UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **July 31, 2026**

DRAGONFLY ENERGY HOLDINGS CORP.
(Exact name of registrant as specified in its charter)

Nevada	**001-40730**	**85-1873463**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

12915 Old Virginia Road **Reno, Nevada**	**89521**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(775) 622-3448**

N/A
(Former name or former address, if changed since last report.)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001 per share	DFLI	The Nasdaq Capital Market
Redeemable warrants, exercisable for common stock	DFLIW	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☒

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

Item 1.01. Entry into a Material Definitive Agreement.

Asset Purchase Agreement

On July 31, 2026, Dragonfly Energy Holdings Corp. (the “Company”) and its wholly owned subsidiary, Dragonfly Energy Corp. (the “Subsidiary”) entered into an asset purchase agreement (the “Purchase Agreement”) pursuant to which the Subsidiary acquired substantially all of the operating assets associated with the Dakota Lithium® brand (the “Transaction”), from Clean Liquidation, LLC (assignment for the benefit of creditors) (the “Seller”), which succeeded to the assets of Clean Republic SODO, LLC (the “Assignor”).

Pursuant to the Purchase Agreement, the Subsidiary purchased substantially all of the operating assets associated with the Dakota Lithium® brand (the “Assets”) on an “as is” and “where is” basis. The Subsidiary also assumed certain liabilities relating to the Assets. In consideration of the purchase of the Assets, the Company and the Subsidiary paid an aggregate purchase price of $4.0 million (the “Purchase Price”), consisting of (i) $1 million in cash and (ii) 1,500,000 shares of the Company’s common stock, par value $0.0001 per share (the “Common Stock” and such shares, the “Shares”), issued by the Company at a price of $2.00 per share, for an aggregate value of $3.0 million. The Shares were issued to Recipients (as defined below) pursuant to the Securities Receipt Agreement (as defined below).

The Purchase Agreement contains customary representations and warranties, covenants, indemnification provisions and closing conditions customary for a transaction of this nature, including, without limitation, confidentiality obligations.

The foregoing description of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the Purchase Agreement filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Securities Receipt Agreement

On July 31, 2026, in connection with the Purchase Agreement, the Company entered into a Securities Receipt Agreement (the “Securities Receipt Agreement”) with the recipients party thereto (the “Recipients”). Pursuant to the Securities Receipt Agreement, the Company issued the Shares to the Recipients in exchange for a release of the secured claims against the Assets.

The Securities Receipt Agreement contains customary representations and warranties of the Company and the Recipients. The Shares issued pursuant to the Securities Receipt Agreement are subject to a 12-month lock-up period during which the Recipients may not offer, sell, or otherwise dispose of such shares, subject to certain permitted transfers. The Shares are also subject to transfer restrictions and will bear a restrictive legend.

The foregoing description of the Securities Receipt Agreement does not purport to be complete and is qualified in its entirety by reference to the Form of Securities Receipt Agreement filed as Exhibit 10.2 to this Current Report on Form 8-K and incorporated herein by reference.

Seventh Term Loan Amendment

On July 31, 2026, the Company, the Subsidiary and Battle Born Battery Products, LLC entered into the Seventh Amendment (the “Seventh Amendment”) to its Term Loan, Guarantee and Security Agreement (as amended, the “Term Loan Agreement”) with the lenders (the “Lenders”) and Alter Domus (US) LLC, as agent, with respect to the Company’s senior secured term loan facility (the “Term Loan”). Under the Seventh Amendment:

- the Lenders have consented to the Transaction;
- during the period from the Seventh Amendment effective date through December 31, 2026 (the “PIK Period”), the interest rate under the Term Loan Agreement has been modified to 14.0% per annum (from 12.0%), all of which shall be payable-in-kind;

- the commencement date for testing the maximum senior leverage ratio covenant and the fixed charge coverage ratio covenant has been extended from March 31, 2027 to September 30, 2027; and

- the minimum liquidity covenant has been modified to require minimum Liquidity (as defined in the Term Loan Agreement) of $4,000,000 for the period from August 31, 2026 through January 31, 2027, and $5,000,000 thereafter.

The summary of the terms of the Seventh Amendment herein is subject to and qualified in its entirety by the full text of the Seventh Amendment, which is attached as Exhibit 10.3 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth above in Item 1.01 with respect to the Seventh Amendment is hereby incorporated by reference into this Item 2.03.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth above in Item 1.01 with respect to the issuance of the Shares is hereby incorporated by reference into this Item 3.02. The Shares have not been registered under the Securities Act of 1933, as amended (the "Securities Act") and were issued in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act.

Item 7.01. Regulation FD Disclosure.

On July 31, 2026, the Company issued a press release announcing the Transaction and the Seventh Amendment. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information in this Item 7.01, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act, regardless of any general incorporation language in such filing.

Item 9.01. Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1#	Asset Purchase Agreement, dated July 31, 2026, by and among the Company, the Subsidiary and the Seller.
10.2	Form of Securities Receipt Agreement between the Company and the Recipients.
10.3	Seventh Amendment to Term Loan, Guarantee and Security Agreement, dated as of July 31, 2026, by and among the Company, Dragonfly Energy Corp., Battle Born Battery Products, LLC, the lenders from time to time party thereto and Alter Domus (US) LLC.
99.1	Press Release of Dragonfly Energy Holdings Corp., dated July 31, 2026.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

Schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish copies of any of the omitted schedules upon request by the SEC.

Signature

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

DRAGONFLY ENERGY HOLDINGS CORP.

Dated: July 31, 2026

By: */s/ Denis Phares*
Name: Denis Phares
Title: Chief Executive Officer, Interim Chief Financial Officer and President

Exhibit 10.1

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "***Agreement***") is hereby entered into on July 31, 2026 (the "***Effective Date***"), by and between Clean Liquidation, LLC, a California limited liability company, in its capacity as the Assignee for the Benefit of Creditors of Clean Republic SODO, LLC (the "***Assignee***" or "***Seller***"), Dragonfly Energy Corp., a Nevada corporation (the "***Buyer***") and Dragonfly Energy Holdings, Corp., a Nevada corporation ("***Parent***").

RECITALS

A. Clean Republic SODO, LLC, a Washington Limited Liability Company (the "***Assignor***") entered into a General Assignment with Seller effective as of July 31, 2026 pursuant to which (subject to that set forth in the General Assignment) Assignor granted, assigned and transferred to Assignee, in trust, for the benefit of Assignor's creditors, all of Assignor's assignable property and assets of every kind and nature, whether real or personal property assets, wherever situated or located, and that are not exempt from the enforcement of a money judgment, including, without limitation, all inventory, accounts receivable, goods, furniture, fixtures, machinery, equipment, raw materials, work in process, general intangibles, real estate, intellectual property, interests in other legal entities, deposits, books, records, cash, bank accounts, tax refunds, all choses in action, insurance policies and refunds and all other property of every kind and nature, whether owned by Assignor or in which Assignor has an interest (the "***Assignment Estate***").

B. Buyer has identified a subset of assets of the Assignment Estate that Buyer desires to purchase from Seller (the ***"Purchased Assets"***). The Purchased Assets are defined in Section 1.2 below. After consummation of the Closing contemplated under this Agreement, Seller intends to sell or otherwise liquidate any and all remaining non-cash assets of the Assignment Estate that are not Purchased Assets and will undertake the winding down of the Assignment Estate, which shall ultimately include, but shall not be limited to, the distribution to Assignor's creditors of the Assignment Estate's net funds remaining after payment of all fees and costs associated with the liquidation of the Assignment Estate.

C. Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, the Purchased Assets, on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants hereinafter set forth, Buyer and Seller hereby agree as follows:

1. PURCHASE AND SALE OF THE PURCHASED ASSETS.

1.1 Agreement to Sell and Purchase the Purchased Assets. Subject to the terms and conditions of this Agreement, and in reliance on the representations, warranties and covenants set forth in this Agreement, Seller hereby agrees to sell, assign, transfer and convey to Buyer at the Closing (as defined in Section 2.2 below), and Buyer hereby agrees to purchase and acquire from Seller at the Closing, all of Seller's right, title and interest in and to all of the Purchased Assets. The Purchased Assets will be sold, assigned, transferred and conveyed to Buyer (subject to Section 1.3) on the Closing Date on a "AS IS" and "WHERE IS" basis, with no representations or warranties other than those specifically set forth below, and subject to any and all existing pledges, liens, licenses, rights of possession, security interests, restrictions, encumbrances, charges, title retention, conditional sale or other security arrangements of any nature whatsoever (collectively, ***"Encumbrances"***), unless the holders of any such Encumbrances specifically provides its written consent to having the Purchased Assets sold, assigned, transferred and conveyed to Buyer free and clear of any such Encumbrances.

1.2 Purchased Assets Defined. The term "***Purchased Assets***" used herein means, collectively, Seller's right, title and interest in and to only those assets listed in Exhibit 1.2 attached hereto.

1.3 Excluded Assets Defined. The term "***Excluded Assets***" used herein means, collectively, all assets of the Assignment Estate that are not specifically included in Exhibit 1.2 attached hereto, which includes, but are not limited to, any of Seller's or Assignor's (i) cash, (ii) accounts receivable, (iii) claims for preference or fraudulent conveyance recoveries under applicable law or any other litigation recoveries, (iv) state or federal tax refunds, (v) insurance refunds or recoveries, (vi) utility or leasehold security deposits, (vii) corporate governance and human resource documents and business books and records, (viii) any and all properties, rights, contracts, leases, licenses, claims or other assets other than those specifically listed in Exhibit 1.2 attached hereto. Excluded Assets specifically includes all contracts, licenses and leases of Assignor or Assignee unless any such assignment agreement is signed by Assignor and/or Assignee and Buyer and such assignment is allowable under the contract, license or leases or any required consent has been obtained.

1.4 Passage of Title to Purchased Assets to Buyer and Delivery of Purchased Assets.

(a) Title Passage. Except as otherwise provided herein, upon the Closing, (i) title to all of the Purchased Assets shall pass to Buyer; and (ii) upon Buyer's written request, Seller shall execute assignments, conveyances and/or bills of sale, or other reasonably requested instruments of conveyance, reasonably necessary to convey to Buyer title to the Purchased Assets, subject to the Encumbrances.

(b) Delivery of Purchased Assets. Except as otherwise provided herein, on the Closing Date (as defined in Section 2.2), Seller shall make available to Buyer possession of the Purchased Assets to the extent reasonably possible, provided, however, that the expenses of retrieving, removing and transferring the Purchased Assets from their location at the Closing shall be borne exclusively by Buyer, and provided further that in the event that any of the Purchased Assets are located outside of the physical control of Seller, such as in warehouses or foreign locations controlled by third parties, Seller is not making any representation or warranty to Buyer as to the quantities of Purchased Assets under the control of such third parties or the accessibility of such Purchased Assets. Buyer has agreed to take title to those Purchased Assets with full knowledge of those risks.

(c) Retention of Documents. Assignee is responsible for maintaining business records during the General Assignment. To the extent Buyer requires business records of Assignor that Assignee has retained to administer the Assignment Estate, Buyer shall, at its own expense, arrange to obtain copies of such records from Assignee.

2. PURCHASE PRICE; PAYMENTS.

2.1 Buyer's Purchase Price and Method of Payment. In consideration of Seller's sale, transfer, conveyance and assignment of the Purchased Assets to Buyer at the Closing, Buyer and Parent shall, as of the Closing, pay to Seller the sum of $4,000,000 (Four Million Dollars) (the "***Purchase Price***") to be paid (i) $1,000,000 in cash by wire transfer (unless agreed otherwise in writing), and (ii) the issuance of 1,500,000 shares (the "Shares") of common stock, par value $0.0001 per share (the "***Common Stock***"), of Parent; provided, that the Shares shall be issued to Seller and to the other party(s) pursuant to the terms of the Securities Receipt Agreement dated the date hereof (the "***Securities Receipt Agreement***") in the form attached hereto as Exhibit 2 hereto. The Purchase Price shall be allocated to the Seller and the other party(s) to the Securities Receipt Agreement as directed by the Seller.

2.2 Closing. The consummation of Seller's sale of the Purchased Assets to Buyer will take place at a closing to be held virtually, at the offices of Seller, or at such other mutually agreeable location (the ***"Closing"***), with such Closing to occur on July 31, 2026 (the ***"Closing Date"***), or at such other time or date, or at such other location, agreed to in writing by both Buyer and Seller. If the Closing does not occur on or prior to July 31, 2026, or such later date agreed to in writing between Buyer and Seller, this Agreement shall terminate upon written notice of termination given by either party hereto that is not in default of its obligations hereunder to the other, and, upon any such written notice of termination having been provided, this Agreement shall become null and void and neither party hereto will have any further rights or obligations hereunder, except that Section 6.1 shall survive such termination.

2.3 Allocation of Purchase Price. Exhibit 2.3 hereto contains an allocation of the Purchase Price among the Purchased Assets, which may be determined by Buyer and Seller following the Closing at their joint discretion.

3. OBLIGATIONS ASSUMED.

3.1 Liabilities. Buyer agrees, upon consummation of, and effective as of, the Closing, to assume only those liabilities and obligations of Seller and of Assignor identified in Schedule 3.1 hereto (collectively, the "***Assumed Liabilities***").

3.2 Liabilities and Obligations Not Assumed. Except as expressly set forth in Schedule 3.1 hereto, Buyer shall not assume or become obligated in any way to pay or perform any liabilities, debts or obligations of Seller or of Assignor, including, any liabilities or obligations arising from Assignor's or Assignee's business activities that took place prior to the Closing or any liabilities arising out of or connected to Seller's sale or liquidation of assets that are not Purchased Assets or from winding down any remaining business of the Assignment Estate. All liabilities, debts and obligations of Seller and of Assignor not expressly assumed by Buyer hereunder are hereinafter referred to as the "***Excluded Liabilities***."

3.3 No Obligations to Third Parties. The execution and delivery of this Agreement shall not be deemed to confer any rights upon any person or entity other than the parties to this Agreement, or make any person or entity a third party beneficiary of this Agreement, or to obligate either party to any person or entity other than the parties to this Agreement. The assumption by Buyer of any Assumed Liabilities shall in no way expand the rights or remedies of any third parties against Buyer as compared to the rights and remedies any such third parties would have against Seller if the Closing had not consummated.

4. **<u>REPRESENTATIONS AND WARRANTIES OF BUYER</u>.**

Buyer hereby represents and warrants to Seller that all the following statements are true, accurate and correct as of the date of this Agreement, and if Buyer learns after the date of this Agreement that any of the following statements are not true, accurate and correct, Buyer shall promptly notify Seller:

4.1 <u>Due Organization</u>. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of Nevada. Buyer has all necessary power and authority to enter into this Agreement and to execute and deliver all other documents that Buyer is required to execute and deliver hereunder, and Buyer holds or will timely hold all permits, licenses, orders and approvals of all federal, state and local governmental or regulatory bodies necessary and required therefore.

4.2 <u>Power and Authority</u>. Buyer has all requisite power and authority to enter into and deliver this Agreement and to perform its obligations hereunder. The execution, delivery and performance by Buyer of this Agreement, and the consummation of all the transactions contemplated hereby, have been duly and validly authorized by Buyer. This Agreement, when signed and delivered by Buyer, will be duly and validly executed and delivered and will be the valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to the laws relating to bankruptcy, insolvency and relief of debtors, and rules and laws governing specific performance, injunctions, relief and other equitable remedies. The person executing this Agreement on behalf of Buyer represents that he/she has the requisite power and authority to execute this Agreement on behalf of Buyer and to bind Buyer to all of its terms.

4.3 <u>Authorization for this Agreement</u>. No authorization, approval, consent of, or filing with any governmental body, department, bureau, agency, public board, authority or other third party is required for the consummation by Buyer of the transactions contemplated by this Agreement.

4.4 <u>Litigation</u>. To the best of Buyer’s knowledge, there is no litigation, suit, action, arbitration, inquiry, investigation or proceeding pending or threatened against Buyer (or against any corporation or entity affiliated with Buyer) before any court, agency or other governmental body which seeks or could be deemed to seek to enjoin or prohibit or otherwise prevent the transactions contemplated by this Agreement.

4.5 <u>Funding</u>. Buyer currently has available to it, and will have available to it at the Closing, sufficient cash to pay the Purchase Price to Seller at the Closing. Buyer’s ability to perform its financial obligations under this Agreement is therefore not subject to any financing contingency.

5. **<u>REPRESENTATIONS AND WARRANTIES OF SELLER</u>.**

Seller represents and warrants to Buyer that all of the following statements are true, accurate and correct as of the date of this Agreement, and if Seller learns after the date of this Agreement that any of the following statements are not true, accurate and correct, Seller shall promptly notify Buyer:

5.1 <u>Corporate Organization</u>. Seller is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of California.

5.2 <u>Power and Authority</u>. Seller has all requisite power and authority to enter into and deliver this Agreement and to perform its obligations hereunder. The execution, delivery and performance by Seller of this Agreement, and the consummation of all the transactions contemplated hereby, have been duly and validly authorized by Seller. This Agreement, when signed and delivered by Seller, will be duly and validly executed and delivered and will be the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, subject to the laws relating to bankruptcy, insolvency and relief of debtors, and rules and laws governing specific performance, injunctions, relief and other equitable remedies. The person executing this Agreement on behalf of Seller represents that he/she has the requisite power and authority to execute this Agreement on behalf of Seller and to bind Seller to all of its terms.

5.3 <u>Title</u>. To the best of Seller's knowledge after reasonable inquiry of a UCC search conducted in Assignor's state of incorporation, Seller has good and marketable title to all of the Purchased Assets subject to all of the Encumbrances. In connection with the Closing, Seller sells, assigns, transfers and conveys title to the Purchased Assets to Buyer on an "AS IS" and "WHERE IS" basis, with no representations or warranties as to merchantability, fitness or use, with the Purchased Assets subject to all of the Encumbrances unless the holder of any such Encumbrance consents in writing to having Seller transferring title to certain Purchased Assets free and clear of any such Encumbrance.

(a) **<u>AS-IS SALE; DISCLAIMERS; RELEASE</u>. IT IS UNDERSTOOD AND AGREED THAT, UNLESS EXPRESSLY STATED HEREIN, SELLER IS NOT MAKING AND HAS NOT AT ANY TIME MADE ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PURCHASED ASSETS, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OR REPRESENTATIONS AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

(b) **BUYER ACKNOWLEDGES AND AGREES THAT UPON THE CLOSING SELLER SHALL SELL AND CONVEY TO BUYER AND BUYER SHALL ACCEPT THE PURCHASED ASSETS "AS IS, WHERE IS, WITH ALL FAULTS." BUYER HAS NOT RELIED UPON AND WILL NOT RELY ON, AND SELLER IS NOT LIABLE FOR OR BOUND BY, ANY EXPRESS OR IMPLIED WARRANTIES, GUARANTEES, STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PURCHASED ASSETS OR RELATING THERETO MADE OR FURNISHED BY SELLER OR ITS REPRESENTATIVES TO WHOMEVER MADE OR GIVEN, DIRECTLY OR INDIRECTLY, ORALLY OR IN WRITING, EXCEPT AS EXPRESSLY STATED HEREIN. BUYER ALSO ACKNOWLEDGES THAT THE PURCHASE PRICE REFLECTS AND TAKES INTO ACCOUNT THAT THE PURCHASED ASSETS ARE BEING SOLD "AS IS, WHERE IS, WITH ALL FAULTS."**

(c) **BUYER ACKNOWLEDGES TO SELLER THAT BUYER WILL HAVE THE OPPORTUNITY TO CONDUCT PRIOR TO CLOSING SUCH INSPECTIONS AND INVESTIGATIONS OF THE PURCHASED ASSETS AS BUYER DEEMS NECESSARY OR DESIRABLE TO SATISFY ITSELF AS TO THE PURCHASED ASSETS AND ITS ACQUISITION THEREOF. BUYER FURTHER WARRANTS AND REPRESENTS TO SELLER THAT BUYER WILL RELY SOLELY ON ITS OWN REVIEW AND OTHER INSPECTIONS AND INVESTIGATIONS IN THIS TRANSACTION AND NOT UPON THE INFORMATION PROVIDED BY OR ON BEHALF OF SELLER, OR ITS AGENTS, EMPLOYEES OR REPRESENTATIVES. BUYER HEREBY ASSUMES THE RISK THAT ANY ADVERSE MATTERS, INCLUDING, BUT NOT LIMITED TO, PRODUCT OR PATENT DEFECTS, PHYSICAL DEFECTS OR ANY OTHER ADVERSE MATTERS, MAY NOT HAVE BEEN DISCLOSED TO OR REVEALED BY BUYER'S REVIEW, INSPECTIONS AND INVESTIGATIONS.**

(d) **BUYER ACKNOWLEDGES THAT SOME OF THE PURCHASED ASSETS DESCRIBED IN EXHIBIT 1.2 MAY CONTAIN THIRD-PARTY INTELLECTUAL PROPERTY THAT MAY HAVE BEEN LICENSED BY ASSIGNOR OR OTHERWISE ACQUIRED BY ASSIGNOR. BUYER UNDERSTANDS THAT SELLER IS UNABLE TO TRANSFER INTELLECTUAL PROPERTY BELONGING TO A THIRD-PARTY WITHOUT THE EXPRESS WRITTEN CONSENT OF THAT THIRD-PARTY, WHICH WILL NOT BE OBTAINED OR SOUGHT BY SELLER AS A PART OF, OR CONDITION TO, THIS AGREEMENT UNLESS SELLER AND BUYER AGREE TO THE CONTRARY IN WRITING. IF ANY SUCH INTELLECTUAL PROPERTY IS INCLUDED WITHIN THE PURCHASED ASSETS, BUYER SHALL ACCEPT FULL RESPONSIBILITY FOR COMMUNICATING WITH ANY SUCH THIRD-PARTIES WHOSE INTELLECTUAL PROPERTY IS INCLUDED IN THE PURCHASED ASSETS AND SHALL PAY ANY AND ALL LICENSING OR OTHER FEES, COSTS, EXPENSES OR CHARGES ASSOCIATED WITH USE OF ANY SUCH PURCHASED ASSETS OR OTHERWISE.**

5.4 Litigation. To the best of Seller's knowledge, there is no claim, action, arbitration, inquiry, investigation, suit or proceeding pending or, to Seller's knowledge, threatened, against Seller or Assignor that might affect in any way any of the Purchased Assets or the transactions contemplated by this Agreement. To the best of Seller's knowledge, there are no judgments, decrees, injunctions or orders of any court, governmental body, department, commission, agency, instrumentality or arbitrator against Seller or Assignor affecting the Purchased Assets.

5.5 Authorization for this Agreement. To the best of Seller's knowledge, no authorization, approval, consent of, or filing with any governmental body, department, bureau, agency, public board, authority or other third party is required for the consummation by Seller of the transactions contemplated by this Agreement.

5.6 Assignee. All rights of Seller with regard to the ownership and possession of the Purchased Assets are rights held as Assignee pursuant to the General Assignment. Pursuant to the General Assignment, Assignor has informed Seller that it transferred to Seller all of Assignor's right, title and interest in and to the Purchased Assets. Pursuant to this Agreement, Seller will at Closing sell, assign, and transfer all of the Assignee's right, title and interest in and to the Purchased Assets to Buyer, recognizing that Assignee's right, title and interest in and to the Purchased Assets is no greater than the rights that Assignor had in such Purchased Assets immediately prior to Assignor's entry into the General Assignment.

5.7 Restricted Securities. Seller understands that the Shares are "restricted securities" and have not been registered under the Securities Act of 1933, as amended (the "***Securities Act***") or any applicable state securities law. Seller acknowledges that neither Buyer nor Parent has any obligation to register or qualify the Shares for resale. Seller further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and on requirements relating to Buyer or Parent which are outside of Seller's control, and which Buyer is under no obligation and may not be able to satisfy. Seller represents that it is familiar with Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act. Each certificate instrument, or book entry representing the Shares subject to this Agreement if issued on or after the date of this Agreement shall be notated by Parent with the legend set forth in Section 5.13.

5.8 Accredited Investor. Seller is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

5.9 Own Account. Seller is acquiring the Shares as principal for its own account and not with a view to or for distributing or reselling such Shares or any part thereof in violation of the Securities Act or any applicable state securities law, has no present intention of distributing any of such Shares in violation of the Securities Act or any applicable state securities law and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such Shares in violation of the Securities Act or any applicable state securities law (this representation and warranty not limiting Seller's right to sell the Shares in compliance with applicable federal and state securities laws).

5.10 Experience of Seller. Seller, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective acquisition of the Shares, and has so evaluated the merits and risks of such acquisition.

5.11 General Solicitation. Seller is not, to the Seller's knowledge, purchasing the Securities as a result of any advertisement, article, notice or other communication regarding the Shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or, to the knowledge of the Seller, any other general solicitation, or advertisement

6. <u>COVENANTS OF BUYER</u>.

6.1 <u>Confidential Information</u>. All copies, if any, of financial information, pricing, marketing plans, business plans, and other confidential and/or proprietary information of Assignor and/or Seller disclosed to Buyer in the course of negotiating the transactions contemplated by this Agreement, including the terms of this Agreement (“***Seller Confidential Information***”), will be held in confidence and not be used or disclosed by Buyer or any of its employees, affiliates, or stockholders for a period of six (6) months from the Effective Date and will be promptly destroyed by Buyer or returned to Seller, upon Seller’s written request to Buyer; *<u>provided, however,</u>* that from and after the Closing, the foregoing covenant shall not be applicable to any Seller Confidential Information included in the Purchased Assets. If Buyer elects to destroy the Confidential Information, Buyer shall provide Seller with written confirmation that this has occurred, including the time of destruction and method of destruction used by Buyer. It is agreed that Seller Confidential Information will <u>not</u> include information that: (a) is proven to have been known to Buyer prior to receipt of such information from Seller; (b) is disclosed by a third party having the legal right to disclose such information and who owes no obligation of confidence to Seller; (c) is now, or later becomes, part of the general public knowledge or literature, other than as a result of a breach of this Agreement by Buyer; or (d) is independently developed by Buyer without the use of any Seller Confidential Information.

6.2 <u>Press Releases and Public Announcements</u>. Buyer shall not issue any press release or make any public disclosure or announcement relating to the financial terms of this Agreement or identifying Seller without Seller’s prior written approval, which shall not be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, Buyer and Parent may disclose information relating to this Agreement if required to do so by law or applicable governmental regulation and Parent will be filing this Agreement and the terms related to this Agreement as part of its public filings with the U.S. Securities and Exchange Commission.

6.3 <u>Taxes and any Other Charges Related to the Sale</u>. Buyer agrees to promptly pay all sales, transfer, use or other taxes, duties, claims or charges imposed on and/or related to the sale of the Purchased Assets under this Agreement by any tax authority or other governmental agency and to defend, indemnify and hold Seller harmless from and against any such taxes, duties, claims, or charges for payment thereof by any tax authority or other governmental agency. Buyer agrees that it will pay to the appropriate governmental agency any sales tax resulting from the sale of the Purchased Assets under this Agreement within thirty days following the Effective Date, and will provide to Seller written proof of Buyer having made such sales tax payment within three business days of the date that Buyer made such sales tax payment.

6.4 <u>Survival of Covenants</u>. The covenants set forth in this Section shall survive the Closing. The covenants set forth in Section 6.1 above shall, in addition, survive the termination of this Agreement for any reason.

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7. COVENANTS OF SELLER.

Seller covenants and agrees with Buyer as follows:

7.1 Further Assurances. From and after the Closing Date, Seller shall cooperate with Buyer and promptly sign and deliver to Buyer and Parent any and such additional documents, instruments, endorsements and related information and take actions as Buyer may reasonably request for the purpose of effecting the transfer of Seller's and/or Assignor's title to the Purchased Assets to Buyer, and/or carrying out the provisions of this Agreement, provided, however, that Seller shall be reimbursed for its reasonable costs and expenses incurred in providing such documents, instruments, endorsements or related information, which additional documents, instruments, endorsements or related information shall be prepared solely by Buyer and Parent.

7.2 Press Releases and Public Announcements. Seller shall not issue any press release or make any public disclosure or announcement relating to the financial terms of this Agreement or identify Buyer without Buyer's and Parent's prior written approval, which shall not be unreasonably withheld. Notwithstanding the foregoing, Seller may disclose certain information relating to this Agreement if required to do so by law or applicable governmental regulation, and Seller may disclose certain information relating to this Agreement to creditors of the Assignment Estate or to other parties in interest as Seller determines to be appropriate in its sole and absolute discretion.

7.3 Survival of Covenants. The covenants set forth in this Section shall survive the Closing.

8. CONDITIONS TO CLOSING.

8.1 Conditions to Buyer's and Parent's Obligations. Buyer's and Parent's obligations under this Agreement shall be subject to the satisfaction and fulfillment of each of the following conditions, except as each of Buyer and Parent expressly waives in writing:

(a) Accuracy of Representations and Warranties on the Closing Date. The representations and warranties made by Seller in this Agreement are true and correct in all material respects, and not misleading in any material respect, on and as of the date given, and on and as of the Closing Date, with the same force and effect as though such representations and warranties were made on and as of the Closing Date.

(b) Compliance. As of the Closing Date, Seller shall have complied in all material respects with, and shall have fully performed, in all material respects, all conditions, covenants and obligations of this Agreement imposed on Seller and required to be performed or complied with by Seller at, or prior to, the Closing Date.

(c) Delivery of Purchased Assets. Seller shall have made the Purchased Assets available to Buyer to the extent required by Seller subject to all of the terms and conditions of this Agreement, free and clear of all known liens, claims, and encumbrances.

(d) Delivery of Closing Documents. Seller shall have delivered, and Buyer shall have received, all of the documents that Seller is required to provide to Buyer under this Agreement.

8.2 Conditions to Seller's Obligations. The obligations of Seller hereunder shall be subject to the satisfaction and fulfillment of each of the following conditions, except as Seller may expressly waive the same in writing:

(a) Accuracy of Representations and Warranties on Closing Date. The representations and warranties made in this Agreement by Buyer are true and correct in all material respects, and not misleading in any material respect, on and as of the date given, and on and as of the Closing Date with the same force and effect as though such representations and warranties were made on and as of the Closing Date.

(b) Compliance. As of the Closing Date, Buyer shall have complied in all material respects with, and shall have fully performed, in all material respects, all conditions, covenants and obligations of this Agreement imposed on Buyer and required to be performed or complied with by Buyer at, or prior to, the Closing Date.

(c) Payment. With respect to the cash portion, if any, of the Purchase Price, Buyer shall have transmitted to and Seller shall have received payment of the Purchase Price by wire transfer or by such other method of payment transmission mutually agreed to in writing between Buyer and Seller and Parent shall have issued the Shares pursuant to this Agreement and the Securities Receipt Agreement.

9. CLOSING OBLIGATIONS.

9.1 Buyer's Closing Obligations. At the Closing, Buyer shall deliver to Seller each of the following:

(a) With respect to the cash consideration, if any, payment of the Purchase Price to Seller by wire transfer or by such other method of payment transmission mutually agreed to in writing between Buyer and Seller. With respect to the Share consideration, if any, the issuance of a certificate or book-entry statement evidencing the Shares to be delivered to Seller or such other party(s) pursuant to the Securities Receipt Agreement.

(b) The Assignment and Bill of Sale Agreement, in the form attached hereto as Exhibit 9.1 (b), signed by an authorized representative of Buyer on behalf of Buyer.

(c) Any other agreements required to be signed by Buyer, including those in the form(s) attached hereto as Exhibit 9.1 (c), signed by an authorized representative of Buyer on behalf of Buyer.

9.2 Seller's Closing Obligations. At the Closing, Seller shall deliver to Buyer each of the following:

(a) The Purchased Assets in accordance with and subject to all of the terms and conditions of this Agreement.

(b) The Assignment and Bill of Sale Agreement, in the form attached hereto as Exhibit 9.1 (b), signed by an authorized representative of Seller on behalf of Seller.

(c) Any other agreements required to be signed by Seller, including those in the form(s) attached hereto as Exhibit 9.1 (c), signed by an authorized representative of Seller on behalf of Seller.

10. SURVIVAL OF WARRANTIES AND INDEMNIFICATION.

10.1 Survival of Warranties. All representations and warranties made by Buyer in this Agreement or in any other document delivered by Buyer to Seller shall survive the Closing for a period of one year after the Closing. All representations and warranties made by Seller in this Agreement or in any other document delivered by Seller to Buyer shall terminate effective as of the Closing; provided, that the representations and warranties set forth in Sections 5.7 through 5.11 hereof and the representations and warranties made by Seller set forth in the Securities Receipt Agreement shall survive the Closing for a period of six months after the Closing.

10.2 No Indemnification by Seller. As set forth above, Seller is selling the Purchased Assets to Buyer on an "AS IS" and "WHERE IS" basis, with no representations or warranties as to merchantability, fitness or usability or in any other regard (except for the limited representations and warranties specifically set forth above), and Seller does not agree to and will not defend, indemnify or hold harmless Buyer, any parent, subsidiary or affiliate of Buyer or any director, officer, employee, stockholder, agent or attorney of Buyer or of any parent, subsidiary or affiliate of Buyer from and against and in respect of any Loss (defined below) which arises out of or results from this Agreement or any of the transactions occurring with respect to or related to this Agreement.

10.3 Indemnification By Buyer. Buyer agrees to defend, indemnify and hold harmless Seller, any parent, subsidiary or affiliate of Seller, and any officers, directors, members, agents, managers, representatives, employees or attorneys of Seller or of any parent, subsidiary or affiliate of Seller (collectively, the ***"Seller Indemnitees"***) from and against and in respect of any Loss which arises out of or results from:

(a) any breach by Buyer of any covenant made herein, or the inaccuracy or untruth of any representation or warranty of Buyer made herein; or

(b) the use of the Purchased Assets after the Closing.

10.4 Indemnified Losses. For the purpose of this Section 10.4 and when used elsewhere in this Agreement, "***Loss***" shall be defined to mean and include any and all liability, loss, damage, claim, expense, cost, fine, fee, penalty, obligation or injury including, without limitation, those resulting from any and all actions, suits, proceedings, demands, assessments, judgments, award or arbitration, together with reasonable costs and expenses including the reasonable attorneys' fees and other legal costs and expenses relating thereto.

10.5 Period for Making Claims. A claim for indemnification by Seller under Section 10.3(a) may be brought by Seller at any time up until the date that is one year following the Closing Date. A claim for indemnification by Seller under Section 10.3(b) may be brought by Seller at any time.

11. MISCELLANEOUS.

11.1 Expenses. Buyer and Seller shall each bear its own expenses (including without limitation attorneys' fees) in connection with the negotiation and consummation of the negotiation and drafting of this Agreement and the consummation of the transactions contemplated by this Agreement.

11.2 Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be personally delivered or sent by certified or registered United States mail, postage prepaid, or sent by a nationally recognized overnight express courier and addressed as follows (with any notice also to be required to be delivered via email):

(a) If to Seller:
Clean Liquidation, LLC
2261 Market Street Suite 95526
San Francisco, CA 84114

Telephone: (310) 526-7052
Email: [**]
Attention: Jeff Klausner

With copy to:

Jeffer Mangles & Mitchell LLP
33 Bush Street, 11th Floor
San Francisco, CA 84104

Telephone: (415) 984-9626
Email: byoung@jeffer.com
Attention Ben Young

(b) If to Buyer or Parent:

Dragonfly Energy Holdings Corp.
12915 Old Virginia Road
Reno, Nevada 89521

Telephone: (775) 622-3448
Email: [**]
Attention: Denis Phares

With copy to:

Lowenstein Sandler LLP
1251 Avenue of the Americas
New York, New York 10020

Telephone: (973) 597-2476
Email: sskolnick@lowenstein.com
Attention: Steven Skolnick, Esq.

11.3 Entire Agreement. This Asset Purchase Agreement, the Securities Receipt Agreement, the Exhibits hereto (which are incorporated herein by reference) and any agreements to be executed and delivered in connection herewith, together constitute the entire agreement and understanding between the parties and there are no agreements or commitments with respect to the transactions contemplated by this Agreement except as set forth in this Agreement. This Agreement supersedes any prior offer, agreement or understanding between the parties with respect to the transactions contemplated by this Agreement.

11.4 Amendment; Waiver. Any term or provision of this Agreement may be amended only by a written document signed by both Seller, Buyer and Parent. The observance of any term or provision of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written document signed by the party to be bound by such waiver. No waiver by a party of any breach of this Agreement will be deemed to constitute a waiver of any other breach or any succeeding breach.

11.5 No Third Party Beneficiaries. Nothing expressed or implied in this Agreement is intended, nor shall be construed, to confer upon or to give any other person or party other than Buyer, Parent or Seller any rights or remedies under or by reason of this Agreement. There are no third-party beneficiaries to or of this Agreement.

11.6 Execution in Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Facsimile or electronically transmitted signatures to this Agreement shall be as valid and binding and have the same force and effect as an original signature to this Agreement.

11.7 Benefit and Burden. This Agreement shall be binding upon, shall inure to the benefit of, and shall be enforceable by and against, the parties hereto and all of their respective successors and permitted assigns.

11.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California (excluding application of any choice of law doctrines that would make applicable the law of any other state or jurisdiction) and, where appropriate, applicable federal law. All claims and disputes arising under or in connection with this Agreement, whether for or in respect of, breach of contract, tort, equity, or otherwise, shall be adjudicated exclusively in federal or state courts located in Los Angeles County, California, and each party waives its right to a trial by jury of any such claims or disputes.

11.9 Severability. If any provision of this Agreement is for any reason and to any extent deemed to be invalid or unenforceable, then such provision shall not be voided but rather shall be enforced to the maximum extent then permissible under then applicable law and so as to reasonably effect the intent of the parties hereto, and the remainder of this Agreement will remain in full force and effect.

11.10 Attorneys' Fees. Should any lawsuit or other legal proceeding, including arbitration, be brought to enforce or interpret any provision of this Agreement, the prevailing party in any such legal proceeding shall be entitled to recover from the other party the prevailing party's reasonable attorneys' fees to be fixed in amount by the Court or the Arbitrator (including without limitation costs, expenses and fees on any appeal). The prevailing party will be entitled to recover all of its costs of suit or arbitration, as applicable, regardless of whether such suit or arbitration proceeds to a final judgment or award.

11.11 Limitation of Liability. BUYER HEREBY RECOGNIZES, ACKNOWLEDGES AND AGREES THAT UNDER NO CIRCUMSTANCE MAY BUYER OR ANY OF ITS AFFILIATES OR REPRESENTATIVES ASSERT ANY CLAIM AGAINST OR SEEK ANY RECOVERY FROM ANY OFFICERS, DIRECTORS, MEMBERS, AGENTS, MANAGERS, REPRESENTATIVES OR EMPLOYEES OF SELLER OR ANY OF THE OFFICERS, DIRECTORS, MEMBERS, AGENTS, MANAGERS, REPRESENTATIVES OR EMPLOYEES OF ANY MEMBER OR AFFILIATE OF SELLER ON ACCOUNT OF ANY ACTION OR INACTION OR FOR ANY REASON WHATSOEVER RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, AS A RESULT OF, ARISING OUT OF, OR IN ANY WAY RELATING TO ANY BREACH OF ANY REPRESENTATION, WARRANTY AGREEMENT OR COVENANT MADE BY OR TO BE PERFORMED BY SELLER UNDER THIS AGREEMENT.

11.12 Limitation of Remedy in Favor of Buyer. BUYER HEREBY AGREES THAT ITS SOLE REMEDY RESULTING FROM ANY BREACH OF ANY REPRESENTATION(S) OR WARRANTY(IES) PROVIDED BY SELLER IN THIS AGREEMENT IS TO ASSERT A FIRST PRIORITY CLAIM AGAINST THE ASSIGNMENT ESTATE FOR DAMAGES INCURRED BY BUYER AS A RESULT OF SUCH BREACH, WITH ANY SUCH CLAIM, TO THE EXTENT AGREED TO BY SELLER OR ALLOWED BY A COURT OF LAW, TO BE TREATED IN THE SAME MANNER AS ALL OTHER FIRST PRIORITY CLAIMS ASSERTED AGAINST THE ASSIGNMENT ESTATE. BUYER HEREBY FURTHER AGREES THAT UNDER NO CIRCUMSTANCE MAY ANY SUCH CLAIM(S) ASSERTED BY BUYER EXCEED, IN THE AGGREGATE, THE PURCHASE PRICE, NOR SHALL BUYER HAVE ANY RIGHT TO CLAW BACK OR RECOVER ANY AMOUNTS PAID ON ACCOUNT OF OTHER FIRST PRIORITY CLAIMS PRIOR TO BUYER'S ASSERTION OF A CLAIM. ANY CLAIM BY BUYER SHALL BE ASSERTED BEFORE THE ASSIGNMENT ESTATE'S CLAIMS BAR DATE, WHICH IS JANUARY 27, 2027

[Remainder of Page Intentionally Left Blank]

Buyer, Parent and Seller have executed and delivered this Asset Purchase Agreement and agree to be bound by all of its terms by their duly authorized representatives as of the Effective Date.

SELLER: Clean Liquidation, LLC

By: */s/ Jeff Klausner*
Name: Jeff Klausner
Its: Manager

BUYER: Dragonfly Energy Corp.

By: */s/ Denis Phares*
Name: Denis Phares
Its: CEO

PARENT: Dragonfly Energy Holdings, Corp.

By: */s/ Denis Phares*
Name: Denis Phares
Its: CEO and Interim CFO

EXHIBIT 1

General Assignment

EXHIBIT 1.2

Purchased Assets

EXHIBIT 1.3

Excluded Assets

EXHIBIT 9.1 (b)

ASSIGNMENT AND BILL OF SALE AGREEMENT

EXHIBIT 9.1 (c)

INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT

Exhibit 10.2

SECURITIES RECEIPT AGREEMENT

This Securities Receipt Agreement (this "Agreement") is dated as of July 31, 2026, between Dragonfly Energy Holdings, Corp., a Nevada corporation (the "Company"), and each party on the signature pages hereto (including their successors and assigns, the "Recipients").

WHEREAS, the Company is a party to the Asset Purchase Agreement dated July 31, 2026 (the "Asset Purchase Agreement") by and between Clean Liquidation, LLC, a California limited liability company, in its capacity as the Assignee for the Benefit of Creditors of Clean Republic SODO, LLC (the "Assignee" or "Seller") and Dragonfly Energy Corp., a Nevada corporation (the "Buyer");

WHEREAS, pursuant to the terms of the Asset Purchase Agreement, the Buyer will (i) purchase certain assets from the Seller and (ii) the Buyer and the Company will pay a combination of cash and shares of Common Stock of the Company for such assets; and

WHEREAS, pursuant to the terms of this Agreement and the Asset Purchase Agreement, the Company will issue the Shares (as defined below) to the Recipients in exchange for the sale of the assets and the release of the lender's secured claim against the Assignment Estate as set forth herein.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and each Recipient agree as follows:

ARTICLE I.
DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms have the meanings set forth in this Section 1.1. Capitalized terms used but not otherwise defined in this Agreement shall have the meanings ascribed to such terms in the Asset Purchase Agreement.

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to "stay at home", "shelter-in-place", "non-essential employee" or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in The City of New York are generally open for use by customers on such day.

"Closing" means the closing of the transactions contemplated by the Asset Purchase Agreement and this Agreement.

"Closing Date" means the date of Closing of the transactions contemplated by this Agreement and the Asset Purchase Agreement.

"Commission" means the United States Securities and Exchange Commission.

"Common Stock" means the common stock of the Company, par value $0.0001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Liens" means a lien, charge, pledge, security interest, encumbrance, right of first refusal, preemptive right or other restriction.

"Material Adverse Effect" shall have the meaning assigned to such term in Section 3.1(b).

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"Proceeding" means an action, claim, suit, investigation or proceeding (including, without limitation, an informal investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"Required Approvals" shall have the meaning ascribed to such term in Section 3.1(d).

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Shares" means the 1,500,000 shares of Common Stock issued or issuable to the Recipients pursuant to this Agreement and the Asset Purchase Agreement.

"Trading Day" means a day on which the principal Trading Market is open for trading.

"Trading Market" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market or the New York Stock Exchange (or any successors to any of the foregoing).

"Transaction Documents" means this Agreement, the Asset Purchase Agreement, all exhibits and schedules hereto and any other documents or agreements executed in connection with the transactions contemplated hereunder.

ARTICLE II.
ISSUANCE OF SHARES

2.1 Closing. On the Closing Date, upon the terms and subject to the conditions set forth herein, the Company shall issue to the Recipients, and the Recipients shall accept, the Shares in consideration of the sale of the assets pursuant to the Asset Purchase Agreement and a release of the secured claim against the Assignment Estate pursuant to Section 4.5 hereof. The Company and the Recipients shall deliver the items set forth in Section 2.2 deliverable at the Closing. Upon satisfaction of the covenants and conditions set forth in Sections 2.2 and 2.3, the Closing shall take place remotely by electronic transfer of the Closing documentation.

2.2 Deliveries.

(a) On or prior to the Closing Date, the Company shall deliver or cause to be delivered to the Recipients the following:

(i) this Agreement duly executed by the Company; and

(ii) a stock certificate or evidence of book-entry transfer representing the Shares registered in the name of the Recipients.

(b) On or prior to the Closing Date, the Recipients shall deliver or cause to be delivered to the Company, as applicable, the following:

(i) this Agreement duly executed by the Recipients; and

(ii) UCC-3 termination statements with respect to the Assignment Estate and other lien-release documentation as the Company may reasonably request.

2.3 Closing Conditions.

(a) The obligations of the Company hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects (or, to the extent representations or warranties are qualified by materiality, in all respects) on the Closing Date of the representations and warranties of the Recipients contained herein (unless as of a specific date therein in which case they shall be accurate in all material respects (or, to the extent representations or warranties are qualified by materiality, in all respects) as of such date);

(ii) all obligations, covenants and agreements of the Recipients required to be performed at or prior to the Closing Date shall have been performed;

(iii) the closing under the Asset Purchase Agreement shall have occurred; and

(iv) the delivery by the Recipients of the items set forth in Section 2.2(b) of this Agreement.

(b) The respective obligations of the Recipients hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects (or, to the extent representations or warranties are qualified by materiality or Material Adverse Effect, in all respects) when made and on the Closing Date of the representations and warranties of the Company contained herein (unless as of a specific date therein in which case they shall be accurate in all material respects or, to the extent representations or warranties are qualified by materiality or Material Adverse Effect, in all respects) as of such date);

(ii) all obligations, covenants and agreements of the Company required to be performed at or prior to the Closing Date shall have been performed;

(iii) the closing under the Asset Purchase Agreement shall have occurred;

(iv) the delivery by the Company of the items set forth in Section 2.2(a) of this Agreement; and

(v) there shall have been no Material Adverse Effect with respect to the Company.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. The Company hereby makes the following representations and warranties to each Recipient:

(a) Organization and Qualification. The Company is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. The Company is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in the jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any Transaction Document, (ii) a material adverse effect on the results of operations, assets, business, prospects or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole, or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under any Transaction Document (any of (i), (ii) or (iii), a "Material Adverse Effect") and no Proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(b) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by this Agreement and each of the other Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and each of the other Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company, the Board of Directors or the Company's stockholders in connection herewith or therewith other than in connection with the Required Approvals. This Agreement and each other Transaction Document to which it is a party has been (or upon delivery will have been) duly executed by the Company and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(c) No Conflicts. The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents to which it is a party, the issuance of the Shares and the consummation by it of the transactions contemplated hereby and thereby do not and will not (i) conflict with or violate any provision of the Company's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any Lien upon any of the properties or assets of the Company or any subsidiary, or give to others any rights of termination, amendment, anti-dilution or similar adjustments, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company or subsidiary debt or otherwise) or other understanding to which the Company or any subsidiary is a party or by which any property or asset of the Company or any subsidiary is bound or affected, or (iii) subject to the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or a subsidiary is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company or a subsidiary is bound or affected; except in the case of each of clauses (ii) and (iii), such as could not have or reasonably be expected to result in a Material Adverse Effect.

(d) Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by the Company of the Transaction Documents, other than: (i) the notice and/or application(s) to each applicable Trading Market for the issuance and sale of the Shares and the listing of the Shares for trading thereon in the time and manner required thereby, and (iv) the filing of Form D with the Commission, if required, and such filings as are required to be made under applicable state securities laws (collectively, the "Required Approvals").

(e) Issuance of the Shares. The Shares are duly authorized and, when issued in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Company other than restrictions on transfer provided for in the Transaction Documents. The Company has reserved from its duly authorized capital stock a sufficient number of shares of Common Stock for issuance pursuant to this Agreement.

3.2 Representations and Warranties of the Recipients. Each Recipient hereby represents and warrants as of the date hereof and as of the Closing Date to the Company as follows (unless as of a specific date therein, in which case they shall be accurate as of such date):

(a) Organization; Authority. Such Recipient is either an individual or an entity duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation with full right, corporate, partnership, limited liability company or similar power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of the Transaction Documents and performance by such Recipient of the transactions contemplated by the Transaction Documents have been duly authorized by all necessary corporate, partnership, limited liability company or similar action, as applicable, on the part of such Recipient. Each Transaction Document to which it is a party has been duly executed by such Recipient, and when delivered by such Recipient in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Recipient, enforceable against it in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(b) Understandings or Arrangements. Such Recipient is acquiring its respective Shares as principal for its own account and not with a view to or for distributing or reselling such Shares or any part thereof in violation of the Securities Act or any applicable state securities law, has no present intention of distributing any of such Shares in violation of the Securities Act or any applicable state securities law and has no direct or indirect arrangement or understandings with any other persons to distribute or regarding the distribution of such Shares in violation of the Securities Act or any applicable state securities law (this representation and warranty not limiting the Recipient's right to sell the Shares in compliance with applicable federal and state securities laws).

(c) Recipient Status. Such Recipient is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

(d) Experience of the Recipient. Such Recipient, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective acquisition of the Shares, and has so evaluated the merits and risks of such acquisition.

(e) General Solicitation. Such Recipient is not, to such Recipient's knowledge, purchasing the Shares as a result of any advertisement, article, notice or other communication regarding the Shares published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or, to the knowledge of such Recipient, any other general solicitation, or advertisement.

(f) Access to Information. Such Recipient acknowledges that it has had the opportunity to review the Transaction Documents (including all exhibits and schedules thereto) and has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the offering of the Shares and the merits and risks of investing in the Shares; (ii) access to information about the Company and its financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment.

(g) Certain Transactions and Confidentiality. Other than consummating the transactions contemplated hereunder, such Recipient has not, nor has any Person acting on behalf of or pursuant to any understanding with such Recipient, directly or indirectly executed any purchases or sales, including Short Sales, of the securities of the Company during the period commencing as of the time that such Recipient first received a term sheet (written or oral) from the Company or any other Person representing the Company setting forth the material terms of the transactions contemplated hereunder and ending immediately prior to the execution hereof. Notwithstanding the foregoing, in the case of a Recipient that is a multi-managed investment vehicle whereby separate portfolio managers manage separate portions of such Recipient's assets and the portfolio managers have no direct knowledge of the investment decisions made by the portfolio managers managing other portions of such Recipient's assets, the representation set forth above shall only apply with respect to the portion of assets managed by the portfolio manager that made the investment decision to acquire the Shares covered by this Agreement. Other than to other Persons party to this Agreement or to such Recipient's representatives, including, without limitation, its officers, directors, partners, legal and other advisors, employees, agents and Affiliates, such Recipient has maintained the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). Notwithstanding the foregoing, for the avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to locating or borrowing shares in order to effect Short Sales or similar transactions in the future.

(h) Restricted Securities. Such Recipient understands that the Shares are "restricted securities" and have not been registered under the Securities Act or any applicable state securities law. Such Recipient acknowledges that the Company has no obligation to register or qualify the Shares for resale. Such Recipient further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and on requirements relating to the Company which are outside of such Recipient's control, and which the Company is under no obligation and may not be able to satisfy. Such Recipient represents that it is familiar with Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

(i) Bad Actor Matters. Such Recipient hereby represents that no Disqualification Event is applicable to such Recipient or any of its Rule 506(d) Related Parties, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable. Such Recipient hereby agrees that it shall notify the Company promptly in writing in the event a Disqualification Event becomes applicable to such Recipient or any of its Rule 506(d) Related Parties, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable. For purposes of this Section 3.2(i), (i) "Rule 506(d) Related Party" shall mean a person or entity that is a beneficial owner of such Recipient's securities for purposes of Rule 506(d) of the Securities Act; and (ii) "Disqualification Event" means a "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) promulgated under the Securities Act.

ARTICLE IV.
OTHER AGREEMENTS OF THE PARTIES

4.1 Transfer Restrictions.

(a) The Shares may only be disposed of in compliance with state and federal securities laws. In connection with any transfer of Shares other than pursuant to an effective registration statement or Rule 144, to the Company or to an Affiliate of the Recipient or in connection with a pledge as contemplated in Section 4.1(b), the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Shares under the Securities Act. As a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement and shall have the rights and obligations of the Recipients under this Agreement.

(b) Each Recipient agrees to the imprinting, so long as is required by this Section 4.1, of a legend on any of the Shares in the following form:

THE SHARES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT WITH A REGISTERED BROKER-DEALER OR OTHER LOAN WITH A FINANCIAL INSTITUTION THAT IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501(a) UNDER THE SECURITIES ACT OR OTHER LOAN SECURED BY SUCH SHARES.

4.2 Release of Secured Claim. Effective as of the Closing, and in consideration of the issuance of the Shares to each Recipient hereunder, each Recipient, on behalf of itself and its successors and assigns, hereby unconditionally and irrevocably releases, waives and discharges the Assignee and the Buyer and their respective successors and assigns from any and all claims, liens and security interests held by such Recipient against the Assignment Estate or the Purchased Assets, whether known or unknown, arising out of or related to the indebtedness secured by such liens, and agrees to execute and deliver such UCC-3 termination statements and other lien-release documentation as may be reasonably requested by the Company, the Buyer or the Assignee to evidence such release.

4.3 Lock-Up.

(a) Until the twelve (12) month anniversary of the Closing Date, each Recipient, and any recipient of Shares hereunder, agrees that it, he or she will not offer, sell, contract to sell, hypothecate, pledge, grant any option to purchase or otherwise dispose of, directly or indirectly, any of the Shares, establish or increase a put equivalent position or liquidate with respect to or decrease a call equivalent position with respect to, any of the Shares, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of the Shares, whether any of these transactions are to be settled by delivery of any such Shares, in cash or otherwise, publicly disclose the intention to make or to enter into any transaction specified above, or engage in any Short Sales (as defined below) with respect to the Shares. For purposes hereof, "Short Sales" include, without limitation, all "short sales" as defined in Rule 200 promulgated under Regulation SHO under the Exchange Act, and all types of direct and indirect stock pledges, forward sale contracts, options, puts, calls, swaps and similar arrangements (including on a total return basis), and sales and other transactions through non-U.S. broker dealers or foreign regulated brokers.

(b) Any recipient of Shares hereunder who is not otherwise a party to this Agreement, prior to receipt of such Shares, shall either execute an acknowledgement to be bound to this Section 4.3 or otherwise execute a lockup agreement with the Company in form acceptable to the Company.

(c) Notwithstanding the foregoing, and subject to the conditions below, each Recipient may transfer Shares in connection with (i) transfers or distributions to the Holder's direct or indirect affiliates (within the meaning of Rule 405 under the Securities Act or to the estates of any of the foregoing; provided, however, that, it shall be a condition to any such transfer that the transferee agrees to be bound by the terms of this Agreement (including, without limitation, the restrictions set forth in the preceding sentence) to the same extent as if the transferee were a party hereto or (ii) a bona fide third party tender offer, merger, consolidation or other similar transaction made to all holders of the Company's capital stock involving a Change of Control (as defined below) of the Company, provided that in the event that such tender offer, merger, consolidation or other such transaction is not completed, the Shares or securities convertible into or exercisable or exchangeable for Common Stock shall remain subject to the restrictions contained in this Agreement. "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons, of shares of capital stock if, after such transfer, such person or group of affiliated persons would hold at least a majority of the outstanding voting securities of the Company (or the surviving entity).

ARTICLE V.
MISCELLANEOUS

5.1 Fees and Expenses. Except as expressly set forth in the Transaction Documents to the contrary, each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement. The Company shall pay all Transfer Agent fees (including, without limitation, any fees required for same-day processing of any instruction letter delivered by the Company), stamp taxes and other taxes and duties levied in connection with the delivery of any Shares to the Recipients.

5.2 Entire Agreement. The Transaction Documents, together with the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

5.3 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of: (a) the time of transmission, if such notice or communication is delivered via email attachment at the email address as set forth on the signature pages attached hereto at or prior to 5:30 p.m. (New York City time) on a Trading Day, (b) the next Trading Day after the time of transmission, if such notice or communication is delivered via email attachment at the email address as set forth on the signature pages attached hereto on a day that is not a Trading Day or later than 5:30 p.m. (New York City time) on any Trading Day, (c) the second (2^{nd}) Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as set forth on the signature pages attached hereto.

5.4 Amendments; Waivers. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and each Recipient. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

5.5 Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

5.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Recipient (other than by merger). Each Recipient may assign any or all of its rights under this Agreement to any Person to whom such Recipient assigns or transfers any Shares, provided that such transferee agrees in writing to be bound, with respect to the transferred Shares, by the provisions of the Transaction Documents that apply to such "Recipient."

5.7 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except as otherwise set forth in this Section 5.7.

5.8 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal Proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any Proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such Proceeding is improper or is an inconvenient venue for such Proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such Proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

5.9 Survival. The representations and warranties contained herein shall survive the Closing and the delivery of the Shares.

5.10 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by electronic mail, or otherwise by electronic transmission (including any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g.,www.docusign.com) evidencing an intent to sign this Agreement, such electronic mail or other electronic transmission shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original. Execution and delivery of this Agreement by electronic mail or other electronic transmission is legal, valid and binding for all purposes.

5.11 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

5.12 Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding Business Day.

5.13 Construction. The parties agree that each of them and/or their respective counsel have reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments thereto. In addition, each and every reference to share prices and shares of Common Stock in any Transaction Document shall be subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

5.14 **WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.**

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties hereto have caused this Securities Receipt Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

DRAGONFLY ENERGY HOLDINGS, CORP.	Address for Notice:
By: ______________________ Name: Title:	12915 Old Virginia Road, Reno, Nevada 89521

With a copy to (which shall not constitute notice):

Lowenstein Sandler LLP

1251 Avenue of the Americas
New York, New York 10020
Telephone: (973) 597-2476
Email: sskolnick@lowenstein.com
Attention: Steven Skolnick, Esq.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOR RECIPIENT FOLLOWS]

[RECIPIENT SIGNATURE PAGE TO DRAGONFLY ENERGY HOLDINGS, CORP. SECURITIES RECEIPT AGREEMENT]

IN WITNESS WHEREOF, the undersigned have caused this Securities Receipt Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

Name of Recipient: ______________________________

Signature of Authorized Signatory of Recipient: ______________________________

Name of Authorized Signatory: ______________________________

Title of Authorized Signatory: __________________________________

Email Address of Authorized Signatory: __________________________

Address for Notice to Recipient: _________________________

Address for Delivery of Shares to Recipient (if not same as address for notice):

Shares: __________

EIN Number: _______________________

[SIGNATURE PAGES CONTINUE]

[RECIPIENT SIGNATURE PAGE TO DRAGONFLY ENERGY HOLDINGS, CORP. SECURITIES RECEIPT AGREEMENT]

Exhibit 10.3

SEVENTH AMENDMENT TO
TERM LOAN, GUARANTEE AND SECURITY AGREEMENT

This **SEVENTH AMENDMENT TO TERM LOAN, GUARANTEE AND SECURITY AGREEMENT** (this "Amendment") is made as of July 31, 2026, by and among DRAGONFLY ENERGY CORP. ("Borrower"), DRAGONFLY ENERGY HOLDINGS CORP. (F/K/A CHARDAN NEXTECH ACQUISITION 2 CORP) ("Holdings"), BATTLE BORN BATTERY PRODUCTS, LLC ("Battle Born", and together with Holdings, each a "Guarantor" and collectively, the "Guarantors"), the Lenders signatory hereto representing all Lenders (the "Lenders"), and ALTER DOMUS (US) LLC, as agent on behalf of the Lenders under the Loan Agreement (as hereinafter defined) (in such capacity, the "Agent").

WHEREAS, Borrower, Holdings, the Lenders and the Agent are parties to that certain Term Loan, Guarantee and Security Agreement, dated as of October 7, 2022 (as amended by that certain Limited Waiver and First Amendment to Term Loan, Guarantee and Security Agreement, dated as of June 28, 2024, that certain Limited Waiver, Consent and Second Amendment to Term Loan, Guarantee and Security Agreement, dated as of July 29, 2024, that certain Limited Waiver and Third Amendment to Term Loan, Guarantee and Security Agreement, dated as of September 30, 2024, that certain Limited Waiver and Fourth Amendment to Term Loan, Guarantee and Security Agreement and Temporary, Limited Suspension and Waiver of Warrant Terms, dated as of December 31, 2024, that certain Fifth Amendment to Term Loan, Guarantee and Security Agreement Limited Waiver and Amendment of Warrant Terms, dated as of February 26, 2025, that certain Sixth Amendment to Term Loan, Guarantee and Security Agreement, dated as of October 20, 2025, and as may be further amended, modified, extended, restated, replaced, and/or supplemented from time to time, the "Loan Agreement");

WHEREAS, the Credit Parties intend to enter into certain transactions whereby Borrower will purchase certain assets from, and assume certain related liabilities of, Clean Liquidation, LLC, a California limited liability company, in its capacity as the Assignee for the Benefit of Creditors of Clean Republic SODO, LLC, for an aggregate purchase price of $4,000,000 (consisting of $3,000,000 of Common Stock of the Borrower and $1,000,000 of cash in U.S. Dollars) (the "Asset Purchase"); and

WHEREAS, the Credit Parties have requested that the Agent and the Lenders amend certain provisions of the Loan Agreement and, subject to the satisfaction of the conditions set forth below, each of the Agent and the Lenders are willing to amend the Loan Agreement on the terms set forth herein;

WHEREAS, in connection with the Asset Purchase, the Lenders have agreed to amend certain related provisions in accordance with the terms set forth in Section 3 below;

NOW THEREFORE, the Credit Parties, the Lenders and the Agent each hereby agree as follows:

1. Defined Terms. All terms used but not otherwise defined herein have the meanings assigned to them in the Loan Agreement.

2. Limited Consent. Subject to the satisfaction of the conditions to effectiveness set forth in Section 4 hereof and notwithstanding anything to the contrary in the Loan Agreement, the Lenders hereby consent to the consummation of the Asset Purchase.

3. Amendments to Loan Agreement. Subject to the satisfaction of the conditions to effectiveness set forth in Section 4 hereof, the Loan Agreement is hereby amended in the following respects:

3.1 Definitions.

3.1.1 The following new defined terms are hereby added, in the appropriate alphabetical order, to Schedule A as follows:

(a) "**PIK Period**" means the period from and including the Seventh Amendment Effective Date up to and including December 31, 2026.

(b) “**Seventh Amendment**” means that certain Seventh Amendment to Term Loan, Guarantee and Security Agreement entered into as of July 31, 2026 by and among the Borrower, Lenders, the Agent and the other parties party thereto.

(c) “**Seventh Amendment Effective Date**” means July 31, 2026.

3.1.2 Clause (II) of the definition of “Applicable Margin” shall be amended and restated in its entirety as follows:

(II) Following the Sixth Amendment Effective Date:

(a) In the period starting with the Sixth Amendment Effective Date commencing with the Fiscal Month ending December 31, 2025, a per annum rate equal to 12.0%, of which 0.0% shall be paid-in-kind (provided that, during the PIK Period, the Applicable Margin shall mean a per annum rate equal to 14.0%, all of which shall be payable-in-kind).

3.2 Section 1.5(b) shall be amended and restated in its entirety as follows:

(b) Borrower shall pay interest to Agent for the pro rata benefit of the Lenders on the outstanding balance of the Loan on a monthly basis. Interest shall be payable on the balance of the Loan (i) monthly in arrears and shall be due on the first Business Day of each Fiscal Month beginning with the Fiscal Month ending December 31, 2025, (ii) on the Maturity Date of the Loan, and (iii) if any interest accrues or remains payable after the Maturity Date of the Loan, upon demand by Agent.

For each Payment Date from the Sixth Amendment Effective Date, interest shall be payable in cash at a rate per annum equal to the Applicable Margin (provided that, during the PIK Period, the Borrower shall be permitted to make interest payments in kind at a rate per annum equal to the Applicable Margin).

3.3 Section 4.2(a) shall be amended and restated in its entirety as follows:

(a) Maximum Senior Leverage Ratio. Commencing with the Fiscal Quarter ending September 30, 2027, the Credit Parties shall not permit the Senior Leverage Ratio, as of the last day of any Fiscal Quarter, to exceed 3.00 to 1.00.

3.4 Section 4.2(b) shall be amended and restated in its entirety as follows:

(b) Liquidity.

(i) Beginning with the Fiscal Month ending August 31, 2026 until (and including) the Fiscal Month ending January 31, 2027, the Credit Parties shall not permit their Liquidity (determined on a consolidated basis) to be less than $4,000,000 as of the last day of each Fiscal Month.

(ii) Thereafter, the Credit Parties shall not permit their Liquidity (determined on a consolidated basis) to be less than $5,000,000 as of the last day of each Fiscal Month.

3.5 Section 4.2(c) shall be amended and restated in its entirety as follows:

(c) Fixed Charge Coverage Ratio. If Liquidity is less than $15,000,000 as of the last day of any Fiscal Quarter (commencing with the Fiscal Quarter ending September 30, 2027), then the Credit Parties shall not permit the Fixed Charge Coverage Ratio for the trailing four (4) Fiscal Quarter period ending on the last day of any such Fiscal Quarter to be less than 1.15:1.00.

4. Conditions to Effectiveness. This Amendment shall become effective as of the date first written above (the "Seventh Amendment Effective Date") upon the satisfaction of the below:

4.1 counterparts of this Amendment shall have been executed and delivered by the Credit Parties, the Agent and the Lenders;

4.2 the Asset Purchase shall have been consummated;

4.3 the Borrower shall have paid the legal fees and expenses of Proskauer Rose LLP, counsel for the Lenders, incurred in connection with the preparation, negotiation, execution and delivery of this Amendment and other services rendered in connection with the Loan Agreement prior to the date hereof;

4.4 to the extent invoiced prior to execution of this Amendment, the Borrower shall have paid the legal fees and expenses of Holland & Knight LLP, counsel for the Agent, incurred in connection with the preparation, negotiation, execution and delivery of this Amendment and other services rendered in connection with the Loan Agreement prior to the date hereof; and

4.5 the Borrower shall have paid all reasonable and documented out-of-pocket expenses incurred by the Lenders party hereto and the Agent owing and payable pursuant to Section 10.2 of the Loan Agreement and all accrued and unpaid fees, owing and payable to the Lenders party hereto and the Agent shall have been paid to the extent invoiced and delivered to the Borrower on or before the Seventh Amendment Effective Date.

5. Representations and Warranties.

5.1 The Credit Parties represent and warrant that after giving effect to this Amendment, the representations and warranties contained in the Loan Agreement are true and correct in all material respects on and as of the date hereof as if such representations and warranties had been made on and as of the date hereof (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date will be true and correct in all material respects only as of such specified date, and that any representation or warranty which is subject to any materiality qualifier shall be true and correct in all respects subject to such materiality qualifier).

5.2 The Credit Parties represent and warrant that after giving effect to this Amendment, no Default or Event of Default will have occurred and be continuing on and as of the Seventh Amendment Effective Date.

6. Loan Document. This Amendment is designated a Loan Document by the Agent.

7. Full Force and Effect. Except as expressly set forth herein, nothing contained herein shall be deemed to constitute a waiver of compliance with any term or condition contained in the Loan Agreement or any of the other Loan Documents. Except as expressly amended hereby, the Loan Agreement shall continue unmodified and in full force and effect in accordance with the provisions thereof on the date hereof. This Amendment shall be limited precisely as drafted and shall not imply an obligation on the Agent or any Lender to consent to any matter on any future occasion. As used in the Loan Agreement, the terms "Agreement," "this Agreement," "this Loan Agreement," "herein," "hereafter," "hereto," "hereof" and words of similar import shall mean, unless the context otherwise requires, the Loan Agreement as modified by this Amendment.

8. **CHOICE OF LAW. THIS AMENDMENT SHALL IN ALL RESPECTS BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK WHICH ARE APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED WHOLLY WITHIN SUCH STATE WITHOUT REGARD TO ANY PRINCIPLES OF CONFLICTS OF LAW THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.**

9. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall constitute an original, but all of which when taken together shall constitute but one instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf) or other transmission method and any counterpart so delivered shall be deemed to be as effective as an original signature page delivered manually.

10. Headings. The headings of this Amendment are for the purposes of reference only and shall not affect the construction of this Amendment.

11. Successors and Assigns. The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided that none of the Credit Parties may assign or transfer any of its rights or obligations under this Amendment without the prior written consent of the Agent.

12. Severability. The illegality or unenforceability of any provision of this Amendment or any instrument or agreement required hereunder shall not in any way affect or impair the legality or enforceability of the remaining provisions of this Amendment or any instrument or agreement required hereunder.

13. Release of Claims. In consideration of the Lenders' and the Agent's agreements contained in this Amendment, the Borrower and Guarantor hereby irrevocably release and forever discharge the Lenders and the Agent and their affiliates, subsidiaries, successors, assigns, directors, officers, employees, agents, consultants and attorneys (each, a "Released Person") of and from any and all claims, suits, actions, investigations, proceedings or demands, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law of any kind or character, known or unknown, which such Borrower and Guarantor ever had or now has against Agent, any Lender or any other Released Person which relates, directly or indirectly, to any acts or omissions of Agent, any Lender or any other Released Person relating to the Loan Agreement or any other Loan Document on or prior to the date hereof.

14. Reaffirmation. Each of the Credit Parties as debtor, grantor, pledgor, guarantor, assignor, or in any other similar capacity in which such Credit Party grants liens or security interests in its property or otherwise acts as accommodation party or guarantor, as the case may be, hereby (i) ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under each of the Loan Documents to which it is a party (after giving effect hereto) and (ii) to the extent such Credit Party granted liens on or security interests in any of its property pursuant to any such Loan Document as security for or otherwise guaranteed the Borrower's Obligations under or with respect to the Loan Documents, ratifies and reaffirms such guarantee and grant of security interests and liens and confirms and agrees that such security interests and liens hereafter secure all of the Obligations as amended hereby. Each of the Credit Parties hereby consents to this Amendment and acknowledges that each of the Loan Documents remains in full force and effect and is hereby ratified and reaffirmed. The execution of this Amendment shall not operate as a waiver of any right, power or remedy of the Agent or Lenders, constitute a waiver of any provision of any of the Loan Documents or serve to effect a novation of the Obligations.

15. Limited Waiver. Each of the limited waiver contained in Section 2 hereof and the foregoing amendments contained in Section 3 hereof are limited to the specific instances for which they are expressly given, and shall not (a) constitute a waiver, modification or alteration of the terms, conditions or covenants of the Loan Agreement or any other Loan Document, (b) constitute a waiver, release or limitation upon the exercise by the Agent or the Lenders of any of their respective rights, legal or equitable under the Loan Agreement or any other Loan Document (all such rights and remedies being expressly reserved by the Agent and the Lenders save and except those expressly waived herein) or (c) establish a custom or course of dealing or conduct between the Lenders, on the one hand, and the Credit Parties on the other hand. Except to the extent otherwise expressly provided herein, the Loan Agreement and each of the other Loan Documents shall remain in full force and effect in accordance with their respective terms.

16. Agent. Each of the Lenders, by their execution of this Amendment, hereby directs the Agent to execute this Amendment. In doing so, the Agent shall be entitled to all of its rights, benefits and protections set forth in the Loan Agreement.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their duly authorized officers, all as of the date and year first above written.

<u>BORROWER</u>:

DRAGONFLY ENERGY CORP.

By: */s/ Denis Phares*

Name: Denis Phares

Title: Chief Executive Officer

GUARANTORS :

DRAGONFLY ENERGY HOLDINGS CORP. (F/K/A CHARDAN NEXTECH ACQUISITION 2 CORP.)

By: */s/ Denis Phares*
Name: Denis Phares
Title: Chief Executive Officer

BATTLE BORN BATTERY PRODUCTS, LLC

By: */s/ Denis Phares*
Name: Denis Phares
Title: Chief Executive Officer

AGENT: **ALTER DOMUS (US) LLC**

By: */s/ Pinju Chiu*
Name: Pinju Chiu
Title: Counsel

<u>LENDERS</u>: **[**]**

Exhibit 99.1

Dragonfly Energy Announces Strategic Acquisition of Dakota Lithium Assets, Expanding Into New Markets

Capital-efficient acquisition adds an established revenue base with expected Adjusted EBITDA accretion beginning in Q4 2026

- Acquisition expands Dragonfly Energy's reach across marine, outdoor recreation, powersports, golf cart and other specialty battery markets
- Dakota Lithium generated approximately $12 million in net revenue in 2025 despite working-capital and inventory constraints that significantly limited product availability
- Expected to begin contributing meaningful revenue and be accretive to Adjusted EBITDA in the fourth quarter of 2026
- $4 million purchase price includes $1 million in cash, with the remaining consideration paid in Dragonfly Energy common stock valued at $2.00 per share, a premium to recent trading levels
- Concurrent lender amendments provide additional financial flexibility

RENO, Nev., July 31, 2026 — Dragonfly Energy Holdings Corp. (Nasdaq: DFLI) ("Dragonfly Energy" or the "Company"), an industry leader in lithium battery technology, today announced that it has completed the acquisition of substantially all of the operating assets associated with the Dakota Lithium® brand. The acquisition expands Dragonfly Energy's reach across marine, outdoor recreation, powersports, golf cart and other specialty battery markets and is expected to begin contributing meaningful revenue and be accretive to Adjusted EBITDA in the fourth quarter of 2026.

Dakota Lithium is a recognized lithium iron phosphate battery brand with an established presence across specialty battery markets. The acquired assets include the Dakota Lithium brand and related intellectual property, product inventory, a complementary battery portfolio, and established customer and distributor relationships.

Based on historical financial information provided to Dragonfly Energy, Dakota Lithium generated approximately $12 million in net revenue in 2025, significantly below levels achieved in prior years amid working-capital limitations and inventory constraints that materially reduced product availability.

Dragonfly Energy plans to support the Dakota Lithium brand through its existing commercial, operational, fulfillment and customer-support infrastructure. The Company believes this approach can help restore product availability, support existing customers and create a complementary revenue stream without requiring a proportional increase in fixed overhead.

Dragonfly Energy intends to operate Dakota Lithium as a distinct brand alongside Battle Born Batteries®. The multi-brand strategy is expected to broaden the Company's overall product offering, reach additional customer segments and price points, and expand its participation across complementary battery markets while preserving the established positioning of each brand.

The total purchase price was $4.0 million, consisting of $1.0 million in cash and $3.0 million in Dragonfly Energy common stock. The equity consideration was valued at $2.00 per share, or 1,500,000 shares of common stock, representing a premium to recent trading levels, and is subject to a 12-month contractual lock-up. The transaction structure limits upfront cash requirements and preserves liquidity as the acquired operations are integrated.

In connection with the transaction, Dragonfly Energy's existing lenders agreed to amend certain terms of the Company's debt arrangements, including reducing the Company's minimum cash covenant and providing for the next two quarters of interest to be paid in kind rather than in cash. These amendments are expected to preserve approximately $1 million of near-term liquidity and provide the Company with additional financial flexibility.

"We believe Dakota Lithium represents a compelling strategic and financial opportunity for Dragonfly Energy," said Dr. Denis Phares, Chief Executive Officer of Dragonfly Energy. "The business established a meaningful multiyear revenue base across attractive specialty battery markets, but more recently faced working-capital and inventory constraints that limited product availability. By supporting the Dakota Lithium brand through infrastructure we already have in place, we believe we can restore availability, reconnect with customers and grow the business efficiently. We expect the acquisition to support our goal of achieving positive Adjusted EBITDA in the fourth quarter of 2026.

The shares of common stock described above were offered under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Act") and have not been registered under the Act, or applicable state securities laws. Accordingly, such shares may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Act and such applicable state securities laws.

The transaction was facilitated by an affiliate of Resolution Financial Advisors LLC, a specialty financial advisory firm based in Los Angeles, New York and Silicon Valley.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

For more information about Dragonfly Energy, visit Dragonflyenergy.com.

About Dragonfly Energy

Dragonfly Energy Holdings Corp. (Nasdaq: DFLI) is a lithium battery technology company spanning battery cell manufacturing, pack assembly and full-system integration. The Company develops and delivers energy storage solutions for mobile, off-grid, industrial and specialty applications.

Dragonfly Energy is advancing domestic battery cell manufacturing through its patented dry electrode process and the development of next-generation battery technologies, including all-solid-state battery cells. Its work combines advanced research and development with software-enabled intelligence to improve the performance and capabilities of energy storage systems.

To learn more, visit investors.dragonflyenergy.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical statements of fact and statements regarding the Company's intent, belief, or expectations, including, but not limited to, statements regarding the anticipated benefits, timing and integration of the Dakota Lithium acquisition, the expected contribution of Dakota Lithium to the Company's revenue and Adjusted EBITDA, the Company's expectation of achieving positive Adjusted EBITDA in the fourth quarter of 2026, the Company's multi-brand strategy, the anticipated effects of the lender amendments on the Company's liquidity and financial flexibility, the Company's future results of operations and financial position, planned products and services, business strategy and plans, market size and growth opportunities, competitive position and technological and market trends. Some of these forward-looking statements can be identified by the use of forward-looking words, including "may," "should," "expect," "intend," "will," "estimate," "anticipate," "believe," "predict," "plan," "targets," "projects," "could," "would," "continue," "forecast" or the negatives of these terms or variations of them or similar expressions.

These forward-looking statements are subject to risks, uncertainties, and other factors (some of which are beyond the Company's control) which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Such factors include those set forth in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, and in the Company's subsequent filings with the SEC available at www.sec.gov. If any of these risks materialize or any of the Company's assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that the Company presently does not know or that it currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. All forward-looking statements contained in this press release speak only as of the date they were made. Except to the extent required by law, the Company undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

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Source: Dragonfly Energy Holdings Corp.