to provide data to confirm repeatability. All sample preparation equipment is cleaned after preparing each sample and before the subsequent preparation. The instrument is cleaned and calibrated each year by the manufacturer and is under a service contract. Whenever the device becomes dirty and registers out of calibration or out of specification for the standards, the manufacturer comes out to clean, recalibrate, and repair it if necessary.

The oxide results of each sample are totaled to determine if the data is within an acceptable error range of around 100%. The sample analysis is rerun if the total oxide percentage exceeds the acceptable error limits. Sample preparation and a newly prepped sample correct the problem in many cases. The laboratory has a set of certified limestone standards to cover the content range of the major oxides that can occur in limestones. The appropriate standard is run concurrently with the unknown samples. The standard results are compared from run to run to ensure the instrument operates correctly.

USLM has a total of five QC/QA labs among its wholly-owned subsidiaries. These labs can perform many of the same analyses, specifically XRF. ACT samples are analyzed by the ALC QC/QA laboratory.

The ALC QC/QA laboratory is certified by

- The Food and Drug Administration
- Underwriters Laboratory.

The laboratory follows procedures and protocols set forth by:

- ASTM Methods: C-25, 50. 51, 110, 977;
- AASHTO Methods: M216-05, 219; and
- USLM protocols for testing whole-rock samples.

The laboratory utilizes certified limestone samples to verify the accuracy and calibration of its instrumentation. These are:

- Euronorm MRC 701-1;
- China National Analysis Center;
  - -NC DC 60107a;
  - -NCS DC 14147a;
  - -NCS DC 70307; and
  - -NCS DC 70304.

The security for limestone geological samples is not required as compared to the procedures needed for precious metals (gold, silver, etc.). Core or other samples are, immediately after drilling, taken to the core storage area by the contract geologist, member of the drill crew, or the collector of limestone samples. They are logged in and then processed by ALC QC/QA laboratory personnel. The change of possession is limited to two or three people who can be identified and held accountable for the locations of the samples before delivery to the laboratory. This information was provided by ALC QC/QA laboratory personnel.

8.3 Opinion of the Qualified Person on Adequacy of Sample Preparation

The QP examined the adherence to preparation and analytical procedure protocols by the ALC QC/QA laboratory personnel. The analysis of geologic samples is conducted with attention to detail given as the ALC QC/QA testing for the ALC products. The opinion is that the analytical program and laboratory provide reasonably accurate data for determining resource estimates.

9 Data Verification

9.1 Source Material

The QP worked with ALC personnel to obtain databases and raw data. There was an ongoing interface with ALC personnel while reviewing and verifying the data needed to model the deposit. For this TRS, the hard copy data was compared with the digital database for correctness and thoroughness. The data from the drilling programs were validated as reasonably as possible by comparing lithology and depths from each hole. Hole ore intercepts were cross-checked with the USGS LiDAR survey and GPS data to verify and confirm hole collar data. The logging of the core followed drill-site protocol, and all data was collected and written on a formatted log sheet.

The QP met with the QC/QA laboratory manager to validate that the QC/QA protocol was followed for the geologic samples and the instrument's status records. The sources for this data are the ALC QC/QA laboratory and contract geologists.

The topography used in the model was obtained from the most recent LIDAR scans, either from federal government or private LIDAR data sources. The scans were reviewed for recent surface disturbances to make sure there was not an issue.

9.2 Opinion of the Qualified Person on Data Adequacy

After contacting ACT personnel and subcontractors and reviewing the material for verification, the QP is satisfied the drill hole database and chemical analysis data are reasonably valid. The QP's opinion is the data has been analyzed and collected appropriately and reasonably, and the data was adequate for the resource interpretation and estimation.

10 Mineral Processing and Metallurgical Testing

The Plattin limestone mined at the ACT property is sedimentary without alteration due to metamorphic or igneous geologic processes. The uniqueness and suitability of the raw stone for making products are based on the percent of $CaCO_3$ content in the limestone. There is no metal content in the ore and no need to perform metallurgical testing. The mined stone is processed through a conventional crushing circuit without any mineral or chemical processing before stockpiling. ALC personnel furnished the preceding information.

11 Mineral Resource Estimates

11.1 Definitions

A mineral resource is an estimate of mineralization by considering relevant factors such as cutoff grade, likely mining dimensions, location, or continuity that, with the assumed and justifiable technical and economic conditions, is likely to, in whole or in part, become economically extractable. Mineral resources are categorized based on the level of confidence in the geologic evidence. According to 17 CFR § 229.1301 (2021), the following definitions of mineral resource categories are included for reference:

An inferred mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. An inferred mineral resource has the lowest level of geological confidence of all mineral resources, which prevents the application of the modifying factors in a manner useful for the evaluation of economic viability. An inferred mineral resource, therefore, may not be converted to a mineral reserve.

An indicated mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of adequate geological evidence and sampling. An indicated mineral resource has a lower level of confidence than the level of confidence of a measured mineral resource and may only be converted to a probable mineral reserve. As used in this subpart, the term adequate geological evidence means evidence that is sufficient to establish geological and grade or quality continuity with reasonable certainty.

A measured mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of conclusive geological evidence and sampling. As used in this subpart, the term conclusive geological evidence means evidence that is sufficient to test and confirm geological and grade or quality continuity.

11.2 Key Assumptions, Parameters, and Methods

11.2.1 Resource Classification Criteria

Geologic and analytical data from local drilling have proven that the Upper Plattin formation limestone has a consistently high percentage of $CaCO_3$ content (above 96.0%) and a small range of thickness (30 ft. to 25 ft.) across the entire ACT property. These analytical results from more than 70 drill holes are sufficient to establish reasonable certainty of geological presence, grade and quality continuity on the property. The geologic confidence is high because of the abundance of verified drilling results. Classifying these resources in the measured category is appropriate.

11.2.2 Market Price

The ACT mine is a supplier of crushed limestone to the ALC operations and customers. After the ACT crushing circuit, the crushed limestone is available for sale or usage by the ALC operation. There are several limestone products for sale. These products are differentiated by size, with all having common chemical properties.

A market survey for crushed limestone is conducted by the USGS each year. The publication is titled "USGS Mineral Commodity Summaries 2023." Their database comprises sources from the entire United States and considers such material issues as regional price differences, weather effects, production issues, and decreased demand from downstream users. USGS reported an average value price of $14.00 of crushed limestone per metric ton, which converts to $12.70 per short ton. After consulting with USLM, this source provides a reasonable value for the range of crushed limestone products sold by the Company.

11.2.3 Fixed Cutoff Grade

The ACT mine supplies crushed limestone to the ALC operation and for sale to end-user markets. The ALC operation must be provided with a limestone source that consistently exceeds an average $CaCO_3$ threshold for customer needs. No matter the product, the raw limestone must exceed a minimum average content above 96.0% $CaCO_3$. The percentage of $CaCO_3$ can be higher but not lower to meet the quality requirements. Mining the limestone at a significantly higher average $CaCO_3$ percentage results in the deposit being high-graded, which shortens the mine's life. Lowering the grade is unacceptable because of quality requirements.

A primary XRF analysis quality control check is to total all the oxides to determine how close the total is to 100%. CaO is the primary oxide of the sample analyzed, and the remainder is comprised of MgO, Fe2O3, Al2O3, and SiO2 (refer to section 8).

Since the mine operates on a fixed cutoff grade, there are no specific economic criteria for changing the cutoff grade. Any cost factors that increase the mining cost of limestone at this fixed grade would be offset by appropriate downstream price increases in sales of the products.

11.2.4 Summary of Parameters

Modifying factors are the fixed cutoff grade, the final pit shell area, and the property line offset. Key assumptions and parameters applied to estimate mineral resources are in Table 11.2-4.

Table 11.2-4 Resource Parameter Assumptions

Modifying Factor	Parameter
Fixed Grade Cutoff	Above 96.0% $CaCO_3$
Estimated Final Pit Shell	Pit Shell Outline
Property Offset	100 ft.
Karsting	100 ft. Set Back from Top of Plattin Outcrop
Slope of High Wall	70 Degrees
Mineability	Reasonably Expected to be Feasible to Mine

11.3 Resource Model

The resource model database consists of all drill holes listed in Appendix A. The QP confirmed and verified the database contained appropriate data for the TRS resource estimates. Table 11.3 lists the number of holes in the database and the data type. A final review was conducted to ensure no data entry errors existed.

The mine is surveyed every year to document the mining face advance during the year. The existing mine map is updated with the newly surveyed mined areas and oriented to the mine grid. The current surface survey, dated December 21, 2023, was used to determine the resource areas for the TRS resource estimate. The most current USGS LiDAR topography was downloaded (USGS Mapview, 2021). The topography was edited using Global MapperTM software to select only the local area around the ACT property. The coordinate system for the maps in this report is State Plane NAD 83 ft.

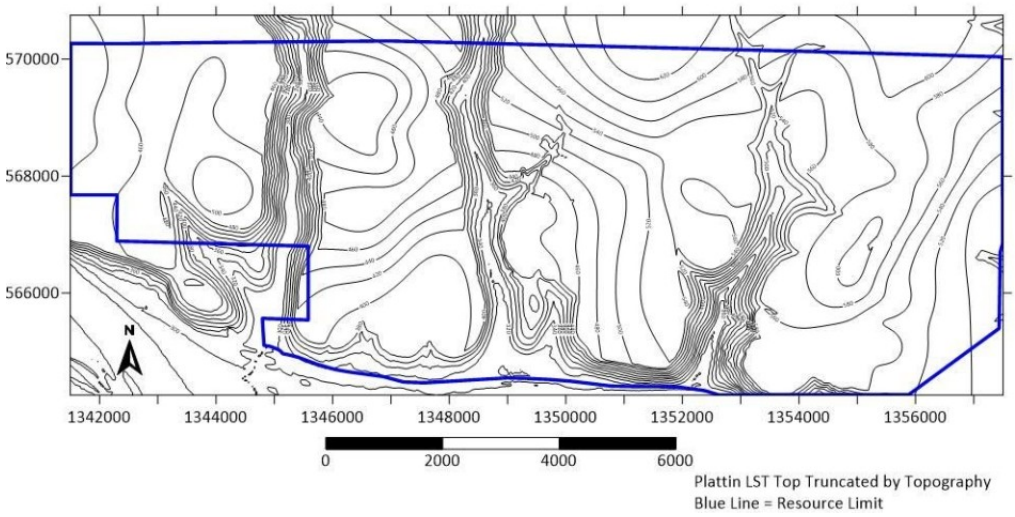
The ore body consists of a single limestone bed defined by top and bottom surfaces. The top and the bottom ore intercepts were created from total hole composites. The average $CaCO_3$ percentage is composited at 96.0% or higher in each hole. If any hole's composite were significantly below 96.0%, that area would be excluded from the resource estimate. This situation did not occur. Next, the hole ore intercepts were utilized to produce top and bottom three-dimensional structural surfaces or contour maps based on the fixed cutoff grade composites.

The method chosen to model the deposit structure was gridding using SURFERTM software, and Kriging was selected from twelve other algorithms. The selection process involved four steps:

- Rough hand contour data for trend and structure estimate;
- Run the gridding script with basic inputs to compare gridding methods and produce a rough structure map;
- Select grid method(s), then refine with specific inputs;
- Run a residual test to see which grid method closely matches the hole intercepts data value.

These two surfaces were then truncated against the new topography to account for erosional effects. This truncation is done because the ore bed position is not below the floor of the valleys. Fig. 11.3 is a map of the top ore structure with the resource area outlined.

Fig. 11.3 ACT, Top of the Plattin Limestone



Next, ore, overburden thickness, and overburden stripping ratio maps were constructed. These maps were compared to a block model created in Surpac TM using the two ore structure surfaces. These surfaces were used to determine, validate, and confirm the conformity of the block model. The block model was then utilized to determine mine limits for resource and reserve estimates. The methods employed using Surpac are discussed below.

The resources were estimated using Geovia SurpacTM software. Contours of the top and bottom of the ore were imported into Surpac in AutoCAD format exported from SURFER. Surpac DTM surfaces were created using these contours. The USGS National Map service LIDAR database was imported into Surpac. Block models were developed for the entire resource area. The block dimensions were 20 ft. northing by 20 ft. easting and two ft. thick. The blocks were coded above or below the topography, above the ore bottom surface, and below the top ore surface to ensure that only blocks containing ore were included in the resource estimate. Blocks were also coded as being inside of a karst and weathered zone to prevent these volumes from being included in the resource. Open pit and underground mining are appropriate for different parts of the resource area. The resource estimate employed both designs where necessary. Mine pits were designed using a 70-degree slope angle. The crests of the pits were offset 100 ft. from any external property boundaries.

Table 11.3 Summary of the Drill Hole Database for the Model

Data Type	Number of Records
Total Holes	76
Lithology	76
Chemical Analyses	76
Hole Composites	76

11.4 Mineral Resources

11.4.1 Estimate of Mineral Resources

The estimate of measured and indicated in-place limestone resources for ACT, effective December 31, 2023, were estimated from applying the resource parameters to the geologic model and are set forth in Table 11.4-1. There are no indicated nor inferred mineral resources.

Table 11.4-1 ACT Holding Company, Inc. – Summary of Limestone Mineral Resources as of December 31, 2023, Based On $12.70 Crushed Limestone 1, 2

Resource Category	In Place (tons)	Cutoff Grade (%X)	Processing Recovery (%)3
Total Mineral Resources 4	115,428,000	Above 96.0 (CaCO3)	N/A
Measured Mineral Resources5	10,392,000	Above 96.0 ($CaCO_3$)	N/A
Indicated Mineral Resources	-	-	N/A
Total Measured and Indicated Resources	10,392,000	Above 96.0 ($CaCO_3$)	N/A

Notes: 1 Price Source from USGS Mineral Commodity Summaries 2023.
2 Crushed limestone through the crushing circuit.
3 N/A: Not Applicable because estimated resources are in place.
4 Inclusive of Limestone Mineral Reserves.
5 Exclusive of Mineral Reserves.

11.4.2 Geologic Confidence and Uncertainty

Any geologic uncertainty associated with the limestone deposits is tied to the variability of the quality, continuity, and thickness of the bed or interval. Drilling was conducted on separate ridges, which were thousands of ft. apart, and encountered limestone with the mentioned properties being very consistent. The conclusion can be made that, over a large area, drilling results have shown the Upper Plattin formation, with reasonable certainty, to have consistent quality and thickness of limestone. Based on the drilling results, there is high confidence in the definition of the ore zone limits, and the quality is constantly above the $CaCO_3$ cutoff.

11.5 Opinion of the Qualified Person

There are no factors onsite that will impact the extraction of this ore body. After reviewing the resource model and supporting data, the QP is confident the Upper Plattin formation outcrops over the entire ACT property with consistent quality and a minable section. It appears ACT will economically extract stone through different mining methods above the quality cutoff for the foreseeable future.

The QP's opinion is that the following technical and economic factors could influence the economic extraction of the resource, but the ALC plant insulates most of them from the mine. However, if quicklime production becomes unfeasible, the ALC plant would no longer require limestone from the ACT mine to produce quicklime.

- Regional supply and demand – Due to the shipping cost of crushed stone and quicklime, sales are limited to a regional footprint of the ALC operations. The business is insulated from global import and export market changes, as sales are domestic and regional.
- Any increases in mining costs by the contract miner would likely be offset by product sales pricing.
- Environmental Matters:
  - Federal or State regulations/legislation regarding greenhouse gas emission
  - Air and water quality standards

12 Mineral Reserve Estimates

Mineral resources were converted to reserves using a 75% recovery factor for underground mining and a 95% recovery factor for open-pit mining. The property boundary offsets, karsted and weathered areas, and pit slopes were included in the resource estimate. For underground mining, 17% of the ore is lost to pillars, and 8% is lost to the roof, the floor, spillage, and dust. For open pit mining, 5% of the ore is not recovered due to ore being left in the pit floor or walls, dust, and spillage. Dilution volume is minimal and was not estimated.

As discussed in Section 13.2, the average waste-to-ore ratio for the reserves is two tons of stripping per ton of limestone for open-pit mining. The ore body outcrops on the side of ridges. The stripping ratio and ore-to-waste ratio increase as mining progresses into the ridges. The open pit mining generally targeted a stripping ratio of less than 2:1. When combined with the back slope of the pits, the recovery factor, and the karsted and weathered limestone where the ore body outcrops the open pit mining waste to ore ratio averaged 2:1. Underground mining becomes increasingly more economic towards the interior of the ridge despite the lower ore recovery and higher costs.

12.1 Definitions

Mineral reserve is an estimate of tonnage and grade or quality of indicated and measured mineral resources that, in the opinion of the qualified person, can be the basis of an economically viable project. More specifically, it is the economically mineable part of a measured or indicated mineral resource, which includes diluting materials and allowances for losses that may occur when the material is mined or extracted (Dorsey, 2019).

Probable mineral reserve is the economically mineable part of an indicated and, in some cases, a measured mineral

resource. For a probable mineral reserve, the qualified person's confidence in the results obtained from the application of the modifying factors and in the estimates of tonnage and grade or quality is lower than what is sufficient for a classification as a proven mineral reserve, but is still sufficient to demonstrate that, at the time of reporting, extraction of the mineral reserve is economically viable under reasonable investment and market assumptions (Dorsey, 2019).

Proven mineral reserve is the economically mineable part of a measured mineral resource. For a proven mineral reserve, the qualified person has a high degree of confidence in the results obtained from the application of the modifying factors and in the estimates of tonnage and grade or quality. Proven mineral reserve is the economically mineable part of a measured mineral resource and can only result from conversion of a measured mineral resource (Dorsey, 2019).

12.2 Market Price

As stated in Section 11.2.2, the ACT mine is a supplier of limestone to ALC operations. After processing by the crushing circuit, the crushed limestone is available for sale to customers or ALC operations usage. There are several limestone products for sale. These products are differentiated by size, with all having common chemical properties.

A market survey for crushed limestone is conducted by the USGS each year. The publication is titled "USGS Mineral Commodity Summaries 2023." Their database comprises sources from the entire United States and considers such material issues as regional price differences, weather effects, production issues, and decreased demand from downstream users. USGS reported an average value price of $14.00 of crushed limestone per metric ton, which converts to $12.70 per short ton. After consulting with USLM, this source provides a reasonable value for the range of crushed limestone products sold by the Company.

12.3 Costs

Limestone mining and crushing costs for the ACT mine were estimated from the contract with its contractor. Contract mining and crushing costs are estimated at $6.75 per ton of limestone ore and $1.75 per ton for overburden. Underground contract limestone mining and crushing costs are estimated at $7.75 per ton. Since all mining is to be performed by a contractor, there are no capital costs.

12.4 Reserve Estimates

The estimate of proven and probable limestone reserves for the ACT operation effective December 31, 2023, are estimated from applying the reserve parameters to the geologic model, are in Table 12.4.

Table 12.4 ACT Holding Company, Inc. – Summary of Limestone Mineral Reserves as of December 31, 2023, Based On $12.70 Crushed Limestone 1, 2

Reserve Category	Extractable (tons)	Cutoff Grade (%X)	Mining Recovery (%)3
Probable Reserves	21,047,000	Above 96.0 ($CaCO_3$)	95.0/75.0
Proven Reserves	68,176,000	Above 96.0 ($CaCO_3$)	95.0/75.0
Total Mineral Reserves	89,223,000	Above 96.0 ($CaCO_3$)	95.0/75.0

Notes:1 Price Source from USGS Mineral Commodity Summaries 2023.
2 Crushed limestone delivered through the crushing circuit.
3 Mining recovery is listed as open pit/underground recovery.

12.4.1 Reconciliation with Previous Estimates

Comparing ACT's high calcium limestone reserves as of December 31, 2023, with the estimates presented for December 31, 2021, a decrease of 265,000 tons occurred, which is the result of routine mine production.

12.5 Opinion of the Qualified Person

Given the similarity of the geology and ore chemical qualities to other properties operated by USLM, the current open pit method and proposed underground mining methods are and should be performed according to plans. Significant increases in the cost of mining coupled with large decreases in the selling price of limestone would be required to make mining uneconomic. Historically, USLM has been able to increase sales prices in line with cost increases. The limestone and the overburden are consistent across the reserves and allow for stable operating requirements from year to year.

13 Mining Methods

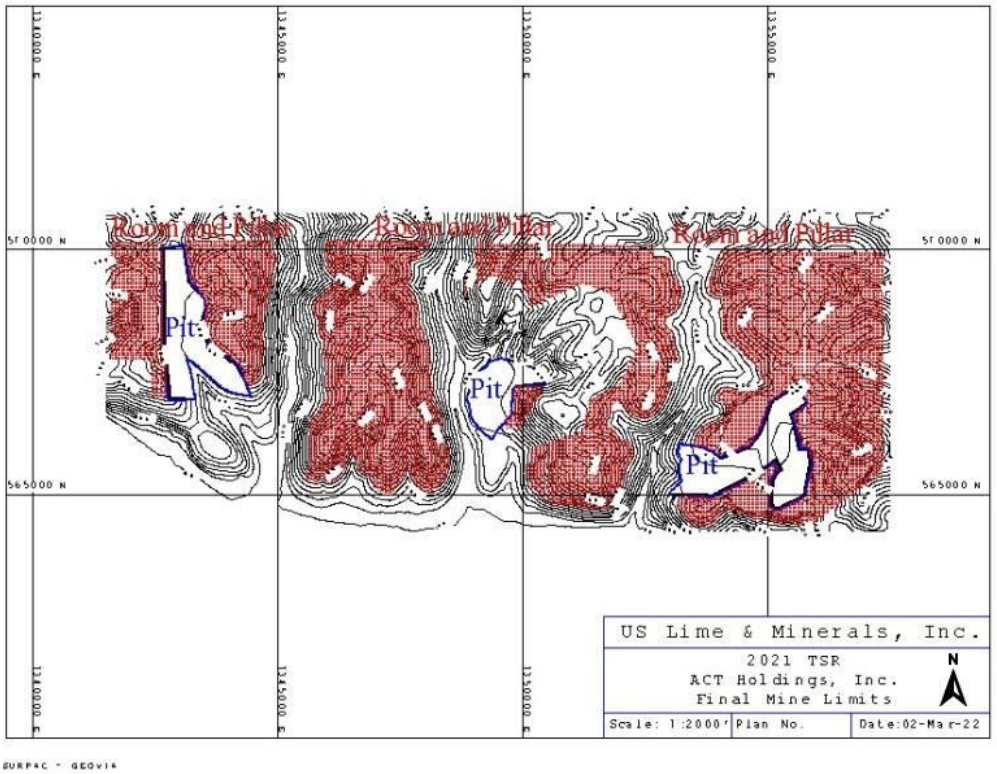
13.1 Geotechnical and Hydrologic Considerations

The State of Arkansas does not require geotechnical or hydrology modeling in mining operations, and no geotechnical or hydrological studies have been completed.

13.2 Mine Operating Parameters

The ACT mine plans to produce 500,000 to 1,000,000 tons per year during the life of the mine. The expected life of mine is approximately 80 years. Mining is conducted by a mining contractor. Site development and mining utilize diesel-powered earth-moving equipment as necessary.

Fig. 13.2, ACT, Estimated Final Mine Limits



The deposit is being mined by conventional open pit mining, and in the future, as mining progresses, room and pillar underground mining will be employed in high-overburden areas. The average waste-to-ore ratio for the open pit mine portion of the mine is two tons of stripping per ton of limestone. As the amount of waste that is required to be moved to expose ore increases, underground mining becomes more economically attractive. For these reasons, areas with lower overburden thicknesses were targeted for open-pit mining. The mining recovery is estimated to be 95% for open pit mining and 75 % for underground mining. Fig. 13.2 shows the estimated final mine limits.

13.3 Mining Plan

ACT's mine plan will include both open pit and underground mining methods. Open pit mining extraction utilizes typical quarrying techniques of vertical drill and blast overburden removal and routine diesel-powered mine haulage equipment such as bulldozers, excavators, wheel loaders, and haul trucks. Overburden is generally targeted at a 2:1 stripping ratio with the non-ore materials being placed within the property. Limestone ore is recovered with vertical drill and blast, single pass bench mining, and typical mining diesel-powered mine haulage equipment such as wheel loaders, excavators, and haul trucks.

The underground mine plan calls for pillars to be 35 ft. by 35 ft. on 85 ft. centers, yielding an extraction ratio of 75%. Mining will be done by horizontal drilling and blasting. Ground control will be maintained with mine scaling machines. Haulage will be via conventional underground mine equipment.

13.4 Mine Plant, Equipment, and Personnel

The mining contractor provides the personnel and equipment they deem necessary to meet required production demands.

14 Processing and Recovery Methods

14.1 Crushing Circuit and Description

The ACT mine delivers mined limestone to the crushing circuit for processing and stockpiling. Afterward, the crushed limestone is sold or processed by ALC operations to create higher-valued quicklime or limestone products.

There is no history of any interruptions, outages, shortages, or failures related to the crushing circuit which have materially affected the operation. The QP believes the risk of such events significantly affecting the estimates of limestone mineral reserves documented here is low. ALC personnel are the sources for this section.

14.2 Crushing Circuit Throughputs and Design

The limestone is blasted and loaded into haul trucks by a loader in the pit and then hauled to the jaw crusher. The crusher is more than sufficient size to handle the daily mine production. The jaw crusher has been set up to maximize production for the size range required to be sold or delivered to the ALC operation. The circuit after the crusher consists of delivery by a conveyor belt to the ALC rail load out or stockpiles. This equipment is very similar to those installed at many aggregate plants throughout the United States.

14.3 Crushing Circuit Operational Requirements

The crushing equipment is owned by the contract miner. Day-to-day operation and maintenance are managed by the contractor. The contractor provides equipment deemed necessary to meet required production demands.

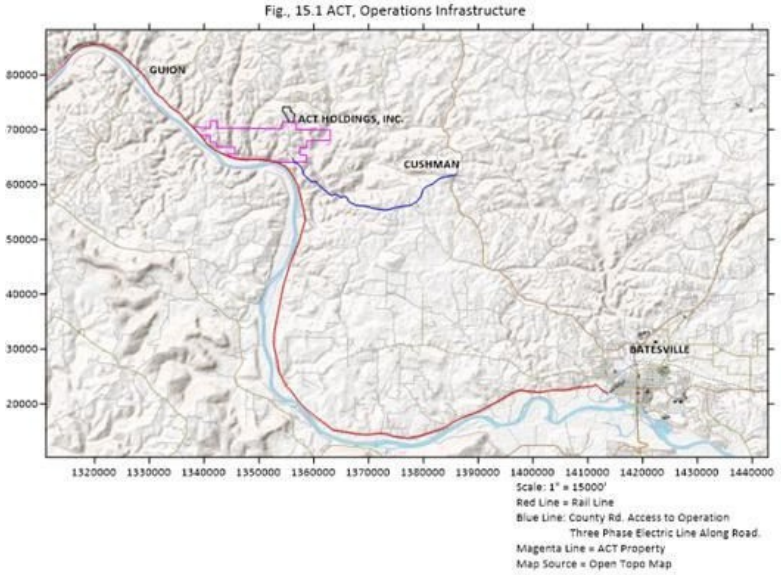
14.4 Application of Novel or Unproven Technology

Mining operations at the site follow standard open pit methods for extracting limestone formations. The crushing system is comprised of readily available stone processing equipment. There has not been any application of novel or unproven technologies or techniques.

15 Infrastructure

The ACT property is accessible by rail, county roads, and the mine operation by gravel roads and haul roads maintained by the contract mine personnel. The mine site is landlocked with no port facilities. The rail is served by the Missouri and North Arkansas rail lines. Three-phase electric power is provided to the site via above-ground utility lines. Water for dust control at the mine is obtained from the nearby White River, which flows year-round. All mine facilities are located on mine property. Maintenance facilities and the crusher equipment are furnished by the contract mining company. Fig. 15.1 shows the topography of the mine area and significant infrastructure features.

Fig., 15.1 ACT, Operations Infrastructure



16 Market Studies

16.1 Market Outlook and Forecast

Crushed limestone produced at the ACT mine is for customers and to source ALC. The ALC facilities have been in existence for over 80 years. Its products are delivered to customers by either freight or rail. Demand for crushed limestone for the ALC operations has averaged approximately 1,000,000 tons per year over the previous five years, which has been previously sourced exclusively from a mine owned by ALC. However, in 2022, ALC began to source a portion of its crushed limestone from the ACT mine. In future years the ALC operations are expected to source approximately 500,000 tons of crushed limestone from ACT (the period of time the mine owned by ALC is expected to remain in production). Afterward, the ACT mine is expected to be ALC's exclusive crushed limestone supplier and is estimated to produce approximately 1,000,000 tons of limestone annually for delivery to the ALC operation.

Primary demand for quicklime and crushed limestone products from ALC's production facilities is from stable markets, including the steel industry, the construction industry, paper and glass manufacturers, municipal sanitation and water treatment facilities, roof shingle manufacturers, and poultry and cattle feed producers. Current market conditions for these customers should result in continued steady demand for quicklime and crushed limestone products in ALC's market areas for the foreseeable future.

16.2 Material Contracts

There are no material contracts with outside purchasers.

17 Environmental Studies, Permitting, and Plans, Negotiations, or Agreements with Local Individuals or Groups

17.1 Environmental Studies and Permitting Requirements

The ADEQ regulates industrial activities and their potential impacts on the environment. Open pit mining and reclamation are regulated in both the Coal and Non-Coal Programs, including soil, clay, shale, gravel, stone, limestone, sand, gypsum, bauxite, and novaculite under the Arkansas Pollution Control and Ecology Commission Regulation 15, Act 827 of 1991 and Act 1166 of 1997.

In addition to open pit mining and reclamation, the ADEQ is also a delegated authority under the Clean Air Act and Clean Water Act, established by the Environmental Protection Agency, to protect the ambient air quality and water quality within the State of Arkansas. ACT has furnished the environmental permit information provided in Table 17.1 below. This information was provided by USLM.

Table 17.1 Mining and Environmental Permits

Permit Number Issue Date	Issuer	Purpose	Expiration Date	Status
0129-MQ January 9, 2018	ADEQ	Authorization to Quarry	May 31, 2028	In Place, Active
1916-AGP-149 August 12, 2021	ADEQ	General Air Permit for Rock Crusher Plant	N/A	In Place, Active
ARR000000 (Final Permit No. TBD) July 1, 2019	ADEQ	Storm Water	June 30, 2024	Notice of Intent Submitted to ADEQ

ACT is authorized under Permit No. 0129-MQ to mine high-quality limestone. As required by ADEQ, a Five-Year Plan was developed for ACT's operations and includes estimations for the removal of topsoil, overburden, and production of limestone. Upon expiration of the permit, ACT will calculate area and volume estimations based on future limestone production. Actual volumes may vary depending on market and geological conditions.

ACT has contracted a third-party miner with a portable rock-crushing operation to extract high-grade limestone from the ACT mine. The portable rock crushing operations are authorized under the General Air Permit for Rock Crusher Plants Permit No. 1916- AGP-149.

Industrial Storm Water Permit No. ARR000000 (Final Permit No. TBD) is a general permit authorizing the discharge of stormwater that has commingled with the mining activities off-property to a nearby receiving water body. This information was provided by USLM.

17.2 Overburden, Site Monitoring, and Water Management

ACT produces and manages non-production material, which consists of overburden and a trace amount of unusable rock from the blasting process at the ACT open pit mine. When open-pit mine operations remove overburden, the material is utilized to backfill active pits to the extent where the material is available.

Water management at the open pit mine consists of use for dust control and managing stormwater run-off by way of pre-existing natural erosion pathways. Because the ACT open pit mine is situated above the natural water table, there is no requirement or need for groundwater monitoring. This information was provided by USLM.

17.3 Post-Mining Land Use and Reclamation

A Financial Plan for Reclamation was developed as part of the Five-Year Plan submitted to the State of Arkansas. The Financial Plan outlines the non-ore materials to be stockpiled within the mine, topsoil management as part of the stripping process, and the final reclamation process. A surety bond and an estimated acreage of land affected over the life of the mine are submitted as part of the Five-Year Plan.

17.4 Local or Community Engagement and Agreements

The operation is relatively new, and at this time, there are no engagements or agreements. This information was provided by USLM.

17.5 Opinion of the Qualified Person

Arkansas is a heavily regulated state of environmental laws and regulations and has numerous permits that require ongoing compliance and oversight from the ADEQ. ACT and USLM personnel are well-trained and stay up-to-date on all environmental regulations. In the QP's opinion, there are no current or outstanding issues in environmental governance.

18 Capital and Operating Costs

The ACT mine has a contract in place for producing crushed limestone with a regional company that has the equipment and skilled personnel for performing this work.

18.1 Capital Costs

Since all mining, crushing, and overburden removal is performed by a contractor, there are no capital costs.

18.2 Operating Costs

Table 18.2 Operating Costs

Operating Cost Estimate	Cost
Contractor Open Pit Mining and Crushing Cost Per Ton	$6.75
Contractor Overburden Mining Cost Per Stripping Ton	$1.75
Contractor Underground Mining and Crushing Cost Per Ton	$7.75

18.3 Accuracy of Operating Cost Estimates

The production and unit cost estimates are based on actual past performance and the customary internal budget review and approvals process. Operating volumes are well-defined and understood, as are mining and processing productivities. The operating cost accuracy and contingency factors were estimated by comparing the past five years of costs to budgeted amounts. The operating cost accuracy estimation is +/- 15% and the contingency factor is </= 10%. The operation and related facilities are fully developed and should not require any near-term major capital investment to maintain full commercial production.

19 Economic Analysis

The block model was used to estimate overburden and limestone ore volumes for open pit and underground mining. Limestone volumes are converted to tons for cost and revenue estimation using a density factor of 169 pounds per cubic foot. The ore thickness is generally uniform in each area. All mining is performed by a contractor.

19.1 Key Parameters and Assumptions

The discount rate used in the economic analysis is 6.43%. This rate is ACT's incremental borrowing cost. Per the current debt agreement and ACT’s current leverage ratio, ACT's borrowing rate is 6.43% (calculated from the December 2023 SOFR of 5.34%).

The tax was estimated using ACT's current effective income tax rate calculated as of September 30, 2023. In reviewing the September 30, 2023, tax provision, the effective tax rate contained no material non-recurring permanent items that would influence the rate, so it is considered appropriate for future periods. Demand for limestone is projected to be approximately 500,000 to 1,000,000 tons per year for the life of the mine. The sales price per ton is estimated using the USGS Mineral Commodity Summaries 2023.

19.2 Economic Viability

ACT has positive cash flow, and the current mine plan does not require capital expenditure; therefore, payback and return on investment calculations are irrelevant. The NPV of the life of mine plan is $24.6 million. The annual cash flows are in Appendix B.

19.3 Sensitivity Analysis

Sensitivity analysis was performed on the discount rate, contractor open pit mining and crushing costs, contractor overburden removal costs, contractor underground mining and crushing costs, and crushed limestone selling price.

Table 19.3-1 Sensitivity Analysis: Varying Discount Rate

Discount Rate	NPV (thousands)
0%	$232,864
1%	$144,264
2%	$93,809
5%	$34,507
10%	$13,828
15%	$8,767
20%	$6,565

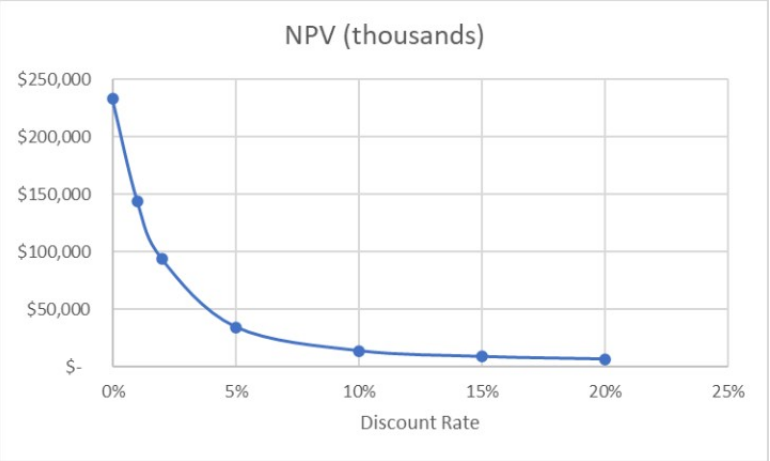


Table 19.3-2 Sensitivity Analysis: Varying Contractor Open Pit Mining and Crushing Costs

Contractor Open Pit Mining Costs Per Ton	NPV (thousands)
$5.75	$29,403
$6.75	$24,587
$7.75	$19,771
$8.75	$14,955

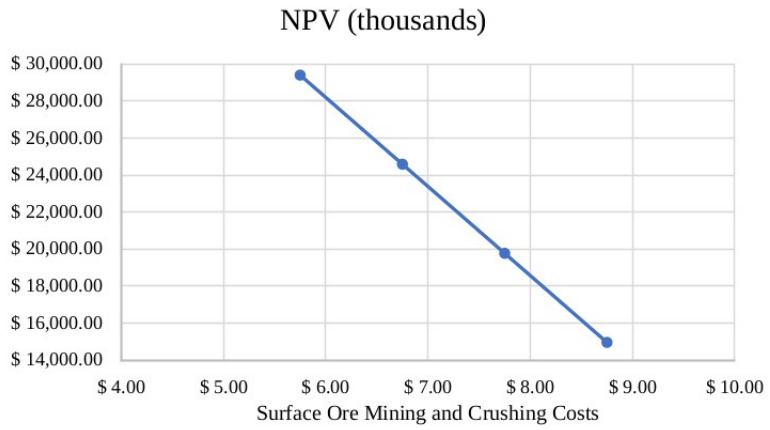


Table 19.3-3 Sensitivity Analysis: Varying Contractor Overburden Mining Costs

Contractor Overburden Mining Cost Per Ton	NPV (thousands)
$1.75	$24,587
$2.75	$16,191
$3.75	$7,794
$4.75	$(602)

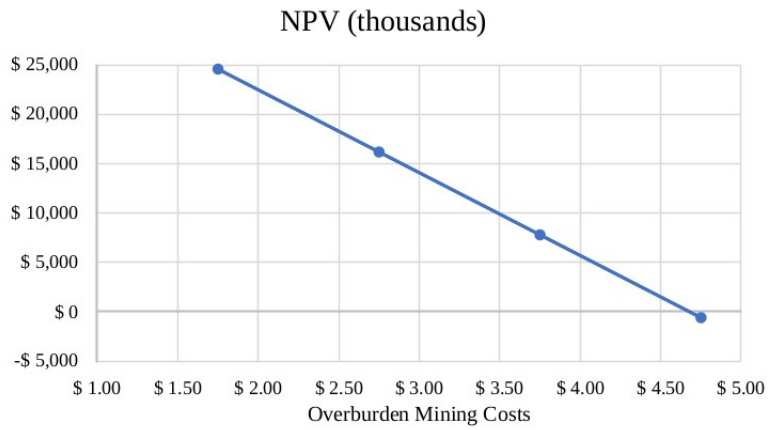


Table 19.3-4 Sensitivity Analysis: Varying Contractor Underground Mining and Crushing Costs

Contractor Underground Mining and Crushing Cost Per Ton	NPV (thousands)
$6.75	$27,527
$7.75	$24,587
$8.75	$21,647
$9.75	$18,707

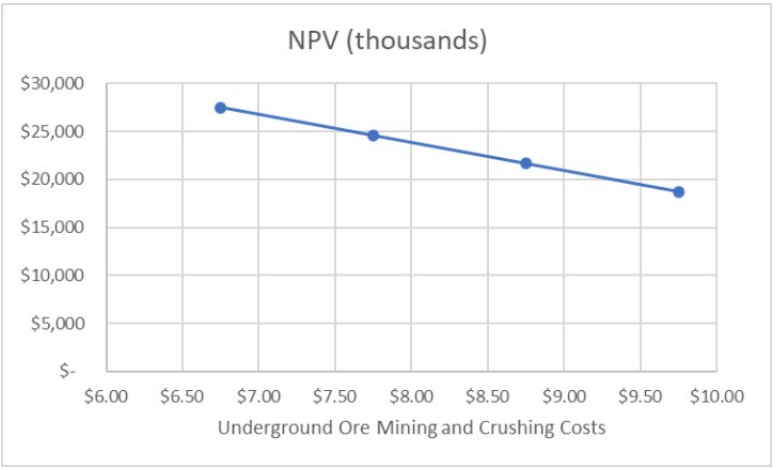
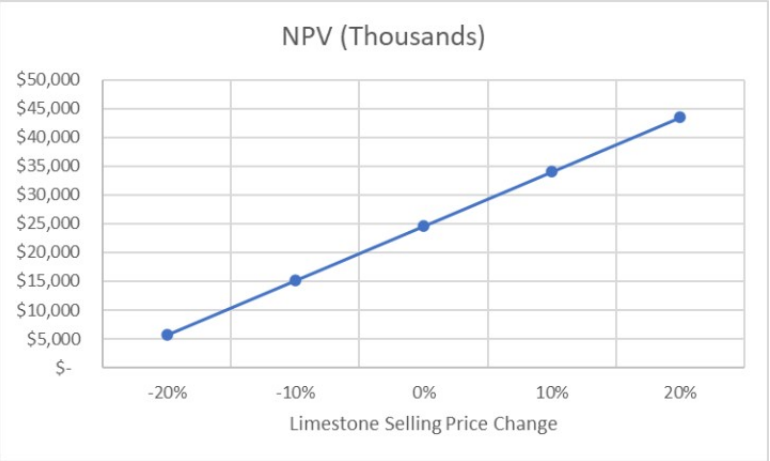


Table 19.3-5 Sensitivity Analysis: Varying Limestone Price

Selling Price Change (%)	NPV (thousands)
-20%	$5,673
-10%	$15,130
0%	$24,587
10%	$34,045
20%	$43,502



20 Adjacent Properties

The QP utilized published academic, professional, or government publications about the local area in creating this report. The QP has no material knowledge pertaining to the adjacent properties.

21 Other Relevant Data and Information

All data relevant to the supporting studies and estimates of mineral resources and reserves have been included in the sections of this TRS. No additional information or explanation is necessary to make this TRS understandable and not misleading.

22 Interpretation and Conclusions

22.1 Interpretations and Conclusions

This limestone deposit is reasonably flat-lying and continuous across the ACT property. The quality is very consistent and exceeds the fixed ore grade needed to supply the ALC operation. Because of the simple geology, the application of mining methods is straightforward and consists of uncomplicated open pit or underground mining. The mining method will be determined by economics, geology, and/or the terrain. The economic analysis and significant quantity of reserves indicate the mine reasonably has approximately 80 years of estimated mine life at current production levels.

22.2 Risks and Uncertainties

Internal to the mining operation, risks and uncertainties are minimal because of the uncomplicated geology and the employment of standard mining methods. Governmental, legal, and regulatory risks, such as greenhouse gases, could adversely affect the ALC operation's market, for which the ACT mine is the crushed limestone supplier.

23 Recommendations

The operation has more than enough resources to last beyond the foreseeable future. In the opinion of the QP, the implementation of a sound mine design(s) and the use of the appropriate equipment suite have the mine currently operating well within the cost estimates projected in the economic analysis. Further analysis of the mine designs for surface versus underground mining methods should be performed after a reasonable operational time period to ensure the optimum economic choice is made when transitioning from surface to underground methods.

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25 Reliance on Information Provided by the Registrant

The QP has relied upon information and data from ACT, ALC, and USLM personnel and records in completing this TRS. This material included written reports and statements of other individuals and companies with whom it does business. The material also includes permits, licenses, historical exploration data, production records, equipment lists, geologic and ore body resource and reserve information, mine modeling data, financial data and summaries, mine equipment specifications, and summaries, records, and equipment lists. The QP believes that the basic assumptions were factual and accurate and that the interpretations were reasonable. This material has been relied upon in the mine planning, capital and cost planning, and audited. USLM mining engineers assisted the QP in reviewing these materials and performed the final reserve block modeling and economic analysis under the direction of the QP. There is no apparent reason to believe that any material facts have been withheld or misstated. In his professional judgment, the QP has taken all appropriate steps to ensure that the information or advice from ACT, ALC, and USLM personnel, company records, and outside entities is accurate. The QP does not disclaim any responsibility for this TRS.

List of Drill Holes In the Resource Model Database

Local Cooordinate System

2005 Drilling Program Locations

Easting	Northing	Label
49665.81	7389.95	R 05-01
49121.77	7139.56	R 05-02
47149.6	8757.99	R 05-03c
42147.15	9294.89	R 05-04
44140.34	9409.06	R 05-05

2006 Drilling Program Locations

Easting	Northing	Label
55342	5532	R06-01
55228.78	4959.75	R06-02
55585.22	5156.29	R06-03
55696.58	5775.39	R06-04
55441.22	6155.4	R06-05
55411.51	6779.24	R06-06
53136.39	4771.15	R06-07
55827.23	7316.46	R06-07A
56925.89	7567.74	R06-08
55423.98	7996.63	R06-09
56432.24	8071.62	R06-10
57151.24	8421.96	R06-11
54776.3	8521.78	R06-12
55710.7	8755.05	R06-13
55582.41	9366.77	R06-14
56015.98	9083.38	R06-15A
54448.4	9509.65	R06-16
55406.58	9821.44	R06-17
56053.88	9900.14	R06-18
46924.29	10239.81	R06-19
46943.98	9278.05	R06-20
46933.56	8260.82	R06-22
46655.12	7669.67	R06-23
47283.11	7784.67	R06-24
47422.92	7336.92	R06-26
46709.2	6861.81	R06-27
47525.49	6777.97	R06-28
46001.92	6055.18	R06-29
47249.19	6075.23	R06-30
47973.48	6300.81	R06-31
44353.86	8877.96	R06-33
43968.68	8438.87	R06-34
44190.19	7957.46	R06-35

2006 Drilling Program Locations Continued

Easting	Northing	Label
42029.34	9417	R06-36A
42319.69	8928.33	R06-37
42337.48	8422.75	R06-38
42119.45	7962.26	R06-39
50901.74	9916.83	R06-40
51781.52	9943.91	R06-41AB
52000.3	9196.72	R06-43
51562.22	8718.79	R06-45
52062.66	8556.14	R06-46A
51408.67	8146.06	R06-47
51881.92	7891.8	R06-48
51503.24	7446.08	R06-50
52702.68	7282.84	R06-51
50966.23	6601.61	R06-52
51096.18	5832.36	R06-54
51377.56	5429.1	R06-55

2019 Drilling Program Locations

Easting	Northing	Label
54800.97	4798.96	Ra19-1
56032.83	4760.8	Ra19-2A
54700.19	5172.3	Ra19-3a
55790.12	5531.99	Ra19-4
54641.44	5842.4	Ra19-5
54408.87	6199.32	Ra19-6
54840.21	6979.27	Ra19-8B
55509.49	7280.89	Ra19-9A
55154.73	6293.31	Ra19-10
54830.98	5758.53	Ra19-11
55314.72	5888.12	Ra19-12
55245.69	5235.77	Ra19-13
55808.08	6956.23	Ra19-14
49173.48	6420.32	Rb19-2
49691.45	6687.4	Rb19-3
49749.35	6893.56	Rb19-4
49893.23	7164.47	Rb19-5
50088.85	7359.38	Rb19-6
49382.38	7271.44	Rb19-7
49435.99	6417.63	Rb19-8
49464.43	6952.27	Rb19-9
49456.2	7109.88	Rb19-10
49432.43	6069.8	Rb19-11

Appendix B: Annual Cash Flow Analysis

ACT – Discounted Cash Flow
In Thousands
Discount Factor 1.09% NPV
$144,884

	2024	2025	2026	2027	2028	2029	2030	2031
Tons Limestone Sold	500	500	500	500	500	500	500	500
Sales Price/Ton	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Revenue	6,350	6,350	6,350	6,350	6,350	6,350	6,350	6,350
-Operating Costs	(4,638)	(4,638)	(4,638)	(4,735)	(4,735)	(4,735)	(4,735)	(4,735)
-Depreciation	0	0	0	0	0	0	0	0
Taxable Income	1,713	1,713	1,713	1,615	1,615	1,615	1,615	1,615
-Tax	(343)	(343)	(343)	(324)	(324)	(324)	(324)	(324)
+Depreciation	0	0	0	0	0	0	0	0
-Capital Expenses	0	0	0	0	0	0	0	0
Free Cash Flow	1,369	1,369	1,369	1,291	1,291	1,291	1,291	1,291

ACT – Discounted Cash Flow
In Thousands

	2032	2033	2034	2035	2036	2037	2038	2039
Tons Limestone Sold	500	500	500	500	500	500	500	500
Sales Price/Ton	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Revenue	6,350	6,350	6,350	6,350	6,350	6,350	6,350	6,350
-Operating Costs	(4,735)	(4,735)	(4,735)	(4,735)	(4,735)	(4,735)	(4,735)	(4,735)
-Depreciation	0	0	0	0	0	0	0	0
Taxable Income	1,615	1,615	1,615	1,615	1,615	1,615	1,615	1,615
-Tax	(324)	(324)	(324)	(324)	(324)	(324)	(324)	(324)
+Depreciation	0	0	0	0	0	0	0	0
-Capital Expenses	0	0	0	0	0	0	0	0
Free Cash Flow	1,291	1,291	1,291	1,291	1,291	1,291	1,291	1,291

ACT – Discounted Cash Flow
In Thousands

	2040	2041	2042	2043	2044	2045	2046	2047
Tons Limestone Sold	500	500	500	500	500	500	500	500
Sales Price/Ton	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Revenue	6,350	6,350	6,350	6,350	6,350	6,350	6,350	6,350
-Operating Costs	(4,735)	(4,735)	(4,886)	(4,886)	(4,886)	(6,436)	(8,761)	(8,761)
-Depreciation	0	0	0	0	0	0	0	0
Taxable Income	1,615	1,615	1,464	1,464	1,464	(86)	(2,411)	(2,411)
-Tax	(324)	(324)	(294)	(294)	(294)	17	483	483
+Depreciation	0	0	0	0	0	0	0	0
-Capital Expenses	0	0	0	0	0	0	0	0
Free Cash Flow	1,291	1,291	1,170	1,170	1,170	(69)	(1,928)	(1,928)

ACT – Discounted Cash Flow
In Thousands

	2048	2049	2050	2051	2052	2053	2054	2055
Tons Limestone Sold	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sales Price/Ton	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Revenue	6,350	12,701	12,701	12,701	12,701	12,701	12,701	12,701
-Operating Costs	(8,761)	(8,761)	(8,761)	(8,761)	(8,761)	(8,761)	(8,761)	(8,761)
-Depreciation	0	0	0	0	0	0	0	0
Taxable Income	(2,411)	3,939	3,939	3,939	3,939	3,939	3,939	3,939
-Tax	483	(790)	(790)	(790)	(790)	(790)	(790)	(790)
+Depreciation	0	0	0	0	0	0	0	0
-Capital Expenses	0	0	0	0	0	0	0	0
Free Cash Flow	(1,928)	3,150	3,150	3,150	3,150	3,150	3,150	3,150

ACT – Discounted Cash Flow
In Thousands

	2056	2057	2058	2059	2060	2061	2062	2063
Tons Limestone Sold	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sales Price/Ton	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Revenue	12,701	12,701	12,701	12,701	12,701	12,701	12,701	12,701
-Operating Costs	(8,761)	(8,761)	(8,761)	(8,761)	(8,761)	(8,761)	(7,550)	(7,550)
-Depreciation	0	0	0	0	0	0	0	0
Taxable Income	3,939	3,939	3,939	3,939	3,939	3,939	5,151	5,151
-Tax	(790)	(790)	(790)	(790)	(790)	(790)	(1,033)	(1,033)
+Depreciation	0	0	0	0	0	0	0	0
-Capital Expenses	0	0	0	0	0	0	0	0
Free Cash Flow	3,150	3,150	3,150	3,150	3,150	3,150	4,118	4,118

ACT – Discounted Cash Flow
In Thousands

	2064	2065	2066	2067	2068	2069	2070	2071
Tons Limestone Sold	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sales Price/Ton	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Revenue	12,701	12,701	12,701	12,701	12,701	12,701	12,701	12,701
-Operating Costs	(7,550)	(7,627)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)
-Depreciation	0	0	0	0	0	0	0	0
Taxable Income	5,151	5,074	4,951	4,951	4,951	4,951	4,951	4,951
-Tax	(1,033)	(1,017)	(993)	(993)	(993)	(993)	(993)	(993)
+Depreciation	0	0	0	0	0	0	0	0
-Capital Expenses	0	0	0	0	0	0	0	0
Free Cash Flow	4,118	4,057	3,958	3,958	3,958	3,958	3,958	3,958

ACT – Discounted Cash Flow
In Thousands

	2072	2073	2074	2075	2076	2077	2078	2079
Tons Limestone Sold	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sales Price/Ton	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Revenue	12,701	12,701	12,701	12,701	12,701	12,701	12,701	12,701
-Operating Costs	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)
-Depreciation	0	0	0	0	0	0	0	0
Taxable Income	4,951	4,951	4,951	4,951	4,951	4,951	4,951	4,951
-Tax	(993)	(993)	(993)	(993)	(993)	(993)	(993)	(993)
+Depreciation	0	0	0	0	0	0	0	0
-Capital Expenses	0	0	0	0	0	0	0	0
Free Cash Flow	3,958	3,958	3,958	3,958	3,958	3,958	3,958	3,958

ACT – Discounted Cash Flow
In Thousands

	2080	2081	2082	2083	2084	2085	2086	2087
Tons Limestone Sold	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sales Price/Ton	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Revenue	12,701	12,701	12,701	12,701	12,701	12,701	12,701	12,701
-Operating Costs	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)
-Depreciation	0	0	0	0	0	0	0	0
Taxable Income	4,951	4,951	4,951	4,951	4,951	4,951	4,951	4,951
-Tax	(993)	(993)	(993)	(993)	(993)	(993)	(993)	(993)
+Depreciation	0	0	0	0	0	0	0	0
-Capital Expenses	0	0	0	0	0	0	0	0
Free Cash Flow	3,958	3,958	3,958	3,958	3,958	3,958	3,958	3,958

ACT – Discounted Cash Flow
In Thousands

	2088	2089	2090	2091	2092	2093	2094	2095
Tons Limestone Sold	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sales Price/Ton	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Revenue	12,701	12,701	12,701	12,701	12,701	12,701	12,701	12,701
-Operating Costs	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)
-Depreciation	0	0	0	0	0	0	0	0
Taxable Income	4,951	4,951	4,951	4,951	4,951	4,951	4,951	4,951
-Tax	(993)	(993)	(993)	(993)	(993)	(993)	(993)	(993)
+Depreciation	0	0	0	0	0	0	0	0
-Capital Expenses	0	0	0	0	0	0	0	0
Free Cash Flow	3,958	3,958	3,958	3,958	3,958	3,958	3,958	3,958

ACT – Discounted Cash Flow
In Thousands

	2096	2097	2098	2099	2100	2101	2102	2103
Tons Limestone Sold	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Sales Price/Ton	12.70	12.70	12.70	12.70	12.70	12.70	12.70	12.70
Revenue	12,701	12,701	12,701	12,701	12,701	12,701	12,701	12,701
-Operating Costs	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)	(7,750)
-Depreciation	0	0	0	0	0	0	0	0
Taxable Income	4,951	4,951	4,951	4,951	4,951	4,951	4,951	4,951
-Tax	(993)	(993)	(993)	(993)	(993)	(993)	(993)	(993)
+Depreciation	0	0	0	0	0	0	0	0
-Capital Expenses	0	0	0	0	0	0	0	0
Free Cash Flow	3,958	3,958	3,958	3,958	3,958	3,958	3,958	3,958

ACT – Discounted Cash Flow
In Thousands

	2104
Tons Limestone Sold	1,000
Sales Price/Ton	12.70
Revenue	12,701
-Operating Costs	(7,750)
-Depreciation	0
Taxable Income	4,951
-Tax	(993)
+Depreciation	0
-Capital Expenses	0
Free Cash Flow	3,958

Exhibit 96.4

Technical Report Summary on
U.S. Lime Company – St. Clair Limestone Operation
Sequoyah County, Oklahoma, USA
Prepared for:
United States Lime and Minerals, Inc.

SK-1300 Report

Effective Date December 31, 2023
Report Date: February 20, 2024

DISCLAIMERS AND QUALIFICATIONS

SYB Group, LLC ("SYB") was retained by United States Lime & Minerals, Inc. ("USLM") to update this Technical Report Summary ("TRS") related to U.S. Lime Company – St. Clair ("St. Clair") limestone reserves and resources, which was also prepared by SYB and originally filed as exhibit 96.4 to the USLM form 10-K for the year ended December 31, 2021. This TRS provides a statement of St. Clair's limestone reserves and resources at its mine located in Sequoyah County, Oklahoma and has been prepared in accordance with the U.S. Securities and Exchange Commission ("SEC"), Regulation S-K 1300 for Mining Property Disclosure (S-K 1300) and 17 Code of Federal Regulations ("CFR") § 229.601(b)(96)(iii)(B) reporting requirements. This report was prepared for the sole use by USLM and its affiliates and is effective December 31, 2023.

This TRS was prepared by SYB Group's President who meets the SEC's definition of a Qualified Person and has sufficient experience in the relevant type of mineralization and deposit under consideration in this TRS.

In preparing this TRS, SYB relied upon data, written reports and statements provided by St. Clair and USLM. SYB has taken all appropriate steps, in its professional opinion, to ensure information provided by St. Clair and USLM is reasonable and reliable for use in this report.

The Economic Analysis and resulting net present value estimate in this TRS were made for the purposes of confirming the economic viability of the reported limestone reserves and not for the purposes of valuing St. Clair or its assets. Internal Rate of Return and project payback were not calculated, as there was no initial investment considered in the financial model. Certain information set forth in this report contains "forward-looking information," including production, productivity, operating costs, capital costs, sales prices, and other assumptions. These statements are not guarantees of future performance and undue reliance should not be placed on them. The ability to recover the reported reserves depends on numerous factors beyond the control of SYB Group that cannot be anticipated. Some of these factors include, but are not limited to, future limestone prices, mining and geologic conditions, obtaining permits and regulatory approvals in a timely manner, the decisions and abilities of management and employees, and unanticipated changes in environmental or other regulations that could impact performance. The opinions and estimates included in this report apply exclusively to the St. Clair mine as of the effective date of this report.

All data used as source material plus the text, tables, figures, and attachments of this document have been reviewed and prepared in accordance with generally accepted professional geologic practices.

SYB hereby consents to the use of St. Clair's limestone reserve and resource estimates as of December 31, 2023 in USLM's SEC filings and to the filing of this TRS as an exhibit to USLM's SEC filings.

Qualified Person: /s/ Keith V. Vickers
Keith V. Vickers, TXPG #3938
President, SYB Group, LLC
1216 W. Cleburne Rd
Crowley, TX 76036

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1 Executive Summary

This Technical Report Summary ("TRS") is an update to the December 31, 2021 (filed March 2, 2022) to that TRS. This report contains reconciled resources and reserves, updates economic estimates, and extends to the crushing circuit output point of reference.

The U.S. Lime Company-St. Clair ("St. Clair") mine is a production stage, underground mine that produces high- grade limestone with above 96.0% calcium carbonate ("$CaCO_3$") from the upper Marble City member formation that is delivered to the crushing circuit. After processing by the crushing circuit, the crushed limestone is available for sale to customers or St. Clair operations usage. The St. Clair mine is located in Sequoyah County, Oklahoma on approximately 1,400 acres owned by St. Clair and an additional 1,340 acres covered by long-term mineral leases. Underground operations began at the St. Clair mine in the 1950s.

Geologic and analytical data from regional and local drilling, subsurface, and surface sampling/mapping have proven that the Marble City member has a consistently high $CaCO_3$ content above 96.0% and a consistent mining thickness of 30 plus ft. across the entire St. Clair property. These analytical results cover from 1962 to 2021 and are sufficient to establish reasonable certainty of geological presence and grade or quality continuity on the mine's property.

Mining at the St. Clair mine is performed using a room and pillar method. The pillars are 30 ft. by 30 ft. and the room is 50 ft. wide. Conventional limestone mining equipment is used to transport the limestone from the mine to the crushing circuit for processing and then distribution to customers or the St. Clair operations as the need arises. Any non-ore material encountered is moved a short distance to an area that is not in use.

The St. Clair mine has procured, and is operating in compliance with, the required air and storm water permits that were last issued by the Oklahoma Department of Mines and the Oklahoma Department of Environmental Quality. St. Clair will be required to renew the permits when they expire in 2045 and 2025, respectively.

The St. Clair mine currently averages an annual production rate of approximately 451,000 tons of limestone per year. The expected mine life at that rate of production is approximately 50 years.

As noted in section 2.1, Keith Vickers of SYB Group ("SYB"), a consultant for United States Lime & Minerals, Inc. ("USLM") for over 20 years served as the Qualified Person ("QP") and prepared the estimates of limestone mineral resources and reserves for the St. Clair mine. Summaries of the St. Clair mine's limestone mineral resources and reserves are shown below in Tables 1.1 and 1.2, respectively. Sections 11 and 12 set forth the definitions of mineral resources and reserves as well as the methods and assumptions used by the QP in determining the estimates and classifications of the St. Clair mine's limestone mineral resources and reserves.

Table 1.1. U.S. Lime Company – St. Clair – Summary of Limestone Mineral Resources as of December 31, 2023, Based On $12.70 Crushed Limestone [1,2]

Resource Category	In Place (tons)	Cutoff Grade (%X)	Processing Recovery (%)[3]
Total Mineral Resources[4]	165,204,000	Above 96.0 ($CaCO_3$)	N/A
Measured Mineral Resources[5]	7,801,000	Above 96.0 ($CaCO_3$)	N/A
Indicated Mineral Resources	129,747,000	Above 96.0 ($CaCO_3$)	N/A
Total Measured and Indicated Resources	137,548,000	Above 96.0 ($CaCO_3$)	N/A

Notes: [1] Price Source from USGS Mineral Commodity Summaries 2023.
[2] Crushed limestone though the crushing circuit.
[3] N/A: Not Applicable because estimated resources are in place.
[4] Inclusive of Limestone Mineral Reserves.
[5] Exclusive of Mineral Reserves.

Table 1.2. U.S. Lime Company – St. Clair – Summary of Limestone Mineral Reserves as of December 31, 2023, Based On $12.70 Crushed Limestone [1,2]

Reserve Category	Extractable (tons)	Cutoff Grade (%X)	Mining Recovery (%)
Probable Reserves	0	Above 96.0 ($CaCO_3$)	81.0
Proven Reserves	22,291,000	Above 96.0 ($CaCO_3$)	81.0
Total Mineral Reserves	22,291,000	Above 96.0 ($CaCO_3$)	81.0

Notes: [1] Price Source from USGS Mineral Commodity Summaries 2023.
[2] Crushed limestone through the crushing circuit.

The modeling and analysis of the St. Clair mine's resources and reserves has been developed by St. Clair and USLM personnel and reviewed by management of the companies, as well as the QP. The development of such resources and reserves estimates, including related assumptions, was a collaborative effort between the QP and personnel of the companies.

The St. Clair mine has been a stable producer of limestone using the current equipment fleet and operating parameters for many years. This operating history and its 2024 budget were used to estimate the unit costs for mining and annual sustaining capital expenditures. Tables 1.3 and 1.4 set forth the estimated capital costs and operating costs, respectively, used to estimate future operations for the St. Clair mine.

Annual sustaining capital costs were estimated using prior-year capital expenditures and St. Clair's 2024 capital budget. Capital expenditures for major mobile equipment replacements were estimated using information from vendors. Limestone mining costs for St. Clair were estimated using historical data and its 2024 budget.

Table 1.3 Capital Costs

Capital Cost Estimate	Cost
Annual Maintenance of Operations	$850,000

Table 1.4 Operating Costs

Operating Cost Estimate	Cost
Limestone Mining and Crushing Cost Per Ton	$4.52

It is the QP's overall conclusions that:

1. Geologically, the St. Clair mine limestone deposit has been proven by abundant widespread local sampling production and drilling results to have quality and thickness that are very consistent. Because of this consistency, the mining method for the mine is straight forward and consists of standard room and pillar underground mining.

2. The data detailed in this report used to estimate the resources was adequate for the resource interpretation and estimation.

3. St. Clair has successfully mined this resource for many years using the same methods that are projected into the future. Significant increases in the cost of mining coupled with large decreases in the selling price of crushed limestone would be required to make mining uneconomic. Historically, St. Clair has been able to increase sales prices in line with cost increases.

4. There are no significant factors onsite that will impact the extraction of this ore body. St. Clair has been in operation for many decades during varying economic and market conditions. The mining operation has been modernized over the last 25 years, which has allowed it to optimize mining of the limestone deposit.

5. Absent unforeseen changes in economic or other factors, including additional federal or state environmental regulations, the economic analysis and the quantity of Proven Reserves indicate the operation reasonably has approximately 50 years of estimated mine life at current production levels.

2 Introduction

This TRS is intended to be an update to the TRS filed December 31, 2021. Unchanged sections are included for clarity and completeness. There has not been any drilling programs on the property since the 2021 filing. The resource and reserve tables have been reconciled for production since the filing date of the previous TRS through the effective date of this update. A primary update was moving the sales point of reference from before the primary crusher to after the crushing circuit and aligning the costs associated with production and sale of crushed limestone.

2.1 Issuer of the Report

Mr. Keith Vickers of SYB Group, LLC ("SYB"), a consultant for USLM for over 20 years, prepared this Technical Report Summary ("TRS") on St. Clair's 's mining operations located in Sequoyah County, Oklahoma. Mr. Vickers is a Qualified Person ("QP"). USLM is a publicly-traded company on the NASDAQ Stock Exchange under the ticker symbol USLM and St. Clair is a wholly-owned subsidiary of USLM.

2.2 Terms of Reference and Purpose

The purpose of this TRS is to support the updated disclosure of mineral resource and mineral reserve estimates for St. Clair's existing mining operations located in Sequoyah County, Oklahoma, as of December 31, 2023. This report is to fulfill 17 Code of Federal Regulations ("CFR") § 229, "*Standard Instructions for Filing Forms Under Securities Act of 1933, Securities Exchange Act of 1934 and Energy Policy and Conservation Act of 1975 – Regulation S-K*," subsection 1300, "Disclosure by Registrants Engaged in Mining Operations." The mineral resource and reserve estimates presented herein are classified according to 17 CFR § 229.1300 Definitions.

The QP prepared this TRS with information from various sources with detailed data about the historical and current mining operations, including individuals who are experts in an appropriate technical field.

The quality of information, conclusions, and estimates contained herein are based on: 1) information available at the time of preparation; and 2) the assumptions, conditions, and qualifications outlined in this TRS.

Unless stated otherwise, all volumes and grades are in U.S. customary units and currencies are expressed in 2023 U.S. dollars. Distances are described in U.S. standard units.

2.3 Sources of Information

This TRS is based upon engineering data, financial and technical information developed and maintained by St. Clair or USLM personnel, work undertaken by third-party contractors and consultants on behalf of the mine, public data sourced from the United States Geological Survey, the Oklahoma Geological Survey, internal St. Clair technical reports, previous technical studies, maps, St. Clair letters and memoranda, and public information as cited throughout this TRS and listed in Section 24. Table 2.3 is a list of the terms used in this TRS.

The 2021 TRS was prepared by Keith V. Vickers, BSGeol, MSGeol, TXPG #3938, CPetG #6152. Detailed discussions with the following were held during the preparation of the TRS:

Mr. Timothy W. Byrne, President, CEO USLM, Dallas, Texas
Mr. Michael L. Wiedemer, Vice President, CFO USLM, Dallas, Texas
Mr. Russell R. Riggs, Vice President, Production, USLM, Dallas, Texas
Mr. M. Michael Owens, Corporate Treasurer, USLM, Dallas, Texas
Mr. Jason Nutzman, Director of Legal and Compliance, USLM, Dallas, Texas
Mr. Wendell Smith, Director of Environmental, USLM, Dallas, Texas
Mr. Ron Terrell, Mine Manager, St. Clair, Marble City, Oklahoma
Mr. Branden Crowder, Production Manager, St. Clair, Marble City, Oklahoma
Mr. Zach Carter, Accounting Manager, St. Clair, Marble City, Oklahoma
Mr. Keith Vickers, SYB Group, USLM Consulting Geologist, Crowley, Texas

Discussions with the following were held for the preparation of this updated TRS:

Mr. Timothy W. Byrne, President, CEO, USLM, Dallas, Texas
Mr. Michael L. Wiedemer, Vice President, CFO, USLM, Dallas, Texas
Mr. M. Michael Owens, Corporate Treasurer, USLM, Dallas, Texas
Mr. Jason Nutzman, Director of Legal and Compliance, USLM, Dallas, Texas
Mr. Joseph Cook, Vice President and Plant Manager, St. Clair, Marble City, Oklahoma
Mr. Ron Terrell, Mine Manager, St. Clair, Marble City, Oklahoma
Mr. Zach Carter, Accounting Manager, St. Clair, Marble City, Oklahoma
Mr. Peter McKenzie, Mining Engineer, Texas Lime Company, Cleburne, Texas
Mr. Keith Vickers, SYB Group, USLM Consulting Geologist, Crowley, Texas

Table 2.3 Glossary of Terms and Abbreviations

Term	Definition
AAPG	American Association of Professional Geologists
AASHTO	American Association of State Highway and Transportation Officials
ALC	Arkansas Lime Company
AMR	Advanced Minimum Royalty
ASTM	American Society for Testing and Materials
AWWA	American Water Works Association
BLM	Bureau of Land Management
CaCO3	Calcium Carbonate
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
DXF	Drawing Exchange File
E	East
F.	Fahrenheit
Fig.	Figure
ft.	Feet
GLONASS	Global Navigation Satellite System
GPS	Global Positioning System
LST	Limestone
N	North
NAD	North American Datum
NPV	Net Present Value
ODEQ	Oklahoma Department of Environmental Quality
ODOM	Oklahoma Department of Mines
OGS	Oklahoma Geological Survey
PG	Professional Geologist
PLSS	Public Land Survey System
QP	Qualified Person
QC/QA	Quality Control/Quality Assurance
S	South
SOFR	Secured Overnight Financing Rate
St. Clair	U.S. Lime Company – St. Clair
TRS	Technical Report Summary
U.S.	United States
USGS	United States Geological Survey
USLM	United States Lime and Minerals, Inc.
WAAS	Wide Area Augmentation System
W	West
XRF	X-Ray Fluorescence

2.4 Personal Inspection

The QP, who has been a consulting geologist for USLM for over 20 years is familiar with St. Clair's mine geology and operation. Over the years, the QP has visited the operation to supervise drilling, log cores and investigate geologic issues associated with specific areas in the mine. Table 2.4 is a partial list of dates the QP has visited the mine. Data, protocols, and specific information required for the TRS were gathered during onsite visits. The St. Clair plant manager and the mine manager provided any detailed information the QP required for the reserve operation and mine plan sections of this report.

On January 27, 2022, the QP met in the St. Clair mine office to review the drill hole and surface sample database and discuss the data needed for the TRS. The QP inspected the mine, visited faces to examine the consistency and thickness, and discussed core storage in the mine. The equipment suite, blasting and mining methods, and costs were reviewed and verified. QP discussed quality control and quality assurance at the mine office with the plant QC/QA laboratory personnel. The QC/QA laboratory personnel provided laboratory XRF standard certifications and instrument service/care contracts. A review of the core and sample preparation for analytical tests occurred and their documentation was provided.

The QP reviewed a report checklist with St. Clair management and the mine manager to ensure all materials needed for the TRS were available. The resource areas, fixed grade control, and production hole sampling procedures were reviewed and clarified. The mining faces were compared to the existing geologic model, and a comparison of the core to production sample chemistry was discussed. The QP had a meeting with the accounting manager to request the financials for the mine's economic analysis.

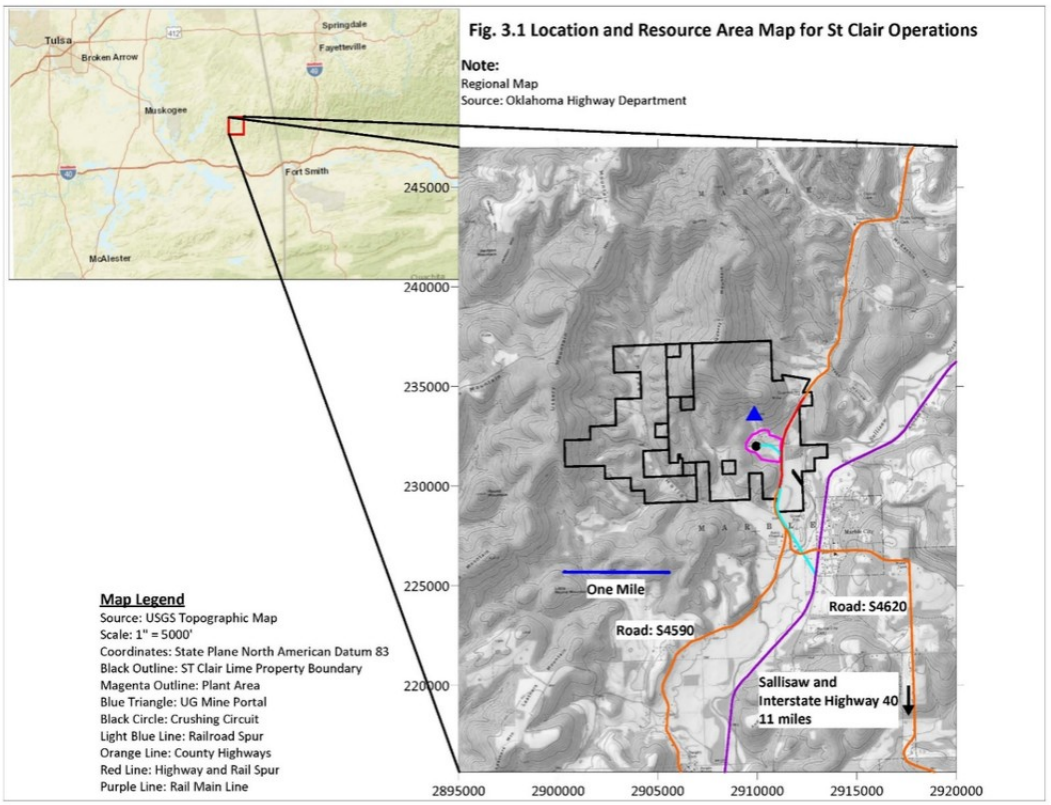
Table 2.4 Visits Made by QP to St. Clair Mine

Date	Reason
2005	Due Diligence for Acquisition & Core Drilling
2006	Supervise Core Drilling Project
2018	Supervise Core Drilling Project
2018	Inspection Sampling Locations for Physical Testing
2021	Meeting to Review and Obtain detailed Information for TRS

3 Property Description

3.1 Property Description and Location

St. Clair operations (35°35'52.80" N, -94°49'57.35" W, Fig. 3.1 GoogleEarth 2021) are located in Sequoyah County, north of Sallisaw, Oklahoma, 9.5 miles by county road to Marble City and then another 1.5 miles north.



3.2 Mineral Rights

St. Clair owns approximately 1,400 acres in fee and has mineral leases covering approximately 1,340 acres (AcreValue website, 2021) (USLM internal report). St. Clair holds all surface and mineral rights on the fee property. The mineral leases convey the right to explore, build infrastructure, extract, and process limestone. A detailed mineral lease discussion follows in Section 3.4.

3.3 Significant Encumbrances or Risks to Perform work on Property

There are no significant issues or risks to work on the properties outside of those generally related to mining operations.

3.4 Lease Agreements or Income from Royalties

Currently, St. Clair is not mining on any leased property and anticipates continuing to mine on the company's fee land until resources there are depleted.

There are eleven leases that were signed between 1985 and 1986. They were assigned to St. Clair by O-N Minerals in 2005 with the property owners (referred to herein, collectively, as the "Lessors"), providing the authority for St. Clair to explore, build infrastructure, extract, and process limestone and dolomite. The following summarizes the leases in which St. Clair is the Lessee, as stated in the 2005 Executive Property Summary prepared for due diligence (USLM Internal Report by staff, 2005). Lease ownership history is listed:

- Pluess-Staufer Industries – Originator
- Global Stone Assignment from Pluess-Staufer
- O-N Minerals Assignment from Global Stone
- St. Clair (USLM) Assignment from O-N Minerals

The state of Oklahoma's property system is organized under the PLSS of the United States government. The mineral leases are with private owners. Material terms are predominately standard with AMR being the same except for one lease and production royalty rates being the same for each lease. There is generally a stated initial term of each lease, with automatic extensions for so long as the lease terms are met, or mining operations are conducted in a described area. The leases' current term ranges from 25 to 75 years. The description of the leased area has remained the same over the years and is described in terms as defined by the BLM Manual of Surveying Instructions (Abbey, 2009). Examples are 1/4NE 1/4NE 1/4SW, N2 NW1/4, NE1/4 of T5N R13E S 11 or Township 5 North, Range 13 East, Section 11.

Initially, the Lessee paid an AMR per lease, either $50 or $300 per month, and payments are recoupable against earned royalties due under the leases. The production royalty is $0.25 per ton when production is established. Both AMR and Production Royalty are indexed to the Producer Price Index for Non-metallic Mineral Products (Code 13) every five years. Under the existing mineral leases, the Lessor is responsible for ad valorem taxes. The Lessee is responsible for any taxes on infrastructure and equipment they own. Any taxes directly related to production from an operating mine are the responsibility of the Lessee.

St. Clair currently has no royalty interest in any fee or leased lands in the operational area.

4 Accessibility, Climate, Local Resources, Infrastructure, and Physiography

4.1 Topography, Vegetation, and Physiography

The area's topography is characterized by narrow valleys with steep-sided ridges connecting to several main river drainages. St. Clair's operations are located at the base of Quarry Mountain ridge. The elevation ranges from 1,450 ft. to 550 ft. The valleys are covered with thick alluvial sediments and the ridges have moderate soil cover on top but little to no soil on the sides.

The tree types are dominated by oak, hickory, pine, and cedar glades (Rafferty, 1988). The flat valley floors are primarily agricultural land cover in typical grasses common to the area.

The operation is in the physiographic region known as the Ozark Plateau (Digitalprairie website, 2021). Three distinct plateau regions characterize the province connected one time in the past, but erosion has separated them. The areas have been eroded into high ridges approximately the same height separated by steep-walled valleys that merge into larger open flat areas occupied by the main river drainages.

4.2 Accessibility and Local Resources

Primary access to the operation is by county highway N4610 from Marble City and S4620 from the city of Sallisaw, located on Interstate 40. Marble City is a small community that does not have an airport. A municipal airport serves Sallisaw and commercial airline travel is through Ft. Smith, Arkansas (25 miles) or Tulsa, Oklahoma (95 miles). Roads are paved and are traveled daily by multi-axial vehicles. The Kansas City Southern Railway runs near the plant and there is a spur into the operation. Most of the operation's workers live in the rural area near the mine or Sallisaw (GoogleMaps website, 2021).

4.3 Climate and Operating Season

The average rainfall for Sequoyah County, Oklahoma, is 38 inches of rain per year. The County averages four inches of snow per year. On average, there are 218 sunny days per year. The County averages 87 precipitation days per year. Precipitation is rain, snow, sleet, or hail that falls to the ground. Temperature ranges from a high in July of 92 degrees F. to a low of 27 degrees F. in January. The underground mine is not affected by the weather conditions and the operating season can be year-round. (www.bestplaces.net/climate, 2021)

4.4 Infrastructure

4.4.1 Water

There are no issues with the water supply. The operation water requirements are served by spring and surface water from the mine.

4.4.2 Energy Supply

The mine fuel supply is from distributors in Ft. Smith, Arkansas. A state power grid supply supplies electrical power to the operation.

4.4.3 Personnel

Ft. Smith has a population of over 87,000, and the nearby town of Sallisaw has 8,500 people that the mine can draw from for new or replacement employees (www.population.com, 2021).

4.4.4 Supplies

The supply chain is a low priority issue for the mine as its proximity to Sallisaw and Ft. Smith provide the most common needs. Tulsa and Oklahoma City are alternate sources if needed. Tulsa and Oklahoma City are large suppliers to the state's oilfield and other mining operations. Several trucking companies provide service to the operation from the above supply centers.

5 History

5.1 Prior Company Ownership

In 1937, the OGS recommended that the owners of a lime company at Oklahoma City move to the current location of the St. Clair mine (Ham et al., 1943). The OGS made the recommendation because of the detailed field and analytical work that OGS had done on the Quarry Mountain formation.

Table 5.1 Company Ownership History

Year	Company	Operations/Activity
1938	Homer & Hilmer Dunlap, dba St. Clair Lime Company	Company Startup, Surface Mine
1938	St. Clair Lime Company	Built 2 Shaft kilns in Sallisaw, OK (plant)
1953	St. Clair Lime Company	First Portal to Underground Mine, East Side
1955	St. Clair Lime Company	Second Portal, Underground, South Side
1964	St. Clair Lime Company	Built 1st Rotary Kiln (KVS)
1971	St. Clair Lime Company	Built 2nd Rotary Kiln (Fuller)
1995	Global Stone Corporation	Purchased St. Clair Lime Company
1998	Oglebay Norton Company	Purchased Global Stone Corporation and later renamed it O-N Minerals – St. Clair
2005	United States Lime & Minerals, Inc.	Purchased O-N Minerals – St. Clair and renamed it U.S. Lime Company – St. Clair

Source: St. Clair and USLM personnel.

5.2 Exploration and Development History

Table 5.2 St. Clair Historical Drilling Projects

Year	Company	Purpose	Summary of Work	Comment
1962	St. Clair Lime	Development	Limited Surface & Production Drilling	4 cores utilized by OGS in the 1965 regional study
1965	OGS	Research, Geologic Study	3 holes drilled regionally, measured sections	OGS Bulletin 105 was published
2000	Wallace Mitchell PG	Resource Extent	Examined ore coverage on entire Property	Drilled 2 holes north end of the leased area and utilized UG face, outcrops, and offset property holes
2004 to Present	O-N Minerals – St. Clair	Development	Mining face QC/QA production drilling sampling	Daily sampling of mine faces to confirm the quality
2005-06	USLM	Acquisition Exploration	Established ore present on the total property (fee and leased)	Drilled 8 holes on north leases and 1 hole on fee to complement the previous data points.
2017	St. Clair	Development and explore full potential of ore thickness	Proved economic ore thickness in the south in front of mine	Drilled 16 holes on fee land southwest of UG mine.

Note: A detailed discussion of all drilling and results is in Section 7.1.

6 Geologic Setting, Mineralization, and Deposit

The first mining operations in the area were for dimension stone, commonly called "Marble" because of the limestone's hardness and suitability for construction. This "Marble" would later be identified as the Quarry Mountain Limestone (Silurian Age). Marble City, the upper member of the Marble Mountain formation, had the appearance of marble and was one of the few outcrops in the state that met that demand. In 1938 the St. Clair Lime Company was formed, producing quicklime from two shaft kilns. The mining operation started as an open pit mine and transitioned to an underground mine in 1958. The mine has supplied limestone to the plant continuously since 1938 (more than 80 years).

6.1 Regional Geology

The following is an excerpted summary of the sedimentary history of the Ozark region from Huffman, 1958 (OGS Bulletin 77, 1958):

The advance of the Upper Cambrian age seas deposited thick sequences of dolomite. The sea advance was followed by a period of erosion and then advancing seas in the Upper Ordovician started a long period of limestone development. During this time, limestone was deposited in thick beds with periodic shale deposition because of deeper seas. A period of receding seas resulted in extreme erosion removing strata to the bottom of the Late Ordovician age Sylvain shale.

The Quarry Mountain limestone (Hi-calcium) was deposited when the seas advanced in the Silurian age. Next, from the Silurian until the middle of the Devonian, a series of fluctuating sea levels deposited limestones and sandstones. Then significant erosion would occur when the sea receded. This erosion would partially or entirely erode the pervious strata in areas leaving scattered remnants of formations. Then a period of tilting produced more erosion in front of the advancing Late Devonian sea that covered the Ozark Uplift with deep water and deposited the thick Chattanooga shale.

Alternating cherty limestones and shales characterize the period from the Mississippian to the Pennsylvanian age as the sea level, tilting, and uplift events continued to repeat, with erosion occurring when the seas had a significant retreat.

In Early Pennsylvanian time, emergence and uplift to the north of the region provided land-derived clay and sand input, so limestone deposition contained significant amounts of the material.

These lithologies continued until the Middle Pennsylvanian time when alternating shales and sandstone dominated the area and limestone deposition was subordinate.

Next, the Ozark Uplift was significantly elevated, which is believed to be caused by the tensional stresses resulting from the Arkoma Basin development and filling. The uplifting resulted in large-scale regional Northeast trending normal faults.

Since the end of the Pennsylvanian, recent geologic history has been marked by erosion of the Uplift producing extensive valleys and the deposition of sand and gravels. Fig. 6.1 shows the regional geology of northeastern Oklahoma with a stratigraphic column.

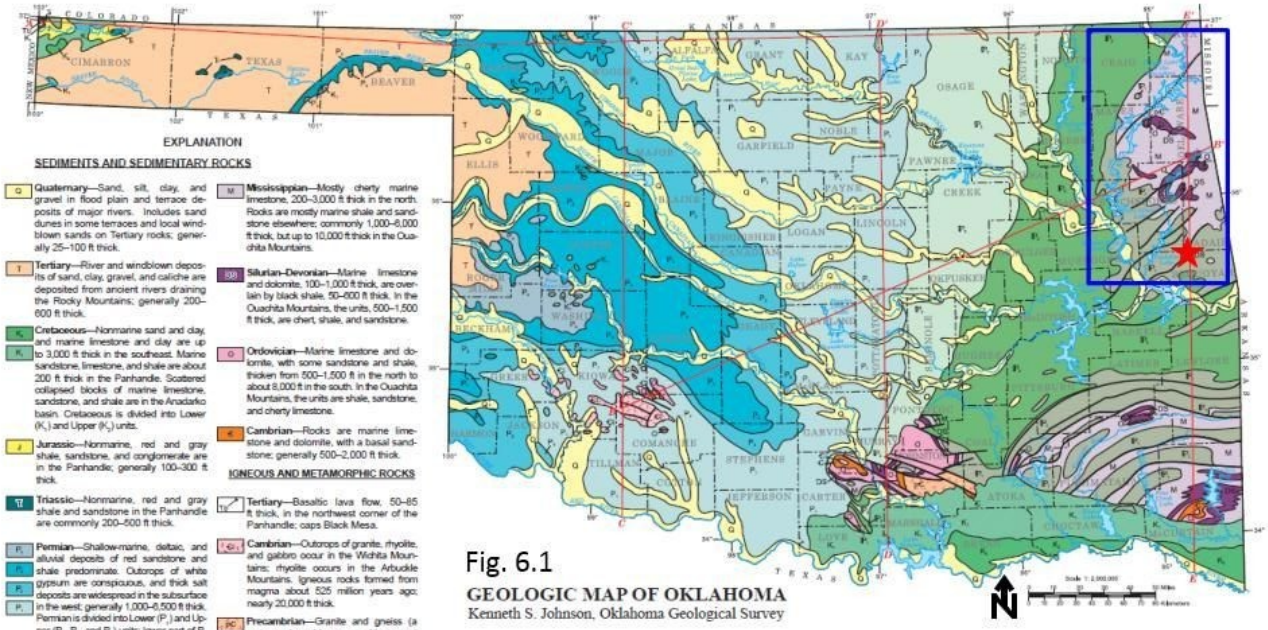


Fig. 6.1

GEOLOGIC MAP OF OKLAHOMA

Kenneth S. Johnson, Oklahoma Geological Survey

Blue Box: Ozark Uplift In Oklahoma

Red Star: US Lime Company - St Clair

6.2 Local and St. Clair Property Geology

Locally, Sequoyah County surface geology consists of parallel gentle anticlines and synclines with numerous parallel faults between them. Oil well data has shown that the Marble City formation is 3,000 ft. below the mine elevation across the entire southeastern part of Sequoyah County, including the Sallisaw area. The St. Clair area is located at the far south end of the Ozark Uplift, approximately 24 miles north of the subsurface edge of the Arkoma Basin.

The rocks in the St. Clair area range in geologic age from the Quaternary to the Ordovician. The strata from above the lower Pennsylvanian (Atoka Formation) to the Quaternary has been eroded or missing because of non-deposition.

The Ordovician lithologies represent high sea levels and clear water. The lower part was dominantly marine rocks with the deposition of limestone and dolomite. The inter-layered clean sandstones in the upper part were deposited offshore and reworked by the advancing sea (Snider, 1915). The age ended with a complete withdrawal of the sea and a period of substantial erosion occurred. The Silurian age lithologies represent another high sea-level stand reversing the conditions at the end of the Ordovician. These conditions were perfect for reef growth which produced sediments high in $CaCO_3$ material. The

Marble Mountain limestone is the only Silurian age formation present locally. The outcrop near the mine is one of the few in the state. The end of the Silurian and the beginning of the Devonian was a period of falling sea level. This period of exposure and erosion was long-term and removed several formations by producing erosional valleys and plains. At the same time, there was a structural down warping to the south, which tilted the existing lower rocks to the south. The Frisco limestone and Sallisaw sandstone are transitional lithologies from low to high sea levels. The Chattanooga shale (Devonian and Mississippian ages) exemplifies fine-grain deep water sediments. This shale deposition is widespread across Eastern Oklahoma, Arkansas, Missouri, Tennessee, and Ohio.

The remainder of the Mississippian age was dominated by recurring deep water sediments followed by shallow water carbonates with the occasional period of exposure and erosion. There are six sea level cycles in the geologic record. In the middle of the Pennsylvanian, the depositional environment changed to sediments from a land origin. This change is evidenced by the rocks of the Atoka formation consisting of river and deltaic sediments, producing rocks dominated by high clay and silica content.

The St. Clair area structure presents nothing different from the regional structural fabric. The units dip east-southwest gently (4 to 5 degrees) toward the Arkoma Basin unless they are very near a structural feature where the dip can reach a magnitude of 40 degrees. In the immediate area south of the operation, the Marble City and the Lyon faults form a southeast truncation for any exposures of the Marble Mountain formation. Both faults trend northeast to southwest. The displacement across the faults is estimated greater than 500 ft. since the Atoka formation is at the surface in the valley on the southeast side of the fault and top of Quarry Mountain (1,300 ft.) on the northwest side of the fault.

No faults have been encountered in the history of mining at St. Clair. The Quarry Mountain ridge is characterized as a low-angle anticline. This anticline trends the same as the regional structures. The mine area is located on the eastern limb. (Ham and Teal, 1943)

6.3 Mineralization

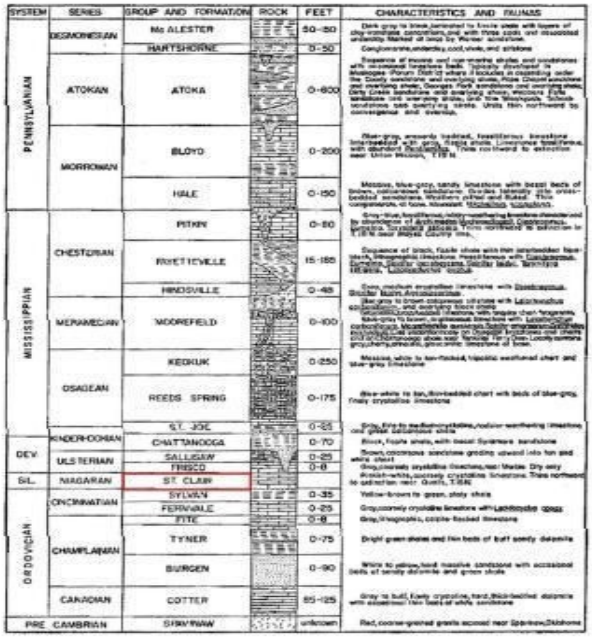
High calcium limestones are the product of unique depositional environments only, not by subsurface alteration or enhancement. No subsurface mineralization has occurred to create or enhance the $CaCO_3$ content in this deposit. The $CaCO_3$ content is the product of reef organisms that build their exoskeletons out of $CaCO_3$ derived from the marine environment. The reef area has very limited or no exposure to sources of noncarbonate materials such as clay, silica, iron that would reduce the $CaCO_3$ content.

6.4 Stratigraphy and Mineralogy

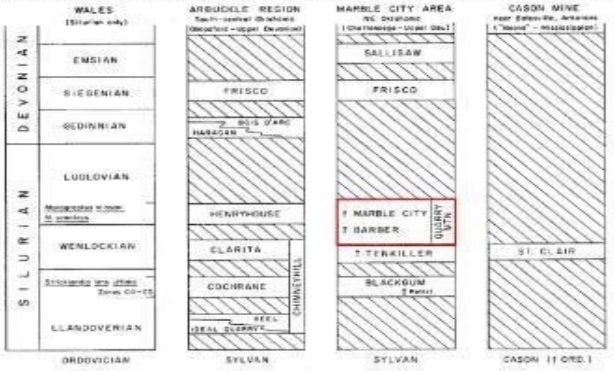
The Quarry Mountain formation is subdivided into two members. The Upper Marble City member is a clean high purity calcium limestone with a $CaCO_3$ composite consistently above 96.0%. This limestone has been extracted throughout the mine's history at St. Clair. The Lower Barber member ranges from a dolomitic limestone to dolomite. The OGS marks the division between the two members where the $MgCO_3$ content exceeds ten percent. This use of $MgCO_3$ content is a somewhat arbitrary division. The dolomite content was used for dividing the members because no clear division was defined by lithology and fossil content.

Infrequently in the Marble City member, there are dolomitic lenses and there are lenses of non-magnesium limestone in the Barber. The lenses have a limited lateral extent and St. Clair utilizes appropriate mining practices when these are encountered.

Fig. 6.4-1 are stratigraphic columns for the local area and the St. Clair mine. Fig. 6.4-2 shows a cross-section and index map south of the mine. The section is oriented north and south to the south edge of the mined area. The cross-section only highlights the topography and top and bottom structures of the ore interval.



A. Generalized Stratigraphic Column for the Local St Clair Area (Huffman, 1958)



B. Correlation chart for Revised Stratigraphy St Clair Area (Amsden, 1965)

Fig. 6.4-1, Stratigraphic Columns for the St Clair Area

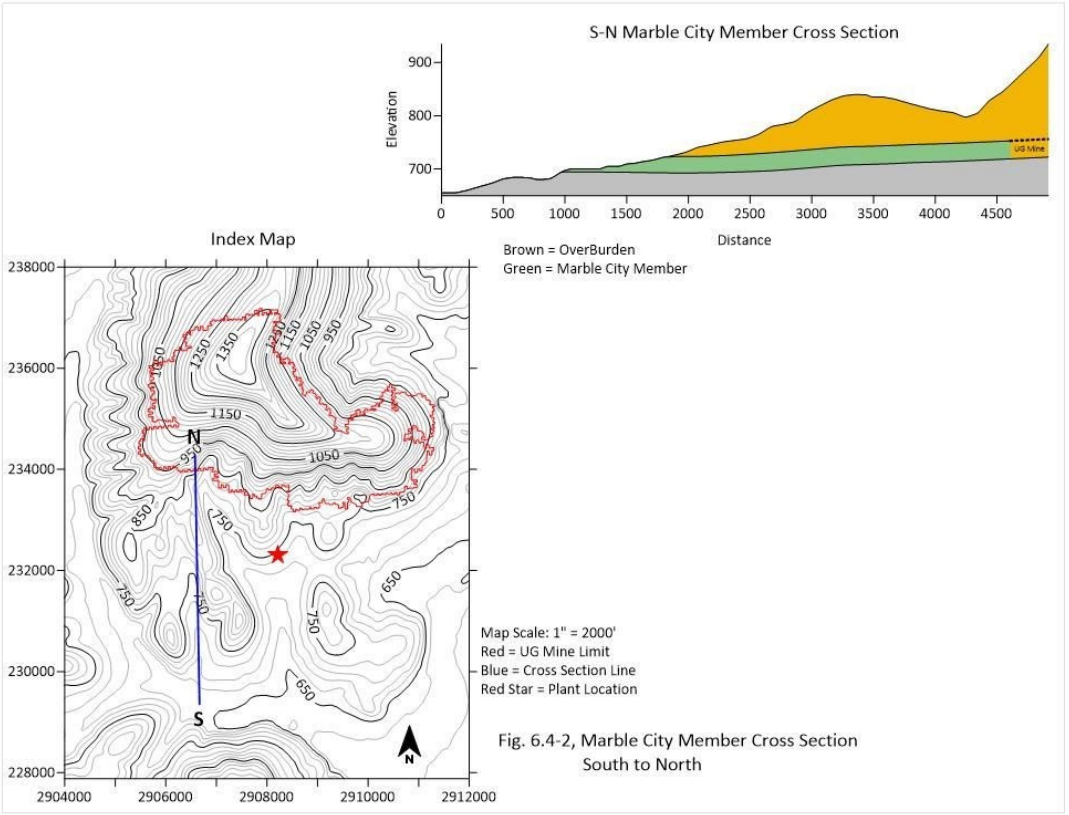


Table 6.4 St. Clair Property Stratigraphy

Stratigraphic Unit	Thickness Approximate Range	Primary Lithology
Frisco LST	0 ft. to 8 ft.	Coarse Crystalline Limestone Devonian Age
Marble City Member LST	0 ft. to 160 ft.	Upper Part of Quarry Mountain, pure Bioclastic LST, Silurian Age
Barber Member LST/Dolomite	0 ft. to 80 ft.	Lower Part of Quarry Mountain, Dolomite/LST to Dolomite, Little Insolubles
Tenkiller LST	0 ft. to 27 ft.	Limestone, Bioclastic, Moderate Insolubles

7 Exploration

The database used for the St. Clair geologic model is composed of multiple sources of data types. These sources include core and drill cuttings, measured sections (from OGS), and underground mine production sampling. Minor exploration drilling has been necessary for the past 30 years because of St. Clair's significant land position. A considerable amount of recent drilling has been near the mine and on St. Clair property.

7.1 Drilling Programs

A summary of drilling projects to date in the local vicinity and on St. Clair property is in Table 7.1-1. These projects include research, exploration, development, and production drilling by diamond and percussion bit methods. Fig. 7.1-1 shows all the St. Clair Drill Holes.

Table 7.1-1 All St. Clair Drilling Projects

Year	Company	Purpose	Summary of Work	Comment
1962	St. Clair Lime	Development	Limited Surface & Production Drilling	4 cores utilized by OGS in the 1965 regional study
1965	OGS	Research, Geologic Study	3 holes drilled regionally, measured sections	OGS Bulletin 105 was published
2000	Wallace Mitchell PG	Resource Extent	Examined ore coverage on entire property	Drilled 2 holes north end of the leased area and utilized UG face, outcrops, and offset property holes
2004 to Present	O-N Minerals – St. Clair	Development	Mining face QC/QA production drilling sampling	Daily sampling of mine faces to confirm the quality
2005-06	USLM	Acquisition Exploration	Established ore present on the total property (fee and leased)	Drilled 8 holes on north leases and 1 hole on fee to complement the previous data points.
2017	St. Clair	Development and explore full potential of ore thickness	Proved economic ore thickness in the south in front of mine	Drilled 16 holes on fee land southwest of UG mine

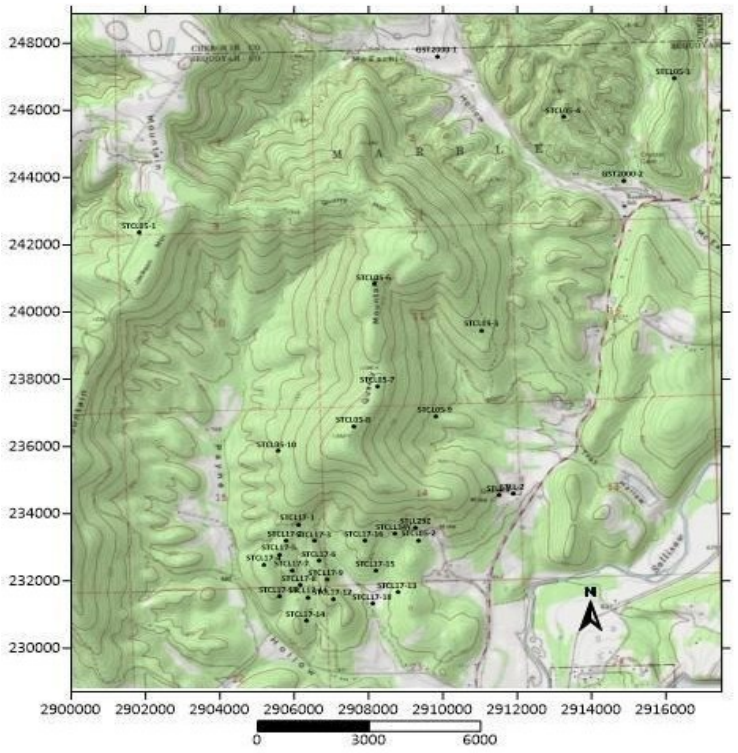


Fig.7.1-1, All St Clair Drill Hole Locations

In 1965, the OGS conducted a detailed study on the limestone stratigraphy and lithology at St. Clair which at the time was designated as the St. Clair formation (Amsden TW and Rowland TL, 1965). The study utilized four cores donated from St. Clair Lime Company, three cores from a previous OGS drilling program, cuttings from 17 rotary/cable tool rigs (oilfield), measured sections of surface exposures, and mining faces in the St. Clair mine. The laboratory work consisted of chemical analysis, insoluble residue, and thin sections of the surface samples and the available cores. Because the limestone at St. Clair had very few outcrops, existing oilfield down-hole logs and drill cuttings were examined in areas where the formation was below the subsurface to confirm regional continuity (not chemical content). The results provided evidence the limestone at the mine was mistakenly identified as the St. Clair formation. It was renamed as the Quarry Mountain formation and divided into two members: the Upper Marble City member and the Lower Barber member. The division was based on the chemical content of the members. The average $CaCO_3$ percent from the Marble City member chemical analysis was 97.6% Two of these cores are beyond the St. Clair area. The oil well cuttings examination revealed the Marble City member is present 40 miles to the west and 30 miles to the south at depths

between 1,000 ft. and 2000 ft. This project proved the Marble City member existed over the St. Clair property with reasonable thickness and chemical qualities.

Procedures for the study were as follows:

- Measured sections followed standard field practices for determining lithology and thickness. Individual samples from beds and channel sampling for chemical analysis were taken from the sections.

- Cores were sawed lengthwise and a large section was saved and stored. The smaller section was used for examination and analysis. Core recovery was 100%, with a few exceptions.

- Oil well cuttings were collected and logged at the rig and any well with mislabeled, missing samples, or caving in the crucial interval was omitted. Marble City presence was determined from cuttings and thin sections by comparison to cores and surface exposures. Down-hole logs supplemented these determinations. Dolomite content by visual assessment of formic acid reaction. Insoluble residue by visual determination after digestion with HCl acid. The OGS author cautions that the results from the cutting analysis represent a lower order of precision than other sample methods.

- The OGS laboratory conducted chemical analyses under their standardized procedures. The smaller section of the sawed core was visually examined for lithology and carbonate content (Lemburg staining) determination. Then lithostratigraphic units were subdivided into smaller intervals for chemical analysis. These smaller lots were crushed with a jaw-crusher (1/4 in. size) and split, employing a riffle splitter to a split size of approximately 2 pounds. The split was then ground to -60 mesh. This procedure was utilized so the chemical analysis would represent a continuous channel sample of rocks cored.

- Two analyses were performed on the prepared core samples: 1) Acid digestion of a sample, then analyzed the soluble part by titration to determine the total calcium and magnesium carbonate content, and the insolubles were reported as a percentage. OGS laboratory reports the precision of this technique is on the order of 0.1% or better; and 2) complete analysis on composites of smaller lots, weighted samples composed of one gram from each ft., analyzed for LOI, $CaCO_3$, and $MgCO_3$ as above, SiO_2, R_2O_3, Fe_2O_3, Al_2O_3, P_2O_5, K_2O, S, trace element analysis by emission spectrochemical analysis using artificial external standards. Analytic reproducibility is accurate (at the time of the study) to be within +/- 10%.

Note: This TRS is focused on the Marble City member of the formation and those results will be presented herein.

The measured sections and surface sampling results from this project are presented in Section 7.3 below.

Table 7.1-2 Drilling Summary of OGS 1965 Study from the Amsden TW and Rowland TL, 1965

Core/Cuttings	LST Thickness (ft.)	Top Depth (ft.)	Average $CaCO_3$ Percentage (%)
OGS 1 Core	34	0	98.0
OGS-2 Core (Barber)	37*	0	22.9*
OGS-3 Core	70	0	97.2
STCL-1 Core	63	22	97.4
STCL-2 Core (Barber)	59*	Above collar	19.3*
STCL-29Z Core	61	26	98.6
STCL-34Y Core	32	42	97.1
Well A-Mabee Cuttings	160	910	No Chemistry
Well B-Burke Cuttings	110	580	No Chemistry
Well C-Ready Cuttings	61	20	No Chemistry
Well D-Cook Cuttings	160 (upper mixed)^	755	No Chemistry
Well E-Cheek Cuttings	135	3,020	No Chemistry
Well F-Snow Cuttings	155	1,030	No Chemistry
Well G-Blake Cuttings	171 (mixed)^	2,209	No Chemistry
Well H-Padgett Cuttings	55# (log top)	905#	No Chemistry
Well I-Dunagan Cuttings	133	2,327	No Chemistry
Well Williamson Cuttings	50	2,210	No Chemistry
Well K-Walker Cuttings	0	None	No Chemistry
Well L-Bennett Cuttings	0	None	No Chemistry
Well M-Graham Cuttings	100	4,655	No Chemistry
Well N-Grant Cuttings	0	None	No Chemistry
Well O-Brandon Cuttings	0	None	No Chemistry
Well P-Lackey Cuttings	0	None	No Chemistry
Well Q-Haggard Cuttings	0	None	No Chemistry

Note: * No Marble City present, Barber Analyzed
^ Mixed Samples from 2 units, unclear
# Log top used

In 2000, the mine owner drilled two exploration core holes at the far north end of the St. Clair property (Fig. 7.1). The purpose was to confirm the continuity, thickness, and chemical quality of the Marble City member at the northern end property. The project's procedure was:

- A GPS unit surveyed hole locations. Both locations were chosen where the Marble City was close to the surface to limit drilling time.
- The geologist supervising the project visited nearby hollows and valleys) and confirmed the presence of Marble city outcrops that the 1965 study had examined. Some data were available from holes drilled by a previous owner to the geologist (data not available or lost now).
- Core size was drilled using a rig with a wireline retrievable core barrel setup. A Cone rock bit was used to drill through overburden until bedrock was encountered.
- The core was logged at the hole site using routine logging methods; $MgCO_3$ and SiO_2 were listed on the log after analysis was completed.
- The cores were split and then analyzed for CaO, MgO, Al_2O_3, SiO_2. The laboratory performing the work was not listed. Analysis samples were composited based on lithology.

The results of the hole analysis are presented in Table 7.1-3 below.

Table 7.1-3 Summary of 2000 Exploration Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
St. Clair N. Property	2	60	98.1

Note: W. Mitchell Report, 2000 drilling

W. Mitchell reported the data from 5 holes about three miles north of the St. Clair mine. The data was incomplete, some holes had logs, and others did not. They all had analysis and four out of the five confirmed continuity and chemical quality of the limestone ore zone. These holes were not part of the drillhole database. This project provided data confirming the lateral continuity and chemical quality of the Marble City member at the far northern extent of the St. Clair property.

In 2005, USLM purchased all the outstanding stock of O-N Minerals (St. Clair) Company from O-N Minerals (Lime) Company, a subsidiary of Oglebay Norton Company. Part of the due diligence was to drill the property to confirm the existence of the ore between the active mine and the northern two 2000 project holes. Because the terrain is very rugged with steep- sided ridges, it was decided to drill a widespread pattern of locations with existing reasonable access. Historical quality and thickness from the mine were used in designing the drilling criteria and pattern. In 2005, the mine had an 8,500 ft. long face forming a 180-degree continuous ore zone exposure. The mine face was used as a continuous drill hole for correlation purposes. The mining had

operated continuously for approximately 60 years providing the plant with crushed limestone for processing into products with consistent quality. The drilling program consisted of nine core holes; five were drilled on St. Clair property north of the mine and four were drilled nearby the mine. USLM approved the methods and procedures. These protocols for drilling, logging, and sampling cores had been developed over several years as equipment and analyses had changed. The project procedures were:

- Contract geologists selected core drilling locations with the approval of sites and drilling budget by USLM management.
- Core drilling was conducted directly under the supervision of contract geologists. All core was logged by SYB Group or an approved USLM contract geologist using a protocol modified from the Shell Sample Examination Manual (Swanson, 1981) that was modified by SYB and approved by USLM.
- After final selection, hole locations were surveyed by hand GPS (WAAS and GLONASS capable).
- Immediately upon retrieval, the core was placed on a V-shaped trough. All core pieces were fitted together and labeled with a permanent marker in one-foot intervals.
- Characteristics related to the suitability of the limestone products for customers and geology were recorded. These items are stratigraphy, key marker lenses/layers, lithology characteristics, visual identification of ore top and bottom, and structural disturbance.
- The core from each drill hole was placed into cardboard boxes in two-foot intervals totaling 10 ft. at the drill site. The boxes were labeled with a box number, company information, hole number, core runs, and depths marked on each box. The boxes were then delivered to the St. Clair core processing area. Then they were prepped for transport to the ALC core storage center.
- The contract geologists were responsible for examining the core and compiling a detailed interval list for XRF analysis. This list was later entered into Excel to build an analysis database. The analysis intervals were chosen on two ft. lengths and intervals of six to ten ft. above and below the lithologically identified ore zone were chosen. This excess was so the top and bottom of the ore could be chemically defined.
- Once the cores were at the ALC core storage area, the core intervals were diamond sawed into two-thirds to one-third splits. The interval's one-third split was then bagged in a plastic bag and labeled with the depth interval to be analyzed. The two-thirds split was carefully placed back in the box for reference.
- The bagged intervals are kept in plastic labeled buckets or boxes in separate groups by the hole and then submitted to the ALC QC/QA laboratory for XRF analysis. Any portions of samples not destroyed during the testing process are still stored at the ALC core storage facility.

The ALC QC/QA laboratory performed the XRF analysis on these cores using the USLM laboratory protocols (discussed in Section 8).

This drilling further substantiated the lateral continuity, consistent vertical thickness, and average $CaCO_3$ quality above 96.0% for the Marble City member ore interval. Holes drilled on the northern properties confirmed the results from the Marble City member's 2000 hole chemistry and thickness. The four holes drilled nearby the mine agreed with the production chemistry and mining thickness observed in the mine. The chemistry and thickness from drilling and historical data from the mining operation would be used in future mine planning. The results from this project are listed in Table 7.1-4 below:

Table 7.1-4 Summary of 2005 Exploration Drilling

Property	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
St. Clair N Leased Prop.	5	51	97.7
St. Clair Fee Prop	4	45	98.01
Total	9	48	97.8

Note: From 2006 SYB Group Drilling Report.

Recent acquisitions (2017) by St. Clair Lime southwest of the mine required drilling for resource assessment. Mining face chemistry and thickness again was considered as drill hole data. The project's design and criteria considered the results from two existing holes nearby. The area consisted of a set of elongate north-south trending ridges. The ridges had outcrops on three sides. The hole pattern consisted of 16 holes in a grid pattern of variable spacing to accommodate the topography. Primary objectives for the drilling were: 1) to confirm the ore body presence, extent, consistency; and 2) drill to the bottom of the Quarry Mountain formation since little deep drilling had been done in the past. This project's protocols and procedures are the same as the 2005 drilling project listed above.

The bottom of the Quarry Mountain formation was drilled in each hole and the vertical extent of the existing ore zone was defined. The Marble City member was present in every hole, but one, and the thickness was consistent with the mining height. The ore thickness was thicker than the mining face height in three holes. The occurrence of small dolomitic limestone pods or lenses in two holes will require production monitoring methods currently being utilized in the mine.

The results of this drilling project are presented in Table 7.1-5.

Table 7.1-5 Summary of 2017 Exploration Drilling

Project	Number of Holes	Average LST Thickness (Ft.)	Average $CaCO_3$ Percentage (%)
St. Clair 2017 Drilling	17	34	97.6

Note: From 2017 SYB Group Drilling Report.

The mine had a production QC/QA program before USLM purchased the operation and was continued with modification to the present day. Complete records for the analytical program have existed since 2004. Records from prior years are incomplete or unlocatable.

This database provides a comprehensive insight into the ore zone's composition, thickness, and variability over a considerable time span. The program consists of compositing cuttings for one row from the top, middle, and bottom of the face blast hole pattern. Every mining face to be blasted is sampled using this method. This sampling amounts to 40% of the hole pattern. It is estimated that the average number of samples analyzed for production QC per year over the past five years is 490.

St. Clair Procedure for Collecting Drill Cuttings:

- Drill operator identifies face location. Row (Numerical), Column (Alphabetical), Cardinal Direction (N, E, S, W) (Example 1 A North).
- Labels collection bags with location and hole location (Top, Middle, Bottom).
- Driller starts drilling the face.
- Driller collects floor cuttings across the face from left to right and puts them into a bag labeled bottom (Example 1 A North Bottom).
- Driller collects middle cuttings across the face from left to right and puts them into a bag labeled middle (Example 1 A North Middle).
- Driller collects roof cuttings across the face from left to right and puts them into a bag labeled top (Example 1 A North Top).
- Driller drops off drill cuttings at the laboratory at the end of shift.
- The cuttings are then logged in and processed by the laboratory personnel using USLM protocols (discussed below in section 8.0).

This production data has been used to map chemical trends in the ore deposit to estimate quality ahead of the mining faces and floor. This QC data's average mine production quality has been above 96.0% $CaCO_3$.

A list of the holes used in the model with the hole name and XY coordinates can be found in Appendix A.

All holes' lithology, chemical analysis, and ore interval were plotted as logs. These logs were used to correlate stratigraphy, lithology, and ore zone intercepts. Also, they form a visual catalog of all the hole data. A recent core log is shown below in Fig. 7.1-2.

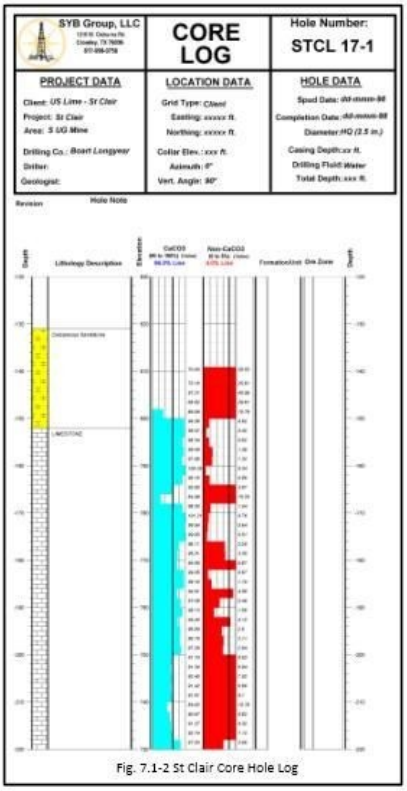


Fig. 7.1-2 St Clair Core Hole Log

7.2 Surface Mapping and Sampling

In 1943, OGS (Ham et al., 1943) performed a study to define the extent and chemical content of the Marble City member (named St. Clair then) in more detail than previous work. The OGS sampled outcrops and mine faces in and around the St. Clair Lime Company mine. The work identified three chemical zones that matched the three differing lithologies of the member. The results for zone two represent the ore zone in the St. Clair mine. The zone two thickness ranged from 55 to 70 ft. and chemistry was consistently above 96.0 % $CaCO_3$. Some small random lenses of dolomitic stone were sampled, which slightly lowered the $CaCO_3$ content. In all areas sampled, $CaCO_3$ and $MgCO_3$ content were 99 % of zone two limestone. St. Clair zone two $CaCO_3$ content averaged above 96.0%, and Independent Gravel Company quarry (an adjacent operation) $CaCO_3$ averaged above 96.0%. The results of this study documented in detail the high purity of the Marble City member 70 years ago.

The procedures for the study are as follows:

- Surface samples were taken every inch along a perpendicular line to the dip of the beds. Samples were composited every five ft. or when there was a change in lithology.
- The OGS laboratory analyzed samples under the direction of the Survey Chemist.

The 1965 OGS comprehensive study (Amsden and Rowland, 1965) utilized surface examination, fossil collection, and measured sections as part of the project. There is not an entire section exposed at any one of the sites. The authors relied on quarries and mines to supplement the outcrops. The correlation of these partial sections also benefited from the subsurface cores and wells nearby used in the study.

The surface sampling was limited to fossil collection. This part of the study was directed toward obtaining lithological and stratigraphic information. It is essential because the sampling locations provided evidence on the lateral extent of the Marble City member ore interval. Table 7.2 lists the surface locations where the Marble City member was present and the measured thickness. The distribution of these locations supports the recent drilling proving the Marble City member is consistently present across the entire St. Clair property. The QP has visited some of the nearby locations mentioned in this report to confirm the report findings and observe the ore zone in the outcrop.

Table 7.2 Surface Location Summary of OGS 1965 Study

Location	LST Thickness (Ft.)
Ch1 SE Cherokee Co.	Top Marble City exposed only
Ch2 SE Shore Tenkiller Lake	Upper Barber exposed
Ch3 SE Town of Barber	No exposure
Ch4 W Town of Qualls	No exposure
Ch5 W town of Qualls	No exposure
Ch6 W Town of Qualls	No exposure
Ch7 NW Town of Qualls	No exposure
S15 Walkingstick Hollow	Top 25 ft. Marble City
S16 Walkingstick Hollow	Top 25 ft. Marble City
S17 N St. Clair Quarry	Top 20 ft. Marble City
S18 St. Clair Quarry Floor	Upper Barber Member
S19 W Payne Hollow	Top 30 ft. Marble City
S20 Indpen. Gravel Quarry	Top 55 ft. Marble City
S21 W Lake Tenkiller Dam	Top 8 ft. Marble City
Ad1 Malloy Hollow	Top 22 ft. Marble City

7.3 Hydrogeology Information

The State of Oklahoma does not require hydrogeological studies.

7.4 Geotechnical Information

The State of Oklahoma does not require geotechnical studies to be performed. As part of due diligence prior to acquisition, USLM performed a pillar analysis to ensure the pillar dimensions were safe and adequate for the existing mine design.

8 Sample Preparation, Analyses, and Security

8.1 Sample Preparation and XRF Analysis

The St. Clair plant produces many products which are under strict parameters for chemical and physical quality. The St. Clair laboratory was established many years ago and was upgraded several times to meet the increasing demands of the customer base. The most significant upgrade was in 2017 when the original O-N Minerals XRF was replaced with a higher quality instrument. In addition, customer quality control labs test St. Clair product shipments frequently.

XRF is one of the primary methods for determining the chemical content of limestone. The St. Clair QC/QA laboratory has been responsible for conducting XRF analysis on plant products and all limestone samples from stockpiles, belt feed samples, drilling, to hand samples collected for outcrop identification. The five significant oxides are analyzed. CaO is most important because of the plant's raw limestone requirement above 96.0% $CaCO_3$.

When preparing an XRF sample, whether core or cuttings, the entire sample interval is crushed to -10 mesh. The sample is then separated and reduced by a ruffle to 250 grams, drying and pulverizing a representative split to -150 mesh. The samples are analyzed for these oxides CaO, MgO, Fe2O3, Al2O3, and SiO2, following USLM's XRF analytical method for limestone analysis. The technique involves pressing the powder into a pellet using a wax binder to hold the shape. The analytical procedure and protocol information was provided by St. Clair QC/QA personnel and other information for this section was provided by St. Clair personnel.

8.2 Quality Control/Quality Assurance

The limestone samples are analyzed twice in a run to confirm repeatability. All sample preparation equipment is cleaned after preparing each sample and before the subsequent preparation. The instrument is cleaned and calibrated each year by the manufacturer and is under a service contract. Whenever the device becomes dirty and registers out of calibration or out of specification for the standards, a manufacturer service call is made to clean, recalibrate, and repair if necessary. The oxide results of each sample are totaled to determine if the data is within an acceptable error range around 100%. The sample analysis is rerun if the total oxide percentage exceeds acceptable error limits. The rerun is to correct or help define the error issue. Sample preparation and a newly prepped sample usually correct the problem in many cases. The laboratory has a set of certified limestone standards to cover the content range of the major oxides that can occur in limestones. The appropriate standard is run concurrently with the unknown samples. The standard results are compared run to run to ensure the instrument operates correctly.

USLM has five QC/QA labs among its wholly owned subsidiaries. These labs can perform many of the same analyses, specifically XRF.

The St. Clair QC/QA laboratory is certified by:

- Highway Departments in Oklahoma, Arkansas, Kansas;
- The Food and Drug Administration;
- Underwriters Laboratory; and

- FAA.

The laboratory follows procedures and protocols set forth by:

- ASTM Methods: C-25, 50. 51, 110, 602, 706, 977, 1271;
- AASHTO Methods: M216-05;
- USLM Company protocols for testing limestone samples.

The laboratory utilizes certified limestone samples to verify the accuracy and calibration of its instrumentation. These are:

- Euronorm MRC 701-1;
- China National Analysis Center:
  - NCS DC 60107a;
  - NCS DC 14147a;
  - NCS DC 70307; and
  - NCS DC 70304.

The security for geological samples is not required compared to the procedures needed for precious metals (gold, silver, etc.). Core or other samples are immediately taken after drilling or at the end of the current shift to the core storage area by the contract geologist, member of the drill crew, or limestone sample collector. They are logged in and processed by St.Clair QC/QA laboratory personnel. The change of possession is limited to two or three people who can be identified and held accountable for the location of the samples before delivery to the laboratory. This information was provided by St. Clair QC/QA laboratory personnel.

8.3 Opinion of the Qualified Person on Adequacy of Sample Preparation

The analysis of geologic samples is conducted with the same care as the St. Clair QC/QA testing for the plant's products. The QP reviewed the preparation and analytical procedure protocols by QC/QA laboratory personnel and shift workers for proper adherence. The QP's opinion is that the analytical program and laboratory provide reasonably accurate data for determining resource estimates.

9 Data Verification

9.1 Source Material

The QP worked with onsite St. Clair personnel to obtain databases and raw data. There was an ongoing interface with St. Clair personnel while reviewing and verifying the data needed for input into the geologic resource model. The hard copy data was compared with the digital database for correctness and thoroughness. The geologic data from the old drilling programs were validated as reasonably as possible by comparing lithology and depths from nearby recent holes and production data. Chemical results from the older work were compared to recent chemical results from the nearest production data or hole. This comparison was necessary to verify using the older data in the model. Recent hole ore intercepts were cross-checked with the appropriate mine data to verify and confirm surveyed collar data and check the ore zone.

The 1965 OGS hole maps with the plotted surveyed locations were georeferenced using Global MapperTM and then digitally overlaid on age-appropriate USGS Quad Geotiff raster maps to verify location, convert to State Plane System, and verify collar elevation.

The core logs from the various drilling projects were reviewed to confirm logging was suitable for the intercept data determination. The original 1965 hole analyses were composited above 96.0% $CaCO_3$ cutoff when possible. If recompositing was not possible, the analytical results had to average above 96.0% cutoff. A local surveyor performed surface surveying of tracts, and each year an underground survey is performed.

The QP met with QC/QA laboratory personnel to validate that the QC/QA protocol was followed for the geologic samples and reviewed the instrument's status records. The sources for this data are the St. Clair QC/QA laboratory, Satterfield Surveyors (surface) and Osburn Surveyors (underground), and contract geologists.

9.2 Opinion of the Qualified Person on Data Adequacy

After contacting St. Clair personnel and subcontractors, reviewing the material, and performing verification processes, the QP is satisfied the drill hole database and chemical analysis data are reasonably valid. The QP's opinion is that the data utilized has been analyzed and collected appropriately and reasonably and that the data was adequate for the resource interpretation and estimation.

10 Mineral Processing and Metallurgical Testing

The Marble City member mined at the St. Clair property is sedimentary without alteration due to metamorphic or igneous geologic processes. The uniqueness and suitability of the raw limestone for making the plant's products are based on the percent of $CaCO_3$ content in the limestone. There is no metal content in the ore and no need to perform metallurgical testing. Limestone from the mine has been supplied to St. Clair's operations for further processing for decades The mined stone is processed through a conventional crushing circuit without any mineral or chemical processing before stockpiling. St. Clair personnel furnished the

preceding information.

11 Mineral Resource Estimates

11.1 Definitions

A mineral resource is an estimate of mineralization by considering relevant factors such as cutoff grade, likely mining dimensions, location, or continuity that, with the assumed and justifiable technical and economic conditions, is likely to, in whole or in part become economically extractable. Mineral resources are categorized based on the level of confidence in the geologic evidence. According to 17 CFR § 229.1301 (2021), the following definitions of mineral resource categories are included for reference:

An inferred mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. An inferred mineral resource has the lowest level of geological confidence of all mineral resources, which prevents the application of the modifying factors in a manner useful for the evaluation of economic viability. An inferred mineral resource, therefore, may not be converted to a mineral reserve.

An indicated mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of adequate geological evidence and sampling. An indicated mineral resource has a lower level of confidence than the level of confidence of a measured mineral resource and may only be converted to a probable mineral reserve. As used in this subpart, the term adequate geological evidence means evidence that is sufficient to establish geological and grade or quality continuity with reasonable certainty.

A measured mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated on the basis of conclusive geological evidence and sampling. As used in this subpart, the term conclusive geological evidence means evidence that is sufficient to test and confirm geological and grade or quality continuity.

11.2 Key Assumptions, Parameters, and Methods

11.2.1 Resource Classification Criteria

Geologic and analytical data from regional and local drilling, subsurface, and surface sampling have proven that the Marble City member has a consistently high $CaCO_3$ content (above 96.0%) and a consistent mining thickness of 30 plus ft. across the entire St. Clair property. These analytical results cover from 1962 to 2021 and are sufficient to establish reasonable certainty of geological presence and grade or quality continuity on the operation's property. Approximately 300 acres have been mined since the operation went underground in 1953.

The many years the St. Clair mine has operated in a wide range of economic conditions historically proves the extraction of the deposit to be economical. Geologic confidence is high based on the verified consistent analysis from sampling. Classifying these resources in the indicated and measured categories is appropriate. The indicated category for the northern tracts is appropriate because the chemical data is consistent, the total acreage is large, and drill spacing is widespread. The measured category for the tracts adjacent to the mine is appropriate because the mine's operations for 65 plus years extracting limestone from hundreds of acres coupled with the existing core hole results provide high confidence in the resource model for this acreage.

11.2.2 Market Price

The St. Clair mine is the sole supplier of limestone to St. Clair operations. After processing through the crushing circuit, the crushed limestone is available for sale to external customers or St. Clair operations usage. There are several limestone products for sale. Products are differentiated by size with all having common chemical properties.

A market survey for crushed limestone is conducted by the USGS each year. The publication is titled "USGS Mineral Commodity Summaries 2023." Their database comprises sources from the entire United States and considers such material issues as regional price difference, weather effects, production issues, and decreased demand from downstream users. USGS reported an average value price of $14.00 of crushed limestone per metric ton which converts to $12.70 per short ton. After consulting with USLM this source provides a reasonable value for the range of crushed limestone products sold by the Company.

11.2.3 Fixed Cutoff Grade

The St. Clair mine supplies crushed limestone to the St. Clair operation and for sale to end-user markets. The St. Clair operation must be provided with a limestone source above an average $CaCO_3$ threshold for customer needs. No matter the product, the raw limestone must exceed a minimum average content above 96.0% $CaCO_3$. This percentage is considered a fixed cutoff grade because the percentage does not vary for products supplied by the operation. The average percent of $CaCO_3$ can be higher but not lower to meet quality requirements. Mining limestone with a significantly higher average $CaCO_3$ percentage results in the deposit being high-graded which shortens the mine's life. Lowering the grade is unacceptable because of quality requirements.

A primary XRF analysis quality control check is to total all the oxide percentages to determine how close the analysis total is to 100%. CaO is the primary oxide of the sample analyzed and the remainder is comprised of MgO, Fe_2O_3, Al_2O_3, and SiO_2 (refer to Section 8).

Since the mine operates on a fixed cutoff grade, there are no specific economic criteria for changing the cutoff grade. The fixed cutoff grade determines the mining thickness. In underground mines, this can be an issue for various reasons. Any cost factors that increase the mining cost of limestone at this fixed grade would be offset by appropriate downstream price increases to end-

user markets or in the St. Clair's operation's products.

11.2.4 Summary of Parameters

Primary modifying factors are fixed cutoff grade, the final underground mine layout, and property line offset. Key assumptions and parameters applied to estimate mineral resources are in Table 11.2-4.

Table 11.2.- Resource Parameter Assumptions

Modifying Factor	Parameter
Fixed Grade Cutoff	Above 96.0% CaCO3
Estimated Final UG Mine Layout	Final Underground Mine Outline
Mining Thickness	Height Suitable for Mining and Use of Equipment
Property Offset	800 ft. contour with 20 ft. property offset
Mineability	Reasonably Expected to be Feasible to Mine

11.3 Resource Model

Once the database had been updated, a final data entry check was performed. Table 11.3 lists the drill holes and the samples used in the model data base.

The mine is surveyed every year to document the mining face advance during the year. Surveyed elevation points are advanced in the mine as needed. The existing mine map is updated with the newly surveyed mining face and oriented to the mapping grid. The current underground survey dated January 7, 2022, was used for the underground mine limits for the TRS resource estimate. The new underground survey and most recent USGS Light Detection and Ranging topography were edited using Global MapperTM software to reduce file size and crop to the resource area. The existing coordinate system was State Plane NAD 83 ft. and was not changed.

The ore body consists of a horizontal single limestone bed defined by top and bottom surfaces. The top and the bottom ore intercepts were from total ore interval composites. The average $CaCO_3$ content above the 96.0% cutoff or higher was used to determine the ore interval in each hole. If any hole's composite was below 96.0% $CaCO_3$, that area would be excluded from the resource estimate. This situation did not occur. In many holes, the thickness of ore grade limestone was thicker than the current mining interval. The larger thickness was noted but the current mining thickness was used to pick ore intercepts in the hole regardless of the total ore grade thickness. Next, the hole intercepts were utilized to produce top and bottom three- dimensional structural surfaces.

The method chosen to model the ore structures was gridding using SURFERTM software and gridded by Kriging was selected from eleven other algorithms. The selection process involved four steps:

- Rough hand contour data for trend and structure preview for comparison;
- Run gridding script with basic inputs to compare 12 gridding methods rough maps with hand contoured map;
- Select appropriate grid methods after comparison, then refine with specific inputs to further the selection process; and
- Run a residual test to select which grid method specifically honors the ore intercepts and approximates the hand contouring.

Contour structure maps of the ore top and bottom were created and utilized in Geovia SurpacTM as vertical boundary surfaces to develop an ore block model. These structural surfaces were then truncated against the current topography to account for erosional effects. This truncation was necessary because the ore bed position was not located in the valley subsurface. The outline of the St. Clair property was then used to define the gross boundary of the resource areas. The 800 ft. elevation as the mining limit for the resource was chosen.

Next, ore isochore (thickness) and overburden isochore maps were constructed. These maps were compared to the Surpac block model to determine conformity and validate the block model limits. Fig 11.3 is a map of the resource area ore thickness.

The block model was then utilized to update the mine design and aid mine planning. The revised mine design determined the limits for defining the outer boundary for resource estimation.

The resource volume and tonnage were estimated using Surpac software. After surfaces of the ore top and bottom were imported into Surpac (DXF files), Digital Terrain Model surfaces were created using the imported surface files. The same topography and underground survey were imported into Surpac. Blocks were coded above the ore bottom surface and below the top ore surface. The blocks were 20 ft. northing by 20 ft. easting and 2 ft. thick. The blocks were coded within the resource boundaries for each area. Future mine areas were designed using a pillar design of 30 ft. by 30 ft. with 50 ft. rooms. The boundary limits of mining were developed with a combination of property lines inside the 800 ft. contour and the 800 ft. contour when the boundary was inside the property line. A property offset of 20 ft. was applied when the property lines were used.

Fig.11.3 St. Clair, Top of Marble City Member Map

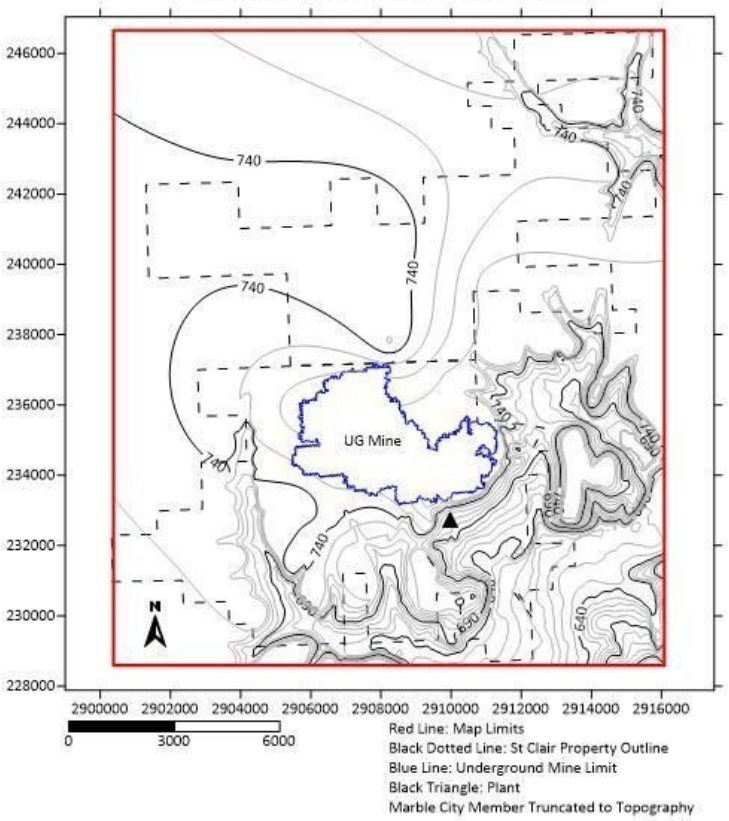


Table 11.3 Summary of Drill Hole Database for the Model

Data Type	Number of Records
Total Holes	35
Lithology	35
Chemical Analyses (Includes Mine Faces)	48
Hole Composites	35
Holes Not on St. Clair Property	4

11.4 Mineral Resources

11.4.1 Estimate of Mineral Resources

Resources for this deposit were estimated as in-place volumes and tonnages. The estimate of measured, indicated, and inferred mineral in-place limestone resources for the St. Clair operation effective December 31, 2023, as estimated from applying the resource parameters to the geologic model, are in Table 11.4-1. The operation's crushing circuit output was selected as the point of reference for the resource determination. Because of the chemical quality of the limestone some size fractions in the stream from the crushing circuit are available for distribution after stockpiling.

Table 11.4-1. U.S. Lime Company – St. Clair – Summary of Limestone Mineral Resources as of December 31, 2023, Based

On $12.70 Crushed Limestone 1, 2

Resource Category	In Place (tons)	Cutoff Grade (%X)	Processing Recovery (%)[3]
Total Mineral Resources[4]	165,204,000	Above 96.0 ($CaCO_3$)	N/A
Measured Mineral Resources[5]	7,801,000	Above 96.0 ($CaCO_3$)	N/A
Indicated Mineral Resources	129,747,000	Above 96.0 ($CaCO_3$)	N/A
Total Measured and Indicated Mineral Resources	137,548,000	Above 96.0 ($CaCO_3$)	N/A

Notes: [1] Price Source from USGS Mineral Commodity Summaries 2023.
[2] Crushed limestone through the crushing circuit.
[3] N/A: Not Applicable because estimated resources are in place.
[4] Inclusive of Limestone Mineral Reserves.
[5] Exclusive of Mineral Reserves.

11.4.2 Geologic Confidence and Uncertainty

The samples in the database have been verified and there is a high degree of geologic confidence in the database. The ore composite analysis results were constantly above the 96.0% $CaCO_3$ cutoff. The Marble City member is a tabular, medium bedded limestone. For many decades, the St. Clair mining operation has produced crushed limestone meeting or surpassing the quality limits required by the plant during its entire operational history.

The continuity and quality consistency has been documented by widespread local production and drilling results on the property. Because of those results and the fact that the production quality is constantly above the $CaCO_3$ cutoff for the deposit, there is high confidence in the definition of the ore zone limits.

11.5 Opinion of the Qualified Person

There are no significant factors onsite that will impact the extraction of this ore body. Most directly involve the St. Clair plant and not the mine. After reviewing the resource model, the QP is confident that drilling the property above the Marble City outcrop would yield ore quality limestone. The QP is also confident that St. Clair will continue to economically extract limestone above the quality cutoff for the foreseeable future.

The QP's opinion is that the following technical and economic factors could influence the economic extraction of the resource, but the St. Clair plant insulates most of them from the mine. Although, if lime production becomes unfeasible, the St. Clair plant would no longer require limestone from the St. Clair mine to produce quicklime.

- Regional supply and demand – Due to the shipping cost of crushed limestone and quicklime, sales are limited to a regional footprint at the plant. The plant is insulated from global import and export market changes, as sales are domestic and regional.
- Fuel cost – mining equipment are major diesel consumers at the St. Clair mine. As diesel prices rise, the price per ton of production also rises and will need to be offset by increases in the selling prices for the products sold. The cost of electrical power to the crushing circuit could increase to a point where an offset similar to diesel would be needed.
- Skilled labor – This site is located near three metropolitan areas (Sallisaw, Oklahoma, Ft. Smith, Arkansas, Tulsa, Oklahoma).
- Environmental Matters:
  - Federal or State regulations/legislation regarding greenhouse gas emission
  - Air and water quality standards

12 Mineral Reserve Estimates

Mineral resources were converted to reserves using a 81% recovery factor. The limits of underground mining were assumed to be the 800 ft. elevation contour around the mine. The limestone is mined using the room and pillar method. An average of 14% of the limestone is left in the mine as pillars. An estimated 5% of the remaining ore after the pillars is lost to the roof, floor, and to dust and spillage. The limestone below the targeted mine floor in places is slightly lower quality. It is blended with higher-grade ore to meet the fixed cutoff when encountered. Dilution volume is minimal and not estimated.

12.1 Definitions

Mineral reserve is an estimate of tonnage and grade or quality of indicated and measured mineral resources that, in the opinion of the qualified person, can be the basis of an economically viable project. More specifically, it is the economically mineable part of a measured or indicated mineral resource, which includes diluting materials and allowances for losses that may occur when the material is mined or extracted (Dorsey, 2019).

Probable mineral reserve is the economically mineable part of an indicated and, in some cases, a measured mineral resource. For a probable mineral reserve, the qualified person's confidence in the results obtained from the application of the modifying factors and in the estimates of tonnage and grade or quality is lower than what is sufficient for a classification as a proven mineral reserve, but is still sufficient to demonstrate that, at the time of reporting, extraction of the mineral reserve is

economically viable under reasonable investment and market assumptions (Dorsey, 2019).

Proven mineral reserve is the economically mineable part of a measured mineral resource. For a proven mineral reserve, the qualified person has a high degree of confidence in the results obtained from the application of the modifying factors and in the estimates of tonnage and grade or quality. Proven mineral reserve is the economically mineable part of a measured mineral resource and can only result from conversion of a measured mineral resource (Dorsey, 2019).

12.2 Market Price

As stated in Section 11.2.2, the St. Clair mine is a supplier of limestone to St. Clair operations. After processing by the crushing circuit, the crushed limestone is available for sale to customers or St. Clair operations usage. There are several limestone products for sale. Products are differentiated by size with all having common chemical properties.

A market survey for crushed limestone is conducted by the USGS each year. The publication is titled "USGS Mineral Commodity Summaries 2023." Their database comprises sources from the entire United States and considers such material issues as regional price difference, weather effects, production issues, and decreased demand from downstream users. USGS reported an average value price of $14.00 of crushed limestone per metric ton which converts to $12.70 per short ton. After consulting with USLM this source provides a reasonable value for the range of crushed limestone products sold by the Company.

12.3 Costs

Annual sustaining capital costs were estimated using prior-year capital expenditures and St. Clair's 2024 capital budget. Capital expenditures for major mobile equipment replacements were estimated using information from vendors. Limestone mining costs for St. Clair were estimated using historical data and its 2024 budget.

12.4 Reserve Estimates

The estimate of the proven and probable limestone reserves for the St. Clair operation effective December 31, 2023, estimated from applying the reserve parameters to the geologic model, are in Table 12.4.

Table 12.4. U.S. Lime Company – St. Clair – Summary of Limestone Mineral Reserves as of December 31, 2023, Based On $12.70 Crushed Limestone [1, 2]

Reserve Category	Extractable (tons)	Cutoff Grade (%X)	Mining Recovery (%)
Probable Reserves	0	Above 96.0 ($CaCO_3$)	81.0
Proven Reserves	22,291,000	Above 96.0 ($CaCO_3$)	81.0
Total Mineral Reserves	22,291,000	Above 96.0 ($CaCO_3$)	81.0

Notes: [1]Price Source from USGS Mineral Commodity Summaries 2023.
[2] Crushed limestone through the crushing circuit.

12.4.1 Reconciliation with Previous Estimates

Comparing St. Clair's high calcium limestone reserves as of December of 31, 2023 with the estimates presented for December 31, 2021, a decrease of 581,000 tons occurred which is the result of routine mine production.

12.5 Opinion of the Qualified Person

St. Clair has successfully mined this resource for many years utilizing conventional mining methods that are projected into the future. Significant increases in the cost of mining coupled with large decreases in the selling price of limestone would make mining uneconomic. Historically, St. Clair has increased sales prices in line with cost increases. The limestone is consistent across the reserve area and allows for stable operating requirements from year to year.

13 Mining Methods

13.1 Geotechnical and Hydrologic Considerations

Currently, the State of Oklahoma does not require geotechnical or hydrology modeling in mining operations. The only geotechnical aspect considered was determining if the room and pillar design was appropriate for the mining height (St. Clair Internal Report, 2006).

The only investigation into hydrologic conditions was to determine the water table height so that a suitable plan was put into action to pump water from the mine.

13.2 Mine Operating Parameters

The mine currently averages an annual production rate of approximately 451,000 tons per year. The current expected mine life at the average rate stated is approximately 50 years.

The St. Clair mine has a natural draft throughout. The natural draft is adequate for the equipment fleet. Air quality testing

is performed using a multi-gas detector and a sampling pump used for diesel particulate content analyzed by an outside laboratory. Typical air quality readings in the mine meet regulatory standards. Testing is done daily by St. Clair mine personnel and a minimum of twice a year by external entities during their regular yearly inspections.

Figure 13.2 reflects a current estimate of the final mine limits.

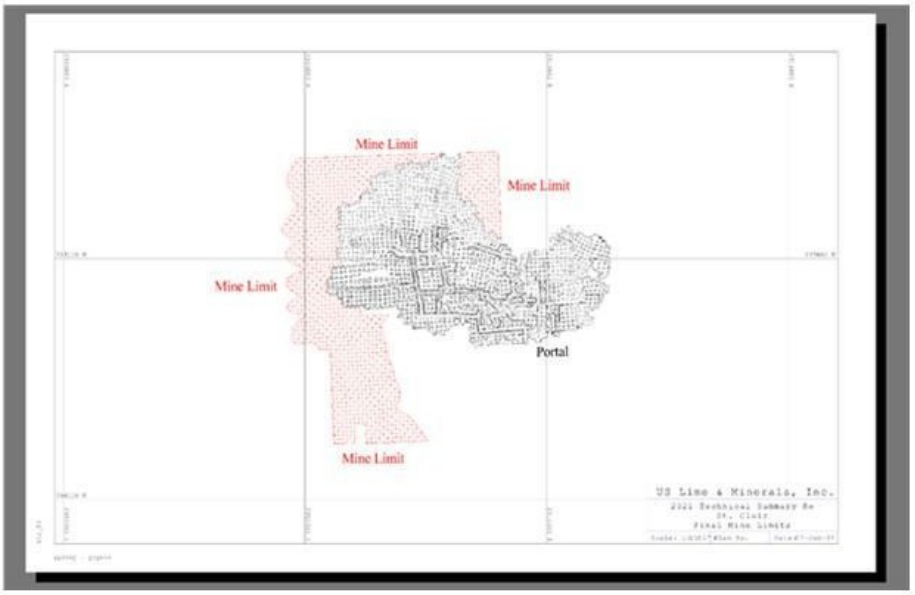


Fig. 13.2 Current Estimate of Final Mine Limits

13.3 Mining Plan

The mining method used at the St. Clair mine is room and pillar. The pillars are 30 ft. by 30 ft. The room is 50 ft. wide. A horizontal drill performs drilling with typical holes that are 18 ft. long and 2.5 inches in diameter. The typical blast pattern is 60 holes in a V-cut. A front-end loader and three haul trucks transport the limestone out of the mine. Any unusable limestone encountered is moved a short distance to an area outside the mine.

Mining operations at the St. Clair Property are straightforward and relatively simple. Limestone is mined with pillars left in place to stabilize the mine workings. Limestone is hauled to the crushing circuit near the mine portal. Mining operations are a repeated cycle of drilling, blasting, scaling, followed by loading and haulage of the limestone. St. Clair performs the drilling and blasting. The mine completes the load and haul operations using front-end loaders and haul trucks with a small ancillary equipment fleet, including a scaler and a grader.

13.4 Mine Plant, Equipment, and Personnel

The mining equipment fleet consists of three haul trucks and a loader. A horizontal drill does the drilling with 18 ft. holes. Ancillary mobile equipment includes a blasting truck, a grader, a scaler, a maintenance truck, and light vehicles. Equipment necessary for mining operations includes water pumps. The mine operates 3 to 6 days per week depending on demand from the plant and maintenance requirements. Operating personnel consist of skilled operators and a mine manager supervising the operations.

14 Processing and Recovery Methods

14.1 Crushing Circuit and Description

The St. Clair mine delivers mined limestone to the crushing circuit for processing and stockpiling. Afterwards the crushed limestone is sold or processed by St. Clair operations to create higher-valued quicklime or crushed limestone products.

There is no history of any interruptions, outages, shortages, or failures related to the crushing circuit which have materially affected the operation. The crushing circuit has been in operation for many years. The QP believes the risk of such events significantly affecting the estimates of limestone mineral reserves documented here is low. St. Clair personnel are the sources for this section.

14.2 Crushing Circuit Throughput and Design

The limestone is blasted and loaded into haul trucks by a loader in the mine then hauled to the primary crusher. The

primary crusher is of more than sufficient size to handle the daily mine production. The primary jaw crusher has been setup to maximize production for the size range required to feed the downstream part of the crushing circuit. The crushing circuit after the primary crusher consists of delivery by a conveyor belt to screens and a cone crusher. This equipment is very similar to those installed at many aggregate plants throughout the United States. During the process any material that is rejected by the screening process is conveyed to surge piles where it can be cycled back to be crushed and screened again. Once through this crushing circuit, the sized crushed limestone is moved by conveyor belts to stockpiles for distribution to customers or the St. Clair operation for further processing.

14.3 Crushing Circuit Operational Requirements

The operational requirements are minimal. This is primarily because the crushing circuit is dry and does not utilize wash water in the process. Parts and equipment needs are of operational importance. The conveyors, screens and crushers are from well-established manufacturers. This translates to readily available parts or replacement equipment. The largest requirement for the crushing circuit is electricity. Maintenance is generally handled by St. Clair personnel and, other than repairs, consist of routine upkeep or worn parts replacement.

14.4 Application of Novel or Unproven Technology

Mining operations at the site follow standard underground mining methods for extracting limestone formations. The crushing system is comprised of readily available stone processing equipment. There has not been any application of novel or unproven technologies or techniques.

15 Infrastructure

The St. Clair property is accessible by a paved state highway and rail. The mine operation is accessed by a gravel haul road maintained by the mine personnel. The mine site is a land-locked location with no port facilities access. A rail spur is located on plant property connected to the Kansas City Southern Railway. The mine shares an office and maintenance shop with the plant. The mine has its mobile equipment maintenance shop located in the underground mine. Three-phase electric power is provided to the site via above-ground utility lines. A water source is available but not utilized by the mine. A water supply is from the county system but bottled water is supplied for drinking. The plant pumps water from the mine for water needs. Load-out to the crushing circuit is on the plant property. The crushed limestone stockpiles are on the plant property. Fig.15.1 shows an aerial photo of the mine area and significant infrastructure features.

Fig. 15.1 Infrastructure For St Clair Operations

16 Market Studies

16.1 Market Outlook and Forecast

Demand for limestone produced at the St. Clair mine is solely for St. Clair's quicklime and crushed limestone production facilities located next to the mine and has been in existence for over 80 years. Lime kilns have been in existence at the current St. Clair production facilities since 1964. Its quicklime and crushed limestone products are delivered to its geographic market areas by either truck or rail.

Limestone demand for the St. Clair quicklime and crushed limestone production facilities has averaged approximately 451,000 tons per year over the previous five years. Primary demand for quicklime and crushed limestone products from St. Clair's operations is from stable markets including the construction industry, steel manufacturers, paper and glass manufacturers,

municipal sanitation and water treatment facilities, roof shingle manufacturers, and poultry and cattle feed. Current market conditions for these customers should result in continued steady demand for quicklime and crushed limestone products in St. Clair's market areas for the foreseeable future.

16.2 Material Contracts

There are no material contracts with outside purchasers.

17 Environmental Studies, Permitting, and Plans, Negotiations, or Agreements with Local Individuals or Groups

17.1 Environmental Studies and Permitting Requirements

The State of Oklahoma Department of Environmental Quality ("ODEQ") has environmental laws that regulate air and water resources. The ODEQ regulates the surface and mine water in the mine and around the proposed reclamation area. The Oklahoma Department of Mines ("ODOM") regulates the mining and reclamation of mines. The environmental and mining permit information is provided in Table 17.1.

Table 17.1 Mining and Environmental Permits

Permit Number	Issuer	Purpose	Expiration Date	Status
L.E. – 1451-B	ODOM	Permit to Mine and Reclamation	11-30-2045	Active
OK0034401	ODEQ	Permit ponds and stormwater runoff	7-21-2025	Active

The permit for ponds and stormwater runoff covers weather-related discharge throughout St. Clair's operations, including the mine areas.

17.2 Overburden, Site Monitoring, and Water Management

At St. Clair, the mine is underground and no overburden is disturbed in the mining process. As a result, there are no overburden piles or need to manage stripped materials.

Stormwater and spring water percolates into the mine and management is predominantly without discharging. However, during years of excessive precipitation, the increase in mine water is allowed to be discharged via the ODEQ permit listed above.

There are no automated onsite monitors in or around the mine property. The only air quality monitoring is in accordance with regulatory agencies to determine the quality of air in the mine. All mine water discharge is sampled by the mine personnel and tested in the plant laboratory. The monitoring and reporting are conducted under regulations promulgated by the agencies.

17.3 Post-Mining Land Use and Reclamation

The State of Oklahoma has laws and regulations pertaining to reclamation for mineral resources, including limestone. The State requires a mining permit which includes a reclamation plan to operate limestone mines. The ODOM has regular oversight of the mine and reclamation and requires bonding for future reclamation. The ODOM permit information associated with the mine is listed in Table 17.1.

The current reclamation plan for the underground mine, required by the state, covers the entire operation with sections specific to each area. The following is a summary of the state requirements pertaining to the mine property only.

- Land over the mine is utilized for forest and agriculture and this usage is expected to be retained after mine closure. Therefore, openings and entrances will be permanently sealed.
- Haul roads to the crushing circuit will be graded, disked, and prepared for seeding.
- Topsoil initially removed will be distributed over the mined area. The highwall slopes will be addressed and berms put in place to prevent accidental entry if any open pit mining occurs. Any areas where benching remains will have appropriate access restrictions.
- Final soil distribution and revegetation are to be conducted according to the procedure outlined in the permit plan.

17.4 Local or Community Engagement and Agreements

The operation has developed relationships over the years with various neighboring communities, including the small community of Marble City.

17.5 Opinion of the Qualified Person

Oklahoma is a heavily regulated State of environmental laws and regulations and has numerous permits that require ongoing compliance and oversight from the State agencies. All permits require constant reporting and oversight from the State mining and

environmental agencies. St. Clair and USLM personnel are well trained and stay up-to-date on all mining and environmental regulations. In the QP's opinion, there are no current or outstanding issues in environmental governance.

18 Capital and Operating Costs

St. Clair mine has been a stable producer of limestone using the current equipment fleet and operating parameters for many years. This operating history and its 2024 budget were used to estimate the unit costs for limestone mining and annual sustaining capital expenditures.

18.1 Capital Costs

Table 18.1 Capital Costs

Capital Cost Estimate	Cost
Annual Maintenance of Operations	$850,000

18.2 Operating Costs

Table 18.2 Operating Costs

Operating Cost Estimate	Cost
Limestone Mining and Crushing Cost Per Ton	$4.52

18.3 Accuracy of Capital and Operating Cost Estimates

The production and unit cost estimates are based on actual past performance and the customary internal budget review and approvals process. Operating volumes are well-defined and understood, as are mining and processing productivities. The operating cost accuracy and contingency factors were estimated by comparing the past five years of costs to budgeted amounts. The operating cost accuracy estimation is +/- 15% and the contingency factor is </= 10%. The operation and related facilities are fully developed and should not require any near-term major capital investment to maintain full commercial production. Historically, the timing and amount of capital expenditures has been largely discretionary. The capital cost accuracy estimation is +/- 10% and the contingency factor is </= 10%.

19 Economic Analysis

The block model estimated limestone ore volumes for each reserve area. Limestone volumes are converted to tons for cost and revenue estimation using a density factor of 168 pounds per cubic foot.

The ore thickness is generally uniform in each area. The current mining method and equipment are suitable for all reserve areas.

19.1 Key Parameters and Assumptions

The discount rate used in the economic analysis is 6.43%. This rate is St. Clair's incremental borrowing cost. Per the current debt agreement and St. Clair's current leverage ratio, St. Clair's borrowing rate is 6.43% (calculated from the December 2023 SOFR of 5.34%).

The tax was estimated using St. Clair's current effective income tax rate calculated as of September 30, 2023. In reviewing the September 30, 2023, tax provision, the effective tax rate contained no material non-recurring permanent items that would influence the rate, so it is considered appropriate to future periods. Demand for limestone is projected to be approximately 451,000 tons per year for the life of the mine. The sales price per ton is estimated using the USGS Mineral Commodity Summaries 2023. Depreciation was estimated using existing assets and the approved items in the 2024 budget. The later years' depreciations are calculated using the capital budget forecast and the asset life with a mid-year convention.

19.2 Economic Viability

St. Clair has positive cash flow, and the current mine plan does not require a significant capital expenditure; therefore, payback and return on investment calculations are irrelevant. NPV of the life of mine plan is $33.7 million. The annual cash flows are in Appendix B.

19.3 Sensitivity Analysis

Sensitivity analysis was performed on the discount rate, mining costs, and the crushed limestone sales price.

Table 19.3-1 Sensitivity Analysis: Varying Discount Rate

Discount Rate	NPV (thousands)
0%	$112,771
1%	$88,548

2%	$71,081
5%	$41,384
10%	$22,476
15%	$15,076
20%	$11,296

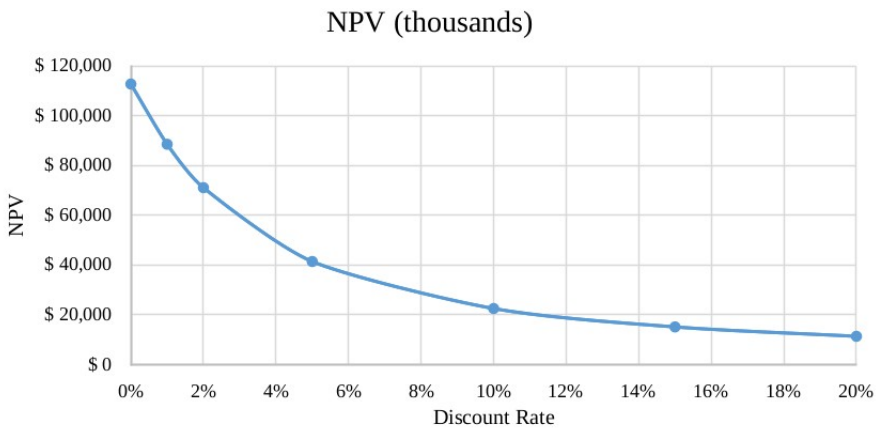


Table 19.3-2 Sensitivity Analysis: Varying Limestone Mining and Crushing Costs

Limestone Mining Costs Per Ton	NPV (thousands)
$3.52	$39,052.22
$4.52	$33,702.29
$5.52	$28,352.36
$6.52	$23,002.43
$7.52	$17,652.50
$8.52	$12,302.57

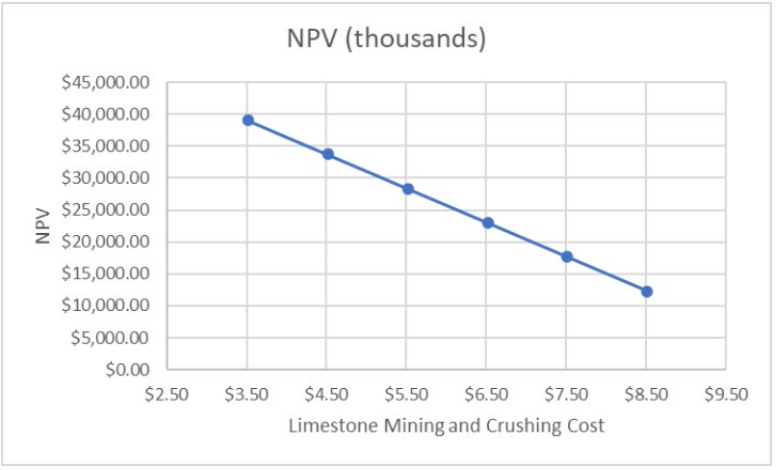
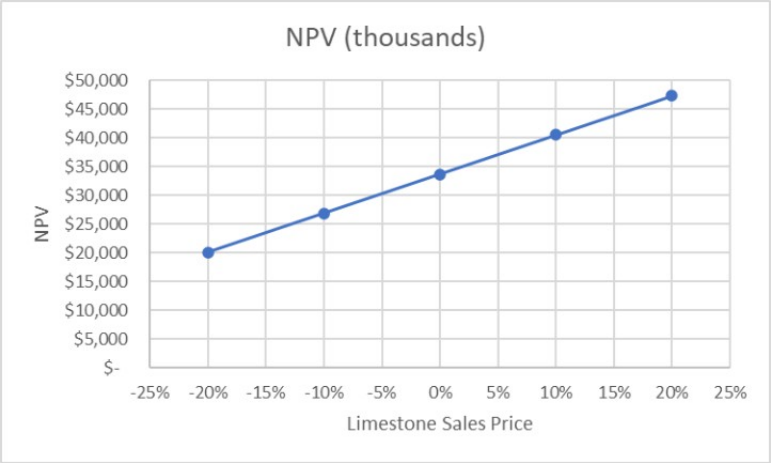


Table 19.3-3 Sensitivity Analysis: Selling Price Change

Selling Price Change (%)	NPV (thousands)
-20%	$20,113

-10%	$26,907
0%	$33,702
10%	$40,497
20%	$47,292



20 Adjacent Properties

Geologic information from adjacent properties was limited to that performed by the OGS. This material consisted of core holes, sampled surface locations, and oil wells drilled nearby. The information is public domain. It was utilized primarily as evidence of lateral continuity and extent and quality if the chemical analysis was available. The core holes in the OGS study were used in the geologic model.

21 Other Relevant Data and Information

All data relevant to the supporting studies and estimates of mineral resources and reserves have been included in the sections of this TRS. No additional information or explanation is necessary to make this TRS understandable and not misleading.

22 Interpretation and Conclusions

22.1 Interpretations and Conclusions

Geologically, the deposit is a simple tabular, single bed limestone deposit with minor structure in the proven reserve areas and a shallow dip angle. The formation has been proven by local, detailed sampling, and drilling in and around the mine that the quality and thickness are very consistent. Because of this simple geology, the mining method is straightforward and consists of uncomplicated underground mining.

The mine operation has been modernized since USLM acquired St. Clair in 2005, which has allowed it to optimize mining. St. Clair has been in operation for many decades during varying economic and market conditions, and the St. Clair operation has maintained a steady market share. The economic analysis and the quantity of Mineral Resources and Proven Reserves indicate the operation reasonably has approximately 50 years of estimated mine life at current production levels.

22.2 Risks and Uncertainties

Internal to the mining operation, risks and uncertainties are minimal because of the uncomplicated geology and the employment of a standard mining method. Governmental, legal, and regulatory risks, such as greenhouse gases, could adversely affect the markets the St. Clair operation supplies.

23 Recommendations

The mine has operated for many years under the current mining practices. The quality control practices have helped to optimize the thickness and quality of the ore zone over the period of operation. The QP recommends that ground water could be better controlled at the mine face with an improved configuration of the floor.

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25 Reliance on Information Provided by the Registrant

The QP has relied upon information and data from St. Clair and USLM personnel and historical records in completing this TRS. This material included written reports and statements of other individuals and companies with whom it does business. The material also includes permits, licenses, historical exploration data, production records, equipment lists, geologic and ore body resource and reserve information, mine modeling data, financial data and summaries, mine equipment specifications and summaries, records, and equipment lists. This material has been relied upon in the mine planning, capital and cost planning, and audited. The St. Clair mine engineer assisted the QP in reviewing these materials and performed the final reserve modeling and economic analysis under the direction of the QP. The QP believes that the assumptions were factual and accurate and that the interpretations were reasonable. There is no reason to believe that any material facts have been withheld or misstated. In his professional judgment, the QP has taken all appropriate steps to ensure that the information or advice from St. Clair and USLM personnel and records and outside entities are accurate. The QP does not disclaim any responsibility for this Technical Report Summary.

Appendix A: List of Data included in the Geologic Model

Local Coordinate System					
2017 Core Project			1965 Core Project		
Easting	Northing	Label	Easting	Northing	Label
6101.72	3687.5	STCL17-1	9850	17603	STLL-1
5595	1531.41	STCL17-10	14850	13918	STLL-2
6389.64	1518.3	STCL17-11	9277.588	3586.826	STLL29Z
7039.8	1468.58	STCL17-12	8689.708	3396.546	STCLL34Y
8780.11	1655.17	STCL17-13	28160.55	44894.35	OGS-1
6322.58	814.68	STCL17-14	9393.999	48672.91	OGS-2
8195.1	2311.24	STCL17-15	-66892	-2485.33	OGS-3
7889.76	3201.52	STCL17-16			
8109.71	1317.98	STCL17-18	2000 Core Project		
5768.35	3194.63	STCL17-2	Easting	Northing	Label
6540.06	3182.26	STCL17-3	9850	17603	Gst2000-1
5194.21	2487.97	STCL17-4	14850	13918	Gst2000-2
5606.19	2792.5	STCL17-5			
6679.92	2599.19	STCL17-6	UG Floor Surveyed Points		
5943.76	2315.26	STCL17-7	Easting	Northing	Label
6148.84	1869.15	STCL17-8	6062.433	5295.229	UG BM
6867.15	2045.76	STCL17-9	9417.575	3227.904	UG BM
			9789.508	4622.651	UG BM
2017 Core Project			9781.76	5067.421	UG BM
Easting	Northing	Label	10062.26	4814.816	UG BM
1843.2	12367.74	STCL05-1	10383.05	4791.571	UG BM
9366.17	3216.4	STCL05-2	10457.44	4852.01	UG BM
16214.81	16945.61	STCL05-3	10305.56	5351.019	UG BM
13248.08	15794.65	STCL05-4	10468.29	5364.967	UG BM
11053.08	9462.92	STCL05-5	10437.29	5516.839	UG BM
8154.52	10825.46	STCL05-6	7767.124	5148.006	UG BM
8254.3	7791.67	STCL05-7	7742.329	6161.523	UG BM
7606.21	6592.14	STCL05-8	7757.826	6330.442	UG BM
9798.23	6898.41	STCL05-9			
5547.78	5859.06	STCL05-10			

Appendix B: Annual Cash Flow Analysis

St. Clair - Discounted Cash Flow						
In Thousands						
Discount Factor						
6.43%						
	2024	2025	2026	2027	2028	2029
Tons Limestone Sold	451	451	451	451	451	451
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$5,728	$5,728	$5,728	$5,728	$5,728	$5,728
-Operating Costs	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)
-Depreciation	$(714)	$(610)	$(632)	$(701)	$(813)	$(919)
Taxable Income	$2,977	$3,081	$3,059	$2,990	$2,878	$2,772
-Tax	$(597)	$(618)	$(613)	$(599)	$(577)	$(556)
+Depreciation	$714	$610	$632	$701	$813	$919
-Capital Expenses	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Free Cash Flow	$2,244	$2,223	$2,228	$2,242	$2,264	$2,285

St. Clair - Discounted Cash Flow						
In Thousands						
Discount Factor						
6.43%						
	2030	2031	2032	2033	2034	2035
Tons Limestone Sold	451	451	451	451	451	451
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$5,728	$5,728	$5,728	$5,728	$5,728	$5,728
-Operating Costs	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)
-Depreciation	$(1,025)	$(1,022)	$(989)	$(989)	$(969)	$(963)
Taxable Income	$2,666	$2,669	$2,702	$2,702	$2,721	$2,728
-Tax	$(534)	$(535)	$(542)	$(542)	$(546)	$(547)
+Depreciation	$1,025	$1,022	$989	$989	$969	$963
-Capital Expenses	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Free Cash Flow	$2,307	$2,306	$2,299	$2,299	$2,295	$2,294

St. Clair - Discounted Cash Flow						
In Thousands						
Discount Factor						
6.43%						
	2036	2037	2038	2039	2040	2041
Tons Limestone Sold	451	451	451	451	451	451
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$5,728	$5,728	$5,728	$5,728	$5,728	$5,728
-Operating Costs	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)
-Depreciation	$(935)	$(850)	$(850)	$(850)	$(850)	$(850)

Taxable Income	$2,756	$2,841	$2,841	$2,841	$2,841	$2,841
-Tax	$(553)	$(570)	$(570)	$(570)	$(570)	$(570)
+Depreciation	$935	$850	$850	$850	$850	$850
-Capital Expenses	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Free Cash Flow	$2,288	$2,271	$2,271	$2,271	$2,271	$2,271

St. Clair - Discounted Cash Flow						
In Thousands						
Discount Factor						
6.43%						
	2042	2043	2044	2045	2046	2047
Tons Limestone Sold	451	451	451	451	451	451
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$5,728	$5,728	$5,728	$5,728	$5,728	$5,728
-Operating Costs	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)
-Depreciation	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Taxable Income	$2,841	$2,841	$2,841	$2,841	$2,841	$2,841
-Tax	$(570)	$(570)	$(570)	$(570)	$(570)	$(570)
+Depreciation	$850	$850	$850	$850	$850	$850
-Capital Expenses	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Free Cash Flow	$2,271	$2,271	$2,271	$2,271	$2,271	$2,271

St. Clair - Discounted Cash Flow						
In Thousands						
Discount Factor						
6.43%						
	2048	2049	2050	2051	2052	2053
Tons Limestone Sold	451	451	451	451	451	451
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$5,728	$5,728	$5,728	$5,728	$5,728	$5,728
-Operating Costs	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)
-Depreciation	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Taxable Income	$2,841	$2,841	$2,841	$2,841	$2,841	$2,841
-Tax	$(570)	$(570)	$(570)	$(570)	$(570)	$(570)
+Depreciation	$850	$850	$850	$850	$850	$850
-Capital Expenses	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Free Cash Flow	$2,271	$2,271	$2,271	$2,271	$2,271	$2,271

St. Clair - Discounted Cash Flow						
In Thousands						
Discount Factor						
6.43%						

	2054	2055	2056	2057	2058	2059
Tons Limestone Sold	451	451	451	451	451	451
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$5,728	$5,728	$5,728	$5,728	$5,728	$5,728
-Operating Costs	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)
-Depreciation	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Taxable Income	$2,841	$2,841	$2,841	$2,841	$2,841	$2,841
-Tax	$(570)	$(570)	$(570)	$(570)	$(570)	$(570)
+Depreciation	$850	$850	$850	$850	$850	$850
-Capital Expenses	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Free Cash Flow	$2,271	$2,271	$2,271	$2,271	$2,271	$2,271

St. Clair - Discounted Cash Flow						
In Thousands						
Discount Factor						
6.43%						
	2060	2061	2062	2063	2064	2065
Tons Limestone Sold	451	451	451	451	451	451
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$5,728	$5,728	$5,728	$5,728	$5,728	$5,728
-Operating Costs	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)
-Depreciation	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Taxable Income	$2,841	$2,841	$2,841	$2,841	$2,841	$2,841
-Tax	$(570)	$(570)	$(570)	$(570)	$(570)	$(570)
+Depreciation	$850	$850	$850	$850	$850	$850
-Capital Expenses	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Free Cash Flow	$2,271	$2,271	$2,271	$2,271	$2,271	$2,271

St. Clair - Discounted Cash Flow						
In Thousands						
Discount Factor						
6.43%						
	2066	2067	2068	2069	2070	2071
Tons Limestone Sold	451	451	451	451	451	451
Sales Price/Ton	$12.70	$12.70	$12.70	$12.70	$12.70	$12.70
Revenue	$5,728	$5,728	$5,728	$5,728	$5,728	$5,728
-Operating Costs	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)	$(2,037)
-Depreciation	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Taxable Income	$2,841	$2,841	$2,841	$2,841	$2,841	$2,841
-Tax	$(570)	$(570)	$(570)	$(570)	$(570)	$(570)
+Depreciation	$850	$850	$850	$850	$850	$850
-Capital Expenses	$(850)	$(850)	$(850)	$(850)	$(850)	$(850)
Free Cash Flow	$2,271	$2,271	$2,271	$2,271	$2,271	$2,271

St. Clair - Discounted Cash Flow		
In Thousands		
Discount Factor		
6.43%		
	2072	2073
Tons Limestone Sold	451	192
Sales Price/Ton	$12.70	$12.70
Revenue	$5,728	$2,439
-Operating Costs	$(2,037)	$(867)
-Depreciation	$(850)	$(850)
Taxable Income	$2,841	$721
-Tax	$(570)	$(145)
+Depreciation	$850	$850
-Capital Expenses	$(850)	$-
Free Cash Flow	$2,271	$1,427

UNITED STATES LIME & MINERALS, INC.

COMPENSATION RECOVERY POLICY

NOVEMBER 15, 2023

1. **Purpose**. The Board of Directors (the "***Board***") of United States Lime & Minerals, Inc. (the "***Company***"), upon the recommendation of its Compensation Committee (the "***Committee***"), has adopted this Compensation Recovery Policy (this "***Policy***") to implement a mandatory compensation recovery policy in the event of an accounting restatement that the Company is required to prepare due to its material noncompliance with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements (i) that is material to the previously issued financial statements or (ii) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a "***Restatement***"), in compliance with Section 10D of the Securities Exchange Act of 1934, as amended, and Rule 10D-1 promulgated thereunder, Rule 5608 of the Listing Rules of The Nasdaq Stock Market LLC ("***Nasdaq***"), and any other national stock exchange rules that the Company is or may become subject to (together, the "***Applicable Rules***").

2. **Administration**. This Policy shall be administered by the Committee, which shall make all determinations with respect to this Policy, consistent with the terms of this Policy, the Applicable Rules, and any applicable law. Any and all interpretations, decisions, and determinations made by the Committee under or relating to this Policy shall be final, conclusive, and binding on all affected parties.

3. **Effective Date**. This Policy shall be effective as of December 1, 2023, with retroactive applicability to October 2, 2023, the date that Nasdaq Listing Rule 5608 became effective.

4. **Covered Persons and Covered Incentive-Based Compensation**. This Policy covers all persons who are, become, or were previously "executive officers" of the Company as defined in the Applicable Rules (each, an "***Executive Officer***").

   This Policy shall apply to any compensation ("***Incentive-Based Compensation***") that is granted, earned, or vested based wholly or in part upon the attainment of (i) any measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, or any measures that are derived wholly or in part from such measures (including non-GAAP measures); (ii) the Company's stock price; or (iii) the Company's total shareholder return (each, a "***Financial Reporting Measure***"). Incentive-Based Compensation does not include, among other forms of compensation, bonuses that are solely discretionary and are not paid from a "bonus pool" that is determined by reference to the attainment of a Financial Reporting Measure; and equity awards that vest exclusively upon completion of a specified employment period, without any Financial Performance Measure-related condition.

   This Policy applies to Incentive-Based Compensation that is Received (as defined below) by any Executive Officer on or after October 2, 2023 that results from the attainment of a Financial Reporting Measure based on or derived from financial information for any fiscal period ending on or after such date. Incentive-Based Compensation is deemed "***Received***" for the purposes of this Policy in the Company's fiscal period during which the Financial Reporting Measure applicable to the Incentive-Based Compensation is attained, even if the grant, payment, or settlement of the Incentive-Based Compensation occurs after the end of that period.

Incentive-Based Compensation shall not be recovered under this Policy to the extent Received by any person before the date that the person served as an Executive Officer; however, once a person is an Executive Officer, subsequent changes in the Executive Officer's employment status, including retirement or termination of employment, do not impair the Company's right to recover Incentive-Based Compensation pursuant to this Policy.

5. Recovery After a Restatement. In the event that the Company is required to prepare a Restatement, the Company shall reasonably promptly recover from any Executive Officer who served as such during the performance period applicable to any Incentive-Based Compensation subject to this Policy the amount of any erroneously awarded Incentive-Based Compensation that is Received by such Executive Officer (after beginning to serve in such capacity) during the three completed fiscal years immediately preceding the date on which the Company is required to prepare the Restatement and any transition period (that results from a change in the Company's fiscal year) as provided in the Applicable Rules. For purposes of this Policy, the date on which the Company is required to prepare a Restatement is the earlier of the date (i) that the Board, a committee of the Board, or any officer of the Company authorized to take such action if Board or committee action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare a Restatement, or (ii) that a court, regulator, or other legally authorized body directs the Company to prepare a Restatement.

The amount of erroneously awarded Incentive-Based Compensation will be the excess of the Incentive-Based Compensation Received by the Executive Officer (whether in cash, shares, equity awards, or otherwise) based on the erroneous data in the original financial statements over the Incentive-Based Compensation (whether in cash, shares, equity awards, or otherwise) that would have been Received by the Executive Officer had such Incentive-Based Compensation been based on the restated results, without regard to any taxes paid by the Executive Officer.

Without limiting the foregoing, for Incentive-Based Compensation based on the Company's stock price or total shareholder return, where the amount of erroneously awarded Incentive-Based Compensation is not subject to mathematical recalculation directly from the information in the Restatement, (a) the amount shall be based on the Committee's reasonable estimate of the effect of the Restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was Received, and (b) the Company shall maintain documentation of the determination of that reasonable estimate and provide such estimate to Nasdaq.

Recovery of any erroneously awarded Incentive-Based Compensation under this Policy is not dependent on fraud or misconduct by any Executive Officer.

6. Limited Exceptions. No recovery of erroneously awarded Incentive-Based Compensation shall be required if any of the following conditions is met and the Committee determines that, on such basis, recovery would be impracticable:

(i) the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered; *provided*, that, prior to making a determination that it would be impracticable to recover any such Incentive-Based Compensation based on the expense of enforcement, the Company shall (a) have made reasonable attempts to recover the Incentive-Based Compensation, (b) have documented such reasonable attempts to recover, and (c) have provided that documentation to Nasdaq;

(ii) recovery would violate home country law where that law was adopted prior to November 28, 2022; *provided*, that, prior to making a determination that it would be impracticable to recover any such Incentive-Based Compensation based on violation of home country law, the Company shall (a) have obtained an opinion of home country counsel, acceptable to Nasdaq, that recovery would result in such violation, and (b) have provided such opinion to Nasdaq; or

(iii) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Internal Revenue Code of 1986, as amended (the "***Code***"), and the U.S. Treasury regulations promulgated thereunder.

7. **Disclosures**. The Company shall make all required disclosures with the U.S. Securities and Exchange Commission (the "***SEC***") and Nasdaq, as applicable, with respect to this Policy and any matters related hereto in accordance with the requirements of the Applicable Rules and any other requirements applicable to the Company, including any disclosures required in connection with SEC filings.

8. **Methods of Recovery**. In the event of a required recovery of erroneously awarded Incentive-Based Compensation determined to be subject to recovery pursuant to this Policy ("***Clawback Compensation***"), to the extent permitted by applicable law the Company shall, as determined by the Committee, take such actions as it may deem necessary or appropriate to recover the Clawback Compensation from any affected Executive Officer or former Executive Officer. These actions may include, without limitation:

(iv) the forfeiture, reduction, or cancellation of any Clawback Compensation (whether vested or unvested) that has not been distributed or otherwise settled;

(v) the recovery of any Clawback Compensation that was previously paid to such Executive Officer;

(vi) the recovery of any amounts realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity-based Clawback Compensation;

(vii) the offset, withholding, or elimination of any compensation that could be paid or awarded to such Executive Officer after the date of determination;

(viii) the recovery of any amount in respect of Clawback Compensation that was contributed or deferred to a plan that takes into account Clawback Compensation (excluding certain tax-qualified plans, but including deferred compensation plans, supplemental executive retirement plans, and insurance plans to the extent otherwise permitted by applicable law, including Section 409A of the Code) and any earnings accrued on such Clawback Compensation; and

(ix) the taking of any other remedial and recovery action permitted by applicable law or contract.

9. **No Indemnification**. The Company shall not indemnify any Executive Officer or former Executive Officer against the Company's recovery of erroneously awarded Incentive-Based Compensation and shall not pay or reimburse any such Executive Officer for premiums incurred or paid for any insurance policy to fund such Executive Officer's potential recovery obligations.

10. **Non-Exclusive Rights**. Any Company right of recovery of erroneously awarded Incentive-Based Compensation under this Policy is in addition to, and not in lieu of, any other remedies or rights of recovery that may be available to the Company pursuant to the Company's Amended and Restricted Long-Term Incentive Plan, any successor plan to the foregoing, or any other incentive plan of the Company or any of its subsidiaries or affiliates, or (ii) the terms of any policy or provision in any employment agreement, compensation agreement, award agreement, separation agreement, or similar agreement or arrangement or other legal or contractual remedies available to the Company.

In addition to recovery of erroneously awarded Incentive-Based Compensation as provided for in this Policy, the Company may take any and all other actions as it may deem necessary, appropriate, or otherwise in the Company's best interest, including termination of an Executive Officer's employment or initiation of legal or contractual action against an Executive Officer, and nothing in this Policy shall limit the Company's rights to take any such actions.

11. **Governing Law; Severability**. This Policy and all determinations made and actions taken pursuant hereto, to the extent not otherwise governed by mandatory provisions of the Applicable Rules or law, shall be governed by and construed in accordance with the laws of the State of Texas without regard to its choice of law principles. If any provision of this Policy shall be held illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining parts of this Policy, but this Policy shall be construed and enforced as if the illegal or invalid provision had never been included in this Policy.

12. **Amendment**. The Board may, upon the recommendation of the Committee, amend this Policy at any time for any reason, subject to any limitation under the Applicable Rules. Without limiting the forgoing, the Board, upon the recommendation of the Committee, may amend this Policy as it deems necessary or appropriate to reflect any amendment of the Applicable Rules or any regulation or guidance issued under the Applicable Rules.

ANNEX A

UNITED STATES LIME & MINERALS, INC.
COMPENSATION RECOVERY POLICY

ACKNOWLEDGMENT AGREEMENT

I hereby acknowledge, accept, and agree to be bound by all of the terms and conditions of the Compensation Recovery Policy, as it may be amended, restated, supplemented, or otherwise modified from time to time (the "***Policy***"), of United States Lime & Minerals, Inc. (the "***Company***"), both during and after my employment with the Company, including, without limitation, agreeing to (i) promptly repay, return, or forfeit any erroneously awarded Incentive-Based Compensation (as defined in the Policy) subject to recovery under the Policy, and (ii) the Company's right to reduce, cancel, offset, withhold, or eliminate, as applicable, or otherwise take any other remedial or recovery action permitted by applicable law or contract, with respect to any other amounts granted, awarded, earned, or paid to me by the Company to effect such recovery under the Policy.

I also acknowledge, accept, and agree that any Company right of recovery under the Policy is in addition to, and not in lieu of, any other remedies or rights of recovery that may be available to the Company pursuant to the terms and conditions of any equity incentive plan, cash incentive plan, employment agreement, compensation agreement, award agreement, separation agreement, or similar agreement or arrangement or other legal or contractual remedies available to the Company.

I further acknowledge, accept, and agree that the Board of Directors of the Company (the "***Board***") has the authority to amend, restate, supplement, or otherwise modify the policy, and the Compensation Committee of the Board (the "***Committee***") has the authority to administer the Policy, and that any and all actions of the Board and/or the Committee under or relating to the Policy shall be final, conclusive, and binding on all affected parties.

_____
Signature

_____
Print Name

_____
Date