

The Ambler money trail

The federal government is not refereeing the Ambler Road. As of 11 September 2026 it is a shareholder of record, holding about 16.4 million shares, the right to buy about 12.3 million more at one cent once the road's first phase is complete or control of the company changes (the warrants add a third test, ten ore-concentrate trucks in ten days), the right to name an independent director, and a written commitment to help facilitate the financing for construction.

PREPARED 17 AUGUST 2026 · REVISED 5 OCTOBER 2026

MORE THAN JUST PARKS

EVERY FIGURE BELOW IS DRAWN FROM TRILOGY METALS' OWN SEC FILINGS, CIK 1543418

TERMS RE-CHECKED AGAINST THE FILED AGREEMENTS AND THE 10-Q FILED 2 OCTOBER 2026, ON 5 OCTOBER 2026

FREE TO QUOTE WITH ATTRIBUTION TO MORE THAN JUST PARKS

The short version

On 6 October 2025, the day the President ordered the Ambler Road permits reissued, the U.S. Department of War signed a binding letter of intent to acquire roughly ten percent of Trilogy Metals, the Vancouver company that owns half the ore the road would serve.

The ten percent was reported at the time. The rest of the instrument matters more. Alongside the shares, the government took warrants and an option covering roughly 12.3 million additional shares at an exercise price of **one cent**. In the letter of intent those were exercisable "following completion of construction of the Ambler Road." In the definitive agreements signed on **28 August 2026** the warrants' trigger became the earliest of three events: completion of **Phase 1** of the road "as determined by the Engineering Firm or AIDEA", ten trucks of ore concentrate on the road in any ten-day period, or a **change of control of the company**. Trilogy describes the option as exercisable after Phase 1 or a change of control; its executed text is not public. The executed agreements have been public since 14 September 2026.

The department now holds paper that unlocks when Phase 1 of the road is complete, when ten ore-concentrate trucks have used it in a ten-day period (for the warrants), or if control of the company changes.

The definitive agreements also carry terms the letter of intent did not, and Trilogy listed them in its own 28 August filing: the right to name an independent director, an observer inside the joint venture, written approval over its security plan, its written approval, not to be unreasonably withheld, for any borrowing above one

billion dollars until 2029, and a commitment by the Department of War to help facilitate financing for construction of the road.

The transaction closed on 11 September 2026. Trilogy reported the closing to the SEC on 14 September and filed the Investment Agreement, the Cooperation Agreement and the warrant in full as exhibits.

The terms, from the Form 8-K

COMPONENT	DETAIL
Units purchased from Trilogy	8,215,570 at \$2.17, about \$17.8M
Composition of each unit	One common share plus 3/4 of a 10-year warrant
Warrant exercise price	\$0.01
Shares bought from South32	8,215,570, about \$17.8M
Call option from South32	6,161,678 shares at \$0.01, 10-year
Total shares transferred	16,431,140, about 10% of Trilogy
Condition, warrants, as executed	The earliest of completion of Phase 1 of the Ambler Access Project as determined by the engineering firm or AIDEA, ten trucks carrying ore concentrate on the road in any ten-day period, or a change of control of the company
Condition, South32 option, per Trilogy	Phase 1 or a change of control . The executed option text is not public
Board nominee	Right to designate one independent third-party director until 6 Oct 2028
Board observer	Non-voting, while DOW holds at least 8,000,000 shares
Inside the joint venture	Observer at Ambler Metals, quarterly and annual financials, site visits, examination of the books
Debt covenant	No borrowing above \$1 billion without DOW's prior written approval, until 1 Jan 2029 or a change of control
Security plan	Ambler Metals must adopt one within 90 days, subject to DOW's written approval and annual review
Foreign control	Veto and deadlock tie-breaker rights through a special representative if "Restricted Entities" reach 10% of Trilogy or South32

Commitment on the road	DOW "will work in good faith to help facilitate financing required for construction of the Ambler Access Project in coordination with the State of Alaska"
Governing law	United States federal law, federal courts of the Southern District of New York

Trilogy Metals Inc., Form 8-K, filed 7 October 2025, reporting a binding letter of intent dated 6 October 2025 among Trilogy, South32, Ambler Metals and the U.S. Department of War, led by the Office of the Undersecretary of Defense for Acquisitions and Sustainment and the Office of Strategic Capital.

12,323,356

SHARES THE GOVERNMENT MAY ACQUIRE AT ONE CENT EACH. 6,161,678 FROM THE WARRANTS ATTACHED TO ITS UNITS, EXERCISABLE ON PHASE 1 OF THE ROAD, TEN ORE-CONCENTRATE TRUCKS IN A TEN-DAY PERIOD OR A CHANGE OF CONTROL, PLUS A 6,161,678-SHARE CALL OPTION FROM SOUTH32, WHICH TRILOGY DESCRIBES AS EXERCISABLE ON PHASE 1 OR A CHANGE OF CONTROL.

OUR ARITHMETIC, NOT THEIRS

Trilogy's 10-Q for the quarter ended 31 May 2026 values its obligation to the Department of War using a share price of \$4.63. At that price the 12,323,356 penny-priced shares would be worth about **\$57 million**, for an exercise cost of about **\$123,000**. At \$3.61, the price in the newest 10-Q (quarter ended 31 August 2026, filed 2 October 2026), they would be worth about **\$44 million**. Those multiplications are ours. The inputs are the company's, from the filings cited on this page.

What the money buys, and what it does not

The roughly \$35.6 million buys a stake in the owner of the **mine**. Trilogy and South32 committed to reinvest the entire proceeds into Ambler Metals to advance exploration and development of the Upper Kobuk Mineral Projects. The proceeds go to Ambler Metals, not to building the road.

The **road** is the condition on the penny-priced shares. The money bought a stake in the mine's owner, and the penny-priced shares are keyed to the road.

The company assumes even odds on the road

Trilogy carries its obligation to issue those shares and warrants as a derivative liability. In the quarter ended 31 May 2026 it valued that liability at \$34.5 million, up from \$30.7 million in November 2025. The valuation rests, in the company's own words, on:

"management's estimate of the equal probability of completion and non-completion of the Ambler Access Project, which is beyond the control of the Company."

That is an input to an accounting model, for the letter-of-intent structure it was valuing, whose trigger has since changed. A ten percent change in that probability estimate moved the liability by about \$1.4 million.

Trilogy Metals Inc., Form 10-Q for the quarter ended 31 May 2026, filed 8 July 2026, fair value measurement of derivative liability. Inputs disclosed alongside it: share price \$4.63, volatility 82.07 percent, risk-free rate 3.63 percent. The newest 10-Q (quarter ended 31 August 2026, filed 2 October 2026) repeats the equal-probability phrase and carries the liability at \$23.0 million at a share price of \$3.61; the obligation was settled by the issuance at closing.

What the public bought besides shares

The letter of intent announced in October 2025 was an equity purchase. The definitive agreements signed on 28 August 2026 are that plus a governance arrangement, and the governance is the part to read closely.

Under the Investment Agreement, the Department of War may designate one independent third-party director to Trilogy's board until 6 October 2028, and keep a non-voting board observer for as long as it holds at least 8,000,000 shares. Trilogy may not take on more than one billion dollars of borrowed money without the government's prior written approval until 1 January 2029 or a change of control. The agreement is governed by United States federal law, with the company submitting to the federal courts of the Southern District of New York.

Under the Cooperation Agreement, signed the same day by Ambler Metals, Trilogy's US subsidiary, South32's US subsidiary and the Department of War, the government gets an observer inside the joint venture itself, along with quarterly and annual financial statements, site visits and examination of the books. Ambler Metals must adopt a comprehensive security plan within ninety days, subject to the government's written approval and annual review, and stand up a compliance committee within sixty. If entities the agreement calls "Restricted Entities" reach ten percent of Trilogy or South32, the government may appoint a special representative with veto rights and tie-breaking authority in deadlocks at Ambler Metals, exercised solely for national security reasons.

And the parties agreed to discuss a framework agreement with the United States Government setting "the basis on which the Ambler Access Project can be permitted, financed and constructed." The Department of War, in the agreement's words, "will work in good faith to help facilitate financing required for construction of the Ambler Access Project in coordination with the State of Alaska."

Trilogy Metals Inc., Form 8-K filed 31 August 2026, accession 0001279569-26-000836, Items 1.01, 3.02, 7.01 and 8.01, reporting agreements dated 28 August 2026.

What each side said about it

"By financing this project with Trilogy Metals and supporting the infrastructure necessary to develop the Ambler Mining District, we are eliminating foreign supply vulnerabilities and investing directly in American industrial strength."

That is George K. Kollitides II, Director of the Department of War's Economic Defense Unit, in Trilogy's news release of 28 August 2026. Tony Giardini, Trilogy's President and Chief Executive Officer, called the signing "a defining milestone" and said the company looks forward "to continuing our work with South32, federal and state agencies, and Alaska Native communities to responsibly develop this exceptional district."

The release also states two completed pre-closing milestones: the government finished its Foreign Ownership, Control or Influence review of Trilogy, and "the U.S. Congress has authorized, continued authorization and/or reauthorized the relevant authorities."

Exhibit 99.1 to the Form 8-K filed 31 August 2026, news release dated 28 August 2026.

Where the transaction stands

DATE	EVENT
6 Oct 2025	Binding letter of intent signed, the day of the President's decision ordering the permits reissued
30 Mar 2026	First amendment: completion date moved from 31 March to 31 May 2026
30 May 2026	Second amendment: completion date moved to 31 July 2026
31 Jul 2026	Second extended deadline passes with nothing filed
3 Aug 2026	Company states only that "discussions with the DOW continue and the letter of intent signed in October 2025 remains in effect"
28 Aug 2026	Definitive agreements executed. Investment Agreement with the Department of War, and a Cooperation Agreement among Ambler Metals, Trilogy US, South32 USA and the Department of War
11 Sep 2026	Closed. The government paid its \$35.6 million and took its shares and warrants
14 Sep 2026	Closing reported to the SEC, with the Investment Agreement, the Cooperation Agreement and the warrant filed in full as exhibits
2 Oct 2026	Trilogy files its 10-Q for the quarter ended 31 August 2026, the newest filing, carrying the obligation at \$23.0 million at that date and noting it was settled after quarter end

The transaction is closed. The government holds 16,431,140 shares, roughly ten percent of the company, and the paper on 12,323,356 more at one cent, with the warrants running to 10 September 2036.

What converts that paper into real money is the first phase of 211 miles of road across the Brooks Range, ten trucks of ore on it (for the warrants), or a change of control of the company.

Amendments: **Form 10-Q**, quarter ended 31 May 2026. Signing: **Form 8-K** filed 31 August 2026, accession 0001279569-26-000836. Closing and executed agreements: **Form 8-K** filed 14 September 2026, accession 0001104659-26-107442, Exhibits 10.1 to 10.5 and 99.1. Filing index: **SEC EDGAR submissions API**, CIK 0001543418, retrieved 15 September 2026. Newest filing: **Form 10-Q** for the quarter ended 31 August 2026, filed 2 October 2026, accession 0001104659-26-113028.

Three things this briefing does not say

It does not say the deal is improper. The stated purpose is domestic critical minerals supply, run through the Office of Strategic Capital. Copper was added to the federal critical minerals list in November 2025. That is a real policy rationale and it should be argued on its merits.

It does not conflate two sets of field crews. Trilogy's release of 9 June 2026 describes crews mobilized for the 2026 season. Those are Ambler Metals exploration crews at the Upper Kobuk Mineral Projects. They are not AIDEA crews building the road.

It does not flatten Alaska Native positions. Regional corporations, village corporations and tribal governments are different institutions and they disagree with one another about this project. Anyone quoting a position should name the specific entity that holds it.

How to check this yourself

Every document cited here is free. Trilogy Metals is an SEC registrant, CIK 1543418, and its full filing history is public at sec.gov. No subscription, no PACER account, no records request is required. We are publishing this briefing because the documents are public and worth reading.

MORE THAN JUST PARKS · morethanjustparks.com/ambler-road/

Questions, corrections or a document we should see: ask@morethanjustparks.com

Photography and film from the Ambler corridor credited to More Than Just Parks.

This briefing may be quoted freely with attribution. Figures identified above as ours are ours; everything else is the company's own disclosure.