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

FORM 10-K

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

For the fiscal year ended December 31, 2021 or

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

For the transition period from to

Commission file number: 001-31465

NATURAL RESOURCE PARTNERS LP

(Exact name of registrant as specified in its charter)

Delaware	**35-2164875**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

1201 Louisiana Street, Suite 3400
Houston, Texas 77002
(Address of principal executive offices)
(Zip Code)
(713) 751-7507
(Registrant's telephone number, including area code)

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 Units representing limited partner interests	NRP	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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

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

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

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

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

Large Accelerated Filer	☐	Accelerated Filer	☒
Non-accelerated Filer	☐	Smaller Reporting Company	☒
		Emerging Growth Company	☐

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

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

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

The aggregate market value of the common units held by non-affiliates of the registrant on June 30, 2021, was $190 million based on a closing price on that date of $21.20 per unit as reported on the New York Stock Exchange.

Documents incorporated by reference: None.

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CAUTIONARY STATEMENT
REGARDING FORWARD-LOOKING STATEMENTS

Statements included in this 10-K may constitute forward-looking statements. In addition, we and our representatives may from time to time make other oral or written statements which are also forward-looking statements. Such forward-looking statements include, among other things, statements regarding: the effects of the global COVID-19 pandemic; our business strategy; our liquidity and access to capital and financing sources; our financial strategy; prices of and demand for coal, trona and soda ash, and other natural resources; estimated revenues, expenses and results of operations; projected production levels by our lessees; Sisecam Wyoming LLC's ("Sisecam Wyoming's"), formerly known as Ciner Wyoming, trona mining and soda ash refinery operations; distributions from our soda ash joint venture; the impact of governmental policies, laws and regulations, as well as regulatory and legal proceedings involving us, and of scheduled or potential regulatory or legal changes; and global and U.S. economic conditions.

These forward-looking statements speak only as of the date hereof and are made based upon our current plans, expectations, estimates, assumptions and beliefs concerning future events impacting us and involve a number of risks and uncertainties. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. You should not put undue reliance on any forward-looking statements. See "Item 1A. Risk Factors" in this Annual Report on Form 10-K for important factors that could cause our actual results of operations or our actual financial condition to differ.

RISK FACTORS SUMMARY

We are subject to a variety of risks and uncertainties, including risks related to our business, risks related to our indebtedness, risks related to our common stock and certain general risks, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. Risks that we deem material are described under "Risk Factors" in Item 1A of this report. These risks include, but are not limited to, the following:

Risks Related to Our Business

- Cash distributions are not guaranteed and may fluctuate with our performance and the establishment of financial reserves. In addition, our debt agreements and our partnership agreement place restrictions on our ability to pay, and in some cases raise, the quarterly distribution under certain circumstances.
- Our leverage and debt service obligations may adversely affect our financial condition, results of operations and business prospects.
- The ongoing COVID-19 pandemic has adversely affected our business, and the ultimate effect on our financial condition, results of operations, and ability to make cash distributions to unitholders will depend on future developments, which are highly uncertain and cannot be predicted.
- Prices for both metallurgical and thermal coal are volatile and depend on a number of factors beyond our control. Declines in prices could have a material adverse effect on our business and results of operations.
- Prices for soda ash are volatile. Any substantial or extended decline in soda ash prices could have an adverse effect on Sisecam Wyoming's ability to continue to make distributions to us.
- We derive a large percentage of our revenues and other income from a small number of coal lessees.
- Bankruptcies in the coal industry, and/or the idling or closure of mines on our properties could have a material adverse effect on our business and results of operations.
- Mining operations are subject to operating risks that could result in lower revenues to us.
- The adoption of climate change legislation and regulations restricting emissions of greenhouse gases and other hazardous air pollutants have resulted in changes in fuel consumption patterns by electric power generators and a corresponding decrease in coal production by our lessees and reduced coal-related revenues.
- Concerns about the environmental impacts of coal combustion, including perceived impacts on global climate issues, are also resulting in unfavorable lending and investment policies by institutions and insurance companies which could significantly affect our ability to raise capital or maintain current insurance levels.

- In addition to climate change and other Clean Air Act legislation, our businesses are subject to numerous other federal, state and local laws and regulations that may limit production from our properties and our profitability.
- If our lessees do not manage their operations well, their production volumes and our royalty revenues could decrease.
- We have limited approval rights with respect to the management of our Sisecam Wyoming soda ash joint venture, including with respect to cash distributions and capital expenditures. In addition, we are exposed to operating risks that we do not experience in the royalty business through our soda ash joint venture and through our ownership of certain coal transportation assets.
- A significant portion of Sisecam Wyoming’s historical international sales of soda ash have been to ANSAC, and the termination of the ANSAC membership could adversely affect Sisecam Wyoming’s ability to compete in certain international markets and increase Sisecam Wyoming’s international sales costs.
- Sisecam Wyoming’s deca stockpiles will substantially deplete by 2024, and its production rates will decline approximately 200,000 short tons per year if further investments are not made.
- Significant delays and/or higher than expected costs associated with Sisecam Wyoming’s capacity expansion project could adversely affect Sisecam Wyoming’s profitability and ability to continue to make distributions to us.
- Fluctuations in transportation costs and the availability or reliability of transportation could reduce the production of coal, soda ash and other minerals from our properties.
- Our lessees could satisfy obligations to their customers with minerals from properties other than ours, depriving us of the ability to receive amounts in excess of minimum royalty payments.
- A lessee may incorrectly report royalty revenues, which might not be identified by our lessee audit process or our mine inspection process or, if identified, might be identified in a subsequent period.

Risks Related to Our Structure

- Unitholders may not be able to remove our general partner even if they wish to do so.
- The preferred units are senior in right of distributions and liquidation and upon conversion, would result in the issuance of additional common units in the future, which could result in substantial dilution of our common unitholders’ ownership interests.
- We may issue additional common units or preferred units without common unitholder approval, which would dilute a unitholder’s existing ownership interests.
- Our general partner has a limited call right that may require unitholders to sell their units at an undesirable time or price.
- Cost reimbursements due to our general partner may be substantial and will reduce our cash available for distribution to unitholders.
- Conflicts of interest could arise among our general partner and us or the unitholders.
- The control of our general partner may be transferred to a third party without unitholder consent. A change of control may result in defaults under certain of our debt instruments and the triggering of payment obligations under compensation arrangements.
- Unitholders may not have limited liability if a court finds that unitholder actions constitute control of our business.

Tax Risks to Common Unitholders

- Our tax treatment depends on our status as a partnership for U.S. federal income tax purposes as well as our not being subject to a material amount of entity-level taxation by individual states. If the Internal Revenue Service ("IRS") were to treat us as a corporation for U.S. federal income tax purposes or we were to become subject to material additional amounts of entity-level taxation for state tax purposes, then our cash available for distribution to unitholders would be substantially reduced.
- The tax treatment of publicly traded partnerships or an investment in our units could be subject to potential legislative, judicial or administrative changes or differing interpretations, possibly applied on a retroactive basis.

- Certain U.S. federal income tax preferences currently available with respect to coal exploration and development may be eliminated as a result of future legislation.
- Our unitholders are required to pay taxes on their share of our income even if they do not receive any cash distributions from us. Our unitholders' share of our portfolio income may be taxable to them even though they receive other losses from our activities.
- We may engage in transactions to reduce our indebtedness and manage our liquidity that generate taxable income (including income and gain from the sale of properties and cancellation of indebtedness income) allocable to our unitholders, and income tax liabilities arising therefrom may exceed any distributions made with respect to their units.
- If the IRS contests the U.S. federal income tax positions we take, the market for our units may be adversely impacted and the cost of any IRS contest will reduce our cash available for distribution to our unitholders.
- If the IRS makes audit adjustments to our income tax returns for tax years beginning after December 31, 2017, it (and some states) may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustments directly from us, in which case our cash available for distribution to our unitholders might be substantially reduced.
- Tax gain or loss on the disposition of our common units could be more or less than expected.
- Our unitholders may be subject to limitation on their ability to deduct interest expense incurred by us.
- Tax-exempt entities face unique tax issues from owning our units that may result in adverse tax consequences to them.
- Non-U.S. Unitholders will be subject to U.S. taxes and withholding with respect to their income and gain from owning our units.
- We will treat each purchaser of our common units as having the same tax benefits without regard to the actual common units purchased. The IRS may challenge this treatment, which could adversely affect the value of the common units.
- We have adopted certain valuation methodologies in determining a unitholder’s allocations of income, gain, loss and deduction. The IRS may challenge these methodologies or the resulting allocations, and such a challenge could adversely affect the value of our common units.
- We generally prorate our items of income, gain, loss and deduction between transferors and transferees of our common units each month based upon the ownership of our common units on the first day of each month, instead of on the basis of the date a particular unit is transferred. The IRS may challenge this treatment, which could change the allocation of items of income, gain, loss and deduction among our unitholders.
- A unitholder whose units are the subject of a securities loan (e.g., a loan to a "short seller" to cover a short sale of units) may be considered as having disposed of those units. If so, he would no longer be treated for tax purposes as a partner with respect to those units during the period of the loan and may recognize gain or loss from the disposition.
- As a result of investing in our units, our unitholders are likely subject to state and local taxes and return filing requirements in jurisdictions where we operate or own or acquire property.

General Risks

- Our business is subject to cybersecurity risks.
- The ongoing COVID-19 pandemic adversely affected our business and may do so again in the future.

Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may have an adverse effect on our business, financial condition, results of operations, and cash flows.

PART I

As used in this Part I, unless the context otherwise requires: "we," "our," "us" and the "Partnership" refer to Natural Resource Partners L.P. and, where the context requires, our subsidiaries. References to "NRP" and "Natural Resource Partners" refer to Natural Resource Partners L.P. only, and not to NRP (Operating) LLC or any of Natural Resource Partners L.P.'s subsidiaries. References to "Opco" refer to NRP (Operating) LLC, a wholly owned subsidiary of NRP, and its subsidiaries. NRP Finance Corporation ("NRP Finance") is a wholly owned subsidiary of NRP and a co-issuer with NRP on the 9.125% senior notes due 2025 (the "2025 Senior Notes").

ITEMS 1. AND 2. BUSINESS AND PROPERTIES

Partnership Structure and Management

We are a publicly traded Delaware limited partnership formed in 2002. We own, manage and lease a diversified portfolio of mineral properties in the United States, including interests in coal and other natural resources and own a non-controlling 49% interest in Sisecam Wyoming LLC ("Sisecam Wyoming"), a trona ore mining and soda ash production business. In connection with the sale of a controlling interest in the entity that holds the remaining 51% interest, Ciner Wyoming LLC was renamed as "Sisecam Wyoming LLC."

Our business is organized into two operating segments:

Mineral Rights (formerly named Coal Royalty and Other segment)—consists of approximately 13 million acres of mineral interests and other subsurface rights across the United States. If combined in a single tract, our ownership would cover roughly 20,000 square miles. Our ownership provides critical inputs for the manufacturing of steel, electricity and basic building materials, as well as opportunities for carbon sequestration and renewable energy. We are working to strategically redefine our business as a key player in the transitional energy economy in the years to come.

Soda Ash—consists of our 49% non-controlling equity interest in Sisecam Wyoming, a trona ore mining and soda ash production business located in the Green River Basin of Wyoming. Sisecam Wyoming mines trona and processes it into soda ash that is sold both domestically and internationally into the glass and chemicals industries.

Our operations are conducted through Opco and our operating assets are owned by our subsidiaries. NRP (GP) LP, our general partner, has sole responsibility for conducting our business and for managing our operations. Because our general partner is a limited partnership, its general partner, GP Natural Resource Partners LLC, conducts its business and operations and the Board of Directors and officers of GP Natural Resource Partners LLC make decisions on our behalf. Robertson Coal Management LLC, a limited liability company wholly owned by Corbin J. Robertson, Jr., owns all of the membership interest in GP Natural Resource Partners LLC. Subject to the Board Representation and Observation Rights Agreement with certain entities controlled by funds affiliated with Blackstone Inc. (collectively referred to as "Blackstone") and affiliates of GoldenTree Asset Management LP (collectively referred to as "GoldenTree"), Mr. Robertson, Jr. is entitled to appoint the members of the Board of Directors of GP Natural Resource Partners LLC and has delegated the right to appoint one director to Blackstone.

The senior executives and other officers who manage NRP are employees of Western Pocahontas Properties Limited Partnership or Quintana Minerals Corporation, which are companies controlled by Mr. Robertson, Jr. These officers allocate varying percentages of their time to managing our operations. Neither our general partner, GP Natural Resource Partners LLC, nor any of their affiliates receive any management fee or other compensation in connection with the management of our business, but they are entitled to be reimbursed for all direct and indirect expenses incurred on our behalf.

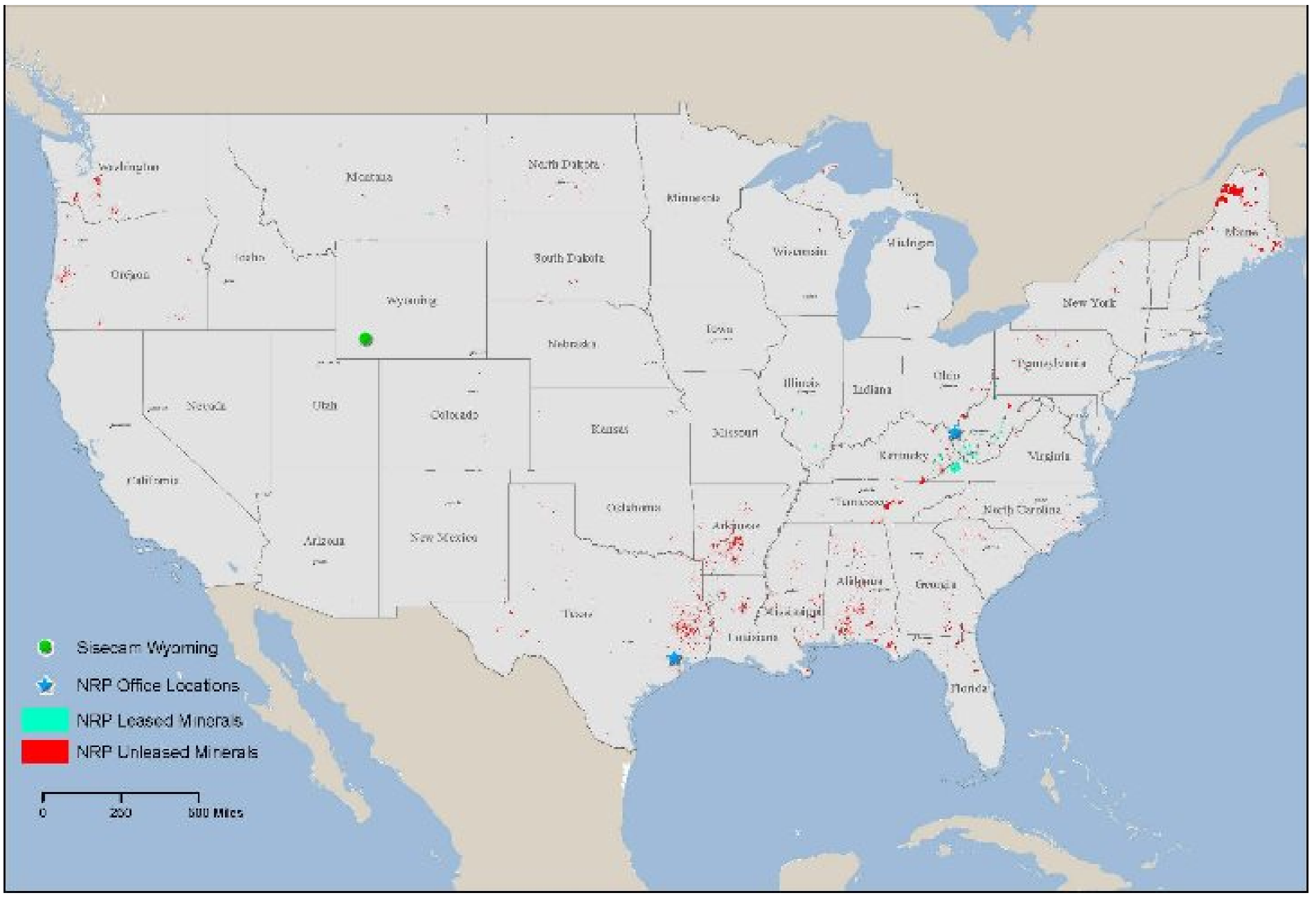
We have regional offices through which we conduct our operations, the largest of which is located at 5260 Irwin Road, Huntington, West Virginia 25705 and the telephone number is (304) 522-5757. Our principal executive office is located at 1201 Louisiana Street, Suite 3400, Houston, Texas 77002 and our telephone number is (713) 751-7507.

Segment and Geographic Information

The amount of 2021 revenues and other income from our two operating segments is shown below. For additional business segment information, please see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations" and "Item 8. Financial Statements and Supplementary Data—Item 8. Financial Statements and Supplementary Data—Note 7. Segment Information" in this Annual Report on Form 10-K, which are both incorporated herein by reference.

(In thousands)	Amount	% of Total
Mineral Rights	$ 194,493	90%
Soda Ash	21,871	10%
Total	$ 216,364	100%

The following map shows the approximate geographic distribution of our ownership footprint:



Mineral Rights Segment

Mineral Rights

We have changed the name of our Coal Royalty and Other business segment to Mineral Rights. This name change highlights our vast mineral ownership interests as well as ou intensifying focus on leveraging the Partnership's asset footprint across the United States, including subsurface carbon sequestration rights, to become a key player in the transitional energy economy for the years to come. There has been no change to the composition of this reportable business segment or the structure of our internal organization in connection with this name change.

We do not mine, drill or produce minerals. Instead, we lease our acreage to companies engaged in the extraction of minerals in exchange for the payment of royalties and various other fees. The royalties we receive are generally a percentage of the gross revenue received by our lessees. The royalties we receive are typically supported by a floor price and minimum payment obligation that protect us during significant price or demand declines.

Our coal is primarily located in the Appalachia Basin, the Illinois Basin and the Northern Powder River Basin in the United States. We lease our coal to experienced mine operators under long-term leases. Approximately two-thirds of our royalty-based leases have initial terms of five to 40 years, with substantially all lessees having the option to extend the lease for additional terms. Leases include the right to renegotiate royalties and minimum payments for the additional terms. We also own and manage coal-related transportation and processing assets in the Illinois Basin that generate additional revenues generally based on throughput or rents. We also own oil and gas, industrial minerals and aggregates that generate a portion of the Mineral Rights segment revenues.

Under our standard royalty lease, we grant the operators the right to mine and sell our coal in exchange for royalty payments based on the greater of a percentage of the sale price or fixed royalty per ton of minerals mined and sold. Lessees calculate royalty payments due to us and are required to report tons of minerals mined and sold as well as the sales prices of the extracted minerals. Therefore, to a great extent, amounts reported as royalty revenues are based upon the reports of our lessees. We periodically audit this information by examining certain records and internal reports of our lessees and we perform periodic mine inspections to verify that the information that our lessees have submitted to us is accurate. Our audit and inspection processes are designed to identify material variances from lease terms as well as differences between the information reported to us and the actual results from each property.

In addition to their royalty obligations, our lessees are often subject to minimum payments, which reflect amounts we are entitled to receive even if no mining activity occurs during the period. Minimum payments are usually credited against future royalties that are earned as minerals are produced. In certain leases, the lessee is time limited on the period available for recouping minimum payments and such time is unlimited on other leases.

Because we do not operate any coal mines, our coal royalty business does not bear ordinary operating costs and has limited direct exposure to environmental, permitting and labor risks. Our lessees, as operators, are subject to environmental laws, permitting requirements and other regulations adopted by various governmental authorities. In addition, the lessees generally bear all labor-related risks, including retiree health care costs, black lung benefits and workers' compensation costs associated with operating the mines on our coal and aggregates properties. We pay property taxes on our properties, which are largely reimbursed by our lessees pursuant to the terms of the various lease agreements.

The SEC has adopted new rules to modernize the property disclosure requirements for registrants with significant mining activities, which we have to comply with in this Annual Report on Form 10-K. The new rules contain exceptions that allow royalty companies, such as NRP, to omit information that they lack access to and cannot obtain without incurring an unreasonable burden or expense. As a royalty company, we do not have access to the information required to prepare the technical reports used to determine reserves under the new rules, and we are not able to obtain such information without unreasonable burden or expense. The new rules require that reserve estimates be based on and disclosures include technical reports prepared using extensive mine-specific geological and engineering data, as well as market and cost assumptions that we as a mineral owner do not have, include, but are not limited to a) site infrastructure costs; b) processing plant costs; c) detailed analysis of environmental compliance and permitting requirements; d) detailed baseline studies with impact assessment; and e) detailed tailings disposal, reclamation and mitigation plans. Our leases do not require the operators of our material properties to prepare technical report summaries or permit us the access and information sufficient to prepare our own technical report summaries under the new rules. As a result, we are relying on the royalty company exceptions and have ceased to report coal and other hard mineral reserves in this Annual Report on Form 10-K.

In addition to summary information about our overall portfolio of mineral rights, this section provides detailed information about four properties in our Mineral Rights segment. These properties were determined to be material to our business based on historical revenue compared to our Mineral Rights segment considered as a whole. These four properties are: 1) Alpha-CAPP (VA), 2) Oak Grove, 3) Williamson, and 4) Hillsboro. We have also included a description of other significant properties, which have had lower revenues historically than our material properties but are important to our business.

Coal

Metallurgical Coal

Metallurgical ("Met") coal is used to fuel blast furnaces that forge steel and is the primary driver of our long-term cash flows. Met coal is a high-quality, cleaner coal that generates exceptionally high temperatures when burned and is an essential element in the steel manufacturing process. Metallurgical coal is a finite and declining resource, particularly in industrialized nations. We believe the indispensable role met coal plays in manufacturing steel combined with the increasing scarcity of the resource will provide support for this portion of our business for decades to come. Our metallurgical coal is located in the Northern, Central and Southern Appalachian regions of the United States.

Thermal Coal

Thermal coal, sometimes referred to as steam coal, is used in the production of electricity. The amount of thermal coal produced in the United States has been steadily falling over the last decade as energy providers shift from coal-fired plants to natural gas-fired facilities, and to a lesser extent, alternative energy sources such as geothermal, wind and solar. We believe the long-term secular decline experienced by thermal coal over the last decade will continue. That fact, combined with the long-term strength of our metallurgical business and the carbon neutral initiatives we discuss below, will result in thermal coal becoming a diminishing contributor to NRP in years to come. The vast majority of our thermal sales are located in Illinois and its operations are some of the most cost-efficient mines east of the Mississippi River. The remainder of our thermal coal is located in Montana and Appalachia.

Coal Production Information

The following tables present the type of coal sales volumes by major coal region for the years ended December 31, 2021, 2020 and 2019:

For the Year Ended December 31, 2021

	Type of Coal		
(Tons in thousands)	**Thermal**	**Metallurgical**	**Total**
Appalachia Basin			
Northern	718	617	1,335
Central	1,140	11,139	12,279
Southern	119	1,452	1,571
Total Appalachia Basin	1,977	13,208	15,185
Illinois Basin	9,388	—	9,388
Northern Powder River Basin	3,151	—	3,151
Gulf Coast	55	—	55
Total	14,571	13,208	27,779

For the Year Ended December 31, 2020

	Type of Coal		
(Tons in thousands)	**Thermal**	**Metallurgical**	**Total**
Appalachia Basin			
Northern	267	380	647
Central	1,157	8,954	10,111
Southern	143	746	889
Total Appalachia Basin	1,567	10,080	11,647
Illinois Basin	3,381	—	3,381
Northern Powder River Basin	1,738	—	1,738
Total	6,686	10,080	16,766

For the Year Ended December 31, 2019			
	Type of Coal		
(Tons in thousands)	Thermal	Metallurgical	Total
Appalachia Basin			
Northern	2,781	679	3,460
Central	3,117	10,260	13,377
Southern	470	1,200	1,670
Total Appalachia Basin	6,368	12,139	18,507
Illinois Basin	2,201	—	2,201
Northern Powder River Basin	3,036	—	3,036
Total	11,605	12,139	23,744

Major Coal Producing Properties

The following table provides a summary of our significant coal royalty properties by sales volumes for 2021 and is followed by additional information for each property:

Region	Property/Lease Name	Operator(s)	Coal Type	2021 Sales Volumes (Millions of Tons)
Appalachia Basin				
Northern	Carter Roag	Metinvest	Met	0.5
Central	Alpha-CAPP (VA)	Alpha Metallurgical Resources Inc.	Met	3.9
Central	Elk Creek	Ramaco Royalty Company, LLC	Met	1.7
Central	Coal Mountain	ECP	Met	1.2
Central	Kepler	Alpha Metallurgical Resources Inc.	Met	1.1
Southern	Oak Grove	Hatfield Metallurgical Coal Holdings, LLC	Met	1.5
Illinois Basin	Williamson	Foresight Energy Resources LLC	Thermal	5.7
Illinois Basin	Hillsboro	Foresight Energy Resources LLC	Thermal	3.7
Northern Powder River Basin	Western Energy	Rosebud Mining, LLC	Thermal	3.2

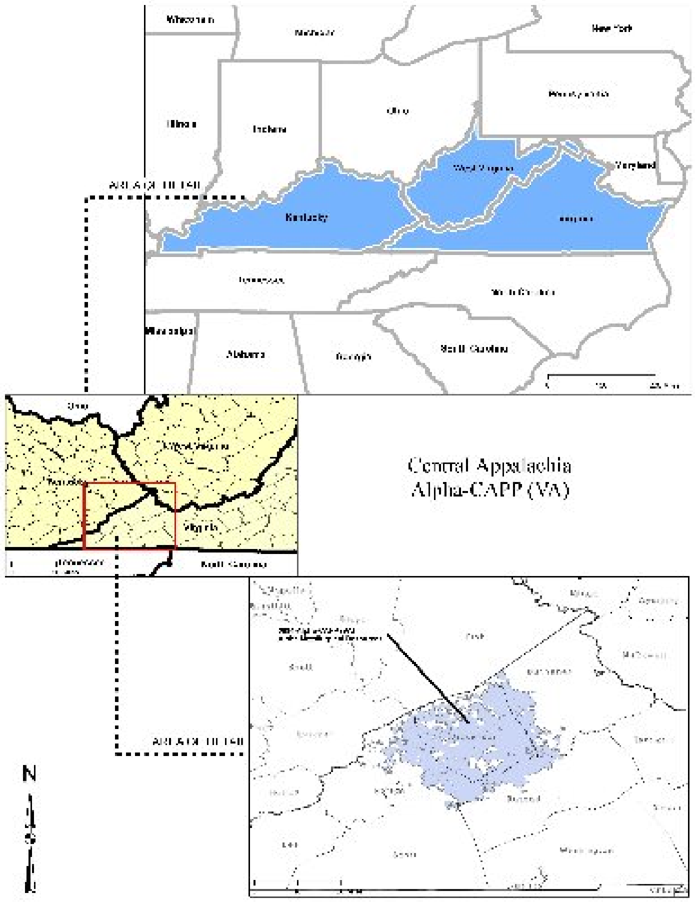
Appalachia Basin—Northern Appalachia

Carter Roag. The Carter Roag property is located in Randolph and Upshur counties, West Virginia. In 2021, approximately 0.5 million tons were sold from this property, substantially all of which was metallurgical coal. We lease this property to subsidiaries of Metinvest. Production comes from underground room and pillar mines, is processed onsite at the Star Bridge Prep Plant, and is sold primarily on the export market.

Appalachia Basin—Central Appalachia

Alpha-CAPP (VA). The Alpha-CAPP (VA) property is located in Wise, Dickenson, Russell and Buchanan Counties, Virginia. In 2021, approximately 3.9 million tons were sold from this property, substantially all of which was metallurgical coal. We lease this property to subsidiaries of Alpha Metallurgical Resources Inc. ("Alpha") and previously leased it to subsidiaries of Contura Energy, Inc. The current lease with Alpha expires in 2023 and Alpha will have the option to renew the lease upon the expiration of its current term. We receive payments based on the greater of a percentage of the sale price or fixed royalty per ton of coal mined and sold. In addition to the royalty obligations, this lease is subject to minimum payments, which reflect amounts we are entitled to receive even if no mining activity occurs during the period. Minimum payments are credited against future royalties that are earned as minerals are produced and the lessee is time limited on the period available for recouping minimum payments. Production comes from underground room and pillar and surface mines and is trucked to one of two preparation plants. Coal is shipped via the CSX and Norfolk Southern railroads to utility and metallurgical customers. The book value of this property was $45.6 million at December 31, 2021.

Below is a map of our Alpha-CAPP (VA) property:



Elk Creek. The Elk Creek property is located in Logan and Wyoming Counties, West Virginia. In 2021, approximately 1.7 million tons were sold from this property. We lease this property to Ramaco Resources, Inc. Metallurgical coal is produced from surface and underground mines and is transported by belt and truck to a preparation plant on the property. Coal is shipped via the CSX railroad to both domestic and export metallurgical customers.

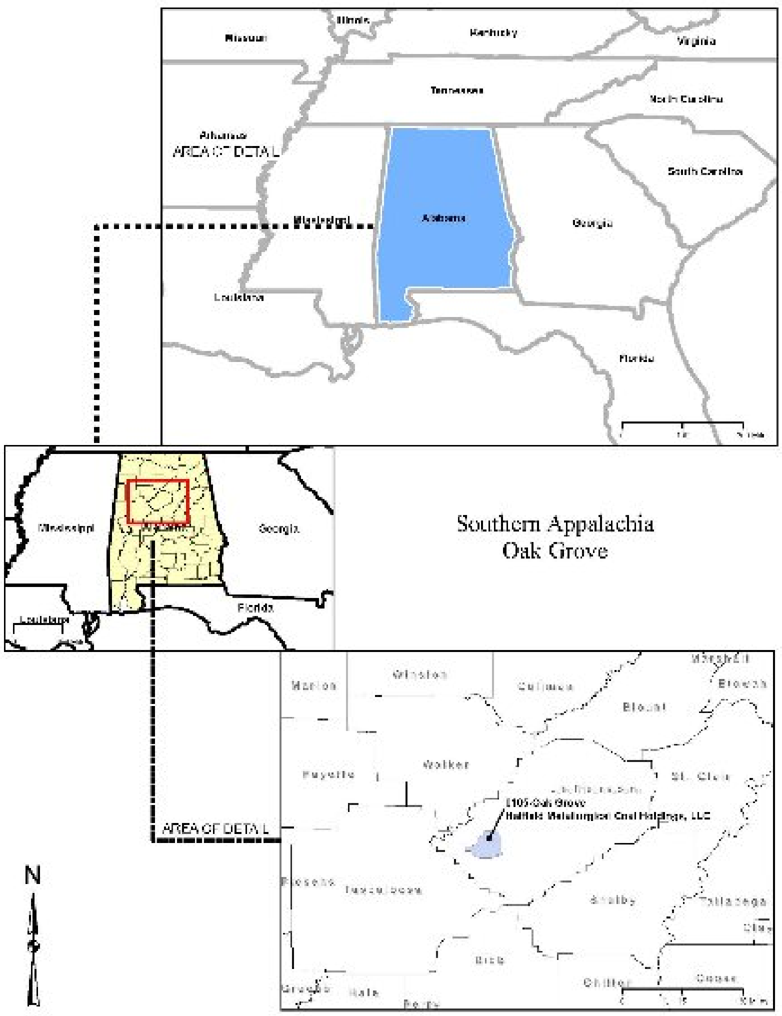
Coal Mountain. The Coal Mountain property is located in Wyoming County, West Virginia. In 2021, approximately 1.2 million tons of metallurgical coal were sold from this property. We lease this property to ECP. Metallurgical coal is produced from a multi-seam surface mine and coal is transported by truck to a preparation plant on the property. Coal is shipped via the Norfolk Southern railroad to both domestic and export metallurgical customers.

Kepler. The Kepler property is located in Wyoming County, West Virginia. Approximately 1.1 tons of coal, substantially all of which is metallurgical coal, were sold in 2021 from this property. We lease this property to a subsidiary of Alpha. Coal is produced from underground mines and transported by belt or truck to the preparation plant on the property. Coal is shipped via the Norfolk Southern railroad to export metallurgical customers.

Appalachia Basin—Southern Appalachia

Oak Grove. The Oak Grove property is located in Jefferson County, Alabama. In 2021, approximately 1.5 million tons of metallurgical coal were sold from this property. We currently lease this property to a subsidiary of Hatfield Metallurgical Coal Holdings, LLC ("Hatfield Metallurgical"). Previous operators of this property were Murray Metallurgical Coal Holdings LLC, Mission Coal, LLC, and Seneca Resources, LLC. The current lease with Hatfield Metallurgical expires in 2024 and Hatfield Metallurgical will have the option to renew the lease upon the expiration of its current term. We receive payments based on the greater of a percentage of the sale price or fixed royalty per ton of coal mined and sold. In addition to the royalty obligations, this lease is subject to minimum payments, which reflect amounts we are entitled to receive even if no mining activity occurs during the period. Minimum payments are credited against future royalties that are earned as minerals are produced and the lessee is time limited on the period available for recouping minimum payments. Production comes from a longwall mine and is transported by beltline to a preparation plant. Metallurgical products are then shipped via railroad and barge to both domestic and export customers. The book value of this property was $5.3 million at December 31, 2021.

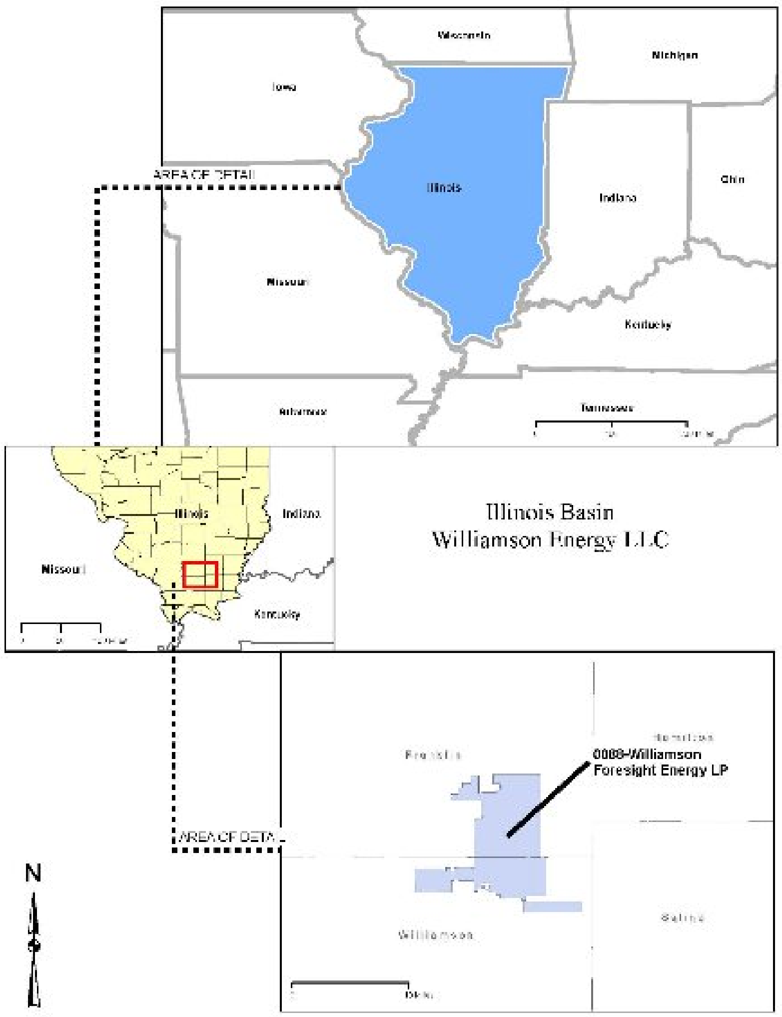
Below is a map of our Oak Grove property:



Illinois Basin

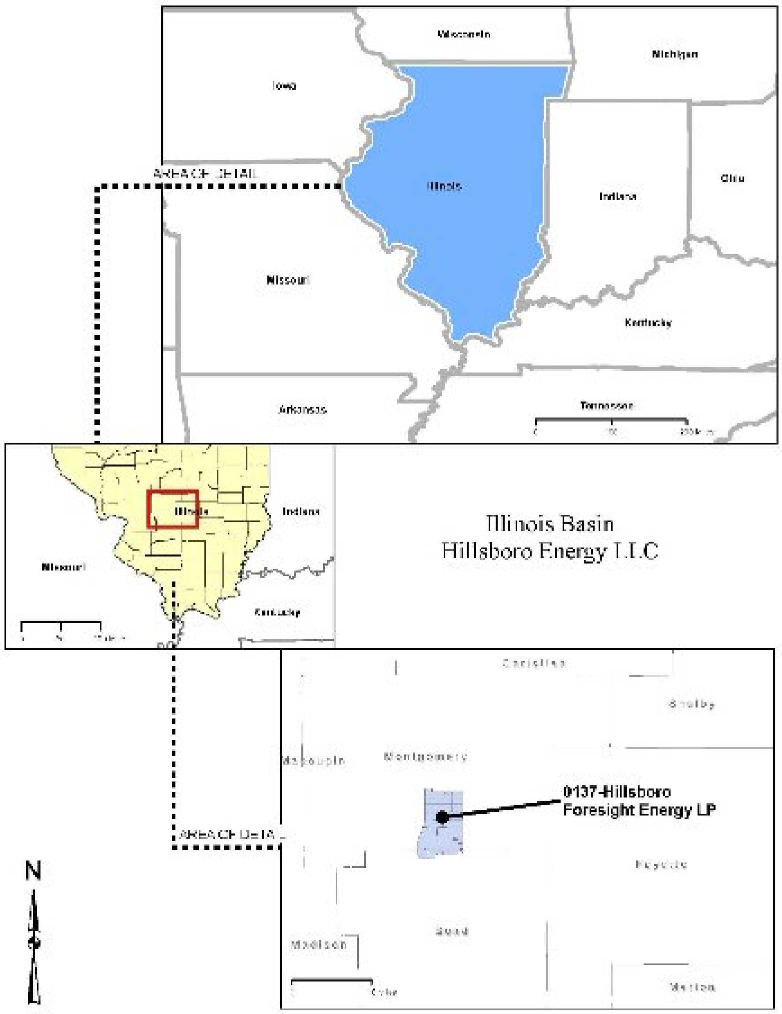
Williamson. The Williamson property is located in Franklin and Williamson Counties, Illinois. This property is under leases to Williamson Energy, a subsidiary of Foresight Energy Resources LLC ("Foresight"). The current leases expire in 2026 and 2033 and Williamson Energy will have the option to renew the leases upon the expiration of their current terms. We receive payments based on the greater of a percentage of the sale price or fixed royalty per ton of coal mined and sold. In addition to the royalty obligations, these leases are subject to minimum payments, which reflect amounts we are entitled to receive even if no mining activity occurs during the period. Minimum payments are credited against future royalties that are earned as minerals are produced and the lessee is time limited on the period available for recouping minimum payments. In 2021, approximately 5.7 million tons of thermal coal were sold from this property. Production comes from a longwall mine. Coal is shipped primarily via the Canadian National railroad to export customers. The book value of this property was $45.3 million at December 31, 2021.

Below is a map of our Williamson property:



Hillsboro. The Hillsboro property is located in Montgomery and Bond Counties, Illinois. This property is under lease to Hillsboro Energy, a subsidiary of Foresight. The current lease expires in 2033 and Hillsboro Energy will have the option to renew the lease upon the expiration of its current term. We receive payments based on the greater of a percentage of the sale price or fixed royalty per ton of coal mined and sold. In addition to the royalty obligations, this lease is subject to non-recoupable minimum payments, which reflect amounts we are entitled to receive even if no mining activity occurs during the period. In 2021, approximately 3.7 million tons of thermal coal were sold from this property. Production comes from a longwall mine. Coal is shipped by rail via either the Union Pacific, Norfolk Southern or Canadian National railroads, or by barges to domestic utilities customers. The book value of this property was $224.6 million at December 31, 2021.

Below is a map of our Hillsboro property:



In addition to these properties, we own loadout and other transportation assets at the Williamson mine and at the Macoupin and Sugar Camp mines, which are also operated by Foresight. See "—Coal Transportation and Processing Assets" below for additional information on these assets.

Master Agreement. On June 30, 2020, we and Foresight entered into the Master Amendment and Supplement to Coal Mining and Transportation Lease Agreements and Parent Guaranty (the "Master Agreement") in connection with Foresight's emergence from bankruptcy. All contracts and agreements existing prior to the bankruptcy filing were assumed by Foresight in the bankruptcy and continue post-bankruptcy pursuant to their terms, except as amended by the Master Agreement.

Pursuant to the Master Agreement, Foresight made fixed cash payments of $42.0 million to NRP in 2021 to satisfy all obligations arising out of the existing various coal mining leases and transportation infrastructure fee agreements between NRP and Foresight for calendar year 2021. Beginning in January 2022, Foresight's payment obligations will be calculated in accordance with the provisions of the various existing agreements, except as described below with respect to Foresight's Macoupin mine.

Production at the Foresight Macoupin mine was temporarily ceased in March 2020. Pursuant to the Master Agreement, Foresight is no longer obligated to make royalty, transportation fee, or quarterly minimum payments to us under the Macoupin coal mining lease and transportation agreements. Foresight will pay an annual Macoupin fee of $2.0 million to NRP each year through 2023. The amounts paid for 2021 are included in the fixed amounts discussed in the paragraph above. Foresight also forfeited its right to recoup all previously paid but unrecouped minimum payments with respect to the Macoupin mine. At all times that the Macoupin mine remains in temporary cessation of production, Foresight will take reasonable actions to preserve, protect, and store the equipment, infrastructure, and property located at the mine.

Beginning January 1, 2024, we may at any time elect to cause Foresight to transfer the Macoupin mine and all associated equipment and permits to us for no consideration. If we make this election, we will assume all liabilities associated with the Macoupin mine. Also beginning January 1, 2024, Foresight may at any time elect to offer to sell the Macoupin assets to us for $1.00. If we accept Foresight's offer, we will assume all liabilities associated with the Macoupin mine. If we do not accept Foresight's offer, Foresight may proceed to permanently seal the Macoupin mine and conduct all reclamation activities. To the extent the elections described above are not made, Foresight will continue to pay the annual $2.0 million fee to NRP each year that the mine remains in temporary cessation of production. In addition, Foresight may determine at any time to recommence operations at the Macoupin mine, at which time we and Foresight will negotiate in good faith to enter into new coal mining lease and transportation agreements.

Northern Powder River Basin

Western Energy. The Western Energy property is located in Rosebud and Treasure Counties, Montana. In 2021, approximately 3.2 million tons were sold from this property by a subsidiary of Rosebud Mining, LLC. Coal is produced by surface dragline mining methods. Coal is transported by either truck or beltline to the Colstrip generation station located at the mine mouth.

Coal Transportation and Processing Assets

We own transportation and processing infrastructure related to certain of our coal properties, including loadout and other transportation assets at Foresight's Williamson and Macoupin mines in the Illinois Basin, for which we collect throughput fees or rents. We lease our Macoupin and Williamson transportation and processing infrastructure to subsidiaries of Foresight and are responsible for operating and maintaining the transportation and processing assets at the Williamson mine that we subcontract to a subsidiary of Foresight. In addition, we own rail loadout and associated infrastructure at the Sugar Camp mine, an Illinois Basin mine also operated by a subsidiary of Foresight. While we own coal at the Williamson and Macoupin mines, we do not own coal at the Sugar Camp mine. The infrastructure at the Sugar Camp mine is leased to a subsidiary of Foresight and we collect minimums and throughput fees. We recorded $9.1 million in revenue related to our coal transportation and processing assets during the year ended December 31, 2021. Production at the Macoupin mine was temporarily ceased in March 2020 and in June 2020, we and Foresight entered into a Master Agreement in connection with Foresight's emergence from bankruptcy as discussed above.

Oil and Gas / Industrial Minerals / Construction Aggregates / Timber

Our oil and gas properties are predominately located in Louisiana. Our various industrial mineral and construction aggregates properties are located across the United States and include minerals such as limestone, frac sand, lithium, copper, lead and zinc. We lease a portion of these minerals to third parties in exchange for royalty payments. The structure of these leases is similar to our coal leases, and these leases typically require minimum rental payments in addition to royalties. During 2021, we received $1.9 million in aggregates royalty revenues, including overriding royalty revenues. We also own forest assets, primarily in West Virginia, which generate revenues from the forestland through carbon offset credits and timber sales.

Carbon Neutral Initiatives

We continue to identify alternative revenue sources across our large portfolio of land, mineral and timber assets. The types of opportunities include the sequestration of carbon dioxide underground and in standing forests, and the generation of electricity using geothermal, solar and wind energy. As with our existing mineral activities, we do not plan to develop or operate carbon sequestration or carbon neutral energy projects ourselves but we plan to lease our acreage to companies that will conduct those operations in exchange for payment of royalties and other fees to us.

We executed our first carbon neutral project in the fourth quarter of 2021 through the sale of 1.1 million carbon offset credits for $13.8 million. The offset credits were issued to us by the California Air Resources Board under its cap-and-trade program and represent 1.1 million tonnes of carbon sequestered in approximately 39,000 acres of our forestland in West Virginia. This is an encouraging first step in our ability to create value through alternative revenue sources.

Carbon Sequestration. We own approximately 3.5 million acres of specifically reserved subsurface rights in the southern United States with the potential for permanent sequestration of greenhouse gases. The carbon capture utilization and storage industry (“CCUS”) is in its infancy and the future is highly uncertain, but a few facts are clear. A sequestration project requires acreage possessing unique geologic characteristics, close proximity to sources of industrial-scale greenhouse gas emissions, and the appropriate form of legal title that grants the acreage owner the right to sequester emissions in the subsurface. While carbon sequestration rights and ownership continue to evolve, we believe we own one of the largest inventory of acreage with potential for carbon sequestration activities in the United States.

In February 2022, we announced the execution of a CO_2 Sequestration Agreement with a subsidiary of Denbury Inc. which provides opportunity for the development of a world-class subsurface CO_2 sequestration hub on Alabama’s Gulf Coast. The agreement provides Denbury with the exclusive rights to develop a subsurface CO_2 sequestration site on approximately 75,000 acres of underground pore space controlled by us in Baldwin County, near Mobile, Alabama, with estimated CO_2 storage potential of over 300 million metric tons.

Renewable Energy. In addition, We believe portions of our asset base across the United States possess the geologic characteristics and geographical locations necessary for geothermal, solar and wind energy development. With regards to geothermal, the technology to generate safe and reliable “green” electricity using heat found deep underground is advancing rapidly. Once limited to the geologic “hot spots,” new technology has made geothermal energy projects feasible in many places previously thought impossible. Our geothermal opportunities are predominately located in the South, Midwest and Northwest parts of the United States. With regards to wind and solar energy opportunities, we are actively engaged in discussions for potential use of its acreage for these types of renewable energy developments predominately in Kentucky and West Virginia.

Soda Ash Segment

We own a 49% non-controlling equity interest in Sisecam Wyoming. Sisecam Resources LP, (formerly know as Ciner Resources LP) our operating partner ("Sisecam Resources"), controls and operates Sisecam Wyoming. Sisecam Wyoming mines trona and processes it into soda ash that is sold both domestically and internationally into the glass and chemicals industries. Sisecam Resources is a publicly traded master limited partnership that depends on distributions from Sisecam Wyoming in order to make distributions to its public unitholders. As a minority interest owner in Sisecam Wyoming, we do not operate and are not involved in the day-to-day operation of the trona ore mine or soda ash production plant. We appoint three of the seven members of the Board of Managers of Sisecam Wyoming and have certain limited negative controls relating to the company. We have limited approval rights with respect to Sisecam Wyoming, and our partner controls most business decisions, including decisions with respect to distributions and capital expenditures. During 2020, Sisecam Wyoming suspended cash distributions to its members due to adverse developments in the soda ash market resulting from the COVID-19 pandemic. In 2021, as soda ash markets improved, Sisecam Wyoming resumed distributions with respect to the third quarter; however, distributions may again be suspended in the future.

In December 2021, Sisecam Resources, the owner of the remaining 51% of our soda ash business was subject to a change in control. Prior to the transaction, Sisecam Wyoming was referred to as Ciner Wyoming and Sisecam Resources was referred to as Ciner Resources L.P. Upon closing of the transaction, Ciner Enterprises Inc., the indirect owner of approximately 74% of the partnership units of Ciner Resources L.P., sold 60% of its interest in Ciner Resources Corporation, the parent company of Ciner Resources L.P., to Sisecam Chemicals USA Inc. (“Sisecam USA”), an indirect subsidiary of Türkiye Şişe ve Cam Fabrikalari A.Ş. Ciner Resources Corporation subsequently changed its name to Sisecam Chemical Resources LLC and Ciner Resources L.P. changed its name to Sisecam Resources L.P. Following the transaction, we continue to have the right to appoint three of the seven Board of Managers of Sisecam Wyoming. Sisecam USA has the right to direct the appointment of three and Ciner Enterprises has the right to direct the appointment of one of the four members of the Sisecam Wyoming Board of Managers that are allocated to Sisecam Resources.

Sisecam Wyoming is one of the largest and lowest cost producers of soda ash in the world, serving a global market from its facility located in the Green River Basin of Wyoming. The Green River Basin geological formation holds the largest, and one of the highest purity, known deposits of trona ore in the world. Trona, a naturally occurring soft mineral, is also known as sodium sesquicarbonate and consists primarily of sodium carbonate, or soda ash, sodium bicarbonate and water. Sisecam Wyoming processes trona ore into soda ash, which is an essential raw material in flat glass, container glass, detergents, chemicals, paper and other consumer and industrial products. The vast majority of the world’s accessible trona is located in the Green River Basin. According to historical production statistics, approximately 30% of global soda ash is produced by processing trona, with the remainder being produced synthetically through chemical processes. The costs associated with procuring the materials needed for synthetic production are greater than the costs associated with mining trona for trona-based production. In addition, trona-based production consumes less energy and produces fewer undesirable by-products than synthetic production.

Sisecam Wyoming’s Green River Basin surface operations are situated on approximately 2,360 acres in Wyoming (of which, 880 acres are owned by Sisecam Wyoming), and its mining operations consist of approximately 23,500 acres of leased and licensed subsurface mining area. The facility is accessible by both road and rail. Sisecam Wyoming uses seven large continuous mining machines and 14 underground shuttle cars in its mining operations. Its processing assets consist primarily of material sizing units, conveyors, calciners, dissolver circuits, thickener tanks, drum filters, evaporators and rotary dryers.

In trona ore processing, insoluble materials and other impurities are removed by thickening and filtering liquor, a solution consisting of sodium carbonate dissolved in water. Sisecam Wyoming then adds activated carbon to filters to remove organic impurities, which can cause color contamination in the final product. The resulting clear liquid is then crystallized in evaporators, producing sodium carbonate monohydrate. The crystals are then drawn off and passed through a centrifuge to remove excess water. The resulting material is dried in a product dryer to form anhydrous sodium carbonate, or soda ash. The resulting processed soda ash is then stored in on-site storage silos to await shipment by bulk rail or truck to distributors and end customers. Sisecam Wyoming’s storage silos can hold over 58,000 short tons of processed soda ash at any given time. The facility is in good working condition and has been in service for more than 50 years.

Deca Rehydration. The evaporation stage of trona ore processing produces a precipitate and natural by-product called deca. "Deca," short for sodium carbonate decahydrate, is one part soda ash and ten parts water. Solar evaporation causes deca to crystallize and precipitate to the bottom of the four main surface ponds at the Green River Basin facility. The deca rehydration process enables Sisecam Wyoming to recover soda ash from the deca-rich purged liquor as a by-product of the refining process. The soda ash contained in deca is captured by allowing the deca crystals to evaporate in the sun and separating the dehydrated crystals from the soda ash. The separated deca crystals are then blended with partially processed trona ore in the dissolving stage of the production process. This process enables Sisecam Wyoming to reduce waste storage needs and convert what is typically a waste product into a usable raw material. Sisecam Wyoming anticipates that its current deca stockpiles will be exhausted by 2024 and that production rates will decline approximately 200,000 short tons per year if that production capacity is not replaced.

Shipping and Logistics. All of the soda ash produced is shipped by rail or truck from the Green River Basin facility. For the year ended December 31, 2021, Sisecam Wyoming shipped over 90% of its soda ash to its customers initially via a single rail line owned and controlled by Union Pacific Railroad Company ("Union Pacific"). The Sisecam Wyoming plant receives rail service exclusively from Union Pacific. The agreement with Union Pacific expires on December 31, 2025 and there can be no assurance that it will be renewed on terms favorable to Sisecam Wyoming or at all. If Sisecam Wyoming does not ship at least a significant portion of its soda ash production on the Union Pacific rail line during a twelve-month period, they must pay Union Pacific a shortfall payment under the terms of its transportation agreement. For the year ended December 31, 2021, Sisecam Wyoming assisted the majority of its domestic customers in arranging their freight services. During 2021, Sisecam Wyoming had no shortfall payments and does not expect to make any such payments in the future. A leased fleet of more than 2,200 hopper cars serve as dedicated modes of shipment to Sisecam Wyoming's domestic and international customers. For non ANSAC exports, soda ash is shipped on unit trains primarily to Longview, Washington for bulk shipments. For the year ended December 31, 2021, ANSAC provided logistics and support services for a portion of the export sales primarily out of Portland, Oregon and Longview, Washington. From these ports, soda ash is loaded onto ships for delivery to ports all over the world. For domestic sales, Sisecam Chemical Resources LLC ("Sisecam Chemical Resources") provides similar services. Sisecam Chemical Resources is the parent company of the sole member of the general partner of our operating partner, Sisecam Resources. Sisecam Chemical Resources is owned 60% by Sisecam USA and 40% by Ciner Enterprises Inc.

Customers. Sisecam Wyoming's largest customer was ANSAC for the year ended December 31, 2021 and the sales to ANSAC accounted for approximately 21% of its net sales. The significant volume of sales to ANSAC for the year ended December 31, 2021 was primarily related to the terms of the ANSAC exit settlement agreement. No other individual customer accounted for more than 10% of Sisecam Wyoming's net sales.

For customers in North America, Sisecam Chemical Resources typically enters into contracts on Sisecam Wyoming’s behalf with terms ranging from one to three years. Under these contracts, customers generally agree to purchase either minimum estimated volumes of soda ash or a certain percentage of their soda ash requirements at a fixed price for a given calendar year. Although Sisecam Wyoming does not have “take or pay” arrangements with its customers, substantially all sales are made pursuant to written agreements and not through spot sales. In 2021, Sisecam Wyoming had more than 70 domestic customers and has had long-term relationships with the majority of its customers.

Sisecam Wyoming’s customers, including end users to whom ANSAC makes sales overseas, consist primarily of glass manufacturing companies, which account for 50% or more of the consumption of soda ash around the world; and chemical and detergent manufacturing companies.

Historically, by design and prior to Sisecam Chemical Resources’ exit from ANSAC, ANSAC managed most of Sisecam Wyoming's international sales, marketing and logistics, and as a result, was its largest customer for the years ended December 31, 2020 and 2019, accounting for 45% and 60%, respectively, of its net sales. ANSAC takes soda ash orders directly from its overseas customers and then purchases soda ash for resale from its member companies pro rata based on each member’s allocated volumes. ANSAC is the exclusive distributor for its members to the markets it serves. The ANSAC exit allowed Sisecam Chemical Resources to improve access to customers and gain control over placement of its sales in the international marketplace in 2021. This enhanced view of the global market allows Sisecam Chemical Resources to better understand supply/demand fundamentals thus allowing better decision making for its business. Sisecam Chemical Resources continues to optimize its distribution network leveraging strengths of existing distribution partners while expanding as the business requires in certain target areas.

Leases and License. Sisecam Wyoming is party to several mining leases and one license for its subsurface mining rights. Some of the leases are renewable at Sisecam Wyoming's option upon expiration. Sisecam Wyoming pays royalties to the State of Wyoming, the U.S. Bureau of Land Management and Sweetwater Royalties LLC, a subsidiary of Sweetwater Trona OpCo LLC and the successor in interest to the license with the Rock Springs Royalty Company LLC, an affiliate of Occidental Petroleum Corporation (formerly Anadarko Petroleum Corporation), The royalties are calculated based upon a percentage of the value of soda ash and related products sold at a certain stage in the mining process. These royalty payments may be subject to a minimum domestic production volume from the Green River Basin facility. Sisecam Wyoming is also obligated to pay annual rentals to its lessors and licensor regardless of actual sales. In addition, Sisecam Wyoming pays a production tax to Sweetwater County, and trona severance tax to the State of Wyoming that is calculated based on a formula that utilizes the volume of trona ore mined and the value of the soda ash produced. Sisecam Wyoming has a perpetual right to continue operating under these leases and license as long as it maintains continuous mining operations and intends to continue renewing the leases and license as has been historical practice.

Expansion Project. Sisecam Wyoming has announced a significant capacity expansion capital project that could increase production levels to up to 3.5 million tons of soda ash per year. Sisecam Wyoming has conducted the initial basic design and is pursuing the related permits and detailed cost analysis pursuant to the basic design. As a result of current market conditions (in part related to the COVID-19 pandemic), Sisecam Wyoming is currently evaluating when and whether to pursue this project, as it will require significant capital expenditures. The costs of the expansion project could be higher than expected, or the execution of the project could be substantially delayed, which could materially impact Sisecam Wyoming's profitability and result in a further delay of Sisecam Wyoming's resumption of cash distributions to its members.

As a minority interest owner in Sisecam Wyoming, we do not operate and are not involved in the day-to-day operation of the trona ore mine or soda ash production plant. Our partner, Sisecam Resources, manages the mining and plant operations. We appoint three of the seven members of the Board of Managers of Sisecam Wyoming and have certain limited negative controls relating to the company.

Significant Customers

We have a significant concentration of revenues with Foresight and its subsidiaries, with total revenues of $37.4 million in 2021 from all of their mining operations, including transportation and processing services revenues, coal overriding royalty revenues and wheelage revenues. In June 2020, we entered into lease amendments with Foresight pursuant to which Foresight agreed to pay us fixed cash payments to satisfy all obligations arising out of the existing various coal mining leases and transportation infrastructure fee agreements between us and Foresight for calendar years 2020 and 2021. We also have a significant concentration of revenues from Alpha, with total revenues of $49.4 million in 2021 from several different mining operations, including wheelage revenues. For additional information on significant customers, refer to "Item 8. Financial Statements and Supplementary Data—Note 14. Major Customers."

Competition

We face competition from land companies, coal producers, international steel companies and private equity firms in purchasing coal and royalty producing properties. Numerous producers in the coal industry make coal marketing intensely competitive. Our lessees compete among themselves and with coal producers in various regions of the United States for domestic sales. Lessees compete with both large and small producers nationwide on the basis of coal price at the mine, coal quality, transportation cost from the mine to the customer and the reliability of supply. Continued demand for our coal and the prices that our lessees obtain are also affected by demand for electricity and steel, as well as government regulations, technological developments and the availability and the cost of generating power from alternative fuel sources, including nuclear, natural gas, wind, solar and hydroelectric power.

Sisecam Wyoming's trona mining and soda ash refinery business faces competition from a number of soda ash producers in the United States, Europe and Asia, some of which have greater market share and greater financial, production and other resources than Sisecam Wyoming does. Some of Sisecam Wyoming's competitors are diversified global corporations that have many lines of business and some have greater capital resources and may be in a better position to withstand a long-term deterioration in the soda ash market. Other competitors, even if smaller in size, may have greater experience and stronger relationships in their local markets. Competitive pressures could make it more difficult for Sisecam Wyoming to retain its existing customers and attract new customers, and could also intensify the negative impact of factors that decrease demand for soda ash in the markets it serves, such as adverse economic conditions, weather, higher fuel costs and taxes or other governmental or regulatory actions that directly or indirectly increase the cost or limit the use of soda ash.

Title to Property

We owned substantially all of our coal and aggregates mineral rights in fee as of December 31, 2021. We lease the remainder from unaffiliated third parties. Sisecam Wyoming leases or licenses its trona. We believe that we have satisfactory title to all of our mineral properties, but we have not had a qualified title company confirm this belief. Although title to these properties is subject to encumbrances in certain cases, such as customary easements, rights-of-way, interests generally retained in connection with the acquisition of real property, licenses, prior reservations, leases, liens, restrictions and other encumbrances, we believe that none of these burdens will materially detract from the value of our properties or from our interest in them or will materially interfere with their use in the operation of our business.

For most of our properties, the surface, oil and gas and mineral or coal estates are not owned by the same entities. Some of those entities are our affiliates. State law and regulations in most of the states where we do business require the oil and gas owner to coordinate the location of wells so as to minimize the impact on the intervening coal seams. We do not anticipate that the existence of the severed estates will materially impede development of the minerals on our properties.

Regulation and Environmental Matters

General

Operations on our properties must be conducted in compliance with all applicable federal, state and local laws and regulations. These laws and regulations include matters involving the discharge of materials into the environment, employee health and safety, mine permits and other licensing requirements, reclamation and restoration of mining properties after mining is completed, management of materials generated by mining operations, surface subsidence from underground mining, water pollution, legislatively mandated benefits for current and retired coal miners, air quality standards, protection of wetlands, plant and wildlife protection, limitations on land use, storage of petroleum products and substances which are regarded as hazardous under applicable laws and management of electrical equipment containing polychlorinated biphenyls ("PCBs"). Because of extensive, comprehensive and often ambiguous regulatory requirements, violations during natural resource extraction operations are not unusual and, notwithstanding compliance efforts, we do not believe violations can be eliminated entirely.

While it is not possible to quantify the costs of compliance with all applicable federal, state and local laws and regulations, those costs have been and are expected to continue to be significant. Our lessees in our coal and aggregates royalty businesses are required to post performance bonds pursuant to federal and state mining laws and regulations for the estimated costs of reclamation and mine closures, including the cost of treating mine water discharge when necessary. In many states our lessees also pay taxes into reclamation funds that states use to achieve reclamation where site specific performance bonds are inadequate to do so. Determinations by federal or state agencies that site specific bonds or state reclamation funds are inadequate could result in increased bonding costs for our lessees or even a cessation of operations if adequate levels of bonding cannot be maintained. We do not accrue for reclamation costs because our lessees are both contractually liable and liable under the permits they hold for all costs relating to their mining operations, including the costs of reclamation and mine closures. Although the lessees typically accrue adequate amounts for these costs, their future operating results would be adversely affected if they later determined these accruals to be insufficient. In recent years, compliance with these laws and regulations has substantially increased the cost of coal mining for all domestic coal producers.

In addition, the electric utility industry, which is the most significant end-user of thermal coal, is subject to extensive regulation regarding the environmental impact of its power generation activities, which has affected and is expected to continue to affect demand for coal mined from our properties. Current and future proposed legislation and regulations could be adopted that will have a significant additional impact on the mining operations of our lessees or their customers' ability to use coal and may require our lessees or their customers to change operations significantly or incur additional substantial costs that would negatively impact the coal industry.

Many of the statutes discussed below also apply to Sisecam Wyoming's trona mining and soda ash production operations, and therefore we do not present a separate discussion of statutes related to those activities, except where appropriate.

Air Emissions

The Clean Air Act and corresponding state and local laws and regulations affect all aspects of our business. The Clean Air Act directly impacts our lessees' coal mining and processing operations by imposing permitting requirements and, in some cases, requirements to install certain emissions control equipment, on sources that emit various hazardous and non-hazardous air pollutants. The Clean Air Act also indirectly affects coal mining operations by extensively regulating the air emissions of coal-fired electric power generating plants. There have been a series of federal rulemakings that are focused on emissions from coal-fired electric generating facilities, including the Cross-State Air Pollution Rule ("CSAPR"), regulating emissions of nitrogen oxide and sulfur dioxide, and the Mercury and Air Toxics Rule ("MATS"), regulating emissions of hazardous air pollutants. In March 2021, the U.S. Environmental Protection Agency ("EPA") revised the CSAPR to require additional emissions reductions of nitrogen oxide from power plants in twelve states. Installation of additional emissions control technologies and other measures required under EPA regulations make it more costly to operate coal-fired power plants and could make coal a less attractive or even effectively prohibited fuel source in the planning, building and operation of power plants in the future. These rules and regulations have resulted in a reduction in coal's share of power generating capacity, which has negatively impacted our lessees' ability to sell coal and our coal-related revenues. Further reductions in coal's share of power generating capacity as a result of compliance with existing or proposed rules and regulations would have a material adverse effect on our coal-related revenues.

Carbon Dioxide and Greenhouse Gas ("GHG") Emissions

In December 2009, EPA determined that emissions of carbon dioxide, methane, and other GHGs present an endangerment to public health and welfare because emissions of such gases are, according to EPA, contributing to warming of the Earth's atmosphere and other climatic changes. Based on its findings, EPA began adopting and implementing regulations to restrict emissions of GHGs under various provisions of the Clean Air Act.

In August 2015, EPA published its final Clean Power Plan ("CPP") Rule, a multi-factor plan designed to cut carbon pollution from existing power plants, including coal-fired power plants. The rule required improving the heat rate of existing coal-fired power plants and substituting lower carbon-emission sources like natural gas and renewables in place of coal. As promulgated, the rule would force many existing coal-fired power plants to incur substantial costs in order to comply or alternatively result in the closure of some of these plants, likely resulting in a material adverse effect on the demand for coal by electric power generators. The rule was being challenged by several states, industry participants and other parties in the United States Court of Appeals for the District of Columbia Circuit. In February 2016, the Supreme Court of the United States stayed the CPP Rule pending a decision by the District of Columbia Circuit as well as any subsequent review by the Supreme Court. In April 2017, the United States Court of Appeals for the District of Columbia Circuit granted EPA's motion to hold the litigation in abeyance. In December 2017, EPA issued a proposed rule repealing the CPP Rule and issued an Advance Notice of Proposed Rulemaking soliciting information regarding a potential replacement rule to the CPP Rule. In August 2018, EPA formally proposed the Affordable Clean Energy ("ACE") Rule, which would replace the CPP Rule. The ACE Rule contemplates a narrower approach than the CPP Rule, focusing on efficiency improvements at existing power plants and eliminating the CPP Rule's broader goals that envisioned switches to non-fossil fuel energy sources and the implementation of efficiency measures on demand-side entities, which the EPA now considers beyond the reach of its authority under the Clean Air Act. The ACE Rule would also omit specific numerical emissions targets that had been established under the CPP Rule. The ACE Rule went into effect on September 6, 2019. As a result, the United States Court of Appeals for the District of Columbia Circuit dismissed the pending challenges to the CPP Rule as moot. The ACE Rule was challenged by public health groups, environmental groups, states, municipalities, industry groups, and power providers. The legal challenges were consolidated as *American Lung Assoc. v. EPA* before the D.C. Circuit Court of Appeals. Dozens of parties and over 170 amici filed briefs on the merits, and oral argument was held before a three-judge panel in October 2020. In January 2021, the D.C. Circuit issued a written opinion holding that the ACE Rule was based on EPA's "erroneous legal premise" that when it determines the "best system of emission reduction" for existing sources, the Clean Air Act mandates that EPA may only consider emission reduction measures that can be applied at and/or to a stationary source (often referred to as "inside-the-fence" measures). The Court vacated and remanded the rule to EPA for further consideration in light of its opinion, which will now occur under the Biden administration.

In October 2015, EPA published its final rule on performance standards for greenhouse gas emissions from new, modified, and reconstructed electric generating units. The final rule requires new steam generating units to use highly efficient supercritical pulverized coal boilers that use partial post-combustion carbon capture and storage technology. The final emission standard is less stringent than EPA had originally proposed due to updated cost assumptions, but could still have a material adverse effect on new coal-fired power plants. The final rule has been challenged by several states, industry participants and other parties in the United States Court of Appeals for the District of Columbia Circuit, but is not subject to a stay. In April 2017, the court granted EPA's motion to hold the litigation in abeyance while EPA reviews the rule. In December 2018, EPA issued a proposed rule revising the best system of emission reduction ("BSER") for newly constructed coal-fired electric generating units, among other changes, to replace the 2015 rule. In a status report filed with the Court on January 15, 2021, EPA requested that the case remain in abeyance until after the transition to the Biden administration. On March 17, 2021, in line with President Biden's Executive Order 13990, EPA asked the D.C. Circuit to vacate and remand the "significant contribution" final rule. On April 5, 2021, the D.C. Circuit vacated and remanded the January 2021 final rule.

President Obama also announced an emission reduction agreement with China's President Xi Jinping in November 2014. The United States pledged that by 2025 it would cut climate pollution by 26% to 28% from 2005 levels. China pledged it would reach its peak carbon dioxide emissions around 2030 or earlier, and increase its non-fossil fuel share of energy to around 20% by 2030. In December 2015, the United States was one of 196 countries that participated in the Paris Climate Conference, at which the participants agreed to limit their emissions in order to limit global warming to 2°C above pre-industrial levels, with an aspirational goal of 1.5°C. While there is no way to estimate the impact of these climate pledges and agreements, they could ultimately have an adverse effect on the demand for coal, both nationally and internationally, if implemented. In 2019, President Trump withdrew from the Paris Climate Agreement. On February 19, 2021, the United States officially rejoined the Paris Climate Agreement per President Biden's order signed January 20.

Hazardous Materials and Waste

The Federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA" or the Superfund law) and analogous state laws impose liability, without regard to fault or the legality of the original conduct, on certain classes of persons that are considered to have contributed to the release of a "hazardous substance" into the environment. We could become liable under federal and state Superfund and waste management statutes if our lessees are unable to pay environmental cleanup costs relating to hazardous substances. In addition, we may have liability for environmental clean-up costs in connection with Sisecam Wyoming's soda ash businesses.

Water Discharges

Operations conducted on our properties can result in discharges of pollutants into waters. The Clean Water Act and analogous state laws and regulations create two permitting programs for mining operations. The National Pollutant Discharge Elimination System (NPDES) program under Section 402 of the statute is administered by the states or EPA and regulates the concentrations of pollutants in discharges of waste and storm water from a mine site. The Section 404 program is administered by the Army Corps of Engineers and regulates the placement of overburden and fill material into channels, streams and wetlands that comprise "waters of the United States." The scope of waters that may fall within the jurisdictional reach of the Clean Water Act is expansive and may include land features not commonly understood to be a stream or wetlands. The Clean Water Act and its regulations prohibit the unpermitted discharge of pollutants into such waters, including those from a spill or leak. Similarly, Section 404 also prohibits discharges of fill material and certain other activities in waters unless authorized by the issued permit. In June 2015, EPA issued a new rule defining the scope of "Waters of the United States" (WOTUS) that are subject to regulation. The 2015 WOTUS rule was challenged by a number of states and private parties in federal district and circuit courts. In December 2017, EPA and the Corps proposed a rule to repeal the 2015 WOTUS rule and implement the pre-2015 definition. The repeal of the 2015 WOTUS rule took effect in December 2019. In December 2018, EPA and the Corps issued a proposed rule again revising the definition of "Waters of the United States." The new rule (the Navigable Waters Protection Rule) took effect in June 2020. In most of the pending legal challenges to the 2015 WOTUS rule, the petitioners filed amended complaints to include allegations challenging the 2020 rule. In addition, various industry groups, environmental groups, and states filed new legal challenges to the 2020 rule. In August 2021, the U.S. District Court for the District of Arizona vacated and remanded the 2020 rule. In light of this order, agencies have reverted to interpreting WOTUS in line with the pre-2015 regulatory regime. In late November 2021, EPA proposed a rule to revise the definition yet again, this time to restore the pre-2015 definition, with updates to reflect recent Supreme Court decisions.

In connection with its review of permits, EPA has at times sought to reduce the size of fills and to impose limits on specific conductance (conductivity) and sulfate at levels that can be unachievable absent treatment at many mines. Such actions by EPA could make it more difficult or expensive to obtain or comply with such permits, which could, in turn, have an adverse effect on our coal-related revenues.

In addition to government action, private citizens' groups have continued to be active in bringing lawsuits against operators and landowners. Since 2012, several citizen group lawsuits have been filed against mine operators for allegedly violating conditions in their National Pollutant Discharge Elimination System ("NPDES") permits requiring compliance with West Virginia's water quality standards. Some of the lawsuits alleged violations of water quality standards for selenium, whereas others alleged that discharges of conductivity and sulfate were causing violations of West Virginia's narrative water quality standards, which generally prohibit adverse effects to aquatic life. The citizen suit groups have sought penalties as well as injunctive relief that would limit future discharges of selenium, conductivity or sulfate. The federal district court for the Southern District of West Virginia has ruled in favor of the citizen suit groups in multiple suits alleging violations of the water quality standard for selenium and in two suits alleging violations of water quality standards due to discharges of conductivity (one of which was upheld on appeal by the United States Court of Appeals for the Fourth Circuit in January 2017). Additional rulings requiring operators to reduce their discharges of selenium, conductivity or sulfate could result in large treatment expenses for our lessees. In 2015, the West Virginia Legislature enacted certain changes to West Virginia's NPDES program to expressly prohibit the direct enforcement of water quality standards against permit holders. EPA approved those changes as a program revision effective in March 2019. This approval may prevent future citizen suits alleging violations of water quality standards.

Since 2013, several citizen group lawsuits have been filed against landowners alleging ongoing discharges of pollutants, including selenium and conductivity, from valley fills located at reclaimed mountaintop removal mining sites in West Virginia. In each case, the mine on the subject property has been closed, the property has been reclaimed, and the state reclamation bond has been released. Any determination that a landowner or lessee has liability for discharges from a previously reclaimed mine site could result in substantial compliance costs or fines and would result in uncertainty as to continuing liability for completed and reclaimed coal mine operations.

Other Regulations Affecting the Mining Industry

Mine Health and Safety Laws

The operations of our coal lessees and Sisecam Wyoming are subject to stringent health and safety standards that have been imposed by federal legislation since the adoption of the Mine Health and Safety Act of 1969. The Mine Health and Safety Act of 1969 resulted in increased operating costs and reduced productivity. The Mine Safety and Health Act of 1977, which significantly expanded the enforcement of health and safety standards of the Mine Health and Safety Act of 1969, imposes comprehensive health and safety standards on all mining operations. In addition, the Black Lung Acts require payments of benefits by all businesses conducting current mining operations to coal miners with black lung or pneumoconiosis and to some beneficiaries of miners who have died from this disease.

Mining accidents in recent years have received national attention and instigated responses at the state and national level that have resulted in increased scrutiny of current safety practices and procedures at all mining operations, particularly underground mining operations. Since 2006, heightened scrutiny has been applied to the safe operations of both underground and surface mines. This increased level of review has resulted in an increase in the civil penalties that mine operators have been assessed for non-compliance. Operating companies and their supervisory employees have also been subject to criminal convictions. The Mine Safety and Health Administration ("MSHA") has also advised mine operators that it will be more aggressive in placing mines in the Pattern of Violations program, if a mine's rate of injuries or significant and substantial citations exceed a certain threshold. A mine that is placed in a Pattern of Violations program will receive additional scrutiny from MSHA.

Surface Mining Control and Reclamation Act of 1977

The Surface Mining Control and Reclamation Act of 1977 ("SMCRA") and similar statutes enacted and enforced by the states impose on mine operators the responsibility of reclaiming the land and compensating the landowner for types of damages occurring as a result of mining operations. To ensure compliance with any reclamation obligations, mine operators are required to post performance bonds. Our coal lessees are contractually obligated under the terms of our leases to comply with all federal, state and local laws, including SMCRA. Upon completion of the mining, reclamation generally is completed by seeding with grasses or planting trees for use as pasture or timberland, as specified in the reclamation plan approved by the state regulatory authority. In addition, higher and better uses of the reclaimed property are encouraged.

Mining Permits and Approvals

Numerous governmental permits or approvals such as those required by SMCRA and the Clean Water Act are required for mining operations. In connection with obtaining these permits and approvals, our lessees may be required to prepare and present to federal, state or local authorities data pertaining to the effect or impact that any proposed production of coal may have upon the environment. The requirements imposed by any of these authorities may be costly and time consuming and may delay commencement or continuation of mining operations.

In order to obtain mining permits and approvals from state regulatory authorities, mine operators, including our lessees, must submit a reclamation plan for reclaiming the mined property upon the completion of mining operations. Our lessees have obtained or applied for permits to mine a majority of the coal that is currently planned to be mined over the next five years. Our lessees are also in the planning phase for obtaining permits for the additional coal planned to be mined over the following five years. However, given the imposition of new requirements in the permits in the form of policies and the increased oversight review that has been exercised by EPA, there are no assurances that they will not experience difficulty and delays in obtaining mining permits in the future. In addition, EPA has used its authority to create significant delays in the issuance of new permits and the modification of existing permits, which has led to substantial delays and increased costs for coal operators.

Employees and Labor Relations

As of December 31, 2021, affiliates of our general partner employed 52 people who directly supported our operations. None of these employees were subject to a collective bargaining agreement.

Website Access to Partnership Reports

Our Internet address is www.nrplp.com. We make available free of charge on or through our Internet website our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission. Information on our website is not a part of this report. In addition, the SEC maintains an Internet site at www.sec.gov that contains reports, proxy and information statements and other information filed by us.

Corporate Governance Matters

Our Code of Business Conduct and Ethics, our Disclosure Controls and Procedures Policy and our Corporate Governance Guidelines adopted by our Board of Directors, as well as the charter for our Audit Committee are available on our website at www.nrplp.com. Copies of our annual report, our Code of Business Conduct and Ethics, our Disclosure Controls and Procedures Policy, our Corporate Governance Guidelines and our committee charters will be made available upon written request to our principal executive office at 1201 Louisiana St., Suite 3400, Houston, Texas 77002.

ITEM 1A. RISK FACTORS

Risks Related to Our Business

Cash distributions are not guaranteed and may fluctuate with our performance and the establishment of financial reserves. In addition, our debt agreements and our partnership agreement place restrictions on our ability to pay, and in some cases raise, the quarterly distribution under certain circumstances.

Because distributions on the common units are dependent on the amount of cash we generate, distributions fluctuate based on our performance. The actual amount of cash that is available to be distributed each quarter depends on numerous factors, some of which are beyond our control and the control of the general partner. Cash distributions are dependent primarily on cash flow, and not solely on profitability, which is affected by non-cash items. Therefore, cash distributions might be made during periods when we record losses and might not be made during periods when we record profits. The actual amount of cash we have to distribute each quarter is reduced by payments in respect of debt service and other contractual obligations, including distributions on the preferred units, fixed charges, maintenance capital expenditures, and reserves for future operating or capital needs that the board of directors may determine are appropriate. We have significant debt service obligations and obligations to pay cash distributions on our preferred units. To the extent our board of directors deems appropriate, it may determine to decrease the amount of the quarterly distribution on our common units or suspend or eliminate the distribution on our common units altogether. In addition, because our unitholders are required to pay income taxes on their respective shares of our taxable income, our unitholders may be required to pay taxes in excess of any future distributions we make. Our unitholders' share of our portfolio income may be taxable to them even though they receive other losses from our activities. See "—Tax Risks to Our Unitholders—Our unitholders are required to pay taxes on their share of our income even if they do not receive any cash distributions from us. Our unitholders' share of our portfolio income may be taxable to them even though they receive other losses from our activities."

The agreements governing our indebtedness and preferred units restrict our ability to raise, and in some cases continue to pay, distributions on our common units.

The indenture governing our 2025 parent company notes restricts us from paying more than one-half of the quarterly distribution on our preferred units in cash if our consolidated leverage ratio exceeds 3.75x. Accordingly, the Board of Directors of our general partner had declared a distribution on our preferred units to be paid one-half in kind through the issuance of additional preferred units (“PIK units”) in 2020 and 2021 when our leverage ratio exceeded 3.75x. Our consolidated leverage ratio fell below 3.75x in Q4 2021 to 2.7x at December 31, 2021, and we redeemed the PIK units in the first quarter of 2022.

In addition, Opco’s revolving credit agreement, the indenture governing our 2025 Senior Notes and our partnership agreement each require that we meet certain consolidated leverage tests in order to raise our quarterly distribution on the common units above the current level of $0.45 per quarter. The maximum leverage covenant under Opco’s revolving credit facility will step down permanently from 4.0x to 3.0x if we increase the common unit distribution above the current level of $0.45 per common unit per quarter.

For more information on restrictions on our ability to make distributions on our common units, see "Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" and "Item 8. Financial Statements and Supplementary Data—Note 11. Debt, Net."

Our leverage and debt service obligations may adversely affect our financial condition, results of operations and business prospects.

As of December 31, 2021, we and our subsidiaries had approximately $438.5 million of total indebtedness. The terms and conditions governing the indenture for NRP’s 2025 Senior Notes and Opco’s revolving credit facility and senior notes:

- require us to meet certain leverage and interest coverage ratios;
- require us to dedicate a substantial portion of our cash flow from operations to service our existing debt, thereby reducing the cash available to finance our operations and other business activities and could limit our flexibility in planning for or reacting to changes in our business and the industries in which we operate;
- increase our vulnerability to economic downturns and adverse developments in our business;

- limit our ability to access the bank and capital markets to raise capital on favorable terms or to obtain additional financing for working capital, capital expenditures or acquisitions or to refinance existing indebtedness;
- place restrictions on our ability to obtain additional financing, make investments, lease equipment, sell assets and engage in business combinations;
- place us at a competitive disadvantage relative to competitors with lower levels of indebtedness in relation to their overall size or less restrictive terms governing their indebtedness;
- make it more difficult for us to satisfy our obligations under our debt agreements and increase the risk that we may default on our debt obligations; and
- limit management's discretion in operating our business.

Our ability to meet our expenses and debt obligations will depend on our future performance, which will be affected by financial, business, economic, regulatory and other factors. We will not be able to control many of these factors, such as economic conditions and governmental regulation. We cannot be certain that our cash flow will be sufficient to allow us to pay the principal and interest on our debt and meet our other obligations, including payment of distributions on the preferred units. If we do not have sufficient funds, we may be required to refinance all or part of our existing debt, borrow more money, or sell assets or raise equity at unattractive prices, including higher interest rates. We are required to make substantial principal repayments each year in connection with Opco's senior notes, with approximately $40 million due thereunder during 2022. To the extent we borrow to make some of these payments, we may not be able to refinance these amounts on terms acceptable to us, if at all. We may not be able to refinance our debt, sell assets, borrow more money or access the bank and capital markets on terms acceptable to us, if at all. Our ability to comply with the financial and other restrictive covenants in our debt agreements will be affected by the levels of cash flow from our operations and future events and circumstances beyond our control. Failure to comply with these covenants would result in an event of default under our indebtedness, and such an event of default could adversely affect our business, financial condition and results of operations.

In July 2017, the U.K. Financial Conduct Authority announced that it intends to stop persuading or compelling banks to submit LIBOR rates after late 2021. Opco's revolving credit facility includes provisions to determine a replacement rate for LIBOR if necessary during its term, which provide that we will adopt a replacement rate that is broadly accepted by the syndicated loan market. We currently do not expect the transition from LIBOR to have a material impact on us. However, if clear market standards and replacement methodologies have not developed as of the time LIBOR becomes unavailable, we may have difficulty establishing a replacement rate under Opco's revolving credit facility. In the event that we do not determine a replacement rate for LIBOR, in certain circumstances, Eurodollar Loans under Opco's revolving credit facility may be suspended and converted to ABR Loans, which could bear higher interest rates. If we are unable to negotiate replacement rates on favorable terms, it could adversely affect our business, financial condition and results of operations. For a description of the interest rate on borrowings under Opco's revolving credit facility, see "Item 8. Financial Statements and Supplementary Data—Note 11. Item 8. Financial Statements and Supplementary Data—Note 11. Debt, Net., Net."

The ongoing COVID-19 pandemic has adversely affected our business, and the ultimate effect on our financial condition, results of operations, and ability to make cash distributions to unitholders will depend on future developments, which are highly uncertain and cannot be predicted.

The COVID-19 pandemic adversely affected the global economy, disrupted global supply chains and created significant volatility in the financial markets. In addition, the pandemic resulted in travel restrictions, business closures and the institution of quarantining and other restrictions on movement in many communities and global trading markets. Coal markets faced substantial challenges prior to the pandemic, and widespread increases in unemployment and decreases in electricity and steel demand further reduced demand and prices for coal in 2020. In addition, demand for and prices of soda ash decreased in 2020, as global manufacturing slowed. Our board of directors determined to suspend cash distributions to our common unitholders with respect to the first quarter of 2020 in order to preserve liquidity due to uncertainties created by the pandemic. In addition, Sisecam Wyoming suspended cash distributions to its members in 2020 due to adverse effects of the pandemic on the global and domestic soda ash markets. Both companies have resumed distributions, however there remains a risk that distributions could be suspended in the future due to a resumption of pandemic uncertainties.

As economic activity began to recover throughout 2021, so did supply and demand for coal and soda ash. While the outbreak appeared to be trending downward, particularly as vaccination rates increased, new variants of COVID-19 emergerd, including the highly transmissible Delta and Omicron variants, spreading throughout the United States and globally and causing significant uncertainty. The full extent to which the COVID-19 pandemic will impact our results is not fully known and is evolving, and will depend on future developments, which are highly uncertain and cannot be predicted. These include the severity, duration and spread of COVID-19, the success of actions taken by governments and health organizations to combat the disease and treat its effects, including additional remedial legislation, the emergence of any new COVID-19 variants that may arise, the timing, availability, effectiveness and adoption rates of vaccines and treatments and the extent to which, and when, general economic and operating conditions recover. Accordingly, any resulting financial impact cannot be reasonably estimated at this time but such amounts may be material. To the extent our board of directors deems necessary, it may determine to suspend cash distributions in future quarters as a result of the pandemic.

Prices for both metallurgical and thermal coal are volatile and depend on a number of factors beyond our control. Declines in prices could have a material adverse effect on our business and results of operations.

Coal prices continue to be volatile and prices could decline substantially from current levels. Production by some of our lessees may not be economic if prices decline further or remain at current levels. The prices our lessees receive for their coal depend upon factors beyond their or our control, including:

- the supply of and demand for domestic and foreign coal;
- domestic and foreign governmental regulations and taxes;
- changes in fuel consumption patterns of electric power generators;
- the price and availability of alternative fuels, especially natural gas;
- global economic conditions, including the strength of the U.S. dollar relative to other currencies;
- global and domestic demand for steel;
- tariff rates on imports and trade disputes, particularly involving the United States and China;
- the availability of, proximity to and capacity of transportation networks and facilities;
- global or national health concerns, including the outbreak of pandemic or contagious disease, such as the ongoing COVID-19 pandemic;
- weather conditions; and
- the effect of worldwide energy conservation measures.

Natural gas is the primary fuel that competes with thermal coal for power generation, and renewable energy sources continue to gain market share in power generation. The abundance and ready availability of cheap natural gas, together with increased governmental regulations on the power generation industry has caused a number of utilities to switch from thermal coal to natural gas and/or close coal-powered generation plants. This switching has resulted in a decline in thermal coal prices, and to the extent that natural gas prices remain low, thermal coal prices will also remain low. Reduced international demand for export thermal coal and increased competition from global producers has also put downward pressure on thermal coal prices.

Our lessees produce a significant amount of metallurgical coal that is used for steel production domestically and internationally. Since the amount of steel that is produced is tied to global economic conditions, declines in those conditions could result in the decline of steel, coke and metallurgical coal production. Since metallurgical coal is priced higher than thermal coal, some mines on our properties may only operate profitably if all or a portion of their production is sold as metallurgical coal. If these mines are unable to sell metallurgical coal, they may not be economically viable and may be temporarily idled or closed. Any potential future lessee bankruptcy filings could create additional uncertainty as to the future of operations on our properties and could have a material adverse effect on our business and results of operations.

To the extent our lessees are unable to economically produce coal over the long term, the carrying value of our coal mineral rights could be adversely affected. A long-term asset generally is deemed impaired when the future expected cash flow from its use and disposition is less than its book value. For the year ended December 31, 2021, we recorded impairment charges of approximately $5 million related to properties that we believe our current or future lessees are unable to operate profitably. Future impairment analyses could result in additional downward adjustments to the carrying value of our assets.

Prices for soda ash are volatile. Any substantial or extended decline in soda ash prices could have an adverse effect on Sisecam Wyoming's ability to continue to make distributions to its members and on our results of operations.

The market price of soda ash directly affects the profitability of Sisecam Wyoming's soda ash production operations. If the market price for soda ash declines, Sisecam Wyoming's sales will decrease. Historically, the global market and, to a lesser extent, the domestic market for soda ash has been volatile, and those markets are likely to remain volatile in the future. The prices Sisecam Wyoming receives for its soda ash depend on numerous factors beyond Sisecam Wyoming's control, including the COVID-19 pandemic, worldwide and regional economic and political conditions impacting supply and demand. In addition, the impact of the Sisecam Chemical Resources' exit from ANSAC and Sisecam Wyoming's transition to the utilization of Sisecam Group's global distribution network for some of its export operations beginning 2021 could affect prices received for export sales. Glass manufacturers and other industrial customers drive most of the demand for soda ash, and these customers experience significant fluctuations in demand and production costs. Competition from increased use of glass substitutes, such as plastic and recycled glass, has had a negative effect on demand for soda ash. Substantial or extended declines in prices for soda ash could have a material adverse effect on Sisecam Wyoming's ability to continue to make distributions to its members and on our results of operations.

We derive a large percentage of our revenues and other income from a small number of coal lessees.

Challenges in the coal mining industry have led to significant consolidation activity. We own significant interests in all of Foresight's mining operations, which accounted for approximately 17% of our total revenues in 2021. We also own significant interests in several of Alpha's mining operations, which accounted for approximately 23% of our total revenues in 2021. Certain other lessees have made acquisitions over the past few years resulting in their having an increased interest in our coal. Any interruption in these lessees' ability to make royalty payments to us could have a disproportionate material adverse effect on our business and results of operations.

Bankruptcies in the coal industry, and/or the idling or closure of mines on our properties could have a material adverse effect on our business and results of operations.

While current coal prices have recovered substantially, the recent coal price environment, together with high operating costs and limited access to capital, has caused a number of coal producers to file for protection under The U.S. Bankruptcy Code and/or idle or close mines that they cannot operate profitably. To the extent our leases are accepted or assigned in a bankruptcy process, pre-petition amounts are required to be cured in full, but we may ultimately make concessions in the financial terms of those leases in order for the reorganized company or new lessor to operate profitably going forward. To the extent our leases are rejected, operations on those leases will cease, and we will be unlikely to recover the full amount of our rejection damages claims. More of our lessees may file for bankruptcy in the future, which will create additional uncertainty as to the future of operations on our properties and could have a material adverse effect on our business and results of operations.

Mining operations are subject to operating risks that could result in lower revenues to us.

Our revenues are largely dependent on the level of production of minerals from our properties, and any interruptions to or increases in costs of the production from our properties may reduce our revenues. The level of production and costs thereof are subject to operating conditions or events beyond our or our lessees' control including:

- difficulties or delays in acquiring necessary permits or mining or surface rights;
- reclamation costs and bonding costs;
- changes or variations in geologic conditions, such as the thickness of the mineral deposits and the amount of rock embedded in or overlying the mineral deposit;
- mining and processing equipment failures and unexpected maintenance problems;
- the availability of equipment or parts and increased costs related thereto;
- the availability of transportation networks and facilities and interruptions due to transportation delays;
- adverse weather and natural disasters, such as heavy rains and flooding;
- labor-related interruptions and trained personnel shortages; and

- mine safety incidents or accidents, including hazardous conditions, roof falls, fires and explosions.

While our lessees maintain insurance coverage, there is no assurance that insurance will be available or cover the costs of these risks. Many of our lessees are experiencing rising costs related to regulatory compliance, insurance coverage, permitting and reclamation bonding, transportation, and labor. Increased costs result in decreased profitability for our lessees and reduce the competitiveness of coal as a fuel source. In addition, we and our lessees may also incur costs and liabilities resulting from third-party claims for damages to property or injury to persons arising from their operations. The occurrence of any of these events or conditions could have a material adverse effect on our business and results of operations.

The adoption of climate change legislation and regulations restricting emissions of greenhouse gases and other hazardous air pollutants have resulted in changes in fuel consumption patterns by electric power generators and a corresponding decrease in coal production by our lessees and reduced coal-related revenues.

Enactment of laws and passage of regulations regarding emissions from the combustion of coal by the U.S., some of its states or other countries, or other actions to limit such emissions, have resulted in and could continue to result in electricity generators switching from coal to other fuel sources and in coal-fueled power plant closures. Further, regulations regarding new coal-fueled power plants could adversely impact the global demand for coal. The potential financial impact on us of existing and future laws, regulations or other policies will depend upon the degree to which any such laws or regulations force electricity generators to diminish their reliance on coal as a fuel source. The amount of coal consumed for domestic electric power generation is affected primarily by the overall demand for electricity, the price and availability of competing fuels for power plants and environmental and other governmental regulations. We expect that substantially all newly constructed power plants in the United States will be fired by natural gas because of lower construction and compliance costs compared to coal-fired plants and because natural gas is a cleaner burning fuel. The increasingly stringent requirements of rules and regulations promulgated under the federal Clean Air Act have resulted in more electric power generators shifting from coal to natural-gas-fired power plants, or to other alternative energy sources such as solar and wind. These changes have resulted in reduced coal consumption and the production of coal from our properties and are expected to continue to have an adverse effect on our coal-related revenues.

In addition to EPA's greenhouse gas initiatives, there are several other federal rulemakings that are focused on emissions from coal-fired electric generating facilities, including the Cross-State Air Pollution Rule (CSAPR) as revised in 2021, regulating emissions of nitrogen oxide and sulfur dioxide, and the Mercury and Air Toxics Rule (MATS), regulating emissions of hazardous air pollutants. Installation of additional emissions control technologies and other measures required under these and other EPA regulations have made it more costly to operate many coal-fired power plants and have resulted in and are expected to continue to result in plant closures. Further reductions in coal's share of power generating capacity as a result of compliance with existing or proposed rules and regulations would have a material adverse effect on our coal-related revenues. For more information on regulation of greenhouse gas and other air pollutant emissions, see "Items 1. and 2. Business and Properties—Regulation and Environmental Matters."

Concerns about the environmental impacts of coal combustion, including perceived impacts on global climate issues, are also resulting in unfavorable lending and investment policies by institutions and insurance companies which could significantly affect our ability to raise capital or maintain current insurance levels.

Global climate issues continue to attract public and scientific attention. Numerous reports have engendered concern about the impacts of human activity, especially fossil fuel combustion, on global climate issues. In addition to government regulation of greenhouse gas and other air pollutant emissions, there have also been efforts in recent years affecting the investment community, including investment advisors, sovereign wealth funds, public pension funds, universities and other groups, promoting the divestment of fossil fuel equities and also pressuring lenders to limit funding to companies engaged in the extraction of fossil fuels, such as coal. One example is the Net Zero Banking Alliance, a group of over 100 banks worldwide representing over 40% of global banking assets who are committed to aligning their investment portfolios with net zero emissions by 2050. The impact of such efforts may adversely affect our ability to raise capital. In addition, a number of insurance companies have taken action to limit coverage for companies in the coal industry, which could result in significant increases in our costs of insurance or in our inability to maintain insurance coverage at current levels.

In addition to climate change and other Clean Air Act legislation, our businesses are subject to numerous other federal, state and local laws and regulations that may limit production from our properties and our profitability.

The operations of our lessees and Sisecam Wyoming are subject to stringent health and safety standards under increasingly strict federal, state and local environmental, health and safety laws, including mine safety regulations and governmental enforcement policies. Failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal penalties, the imposition of cleanup and site restoration costs and liens, the issuance of injunctions to limit or cease operations, the suspension or revocation of permits and other enforcement measures that could have the effect of limiting production from our properties.

New environmental legislation, new regulations and new interpretations of existing environmental laws, including regulations governing permitting requirements, could further regulate or tax mining industries and may also require significant changes to operations, the incurrence of increased costs or the requirement to obtain new or different permits, any of which could decrease our revenues and have a material adverse effect on our financial condition or results of operations. Under SMCRA, our coal lessees have substantial reclamation obligations on properties where mining operations have been completed and are required to post performance bonds for their reclamation obligations. To the extent an operator is unable to satisfy its reclamation obligations or the performance bonds posted are not sufficient to cover those obligations, regulatory authorities or citizens groups could attempt to shift reclamation liability onto the ultimate landowner, which if successful, could have a material adverse effect on our financial condition.

In addition to governmental regulation, private citizens' groups have continued to be active in bringing lawsuits against coal mine operators and land owners that allege violations of water quality standards resulting from ongoing discharges of pollutants from reclaimed mining operations, including selenium and conductivity. Any determination that a landowner or lessee has liability for discharges from a previously reclaimed mine site would result in uncertainty as to continuing liability for completed and reclaimed coal mine operations and could result in substantial compliance costs or fines.

If our lessees do not manage their operations well, their production volumes and our royalty revenues could decrease.

We depend on our lessees to effectively manage their operations on our properties. Our lessees make their own business decisions with respect to their operations within the constraints of their leases, including decisions relating to:

- the payment of minimum royalties;
- marketing of the minerals mined;
- mine plans, including the amount to be mined and the method and timing of mining activities;
- processing and blending minerals;
- expansion plans and capital expenditures;
- credit risk of their customers;
- permitting;
- insurance and surety bonding;
- acquisition of surface rights and other mineral estates;
- employee wages;
- transportation arrangements;
- compliance with applicable laws, including environmental laws; and
- mine closure and reclamation.

A failure on the part of one of our lessees to make royalty payments, including minimum royalty payments, could give us the right to terminate the lease, repossess the property and enforce payment obligations under the lease. If we repossessed any of our properties, we would seek a replacement lessee. We might not be able to find a replacement lessee and, if we did, we might not be able to enter into a new lease on favorable terms within a reasonable period of time. In addition, the existing lessee could be subject to bankruptcy proceedings that could further delay the execution of a new lease or the assignment of the existing lease to another operator. If we enter into a new lease, the replacement operator might not achieve the same levels of production or sell minerals at the same price as the lessee it replaced. In addition, it may be difficult for us to secure new or replacement lessees.

We have limited approval rights with respect to the management of our Sisecam Wyoming soda ash joint venture, including with respect to cash distributions and capital expenditures. In addition, we are exposed to operating risks that we do not experience in the royalty business through our soda ash joint venture and through our ownership of certain coal transportation assets.

We do not have control over the operations of Sisecam Wyoming. We have limited approval rights with respect to Sisecam Wyoming, and our partner controls most business decisions, including decisions with respect to distributions and capital expenditures. During 2020, Sisecam Wyoming suspended cash distributions to its members due to adverse developments in the soda ash market resulting from the COVID-19 pandemic. Distributions resumed in 2021 but no assurance can be made that additional suspensions will not occur in the future. In December 2021, the parent of the 51% owner of Sisecam Wyoming (formerly Ciner Wyoming) sold 60% of its interest to Sisecam Chemicals USA Inc., a wholly owned subsidiary of Türkiye Şişe ve Cam Fabrikalari A.Ş. As a result of the transaction, we will continue to appoint three of the seven Board of Managers of Sisecam Wyoming, Sisecam USA will appoint three and Ciner Enterprises Inc. will appoint one. Any changes to the distribution policy or the capital expenditure plans approved by the newly constituted Board of Managers could adversely affect the future cash flows to NRP and the financial condition and results of operations of Sisecam Wyoming.

In addition, we are ultimately responsible for operating the transportation infrastructure at Foresight's Williamson mine, and have assumed the capital and operating risks associated with that business. As a result of these investments, we could experience increased costs as well as increased liability exposure associated with operating these facilities.

A significant portion of Sisecam Wyoming's historical international sales of soda ash have been to ANSAC, and the termination of the ANSAC membership could adversely affect Sisecam Wyoming's ability to compete in certain international markets and increase Sisecam Wyoming's international sales costs.

Although Sisecam Chemicals Resources' membership in ANSAC terminated on December 31, 2020, Sisecam Chemical Resources and ANSAC reached an agreement that it would continue selling tons, at substantially lower volumes to ANSAC and partner therewith on limited logistics services for a limited period of time. ANSAC was Sisecam Wyoming's largest customer for the years ended December 31, 2020 and 2019, accounting for approximately 45% and 60%, respectively, of its net sales. Without the ANSAC membership, there is no assurance that Sisecam Chemical Resources will be able to retain existing foreign customers or secure new foreign customers or the related logistics arrangements on favorable terms, if at all, after the ANSAC termination date, which could materially adversely impact Sisecam Wyoming's business, results of operations and financial condition and limit its ability to make distributions to us.

Sisecam Wyoming's deca stockpiles will substantially deplete by 2024, and its production rates will decline approximately 200,000 short tons per year if further investments are not made.

In 2024, Sisecam Wyoming's deca stockpiles will be substantially depleted. Without adding additional capacity, Sisecam Wyoming's production rates will decline approximately 200,000 short tons, which would further impact Sisecam Wyoming's profitability. While Sisecam Wyoming is currently evaluating an expansion project that would offset this decline as well as provide additional soda ash production above current rates, there is no guarantee that any such investments will be executed successfully or in a timely manner to enable Sisecam Wyoming to maintain its current rates of production.

Significant delays and/or higher than expected costs associated with Sisecam Wyoming's capacity expansion project could adversely affect Sisecam Wyoming's profitability and ability to continue to make distributions to us.

In 2019, Sisecam Wyoming announced a significant capacity expansion capital project intended to increase production levels to up to 3.5 million tons of soda ash per year. As a result of current market conditions (in part related to the COVID-19 pandemic), Sisecam Wyoming is currently evaluating when and whether to pursue this project, as it will require significant capital expenditures. The costs of the expansion project could be higher than expected, or the execution of the project could be substantially delayed, which could materially impact Sisecam Wyoming's profitability and result in another suspension of Sisecam Wyoming's cash distributions to its members, which in turn could have a material adverse effect on us.

Fluctuations in transportation costs and the availability or reliability of transportation could reduce the production of coal, soda ash and other minerals from our properties.

Transportation costs represent a significant portion of the total delivered cost for the customers of our lessees. Increases in transportation costs could make coal a less competitive source of energy or could make minerals produced by some or all of our lessees less competitive than coal produced from other sources. On the other hand, significant decreases in transportation costs could result in increased competition for our lessees from producers in other parts of the country.

Our lessees depend upon railroads, barges, trucks and beltlines to deliver minerals to their customers. Disruption of those transportation services due to weather-related problems, mechanical difficulties, strikes, lockouts, bottlenecks and/or other events could temporarily impair the ability of our lessees to supply coal to their customers and/or increase their costs. Many of our lessees are currently experiencing transportation-related issues due in particular to decreased availability and reliability of rail services and port congestion. Our lessees' transportation providers may face difficulties in the future that would impair the ability of our lessees to supply minerals to their customers, resulting in decreased royalty revenues to us.

In addition, Sisecam Wyoming transports its soda ash by rail or truck and ocean vessel. As a result, its business and financial results are sensitive to increases in rail freight, trucking and ocean vessel rates. Increases in transportation costs, including increases resulting from emission control requirements, port taxes and fluctuations in the price of fuel, could make soda ash a less competitive product for glass manufacturers when compared to glass substitutes or recycled glass, or could make Sisecam Wyoming's soda ash less competitive than soda ash produced by competitors that have other means of transportation or are located closer to their customers. Sisecam Wyoming may be unable to pass on its freight and other transportation costs in full because market prices for soda ash are generally determined by supply and demand forces. In addition, rail operations are subject to various risks that may result in a delay or lack of service at Sisecam Wyoming's facility, and alternative methods of transportation are impracticable or cost prohibitive. For the year ended December 31, 2021, Sisecam Wyoming shipped over 90% of its soda ash from the Green River facility on a single rail line owned and controlled by Union Pacific. Any substantial interruption in or increased costs related to the transportation of Sisecam Wyoming's soda ash or the failure to renew the rail contract on favorable terms could have a material adverse effect on our financial condition and results of operations.

Our lessees could satisfy obligations to their customers with minerals from properties other than ours, depriving us of the ability to receive amounts in excess of minimum royalty payments.

Mineral supply contracts generally do not require operators to satisfy their obligations to their customers with resources mined from specific locations. Several factors may influence a lessee's decision to supply its customers with minerals mined from properties we do not own or lease, including the royalty rates under the lessee's lease with us, mining conditions, mine operating costs, cost and availability of transportation, and customer specifications. In addition, lessees move on and off of our properties over the course of any given year in accordance with their mine plans. If a lessee satisfies its obligations to its customers with minerals from properties we do not own or lease, production on our properties will decrease, and we will receive lower royalty revenues.

A lessee may incorrectly report royalty revenues, which might not be identified by our lessee audit process or our mine inspection process or, if identified, might be identified in a subsequent period.

We depend on our lessees to correctly report production and royalty revenues on a monthly basis. Our regular lessee audits and mine inspections may not discover any irregularities in these reports or, if we do discover errors, we might not identify them in the reporting period in which they occurred. Any undiscovered reporting errors could result in a loss of royalty revenues and errors identified in subsequent periods could lead to accounting disputes as well as disputes with our lessees.

Risks Related to Our Structure

Unitholders may not be able to remove our general partner even if they wish to do so.

Our general partner manages and operates NRP. Unlike the holders of common stock in a corporation, unitholders have only limited voting rights on matters affecting our business. Unitholders have no right to elect the general partner or the directors of the general partner on an annual or any other basis.

Furthermore, if unitholders are dissatisfied with the performance of our general partner, they currently have little practical ability to remove our general partner or otherwise change its management. Our general partner may not be removed except upon the vote of the holders of at least 66 2/3% of our outstanding common units (including common units held by our general partner and its affiliates and including common units deemed to be held by the holders of the preferred units who vote along with the common unitholders on an as-converted basis). Because of their substantial ownership in us, the removal of our general partner would be difficult without the consent of both our general partner and its affiliates and the holders of the preferred units.

In addition, the following provisions of our partnership agreement may discourage a person or group from attempting to remove our general partner or otherwise change our management:

- generally, if a person (other than the holders of preferred units) acquires 20% or more of any class of units then outstanding other than from our general partner or its affiliates, the units owned by such person cannot be voted on any matter; and
- our partnership agreement contains limitations upon the ability of unitholders to call meetings or to acquire information about our operations, as well as other limitations upon the unitholders' ability to influence the manner or direction of management.

As a result of these provisions, the price at which the common units will trade may be lower because of the absence or reduction of a takeover premium in the trading price.

The preferred units are senior in right of distributions and liquidation and upon conversion, would result in the issuance of additional common units in the future, which could result in substantial dilution of our common unitholders' ownership interests.

The preferred units rank senior to our common units with respect to distribution rights and rights upon liquidation. We are required to pay quarterly distributions on the preferred units (plus any PIK units issued in lieu of preferred units) in an amount equal to 12.0% per year prior to paying any distributions on our common units. The preferred units also rank senior to the common units in right of liquidation and will be entitled to receive a liquidation preference in any such case.

The preferred units may also be converted into common units under certain circumstances. The number of common units issued in any conversion will be based on the then-current trading price of the common units at the time of conversion. Accordingly, the lower the trading price of our common units at the time of conversion, the greater the number of common units that will be issued upon conversion of the preferred units, which would result in greater dilution to our existing common unitholders. Dilution has the following effects on our common unitholders:

- an existing unitholder's proportionate ownership interest in NRP will decrease;
- the amount of cash available for distribution on each unit may decrease;
- the relative voting strength of each previously outstanding unit may be diminished; and
- the market price of the common units may decline.

In addition, to the extent the preferred units are converted into more than 66 2/3% of our common units, the holders of the preferred will have the right to remove our general partner.

We may issue additional common units or preferred units without common unitholder approval, which would dilute a unitholder's existing ownership interests.

Our general partner may cause us to issue an unlimited number of common units, without common unitholder approval (subject to applicable New York Stock Exchange ("NYSE") rules). We may also issue at any time an unlimited number of equity securities ranking junior or senior to the common units (including additional preferred units) without common unitholder approval (subject to applicable NYSE rules). In addition, we may issue additional common units upon the exercise of the outstanding warrants held by Blackstone and GoldenTree. The issuance of additional common units or other equity securities of equal or senior rank will have the following effects:

- an existing unitholder's proportionate ownership interest in NRP will decrease;

- the amount of cash available for distribution on each unit may decrease; and
- the relative voting strength of each previously outstanding unit may be diminished; and the market price of the common units may decline.

Our general partner has a limited call right that may require unitholders to sell their units at an undesirable time or price.

If at any time our general partner and its affiliates own 80% or more of the common units, the general partner will have the right, but not the obligation, which it may assign to any of its affiliates, to acquire all, but not less than all, of the remaining common units held by unaffiliated persons at a price generally equal to the then current market price of the common units. As a result, unitholders may be required to sell their common units at a time when they may not desire to sell them or at a price that is less than the price they would like to receive. They may also incur a tax liability upon a sale of their common units.

Cost reimbursements due to our general partner may be substantial and will reduce our cash available for distribution to unitholders.

Prior to making any distribution on the common units, we reimburse our general partner and its affiliates, including officers and directors of the general partner, for all expenses incurred on our behalf. The reimbursement of expenses and the payment of fees could adversely affect our ability to make distributions. The general partner has sole discretion to determine the amount of these expenses. In addition, our general partner and its affiliates may provide us services for which we will be charged reasonable fees as determined by the general partner.

Conflicts of interest could arise among our general partner and us or the unitholders.

These conflicts may include the following:

- We do not have any employees and we rely solely on employees of affiliates of the general partner;
- under our partnership agreement, we reimburse the general partner for the costs of managing and for operating the partnership;
- the amount of cash expenditures, borrowings and reserves in any quarter may affect cash available to pay quarterly distributions to unitholders;
- the general partner tries to avoid being liable for partnership obligations. The general partner is permitted to protect its assets in this manner by our partnership agreement. Under our partnership agreement the general partner would not breach its fiduciary duty by avoiding liability for partnership obligations even if we can obtain more favorable terms without limiting the general partner's liability;
- under our partnership agreement, the general partner may pay its affiliates for any services rendered on terms fair and reasonable to us. The general partner may also enter into additional contracts with any of its affiliates on behalf of us. Agreements or contracts between us and our general partner (and its affiliates) are not necessarily the result of arm's-length negotiations; and
- the general partner would not breach our partnership agreement by exercising its call rights to purchase limited partnership interests or by assigning its call rights to one of its affiliates or to us.

In addition, Blackstone has certain consent rights and board appointment and observation rights. GoldenTree also has more limited consent rights. In the exercise of their applicable consent rights and/or board rights, conflicts of interest could arise between us and our general partner on the one hand, and Blackstone or GoldenTree on the other hand.

The control of our general partner may be transferred to a third party without unitholder consent. A change of control may result in defaults under certain of our debt instruments and the triggering of payment obligations under compensation arrangements.

Our general partner may transfer its general partner interest to a third party in a merger or in a sale of all or substantially all of its assets without the consent of our unitholders. Furthermore, there is no restriction in our partnership agreement on the ability of the general partner of our general partner from transferring its general partnership interest in our general partner to a third party. The new owner of our general partner would then be in a position to replace the Board of Directors and officers with its own choices and to control their decisions and actions.

In addition, a change of control would constitute an event of default under our debt agreements. During the continuance of an event of default under our debt agreements, the administrative agent may terminate any outstanding commitments of the lenders to extend credit to us and/or declare all amounts payable by us immediately due and payable. In addition, upon a change of control, the holders of the preferred units would have the right to require us to redeem the preferred units at the liquidation preference or convert all of their preferred units into common units. A change of control also may trigger payment obligations under various compensation arrangements with our officers.

Unitholders may not have limited liability if a court finds that unitholder actions constitute control of our business.

Our general partner generally has unlimited liability for our obligations, such as our debts and environmental liabilities, except for those contractual obligations that are expressly made without recourse to our general partner. Under Delaware law, however, a unitholder could be held liable for our obligations to the same extent as a general partner if a court determined that the right of unitholders to remove our general partner or to take other action under our partnership agreement constituted participation in the "control" of our business. In addition, Section 17-607 of the Delaware Revised Uniform Limited Partnership Act provides that under some circumstances, a unitholder may be liable to us for the amount of a distribution for a period of three years from the date of the distribution.

Tax Risks to Our Unitholders

Our tax treatment depends on our status as a partnership for U.S. federal income tax purposes as well as our not being subject to a material amount of entity-level taxation by individual states. If the Internal Revenue Service ("IRS") were to treat us as a corporation for U.S. federal income tax purposes or we were to become subject to material additional amounts of entity-level taxation for state tax purposes, then our cash available for distribution to unitholders would be substantially reduced.

The anticipated after-tax economic benefit of an investment in our units depends largely on our being treated as a partnership for U.S. federal income tax purposes. Despite the fact that we are organized as a limited partnership under Delaware law, we would be treated as a corporation for U.S. federal income tax purposes unless we satisfy a "qualifying income" requirement. Based on our current operations and current Treasury Regulations, we believe we satisfy the qualifying income requirement. However, we have not requested, and do not plan to request, a ruling from the IRS on this or any other matter affecting us. Failing to meet the qualifying income requirement or a change in current law could cause us to be treated as a corporation for U.S. federal income tax purposes or otherwise subject us to taxation as an entity.

If we were treated as a corporation for U.S. federal income tax purposes, we would pay U.S. federal income tax on our taxable income at the corporate tax rate and would likely be liable for state income tax at varying rates. Distributions to our unitholders would generally be taxed again as corporate distributions, and no income, gains, losses, deductions or credits would flow through to our unitholders. Because tax would be imposed upon us as a corporation, our cash available for distribution to our unitholders would be substantially reduced. Therefore, treatment of us as a corporation would result in a material reduction in the anticipated cash flow and after-tax return to our unitholders, likely causing a substantial reduction in the value of our units.

At the state level, several states have been evaluating ways to subject partnerships to entity-level taxation through the imposition of state income, franchise and other forms of taxation. Imposition of a similar tax on us in a jurisdiction in which we operate or in other jurisdictions to which we may expand could substantially reduce the cash available for distribution to our unitholders.

The tax treatment of publicly traded partnerships or an investment in our units could be subject to potential legislative, judicial or administrative changes or differing interpretations, possibly applied on a retroactive basis.

The present U.S. federal income tax treatment of publicly traded partnerships, including us, or an investment in our units, may be modified by administrative, legislative or judicial changes or differing interpretations at any time. Members of Congress have frequently proposed and considered substantive changes to the existing U.S. federal income tax laws that would affect publicly traded partnerships, including proposals that would eliminate our ability to qualify for partnership tax treatment. Recent proposals have provided for the expansion of the qualifying income exception for publicly traded partnerships in certain circumstances and other proposals have provided for the total elimination of the qualifying income exception upon which we rely for our partnership tax treatment.

In addition, the Treasury Department has issued, and in the future may issue, regulations interpreting those laws that affect publicly traded partnerships. There can be no assurance that there will not be further changes to U.S. federal income tax laws or the Treasury Department’s interpretation of the qualifying income rules in a manner that could impact our ability to qualify as a partnership in the future.

Any modification to the U.S. federal income tax laws and interpretation thereof may or may not be retroactively applied and could make it more difficult or impossible for us to meet the exception for certain publicly traded partnerships to be treated as partnerships for U.S. federal income tax purposes. We are unable to predict whether any changes or other proposals will ultimately be enacted. Any future legislative changes could negatively impact the value of an investment in our units. You are urged to consult with your own tax advisor with respect to the status of regulatory or administrative developments and proposals and their potential effect on your investment in our units.

Certain U.S. federal income tax preferences currently available with respect to coal exploration and development may be eliminated as a result of future legislation.

Changes to U.S. federal income tax laws have been proposed in a prior session of Congress that would eliminate certain key U.S. federal income tax preferences relating to coal exploration and development. These changes include, but are not limited to (i) repealing capital gains treatment of coal and lignite royalties, (ii) eliminating current deductions and 60-month amortization for exploration and development costs relating to coal and other hard mineral fossil fuels, and (iii) repealing the percentage depletion allowance with respect to coal properties. If enacted, these changes would limit or eliminate certain tax deductions that are currently available with respect to coal exploration and development, and any such change could increase the taxable income allocable to our unitholders and negatively impact the value of an investment in our units.

Our unitholders are required to pay taxes on their share of our income even if they do not receive any cash distributions from us. Our unitholders' share of our portfolio income may be taxable to them even though they receive other losses from our activities.

Because our unitholders are treated as partners to whom we allocate taxable income that could be different in amount than the cash we distribute, our unitholders are required to pay any U.S. federal income taxes and, in some cases, state and local income taxes on their share of our taxable income even if they receive no cash distributions from us. Our unitholders may not receive cash distributions from us equal to their share of our taxable income or even equal to the actual tax due from them with respect to that income.

For our unitholders subject to the passive loss rules, our current operations include portfolio activities (such as our coal and mineral royalty businesses) and passive activities (such as our soda ash business). Any passive losses we generate will only be available to offset our passive income generated in the future and will not be available to offset (i) our portfolio income, including income related to our coal and mineral royalty businesses, (ii) a unitholder’s income from other passive activities or investments, including investments in other publicly traded partnerships, or (iii) a unitholder’s salary or active business income. Thus, our unitholders' share of our portfolio income may be subject to U.S. federal income tax, regardless of other losses they may receive from us.

We may engage in transactions to reduce our indebtedness and manage our liquidity that generate taxable income (including income and gain from the sale of properties and cancellation of indebtedness income) allocable to our unitholders, and income tax liabilities arising therefrom may exceed any distributions made with respect to their units.

We may engage in transactions to reduce our leverage and manage our liquidity that would result in income and gain to our unitholders without a corresponding cash distribution. For example, we may sell assets and use the proceeds to repay existing debt, in which case, our unitholders could be allocated taxable income and gain resulting from the sale without receiving a cash distribution. Further, we may pursue opportunities to reduce our existing debt, such as debt exchanges, debt repurchases, or modifications of our existing debt that would result in "cancellation of indebtedness income" (also referred to as "COD income") being allocated to our unitholders as ordinary taxable income. Our unitholders may be allocated income and gain from these transactions, and income tax liabilities arising therefrom may exceed any distributions we make to our unitholders. The ultimate tax effect of any such income allocations will depend on the unitholder's individual tax position, including, for example, the availability of any suspended passive losses that may offset some portion of the allocable income. Our unitholders may, however, be allocated substantial amounts of ordinary income subject to taxation, without any ability to offset such allocated income against any capital losses attributable to the unitholder's ultimate disposition of its units. Our unitholders are encouraged to consult their tax advisors with respect to the consequences to them.

If the IRS contests the U.S. federal income tax positions we take, the market for our units may be adversely impacted and the cost of any IRS contest will reduce our cash available for distribution to our unitholders.

We have not requested a ruling from the IRS with respect to our treatment as a partnership for U.S. federal income tax purposes or any other matter affecting us. The IRS may adopt positions that differ from the positions we take. It may be necessary to resort to administrative or court proceedings to sustain some or all of the positions we take. A court may not agree with some or all of the positions we take. Any contest by the IRS may materially and adversely impact the market for our units and the price at which they trade. In addition, our costs of any contest by the IRS will be borne indirectly by our unitholders and our general partner because the costs will reduce our cash available for distribution.

If the IRS makes audit adjustments to our income tax returns for tax years beginning after December 31, 2017, it (and some states) may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustments directly from us, in which case our cash available for distribution to our unitholders might be substantially reduced.

Pursuant to the Bipartisan Budget Act of 2015, for tax years beginning after December 31, 2017, if the IRS makes audit adjustments to our income tax returns, it (and some states) may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustments directly from us. To the extent possible under these rules, our general partner may elect to either pay the taxes (including any applicable penalties and interest) directly to the IRS or, if we are eligible, issue a revised information statement to each unitholder and former unitholder with respect to an audited and adjusted return. Although our general partner may elect to have our unitholders and former unitholders take such audit adjustment into account and pay any resulting taxes (including applicable penalties or interest) in accordance with their interests in us during the tax year under audit, there can be no assurance that such election will be practical, permissible or effective in all circumstances. As a result, our current unitholders may bear some or all of the tax liability resulting from such audit adjustment, even if such unitholders did not own units in us during the tax year under audit. If, as a result of any such audit adjustment, we are required to make payments of taxes, penalties and interest, our cash available for distribution to our unitholders might be substantially reduced.

Tax gain or loss on the disposition of our common units could be more or less than expected.

If our unitholders sell their common units, they will recognize a gain or loss equal to the difference between the amount realized and their tax basis in those common units. Distributions in excess of a common unitholder's allocable share of our net taxable income result in a decrease in the tax basis in such unitholder's common units. Accordingly, the amount, if any, of such prior excess distributions with respect to the common units sold will, in effect, become taxable income to our common unitholders if they sell such common units at a price greater than their tax basis in those common units, even if the price they receive is less than their original cost. In addition, because the amount realized includes a unitholder's share of our nonrecourse liabilities, if our unitholders sell their common units, they may incur a tax liability in excess of the amount of cash they receive from the sale.

A substantial portion of the amount realized from a unitholder's sale of our units, whether or not representing gain, may be taxed as ordinary income due to potential recapture items, including depletion and depreciation recapture. Thus, a unitholder may recognize both ordinary income and capital loss from the sale of units if the amount realized on a sale of such units is less than such unitholder's adjusted basis in the units. Net capital loss may only offset capital gains and, in the case of individuals, up to $3,000 of ordinary income per year. In the taxable period in which a unitholder sells its units, such unitholder may recognize ordinary income from our allocations of income and gain to such unitholder prior to the sale and from recapture items that generally cannot be offset by any capital loss recognized upon the sale of units.

Our unitholders may be subject to limitation on their ability to deduct interest expense incurred by us.

In general, we are entitled to a deduction for interest paid or accrued on indebtedness properly allocable to our trade or business during our taxable year. However, under the Tax Cuts and Jobs Act, for taxable years beginning after December 31, 2017, our deduction for "business interest" is limited to the sum of our business interest income and 30% of our "adjusted taxable income." For the purposes of this limitation, our adjusted taxable income is computed without regard to any business interest expense or business interest income, and in the case of taxable years beginning before January 1, 2022, any deduction allowable for depreciation, amortization, or depletion to the extent such depreciation, amortization, or depletion is not capitalized into cost of goods sold with respect to inventory. If our "business interest" is subject to limitation under these rules, our unitholders will be limited in their ability to deduct their share of any interest expense that has been allocated to them. As a result, unitholders may be subject to limitation on their ability to deduct interest expense incurred by us.

Tax-exempt entities face unique tax issues from owning our units that may result in adverse tax consequences to them.

Investment in our units by tax-exempt entities, such as employee benefit plans and individual retirement accounts (known as IRAs) raises issues unique to them. For example, virtually all of our income allocated to organizations that are exempt from U.S. federal income tax, including IRAs and other retirement plans, will be unrelated business taxable income and will be taxable to them. Tax-exempt entities should consult a tax advisor before investing in our units.

Non-U.S. Unitholders will be subject to U.S. taxes and withholding with respect to their income and gain from owning our units.

Non-U.S. unitholders are generally taxed and subject to income tax filing requirements by the United States on income effectively connected with a U.S. trade or business. Income allocated to our unitholders and any gain from the sale of our units will generally be considered to be "effectively connected" with a U.S. trade or business. As a result, distributions to a non-U.S. unitholder will be subject to withholding at the highest applicable effective tax rate and a non-U.S. unitholder who sells or otherwise disposes of a unit will also be subject to U.S. federal income tax on the gain realized from the sale or disposition of that unit.

Moreover, the transferee of an interest in a partnership that is engaged in a U.S. trade or business is generally required to withhold 10% of the "amount realized" by the transferor unless the transferor certifies that it is not a foreign person. While the determination of a partner's "amount realized" generally includes any decrease of a partner's share of the partnership's liabilities, the Treasury regulations provide that the "amount realized" on a transfer of an interest in a publicly traded partnership, such as our common units, will generally be the amount of gross proceeds paid to the broker effecting the applicable transfer on behalf of the transferor, and thus will be determined without regard to any decrease in that partner's share of a publicly traded partnership's liabilities. The Treasury regulations and other guidance from the IRS provide that withholding on a transfer of an interest in a publicly traded partnership will not be imposed on a transfer that occurs prior to January 1, 2023. Thereafter, the obligation to withhold on a transfer of interests in a publicly traded partnership that is effected through a broker, is imposed on the transferor's broker. Current and prospective non-U.S. unitholders should consult their tax advisors regarding the impact of these rules on an investment in our common units.

We will treat each purchaser of our common units as having the same tax benefits without regard to the actual common units purchased. The IRS may challenge this treatment, which could adversely affect the value of the common units.

Because we cannot match transferors and transferees of our common units and for other reasons, we have adopted depreciation and amortization positions that may not conform to all aspects of existing Treasury Regulations. A successful IRS challenge to those positions could adversely affect the amount of tax benefits available to our unitholders. It also could affect the timing of these tax benefits or the amount of gain from the sale of common units and could have a negative impact on the value of our common units or result in audit adjustments to our unitholders' tax returns.

We have adopted certain valuation methodologies in determining a unitholder's allocations of income, gain, loss and deduction. The IRS may challenge these methodologies or the resulting allocations, and such a challenge could adversely affect the value of our common units.

In determining the items of income, gain, loss and deduction allocable to our unitholders, including when we issue additional units, we must determine the fair market value of our assets. Although we may from time to time consult with professional appraisers regarding valuation matters, we make many fair market value estimates using a methodology based on the market value of our common units as a means to measure the fair market value of our assets. The IRS may challenge these valuation methods and the resulting allocations of income, gain, loss and deduction.

A successful IRS challenge to these methods or allocations could adversely affect the timing or amount of taxable income or loss being allocated to our unitholders. It also could affect the amount of gain recognized from the sale of our common units, have a negative impact on the value of our common units or result in audit adjustments to our unitholders' tax returns without the benefit of additional deductions.

We generally prorate our items of income, gain, loss and deduction between transferors and transferees of our common units each month based upon the ownership of our common units on the first day of each month, instead of on the basis of the date a particular unit is transferred. The IRS may challenge this treatment, which could change the allocation of items of income, gain, loss and deduction among our unitholders.

We generally prorate our items of income, gain, loss and deduction between transferors and transferees of our common units each month based upon the ownership of our common units on the first day of each month (the "Allocation Date"), instead of on the basis of the date a particular unit is transferred. Similarly, we generally allocate (i) certain deductions for depreciation of capital additions, (ii) gain or loss realized on a sale or other disposition of our assets, and (iii) in the discretion of the general partner, any other extraordinary item of income, gain, loss or deduction based upon ownership on the Allocation Date. Treasury Regulations allow a similar monthly simplifying convention, but such regulations do not specifically authorize the use of the proration method we have adopted. If the IRS were to challenge our proration method, we may be required to change the allocation of items of income, gain, loss and deduction among our unitholders.

A unitholder whose units are the subject of a securities loan (e.g., a loan to a "short seller" to cover a short sale of units) may be considered as having disposed of those units. If so, he would no longer be treated for tax purposes as a partner with respect to those units during the period of the loan and may recognize gain or loss from the disposition.

Because there are no specific rules governing the U.S. federal income tax consequences of loaning a partnership interest, a unitholder whose units are the subject of a securities loan may be considered as having disposed of the loaned units. In that case, the unitholder may no longer be treated for tax purposes as a partner with respect to those units during the period of the loan to the short seller and the unitholder may recognize gain or loss from such disposition. Moreover, during the period of the loan, any of our income, gain, loss or deduction with respect to those units may not be reportable by the unitholder and any cash distributions received by the unitholder as to those units could be fully taxable as ordinary income. Our unitholders desiring to assure their status as partners and avoid the risk of gain recognition from a loan of their units are urged to consult a tax advisor to determine whether it is advisable to modify any applicable brokerage account agreements to prohibit their brokers from borrowing their units.

As a result of investing in our units, our unitholders are likely subject to state and local taxes and return filing requirements in jurisdictions where we operate or own or acquire property.

In addition to U.S. federal income taxes, our unitholders are likely subject to other taxes, including state and local taxes, unincorporated business taxes and estate, inheritance or intangible taxes that are imposed by the various jurisdictions in which we conduct business or own property now or in the future, even if our unitholders do not live in any of those jurisdictions. Our unitholders are likely required to file state and local income tax returns and pay state and local income taxes in some or all of these various jurisdictions. Further, our unitholders may be subject to penalties for failure to comply with those requirements. We own property and conduct business in a number of states in the United States. Most of these states impose an income tax on individuals, corporations and other entities. As we make acquisitions or expand our business, we may own assets or conduct business in additional states that impose a personal income tax. It is the unitholder's responsibility to file all U.S. federal, state and local tax returns and pay any taxes due in these jurisdictions. Unitholders should consult with their own tax advisors regarding the filing of such tax returns, the payment of such taxes, and the deductibility of any taxes paid.

General Risks

Our business is subject to cybersecurity risks.

Our business is increasingly dependent on information technologies and services. Threats to information technology systems associated with cybersecurity risks and cyber incidents or attacks continue to grow. Although we utilize various procedures and controls to mitigate our exposure to such risks, cybersecurity attacks and other cyber events are evolving, unpredictable, and sometimes difficult to detect, and could lead to unauthorized access to sensitive information or render data or systems unusable.

We do not presently maintain insurance coverage to protect against cybersecurity risks. If we procure such coverage in the future, we cannot ensure that it will be sufficient to cover any particular losses we may experience as a result of such cyber-attacks. Any cyber incident could have a material adverse effect on our business, financial condition and results of operations.

The ongoing COVID-19 pandemic has adversely affected our business.

The COVID-19 pandemic may also have the effect of heightening many of the other risks described elsewhere in this Item 1A, “Risk Factors.” The extent to which the COVID-19 pandemic adversely affects our business, results of operations, and financial condition will depend on future developments, which remain highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken by governmental authorities and other third parties in response to the pandemic.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 3. LEGAL PROCEEDINGS

We are involved, from time to time, in various legal proceedings arising in the ordinary course of business. While the ultimate results of these proceedings cannot be predicted with certainty, management believes these ordinary course matters will not have a material effect on our financial position, liquidity or operations.

ITEM 4. MINE SAFETY DISCLOSURES

None.

PART II

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

NRP Common Units

Our common units are listed and traded on the NYSE under the symbol "NRP." As of March 1, 2022, there were approximately 9,740 beneficial and registered holders of our common units. The computation of the approximate number of unitholders is based upon a broker survey.

Securities Authorized for Issuance under Equity Compensation Plans

The following table shows the securities authorized for issuance under our 2017 Long-Term Incentive Plan at December 31, 2021. The initial number of common units authorized for issuance pursuant to awards under the plan was 800,000.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	—	—	230,226 (1)
Equity compensation plans not approved by security holders	n/a	n/a	n/a
Total	—	—	230,226

(1) As of December 31, 2021, 411,199 phantom units were outstanding under the plan. Each phantom unit represents the right to receive one common unit, together with associated distribution equivalent rights.

ITEM 6. [RESERVED]

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

Introduction

The following discussion and analysis presents management's view of our business, financial condition and overall performance and should be read in conjunction with our consolidated financial statements and footnotes included elsewhere in this filing. Our discussion and analysis consists of the following subjects:

- Executive Overview
- Results of Operations
- Liquidity and Capital Resources
- Inflation
- Environmental Regulation
- Related Party Transactions
- Summary of Critical Accounting Estimates
- Recent Accounting Standards

As used in this Item 7, unless the context otherwise requires: "we," "our," "us" and the "Partnership" refer to Natural Resource Partners L.P. and, where the context requires, our subsidiaries. References to "NRP" and "Natural Resource Partners" refer to Natural Resource Partners L.P. only, and not to NRP (Operating) LLC or any of Natural Resource Partners L.P.'s subsidiaries. References to "Opco" refer to NRP (Operating) LLC, a wholly owned subsidiary of NRP, and its subsidiaries. NRP Finance Corporation ("NRP Finance") is a wholly owned subsidiary of NRP and a co-issuer with NRP on the 9.125% senior notes due 2025 (the "2025 Senior Notes").

Non-GAAP Financial Measures

Distributable Cash Flow

Distributable cash flow ("DCF") represents net cash provided by (used in) operating activities of continuing operations plus distributions from unconsolidated investment in excess of cumulative earnings, proceeds from asset sales and disposals, including sales of discontinued operations, and return of long-term contract receivables; less maintenance capital expenditures. DCF is not a measure of financial performance under GAAP and should not be considered as an alternative to cash flows from operating, investing or financing activities. DCF may not be calculated the same for us as for other companies. In addition, DCF presented below is not calculated or presented on the same basis as distributable cash flow as defined in our partnership agreement, which is used as a metric to determine whether we are able to increase quarterly distributions to our common unitholders. DCF is a supplemental liquidity measure used by our management and by external users of our financial statements, such as investors, commercial banks, research analysts and others to asses our ability to make cash distributions and repay debt.

Free Cash Flow

Free cash flow ("FCF") represents net cash provided by (used in) operating activities of continuing operations plus distributions from unconsolidated investment in excess of cumulative earnings and return of long-term contract receivables; less maintenance and expansion capital expenditures and cash flow used in acquisition costs classified as investing or financing activities. FCF is calculated before mandatory debt repayments. FCF is not a measure of financial performance under GAAP and should not be considered as an alternative to cash flows from operating, investing or financing activities. FCF may not be calculated the same for us as for other companies. FCF is a supplemental liquidity measure used by our management and by external users of our financial statements, such as investors, commercial banks, research analysts and others to assess our ability to make cash distributions and repay debt.

Cash Flow Cushion

Cash flow cushion represents net cash provided by (used in) operating activities of continuing operations plus distributions from unconsolidated investment in excess of cumulative earnings and return of long-term contract receivables; less maintenance and expansion capital expenditures, cash flow used in acquisition costs classified as investing or financing activities, one-time beneficial items, mandatory Opco debt repayments, preferred unit distributions and redemption of PIK units, common unit distributions and warrant cash settlements. Cash flow cushion is not a measure of financial performance under GAAP and should not be considered as an alternative to cash flows from operating, investing or financing activities. Cash flow cushion is a supplemental liquidity measure used by our management to assess our ability to make or raise cash distributions to our common and preferred unitholders and our general partner and repay debt or redeem preferred units.

Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure that we define as net income (loss) from continuing operations less equity earnings from unconsolidated investment, net income attributable to non-controlling interest and gain on reserve swap; plus total distributions from unconsolidated investment, interest expense, net, debt modification expense, loss on extinguishment of debt, depreciation, depletion and amortization and asset impairments. Adjusted EBITDA should not be considered an alternative to, or more meaningful than, net income or loss, net income or loss attributable to partners, operating income, cash flows from operating activities or any other measure of financial performance presented in accordance with GAAP as measures of operating performance, liquidity or ability to service debt obligations. There are significant limitations to using Adjusted EBITDA as a measure of performance, including the inability to analyze the effect of certain recurring items that materially affect our net income (loss), the lack of comparability of results of operations of different companies and the different methods of calculating Adjusted EBITDA reported by different companies. In addition, Adjusted EBITDA presented below is not calculated or presented on the same basis as Consolidated EBITDA as defined in our partnership agreement or Consolidated EBITDDA as defined in Opco's debt agreements. See "Item 8. Financial Statements and Supplementary Data—Note 11. Debt, Net" included elsewhere in this Annual Report on Form 10-K for a description of Opco’s debt agreements. Adjusted EBITDA is a supplemental performance measure used by our management and by external users of our financial statements, such as investors, commercial banks, research analysts and others to assess the financial performance of our assets without regard to financing methods, capital structure or historical cost basis.

Executive Overview

We are a diversified natural resource company engaged principally in the business of owning, managing and leasing a diversified portfolio of mineral properties in the United States, including interests in coal and other natural resources and own a non-controlling 49% interest in Sisecam Wyoming LLC ("Sisecam Wyoming"), formerly known as Ciner Wyoming, a trona ore mining and soda ash production business. Our common units trade on the New York Stock Exchange under the symbol "NRP." Our business is organized into two operating segments:

Mineral Rights (formerly named Coal Royalty and Other segment)—consists of approximately 13 million acres of mineral interests and other subsurface rights across the United States. If combined in a single tract, our ownership would cover roughly 20,000 square miles. Our ownership provides critical inputs for the manufacturing of steel, electricity and basic building materials, as well as opportunities for carbon sequestration and renewable energy. We are working to strategically redefine our business as a key player in the transitional energy economy in the years to come.

Soda Ash—consists of our 49% non-controlling equity interest in Sisecam Wyoming, a trona ore mining and soda ash production business located in the Green River Basin of Wyoming. Sisecam Wyoming mines trona and processes it into soda ash that is sold both domestically and internationally into the glass and chemicals industries.

Corporate and Financing includes functional corporate departments that do not earn revenues. Costs incurred by these departments include interest and financing, corporate headquarters and overhead, centralized treasury, legal and accounting and other corporate-level activity not specifically allocated to a segment.

Our financial results by segment for the year ended December 31, 2021 are as follows:

	Operating Segments			
(In thousands)	Mineral Rights	Soda Ash	Corporate and Financing	Total
Revenues and other income	$ 194,493	$ 21,871	$ —	$ 216,364
Net income (loss) from continuing operations	$ 143,412	$ 21,702	$ (56,212)	$ 108,902
Asset impairments	5,102	—	—	5,102
Net income (loss) from continuing operations excluding asset impairments	$ 148,514	$ 21,702	$ (56,212)	$ 114,004
Adjusted EBITDA [(1)]	$ 167,613	$ 11,101	$ (17,360)	$ 161,354
Cash flow provided by (used in) continuing operations				
Operating activities	$ 159,845	$ 11,106	$ (49,147)	$ 121,804
Investing activities	$ 2,412	$ —	$ —	$ 2,412
Financing activities	$ (1,132)	$ —	$ (87,354)	$ (88,486)
Distributable cash flow [(1)]	$ 162,257	$ 11,106	$ (49,147)	$ 124,216
Free cash flow [(1)]	$ 161,008	$ 11,106	$ (49,147)	$ 122,967
Cash flow cushion [(1)]	N/A	N/A	N/A	$ 36,172

(1) See "—Results of Operations" below for reconciliations to the most comparable GAAP financial measures.

Current Results/Market Commentary

Business Outlook and Quarterly Distributions

We generated $121.8 million of net cash provided by operating activities and $123.0 million of free cash flow during the year ended December 31, 2021 and ended the year with $235.5 million of liquidity consisting of $135.5 million of cash and cash equivalents and $100 million of borrowing capacity under our Opco Credit Facility.

The indenture governing our 2025 parent company notes restricts us from paying more than one-half of the quarterly distribution on our preferred units in cash if our consolidated leverage ratio exceeds 3.75x. Accordingly, the Board of Directors of our general partner had declared a distribution on our preferred units to be paid one-half in kind through the issuance of additional preferred units ("PIK units") in 2021 when our leverage ratio exceeded 3.75x. Our consolidated leverage ratio fell below 3.75x during the fourth quarter of 2021 to 2.7x at December 31, 2021, allowing us to fully redeem at par all 19,321 paid-in-kind preferred units for $19.6 million in cash in accordance with their terms and including accrued interest, and to continue to pay common unit distributions in the first quarter of 2022. Therefore, as of the date of this report, no paid-in-kind preferred units remain outstanding and $250 million of 12.0% Class A Convertible Preferred Units remain outstanding. While our leverage ratio is expected to stay below 3.75x for the foreseeable future, future distributions on our common and preferred units will be determined on a quarterly basis by the Board of Directors. The Board of Directors considers numerous factors each quarter in determining cash distributions, including profitability, cash flow, debt service obligations, market conditions and outlook, estimated unitholder income tax liability and the level of cash reserves that the Board determines is necessary for future operating and capital needs.

Mineral Rights Business Segment

We have changed the name of our Coal Royalty and Other business segment to Mineral Rights. This name change highlights our vast mineral ownership interests as well as our intensifying focus on leveraging the Partnership's asset footprint across the United States, including subsurface carbon sequestration rights, to become a key player in the transitional energy economy for the years to come. There has been no change to the composition of this reportable business segment or the structure of our internal organization in connection with this name change.

Metallurgical coal markets have rebounded significantly from the lows seen in 2020 to record high pricing and the outlook remains strong as steel demand driven by global economic recovery is more than offsetting challenges related to the COVID-19 pandemic. Domestic and export thermal coal markets have also significantly improved from the lows seen in 2020, however we did not have meaningful sensitivity to thermal coal price movements in 2021 since the substantial majority of our thermal cash flows were fixed pursuant to a contract with Foresight Energy Resources LLC ("Foresight") that went into effect as they emerged from bankruptcy in 2020. That contract expired at the end of 2021 and we began receiving traditional royalty payments in January 2022. While we may benefit from improved thermal coal demand and pricing in the near term, thermal coal markets still face the long-term challenges presented by competition from natural gas and the secular shift to renewable energy.

Our lessees sold 27.8 million tons of coal from our properties in 2021 and we derived approximately 65% of our coal royalty revenues and approximately 50% of our coal royalty sales volumes from metallurgical coal during the same period. Revenues and other income in 2021 were higher by $64.9 million as compared to the prior year. This increase is primarily a result of stronger metallurgical coal demand and pricing in 2021.

We continue to identify alternative revenue sources across our large portfolio of land, mineral and timber assets. The types of opportunities include the sequestration of carbon dioxide underground and in standing forests, and the generation of electricity using geothermal, solar and wind energy. We executed our first carbon neutral project in the fourth quarter of 2021 through the sale of 1.1 million carbon offset credits which represents 1.1 million tonnes of carbon sequestered in approximately 39,000 acres of our forestland in West Virginia. In the first quarter of 2022, we were able to execute another such project through the previously announced partnership with Denbury which provides opportunity for development of a world-class subsurface CO_2 sequestration hub on Alabama's Gulf Coast. The agreement provides Denbury with the exclusive rights to develop a subsurface CO_2 sequestration site on approximately 75,000 acres of underground pore space controlled by us in Baldwin County, near Mobile, Alabama, with estimated CO_2 storage potential of over 300 million metric tons.

We expect this 75,000-acre project, if developed, to be the first of what will potentially be numerous subsurface sequestration projects conducted on the approximately 3.5 million acres where we own the rights to sequester CO_2 underground across the United States. Our ability to create value and provide important benefits to the environment through alternative revenue sources continues to expand through transactions such as these and we are pleased to be on the forefront of subsurface carbon sequestration. While the timing and likelihood of additional cash flows being realized from further activities is uncertain, we believe our large ownership footprint throughout the United States will provide additional opportunities to create value in this regard with minimal capital investment.

Soda Ash Business Segment

In December, a publicly-traded Turkish conglomerate named Sisecam acquired a majority stake in the managing partner of our soda ash business, which is now known as Sisecam Wyoming LLC. Sisecam brings extensive experience and knowledge to our soda ash partnership given its soda ash operating experience in Turkey, Bulgaria and Europe, as well as its container and flat glass manufacturing around the world. We look forward to working with Sisecam to build on the significant value realized by the soda ash partnership with the Ciner Group, which continues to own a minority stake in the partnership.

Sisecam Wyoming's business continues to recover to pre-COVID-19 levels. While we believe Sisecam Wyoming's facility is competitively positioned as one of the lowest cost producers of soda ash in the world, we expect the market to remain volatile as a result of ongoing uncertainties with the COVID-19 pandemic.

Soda ash revenues and other income in 2021 were higher by $11.1 million compared to the prior year period as demand and pricing for soda ash continues to improve globally from the lows caused by the COVID-19 pandemic.

As a result of the soda ash segment's improved performance, Sisecam Wyoming reinstated regular quarterly cash distributions in the fourth quarter of 2021, which were previously suspended since the third quarter of 2020. Accordingly, we received a $7.4 million distribution in the fourth quarter of 2021. We also received a special distribution of $3.9 million in the first quarter of 2021, for $11.3 million in total distributions from Sisecam Wyoming in 2021 as compared to $14.2 million of regular quarterly distributions received in 2020. In addition, strong fourth quarter 2021 soda ash demand and pricing resulted in further improved operating results and we received a $13.2 million quarterly distribution with respect to these strong fourth quarter 2021 operating results in February 2022.

Results of Operations

Year Ended December 31, 2021 and 2020 Compared

Revenues and Other Income

The following table includes our revenues and other income by operating segment:

	For the Year Ended December 31,			
Operating Segment (In thousands)	**2021**	**2020**	**Increase**	**Percentage Change**
Mineral Rights	$ 194,493	$ 129,592	$ 64,901	50 %
Soda Ash	21,871	10,728	11,143	104 %
Total	$ 216,364	$ 140,320	$ 76,044	54 %

The changes in revenues and other income is discussed for each of the operating segments below:

Mineral Rights

The following table presents coal sales volumes, coal royalty revenue per ton and coal royalty revenues by major coal producing region, the significant categories of other revenues and other income:

(In thousands, except per ton data)	For the Year Ended December 31, 2021	2020	Increase (Decrease)	Percentage Change
Coal sales volumes (tons)				
Appalachia				
Northern	1,335	647	688	106 %
Central	12,279	10,111	2,168	21 %
Southern	1,571	889	682	77 %
Total Appalachia	15,185	11,647	3,538	30 %
Illinois Basin	9,388	3,381	6,007	178 %
Northern Powder River Basin	3,151	1,738	1,413	81 %
Gulf Coast	55	—	55	100 %
Total coal sales volumes	27,779	16,766	11,013	66 %
Coal royalty revenue per ton				
Appalachia				
Northern	$ 6.51	$ 2.36	$ 4.15	176 %
Central	5.71	4.17	1.54	37 %
Southern	9.14	4.75	4.39	92 %
Illinois Basin	2.12	2.36	(0.24)	(10) %
Northern Powder River Basin	3.54	3.50	0.04	1 %
Gulf Coast	0.60	—	0.60	100 %
Combined average coal royalty revenue per ton	4.47	3.70	0.77	21 %
Coal royalty revenues				
Appalachia				
Northern	$ 8,691	$ 1,526	$ 7,165	470 %
Central	70,149	42,207	27,942	66 %
Southern	14,355	4,221	10,134	240 %
Total Appalachia	93,195	47,954	45,241	94 %
Illinois Basin	19,917	7,973	11,944	150 %
Northern Powder River Basin	11,151	6,086	5,065	83 %
Gulf Coast	33	—	33	100 %
Unadjusted coal royalty revenues	124,296	62,013	62,283	100 %
Coal royalty adjustment for minimum leases	(20,207)	(10,145)	(10,062)	(99) %
Total coal royalty revenues	$ 104,089	$ 51,868	$ 52,221	101 %
Other revenues				
Production lease minimum revenues	$ 14,269	$ 21,749	$ (7,480)	(34) %
Minimum lease straight-line revenues	20,564	16,796	3,768	22 %
Forest CO_2 sequestration revenues	13,790	—	13,790	100 %
Wheelage revenues	10,065	7,025	3,040	43 %
Property tax revenues	6,028	5,786	242	4 %
Coal overriding royalty revenues	4,367	4,977	(610)	(12) %
Lease amendment revenues	4,696	3,450	1,246	36 %
Aggregates royalty revenues	1,889	1,717	172	10 %
Oil and gas royalty revenues	4,506	5,816	(1,310)	(23) %
Other revenues	933	982	(49)	(5) %
Total other revenues	$ 81,107	$ 68,298	$ 12,809	19 %
Royalty and other mineral rights	$ 185,196	$ 120,166	$ 65,030	54 %
Transportation and processing services revenues	9,052	8,845	207	2 %
Gain on asset sales and disposals	245	581	(336)	(58) %
Total Mineral Rights segment revenues and other income	$ 194,493	$ 129,592	$ 64,901	50 %

Coal Royalty Revenues

Approximately 65% of coal royalty revenues and approximately 50% of coal royalty sales volumes were derived from metallurgical coal during the year ended December 31, 2021. Total coal royalty revenues increased $52.2 million from 2020 to 2021 primarily as a result of stronger metallurgical coal demand and pricing in 2021. The discussion of these increases by region is as follows:

- Appalachia: Coal royalty revenues increased $45.2 million primarily due to a 30% increase in sales volumes in addition to higher sales prices as compared to the prior year.
- Illinois Basin: Coal royalty revenues increased $11.9 million primarily due to a 178% increase in sales volumes. In the second quarter of 2020, we entered into lease amendments with Foresight pursuant to which Foresight agreed to pay us fixed cash payments to satisfy all obligations arising out of the existing various coal mining leases and transportation infrastructure fee agreements between us and Foresight for calendar years 2020 and 2021. As a result of these amendments, actual revenues recognized from Foresight were flat period-over-period.
- Northern Powder River Basin: Coal royalty revenues increased $5.1 million primarily due to an 81% increase in sales volumes as our lessee mined on our property more during 2021 as compared to 2020.

Other Revenues

Other revenues increased $12.8 million from 2020 to 2021 primarily due to $13.8 million of forest CO_2 sequestration revenues recognized in 2021 as a result of the sale of 1.1 million carbon offset credits which represents 1.1 million tonnes of carbon sequestered in our forestland in West Virginia. This increase was partially offset by a decrease in production lease minimum revenues as a result of lower breakage revenues recognized in 2021.

Soda Ash

Revenues and other income related to our Soda Ash segment increased $11.1 million compared to the prior year as demand and pricing for soda ash continues to improve globally from the lows caused by the COVID-19 pandemic.

Operating Expenses

The following table presents the significant categories of our consolidated operating expenses:

	For the Year Ended December 31,			
(In thousands)	**2021**	**2020**	**Increase (Decrease)**	**Percentage Change**
Operating expenses				
Operating and maintenance expenses	$ 27,049	$ 24,795	$ 2,254	9 %
Depreciation, depletion and amortization	19,075	9,198	9,877	107 %
General and administrative expenses	17,360	14,293	3,067	21 %
Asset impairments	5,102	135,885	(130,783)	(96) %
Total operating expenses	$ 68,586	$ 184,171	$ (115,585)	(63) %

Total operating expenses decreased by $115.6 million primarily due to a $130.8 million decrease in asset impairments. Asset impairments in 2021 primarily related to a lease termination while asset impairments in 2020 were due to weakened coal markets that resulted in termination of certain coal leases, changes to lessee mine plans resulting in permanent moves off certain of our coal properties and decreased oil and gas drilling activity which negatively impacted the outlook for NRP's frac sand properties. This decrease was partially offset by a $9.9 million increase in depreciation, depletion and amortization expense primarily as a result of increased production at certain Illinois Basin coal properties. The remaining cost increases primarily related to increased incentive compensation expense as a result of significantly improved Partnership operating results year-over-year and increased overriding royalty expense due to higher coal sales and royalty revenue in 2021.

Adjusted EBITDA (Non-GAAP Financial Measure)

The following table reconciles net income (loss) from continuing operations (the most comparable GAAP financial measure) to Adjusted EBITDA by business segment:

For the Year Ended (In thousands)	Operating Segments: Mineral Rights	Operating Segments: Soda Ash	Corporate and Financing	Total
December 31, 2021				
Net income (loss) from continuing operations	$ 143,412	$ 21,702	$ (56,212)	$ 108,902
Less: equity earnings from unconsolidated investment	—	(21,871)	—	(21,871)
Add: total distributions from unconsolidated investment	—	11,270	—	11,270
Add: interest expense, net	24	—	38,852	38,876
Add: depreciation, depletion and amortization	19,075	—	—	19,075
Add: asset impairments	5,102	—	—	5,102
Adjusted EBITDA	$ 167,613	$ 11,101	$ (17,360)	$ 161,354
December 31, 2020				
Net income (loss) from continuing operations	$ (40,180)	$ 10,543	$ (55,182)	$ (84,819)
Less: equity earnings from unconsolidated investment	—	(10,728)	—	(10,728)
Add: total distributions from unconsolidated investment	—	14,210	—	14,210
Add: interest expense, net	79	—	40,889	40,968
Add: depreciation, depletion and amortization	9,198	—	—	9,198
Add: asset impairments	135,885	—	—	135,885
Adjusted EBITDA	$ 104,982	$ 14,025	$ (14,293)	$ 104,714

Adjusted EBITDA increased $56.6 million primarily due to a $62.6 million increase in Adjusted EBITDA within our Mineral Rights segment as a result of higher revenues and other income during the year ended December 31, 2021 as discussed above. This increase was partially offset by a $2.9 million decrease in Adjusted EBITDA within our Soda Ash segment as a result of lower cash distributions received from Sisecam Wyoming during the year ended December 31, 2021 as compared to the prior year and a $3.1 million decrease in Adjusted EBITDA within our Corporate and Financing segment as a result of increased general and administrative costs primarily due to increased incentive compensation as a result of significantly improved Partnership operating results year-over-year.

Distributable Cash Flow ("DCF"), Free Cash Flow ("FCF") and Cash Flow Cushion (Non-GAAP Financial Measures)

The following table presents the three major categories of the statement of cash flows by business segment:

	Operating Segments			
For the Year Ended (In thousands)	Mineral Rights	Soda Ash	Corporate and Financing	Total
December 31, 2021				
Cash flow provided by (used in) continuing operations				
Operating activities	$ 159,845	$ 11,106	$ (49,147)	$ 121,804
Investing activities	2,412	—	—	2,412
Financing activities	(1,132)	—	(87,354)	(88,486)
December 31, 2020				
Cash flow provided by (used in) continuing operations				
Operating activities	$ 124,737	$ 14,037	$ (51,206)	$ 87,568
Investing activities	1,745	—	—	1,745
Financing activities	—	—	(87,788)	(87,788)

The following tables reconcile net cash provided by (used in) operating activities (the most comparable GAAP financial measure) by business segment to DCF, FCF and cash flow cushion:

	Operating Segments			
For the Year Ended (In thousands)	Mineral Rights	Soda Ash	Corporate and Financing	Total
December 31, 2021				
Net cash provided by (used in) operating activities of continuing operations	$ 159,845	$ 11,106	$ (49,147)	$ 121,804
Add: proceeds from asset sales and disposals	249	—	—	249
Add: return of long-term contract receivable	2,163	—	—	2,163
Distributable cash flow	$ 162,257	$ 11,106	$ (49,147)	$ 124,216
Less: proceeds from asset sales and disposals	(249)	—	—	(249)
Less: acquisition costs	(1,000)	—	—	(1,000)
Free cash flow	$ 161,008	$ 11,106	$ (49,147)	$ 122,967
Less: mandatory Opco debt repayments				(39,396)
Less: preferred unit distributions				(15,571)
Less: common unit distributions				(22,645)
Less: warrant cash settlement				(9,183)
Cash flow cushion				$ 36,172

For the Year Ended (In thousands)	Operating Segments: Mineral Rights	Operating Segments: Soda Ash	Corporate and Financing	Total
December 31, 2020				
Net cash provided by (used in) operating activities of continuing operations	$ 124,737	$ 14,037	$ (51,206)	$ 87,568
Add: proceeds from asset sales and disposals	623	—	—	623
Add: proceeds from sale of discontinued operations	—	—	—	(65)
Add: return of long-term contract receivable	2,122	—	—	2,122
Distributable cash flow	$ 127,482	$ 14,037	$ (51,206)	$ 90,248
Less: proceeds from asset sales and disposals	(623)	—	—	(623)
Less: proceeds from sale of discontinued operations	—	—	—	65
Less: acquisition costs	(1,000)	—	—	(1,000)
Free cash flow	$ 125,859	$ 14,037	$ (51,206)	$ 88,690
Less: mandatory Opco debt repayments				(46,176)
Less: preferred unit distributions				(26,363)
Less: common unit distributions				(16,890)
Cash flow cushion				$ (739)

DCF and FCF increased $34.0 million and $34.3 million, respectively, primarily due to the increase in Mineral Rights segment DCF and FCF of $34.8 million and $35.1 million, respectively. The increase in Mineral Rights DCF and FCF was primarily driven by stronger metallurgical coal demand and pricing in 2021 and $13.8 million of cash received in the fourth quarter of 2021 as a result of the sale of 1.1 million forest carbon offset credits.

Cash flow cushion increased $36.9 million as a result of the increase in FCF discussed above in addition to:

- $10.8 million lower preferred unit distributions in 2021 as we paid one-half of the distributions in kind through the issuance of PIK units during the year ended December 31, 2021; and
- $6.8 million lower mandatory Opco debt repayments in 2021 as one series of Opco Senior Notes was fully repaid in 2020.

These increases in cash flow cushion were partially offset by:

- $9.2 million of cash used to settle the exercise of certain of our warrants in 2021; and
- $5.8 million higher common unit distributions in 2021 as we suspended our common unit distribution for one quarter in 2020.

For discussion of our Results of Operations comparing 2020 to 2019, refer to our 2020 Annual Report on Form 10-K filed March 15, 2021 under Part II, "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations."

Liquidity and Capital Resources

Current Liquidity

As of December 31, 2021, we had total liquidity of $235.5 million, consisting of $135.5 million of cash and cash equivalents and $100 million in borrowing capacity under our Opco Credit Facility. We have significant debt service obligations, including approximately $40 million of principal repayments on Opco's senior notes in 2022. We believe our liquidity position provides us with the flexibility to continue paying down debt and manage our business through the current market environment.

Cash Flows

Year Ended December 31, 2021 and 2020 Compared

Cash flows provided by operating activities increased $32.5 million, from $89.3 million in the year ended December 31, 2020 to $121.8 million in the year ended December 31, 2021 primarily related to increased coal royalty cash flow in 2021 as a result of stronger metallurgical coal demand and pricing in 2021, the sale of 1.1 million forest carbon offset credits in 2021 and lower cash paid for interest year-over-year. These increases in cash provided by operating activities were partially offset by lower distributions from Sisecam Wyoming year-over-year.

Cash flows used in financing activities decreased $0.9 million, from $89.4 million in the year ended December 31, 2020 to $88.5 million in the year ended December 31, 2021 primarily due to a $10.8 million decrease in cash distributions to preferred unitholders as we paid one-half of our preferred unit distributions in kind through the issuance of 15.6 million preferred units in 2021. Additionally, debt repayments decreased $6.8 million in 2021 as one series of Opco Senior Notes was fully repaid during the year ended December 31, 2020. These decreases in cash flow used were partially offset by $9.2 million used to settle the exercise of certain of our warrants in 2021 in addition to a $5.8 million increase in distributions to common unitholders and the general partner as we suspended our common unit distribution in the second quarter of 2020.

For discussion of our Cash Flows comparing 2020 to 2019, refer to our 2020 Annual Report on Form 10-K filed March 15, 2021 under Part II, "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations."

Capital Resources and Obligations

Debt, Net

We had the following debt outstanding as of December 31, 2021 and 2020:

	December 31,	
(In thousands)	**2021**	**2020**
Current portion of long-term debt, net	$ 39,102	$ 39,055
Long-term debt, net	394,443	432,444
Total debt, net	$ 433,545	$ 471,499

We have been and continue to be in compliance with the terms of the financial covenants contained in our debt agreements. For additional information regarding our debt and the agreements governing our debt, including the covenants contained therein, see "Item 8. Financial Statements and Supplementary Data—Note 11. Debt, Net" in this Annual Report on Form 10-K.

Debt Obligations

The following table reflects our long-term, non-cancelable debt obligations as of December 31, 2021:

	Payments Due by Period						
Debt Obligations (In thousands)	**Total**	**2022**	**2023**	**2024**	**2025**	**2026**	**Thereafter**
NRP:							
Debt principal payments [1]	$ 300,000	$ —	$ —	$ —	$ 300,000	$ —	$ —
Debt interest payments [1]	95,813	27,375	27,375	27,375	13,688	—	—
Opco:							
Debt principal payments (including current maturities) [2]	138,484	39,396	39,396	31,028	14,332	14,332	—
Debt interest payments [3]	16,925	7,131	4,895	2,724	1,450	725	—
Total	$ 551,222	$ 73,902	$ 71,666	$ 61,127	$ 329,470	$ 15,057	$ —

(1) The amounts indicated in the table include principal and interest due on NRP's 2025 Senior Notes.

(2) The amounts indicated in the table include principal due on Opco's senior notes.

(3) The amounts indicated in the table include interest due on Opco's senior notes and the 0.50% annual commitment fee on the unused portion of the Opco Credit Facility, which matures in April 2023. At December 31, 2021 we did not have any borrowings outstanding under the Opco Credit Facility and had $100.0 million in available borrowing capacity.

Inflation

Inflation in the United States has been relatively low in previous years, and despite rising costs beginning in 2021, inflation did not have a material impact on operations for the years ended December 31, 2021, 2020 and 2019.

Environmental Regulation

For additional information on environmental regulation that may have a material impact on our business, see "Items 1. and 2. Business and Properties—Regulation and Environmental Matters."

Related Party Transactions

The information required by this Item is included under "Item 8. Financial Statements and Supplementary Data—Note 13. Related Party Transactions" and "Item 13. Certain Relationships and Related Transactions, and Director Independence" in this Annual Report on Form 10-K and is incorporated by reference herein.

Summary of Critical Accounting Estimates

Preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. See "Item 8. Financial Statements and Supplementary Data—Note 2. Summary of Significant Accounting Policies" in the audited Consolidated Financial Statements of this Form 10-K for discussion of our significant accounting policies. The following critical accounting policies are affected by estimates and assumptions used in the preparation of Consolidated Financial Statements. We evaluate our estimates and assumptions on a regular basis. Actual results could differ from those estimates.

Revenues

Mineral Rights Segment Revenues

Royalty-based leases. Approximately two-thirds of our royalty-based leases have initial terms of five to 40 years, with substantially all lessees having the option to extend the lease for additional terms. For these types of leases, the lessees generally make payments to us based on the greater of a percentage of the gross sales price or a fixed price per ton of mineral mined and sold. Most of our coal and aggregates royalty leases require the lessee to pay quarterly or annual minimum amounts, either made in advance or arrears, which are generally recoupable through actual royalty production over certain time periods that generally range from three to five years.

We have defined our coal and aggregates royalty lease performance obligation as providing the lessee the right to mine and sell our coal or aggregates over the lease term. We then evaluated the likelihood that consideration we expected to receive from our lessees resulting from production would exceed consideration expected to be received from minimum payments over the lease term.

As a result of this evaluation, revenue recognition from our royalty-based leases is based on either production or minimum payments as follows:

- **Production Leases**: Leases for which we expect that consideration from production will be greater than consideration from minimums over the lease term. Revenue for these leases is recognized over time based on production as royalty revenues, as applicable. Deferred revenue from minimums is recognized as royalty revenues when recoupment occurs or as production lease minimum revenues when the recoupment period expires. In addition, we recognize breakage revenue from minimums when we determine that recoupment is remote. This breakage revenue is included in production lease minimum revenues.
- **Minimum Leases**: Leases for which we expect that consideration from minimums will be greater than consideration from production over the lease term. Revenue for these leases is recognized straight-line over the lease term based on the minimum consideration amount as minimum lease straight-line revenues.

This evaluation is performed at the inception of the lease and only reassessed upon modification or renewal of the lease.

Oil and gas related revenues consist of revenues from royalties and overriding royalties and are recognized on the basis of volume of hydrocarbons sold by lessees and the corresponding revenues from those sales. Also included within oil and gas royalty revenues are lease bonus payments, which are generally paid upon the execution of a lease. We also have overriding royalty revenue interests in certain of our coal mineral rights. Revenue from these interests is recognized over time based on when the coal is sold.

Forest CO_2 sequestration revenues. Revenues related to the sale of our carbon offset credits that is recognized at a point in time upon execution of the transaction.

Wheelage revenues. Revenues related to fees collected per ton to transport foreign coal across property we own that is recognized over time as transportation across our property occurs.

Other revenues. Other revenues consists primarily of rental payments and surface damage fees related to certain land we own and are recognized straight-line over time as it is earned. Other revenues also include property tax revenues. The majority of property taxes paid on our properties are reimbursable by the lessee and are recognized on a gross basis over time which affects the reimbursement of property taxes by the lessee. Property taxes we pay are included in operating and maintenance expenses on our Consolidated Statements of Comprehensive Income (Loss).

Transportation and processing services revenues. We own transportation and processing infrastructure that is leased to third parties for throughput fees. Revenue is recognized over time based on the coal tons transported over the beltlines or processed through the facilities.

Contract Modifications

Contract modifications that impact goods or services or the transaction price are evaluated in accordance with ASC 606. A majority of our contract modifications pertain to our coal and aggregates royalty contracts and include, but are not limited to, extending the lease term, changes to royalty rates, floor prices or minimum consideration, assignment of the contract or forfeiture of recoupment rights. Consideration received in conjunction with a modification of an ongoing lease will be deferred and recognized straight-line over the remaining term of the contract. Consideration received to assign a lease to another party and related forfeited minimums will be recognized immediately upon the termination of the contract. Fees from contract modifications are recognized in lease amendment revenues within royalty and other mineral rights revenues on our Consolidated Statements of Comprehensive Income (Loss) while modifications in royalty rates and minimums will be recognized prospectively in accordance with the above lease classification.

Contract Assets and Liabilities from Contracts with Customers

Contract assets include receivables from contracts with customers and are recorded when the right to consideration becomes unconditional. Receivables are recognized when the minimums are contractually owed, production occurs or minimums are accrued for based on the passage of time.

Contract liabilities represent minimum consideration received, contractually owed or earned based on the passage of time. The current portion of deferred revenue relates to deferred revenue on minimum leases and lease amendment fees that are to be recognized as revenue on a straight-line basis over the next twelve months. The long-term portion of deferred revenue relates to deferred revenue on production leases and lease amendment fees that are to be recognized as revenue on a straight-line basis beyond the next twelve months. Due to uncertainty in the amount of deferred revenue that will be recouped and recognized as royalty revenues from production leases over the next twelve months, we are unable to estimate the current portion of deferred revenue.

Equity in Earnings of Sisecam Wyoming.

We account for non-marketable equity investments using the equity method of accounting if the investment gives it the ability to exercise significant influence over, but not control of, an investee. Our 49% investment in Sisecam Wyoming is accounted for using this method. Under the equity method of accounting, investments are stated at initial cost and are adjusted for subsequent additional investments and the proportionate share of earnings or losses and distributions. The basis difference between the investment and the proportional share of investee's net assets is attributed to net tangible assets and is amortized over its estimated useful life. The carrying value in Sisecam Wyoming is recognized in equity in unconsolidated investment on our Consolidated Balance Sheets. Our adjusted share of the earnings or losses of Sisecam Wyoming and amortization of the basis difference is recognized in equity in earnings of Sisecam Wyoming on the Consolidated Statements of Comprehensive Income (Loss). We decrease our investment for our proportional share of distributions received from Sisecam Wyoming. These cash flows are reported utilizing the cumulative earnings approach. Under this approach, distributions received are considered returns on investment and classified as operating cash inflows unless the cumulative distributions received exceed our cumulative equity in earnings. The excess of cumulative distributions received over our cumulative equity in earnings are considered returns of investment and classified as investing cash inflows.

Mineral Rights

Mineral rights owned and leased are recorded at its original cost of construction or, upon acquisition, at fair value of the assets acquired. Coal and aggregates mineral rights are depleted on a unit-of-production basis by lease, based upon minerals mined in relation to the net cost of the mineral properties and estimated economic tonnage as estimated by our internal reserve engineers. The technologies and economic data used by our internal reserve engineers in the estimation of our economic tonnage include, but are not limited to, drill logs, geophysical logs, geologic maps including isopach, mine, and coal quality, cross sections, statistical analysis, and available public production data. There are numerous uncertainties inherent in estimating the quantities and qualities of economic tonnage, including many factors beyond our control. Estimates of economically recoverable tonnage depend upon a number of variable factors and assumptions, any one of which may, if incorrect, result in an estimate that varies considerably from actual results.

Asset Impairment

We have developed procedures to evaluate our long-lived assets, including intangible assets, for possible impairment periodically or whenever events or changes in circumstances indicate an asset's net book value may not be recoverable. Potential events or circumstances include, but are not limited to, specific events such as a reduction in economically recoverable tons or production ceasing on a property for an extended period. A long-lived asset is deemed impaired when the future expected undiscounted cash flows from its use and disposition is less than the asset's net book value. Impairment is measured based on the estimated fair value, which is usually determined based upon the present value of the projected future cash flow compared to the asset's net book value. We believe our estimates of cash flows and discount rates are consistent with those of principal market participants.

We evaluate our equity investment for impairment when events or changes in circumstances indicate, in management’s judgment, that the carrying value of such investment may have experienced an other-than-temporary decline in value. When evidence of loss in value has occurred, management compares the estimated fair value of the investment to the carrying value of the investment to determine whether impairment has occurred. If the estimated fair value is less than the carrying value and management considers the decline in value to be other than temporary, the excess of the carrying value over the estimated fair value is recognized in the financial statements as an impairment loss. The fair value of the impaired investment is based on quoted market prices, or upon the present value of expected cash flows using discount rates believed to be consistent with those used by principal market participants, plus market analysis of comparable assets owned by the investee, if appropriate.

Recent Accounting Standards

We do not believe that any other recently issued, but not yet effective, accounting standards, if currently adopted, would have a material effect on our financial statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a smaller reporting company for the year ended December 31, 2021, we are not required to include this disclosure in our 2021 Form 10-K.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Partners of Natural Resource Partners L.P.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Natural Resource Partners L.P. (the Partnership) as of December 31, 2021 and 2020, the related consolidated statements of comprehensive income (loss), partners' capital, and cash flows for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, based on our audits and the report of other auditors, the consolidated financial statements present fairly, in all material respects, the financial position of the Partnership at December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles.

We did not audit the financial statements of Sisecam Wyoming LLC (Sisecam Wyoming), a limited liability company in which the Partnership has a 49% interest. In the consolidated financial statements, the Partnership's investment in Sisecam Wyoming is stated at $276 million and $263 million as of December 31, 2021 and 2020, respectively, and the Partnership's equity in the net income of Sisecam Wyoming is stated at $22 million in 2021, $11 million in 2020 and $47 million in 2019. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Sisecam Wyoming, is based solely on the report of the other auditors.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Partnership's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated March 15, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

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

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

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

Impairment Assessment of Mineral Rights

Description of the Matter	At December 31, 2021, the Partnership's mineral rights, net totaled a combined $438 million. As described in Note 2 to the consolidated financial statements, the Partnership evaluates its mineral rights for possible impairment whenever events or changes in circumstances indicate that the carrying amounts of the asset may not be recoverable ("triggering events"). Management evaluates various qualitative factors in determining whether or not events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Potential events or circumstances include but are not limited to reduction in economically recoverable reserves or production ceasing on a property for an extended period, and other relevant information received from the operators, which may include operational or legal information that indicates production from mineral interests will not likely occur or may be significantly reduced in the future. Auditing the Partnership's impairment triggers assessment involved our subjective judgment because, in determining whether a triggering event occurred, significant uncertainty exists with judgments management utilizes regarding the likelihood of future production and the likelihood of potential contract renewals or modifications, which rely on reserve or other relevant information reported by the operators.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Partnership's impairment assessment process. We tested controls over the Partnership's process for identifying and evaluating potential triggers of impairment and related significant judgments. To test the Partnership's impairment assessment, our audit procedures included, among others, making inquiries of management (including personnel in operations) to understand changes in business, and evaluating the significant judgments and operating data used in the Partnership's assessment. Specifically, we corroborated reserve information to reserve studies when available. Additionally, we inspected the cancellation or significant modification of royalty-based lease contracts. We searched for and evaluated other publicly available information, such as legislative or regulatory changes and bankruptcy filings, that corroborates or contradicts management's assessment.

/s/ Ernst & Young LLP

We have served as the Partnership's auditor since 2002.

Houston, Texas
March 15, 2022

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Managers and Members of
Sisecam Wyoming LLC
Atlanta, Georgia

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Sisecam Wyoming LLC (the "Company") as of December 31, 2021 and 2020, the related statements of operations and comprehensive income, members' equity, and cash flows for each of the three years in the period ended December 31, 2021, and the related notes that are included in Exhibit 99.1 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Agreements and Transactions with Affiliates – Refer to Notes 1, 2, 8, 12, and 13 to the financial statements

Critical Audit Matter Description

The Company is a subsidiary and investee within two different global group structures and agreements directly between the Company and affiliates, or indirectly between affiliates that the Company does not control, can have a significant impact on recorded amounts or disclosures in the Company's financial statements, including any commitments and contingencies between the Company and affiliates or, potentially, third parties. Performing audit procedures to evaluate the Company’s identification of upstream affiliate relationships, transactions, and commitments and contingencies originating outside of the Ciner Enterprises, Inc. group and the impact of such matters on the financial statements represents a critical audit matter because of the increased auditor judgment necessary to perform audit procedures related to these matters and evaluate the results of those procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Company’s identification of upstream affiliate relationships, transactions, and commitments and contingencies outside of the Ciner Enterprises, Inc. group and the impact of such matters on the financial statements included the following, among others:

- We tested the effectiveness of controls over the Company’s affiliate process, including controls over the identification of the Company’s affiliate relationships, transactions, and commitments and contingencies originating outside of the Ciner Enterprises, Inc. group.
- We read publicly available financial filings and news sources related to the Company and its affiliates outside of the Ciner Enterprises, Inc. group and listened to the parent company (Sisecam Resources LP) quarterly investor relations calls for information related to potential new affiliates and transactions between the Company and affiliates.
- We inspected director and executive officer questionnaires from the Sisecam Resources LP's directors and officers to identify any affiliate matters.
- We searched the general ledger for potential transactions with affiliates.
- We read significant new or amended agreements and contracts of the Company to identify new affiliate relationships, transactions, or commitments and contingencies, and evaluated management’s analyses regarding the accounting and disclosure of such arrangements.
- We inquired of executive officers, key members of management, and the Board of Managers regarding affiliate relationships, transactions and commitments and contingencies.
- We confirmed with the Company's ultimate parent companies that the affiliate relationships, transactions, and commitments and contingencies identified and disclosed by the Company were complete.

/s/ Deloitte & Touche LLP

Atlanta, Georgia
March 15, 2022

We have served as the Company’s auditor since 2008.

NATURAL RESOURCE PARTNERS L.P.
CONSOLIDATED BALANCE SHEETS

	December 31,	
(In thousands, except unit data)	**2021**	**2020**
ASSETS		
Current assets		
Cash and cash equivalents	$ 135,520	$ 99,790
Accounts receivable, net	24,538	12,322
Other current assets, net	2,723	5,080
Total current assets	$ 162,781	$ 117,192
Land	24,008	24,008
Mineral rights, net	437,697	460,373
Intangible assets, net	16,130	17,459
Equity in unconsolidated investment	276,004	262,514
Long-term contract receivable, net	31,371	33,264
Other long-term assets, net	5,832	7,067
Total assets	$ 953,823	$ 921,877
LIABILITIES AND CAPITAL		
Current liabilities		
Accounts payable	$ 1,956	$ 1,385
Accrued liabilities	10,297	7,733
Accrued interest	1,213	1,714
Current portion of deferred revenue	11,817	11,485
Current portion of long-term debt, net	39,102	39,055
Total current liabilities	$ 64,385	$ 61,372
Deferred revenue	50,045	50,069
Long-term debt, net	394,443	432,444
Other non-current liabilities	5,018	5,131
Total liabilities	$ 513,891	$ 549,016
Commitments and contingencies (see Note 15)		
Class A Convertible Preferred Units (269,321 and 253,750 units issued and outstanding at December 31, 2021 and 2020, respectively, at $1,000 par value per unit; liquidation preference of $1,850 per unit at December 31, 2021 and $1,700 per unit per unit at December 31, 2020)	$ 183,908	$ 168,337
Partners' capital		
Common unitholders' interest (12,351,306 and 12,261,199 units issued and outstanding at December 31, 2021 and 2020, respectively)	$ 203,062	$ 136,927
General partner's interest	1,787	459
Warrant holders' interest	47,964	66,816
Accumulated other comprehensive income	3,211	322
Total partners' capital	$ 256,024	$ 204,524
Total liabilities and partners' capital	$ 953,823	$ 921,877

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

NATURAL RESOURCE PARTNERS L.P.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In thousands, except per unit data)	For the Year Ended December 31, 2021	2020	2019
Revenues and other income			
Royalty and other mineral rights	$ 185,196	$ 120,166	$ 191,069
Transportation and processing services	9,052	8,845	19,279
Equity in earnings of Sisecam Wyoming	21,871	10,728	47,089
Gain on asset sales and disposals	245	581	6,498
Total revenues and other income	$ 216,364	$ 140,320	$ 263,935
Operating expenses			
Operating and maintenance expenses	$ 27,049	$ 24,795	$ 32,738
Depreciation, depletion and amortization	19,075	9,198	14,932
General and administrative expenses	17,360	14,293	16,730
Asset impairments	5,102	135,885	148,214
Total operating expenses	$ 68,586	$ 184,171	$ 212,614
Income (loss) from operations	$ 147,778	$ (43,851)	$ 51,321
Other expenses, net			
Interest expense, net	$ (38,876)	$ (40,968)	$ (47,453)
Loss on extinguishment of debt	—	—	(29,282)
Total other expenses, net	$ (38,876)	$ (40,968)	$ (76,735)
Net income (loss) from continuing operations	$ 108,902	$ (84,819)	$ (25,414)
Income from discontinued operations	—	—	956
Net income (loss)	$ 108,902	$ (84,819)	$ (24,458)
Less: income attributable to preferred unitholders	(31,609)	(30,225)	(30,000)
Net income (loss) attributable to common unitholders and the general partner	$ 77,293	$ (115,044)	$ (54,458)
Net income (loss) attributable to common unitholders	$ 75,747	$ (112,743)	$ (53,369)
Net income (loss) attributable to the general partner	1,546	(2,301)	(1,089)
Income (loss) from continuing operations per common unit (see Note 6)			
Basic	$ 6.14	$ (9.20)	$ (4.43)
Diluted	4.81	(9.20)	(4.43)
Net income (loss) per common unit (see Note 6)			
Basic	$ 6.14	$ (9.20)	$ (4.35)
Diluted	4.81	(9.20)	(4.35)
Net income (loss)	$ 108,902	$ (84,819)	$ (24,458)
Comprehensive income from unconsolidated investment and other	2,889	2,916	868
Comprehensive income (loss)	$ 111,791	$ (81,903)	$ (23,590)

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

NATURAL RESOURCE PARTNERS L.P.
CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL

(In thousands)	Common Unitholders Units	Common Unitholders Amounts	General Partner	Warrant Holders	Accumulated Other Comprehensive Income (Loss)	Partners' Capital Excluding Non-Controlling Interest	Non-Controlling Interest	Total Capital
Balance at December 31, 2018	12,249	$ 355,113	$ 5,014	$ 66,816	$ (3,462)	$ 423,481	$ (2,935)	$ 420,546
Net loss (1)	—	(23,969)	(489)	—	—	(24,458)	—	(24,458)
Distributions to common unitholders and the general partner	—	(32,487)	(663)	—	—	(33,150)	—	(33,150)
Distributions to preferred unitholders	—	(29,400)	(600)	—	—	(30,000)	—	(30,000)
Issuance of unit-based awards	12	486	—	—	—	486	—	486
Unit-based awards amortization and vesting	—	1,804	—	—	—	1,804	—	1,804
Comprehensive income (loss) from unconsolidated investment and other	—	(76)	8	—	868	800	—	800
Balance at December 31, 2019	12,261	$ 271,471	$ 3,270	$ 66,816	$ (2,594)	$ 338,963	$ (2,935)	$ 336,028
Cumulative effect of adoption of accounting standard	—	(3,833)	(78)	—	—	(3,911)	—	(3,911)
Net loss (2)	—	(83,123)	(1,696)	—	—	(84,819)	—	(84,819)
Distributions to common unitholders and the general partner	—	(16,552)	(338)	—	—	(16,890)	—	(16,890)
Distributions to preferred unitholders	—	(29,511)	(602)	—	—	(30,113)	—	(30,113)
Acquisition of non-controlling interest in BRP	—	(4,747)	(97)	—	—	(4,844)	2,935	(1,909)
Unit-based awards amortization and vesting	—	3,222	—	—	—	3,222	—	3,222
Comprehensive income from unconsolidated investment and other	—	—	—	—	2,916	2,916	—	2,916
Balance at December 31, 2020	12,261	$ 136,927	$ 459	$ 66,816	$ 322	$ 204,524	$ —	$ 204,524
Net income (3)	—	106,724	2,178	—	—	108,902	—	108,902
Distributions to common unitholders and the general partner	—	(22,192)	(453)	—	—	(22,645)	—	(22,645)
Distributions to preferred unitholders	—	(30,519)	(623)	—	—	(31,142)	—	(31,142)
Issuance of unit-based awards	90	—	—	—	—	—	—	—
Unit-based awards amortization and vesting	—	2,647	—	—	—	2,647	—	2,647
Capital contribution	—	—	32	—	—	32	—	32
Warrant settlement	—	9,475	194	(18,852)	—	(9,183)	—	(9,183)
Comprehensive income from unconsolidated investment and other	—	—	—	—	2,889	2,889	—	2,889
Balance at December 31, 2021	12,351	$ 203,062	$ 1,787	$ 47,964	$ 3,211	$ 256,024	$ —	$ 256,024

(1) Net loss includes $30.0 million of income attributable to preferred unitholders that accumulated during the period, of which $29.4 million is allocated to the common unitholders and $0.6 million is allocated to the general partner. (2) Net loss includes $30.2 million of income attributable to preferred unitholders that accumulated during the period, of which $29.6 million is allocated to the common unitholders and $0.6 million is allocated to the general partner. (3) Net income includes $31.6 million of income attributable to preferred unitholders that accumulated during the period, of which $31.0 million is allocated to the common unitholders and $0.6 million is allocated to the general partner.

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

NATURAL RESOURCE PARTNERS L.P.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended December 31,		
(In thousands)	**2021**	**2020**	**2019**
Cash flows from operating activities			
Net income (loss)	$ 108,902	$ (84,819)	$ (24,458)
Adjustments to reconcile net income (loss) to net cash provided by operating activities of continuing operations:			
Depreciation, depletion and amortization	19,075	9,198	14,932
Distributions from unconsolidated investment	11,270	14,210	31,850
Equity earnings from unconsolidated investment	(21,871)	(10,728)	(47,089)
Gain on asset sales and disposals	(245)	(581)	(6,498)
Loss on extinguishment of debt	—	—	29,282
Income from discontinued operations	—	—	(956)
Asset impairments	5,102	135,885	148,214
Bad debt expense	2,572	4,001	7,462
Unit-based compensation expense	4,039	3,570	2,361
Amortization of debt issuance costs and other	2,265	1,323	3,687
Change in operating assets and liabilities:			
Accounts receivable	(14,415)	12,853	(6,035)
Accounts payable	570	207	(1,234)
Accrued liabilities	3,020	(2,205)	(3,656)
Accrued interest	(501)	(602)	(12,029)
Deferred revenue	307	9,733	(732)
Other items, net	1,714	(4,477)	2,218
Net cash provided by operating activities of continuing operations	$ 121,804	$ 87,568	$ 137,319
Net cash provided by (used in) operating activities of discontinued operations	—	1,706	(8)
Net cash provided by operating activities	$ 121,804	$ 89,274	$ 137,311
Cash flows from investing activities			
Proceeds from asset sales and disposals	$ 249	$ 623	$ 6,500
Return of long-term contract receivable	2,163	2,122	1,743
Acquisition of non-controlling interest in BRP	—	(1,000)	—
Acquisition of mineral rights	—	—	(22)
Net cash provided by investing activities of continuing operations	$ 2,412	$ 1,745	$ 8,221
Net cash used in investing activities of discontinued operations	—	(65)	(629)
Net cash provided by investing activities	$ 2,412	$ 1,680	$ 7,592
Cash flows from financing activities			
Debt borrowings	$ —	$ —	$ 300,000
Debt repayments	(39,396)	(46,176)	(463,082)
Distributions to common unitholders and the general partner	(22,645)	(16,890)	(33,150)
Distributions to preferred unitholders	(15,571)	(26,363)	(30,000)
Warrant settlement	(9,183)	—	—
Acquisition of non-controlling interest in BRP	(1,000)	—	—
Contributions from (to) discontinued operations	—	1,641	(637)
Other items	(691)	—	(26,436)
Net cash used in financing activities of continuing operations	$ (88,486)	$ (87,788)	$ (253,305)
Net cash provided by (used in) financing activities of discontinued operations	—	(1,641)	637
Net cash used in financing activities	$ (88,486)	$ (89,429)	$ (252,668)
Net increase (decrease) in cash and cash equivalents	$ 35,730	$ 1,525	$ (107,765)
Cash and cash equivalents of continuing operations at beginning of period	99,790	98,265	206,030
Cash and cash equivalents at end of period	$ 135,520	$ 99,790	$ 98,265

NATURAL RESOURCE PARTNERS L.P.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended December 31,		
(In thousands)	**2021**	**2020**	**2019**
Supplemental cash flow information:			
Cash paid for interest	$ 37,378	$ 39,830	$ 58,597
Non-cash investing and financing activities:			
Plant, equipment, mineral rights and other funded with accounts payable or accrued liabilities	$ —	$ 970	$ —
Preferred unit distributions paid-in-kind	15,571	3,750	—

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

NATURAL RESOURCE PARTNERS L.P.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Nature of Operations

Natural Resource Partners L.P. (the "Partnership"), a Delaware limited partnership, was formed in April 2002. The general partner of the Partnership is NRP (GP) LP ("NRP GP"), a Delaware limited partnership, whose general partner is GP Natural Resource Partners LLC, a Delaware limited liability company. The Partnership engages principally in the business of owning, managing and leasing a diversified portfolio of mineral properties in the United States, including interests in coal and other natural resources and owns a non-controlling 49% interest in Sisecam Wyoming LLC ("Sisecam Wyoming"), formerly known as Ciner Wyoming, a trona ore mining and soda ash production business. The Partnership is organized into two operating segments further described in Note 7. Segment Information. As used in these Notes to Consolidated Financial Statements, the terms "NRP," "we," "us" and "our" refer to Natural Resource Partners L.P. and its subsidiaries, unless otherwise stated or indicated by context.

The Partnership's operations are conducted through, and its operating assets are owned by, its subsidiaries. The Partnership owns its subsidiaries through one wholly owned operating company, NRP (Operating) LLC ("Opco"). NRP GP has sole responsibility for conducting the Partnership's business and for managing its operations. Because NRP GP is a limited partnership, its general partner, GP Natural Resource Partners LLC, conducts its business and operations, and the board of directors and officers of GP Natural Resource Partners LLC makes decisions on its behalf. Robertson Coal Management LLC ("RCM"), a limited liability company wholly owned by Corbin J. Robertson, Jr., owns all of the membership interest in GP Natural Resource Partners LLC. Subject to the Board Representation and Observation Rights Agreement with certain entities controlled by funds affiliated with Blackstone Inc. (collectively referred to as "Blackstone") and affiliates of GoldenTree Asset Management LP (collectively referred to as "GoldenTree"), RCM is entitled to appoint the directors of the Board of Directors of GP Natural Resource Partners LLC (the "Board of Directors"). RCM has delegated the right to appoint one director to Blackstone.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Consolidated Financial Statements of the Partnership have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP"). The Consolidated Financial Statements include the accounts of Natural Resource Partners L.P. and its wholly owned subsidiaries. The Partnership has an equity investment in Sisecam Wyoming through which it is able to exercise significant influence over but does not control the investee and is not the primary beneficiary of the investee's activities and is accounted for using the equity method. Intercompany transactions and balances have been eliminated. Certain reclassifications have been made to prior year amounts in the Notes to Consolidated Financial Statements to conform with current year presentation. These reclassifications had no impact on previously reported total assets, total liabilities, partners' capital, net income (loss) or cash flows from operating, investing or financing activities.

Use of Estimates

Preparation of the accompanying financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the accompanying Consolidated Balance Sheets, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses on the accompanying Consolidated Statements of Comprehensive Income (Loss) during the reporting period. Actual results could differ from those estimates. The most significant estimates pertain to coal and aggregates mineral rights and related cash flow estimates which are used to compute depreciation, depletion and amortization and impairments of coal and aggregates properties and related intangible assets and commitments and contingencies.

Fair Value

The Partnership discloses certain assets and liabilities using fair value as defined by authoritative guidance. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 12. Fair Value Measurements for further details.

There are three levels of inputs that may be used to measure fair value:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial assets and liabilities whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Cash and Cash Equivalents

The Partnership considers all highly liquid short-term investments with an original maturity of three months or less to be cash equivalents

Allowance for Doubtful Accounts

The Partnership records an allowance for doubtful accounts for its accounts receivable and notes receivable comprised of estimated credit risk and non-credit risk (e.g., legal disputes) losses. Receivables are written off when collection efforts are exhausted and future recovery is doubtful. The Partnership includes an allowance for current expected credit losses ("CECL") on its financial assets based on the loss-rate method. NRP assesses the likelihood of collection of its receivables utilizing historical loss rates, current market conditions that include the estimated impact of the global COVID-19 pandemic, industry and macroeconomic factors, reasonable and supportable forecasts and facts or circumstances of individual customers and properties. See Note 18. Credit Losses for more information. The total allowance related to accounts receivables included in accounts receivables, net on the Partnership's Consolidated Balance Sheets was $3.2 million and $1.7 million at December 31, 2021 and 2020, respectively. The total allowance related to short-term notes receivables included in other current assets, net on the Partnership's Consolidated Balance Sheets was $0.1 million and $0.6 million at December 31, 2021 and 2020, respectively. The total allowance related to the Partnership's long-term financing receivable included in long-term contract receivable, net on the Consolidated Balance Sheets was $1.1 million and $1.6 million at December 31, 2021 and 2020, respectively. The Partnership recorded bad debt expense of $2.6 million, $4.0 million and $7.5 million included in operating and maintenance expenses on its Consolidated Statements of Comprehensive Income (Loss) for the year ended December 31, 2021, 2020 and 2019, respectively.

Mineral Rights

Mineral rights owned and leased are recorded at its original cost of construction or, upon acquisition, at fair value of the assets acquired. Coal and aggregates mineral rights are depleted on a unit-of-production basis by lease, based upon minerals mined in relation to the net cost of the mineral properties and estimated economic tonnage therein.

Intangible Assets

The Partnership’s intangible assets consist of mineral royalty and transportation contracts that at acquisition were more favorable for the Partnership than prevailing market rates, known as above-market contracts. The estimated fair value of the above-market rate contracts are determined based on the present value of future cash flow projections related to the underlying assets acquired. Intangible assets are amortized on a unit-of-production basis by asset based upon minerals mined or transported in relation to the net book value of the intangible asset and estimated economic tonnage expected to be mined or transported during the above-market contract term.

Asset Impairment

The Partnership has developed procedures to evaluate its long-lived assets, including intangible assets, for possible impairment periodically or whenever events or changes in circumstances indicate an asset's net book value may not be recoverable. Potential events or circumstances include, but are not limited to, specific events such as a reduction in economically recoverable tons or production ceasing on a property for an extended period. This analysis is based on historic, current and future performance and considers both quantitative and qualitative information. A long-lived asset is deemed impaired when the future expected undiscounted cash flows from its use and disposition is less than the asset's net book value. Impairment is measured based on the estimated fair value, which is usually determined based upon the present value of the projected future cash flows compared to the asset's net book value. The Partnership believes its estimates of cash flows and discount rates are consistent with those of principal market participants.

The Partnership evaluates its equity investment for impairment when events or changes in circumstances indicate, in management's judgment, that the carrying value of such investment may have experienced an other-than-temporary decline in value. When evidence of loss in value has occurred, management compares the estimated fair value of the investment to the carrying value of the investment to determine whether potential impairment has occurred. If the estimated fair value is less than the carrying value and management considers the decline in value to be other than temporary, the excess of the carrying value over the estimated fair value is recognized in the financial statements as an impairment loss. The fair value of the impaired investment is based on quoted market prices (Level 1), or upon the present value of expected cash flows using discount rates believed to be consistent with those used by principal market participants (Level 3), plus market analysis of comparable assets owned by the investee, if appropriate (Level 3).

Accrued Liabilities

Included in accrued liabilities on the Partnership's Consolidated Balance Sheets at December 31, 2021 were $7.7 million of accrued employee costs and $2.6 million of other accrued liabilities, which includes property taxes. These amounts were $3.7 million and $4.0 million of accrued employee costs and other accrued liabilities, respectively, at December 31, 2020. Other accrued liabilities at December 31, 2020 primarily included property taxes.

Revenue Recognition

Mineral Rights Segment Revenues

Royalty-based leases. Approximately two-thirds of the Partnership's royalty-based leases have initial terms of five to 40 years, with substantially all lessees having the option to extend the lease for additional terms. For these types of leases, the lessees generally make payments to NRP based on the greater of a percentage of the gross sales price or a fixed price per ton of mineral mined and sold. Most of NRP's coal and aggregates royalty leases require the lessee to pay quarterly or annual minimum amounts, either made in advance or arrears, which are generally recoupable through actual royalty production over certain time periods that generally range from three to five years.

The Partnership has defined its coal and aggregates royalty lease performance obligation as providing the lessee the right to mine and sell its coal or aggregates over the lease term. NRP then evaluated the likelihood that consideration it expected to receive from its lessees resulting from production would exceed consideration expected to be received from minimum payments over the lease term.

As a result of this evaluation, revenue recognition from the Partnership's royalty-based leases is based on either production or minimum payments as follows:

- **Production Leases**: Leases for which the Partnership expects that consideration from production will be greater than consideration from minimums over the lease term. Revenue for these leases is recognized over time based on production as royalty revenues, as applicable. Deferred revenue from minimums is recognized as royalty revenues when recoupment occurs or as production lease minimum revenues when the recoupment period expires. In addition, NRP recognizes breakage revenue from minimums when NRP determines that recoupment is remote. This breakage revenue is included in production lease minimum revenues.
- **Minimum Leases**: Leases for which the Partnership expects that consideration from minimums will be greater than consideration from production over the lease term. Revenue for these leases is recognized straight-line over the lease term based on the minimum consideration amount as minimum lease straight-line revenues.

This evaluation is performed at the inception of the lease and only reassessed upon modification or renewal of the lease.

Oil and gas related revenues consist of revenues from royalties and overriding royalties and are recognized on the basis of volume of hydrocarbons sold by lessees and the corresponding revenues from those sales. Also, included within oil and gas royalty revenues are lease bonus payments, which are generally paid upon the execution of a lease. The Partnership also has overriding royalty revenue interests in certain coal mineral rights. Revenue from these interests is recognized over time based on when the coal is sold.

Forest CO_2 sequestration revenues. Revenues related to the sale of NRP's carbon offset credits that are recognized at a point in time upon execution of the transaction.

Wheelage revenues. Revenues related to fees collected per ton to transport foreign coal across property owned by the Partnership that is recognized over time as transportation across the property occurs.

Other revenues. Other revenues consists primarily of rental payments and surface damage fees related to certain land owned by the Partnership and are recognized straight-line over time as it is earned. Other revenues also include property tax revenues. The majority of property taxes paid on the Partnership's properties are reimbursable by the lessee and are recognized on a gross basis over time which reflects the reimbursement of property taxes by the lessee. Property taxes paid by NRP are included in operating and maintenance expenses on the Partnership's Consolidated Statements of Comprehensive Income (Loss).

Transportation and processing services revenues. The Partnership owns transportation and processing infrastructure that is leased to third parties for throughput fees. Revenue is recognized over time based on the coal tons transported over the beltlines or processed through the facilities.

Contract Modifications

Contract modifications that impact goods or services or the transaction price are evaluated in accordance with ASC 606. A majority of the Partnership's contract modifications pertain to its coal and aggregates royalty contracts and include, but are not limited to, extending the lease term, changes to royalty rates, floor prices or minimum consideration, assignment of the contract or forfeiture of recoupment rights. Consideration received in conjunction with a modification of an ongoing lease will be deferred and recognized straight-line over the remaining term of the contract. Consideration received to assign a lease to another party and related forfeited minimums will be recognized immediately upon the termination of the contract. Fees from contract modifications are recognized in lease amendment revenues within royalty and other mineral rights revenues on the Consolidated Statements of Comprehensive Income (Loss) while modifications in royalty rates and minimums will be recognized prospectively in accordance with the above lease classification.

Contract Assets and Liabilities from Contracts with Customers

Contract assets include receivables from contracts with customers and are recorded when the right to consideration becomes unconditional. Receivables are recognized when the minimums are contractually owed, production occurs or minimums accrued for based on the passage of time.

Contract liabilities represent minimum consideration received, contractually owed or earned based on the passage of time. The current portion of deferred revenue relates to deferred revenue on minimum leases and lease amendment fees that are to be recognized as revenue on a straight-line basis over the next twelve months. The long-term portion of deferred revenue relates to deferred revenue on production leases and lease amendment fees that are to be recognized as revenue on a straight-line basis beyond the next twelve months. Due to uncertainty in the amount of deferred revenue that will be recouped and recognized as coal royalty revenues from its production leases over the next twelve months, the Partnership is unable to estimate the current portion of deferred revenue.

Equity in Earnings of Sisecam Wyoming

The Partnership accounts for non-marketable equity investments using the equity method of accounting if the investment gives it the ability to exercise significant influence over, but not control of, an investee. The Partnership's 49% investment in Sisecam Wyoming is accounted for using this method. Under the equity method of accounting, investments are stated at initial cost and are adjusted for subsequent additional investments and the proportionate share of earnings or losses and distributions. The basis difference between the investment and the proportional share of investee's net assets is attributed to net tangible assets and is amortized over its estimated useful life. The carrying value in Sisecam Wyoming is recognized in equity in unconsolidated investment on the Partnership's Consolidated Balance Sheets. The Partnership's adjusted share of the earnings or losses of Sisecam Wyoming and amortization of the basis difference is recognized in equity in earnings of Sisecam Wyoming on the Consolidated Statements of Comprehensive Income (Loss). The Partnership decreases its investment for its proportional share of distributions received from Sisecam Wyoming. These cash flows are reported utilizing the cumulative earnings approach. Under this approach, distributions received are considered returns on investment and classified as operating cash inflows unless the cumulative distributions received exceed the Partnership's cumulative equity in earnings. The excess of cumulative distributions received over the Partnership's cumulative equity in earnings are considered returns of investment and classified as investing cash inflows.

Property Taxes

The Partnership is responsible for paying property taxes on the properties it owns. Typically, the lessees are contractually responsible for reimbursing the Partnership for property taxes on the leased properties. The payment of and reimbursement of property taxes is included in operating and maintenance expenses and in royalty and other mineral rights revenues, respectively, on the Consolidated Statements of Comprehensive Income (Loss).

Unit-Based Compensation

The Partnership has awarded unit-based compensation in the form of equity-based awards and phantom units. Compensation cost is measured at the grant date for equity-classified awards and remeasured each reporting period for liability-classified awards based on the fair value of an award and is recognized over the service period, which is generally the vesting period. Forfeitures are recognized as they occur. Unit-based compensation expense for all awards is recognized in general and administrative expenses and operating and maintenance expenses on the Consolidated Statements of Comprehensive Income (Loss). See Note 16. Unit-Based Compensation for more information.

Deferred Financing Costs

Deferred financing costs consist of legal and other costs related to the issuance of the Partnership's debt. These costs are amortized over the term of the respective line-of-credit or debt arrangements. Deferred financing costs related to the Partnership's revolving credit facility are included in other long-term assets, net on the Partnership's Consolidated Balance Sheets. Deferred financing costs related to the Partnership's note agreements are included as a direct deduction from the carrying amount of the debt liability in current portion of long-term debt, net or long-term debt, net on the Partnership's Consolidated Balance Sheets.

Income Taxes

The Partnership is not subject to federal or material state income taxes as the unitholders are taxed individually on their allocable share of taxable income. Net income (loss) for financial statement purposes may differ significantly from taxable income reportable to unitholders as a result of differences between the tax basis and financial reporting basis of assets and liabilities. In the event of an examination of the Partnership's tax return, the tax liability of the unitholders could be changed if an adjustment in the Partnership's income is ultimately sustained by the taxing authorities.

3. Revenues from Contracts with Customers

The following table represents the Partnership's Mineral Rights segment revenues by major source:

(In thousands)	For the Year Ended December 31, 2021	2020	2019
Coal royalty revenues	$ 104,089	$ 51,868	$ 109,612
Production lease minimum revenues	14,269	21,749	24,068
Minimum lease straight-line revenues	20,564	16,796	14,910
Forest CO_2 sequestration revenues	13,790	—	—
Property tax revenues	6,028	5,786	6,287
Wheelage revenues	10,065	7,025	5,880
Coal overriding royalty revenues	4,367	4,977	13,496
Lease amendment revenues	4,696	3,450	7,991
Aggregates royalty revenues	1,889	1,717	4,265
Oil and gas royalty revenues	4,506	5,816	3,031
Other revenues	933	982	1,529
Royalty and other mineral rights revenues	$ 185,196	$ 120,166	$ 191,069
Transportation and processing services revenues (1)	9,052	8,845	19,279
Total Mineral Rights segment revenues	$ 194,248	$ 129,011	$ 210,348

(1) Transportation and processing services revenues from contracts with customers as defined under ASC 606 was $5.4 million, $5.0 million and $9.6 million for the year ended December 31, 2021, 2020 and 2019, respectively. The remaining transportation and processing services revenues of $3.6 million, $3.8 million and $9.7 million for the year ended December 31, 2021, 2020 and 2019, respectively, related to other NRP-owned infrastructure leased to and operated by third-party operators accounted for under other guidance. See Note 17. Financing Transaction for more information.

The following table details the Partnership's Mineral Rights segment receivables and liabilities resulting from contracts with customers:

(In thousands)	December 31, 2021	2020
Receivables		
Accounts receivable, net	$ 22,277	$ 10,193
Other current assets, net (1)	769	3,307
Other long-term assets, net (2)	250	525
Contract liabilities		
Current portion of deferred revenue	$ 11,817	$ 11,485
Deferred revenue	50,045	50,069

(1) Other current assets, net includes short-term notes receivables from contracts with customers.

(2) Other long-term assets, net includes long-term lease amendment fee receivables from contracts with customers.

The following table shows the activity related to the Partnership's Mineral Rights segment deferred revenue:

	For the Year Ended December 31,		
(In thousands)	2021	2020	2019
Balance at beginning of period (current and non-current)	$ 61,554	$ 51,821	$ 52,553
Increase due to minimums and lease amendment fees	19,842	41,557	47,038
Recognition of previously deferred revenue	(19,534)	(31,824)	(47,770)
Balance at end of period (current and non-current)	$ 61,862	$ 61,554	$ 51,821

The Partnership's non-cancelable annual minimum payments due under the lease terms of its coal and aggregates royalty and overriding royalty leases are as follows as of December 31, 2021 (in thousands):

Lease Term [(1)]	Weighted Average Remaining Years	Annual Minimum Payments
0 - 5 years	2.6	$ 18,341
5 - 10 years	4.1	6,823
10+ years	13.5	28,069
Total	8.6	$ 53,233

(1) Lease term does not include renewal periods.

4. Class A Convertible Preferred Units and Warrants

On March 2, 2017, NRP issued $250 million of Class A Convertible Preferred Units representing limited partner interests in NRP (the "preferred units") to certain entities controlled by funds affiliated with The Blackstone Group Inc. (collectively referred to as "Blackstone") and certain affiliates of GoldenTree Asset Management LP (collectively referred to as "GoldenTree") (together the "preferred purchasers") pursuant to a Preferred Unit and Warrant Purchase Agreement. NRP issued 250,000 preferred units to the preferred purchasers at a price of $1,000 per preferred unit (the "per unit purchase price"), less a 2.5% structuring and origination fee. The preferred units entitle the preferred purchasers to receive cumulative distributions at a rate of 12% of the purchase price per year, up to one half of which NRP may pay in additional preferred units (such additional preferred units, the "PIK units"). The preferred units have a perpetual term, unless converted or redeemed as described below.

NRP also issued two tranches of warrants (the "warrants") to purchase common units to the preferred purchasers (warrants to purchase 1.75 million common units with a strike price of $22.81 and warrants to purchase 2.25 million common units with a strike price of $34.00). The warrants may be exercised by the holders thereof at any time before the eighth anniversary of the closing date. Upon exercise of the warrants, NRP may, at its option, elect to settle the warrants in common units or cash, each on a net basis.

After March 2, 2022 and prior to March 2, 2025, the holders of the preferred units may elect to convert up to 33% of the outstanding preferred units in any 12-month period into common units if the volume weighted average trading price of our common units (the "VWAP") for the 30 trading days immediately prior to date notice is provided is greater than $51.00. In such case, the number of common units to be issued upon conversion would be equal to the per unit purchase price plus the value of any accrued and unpaid distributions divided by an amount equal to a 7.5% discount to the VWAP for the 30 trading days immediately prior to the notice of conversion. Rather than have the preferred units convert to common units in accordance with the provisions of this paragraph, NRP would have the option to elect to redeem the preferred units proposed to be converted for cash at a price equal to the per unit purchase price plus the value of any accrued and unpaid distributions.

On or after March 2, 2025, the holders of the preferred units may elect to convert the preferred units to common units at a conversion rate equal to the Liquidation Value divided by an amount equal to a 10% discount to the VWAP for the 30 trading days immediately prior to the notice of conversion. The “liquidation value” will be an amount equal to the greater of: (1) (a) the per unit purchase price multiplied by (i) prior to March 2, 2020, 1.50, (ii) on or after March 2, 2020 and prior to March 2, 2021, 1.70 and (iii) on or after March 2, 2021, 1.85, less (b)(i) all preferred unit distributions previously made by NRP and (ii) all cash payments previously made in respect of redemption of any PIK units; and (2) the per unit purchase price plus the value of all accrued and unpaid distributions.

To the extent the holders of the preferred units have not elected to convert their preferred units before March 2, 2029, NRP has the right to force conversion of the preferred units at a price equal to the liquidation value divided by an amount equal to a 10% discount to the VWAP for the 30 trading days immediately prior to the notice of conversion.

In addition, NRP has the ability to redeem at any time (subject to compliance with its debt agreements) all or any portion of the preferred units and any outstanding PIK units for cash. The redemption price for each outstanding PIK unit is $1,000 plus the value of any accrued and unpaid distributions per PIK unit. The redemption price for each preferred unit is the liquidation value divided by the number of outstanding preferred units. The preferred units are redeemable at the option of the preferred purchasers only upon a change in control.

The terms of the preferred units contain certain restrictions on NRP's ability to pay distributions on its common units. To the extent that either (i) NRP's consolidated Leverage Ratio, as defined in the Partnership's Fifth Amended and Restated Partnership Agreement dated March 2, 2017 (the "restated partnership agreement"), is greater than 3.25x, or (ii) the ratio of NRP's Distributable Cash Flow (as defined in the Restated Partnership Agreement) to cash distributions made or proposed to be made is less than 1.2x (in each case, with respect to the most recently completed four-quarter period), NRP may not increase the quarterly distribution above $0.45 per quarter without the approval of the holders of a majority of the outstanding preferred units. In addition, if at any time after January 1, 2022, any PIK units are outstanding, NRP may not make distributions on its common units until it has redeemed all PIK units for cash.

The holders of the preferred units have the right to vote with holders of NRP's common units on an as-converted basis and have other customary approval rights with respect to changes of the terms of the preferred units. In addition, Blackstone has certain approval rights over certain matters as identified in the restated partnership agreement. GoldenTree also has more limited approval rights that will expand once Blackstone's ownership goes below the minimum preferred unit threshold (as defined below). These approval rights are not transferrable without NRP's consent. In addition, the approval rights held by Blackstone and GoldenTree will terminate at such time that Blackstone (together with their affiliates) or GoldenTree (together with their affiliates), as applicable, no longer own at least 20% of the total number of preferred units issued on the closing date, together with all PIK units that have been issued but not redeemed (the "minimum preferred unit threshold").

At the closing, pursuant to the Board Representation and Observation Rights Agreement, the Preferred Purchasers received certain board appointment and observation rights, and Blackstone appointed one director and one observer to the Board of Directors.

NRP also entered into a registration rights agreement (the "preferred unit and warrant registration rights agreement") with the preferred purchasers, pursuant to which NRP is required to file (i) a shelf registration statement to register the common units issuable upon exercise of the warrants and to cause such registration statement to become effective not later than 90 days following the closing date and (ii) a shelf registration statement to register the common units issuable upon conversion of the preferred units and to cause such registration statement to become effective not later than the earlier of the fifth anniversary of the closing date or 90 days following the first issuance of any common units upon conversion of preferred units (the "registration deadlines"). In addition, the preferred unit and warrant registration rights agreement gives the preferred purchasers piggyback registration and demand underwritten offering rights under certain circumstances. The shelf registration statement to register the common units issuable upon exercise of the warrants became effective on April 20, 2017. If the shelf registration statement to register the common units issuable upon conversion of the preferred units is not effective by the applicable registration deadline, NRP will be required to pay the preferred purchasers liquidated damages in the amounts and upon the term set forth in the preferred unit and warrant registration rights agreement.

Accounting for the Preferred Units and Warrants

Classification

The preferred units are accounted for as temporary equity on NRP's Consolidated Balance Sheets due to certain contingent redemption rights that may be exercised at the election of preferred purchasers. The warrants are accounted for as equity on NRP's Consolidated Balance Sheets.

Initial Measurement

The net transaction price was allocated to the preferred units and warrants based on their relative fair values at inception date. NRP allocated the transaction issuance costs to the preferred units and warrants primarily on a pro-rata basis based on their relative inception date allocated values.

Subsequent Measurement

Subsequent adjustment of the preferred units will not occur until NRP has determined that the conversion or redemption of all or a portion of the preferred units is probable of occurring. Once conversion or redemption becomes probable of occurring, the carrying amount of the preferred units will be accreted to their redemption value over the period from the date the feature is probable of occurring to the date the preferred units can first be converted or redeemed.

Activity related to the preferred units is as follows:

(In thousands, except unit data)	Units Outstanding	Financial Position
Balance at December 31, 2018 and 2019	250,000	$ 164,587
Distribution paid-in-kind	3,750	3,750
Balance at December 31, 2020	253,750	$ 168,337
Distributions paid-in-kind	15,571	15,571
Balance at December 31, 2021	269,321	$ 183,908

Subsequent adjustment of the warrants will not occur until the warrants are exercised, at which time, NRP may, at its option, elect to settle the warrants in common units or cash, each on a net basis. The net basis will be equal to the difference between the Partnership's common unit price and the strike price of the warrant. Once warrant exercise occurs, the difference between the carrying amount of the warrants and the net settlement amount will be allocated on a pro-rata basis to the common unitholders and general partner. On November 10, 2021 (the "exercise date"), Blackstone exercised all of its 997,500 warrants with a strike price of $22.81 and NRP settled the warrants in cash on a net basis. NRP delivered the net cash settlement amount of $9.2 million. The 15-day VWAP ending on the business day prior to the exercise date was $32.02.

Activity related to the warrants is as follows:

(In thousands, except warrant data)	Warrants Outstanding	Financial Position
Balance at December 31, 2018, 2019 and 2020	4,000,000	$ 66,816
Warrant settlement	(997,500)	(18,852)
Balance at December 31, 2021	3,002,500	$ 47,964

Certain embedded features within the preferred unit and warrant purchase agreement are accounted for at fair value and are remeasured each quarter. See Note 12. Fair Value Measurements for further information regarding valuation of these embedded derivatives.

5. Common and Preferred Unit Distributions

The Partnership makes distributions to common and preferred unitholders on a quarterly basis, subject to approval by the Board of Directors. NRP recognizes both common unit and preferred unit distributions on the date the distribution is declared.

Distributions made on the common units and the general partner's general partner ("GP") interest are made on a pro-rata basis in accordance with their relative percentage interests in the Partnership. The general partner is entitled to receive 2% of such distributions.

Income (loss) available to common unitholders and the general partner is reduced by preferred unit distributions that accumulated during the period. NRP reduced net income (loss) available to common unitholders and the general partner by $31.6 million, $30.2 million and $30.0 million during the year ended December 31, 2021, 2020 and 2019, respectively as a result of accumulated preferred unit distributions earned during the period.

The following table shows the distributions declared and paid to common and preferred unitholders during the year ended December 31, 2021, 2020 and 2019, respectively:

		Cash Distributions				Paid-in-kind Distributions
		Common Units		Preferred Units		
Date Paid	Period Covered by Distribution	Distribution per Unit	Total Distribution [(1)] (In thousands)	Distribution per Unit	Total Distribution (In thousands)	Total Distribution (In units)
2021						
February 2021	October 1 - December 31, 2020	$ 0.45	$ 5,630	$ 15.00	$ 3,806	3,806
May 2021	January 1 - March 31, 2021	0.45	5,672	15.00	3,864	3,864
August 2021	April 1 - June 30, 2021	0.45	5,671	15.00	3,921	3,921
November 2021	July 1 - September 30, 2021	0.45	5,672	15.00	3,980	3,980
2020						
February 2020	October 1 - December 31, 2019	$ 0.45	$ 5,630	$ 30.00	$ 7,500	—
May 2020	January 1 - March 31, 2020	—	—	15.00	3,750	3,750
June 2020 [(2)]	January 1 - March 31, 2020	—	—	15.45	3,863	—
August 2020	April 1 - June 30, 2020	0.45	5,630	30.00	7,500	—
November 2020	July 1 - September 30, 2020	0.45	5,630	15.00	3,750	3,750
2019						
February 2019	October 1 - December 31, 2018	$ 0.45	$ 5,625	$ 30.00	$ 7,500	—
May 2019	January 1 - March 31, 2019	0.45	5,630	30.00	7,500	—
May 2019 [(3)]	Special Distribution	0.85	10,635	—	—	—
August 2019	April 1 - June 30, 2019	0.45	5,630	30.00	7,500	—
November 2019	July 1 - September 30, 2019	0.45	5,630	30.00	7,500	—

(1) Total common unit distribution includes the amount paid to NRP's general partner in accordance with the general partner's 2% general partner interest.

(2) Redemption of preferred units paid in kind plus accrued interest.

(3) Special distribution was made to cover the common unitholders' tax liability resulting from the sale of NRP's construction aggregates business in December 2018.

6. Net Income (Loss) Per Common Unit

Basic net income (loss) per common unit is computed by dividing net income (loss), after considering income attributable to preferred unitholders and the general partner’s general partner interest, by the weighted average number of common units outstanding. Diluted net income (loss) per common unit includes the effect of NRP's preferred units, warrants, and unvested unit-based awards if the inclusion of these items is dilutive.

The dilutive effect of the preferred units is calculated using the if-converted method. Under the if-converted method, the preferred units are assumed to be converted at the beginning of the period, and the resulting common units are included in the denominator of the diluted net income (loss) per unit calculation for the period being presented. Distributions declared in the period and undeclared distributions on the preferred units that accumulated during the period are added back to the numerator for purposes of the if-converted calculation. The calculation of diluted net income per common unit for the year ended December 31, 2021 includes the assumed conversion of the preferred units. The calculation of diluted net loss per common unit for the years ended December 31, 2020 and 2019 does not include the assumed conversion of the preferred units because the impact would have been anti-dilutive.

The dilutive effect of the warrants is calculated using the treasury stock method, which assumes that the proceeds from the exercise of these instruments are used to purchase common units at the average market price for the period. The calculation of diluted net income per common unit for the year ended December 31, 2021 includes the net settlement of warrants to purchase 0.75 million common units with a strike price of $22.81 but does not include the net settlement of warrants to purchase 2.25 million common units with a strike price of $34.00 because the impact would have been anti-dilutive. The calculation of diluted net loss per common unit for the years ended December 31, 2020 and 2019 does not include the net settlement of warrants to purchase 1.75 million common units with a strike price of $22.81 or the net settlement of warrants to purchase 2.25 million common units with a strike price of $34.00 because the impact would have been anti-dilutive.

The following tables reconcile the numerators and denominators of the basic and diluted net income (loss) per common unit computations and calculates basic and diluted net income (loss) per common unit:

	For the Year Ended December 31,		
(In thousands, except per unit data)	2021	2020	2019
Allocation of net income (loss)			
Net income (loss) from continuing operations	$ 108,902	$ (84,819)	$ (25,414)
Less: income attributable to preferred unitholders	(31,609)	(30,225)	(30,000)
Net income (loss) from continuing operations attributable to common unitholders and the general partner	$ 77,293	$ (115,044)	$ (55,414)
Add (less): net loss (income) from continuing operations attributable to the general partner	(1,546)	2,301	1,108
Net income (loss) from continuing operations attributable to common unitholders	$ 75,747	$ (112,743)	$ (54,306)
Net income from discontinued operations	$ —	$ —	$ 956
Less: net income from discontinued operations attributable to the general partner	—	—	(19)
Net income from discontinued operations attributable to common unitholders	$ —	$ —	$ 937
Net income (loss)	$ 108,902	$ (84,819)	$ (24,458)
Less: income attributable to preferred unitholders	(31,609)	(30,225)	(30,000)
Net income (loss) attributable to common unitholders and the general partner	$ 77,293	$ (115,044)	$ (54,458)
Add (less): net loss (income) attributable to the general partner	(1,546)	2,301	1,089
Net income (loss) attributable to common unitholders	$ 75,747	$ (112,743)	$ (53,369)
Basic income (loss) per common unit			
Weighted average common units—basic	12,337	12,261	12,260
Basic net income (loss) from continuing operations per common unit	$ 6.14	$ (9.20)	$ (4.43)
Basic net income from discontinued operations per common unit	$ —	$ —	$ 0.08
Basic net income (loss) per common unit	$ 6.14	$ (9.20)	$ (4.35)

(In thousands, except per unit data)	For the Year Ended December 31, 2021	2020	2019
Diluted income (loss) per common unit			
Weighted average common units—basic	12,337	12,261	12,260
Plus: dilutive effect of preferred units	9,604	—	—
Plus: dilutive effect of warrants	74	—	—
Plus: dilutive effect of unvested unit-based awards	178	—	—
Weighted average common units—diluted	22,193	12,261	12,260
Net income (loss) from continuing operations	$ 108,902	$ (84,819)	$ (25,414)
Less: income attributable to preferred unitholders	—	(30,225)	(30,000)
Diluted net income (loss) from continuing operations attributable to common unitholders and the general partner	$ 108,902	$ (115,044)	$ (55,414)
Add (less): net loss (income) from continuing operations attributable to the general partner	(2,178)	2,301	1,108
Diluted net income (loss) from continuing operations attributable to common unitholders	$ 106,724	$ (112,743)	$ (54,306)
Diluted net income from discontinued operations attributable to common unitholders	$ —	$ —	$ 937
Net income (loss)	$ 108,902	$ (84,819)	$ (24,458)
Less: income attributable to preferred unitholders	—	(30,225)	(30,000)
Diluted net income (loss) attributable to common unitholders and the general partner	$ 108,902	$ (115,044)	$ (54,458)
Add (less): diluted net loss (income) attributable to the general partner	(2,178)	2,301	1,089
Diluted net income (loss) attributable to common unitholders	$ 106,724	$ (112,743)	$ (53,369)
Diluted net income (loss) from continuing operations per common unit	$ 4.81	$ (9.20)	$ (4.43)
Diluted net income from discontinued operations per common unit	$ —	$ —	$ 0.08
Diluted net income (loss) per common unit	$ 4.81	$ (9.20)	$ (4.35)

7. Segment Information

The Partnership's segments are strategic business units that offer distinct products and services to different customers in different geographies within the U.S. and that are managed accordingly. NRP has the following two operating segments:

Mineral Rights (formerly named Coal Royalty and Other segment)—consists of mineral interests and other subsurface rights across the United States. NRP's ownership provides critical inputs for the manufacturing of steel, electricity and basic building materials, as well as opportunities for carbon sequestration and renewable energy. The Partnership is working to strategically redefine its business as a key player in the transitional energy economy in the years to come.

Soda Ash—consists of the Partnership's 49% non-controlling equity interest in Sisecam Wyoming, a trona ore mining operation and soda ash refinery in the Green River Basin of Wyoming. Sisecam Wyoming mines trona and processes it into soda ash that is sold both domestically and internationally into the glass and chemicals industries.

Direct segment costs and certain other costs incurred at the corporate level that are identifiable and that benefit the Partnership's segments are allocated to the operating segments accordingly. These allocated costs generally include salaries and benefits, insurance, property taxes, legal, royalty, information technology and shared facilities services and are included in operating and maintenance expenses on the Partnership's Consolidated Statements of Comprehensive Income (Loss).

Corporate and Financing includes functional corporate departments that do not earn revenues. Costs incurred by these departments include interest and financing, corporate headquarters and overhead, centralized treasury, legal and accounting and other corporate-level activity not specifically allocated to a segment and are included in general and administrative expenses on the Partnership's Consolidated Statements of Comprehensive Income (Loss).

The following table summarizes certain financial information for each of the Partnership's business segments:

	Operating Segments			
(In thousands)	Mineral Rights	Soda Ash	Corporate and Financing	Total
For the Year Ended December 31, 2021				
Revenues	$ 194,248	$ 21,871	$ —	$ 216,119
Gain on asset sales and disposals	245	—	—	245
Operating and maintenance expenses	26,880	169	—	27,049
Depreciation, depletion and amortization	19,075	—	—	19,075
General and administrative expenses	—	—	17,360	17,360
Asset impairments	5,102	—	—	5,102
Other expenses, net	24	—	38,852	38,876
Net income (loss) from continuing operations	143,412	21,702	(56,212)	108,902
As of December 31, 2021				
Total assets	$ 675,579	$ 276,004	$ 2,240	$ 953,823
For the Year Ended December 31, 2020				
Revenues	$ 129,011	$ 10,728	$ —	$ 139,739
Gain on asset sales and disposals	581	—	—	581
Operating and maintenance expenses	24,610	185	—	24,795
Depreciation, depletion and amortization	9,198	—	—	9,198
General and administrative expenses	—	—	14,293	14,293
Asset impairments	135,885	—	—	135,885
Other expenses, net	79	—	40,889	40,968
Net income (loss) from continuing operations	(40,180)	10,543	(55,182)	(84,819)
As of December 31, 2020				
Total assets	$ 656,505	$ 262,514	$ 2,858	$ 921,877
For the Year Ended December 31, 2019				
Revenues	$ 210,348	$ 47,089	$ —	$ 257,437
Gain on asset sales and disposals	6,498	—	—	6,498
Operating and maintenance expenses	32,489	249	—	32,738
Depreciation, depletion and amortization	14,932	—	—	14,932
General and administrative expenses	—	—	16,730	16,730
Asset impairments	148,214	—	—	148,214
Other expenses, net	—	—	76,735	76,735
Net income (loss) from continuing operations	21,211	46,840	(93,465)	(25,414)
Income from discontinued operations	—	—	—	956

8. Equity Investment

The Partnership accounts for its 49% investment in Sisecam Wyoming using the equity method of accounting. Activity related to this investment is as follows:

(In thousands)	For the Year Ended December 31, 2021	2020	2019
Balance at beginning of period	$ 262,514	$ 263,080	$ 247,051
Income allocation to NRP's equity interests (1)	26,979	15,205	52,016
Amortization of basis difference	(5,108)	(4,477)	(4,927)
Other comprehensive income	2,889	2,916	790
Distribution	(11,270)	(14,210)	(31,850)
Balance at end of period	$ 276,004	$ 262,514	$ 263,080

(1) Includes reclassifications of accumulated other comprehensive income (loss) to income allocation to NRP equity interest of $0.0 million, $1.7 million and $0.6 million for the year ended December 31, 2021, 2020 and 2019, respectively.

The difference between the amount at which the investment in Sisecam Wyoming is carried and the amount of underlying equity in Sisecam Wyoming's net assets was $126.3 million and $131.4 million as of December 31, 2021 and 2020, respectively. This excess basis relates to property, plant and equipment and right to mine assets. The excess basis difference that relates to property, plant and equipment is being amortized into income using the straight-line method over 27 years. The excess basis difference that relates to right to mine assets is being amortized into income using the units of production method.

The following table represents summarized financial information for Sisecam Wyoming as derived from their respective financial statements for the years ended December 31, 2021, 2020, and 2019:

(In thousands)	For the Year Ended December 31, 2021	2020	2019
Net sales	$ 540,139	$ 392,231	$ 522,843
Gross profit	80,550	54,838	131,712
Net income	55,059	31,030	106,155

The financial position of Sisecam Wyoming is summarized as follows:

(In thousands)	December 31, 2021	2020
Current assets	$ 206,315	$ 164,720
Noncurrent assets	297,210	294,008
Current liabilities	73,181	55,313
Noncurrent liabilities	124,749	135,776

9. Mineral Rights, Net

The Partnership's mineral rights consist of the following:

	December 31,					
	2021			2020		
(In thousands)	Carrying Value	Accumulated Depletion	Net Book Value	Carrying Value	Accumulated Depletion	Net Book Value
Coal properties	$ 670,650	$ (253,503)	$ 417,147	$ 785,623	$ (346,773)	$ 438,850
Aggregates properties	8,747	(2,975)	5,772	9,039	(2,819)	6,220
Oil and gas royalty properties	12,354	(9,115)	3,239	12,354	(8,593)	3,761
Other	13,151	(1,612)	11,539	13,154	(1,612)	11,542
Total mineral rights, net	$ 704,902	$ (267,205)	$ 437,697	$ 820,170	$ (359,797)	$ 460,373

Depletion expense related to the Partnership's mineral rights is included in depreciation, depletion and amortization on its Consolidated Statements of Comprehensive Income (Loss) and totaled $17.6 million, $8.8 million and $12.1 million for the year ended December 31, 2021, 2020 and 2019, respectively.

Sales of Mineral Rights

During the year ended December 31, 2021 and 2020, the Partnership recorded a cumulative gain of $0.2 million and $0.6 million, respectively, included in gain on asset sales and disposals on the Consolidated Statements of Comprehensive Income (Loss) related to sales of certain mineral rights. During the year ended December 31, 2019, the Partnership recorded a cumulative gain of $6.5 million included in gain on asset sales and disposals on the Consolidated Statements of Comprehensive Income (Loss) primarily related to the disposal of certain coal mineral rights with a $0 net book value.

Impairment of Mineral Rights

During the years ended December 31, 2021, 2020 and 2019, the Partnership identified facts and circumstances that indicated that the carrying value of certain of its mineral rights exceed future cash flows from those assets and recorded non-cash impairment expense included in asset impairments on the Consolidated Statements of Comprehensive Income (Loss) as follows:

	For the Year Ended December 31,		
(In thousands)	2021	2020	2019
Coal properties (1)	$ 5,015	$ 114,302	$ 125,806
Aggregates properties (2)	87	21,583	103
Total	$ 5,102	$ 135,885	$ 125,909

(1) The Partnership recorded $5.0 million of impairment expense during the year ended December 31, 2021 primarily related to a lease termination. The Partnership recorded $114.3 million of impairment expense to impair certain assets during the year ended December 31, 2020 primarily related to weakened coal markets that resulted in termination of certain coal leases and changes to lessee mine plans resulting in permanent moves off certain of our coal properties. The partnership recorded $125.8 million of impairment expense during the year ended December 31, 2019 primarily due to deterioration in thermal coal markets, lessee capital constraints, thermal coal lease terminations, and expectations of further reductions in global and domestic thermal coal demand due to low natural gas prices and continued pressure on the electric power generation industry over emissions and climate change, resulting in reductions in expected cash flows (combination of lower expected coal sales volumes, sales prices, minimums and/or life of mine assumptions) on certain of our coal properties. During the year ended December 31, 2019, the Partnership recorded $36.0 million to fully impair certain coal properties. In addition, NRP recorded $89.8 million of impairment expense on coal royalty properties with $97 million of net book value, resulting in a fair value of $7.2 million at December 31, 2019. The fair value of the impaired assets at December 31, 2019 was calculated using a discount rate of 15%. NRP compared the net book value of its coal properties to estimated undiscounted future net cash flows. If the net book value exceeded the undiscounted future cash flows, the Partnership recorded an impairment for the excess of the net book value over fair value. A discounted cash flow model was used to estimate fair value. Significant inputs used to determine fair value include estimates of future cash flows from

coal sales and minimum payments, discount rate and useful economic life. Estimated cash flows are the product of a process that began with current realized pricing as of the measurement date and included an adjustment for risk related to the future realization of cash flows.

(2) The Partnership recorded \$0.1 million of aggregates royalty property impairments during the year ended December 31, 2021. The Partnership recorded \$21.6 million of aggregates royalty property impairments during the year ended December 31, 2020 primarily related to decreased oil and gas drilling activity which negatively impacted the outlook for NRP's frac sand properties. The Partnership recorded \$0.1 million of aggregates royalty property impairments during the year ended December 31, 2019. NRP compared the net book value of its aggregates and timber properties to estimated undiscounted future net cash flows. If the net book value exceeded the undiscounted cash flows, the Partnership recorded an impairment for the excess of the net book value over fair value. A discounted cash flow model was used to estimate fair value. Significant inputs used to determine fair value include estimates of future cash flows from aggregates sales and minimum payments, discount rate and useful economic life. Estimated cash flows are the product of a process that began with current realized pricing as of the measurement date and included an adjustment for risk related to the future realization of cash flows.

While the Partnership's impairment evaluation as of December 31, 2021 incorporated an estimated impact of the global COVID-19 pandemic, there is significant uncertainty as to the severity and duration of this disruption. If the impact is worse than we currently estimate, an additional impairment charge may be recognized in future periods.

10. Intangible Assets, Net

The Partnership's intangible assets consist of above-market coal royalty and related transportation contracts with subsidiaries of Foresight Energy Resources LLC ("Foresight") pursuant to which the Partnership receives royalty payments for coal sales and throughput fees for the transportation and processing of coal. The Partnership's intangible assets included on its Consolidated Balance Sheets are as follows:

	December 31,	
(In thousands)	**2021**	**2020**
Intangible assets at cost	\$ 51,353	\$ 53,878
Less: accumulated amortization	(35,223)	(36,419)
Total intangible assets, net	\$ 16,130	\$ 17,459

Amortization expense included in depreciation, depletion and amortization on the Partnership's Consolidated Statements of Comprehensive Income (Loss) was \$1.3 million, \$0.2 million and \$2.5 million for the year ended December 31, 2021, 2020 and 2019, respectively.

The estimates of amortization expense for the years ended December 31, as indicated below, are based on current mining plans and are subject to revision as those plans change in future periods.

(In thousands)	**Estimated Amortization Expense**
2022	\$ 1,127
2023	1,041
2024	1,238
2025	1,202
2026	1,202

11. Debt, Net

The Partnership's debt consists of the following:

	December 31,	
(In thousands)	**2021**	**2020**
NRP LP debt:		
9.125% senior notes, with semi-annual interest payments in June and December, due June 2025 issued at par ("2025 Senior Notes")	$ 300,000	$ 300,000
Opco debt:		
Revolving credit facility	$ —	$ —
Senior Notes		
5.55% with semi-annual interest payments in June and December, with annual principal payments in June, due June 2023	$ 4,730	$ 7,094
4.73% with semi-annual interest payments in June and December, with annual principal payments in December, due December 2023	12,008	18,013
5.82% with semi-annual interest payments in March and September, with annual principal payments in March, due March 2024	38,053	50,738
8.92% with semi-annual interest payments in March and September, with annual principal payments in March, due March 2024	12,035	16,047
5.03% with semi-annual interest payments in June and December, with annual principal payments in December, due December 2026	57,104	68,524
5.18% with semi-annual interest payments in June and December, with annual principal payments in December, due December 2026	14,554	17,464
Total Opco Senior Notes	$ 138,484	$ 177,880
Total debt at face value	$ 438,484	$ 477,880
Net unamortized debt issuance costs	(4,939)	(6,381)
Total debt, net	$ 433,545	$ 471,499
Less: current portion of long-term debt	(39,102)	(39,055)
Total long-term debt, net	$ 394,443	$ 432,444

NRP LP Debt

2025 Senior Notes

The 2025 Senior Notes were issued under an Indenture dated as of April 29, 2019 (the "2025 Indenture"), bear interest at 9.125% per year and mature on June 30, 2025. Interest is payable semi-annually on June 30 and December 30. NRP and NRP Finance have the option to redeem the 2025 Senior Notes, in whole or in part, at any time on or after October 30, 2021, at the redemption prices (expressed as percentages of principal amount) of 104.563% for the 12-month period beginning October 30, 2021, 102.281% for the 12-month period beginning October 30, 2022, and thereafter at 100.000%, together, in each case, with any accrued and unpaid interest to the date of redemption. In the event of a change of control, as defined in the 2025 Indenture, the holders of the 2025 Senior Notes may require us to purchase their 2025 Senior Notes at a purchase price equal to 101% of the principal amount of the 2025 Senior Notes, plus accrued and unpaid interest, if any. The 2025 Senior Notes were issued at par.

The 2025 Senior Notes are the senior unsecured obligations of NRP and NRP Finance. The 2025 Senior Notes rank equal in right of payment to all existing and future senior unsecured debt of NRP and NRP Finance and senior in right of payment to any of NRP's subordinated debt. The 2025 Senior Notes are effectively subordinated in right of payment to all future secured debt of NRP and NRP Finance to the extent of the value of the collateral securing such indebtedness and are structurally subordinated in right of payment to all existing and future debt and other liabilities of our subsidiaries, including the Opco Credit Facility and each series of Opco's existing senior notes. None of NRP's subsidiaries guarantee the 2025 Senior Notes. As of December 31, 2021 and 2020, NRP and NRP Finance were in compliance with the terms of the Indenture relating to their 2025 Senior Notes.

2022 Senior Notes

In 2019, the Partnership redeemed its 2022 Senior Notes at a redemption price equal to 105.250% of the principal amount of the 2022 Senior Notes, plus accrued and unpaid interest. In connection with the early redemption, the Partnership paid an $18.1 million call premium and also wrote off $10.4 million of unamortized debt issuance costs and debt discount. These expenses are included in loss on extinguishment of debt on the Partnership's Consolidated Statements of Comprehensive Income (Loss).

Opco Debt

All of Opco’s debt is guaranteed by its wholly owned subsidiaries and is secured by certain of the assets of Opco and its wholly owned subsidiaries, other than BRP LLC and NRP Trona LLC. As of December 31, 2021 and 2020, Opco was in compliance with the terms of the financial covenants contained in its debt agreements.

Opco Credit Facility

In 2019, the Partnership entered into the Fourth Amendment (the “Fourth Amendment”) to the Opco Credit Facility (the "Opco Credit Facility"). The Fourth Amendment extends the term of the Opco Credit Facility until April 2023. Lender commitments under the Opco Credit Facility remain at $100.0 million.

Indebtedness under the Opco Credit Facility bears interest, at Opco's option, at:

- the higher of (i) the prime rate as announced by the agent bank; (ii) the federal funds rate plus 0.50%; or (iii) LIBOR plus 1%, in each case plus an applicable margin ranging from 2.50% to 3.50%; or
- a rate equal to LIBOR plus an applicable margin ranging from 3.50% to 4.50%.

During the years ended December 31, 2021 and 2020, the Partnership did not have any borrowings outstanding under the Opco Credit Facility and had $100.0 million in available borrowing capacity at both December 31, 2021 and 2020. Opco will incur a commitment fee on the unused portion of the revolving credit facility at a rate of 0.50% per annum. Opco may prepay all amounts outstanding under the Opco Credit Facility at any time without penalty.

The Opco Credit Facility contains financial covenants requiring Opco to maintain:

- A leverage ratio of consolidated indebtedness to EBITDDA (as defined in the Opco Credit Facility) not to exceed 4.0x; provided, however, that if the Partnership increases its quarterly distribution to its common unitholders above $0.45 per common unit, the maximum leverage ratio under the Opco Credit Facility will permanently decrease from 4.0x to 3.0x; and
- a fixed charge coverage ratio of consolidated EBITDDA to consolidated fixed charges (consisting of consolidated interest expense and consolidated lease expense) of not less than 3.5 to 1.0.

The Opco Credit Facility contains certain additional customary negative covenants that, among other items, restrict Opco’s ability to incur additional debt, grant liens on its assets, make investments, sell assets and engage in business combinations. Included in the investment covenant are restrictions upon Opco’s ability to acquire assets where Opco does not maintain certain levels of liquidity. In addition, Opco is required to use 75% of the net cash proceeds of certain non-ordinary course asset sales to repay the Opco Credit Facility (without any corresponding commitment reduction) and use the remaining 25% of the net cash proceeds to offer to repay its Senior Notes on a pro-rata basis, as described below under “—Opco Senior Notes.” The Opco Credit Facility also contains customary events of default, including cross-defaults under Opco’s Senior Notes.

The Opco Credit Facility is collateralized and secured by liens on certain of Opco’s assets with carrying values of $345.0 million and $364.5 million classified as mineral rights, net and other long-term assets, net on the Partnership’s Consolidated Balance Sheets as of December 31, 2021 and 2020, respectively. The collateral includes (1) the equity interests in all of Opco’s wholly owned subsidiaries, other than BRP LLC and NRP Trona LLC (which owns a 49% non-controlling equity interest in Sisecam Wyoming), (2) the personal property and fixtures owned by Opco’s wholly owned subsidiaries, other than BRP LLC and NRP Trona LLC, (3) Opco’s material coal royalty revenue producing properties, and (4) certain of Opco’s coal-related infrastructure assets.

Opco Senior Notes

Opco has issued several series of private placement senior notes (the "Opco Senior Notes") with various interest rates and principal due dates. As of December 31, 2021 and 2020, the Opco Senior Notes had cumulative principal balances of $138.5 million and $177.9 million, respectively. Opco made mandatory principal payments on the Opco Senior Notes of $39.4 million, $46.2 million and $117.4 million during the year ended December 31, 2021, 2020 and 2019, respectively. The payments made during the year ended December 31, 2019 included a $49.3 million pre-payment as a result of the sale of the Partnership's construction aggregates business.

The Note Purchase Agreements relating to the Opco Senior Notes contain covenants requiring Opco to:

- maintain a ratio of consolidated indebtedness to consolidated EBITDDA (as defined in the note purchase agreement) of no more than 4.0 to 1.0 for the four most recent quarters;
- not permit debt secured by certain liens and debt of subsidiaries to exceed 10% of consolidated net tangible assets (as defined in the note purchase agreement); and
- maintain the ratio of consolidated EBITDDA (as defined in the note purchase agreement) to consolidated fixed charges (consisting of consolidated interest expense and consolidated operating lease expense) at not less than 3.5 to 1.0.

In addition, the Note Purchase Agreements include a covenant that provides that, in the event NRP Operating or any of its subsidiaries is subject to any additional or more restrictive covenants under the agreements governing its material indebtedness (including the Opco Credit Facility and all renewals, amendments or restatements thereof), such covenants shall be deemed to be incorporated by reference in the Note Purchase Agreements and the holders of the Notes shall receive the benefit of such additional or more restrictive covenants to the same extent as the lenders under such material indebtedness agreement.

The 8.92% Opco Senior Notes also provides that in the event that Opco’s leverage ratio of consolidated indebtedness to consolidated EBITDDA (as defined in the Note Purchase Agreements) exceeds 3.75 to 1.00 at the end of any fiscal quarter, then in addition to all other interest accruing on these notes, additional interest in the amount of 2.00% per annum shall accrue on the notes for the two succeeding quarters and for as long thereafter as the leverage ratio remains above 3.75 to 1.00. Opco has not exceeded the 3.75 to 1.00 ratio at the end of any fiscal quarter through December 31, 2021.

In September 2016, Opco amended the Opco Senior Notes. Under this amendment, Opco agreed to use certain asset sale proceeds to make mandatory prepayment offers to the holders of the Opco Senior Notes using an amount of net cash proceeds from certain asset sales that will be calculated pro-rata based on the amount of Opco Senior Notes then outstanding compared to the other total Opco senior debt outstanding that is being prepaid.

The mandatory prepayment offers described above will be made pro-rata across each series of outstanding Opco Senior Notes and will not require any make-whole payment by Opco. In addition, the remaining principal and interest payments on the Opco Senior Notes will be adjusted accordingly based on the amount of Opco Senior Notes actually prepaid. The prepayments do not affect the maturity dates of any series of the Opco Senior Notes.

Consolidated Principal Payments

The consolidated principal payments due are set forth below:

	NRP LP	Opco		
(In thousands)	**Senior Notes**	**Senior Notes**	**Credit Facility**	**Total**
2022	$ —	$ 39,396	$ —	$ 39,396
2023	—	39,396	—	39,396
2024	—	31,028	—	31,028
2025	300,000	14,332	—	314,332
2026	—	14,332	—	14,332
Thereafter	—	—	—	—
	$ 300,000	$ 138,484	$ —	$ 438,484

12. Fair Value Measurements

Fair Value of Financial Assets and Liabilities

The Partnership’s financial assets and liabilities consist of cash and cash equivalents, a contract receivable and debt. The carrying amounts reported on the Consolidated Balance Sheets for cash and cash equivalents approximate fair value due to their short-term nature. The Partnership uses available market data and valuation methodologies to estimate the fair value of its debt and contract receivable.

The following table shows the carrying value and estimated fair value of the Partnership's debt and contract receivable:

		December 31,			
		2021		2020	
(In thousands)	Fair Value Hierarchy Level	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Debt:					
NRP 2025 Senior Notes	1	$ 296,236	$ 300,000	$ 295,160	$ 274,500
Opco Senior Notes (1)	3	137,309	138,484	176,339	162,760
Opco Credit Facility	3	—	—	—	—
Assets:					
Contract receivable, net (current and long-term) (2)	3	$ 33,612	$ 26,010	$ 35,313	$ 27,025

(1) The fair value of the Opco Senior Notes are estimated by management using quotations obtained for the NRP 2025 Senior Notes on the closing trading prices near period end, which were at 100% and 92% of par value at December 31, 2021 and 2020, respectively.

(2) The fair value of the Partnership's contract receivable is determined based on the present value of future cash flow projections related to the underlying asset at a discount rate of 15% at December 31, 2021 and 2020.

NRP has embedded derivatives in the preferred units related to certain conversion options, redemption features and the change of control provision that are accounted for separately from the preferred units as assets and liabilities at fair value on the Partnership's Consolidated Balance Sheets. Level 3 valuation of the embedded derivatives are based on numerous factors including the likelihood of the event occurring. The embedded derivatives are revalued quarterly and changes in their fair value would be recorded in other expenses, net on the Partnership's Consolidated Statements of Comprehensive Income (Loss). The embedded derivatives had zero value as of December 31, 2021 and 2020.

Fair Value of Non-Financial Assets

The Partnership discloses or recognizes its non-financial assets, such as impairments of coal and aggregates properties at fair value on a nonrecurring basis. Refer to Note 9. Mineral Rights, Net for additional disclosures related to the fair value associated with the impaired assets.

13. Related Party Transactions

Affiliates of our General Partner

The Partnership’s general partner does not receive any management fee or other compensation for its management of NRP. However, in accordance with the partnership agreement, the general partner and its affiliates are reimbursed for services provided to the Partnership and for expenses incurred on the Partnership’s behalf. Employees of Quintana Minerals Corporation ("QMC") and Western Pocahontas Properties Limited Partnership ("WPPLP"), affiliates of the Partnership, provide their services to manage the Partnership's business. QMC and WPPLP charge the Partnership the portion of their employee salary and benefits costs related to their employee services provided to NRP. These QMC and WPPLP employee management service costs are presented as operating and maintenance expenses and general and administrative expenses on the Partnership's Consolidated Statements of Comprehensive Income (Loss). NRP also reimburses overhead costs incurred by its affiliates, including Quintana Infrastructure Development ("QID"), to manage the Partnership's business. These overhead costs include certain rent, information technology, administration of employee benefits and other corporate services incurred by or on behalf of the Partnership’s general partner and its affiliates and are presented as operating and maintenance expenses and general and administrative expenses on the Partnership's Consolidated Statements of Comprehensive Income (Loss).

Direct general and administrative expenses charged to the Partnership by QMC, WPPLP and QID are included on the Partnership's Consolidated Statement of Comprehensive Income (Loss) as follows:

	For the Year Ended December 31,		
(In thousands)	**2021**	**2020**	**2019**
Operating and maintenance expenses	$ 6,543	$ 6,559	$ 6,656
General and administrative expenses	4,611	4,611	4,946

The Partnership had accounts payable to QMC of $0.4 million on its Consolidated Balance Sheets as of December 31, 2021 and 2020 and $0.9 million and $0.3 million of accounts payable to WPPLP as of December 31, 2021 and 2020, respectively.

During the years ended December 31, 2021, 2020 and 2019, the Partnership recognized $3.3 million, $0.4 million and $4.0 million in operating and maintenance expenses, respectively, on its Consolidated Statements of Comprehensive Income (Loss) related to an overriding royalty agreement with WPPLP. At December 31, 2021 and 2020, the Partnership had $0.0 million and $0.3 million, respectively, of other long-term assets, net on its Consolidated Balance Sheets related to a prepaid royalty for this agreement.

Corbin J. Robertson, Jr. owns 85% of the general partner of Great Northern Properties Limited Partnership ("GNP"), a privately held company primarily engaged in owning and managing mineral properties and surface leases. As of December 31, 2021 the Partnership had $0.1 million of accounts receivable from GNP included in accounts receivable, net on its Consolidated Balance Sheets related to amounts collected for surface leases that belong to NRP.

Industrial Minerals Group LLC

Prior to December 31, 2019, Corbin J. Robertson, III, a Director of GP Natural Resource Partners LLC, held a minority ownership interest in Industrial Minerals Group LLC (“Industrial Minerals”), which, through its subsidiaries, leases one of NRP’s coal royalty properties in Central Appalachia. Coal royalty related revenues from Industrial Minerals totaled $1.7 million for the year ended December 31, 2019.

Quinwood Coal Company Royalty

Quinwood Coal Partners LP (“Quinwood”), an entity controlled by Corbin J. Robertson, III, leases two coal properties from NRP in Central Appalachia. Coal related revenues from Quinwood totaled $0.0 million, $0.0 million and $0.2 million for the year ended December 31, 2021, 2020 and 2019, respectively.

14. Major Customers

Revenues from customers that exceeded 10 percent of total revenues for any of the periods presented below are as follows:

	For the Year Ended December 31,					
	2021		2020		2019	
(In thousands)	Revenues	Percent	Revenues	Percent	Revenues	Percent
Foresight [1] [2]	$ 37,366	17 %	$ 35,704	26 %	$ 58,923	23 %
Alpha Metallurgical Resources, Inc. [1]	49,440	23 %	33,227	24 %	40,743	16 %

(1) Revenues from Foresight and Alpha Metallurgical Resources, Inc. are included within the Partnership's Mineral Rights segment.

(2) In June 2020, the Partnership entered into lease amendments with Foresight pursuant to which Foresight agreed to pay NRP fixed cash payments to satisfy all obligations arising out of the existing various coal mining leases and transportation infrastructure fee agreements between the Partnership and Foresight for calendar years 2020 and 2021.

15. Commitments and Contingencies

Legal

NRP is involved, from time to time, in various legal proceedings arising in the ordinary course of business. While the ultimate results of these proceedings cannot be predicted with certainty, Partnership management believes these ordinary course matters will not have a material effect on the Partnership's financial position, liquidity or operations.

Environmental Compliance

The operations the Partnership's lessees conduct on its properties, as well as the industrial minerals, aggregates and oil and gas operations in which the Partnership has interests, are subject to federal and state environmental laws and regulations. See "Items 1. and 2. Business and Properties—Regulation and Environmental Matters." As an owner of surface interests in some properties, the Partnership may be liable for certain environmental conditions occurring on the surface properties. The terms of substantially all of the Partnership's coal leases require the lessee to comply with all applicable laws and regulations, including environmental laws and regulations. Lessees post reclamation bonds assuring that reclamation will be completed as required by the relevant permit, and substantially all of the leases require the lessee to indemnify the Partnership against, among other things, environmental liabilities. Some of these indemnifications survive the termination of the lease. The Partnership makes regular visits to the mines to ensure compliance with lease terms, but the duty to comply with all regulations rests with the lessees. The Partnership believes that its lessees will be able to comply with existing regulations and does not expect that any lessee's failure to comply with environmental laws and regulations will have a material impact on the Partnership's financial condition or results of operations. The Partnership has neither incurred, nor is aware of, any material environmental charges imposed on the Partnership related to its properties for the period ended December 31, 2021. The Partnership is not associated with any material environmental contamination that may require remediation costs. However, the Partnership's lessees are required to conduct reclamation work on the properties under lease to them. Because the Partnership is not the permittee of the mines being reclaimed, the Partnership is not responsible for the costs associated with these reclamation operations.

As a former owner of the working interests in oil and natural gas operations, the Partnership is responsible for its proportionate share of any losses and liabilities, including environmental liabilities, arising from uninsured and underinsured events during the period it was an owner.

16. Unit-Based Compensation

2017 Long-Term Incentive Plan

In December 2017, the 2017 Long-Term Incentive Plan (the "2017 LTIP") was approved and it became effective in January 2018. The 2017 LTIP authorizes 800,000 common units that are available for delivery by the Partnership pursuant to awards under the plan. The term is 10 years from the date of approval of the Board of Directors or, if earlier, the date the 2017 LTIP is terminated by the Board of Directors or the committee appointed by the Board of Directors to administer the 2017 LTIP, or the date all available common units available have been delivered. Common units delivered pursuant to the 2017 LTIP will consist, in whole or part, of (i) common units acquired in the open market, (ii) common units acquired from the Partnership (including newly issued units), any of our affiliates or any other person or (iii) any combination of the foregoing.

Employees, consultants and non-employee directors of the Partnership, the General Partner, GP LLC and their affiliates are generally eligible to receive awards under the 2017 LTIP. The 2017 LTIP provides for the issuance of a variety of equity-based grants, including grants of (i) options, (ii) unit appreciation rights, (iii) restricted units, (iv) phantom units, (v) cash awards, (vi) performance awards, (vii) distribution equivalent rights, and (viii) other unit-based awards. The plan is administered by the Compensation, Nominating and Governance Committee ("CNG Committee") of the Board of Directors, which determines the terms and conditions of awards granted under the 2017 LTIP. The Partnership recognizes forfeitures for any awards issued under this plan as they occur.

Unit-Based Awards

Unit-based awards under the 2017 LTIP are generally issued to certain employees and non-employee directors of the Partnership. Awards granted to employees either vest 3 years following the grant date or vest ratably over the 3 year period following the grant date. Awards granted to non-employee directors vest over a 1 year period. Directors are given the option to take immediate issuance of the vested awards or defer such issuance until a later date. Upon deferral of issuance, such units will continue to accumulate distribution equivalent rights ("DERs") until issuance.

In connection with the phantom unit awards, the CNG Committee also granted tandem DERs, which entitle the holders to receive distributions equal to the distributions paid on the Partnership's common units between the date the units are granted and the settlement date. The DERs are payable in cash upon vesting but may be subject to forfeiture if the grantee ceases employment prior to vesting.

The awards granted in 2021, 2020 and 2019 were valued using the closing price of NRP's units as of the grant date. The grant date fair value of these awards granted during the year ended December 31, 2021, 2020 and 2019 were \$3.8 million, \$3.5 million and \$5.4 million, respectively. Total unit-based compensation expense associated with these awards was \$4.0 million,\$3.6 million and \$2.4 million for the year ended December 31, 2021, 2020 and 2019, respectively, and is included in general and administrative expenses and operating and maintenance expenses on the Partnership's Consolidated Statements of Comprehensive Income (Loss). The unamortized cost associated with unvested outstanding awards as of December 31, 2021 is \$3.3 million, which is to be recognized over a weighted average period of 1.7 years. The unamortized cost associated with unvested outstanding awards as of December 31, 2020 was \$3.7 million.

A summary of the unit activity in the outstanding grants during 2021 is as follows:

(In thousands)	Common Units	Weighted Average Grant Date Fair value per Common Unit
Outstanding grants at January 1, 2021	355	$ 26.20
Granted	219	$ 17.31
Fully vested and issued	(129)	$ 21.38
Forfeitures	(34)	$ 26.00
Outstanding at December 31, 2021	411	$ 23.00

17. Financing Transaction

The Partnership owns rail loadout and associated infrastructure at the Sugar Camp mine in the Illinois Basin operated by a subsidiary of Foresight. The infrastructure at the Sugar Camp mine is leased to a subsidiary of Foresight and is accounted for as a financing transaction (the "Sugar Camp lease"). The Sugar Camp lease expires in 2032 with renewal options for up to 80 additional years. Minimum payments are $5.0 million per year through the end of the lease term. The $5.0 million due to the Partnership in 2020 and 2021 is included in the fixed cash payments from Foresight resulting from contract modifications entered into during the second quarter of 2020 as discussed in Note 14. Major Customers. The Partnership is also entitled to variable payments in the form of throughput fees determined based on the amount of coal transported and processed utilizing the Partnership's assets. In the event the Sugar Camp lease is renewed beyond 2032, payments become a fixed $10 thousand per year for the remainder of the renewed term.

18. Credit Losses

The Partnership is exposed to credit losses through collection of its trade receivables resulting from contracts with customers and a long-term receivable resulting from a financing transaction with a customer. The Partnership records an allowance for current expected credit losses on these receivables based on the loss-rate method. NRP assessed the likelihood of collection of its receivables utilizing historical loss rates, current market conditions that included the estimated impact of the global COVID-19 pandemic, industry and macroeconomic factors, reasonable and supportable forecasts and facts or circumstances of individual customers and properties. Examples of these facts or circumstances include, but are not limited to, contract disputes or renegotiations with the customer and evaluation of short and long-term economic viability of the contracted property. For its long-term contract receivable, management reverts to the historical loss experience immediately after the reasonable and supportable forecast period ends.

As of December 31, 2021 and 2020, NRP recorded the following current expected credit loss ("CECL") related to its receivables and long-term contract receivable:

	December 31,					
	2021			2020		
(In thousands)	Gross	CECL Allowance	Net	Gross	CECL Allowance	Net
Receivables	$ 28,869	$ (3,312)	$ 25,557	$ 18,512	$ (2,358)	$ 16,154
Long-term contract receivable	32,497	(1,126)	31,371	34,818	(1,554)	33,264
Total	$ 61,366	$ (4,438)	$ 56,928	$ 53,330	$ (3,912)	$ 49,418

NRP recorded $0.5 million and $0.0 million in operating and maintenance expenses on its Consolidated Statements of Comprehensive Income (Loss) related to the change in the CECL allowance during the year ended December 31, 2021 and 2020, respectively.

NRP has procedures in place to monitor its ongoing credit exposure through timely review of counterparty balances against contract terms and due dates, account and financing receivable reconciliations, bankruptcy monitoring, lessee audits and dispute resolution. The Partnership may employ legal counsel or collection specialists to pursue recovery of defaulted receivables.

19. Leases

As of December 31, 2021, the Partnership had one operating lease for an office building that is owned by WPPLP. On January 1, 2019, the Partnership entered into a new lease of the building with a five-year base term and five additional five-year renewal options. Upon lease commencement and as of December 31, 2021 and 2020, the Partnership was reasonably certain to exercise all renewal options included in the lease and capitalized the right-of-use asset and corresponding lease liability on its Consolidated Balance Sheets using the present value of the future lease payments over 30 years. The Partnership's right-of-use asset and lease liability included within other long-term assets, net and other non-current liabilities, respectively, on its Consolidated Balance Sheets totaled $3.5 million at both December 31, 2021 and 2020. During the years ended December 31, 2021, 2020 and 2019, the Partnership incurred total operating lease expenses of $0.5 million, included in both operating and maintenance expenses and general and administrative expenses on its Consolidated Statements of Comprehensive Income (Loss).

The following table details the maturity analysis of the Partnership's operating lease liability and reconciles the undiscounted cash flows to the operating lease liability included on its Consolidated Balance Sheet:

Remaining Annual Lease Payments (In thousands)	December 31, 2021
2022	$ 483
2023	483
2024	483
2025	483
2026	483
After 2026	10,631
Total lease payments [1]	$ 13,046
Less: present value adjustment [2]	(9,562)
Total operating lease liability	$ 3,484

(1) The remaining lease term of the Partnership's operating lease is 27 years.

(2) The present value of the operating lease liability on the Partnership's Consolidated Balance Sheets was calculated using a 13.5% discount rate which represents the Partnership's estimated incremental borrowing rate under the lease. As the Partnership's lease does not provide an implicit rate, the Partnership estimated the incremental borrowing rate at the time the lease was entered into by utilizing the rate of the Partnership's secured debt and adjusting it for factors that reflect the profile of borrowing over the 30-year expected lease term.

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

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) as of December 31, 2021. This evaluation was performed under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer of GP Natural Resource Partners LLC, our managing general partner. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that these disclosure controls and procedures were effective as of December 31, 2021 at the reasonable assurance level in producing the timely recording, processing, summary and reporting of information and in accumulation and communication of information to management to allow for timely decisions with regard to required disclosures.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer of GP Natural Resource Partners LLC, our managing general partner, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2021 based on the framework in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission "2013 Framework" (COSO). Based on that evaluation, as of December 31, 2021, our management concluded that our internal control over financial reporting was effective at a reasonable assurance level based on those criteria. No changes were made to our internal control over financial reporting during the last fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Ernst & Young, LLP, the independent registered public accounting firm who audited the Partnership's consolidated financial statements included in this Annual Report on Form 10-K, has issued a report on the Partnership's internal control over financial reporting, which is included herein.

Report of Independent Registered Public Accounting Firm

The Partners of Natural Resource Partners L.P.

Opinion on Internal Control Over Financial Reporting

We have audited Natural Resource Partners L.P.'s internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Natural Resource Partners L.P. (the Partnership) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of Natural Resource Partners L.P. as of December 31, 2021 and 2020, the related consolidated statements of comprehensive income (loss), partners' capital and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and our report dated March 15, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

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

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

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

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

/s/ Ernst & Young LLP

Houston, Texas
March 15, 2022

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE MANAGING GENERAL PARTNER AND CORPORATE GOVERNANCE

As a master limited partnership we do not employ any of the people responsible for the management of our properties. Instead, we reimburse affiliates of our managing general partner, GP Natural Resource Partners LLC, for their services. The following table sets forth information concerning the directors and officers of GP Natural Resource Partners LLC as of the date of this Annual Report on Form 10-K. Each officer and director is elected for their respective office or directorship on an annual basis. Subject to Board Representation and Observation Rights Agreement with Blackstone and GoldenTree, Mr. Robertson is entitled to appoint the members of the Board of Directors of GP Natural Resource Partners LLC. Mr. Robertson has delegated the right to appoint one director to Blackstone.

Name	Age	Position with the General Partner
Corbin J. Robertson, Jr.	74	Chairman of the Board and Chief Executive Officer
Craig W. Nunez	60	President and Chief Operating Officer
Christopher J. Zolas	47	Chief Financial Officer and Treasurer
Kevin J. Craig	53	Executive Vice President
Philip T. Warman	51	General Counsel and Secretary
Gregory F. Wooten	66	Senior Vice President, Chief Engineer
Galdino J. Claro	62	Director
Alexander D. Greene	63	Director
S. Reed Morian	76	Director
Paul B. Murphy, Jr.	62	Director
Richard A. Navarre	61	Director
Corbin J. Robertson, III	51	Director
Stephen P. Smith	61	Director
Leo A. Vecellio, Jr.	75	Director

Corbin J. Robertson, Jr. has served as Chief Executive Officer and Chairman of the Board of Directors of GP Natural Resource Partners LLC since 2002. Mr. Robertson has vast business experience having founded and served as a director and as an officer of multiple companies, both private and public, and has served on the boards of numerous non-profit organizations. He has served as the Chief Executive Officer and Chairman of the Board of the general partner of Great Northern Properties Limited Partnership since 1992 and Quintana Minerals Corporation since 1978, as Chairman of the Board of Directors of New Gauley Coal Corporation since 1986, and the general partner of Western Pocahontas Properties Limited Partnership since 1986. Mr. Robertson is also Chief Executive Officer and a member of the Board of Managers of Pocahontas Royalties LLC. He also serves as a Principal with Quintana Capital Group, Chairman of the Board of the Cullen Trust for Higher Education and on the boards of the American Petroleum Institute, the National Petroleum Council, the Baylor College of Medicine and the Spirit Golf Association. In 2006, Mr. Robertson was inducted into the Texas Business Hall of Fame. Mr. Robertson is the father of Corbin J. Robertson, III.

Craig W. Nunez has served as President and Chief Operating Officer of GP Natural Resource Partners LLC since August 2017 and previously served as Chief Financial Officer and Treasurer of GP Natural Resource Partners LLC from January 2015 to August 2017. Prior to joining NRP, Mr. Nunez was an owner and Chief Executive Officer of Bocage Group, a private investment company specializing in energy, natural resources and master limited partnerships since March 2012. In addition, until joining NRP, he was a FINRA-registered Investment Advisor Representative with Searle & Co since July 2012 and served as an Executive Advisor to Capital One Asset Management since January 2014. From September 2011 through March 2012, Mr. Nunez served as the Executive Vice President and Chief Financial Officer of Quicksilver Resources Canada, Inc. Mr. Nunez was Senior Vice President and Treasurer of Halliburton Company from January 2007 until September 2011, and Vice President and Treasurer of Halliburton Company from February 2006 to January 2007. Prior to that, he was Treasurer of Colonial Pipeline Company from November 1995 to February 2006. Mr. Nunez has been involved in numerous charitable organizations and currently serves on the boards of Goodwill Industries of Houston and Medical Bridges, Inc.

Christopher J. Zolas has served as Chief Financial Officer and Treasurer of GP Natural Resource Partners LLC since August 2017 and previously served as Chief Accounting Officer of GP Natural Resource Partners from March 2015 to August 2017. Prior to joining NRP, Mr. Zolas served as Director of Financial Reporting at Cheniere Energy, Inc., a publicly traded energy company, where he performed financial statement preparation and analysis, technical accounting and SEC reporting for five separate SEC registrants, including a master limited partnership. Mr. Zolas joined Cheniere Energy, Inc. in 2007 as Manager of SEC Reporting and Technical Accounting and was promoted to Director in 2009. Prior to joining Cheniere Energy, Inc., Mr. Zolas worked in public accounting with KPMG LLP from 2002 to 2007.

Kevin J. Craig was named Executive Vice President of GP Natural Resource Partners LLC in February 2021, after serving as Executive Vice President, Coal of GP Natural Resource Partners since September 2014. Mr. Craig was the Vice President of Business Development for GP Natural Resource Partners LLC since 2005. Mr. Craig also represents NRP as one of its appointees to the Board of Managers of Sisecam Wyoming LLC. Mr. Craig joined NRP in 2005 from CSX Transportation. He has extensive marketing, finance and operations experience within the energy industry. Mr. Craig served as a member of the West Virginia House of Delegates having been elected in 2000 and re-elected in 2002, 2004, 2006, 2008, 2010 and 2012. In addition to other leadership positions, Delegate Craig served as Chairman of the Committee on Energy. Mr. Craig did not seek re-election in 2014 and his term ended January 2015. Prior to joining CSX, he served as a Captain in the United States Army. Mr. Craig has served as the Chairman of the Huntington Regional Chamber of Commerce Board of Directors and continues as a member of both the West Virginia Chamber of Commerce and the Huntington Regional Chamber of Commerce’s respective board of directors. He serves as a member of the Board of Directors of Encova Mutual Insurance Company and the West Virginia University Board of Governors.

Philip T. Warman has served as General Counsel and Secretary of GP Natural Resource Partners LLC since August 2021. Mr. Warman previously served as Executive Vice President, General Counsel and Secretary of SandRidge Energy Inc. from August 2010 until June 2019. He was Associate General Counsel for SEC and finance matters for Spectra Energy Corporation from January 2007 through July 2010. From 1998 through 2006 he practiced law as a corporate finance attorney with Vinson & Elkins, LLP in Houston, Texas. Mr. Warman earned a Bachelor of Science in Chemical Engineering from the University of Houston in 1993 and graduated from the University of Texas School of Law in 1998.

Gregory F. Wooten was named Senior Vice President, Chief Engineer of GP Natural Resource Partners LLC in February 2021, after serving as Vice President, Chief Engineer of GP Natural Resource Partners LLC since December 2013. Mr. Wooten joined NRP in 2007, serving as Regional Manager. Prior to joining NRP, Mr. Wooten served as Vice President, Chief Operating Officer and Chief Engineer of Dingess Rum Properties, Inc., where he managed coal, oil, gas and timber properties from 1982 until 2007. Mr. Wooten has over 35 years of experience in the coal industry, working as a planning and production engineer and is a member of the American Institute of Mining, Metallurgical, and Petroleum Engineers. Mr. Wooten also serves as the President of the National Council of Coal Lessors and is a board member of the West Virginia, Kentucky, Indiana and Montana Coal Associations. He also serves on the board of the Cabell-Huntington Hospital.

Galdino J. Claro joined the Board of Directors of GP Natural Resource Partners LLC in March 2018. Mr. Claro has 30 years of worldwide executive leadership experience in the primary and secondary metals industries. From October 2013 to August 2017, Mr. Claro served as the Group Chief Executive Officer and Managing Director of Sims Metal Management where he was also a member of the Safety, Health, Environment and Sustainability Committee, the Nomination Governance Committee and the Finance Investment Committee. Before joining Sims Metal Management, Mr. Claro served for four years as the Chief Executive Officer of Harsco Metals and Minerals. He joined Harsco from Aleris, where he served as CEO of Aleris Americas. Before that, he was the CEO of the Metals Processing Group of Heico Companies LLC. During his career with Alcoa Inc., Mr. Claro served for five years as the President of Alcoa China and for six years in Europe as the Vice President of Soft Alloys Extrusions and the President of Alcoa Europe Extrusions. While in South America, Mr. Claro worked for several different divisions of Alcoa Alumni SA as plant manager, technology manager, new products development director and Managing Director of Alcoa Cargo-Van. Before joining Alcoa in 1985, Mr. Claro started his career at Honda-Motogear as a Quality Control Manager where he worked for three years in both Brazil and Japan.

Alexander D. Greene joined the Board of Directors of GP Natural Resource Partners LLC in March 2019. Mr. Greene brings extensive corporate finance and private equity experience to his role on the Board, with 40 years working with and investing in businesses where operational improvement and strategic guidance were primary drivers of value creation and as a financial advisor to large and mid-cap companies, boards of directors and other constituencies in complex leveraged finance, merger and acquisition and recapitalization transactions. Mr. Greene is a director of Element Fleet Management Corp. and is Chairman of the Board of USA Truck, Inc. From 2005 to 2014 he was a Managing Partner and head of U.S. Private Equity at Brookfield Asset Management, a global asset management company. Prior to Brookfield, Mr. Greene was a Managing Director and co-head of Carlyle Strategic Partners, a private equity fund, and a Managing Director and investment banker at Wasserstein Perella & Co. and Whitman Heffernan Rhein & Co. Mr. Greene is a volunteer firefighter and president of the Armonk Independent Fire Company and serves on the Budget and Finance Advisory Committee for the Town of North Castle, New York. Mr. Greene has been designated to serve as a director of GP Natural Resource Partners LLC by Blackstone Tactical Opportunities, pursuant to its right to designate a director to the Board of Directors of GP Natural Resource Partners LLC.

S. Reed Morian joined the Board of Directors of GP Natural Resource Partners LLC in 2002. Mr. Morian has vast executive business experience having served as Chairman and Chief Executive Officer of several companies since the early 1980s and serving on the board of other companies. Mr. Morian has served as a member of the Board of Directors of the general partner of Western Pocahontas Properties Limited Partnership since 1986, New Gauley Coal Corporation since 1992 and the general partner of Great Northern Properties Limited Partnership since 1992. Mr. Morian also serves on the Board of Managers of Pocahontas Royalties, LLC. Mr. Morian worked for Dixie Chemical Company from 1971 to 2006 and served as its Chairman and Chief Executive Officer from 1981 to 2006. He has also served as Chairman, Chief Executive Officer and President of DX Holding Company since 1989. He formerly served on the Board of Directors for the Federal Reserve Bank of Dallas-Houston Branch from April 2003 until December 2008 and as a Director of Prosperity Bancshares, Inc. from March 2005 until April 2009. He is currently serving on the Board of Directors of Gulf Capital Bank in Houston.

Paul B. Murphy, Jr. joined the Board of Directors of GP Natural Resource Partners LLC in March 2018. Mr. Murphy is the Chairman and Chief Executive Officer and a Director of Cadence Bancorporation and Chairman of Cadence Bank, N.A. He has served at Cadence and its predecessors since December 2009. Cadence is a $18 billion bank holding company headquartered in Houston and it is traded on the NYSE (CADE). Previously, Mr. Murphy spent 20 years at Amegy Bank of Texas, helping to steer that institution from $75 million in assets and a single location to assets of $11 billion and 85 banking centers at the time of his departure as the Chief Executive Officer and a Director in 2009. Mr. Murphy is an advocate of the community and is a board member of Oceaneering International, Inc., Hope and Healing Center and Institute, Houston Hispanic Chamber of Commerce, and the City of Houston Complete Advisory Board.

Richard A. Navarre joined the Board of Directors of GP Natural Resource Partners LLC in October 2013. Mr. Navarre brings extensive financial, strategic planning, public company and coal industry experience to the Board of Directors. Mr. Navarre is former Chairman, President and CEO of Covia Holdings, a leading provider of high quality minerals and material solutions for the industrial and energy markets. From 1993 until 2012, Mr. Navarre held several executive positions with Peabody Energy Corporation, including President-Americas, President and Chief Commercial Officer, Executive Vice President of Corporate Development and Chief Financial Officer. Mr. Navarre serves on the Board of Directors of Civeo Corporation, where he serves as Chairman and Arch Resources, where he serves as Chairman of the Personnel and Compensation Committee and member of the Environmental, Social, Governance and Nominating and Governance Committee. He is a member of the Hall of Fame of the College of Business and a member of the Board of Advisors of the College of Business and Analytics of Southern Illinois University Carbondale. He is the former Chairman of the Bituminous Coal Operators' Association. Mr. Navarre is a Certified Public Accountant. Mr. Navarre also has been involved in numerous civic and charitable organizations throughout his career.

Corbin J. Robertson, III joined the Board of Directors of GP Natural Resource Partners LLC in May 2013. Mr. Robertson has experience with investments in a variety of energy businesses, having served both in management of private equity firms and having served on several boards of directors. Mr. Robertson has served as a Co-Managing Partner of LKCM Headwater Investments GP, LLC, LKCM Headwater Investments I, L.P., LKCM Headwater Investments II, LP, LKCM Headwater Investments II Sidecar, LP, LKCM Headwater Investments III, private equity funds that began June 2011. He has served as the Chief Executive Officer of the general partner of Western Pocahontas Properties Limited Partnership since May 2008, and has served on the Board of Directors of Quintana Minerals Corporation since 2007 and Western Pocahontas since October 2012. Mr. Robertson also has served on the Board of Managers of Premium Resources, LLC since 2016. Mr. Robertson also co-founded Quintana Energy Partners, an energy-focused private equity firm in 2006, and served as a Managing Director thereof from 2006 until December 2010. Mr. Robertson has served on the Board of Directors for Quintana Minerals Corporation since October 2007, and previously served as Vice President-Acquisitions for GP Natural Resource Partners LLC from 2003 until 2005. Mr. Robertson also serves on the Board of Directors of Quality Magnetite, Quinwood Coal and LL&B Minerals, each of which is in the energy business. Mr. Robertson is the son of Corbin J. Robertson, Jr.

Stephen P. Smith joined the Board of Directors of GP Natural Resource Partners LLC in 2004. Mr. Smith brings extensive public company financial experience in the power and energy industries to the Board of Directors. Mr. Smith formerly served as Chief Financial Officer, Chief Accounting Officer and Director of the general partner of Columbia Pipeline Partners L.P. from September 2014 until June 2016. Mr. Smith also formerly served as Executive Vice President and Chief Financial Officer of Columbia Pipeline Group from July 2015 to June 2016. Mr. Smith served as Executive Vice President and Chief Financial Officer for NiSource, Inc. from August 2008 to June 2015. Prior to joining NiSource, he held several positions with American Electric Power Company, Inc, including Senior Vice President - Shared Services from January 2008 to June 2008, Senior Vice President and Treasurer from January 2004 to December 2007, and Senior Vice President - Finance from April 2003 to December 2003.

Leo A. Vecellio, Jr. joined the Board of Directors of GP Natural Resource Partners LLC in May 2007. Mr. Vecellio brings extensive experience in the aggregates and coal mine development industry to the Board of Directors. Mr. Vecellio and his family have been in the aggregates materials and construction business since the late 1930s. Since November 2002, Mr. Vecellio has served as Chairman and Chief Executive Officer of Vecellio Group, Inc, a major aggregates producer, contractor and oil terminal developer/operator in the Mid-Atlantic and Southeastern states. For nearly 30 years prior to that time Mr. Vecellio served in various capacities with Vecellio & Grogan, Inc., having most recently served as Chairman and Chief Executive Officer from April 1996 to November 2002. Mr. Vecellio is the former Chairman of the American Road and Transportation Builders and is a longtime member of the Florida Council of 100, as well as many other civic and charitable organizations.

Corporate Governance

Board Meetings and Executive Sessions

The Board met seven times in 2021. During 2021, our non-management directors met in executive session several times. The presiding director was Mr. Vecellio, the Chairman of our Compensation, Nominating and Governance Committee, or CNG Committee. In addition, our independent directors met several times in executive session in 2021. Mr. Vecellio was the presiding director at those meetings. Interested parties may communicate with our non-management directors by writing a letter to the Chairman of the CNG Committee, NRP Board of Directors, 1201 Louisiana Street, Suite 3400, Houston, Texas 77002.

Independence of Directors

The Board of Directors has affirmatively determined that Messrs. Claro, Navarre, Smith, and Vecellio are independent based on all facts and circumstances considered by the Board, including the standards set forth in Section 303A.02(a) of the NYSE's listing standards. Because we are a limited partnership as defined in Section 303A of the NYSE's listing standards, we are not required to have a majority of independent directors on the Board. The Board has an Audit Committee, a Compensation, Nominating and Governance Committee, and a Conflicts Committee, each of which is staffed solely by independent directors.

Audit Committee

Our Audit Committee is comprised of Mr. Smith, who serves as chairman, Mr. Claro and Mr. Navarre. Mr. Smith and Mr. Navarre are "Audit Committee Financial Experts" as determined pursuant to Item 407 of Regulation S-K. During 2021, the Audit Committee met seven times.

Report of the Audit Committee

Our Audit Committee is composed entirely of independent directors. The members of the Audit Committee meet the independence and experience requirements of the New York Stock Exchange. The Audit Committee has adopted, and annually reviews, a charter outlining the practices it follows. The charter complies with all current regulatory requirements. The Audit Committee Charter is available on our website at *www.nrplp.com* and is available in print upon request.

During 2021, at each of its meetings, the Audit Committee met with the senior members of our financial management team, our general counsel and our independent auditors. The Audit Committee had private sessions at certain of its meetings with our independent auditors and the senior members of our financial management team and the general counsel at which candid discussions of financial management, accounting and internal control and legal issues took place.

The Audit Committee approved the engagement of Ernst & Young LLP as our independent auditors for the year ended December 31, 2021 and reviewed with our financial managers and the independent auditors overall audit scopes and plans, the results of internal and external audit examinations, evaluations by the auditors of our internal controls and the quality of our financial reporting.

Management has reviewed the audited financial statements in the Annual Report with the Audit Committee, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant accounting judgments and estimates, and the clarity of disclosures in the financial statements. In addressing the quality of management's accounting judgments, members of the Audit Committee asked for management's representations and reviewed certifications prepared by the Chief Executive Officer and Chief Financial Officer that our unaudited quarterly and audited consolidated financial statements fairly present, in all material respects, our financial condition and results of operations, and have expressed to both management and auditors their general preference for conservative policies when a range of accounting options is available.

The Audit Committee has discussed with the independent auditors the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board ("PCAOB") and the Commission. The Audit Committee has received the written disclosures and the letter from the independent accountant required by applicable requirements of the PCAOB regarding the independent accountant's communications with the Audit Committee concerning independence, and has discussed with the independent accountant the independent accountant's independence.

In performing all of these functions, the Audit Committee acts only in an oversight capacity. The Audit Committee reviews our Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K prior to filing with the Securities and Exchange Commission. In 2021, the Audit Committee also reviewed quarterly earnings announcements with management and representatives of the independent auditor in advance of their issuance. In its oversight role, the Audit Committee relies on the work and assurances of our management, which has the primary responsibility for financial statements and reports, and of the independent auditors, who, in their report, express an opinion on the conformity of our annual financial statements with U.S. generally accepted accounting principles.

In reliance on these reviews and discussions, and the report of the independent auditors, the Audit Committee has recommended to the Board of Directors, and the Board has approved, that the audited financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2021, for filing with the Securities and Exchange Commission.

Stephen P. Smith, Chairman
Galdino J. Claro
Richard A. Navarre

Compensation, Nominating and Governance Committee

Executive officer compensation is administered by the CNG Committee, which is currently comprised of three members: Mr. Vecellio, as Chairman, Mr. Navarre and Mr. Smith. During 2021, the CNG Committee met two times. Our Board of Directors appoints the CNG Committee and delegates to the CNG Committee responsibility for:

- reviewing and approving the compensation for our executive officers in light of the time that each executive officer allocates to our business;
- reviewing and recommending the annual and long-term incentive plans in which our executive officers participate and approving awards thereunder; and
- reviewing and approving compensation for the Board of Directors.

Our Board of Directors has determined that each CNG Committee member is independent under the listing standards of the NYSE and the rules of the SEC.

Pursuant to its charter, the CNG Committee is authorized to obtain at NRP's expense compensation surveys, reports on the design and implementation of compensation programs for directors and executive officers and other data that the CNG Committee considers as appropriate. In addition, the CNG Committee has the sole authority to retain and terminate any outside counsel or other experts or consultants engaged to assist it in the evaluation of compensation of our directors and executive officers. The CNG Committee Charter is available in print upon request.

Partnership Agreement

Investors may view our partnership agreement and the amendments to the partnership agreement on our website at *www.nrplp.com*. The partnership agreement is also filed with the SEC and is available in print to any unitholder that requests them.

Corporate Governance Guidelines and Code of Business Conduct and Ethics

We have adopted Corporate Governance Guidelines. We have also adopted a Code of Business Conduct and Ethics that applies to our management, and complies with Item 406 of Regulation S-K. Our Corporate Governance Guidelines and our Code of Business Conduct and Ethics are available on our website at *www.nrplp.com* and are available in print upon request.

NYSE Certification

Pursuant to Section 303A of the NYSE Listed Company Manual, in 2021, Corbin J. Robertson, Jr. certified to the NYSE that he was not aware of any violation by the Partnership of NYSE corporate governance listing standards.

ITEM 11. EXECUTIVE COMPENSATION

Smaller Reporting Company Status

We are a "smaller reporting company," as such term is defined in the rules promulgated under the Securities Exchange Act of 1934, as amended, and we have elected to provide our executive compensation disclosure in accordance with such rules. Accordingly, we have provided compensation disclosure for our principal executive officer and the two most highly compensated executive officers other than our principal executive officer and have omitted the compensation discussion and analysis and the compensation committee reports as permitted by the rules.

Summary Compensation Table

The following table sets forth the amounts reimbursed to affiliates of our general partner for our named executive officers' compensation for the years ended December 31, 2021 and 2020:

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($) (1)	All Other Compensation ($) (2)	Total ($)
Corbin J. Robertson, Jr.—Chief Executive Officer						
	2021	—	2,037,340	946,909	—	2,984,249
	2020	—	825,188	1,210,467	—	2,035,655
Craig W. Nunez—President and Chief Operating Officer						
	2021	515,000	885,800	717,032	17,400	2,135,232
	2020	515,000	358,778	657,866	17,100	1,548,744
Christopher J. Zolas—Chief Financial Officer						
	2021	365,000	502,240	412,549	17,400	1,297,189
	2020	365,000	203,423	276,989	17,100	862,512

(1) Amounts represent the grant date fair value of phantom unit awards determined in accordance with Accounting Standards Codification Topic 718 determined without regard to forfeitures. For information regarding the assumptions used in calculating these amounts, see "Item 8. Financial Statements and Supplementary Data—Note 16. Unit-Based Compensation" elsewhere in this Annual Report on Form 10-K for more information.

(2) Amounts represent the 401(k) matching contributions allocated to Natural Resource Partners by Quintana and Western Pocahontas.

Narrative to the Summary Compensation Table

As a publicly traded partnership, we have a unique employment and compensation structure that is different from that of a typical public corporation. Our named executive officers are based in Houston, Texas and employed by Quintana Minerals Corporation ("Quintana"). Quintana is controlled by our Chairman and Chief Executive Officer and is an affiliate of NRP. While our named executive officers are employed by an affiliate of NRP, each of them has been appointed to serve as an executive officer of GP Natural Resource Partners LLC ("GP LLC"), the general partner of NRP (GP) LLC ("NRP GP"), the general partner of NRP. For a more detailed description of our structure, see "Items 1. and 2. Business and Properties—Partnership Structure and Management" in this Annual Report on Form 10-K.

Base Salaries

With the exception of Mr. Robertson, who does not receive a salary for his services as Chief Executive Officer, our named executive officers are paid an annual base salary by Quintana for services rendered to us by the named executive officers during the fiscal year. We then reimburse Quintana based on the time allocated by each named executive officer to our business. The base salaries of our named executive officers are reviewed on an annual basis as well as at the time of a promotion or other material change in responsibilities.

Short-Term Cash Incentive Compensation

Each named executive officer received a discretionary short-term cash incentive award approved in February 2022 by the CNG Committee. With respect to 2021, the CNG Committee, using recommendations from its independent compensation consultant, Longnecker & Associates, determined that cash bonuses would be paid based on a percentage of base salary. In addition, the CNG Committee determined that it would consider certain criteria to determine bonus amounts, but that the criteria utilized at the time of determination, as well as the relative weight of those criteria, would be generally discretionary and subject to change based on developments at the Partnership.

Long-Term Incentive Compensation

Phantom units awarded to named executive officers under the Natural Resource Partners L.P. 2017 Long-Term Incentive Plan (the "2017 Plan") in 2021 are described in greater detail in the table and associated narrative below.

Perquisites and Other Personal Benefits

Quintana maintains employee benefit plans that provide our named executive officers and other employees with the opportunity to enroll in health, dental and life insurance plans. Each of these benefit plans require the employee to pay a portion of the health and dental premiums, with the company paying the remainder. These benefits are offered on the same basis to all employees of Quintana, and the company costs are reimbursed by us to the extent the employee allocates time to our business.

In 2021, Quintana maintained tax-qualified 401(k) plans. During 2021, Quintana matched 100% of the first 6.0% of the employee contributions under their respective 401(k) plans. As with the other contributions, any amounts contributed by Quintana are reimbursed by us based on the time allocated by the employee to our business. Neither NRP nor Quintana maintains a pension plan or a defined benefit retirement plan.

Employment Agreements Contracts and Potential Payments Upon a Termination of Employment or a Change in Control

None of our named executive officers have an employment agreement. All phantom units awarded under the 2017 Plan to date will vest upon a change in control of NRP and upon the death or disability of the named executive officer. Phantom units awarded in 2020 and 2021 will also vest upon termination of employment of the named executive officer without "cause" or for "good reason."

Outstanding Equity Awards at December 31, 2021

Awards made to our named executive officers under the 2017 Plan have been made in phantom units that settle in common units on a one-for-one basis with tandem distribution equivalent rights ("DERs"). The phantom unit awards made in 2020 and 2021 time-vest ratably over the three-year period following the grant date and accrue DERs to be paid in cash upon each settlement. Phantom units awarded in 2019 time-vest on the third anniversary of the grant date and accrue DERs to be paid in cash upon settlement. The table below shows the total number of outstanding phantom unit awards under the 2017 Plan held by each named executive officer at December 31, 2021:

Named Executive Officer	Unvested 2017 Plan Phantom Units	Market Value of Unvested 2017 Plan Phantom Units (1)
Corbin J. Robertson, Jr.	133,119 (2)	$ 4,448,837
Craig W. Nunez	82,671 (3)	2,762,865
Christopher J. Zolas	46,447 (4)	1,552,259

(1) Based on a unit price of $33.42, the closing price for the common units on December 31, 2021

(2) 73,191 phantom units vesting in February 2022, 41,693 phantom units vesting in February 2023 and 18,235 phantom units vesting in February 2024.

(3) 42,305 phantom units vesting in February 2022, 26,558 phantom units vesting in February 2023 and 13,808 phantom units vesting in February 2024.

(4) 25,190 phantom units vesting in February 2022, 13,312 phantom units vesting in February 2023 and 7,945 phantom units vesting in February 2024.

Directors' Compensation for the Year Ended December 31, 2021

For more information regarding the Board and committees thereof, see "Item 10. Directors and Executive Officers of the Managing General Partner and Corporate Governance" elsewhere in this Annual Report on Form 10-K. Director compensation during 2021 consisted of a $75,000 cash retainer and an award of phantom units under the 2017 Plan. The phantom units awarded to Board members in 2021 vest after one year; however, the Board members had the option in advance of receipt of the award to elect to defer settlement of the award until after 90 days following such director's retirement or earlier departure from the Board. In addition, members of Board committees received $5,000 for each committee served on, and the chairman of the audit, compensation, nominating and governance and conflicts committees received an additional $20,000, $15,000 and $10,000, respectively, for acting as chairman.

The table below shows the directors' compensation for the year ended December 31, 2021:

Name of Director	Fees Earned or Paid in Cash	2017 Plan Common Unit Awards (1)	Total Compensation
S. Reed Morian	$ 75,000	$ 105,193	$ 180,193
Richard A. Navarre (2)	100,000	105,193	205,193
Corbin J. Robertson, III	75,000	105,193	180,193
Stephen P. Smith (3)	105,000	105,193	210,193
Leo A. Vecellio, Jr.	100,000	105,193	205,193
Paul B. Murphy, Jr.	75,000	105,193	180,193
Galdino J. Claro	85,000	105,193	190,193
Alexander D. Greene (4)	—	—	—

(1) Amounts represent the grant date fair value of phantom unit awards determined in accordance with Accounting Standards Codification Topic 718 determined without regard to forfeitures. For information regarding the assumptions used in calculating these amounts, see Note 16 to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. All of the phantom units reported in this column were outstanding on December 31, 2021 and will vest on February 11, 2022.

(2) Mr. Navarre elected to defer settlement of his common units awarded under the 2017 Plan in 2018 and 2019 until 90 days following his retirement or earlier departure from the Board. As of December 31, 2021, 10,431 phantom units previously awarded to Mr. Navarre were outstanding but only 6,077 were unvested.

(3) Mr. Smith elected to defer settlement of his common units awarded under the 2017 Plan in 2018, 2019 and 2020 until 90 days following his retirement or earlier departure from the Board. As of December 31, 2021, 15,362 phantom units previously awarded to Mr. Smith were outstanding but only 6,077 were unvested.

(4) Mr. Greene did not receive Board compensation as the Blackstone designee to the Board.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following tables set forth, as of March 1, 2022, the amount and percentage of our common units and preferred units beneficially held by (1) each person known to us to beneficially own 5% or more of any class of our units, (2) by each of our directors and named executive officers and (3) by all directors and executive officers as a group. Unless otherwise noted, each of the named persons and members of the group has sole voting and investment power with respect to the units shown.

Name of Beneficial Owner	Common Units	Percentage of Common Units (1)
Corbin J. Robertson, Jr. (2)	2,478,742	19.8 %
Western Pocahontas Corporation (3)	1,739,007	13.9 %
Western Pocahontas Properties Limited Partnership (4)	1,727,986	13.8 %
JPMorgan Chase & Co. (5)	1,028,351	8.2 %
The Goldman Sachs Group, Inc. (6)	1,112,356	8.9 %
Craig W. Nunez	37,755	*
Christopher J. Zolas	22,259	*
Galdino J. Claro	15,122	*
Alexander D. Greene	—	—
S. Reed Morian (7)	631,521	5.0 %
Paul B. Murphy, Jr.	14,815	*
Richard A. Navarre (8)	12,008	*
Corbin J. Robertson III (9)	249,664	2.0 %
Stephen P. Smith (10)	355	*
Leo A. Vecellio, Jr.	17,362	*
Directors and Officers as a Group (11)	3,513,459	28.1 %

* Less than one percent.

(1) 12,505,996 common units issued and outstanding as of March 1, 2022.

(2) Mr. Robertson, Jr. may be deemed to beneficially own 573,208 common units owned in his individual capacity, 1,739,007 common units in his capacity as controlling shareholder of Western Pocahontas Corporation, 156,000 common units in his capacity as the sole member of Robertson Coal Management LLC, which is the sole member of GP Natural Resource Partners, which is the general partner of NRP (GP) LP, 5,293 common units in his capacity as controlling shareholder of GNP Management Corporation and 5,234 common units held by his spouse, Barbara M. Robertson. Mr. Robertson, Jr.'s address is 1415 Louisiana Street, Suite 2400, Houston, Texas 77002.

(3) Western Pocahontas Corporation has sole voting and sole dispositive power with respect to 11,021 common units and shared voting and shared dispositive power with respect to 1,727,986 common units in its capacity as the general partner of Western Pocahontas Properties Limited Partnership. The business address of Western Pocahontas Corporation is 5260 Irwin Road, Huntington, West Virginia 25705.

(4) Western Pocahontas Properties Limited Partnership has sole voting and sole dispositive power with respect to 0 common units and shared voting and shared dispositive power with respect to 1,727,986 common units. The business address of Western Pocahontas Properties Limited Partnership is 5260 Irwin Road, Huntington, West Virginia 25705.

(5) According to a Schedule 13G filing with the SEC on February 3, 2022, JPMorgan Chase & Co. holds sole voting power and sole dispositive power with respect to 1,028,351 common units. The business address of JPMorgan Chase & Co. is 383 Madison Avenue., New York, NY 10179.

(6) According to a Schedule 13G filing with the SEC on January 25, 2022, The Goldman Sachs Group holds shared voting power and shared dispositive power with respect to 1,112,356 common units in the Partnership. The business address of The Goldman Sachs Group is 200 West Street, New York, NY 10282.

(7) Mr. Morian may be deemed to beneficially own 344,863 common units owned by Shadder Investments and 60,097 common units owned by Mocol Properties.

(8) Does not include 4,354 common units awarded pursuant to NRP's long-term incentive plan that Mr. Navarre has elected to defer settlement of until 90 days following the date that he no longer serves on NRP's board.

(9) Mr. Robertson III may be deemed to beneficially own 9,783 common units held by CIII Capital Management, LLC, 10,000 common units held by BHJ Investments, 19,663 common units held by The Corbin James Robertson III 2009 Family Trust and 39 common units held by his spouse, Brooke Robertson. The address for CIII Capital Management, LLC is 1415 Louisiana Street, Suite 2400, Houston, Texas 77002, the address for BHJ Investments is 1415 Louisiana Street, Suite 2400, Houston, Texas 77002 and the address for The Corbin James Robertson III 2009 Family Trust is 1415 Louisiana Street, Suite 2400, Houston, Texas 77002. The following common units are pledged as collateral for loans: 68,873 common units owned by Mr. Robertson III.

(10) Does not include 15,362 common units awarded pursuant to NRP's long-term incentive plan that Mr. Smith has elected to defer settlement of until 90 days following the date that he no longer serves on NRP's board. Mr. Smith may be deemed to beneficially own 355 common units owned by the SP Smith 2002 Revocable Trust.

(11) NRP's directors and executive officers as a group consists of 14 individuals.

Name of Beneficial Owner	Preferred Units	Percentage of Preferred Units
Blackstone Inc. [1]	142,500	57 %
GoldenTree Asset Management, LP [2]	107,500	43 %

(1) The preferred units are owned by funds managed by Blackstone Inc., whose address is 345 Park Ave, New York, NY 10154. Blackstone Inc. is controlled by its founder, Stephen A. Schwarzman.

(2) The preferred units are owned by funds managed by GoldenTree Asset Management, LP, whose address is 300 Park Ave, New York, NY 10022. Steven A. Tananbaum serves as senior managing member of GoldenTree Asset Management LLC, the general partner of GoldenTree Asset Management, LP.

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

Relationships with Entities Associated with Corbin J. Robertson, Jr.

Western Pocahontas Properties Limited Partnership, New Gauley Coal Corporation, and Great Northern Properties Limited Partnership are three privately held companies that are primarily engaged in owning and managing mineral properties. We refer to these companies collectively as the WPP Group. Corbin J. Robertson, Jr. owns the general partner of Western Pocahontas Properties, 85% of the general partner of Great Northern Properties Limited Partnership and is the Chairman and Chief Executive Officer of New Gauley Coal Corporation.

Omnibus Agreement

As part of the omnibus agreement entered into concurrently with the closing of our initial public offering, the WPP Group and any entity controlled by Corbin J. Robertson, Jr., which we refer to in this section as the “GP affiliates,” each agreed that neither they nor their affiliates will, directly or indirectly, engage or invest in entities that engage in the following activities (each, a "restricted business") in the specific circumstances described below:

- the entering into or holding of leases with a party other than an affiliate of the GP affiliate for any GP affiliate-owned fee coal within the United States; and
- the entering into or holding of subleases with a party other than an affiliate of the GP affiliate for coal within the United States controlled by a paid-up lease owned by any GP affiliate or its affiliate.

"Affiliate" means, with respect to any GP affiliate or, any other entity in which such GP affiliate owns, through one or more intermediaries, 50% or more of the then outstanding voting securities or other ownership interests of such entity. Except as described below, the WPP Group and their respective controlled affiliates will not be prohibited from engaging in activities in which they compete directly with us.

A GP affiliate may, directly or indirectly, engage in a restricted business if:

- the GP affiliate was engaged in the restricted business at the closing of the offering; provided that if the fair market value of the asset or group of related assets of the restricted business subsequently exceeds $10 million, the GP affiliate must offer the restricted business to us under the offer procedures described below.
- the asset or group of related assets of the restricted business have a fair market value of $10 million or less; provided that if the fair market value of the assets of the restricted business subsequently exceeds $10 million, the GP affiliate must offer the restricted business to us under the offer procedures described below.
- the asset or group of related assets of the restricted business have a fair market value of more than $10 million and the general partner (with the approval of the conflicts committee) has elected not to cause us to purchase these assets under the procedures described below.
- its ownership in the restricted business consists solely of a non-controlling equity interest.

For purposes of this paragraph, "fair market value" means the fair market value as determined in good faith by the relevant GP affiliate.

The total fair market value in the good faith opinion of the WPP Group of all restricted businesses engaged in by the WPP Group, other than those engaged in by the WPP Group at closing of our initial public offering (and except as described below under "—Pocahontas Royalties LLC"), may not exceed $75 million. For purposes of this restriction, the fair market value of any entity engaging in a restricted business purchased by the WPP Group will be determined based on the fair market value of the entity as a whole, without regard for any lesser ownership interest to be acquired.

If the WPP Group desires to acquire a restricted business or an entity that engages in a restricted business with a fair market value in excess of $10 million and the restricted business constitutes greater than 50% of the value of the business to be acquired, then the WPP Group must first offer us the opportunity to purchase the restricted business. If the WPP Group desires to acquire a restricted business or an entity that engages in a restricted business with a value in excess of $10 million and the restricted business constitutes 50% or less of the value of the business to be acquired, then the GP affiliate may purchase the restricted business first and then offer us the opportunity to purchase the restricted business within six months of acquisition.

For purposes of this paragraph, "restricted business" excludes a general partner interest or managing member interest, which is addressed in a separate restriction summarized below. For purposes of this paragraph only, "fair market value" means the fair market value as determined in good faith by the relevant GP affiliate.

If we want to purchase the restricted business and the GP affiliate and the general partner, with the approval of the conflicts committee, agree on the fair market value and other terms of the offer within 60 days after the general partner receives the offer from the GP affiliate, we will purchase the restricted business as soon as commercially practicable. If the GP affiliate and the general partner, with the approval of the conflicts committee, are unable to agree in good faith on the fair market value and other terms of the offer within 60 days after the general partner receives the offer, then the GP affiliate may sell the restricted business to a third party within two years for no less than the purchase price and on terms no less favorable to the GP affiliate than last offered by us. During this two-year period, the GP affiliate may operate the restricted business in competition with us, subject to the restriction on total fair market value of restricted businesses owned in the case of the WPP Group.

If, at the end of the two year period, the restricted business has not been sold to a third party and the restricted business retains a value, in the good faith opinion of the relevant GP affiliate, in excess of $10 million, then the GP affiliate must reoffer the restricted business to the general partner. If the GP affiliate and the general partner, with the approval of the conflicts committee, agree on the fair market value and other terms of the offer within 60 days after the general partner receives the second offer from the GP affiliate, we will purchase the restricted business as soon as commercially practicable. If the GP Affiliate and the general partner, with the concurrence of the conflicts committee, again fail to agree after negotiation in good faith on the fair market value of the restricted business, then the GP affiliate will be under no further obligation to us with respect to the restricted business, subject to the restriction on total fair market value of restricted businesses owned.

In addition, if during the two-year period described above, a change occurs in the restricted business that, in the good faith opinion of the GP affiliate, affects the fair market value of the restricted business by more than 10 percent and the fair market value of the restricted business remains, in the good faith opinion of the relevant GP affiliate, in excess of $10 million, the GP affiliate will be obligated to reoffer the restricted business to the general partner at the new fair market value, and the offer procedures described above will recommence.

If the restricted business to be acquired is in the form of a general partner interest in a publicly held partnership or a managing member interest in a publicly held limited liability company, the WPP Group may not acquire such restricted business even if we decline to purchase the restricted business. If the restricted business to be acquired is in the form of a general partner interest in a non-publicly held partnership or a managing member of a non-publicly held limited liability company, the WPP Group may acquire such restricted business subject to the restriction on total fair market value of restricted businesses owned and the offer procedures described above.

The omnibus agreement may be amended at any time by the general partner, with the concurrence of the conflicts committee. The respective obligations of the WPP Group under the omnibus agreement terminate when the WPP Group and its affiliates cease to participate in the control of the general partner.

Pocahontas Royalties LLC

On February 28, 2020, Pocahontas Royalties LLC (“Pocahontas Royalties”) completed the acquisition of a private company that owns approximately one million acres of mineral rights and leases coal to coal mine operators in Central Appalachia. Pocahontas Royalties is controlled by Corbin J. Robertson, Jr. and members of his family. Reed Morian, one of the directors of GP Natural Resource Partners LLC, also serves on the Board of Managers of Pocahontas Royalties.

In connection with the closing of the acquisition, we and Pocahontas Royalties entered into a limited waiver of the omnibus agreement pursuant to which we waived the provision of the omnibus agreement that restricts Mr. Robertson and his affiliates (other than NRP) from owning, operating or investing in fee coal in the United States with an aggregate fair market value in excess of $75 million. Mr. Robertson had previously offered NRP the opportunity to participate in the acquisition and we determined, after due consideration, not to participate.

In addition, on February 28, 2020, we and Pocahontas Royalties entered into a right of first offer agreement pursuant to which Pocahontas Royalties granted us the exclusive right of first offer to purchase any assets (or entities holding such assets) proposed to be sold at any time by Pocahontas Royalties or any of its subsidiaries with a fair market value exceeding $2 million (individually or in the aggregate), excluding surface acreage, assets or rights (other than surface rights that are appurtenant to or necessary for the development of mineral rights). Provided that Pocahontas Royalties has provided us the opportunity to make a first offer within the time periods specified in the agreement, Pocahontas Royalties will be under no obligation to accept any offer timely made by us and may determine, in its sole discretion, to consummate a transaction with a third party free and clear of any obligations to us.

Quintana Capital Group GP, Ltd.

Corbin J. Robertson, Jr. is a principal in Quintana Capital Group GP, Ltd., which controls several private equity funds focused on investments in the energy business. NRP's Board of Directors has adopted a formal conflicts policy that establishes the opportunities that will be pursued by NRP and those that will be pursued by Quintana Capital. The basic tenets of the policy are set forth below.

NRP's business strategy has historically focused on:

- The ownership of natural resource properties in North America, including, but not limited to coal, aggregates and industrial minerals, and oil and gas. NRP leases these properties to mining or operating companies that mine or produce the resources and pay NRP a royalty.
- The ownership and operation of transportation, storage and related logistics activities related to extracted hard minerals.

The businesses and investments described in this paragraph are referred to as the "NRP Businesses."
NRP's acquisition strategy also includes:

- The ownership of non-operating working interests in oil and gas properties.
- The ownership of non-controlling equity interests in companies involved in natural resource development and extraction.
- The operation of construction aggregates mining and production businesses.

The businesses and investments described in this paragraph are referred to as the "Shared Businesses."

NRP's business strategy does not, and is not expected to, include:

- The ownership of equity interests in companies involved in the mining or extraction of coal.
- Investments that do not generate "qualifying income" for a publicly traded partnership under U.S. tax regulations.
- Investments outside of North America.
- Midstream or refining businesses that do not involve hard extracted minerals, including the gathering, processing, fractionation, refining, storage or transportation of oil, natural gas or natural gas liquids.

The businesses and investments described in this paragraph are referred to as the "Non-NRP Businesses."

It is acknowledged that neither Quintana Capital nor Mr. Robertson will have any obligation to offer investments relating to Non-NRP Businesses to NRP, and that NRP will not have any obligation to refrain from pursuing a Non-NRP Business if there is a change in its business strategy.

For so long as Corbin Robertson, Jr. remains both an affiliate of Quintana Capital and an executive officer or director of NRP or an affiliate of its general partner, before making an investment in an NRP Business, Quintana Capital has agreed to adhere to the following procedures:

- Quintana Capital will first offer such opportunity in its entirety to NRP. NRP may elect to pursue such investment wholly for its own account, to pursue the opportunity jointly with Quintana Capital or not to pursue such opportunity.
- If NRP elects not to pursue an NRP Business investment opportunity, Quintana Capital may pursue the investment for its own account on similar terms.
- NRP will undertake to advise Quintana Capital of its decision regarding a potential investment opportunity within 10 business days of the identification of such opportunity to the Conflicts Committee.

If the opportunity relates to the acquisition of a Shared Business, NRP and Quintana Capital will adhere to the following procedures:

- If the opportunity is generated by individuals other than Mr. Robertson, the opportunity will belong to the entity for which those individuals are working.
- If the opportunity is generated by Mr. Robertson and both NRP and Quintana Capital are interested in pursuing the opportunity, it is expected that the Conflicts Committee will work together with the relevant Limited Partner Advisory Committees for Quintana Capital to reach an equitable resolution of the conflict, which may involve investments by both parties.

In all cases above in which Mr. Robertson has a conflict of interest, investment decisions will be made on behalf of NRP by the Conflicts Committee and on behalf of Quintana Capital Group by the relevant Investment Committee, with Mr. Robertson abstaining.

Relationships with Entities Associated with Corbin J. Robertson, III

Quinwood Coal Partners LP ("Quinwood"), an entity controlled by Corbin J. Robertson, III leases two coal properties from us in Central Appalachia. During the year ended December 31, 2021 and 2020, we recorded $0.0 million in coal royalty revenues from Quinwood and received less than $0.1 million in cash related to royalty and property tax payments.

Preferred Unitholder Board Representation and Observation Rights Agreement

Effective on March 2, 2017 in connection with the closing of the issuance of the Preferred Units, we entered into the Board Observation and Representation Rights Agreement (the "Board Rights Agreement") with Blackstone and GoldenTree. Pursuant to the Board Rights Agreement, Blackstone appoints one member to serve on the Board of Directors of GP Natural Resource Partners LLC and also appoints one observer to attend meetings of the Board. Blackstone's rights to appoint a member of the Board and an observer will terminate at such time as Blackstone, together with their affiliates, no longer own at least 20% of the total number of Preferred Units issued on the closing date, together with all PIK Units that have been issued but not redeemed (the "Minimum Preferred Unit Threshold"). Following the time that Blackstone (and their affiliates) no longer own the Minimum Preferred Unit Threshold and until such time as GoldenTree (together with their affiliates) no longer own the Minimum Preferred Unit Threshold, GoldenTree shall have the one-time option to appoint either one person to serve as a member of the Board or one person to serve as a Board observer. To the extent GoldenTree elects to appoint a Board member and later remove such Board member, GoldenTree may then elect to appoint a Board observer. For more information on the Preferred Units, including the rights of the holders thereof, see "Item 8. Financial Statements and Supplementary Data—Note 4. Class A Convertible Preferred Units and Warrants" elsewhere in this Annual Report on Form 10-K.

Office Building in Huntington, West Virginia

We lease an office building in Huntington, West Virginia from Western Pocahontas Properties Limited Partnership. The initial 10-year term of the lease expired at the end of 2018. On January 1, 2019 we entered into a new lease on the building for a five-year base term, with five additional five-year renewal options. We paid approximately $0.8 million to Western Pocahontas under the lease during both years ended December 31, 2021 and 2020.

Relationship with Cadence Bank, N.A.

Paul B. Murphy, Jr. one of the members of the Board of Directors of GP Natural Resource Partners LLC, is the Chairman of Cadence Bank, N.A., which is a lender under NRP Operating's revolving credit facility and has received customary fees and interest payments in connection therewith. We paid approximately $0.1 million in interest and fees under the credit facility to Cadence Bank, N.A during both years ended December 31, 2021 and 2020.

Conflicts of Interest

Conflicts of interest exist and may arise in the future as a result of the relationships between our general partner and its affiliates (including the WPP Group and Pocahontas Royalties) on the one hand, and our partnership and our limited partners, on the other hand. The directors and officers of GP Natural Resource Partners LLC have duties to manage GP Natural Resource Partners LLC and our general partner in a manner beneficial to its owners. At the same time, our general partner has a duty to manage our partnership in a manner beneficial to us and our unitholders. The Delaware Revised Uniform Limited Partnership Act, which we refer to as the Delaware Act, provides that Delaware limited partnerships may, in their partnership agreements, expand, restrict or eliminate the fiduciary duties otherwise owed by a general partner to limited partners and the partnership. Pursuant to these provisions, our partnership agreement contains various provisions modifying the fiduciary duties that would otherwise be owed by our general partner with contractual standards governing the duties of the general partner and the methods of resolving conflicts of interest. Our partnership agreement also specifically defines the remedies available to limited partners for actions taken that, without these defined liability standards, might constitute breaches of fiduciary duty under applicable Delaware law.

Whenever a conflict arises between our general partner or its affiliates, on the one hand, and our partnership or any other partner, on the other, our general partner will resolve that conflict. Our general partner may, but is not required to, seek the approval of the conflicts committee of the Board of Directors of our general partner of such resolution. The partnership agreement contains provisions that allow our general partner to take into account the interests of other parties in addition to our interests when resolving conflicts of interest.

Our general partner will not be in breach of its obligations under the partnership agreement or its duties to us or our unitholders if the resolution of the conflict is considered to be fair and reasonable to us. Any resolution is considered to be fair and reasonable to us if that resolution is:

- approved by the conflicts committee, although our general partner is not obligated to seek such approval and our general partner may adopt a resolution or course of action that has not received approval;
- on terms no less favorable to us than those generally being provided to or available from unrelated third parties; or
- fair to us, taking into account the totality of the relationships between the parties involved, including other transactions that may be particularly favorable or advantageous to us.

In resolving a conflict, our general partner, including its conflicts committee, may, unless the resolution is specifically provided for in the partnership agreement, consider:

- the relative interests of any party to such conflict and the benefits and burdens relating to such interest;
- any customary or accepted industry practices or historical dealings with a particular person or entity;
- generally accepted accounting practices or principles; and
- such additional factors it determines in its sole discretion to be relevant, reasonable or appropriate under the circumstances.

Blackstone has certain consent rights and board appointment and observation rights and may be deemed to be an affiliate of our general partner. In addition, GoldenTree has certain limited consent rights. In the exercise of these consent rights and board rights, conflicts of interest could arise between us on the one hand, and Blackstone or GoldenTree on the other hand.

Conflicts of interest could arise in the situations described below, among others.

Actions taken by our general partner may affect the amount of cash available for distribution to unitholders.

The amount of cash that is available for distribution to unitholders is affected by decisions of our general partner regarding such matters as:

- amount and timing of asset purchases and sales;
- cash expenditures;
- borrowings;
- the issuance of additional common units; and
- the creation, reduction or increase of mineral rights in any quarter.

In addition, borrowings by us and our affiliates do not constitute a breach of any duty owed by our general partner to the unitholders, including borrowings that have the purpose or effect of enabling our general partner to receive distributions.

For example, in the event we have not generated sufficient cash from our operations to pay the quarterly distribution on our common units, our partnership agreement permits us to borrow funds which may enable us to make this distribution on all outstanding common units.

The partnership agreement provides that we and our subsidiaries may borrow funds from our general partner and its affiliates. Our general partner and its affiliates may not borrow funds from us or our subsidiaries.

We do not have any officers or employees. We rely on officers and employees of GP Natural Resource Partners LLC and its affiliates.

We do not have any officers or employees and rely on officers and employees of GP Natural Resource Partners LLC and its affiliates. Affiliates of GP Natural Resource Partners LLC conduct businesses and activities of their own in which we have no economic interest. If these separate activities are significantly greater than our activities, there could be material competition for the time and effort of the officers and employees who provide services to our general partner. The officers of GP Natural Resource Partners LLC are not required to work full time on our affairs. Certain of these officers devote significant time to the affairs of the WPP Group or its affiliates and are compensated by these affiliates for the services rendered to them.

We reimburse our general partner and its affiliates for expenses.

We reimburse our general partner and its affiliates for costs incurred in managing and operating us, including costs incurred in rendering corporate staff and support services to us. The partnership agreement provides that our general partner determines the expenses that are allocable to us in any reasonable manner determined by our general partner in its sole discretion.

Our general partner intends to limit its liability regarding our obligations.

Our general partner intends to limit its liability under contractual arrangements so that the other party has recourse only to our assets, and not against our general partner or its assets. The partnership agreement provides that any action taken by our general partner to limit its liability or our liability is not a breach of our general partner's fiduciary duties, even if we could have obtained more favorable terms without the limitation on liability.

Common unitholders have no right to enforce obligations of our general partner and its affiliates under agreements with us.

Any agreements between us on the one hand, and our general partner and its affiliates, on the other, do not grant to the unitholders, separate and apart from us, the right to enforce the obligations of our general partner and its affiliates in our favor.

Contracts between us, on the one hand, and our general partner and its affiliates, on the other, are not the result of arm's-length negotiations.

The partnership agreement allows our general partner to pay itself or its affiliates for any services rendered to us, provided these services are rendered on terms that are fair and reasonable. Our general partner may also enter into additional contractual arrangements with any of its affiliates on our behalf. Neither the partnership agreement nor any of the other agreements, contracts and arrangements between us, on the one hand, and our general partner and its affiliates, on the other, are the result of arm's-length negotiations.

All of these transactions entered into after our initial public offerings are on terms that are fair and reasonable to us.

Our general partner and its affiliates have no obligation to permit us to use any facilities or assets of our general partner and its affiliates, except as may be provided in contracts entered into specifically dealing with that use. There is no obligation of our general partner or its affiliates to enter into any contracts of this kind.

We may not choose to retain separate counsel for ourselves or for the holders of common units.

The attorneys, independent auditors and others who have performed services for us in the past were retained by our general partner, its affiliates and us and have continued to be retained by our general partner, its affiliates and us. Attorneys, independent auditors and others who perform services for us are selected by our general partner or the conflicts committee and may also perform services for our general partner and its affiliates. We may retain separate counsel for ourselves or the holders of common units in the event of a conflict of interest arising between our general partner and its affiliates, on the one hand, and us or the holders of common units, on the other, depending on the nature of the conflict. We do not intend to do so in most cases. Delaware case law has not definitively established the limits on the ability of a partnership agreement to restrict such fiduciary duties.

Our general partner's affiliates may compete with us.

The partnership agreement provides that our general partner is restricted from engaging in any business activities other than those incidental to its ownership of interests in us. Except as provided in our partnership agreement and the Omnibus Agreement, affiliates of our general partner will not be prohibited from engaging in activities in which they compete directly with us.

The Conflicts Committee Charter is available upon request.

Director Independence

For a discussion of the independence of the members of the Board of Directors of our managing general partner under applicable standards, see "Item 10. Directors and Executive Officers of the Managing General Partner and Corporate Governance—Corporate Governance—Independence of Directors," which is incorporated by reference into this Item 13.

Review, Approval or Ratification of Transactions with Related Persons

If a conflict or potential conflict of interest arises between our general partner and its affiliates (including the WPP Group and Pocahontas Royalties) on the one hand, and our partnership and our limited partners, on the other hand, the resolution of any such conflict or potential conflict is addressed as described under "—Conflicts of Interest."

Pursuant to our Code of Business Conduct and Ethics, conflicts of interest are prohibited as a matter of policy, except under guidelines approved by the Board and as provided in the Omnibus Agreement and our partnership agreement. For the year ended December 31, 2021 there were no transactions where such guidelines were not followed.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The Audit Committee of the Board of Directors of GP Natural Resource Partners LLC recommended and we engaged Ernst & Young LLP to audit our accounts and assist with tax compliance for fiscal 2021 and 2020. All of our audit, audit-related fees and tax services have been approved by the Audit Committee of our Board of Directors. The following table presents fees for professional services rendered by Ernst & Young LLP:

	2021	2020
Audit Fees (1)	$ 757,450	$ 785,750
Tax Fees (2)	412,500	505,915

(1) Audit fees include fees associated with the annual integrated audit of our consolidated financial statements and internal controls over financial reporting, separate audits of subsidiaries and reviews of our quarterly financial statement for inclusion in our Form 10-Q and comfort letters; consents; work related to acquisitions; assistance with and review of documents filed with the SEC.

(2) Tax fees include fees principally incurred for assistance with tax planning, compliance, tax return preparation and filing of Schedules K-1.

Audit and Non-Audit Services Pre-Approval Policy

I. Statement of Principles

Under the Sarbanes-Oxley Act of 2002 (the "Act"), the Audit Committee of the Board of Directors is responsible for the appointment, compensation and oversight of the work of the independent auditor. As part of this responsibility, the Audit Committee is required to pre-approve the audit and non-audit services performed by the independent auditor in order to assure that they do not impair the auditor's independence from the Partnership. To implement these provisions of the Act, the SEC has issued rules specifying the types of services that an independent auditor may not provide to its audit client, as well as the audit committee's administration of the engagement of the independent auditor. Accordingly, the Audit Committee has adopted, and the Board of Directors has ratified, this Audit and Non-Audit Services Pre-Approval Policy (the "Policy"), which sets forth the procedures and the conditions pursuant to which services proposed to be performed by the independent auditor may be pre-approved.

The SEC's rules establish two different approaches to pre-approving services, which the SEC considers to be equally valid. Proposed services may either be pre-approved without consideration of specific case-by-case services by the Audit Committee ("general pre-approval") or require the specific pre-approval of the Audit Committee ("specific pre-approval"). The Audit Committee believes that the combination of these two approaches in this Policy will result in an effective and efficient procedure to pre-approve services performed by the independent auditor. As set forth in this Policy, unless a type of service has received general pre-approval, it will require specific pre-approval by the Audit Committee if it is to be provided by the independent auditor. Any proposed services exceeding pre-approved cost levels or budgeted amounts will also require specific pre-approval by the Audit Committee.

For both types of pre-approval, the Audit Committee will consider whether such services are consistent with the SEC's rules on auditor independence. The Audit Committee will also consider whether the independent auditor is best positioned to provide the most effective and efficient service for reasons such as its familiarity with our business, employees, culture, accounting systems, risk profile and other factors, and whether the service might enhance the Partnership's ability to manage or control risk or improve audit quality. All such factors will be considered as a whole, and no one factor will necessarily be determinative.

The Audit Committee is also mindful of the relationship between fees for audit and non-audit services in deciding whether to pre-approve any such services and may determine, for each fiscal year, the appropriate ratio between the total amount of fees for audit, audit-related and tax services.

The appendices to this Policy describe the audit, audit-related and tax services that have the general pre-approval of the Audit Committee. The term of any general pre-approval is 12 months from the date of pre-approval, unless the Audit Committee considers a different period and states otherwise. For the audit, pre-approval is for the fiscal year as the time between approval and the actual issuance of the audit may be more than 12 months. The Audit Committee will annually review and pre-approve the services that may be provided by the independent auditor without obtaining specific pre-approval from the Audit Committee. The Audit Committee will add or subtract to the list of general pre-approved services from time to time, based on subsequent determinations.

The purpose of this Policy is to set forth the procedures by which the Audit Committee intends to fulfill its responsibilities. It does not delegate the Audit Committee's responsibilities to pre-approve services performed by the independent auditor to management.

Ernst & Young LLP, our independent auditor reviews this Policy annually and it does not adversely affect its independence.

II. Delegation

As provided in the Act and the SEC's rules, the Audit Committee has delegated either type of pre-approval authority to Stephen P. Smith, the Chairman of the Audit Committee. Mr. Smith must report, for informational purposes only, any pre-approval decisions to the Audit Committee at its next scheduled meeting.

III. Audit Services

The annual Audit services engagement terms and fees will be subject to the specific pre-approval of the Audit Committee. Audit services include the annual financial statement audit (including required quarterly reviews), subsidiary audits and other procedures required to be performed by the independent auditor to be able to form an opinion on the Partnership's consolidated financial statements. These other procedures include information systems and procedural reviews and testing performed in order to understand and place reliance on the systems of internal control, and consultations relating to the audit or quarterly review. Audit services also include the attestation engagement for the independent auditor's report on internal controls for financial reporting. The Audit Committee monitors the audit services engagement as necessary, but not less than on a quarterly basis, and approves, if necessary, any changes in terms, conditions and fees resulting from changes in audit scope, partnership structure or other items.

In addition to the annual audit services engagement approved by the Audit Committee, the Audit Committee may grant general pre-approval to other audit services, which are those services that only the independent auditor reasonably can provide. Other audit services may include statutory audits or financial audits for our subsidiaries or our affiliates and services associated with SEC registration statements, periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings.

IV. Audit-related Services

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of the Partnership's financial statements or that are traditionally performed by the independent auditor. Because the Audit Committee believes that the provision of audit-related services does not impair the independence of the auditor and is consistent with the SEC's rules on auditor independence, the Audit Committee may grant general pre-approval to audit-related services. Audit-related services include, among others, due diligence services pertaining to potential business acquisitions/dispositions; accounting consultations related to accounting, financial reporting or disclosure matters not classified as "Audit Services"; assistance with understanding and implementing new accounting and financial reporting guidance from rulemaking authorities; financial audits of employee benefit plans; agreed-upon or expanded audit procedures related to accounting and/or billing records required to respond to or comply with financial, accounting or regulatory reporting matters; and assistance with internal control reporting requirements.

V. Tax Services

The Audit Committee believes that the independent auditor can provide tax services to the Partnership such as tax compliance, tax planning and tax advice without impairing the auditor's independence, and the SEC has stated that the independent auditor may provide such services. Hence, the Audit Committee believes it may grant general pre-approval to those tax services that have historically been provided by the auditor, that the Audit Committee has reviewed and believes would not impair the independence of the auditor and that are consistent with the SEC's rules on auditor independence. The Audit Committee will not permit the retention of the independent auditor in connection with a transaction initially recommended by the independent auditor, the sole business purpose of which may be tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. The Audit Committee will consult with the Chief Financial Officer or outside counsel to determine that the tax planning and reporting positions are consistent with this Policy.

VI. Pre-Approval Fee Levels or Budgeted Amounts

Pre-approval fee levels or budgeted amounts for all services to be provided by the independent auditor will be established annually by the Audit Committee. Any proposed services exceeding these levels or amounts will require specific pre-approval by the Audit Committee. The Audit Committee is mindful of the overall relationship of fees for audit and non-audit services in determining whether to pre-approve any such services. For each fiscal year, the Audit Committee may determine the appropriate ratio between the total amount of fees for audit, audit-related and tax services.

VII. Procedures

All requests or applications for services to be provided by the independent auditor that do not require specific approval by the Audit Committee will be submitted to the Chief Financial Officer and must include a detailed description of the services to be rendered. The Chief Financial Officer will determine whether such services are included within the list of services that have received the general pre-approval of the Audit Committee. The Audit Committee will be informed on a timely basis of any such services rendered by the independent auditor.

Requests or applications to provide services that require specific approval by the Audit Committee will be submitted to the Audit Committee by both the independent auditor and the Chief Financial Officer, and must include a joint statement as to whether, in their view, the request or application is consistent with the SEC's rules on auditor independence.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) and (2) Financial Statements and Schedules

See "Item 8. Financial Statements and Supplementary Data."

(a)(3) Sisecam Wyoming LLC Financial Statements

The financial statements of Sisecam Wyoming LLC required pursuant to Rule 3-09 of Regulation S-X are included in this filing as Exhibit 99.1.

(a)(4) Exhibits

Exhibit Number	Description
3.1	Fifth Amended and Restated Agreement of Limited Partnership of Natural Resource Partners L.P., dated as of March 2, 2017 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed on March 6, 2017).
3.2	Fifth Amended and Restated Agreement of Limited Partnership of NRP (GP) LP, dated as of December 16, 2011 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed on December 16, 2011).
3.3	Fifth Amended and Restated Limited Liability Company Agreement of GP Natural Resource Partners LLC, dated as of October 31, 2013 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed on October 31, 2013).
3.4	Amended and Restated Limited Liability Company Agreement of NRP (Operating) LLC, dated as of October 17, 2002 (incorporated by reference to Exhibit 3.4 of Annual Report on Form 10-K for the year ended December 31, 2002).
3.5	Certificate of Limited Partnership of Natural Resource Partners L.P. (incorporated by reference to Exhibit 3.1 to the Registration Statement on Form S-1 filed April 19, 2002, File No. 333-86582).
4.1	Note Purchase Agreement dated as of June 19, 2003 among NRP (Operating) LLC and the Purchasers signatory thereto (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed June 23, 2003).
4.2	First Amendment, dated as of July 19, 2005, to Note Purchase Agreement dated as of June 19, 2003 among NRP (Operating) LLC and the purchasers signatory thereto (incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed on July 20, 2005).
4.3	Second Amendment, dated as of March 28, 2007, to Note Purchase Agreement dated as of June 19, 2003 among NRP (Operating) LLC and the purchasers signatory thereto (incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed on March 29, 2007).
4.4	First Supplement to Note Purchase Agreement, dated as of July 19, 2005 among NRP (Operating) LLC and the purchasers signatory thereto (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on July 20, 2005).
4.5	Second Supplement to Note Purchase Agreement, dated as of March 28, 2007 among NRP (Operating) LLC and the purchasers signatory thereto (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on March 29, 2007).
4.6	Third Supplement to Note Purchase Agreement, dated as of March 25, 2009 among NRP (Operating) LLC and the purchasers signatory thereto (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on March 26, 2009).
4.7	Fourth Supplement to Note Purchase Agreement, dated as of April 20, 2011 among NRP (Operating) LLC and the purchasers signatory thereto (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on April 21, 2011).
4.8	Subsidiary Guarantee of Senior Notes of NRP (Operating) LLC, dated June 19, 2003 (incorporated by reference to Exhibit 4.5 to Current Report on Form 8-K filed June 23, 2003).
4.9	Form of Series A Note (incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed June 23, 2003).
4.10	Form of Series D Note (incorporated by reference to Exhibit 4.12 to Annual Report on Form 10-K filed February 28, 2007).

Exhibit Number	Description
4.11	Form of Series E Note (incorporated by reference to Exhibit 4.3 to Current Report on Form 8-K filed March 29, 2007).
4.12	Form of Series F Note (incorporated by reference to Exhibit 4.2 to Quarterly Report on Form 10-Q filed May 7, 2009).
4.13	Form of Series G Note (incorporated by reference to Exhibit 4.3 to Quarterly Report on Form 10-Q filed May 7, 2009).
4.14	Form of Series H Note (incorporated by reference to Exhibit 4.2 to Quarterly Report on Form 10-Q filed May 5, 2011).
4.15	Form of Series I Note (incorporated by reference to Exhibit 4.3 to Quarterly Report on Form 10-Q filed May 5, 2011).
4.16	Form of Series J Note (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on June 15, 2011).
4.17	Form of Series K Note (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on October 3, 2011).
4.18	Registration Rights Agreement, dated as of January 23, 2013, by and among Natural Resource Partners L.P. and the Investors named therein (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on January 25, 2013).
4.19	Third Amendment, dated as of June 16, 2015, to Note Purchase Agreements, dated as of June 19, 2003, among NRP (Operating) LLC and the holders named therein (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on June 18, 2015).
4.20	Fourth Amendment, dated as of September 9, 2016, to Note Purchase Agreements, dated as of June 19, 2003, among NRP (Operating) LLC and the holders named therein (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on September 12, 2016).
4.21	Indenture, dated April 29, 2019, by and among Natural Resource Partners L.P. and NRP Finance Corporation, as issuers, and Wilmington Trust, National Association, as trustee (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on May 2, 2019).
4.22	Form of 9.125% Senior Notes due 2025 (contained in Exhibit 1 to Exhibit 4.21).
4.23	Registration Rights Agreement dated as of March 2, 2017, by and among Natural Resource Partners L.P. and the Purchasers named therein (incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed on March 6, 2017).
4.24	Form of Warrant to Purchase Common Units (incorporated by reference to Exhibit 4.1 to Current Report on Form 8-K filed on March 6, 2017).
4.25	Description of Equity Securities of Natural Resource Partners L.P. (incorporated by reference to Exhibit 4.25 to Annual Report on Form 10-K filed on February 27, 2020).
10.1	Third Amended and Restated Credit Agreement, dated as of June 16, 2015, by and among NRP (Operating) LLC, the lenders party thereto, Citibank, N.A. as Administrative Agent and Collateral Agent, Citigroup Global Markets Inc. and Wells Fargo Securities LLC as Joint Lead Arrangers and Joint Bookrunners, and Citibank, N.A., as Syndication Agent (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed on June 18, 2015).
10.2	First Amendment, dated as of June 3, 2016, to Third Amended and Restated Credit Agreement, dated as of June 16, 2015, by and among NRP (Operating) LLC, the lenders party thereto, Citibank, N.A. as Administrative Agent and Collateral Agent, Citigroup Global Markets Inc. and Wells Fargo Securities LLC as Joint Lead Arrangers and Joint Bookrunners, and Citibank, N.A., as Syndication Agent (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed on June 7, 2016).
10.3	First Amended and Restated Omnibus Agreement, dated as of April 22, 2009, by and among Western Pocahontas Properties Limited Partnership, Great Northern Properties Limited Partnership, New Gauley Coal Corporation, Robertson Coal Management LLC, GP Natural Resource Partners LLC, NRP (GP) LP, Natural Resource Partners L.P. and NRP (Operating) LLC (incorporated by reference to Exhibit 10.1 to Quarterly Report on Form 10-Q filed May 7, 2009).
10.4	Limited Liability Company Agreement of Sisecam Wyoming LLC, dated June 30, 2014 (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed by Sisecam Resources LP on July 2, 2014).
10.5	Amendment No. 1 to the Limited Liability Company Agreement of Sisecam Wyoming LLC dated November 5, 2015 (incorporated by reference to Exhibit 10.22 to Annual Report on Form 10-K filed by Sisecam Resources LP on March 11, 2016).

Exhibit Number	Description
10.6	Second Amendment, dated as of March 2, 2017, to Third Amended and Restated Credit Agreement, dated as of June 16, 2015, by and among NRP (Operating) LLC, the lenders party thereto, Citibank, N.A. as Administrative Agent and Collateral Agent, Citigroup Global Markets Inc. and Wells Fargo Securities LLC as Joint Lead Arrangers and Joint Bookrunners, and Citibank, N.A., as Syndication Agent (incorporated by reference to Exhibit 10.3 to Current Report on Form 8-K filed on March 6, 2017).
10.7	Fourth Amendment, dated as of April 3, 2019, to Third Amended and Restated Credit Agreement, dated as of June 16, 2015, by and among NRP (Operating) LLC and the lenders party thereto (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed on April 9, 2019).
10.8	New Lender Agreement, dated as of April 8, 2019, by and among NRP (Operating) LLC and the lenders party thereto (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K filed on April 9, 2019).
10.9	Board Representation and Observation Rights Agreement dated as of March 2, 2017, by and among Natural Resource Partners L.P., Robertson Coal Management LLC, GP Natural Resource Partners LLC, NRP (GP) LP, BTO Carbon Holdings L.P. and the GoldenTree Purchasers named therein (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K filed on March 6, 2017)
10.10	Master Amendment and Supplement to Coal Mining and Transportation Lease Agreements and Parent Guaranty dated June 30, 2020 by and among NRP (Operating) LLC, WPP LLC, Hod LLC, Independence Land Company, LLC, Williamson Transport LLC, Foresight Energy LP, Foresight Energy GP LLC, Foresight Energy LLC, Macoupin Energy, LLC, Williamson Energy, LLC, Sugar Camp Energy, LLC, Hillsboro Energy LLC, Foresight Energy Resources LLC, and Foresight Energy Operating LLC (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed on July 1, 2020).
10.11	Limited Waiver dated February 28, 2020 by Natural Resource Partners L.P., GP Natural Resource Partners LLC, NRP (GP) LP, and NRP (Operating) LLC (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed on March 3, 2020).
10.12	Right of First Offer Agreement dated as of February 28, 2020 by and among Pocahontas Royalties LLC, Natural Resource Partners L.P., GP Natural Resource Partners LLC, NRP (GP) LP, and NRP (Operating) LLC. (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K filed on March 3, 2020).
10.13+	Natural Resource Partners L.P. 2017 Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed on January 17, 2018).
10.14+	Form of Phantom Unit Award Agreement (Employees and Service Providers) (incorporated by reference to Exhibit 4.5 to Registration Statement on Form S-8 filed on February 9, 2018).
10.15+	Form of Phantom Unit Award Agreement (Directors) (incorporated by reference to Exhibit 4.6 to Registration Statement on Form S-8 filed on February 9, 2018).
10.16+	Form of Phantom Unit Award Agreement (Employees and Service Providers) (incorporated by reference to Exhibit 10.13 to Annual Report on Form 10-K filed on February 27, 2020).
10.17+	Form of Phantom Form of Phantom Unit Award Agreement (Directors) (incorporated by reference to Exhibit 10.14 to Annual Report on Form 10-K filed on February 27, 2020).
10.18+	Form of Phantom Unit Award Agreement (Directors with Deferral Election) (incorporated by reference to Exhibit 10.15 to Annual Report on Form 10-K filed on February 27, 2020).
21.1*	List of Subsidiaries of Natural Resource Partners L.P.
23.1*	Consent of Ernst & Young LLP.
23.2*	Consent of Deloitte & Touche LLP.
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of Sarbanes-Oxley.
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of Sarbanes-Oxley.
32.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. § 1350.
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. § 1350.
99.1*	Financial Statements of Sisecam Wyoming LLC as of December 31, 2021 and 2020 and for the years ended December 31, 2021, 2020 and 2019.

Exhibit Number	Description
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101)

*	Filed herewith
**	Furnished herewith
+	Management compensatory plan or arrangement

SIGNATURES

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

NATURAL RESOURCE PARTNERS L.P.
By: NRP (GP) LP, its general partner
By: GP NATURAL RESOURCE PARTNERS LLC, its general partner

Date: March 15, 2022

By: /s/ CORBIN J. ROBERTSON, JR.
Corbin J. Robertson, Jr.
Chairman of the Board, Director and Chief Executive Officer
(Principal Executive Officer)

Date: March 15, 2022

By: /s/ CHRISTOPHER J. ZOLAS
Christopher J. Zolas
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

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

Date: March 15, 2022	/s/ GALDINO J. CLARO Galdino J. Claro Director
Date: March 15, 2022	/s/ ALEXANDER D. GREENE Alexander D. Greene Director
Date: March 15, 2022	/s/ S. REED MORIAN S. Reed Morian Director
Date: March 15, 2022	/s/ PAUL B. MURPHY, JR. Paul B. Murphy, Jr. Director
Date: March 15, 2022	/s/ RICHARD A. NAVARRE Richard A. Navarre Director
Date: March 15, 2022	/s/ CORBIN J. ROBERTSON III Corbin J. Robertson III Director
Date: March 15, 2022	/s/ STEPHEN P. SMITH Stephen P. Smith Director
Date: March 15, 2022	/s/ LEO A. VECELLIO, JR. Leo A. Vecellio, Jr. Director

Exhibit 21.1

List of Subsidiaries of Natural Resource Partners L.P.

NRP (Operating) LLC
NRP Oil and Gas LLC
NRP Finance Corporation
WPP LLC
ACIN LLC
WBRD LLC
Hod LLC
Shepard Boone Coal Company LLC
Gatling Mineral, LLC
Independence Land Company, LLC
Williamson Transport, LLC
Rivervista Mining, LLC
NRP Trona LLC
BRP LLC
BRP Minerals LLC
CoVal Leasing Company, LLC

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

1) Registration Statement (Form S-3 No. 333-217205) of Natural Resource Partners L.P.,

2) Registration Statement (Form S-3 No. 333-187883) of Natural Resource Partners L.P.,

3) Registration Statement (Form S-3 No. 333-262435) of Natural Resource Partners L.P., and

4) Registration Statement (Form S-8 No. 333-222970) pertaining to the Natural Resource Partners L.P. 2017 Long-Term Incentive Plan;

of our reports dated March 15, 2022, with respect to the consolidated financial statements of Natural Resource Partners L.P., and the effectiveness of internal control over financial reporting of Natural Resource Partners L.P., included in this Annual Report (Form 10-K) of Natural Resource Partners L.P. for the year ended December 31, 2021.

/s/ Ernst & Young LLP

Houston, Texas
March 15, 2022

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-217205, 333-187883, 333-262435 on Form S-3 and Registration Statement No. 333-222970 Form S-8 of Natural Resource Partners LP, of our report dated March 15, 2022, relating to the financial statements of Sisecam Wyoming LLC as of December 31, 2021 and 2020, and for the three years in the period ended December 31, 2021, appearing in this Annual Report on Form 10-K of Natural Resource Partners LP for the year ended December 31, 2021.

/s/ Deloitte & Touche LLP

Atlanta, Georgia
March 15, 2022

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Corbin J. Robertson, Jr., certify that:

1 I have reviewed this report on Form 10-K of Natural Resource Partners L.P.

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

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

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

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

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

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

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

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

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

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

By: /s/ Corbin J. Robertson, Jr.
Corbin J. Robertson, Jr.
Chief Executive Officer

Date: March 15, 2022

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Christopher J. Zolas, certify that:

1. I have reviewed this report on Form 10-K of Natural Resource Partners L.P.

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

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

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

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

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

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

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

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

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

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

By: /s/ Christopher J. Zolas
Christopher J. Zolas
Chief Financial Officer

Date: March 15, 2022

Exhibit 32.1

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER
OF GP NATURAL RESOURCE PARTNERS LLC
PURSUANT TO 18 U.S.C. § 1350

In connection with the accompanying report on Form 10-K for the year ended December 31, 2021 filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Corbin J. Robertson, Jr., Chief Executive Officer of GP Natural Resource Partners LLC, the general partner of the general partner of Natural Resource Partners L.P. (the "Company"), hereby certify, to my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Corbin J. Robertson, Jr.
Corbin J. Robertson, Jr.
Chief Executive Officer

Date: March 15, 2022

Exhibit 32.2

CERTIFICATION OF
CHIEF FINANCIAL OFFICER
OF GP NATURAL RESOURCE PARTNERS LLC
PURSUANT TO 18 U.S.C. § 1350

In connection with the accompanying report on Form 10-K for the year ended December 31, 2021 filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher J. Zolas, Chief Financial Officer of GP Natural Resource Partners LLC, the general partner of the general partner of Natural Resource Partners L.P. (the "Company"), hereby certify, to my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Christopher J. Zolas
Christopher J. Zolas
Chief Financial Officer

Date: March 15, 2022

Exhibit 99.1

Sisecam Wyoming LLC

(A Majority-Owned Subsidiary of Sisecam Resources LP)

Financial Statements as of December 31, 2021 and 2020 and for the Years Ended December 31, 2021, 2020, and 2019, and Report of Independent Registered Public Accounting Firm

SISECAM WYOMING LLC

(A Majority Owned Subsidiary of Sisecam Resources LP)

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Managers and Members of
Sisecam Wyoming LLC
Atlanta, Georgia

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Sisecam Wyoming LLC (the "Company") as of December 31, 2021 and 2020, the related statements of operations and comprehensive income, members' equity, and cash flows for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Agreements and Transactions with Affiliates – Refer to Notes 1, 2, 8, 12, and 13 to the financial statements

Critical Audit Matter Description

The Company is a subsidiary and investee within two different global group structures and agreements directly between the Company and affiliates, or indirectly between affiliates that the Company does not control, can have a significant impact on recorded amounts or disclosures in the Company's financial statements, including any commitments and contingencies between the Company and affiliates or, potentially, third parties. Performing audit procedures to evaluate the Company’s identification of upstream affiliate relationships, transactions, and commitments and contingencies originating outside of the Ciner Enterprises, Inc. group and the impact of such matters on the financial statements represents a critical audit matter because of the increased auditor judgment necessary to perform audit procedures related to these matters and evaluate the results of those procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Company's identification of upstream affiliate relationships, transactions, and commitments and contingencies originating outside of the Ciner Enterprises, Inc. group and the impact of such matters on the financial statements included the following, among others:

a. We tested the effectiveness of controls over the Company's affiliate process, including controls over the identification of the Company's affiliate relationships, transactions, and commitments and contingencies originating outside of the Ciner Enterprises, Inc. group.

b. We read publicly available financial filings and news sources related to the Company and its affiliates outside of the Ciner Enterprises, Inc group and listened to the parent company (Sisecam Resources LP) quarterly investor relations calls for information related to potential new affiliates and transactions between the Company and affiliates.

c. We inspected director and executive officer questionnaires from the Sisecam Resources LP's directors and officers to identify any affiliate matters.

d. We searched the general ledger for potential transactions with affiliates.

e. We read significant new or amended agreements and contracts of the Company to identify new affiliate relationships, transactions, or commitments and contingencies, and evaluated management's analyses regarding the accounting and disclosure of such arrangements.

f. We inquired of executive officers, key members of management, and the Board of Managers regarding affiliate relationships, transactions and commitments and contingencies.

g. We confirmed with the Company's ultimate parent companies that the affiliate relationships, transactions, and commitments and contingencies identified and disclosed by the Company were complete.

/s/ Deloitte & Touche LLP

Atlanta, Georgia
March 15, 2022

We have served as the Company's auditor since 2008.

SISECAM WYOMING LLC
(A Majority Owned Subsidiary of Sisecam Resources LP)

BALANCE SHEETS
AS OF DECEMBER 31, 2021 AND 2020
(In thousands of dollars)

	2021	2020
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 901	$ 364
Accounts receivable, net	116,885	40,613
Accounts receivable - affiliates	49,517	86,697
Inventory	30,066	33,456
Other current assets	8,946	3,590
Total current assets	206,315	164,720
PROPERTY, PLANT, AND EQUIPMENT, NET	266,032	268,590
OTHER NON-CURRENT ASSETS	31,178	25,418
TOTAL ASSETS	$ 503,525	$ 458,728
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt	$ 8,587	$ 2,983
Accounts payable	21,918	16,393
Due to affiliates	2,128	2,865
Accrued expenses	40,548	33,072
Total current liabilities	73,181	55,313
LONG-TERM DEBT	114,982	127,069
OTHER NON-CURRENT LIABILITIES	9,767	8,707
Total liabilities	197,930	191,089
COMMITMENTS AND CONTINGENCIES (See Note 12)		
MEMBERS' EQUITY:		
Members’ equity — Sisecam Resources LP	152,809	136,459
Members’ equity — NRP Trona LLC	146,817	131,108
Accumulated other comprehensive income	5,969	72
Total members' equity	305,595	267,639
TOTAL LIABILITIES AND MEMBERS' EQUITY	$ 503,525	$ 458,728

See notes to financial statements.

SISECAM WYOMING LLC
(A Majority Owned Subsidiary of Sisecam Resources LP)

STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019
(In thousands of dollars)

	2021	2020	2019
SALES - AFFILIATES	$ 0	$ 177,891	$ 315,847
SALES - OTHERS	540,139	214,340	206,996
Total net sales	540,139	392,231	522,843
COST OF PRODUCTS SOLD	246,593	213,721	247,790
FREIGHT COSTS	212,996	123,672	143,341
Total cost of products sold	459,589	337,393	391,131
GROSS PROFIT	80,550	54,838	131,712
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES - AFFILIATES	16,635	17,398	18,404
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES - OTHERS	3,731	946	1,553
OPERATING INCOME	60,184	36,494	111,755
OTHER INCOME (EXPENSE):			
Interest income	0	145	350
Interest expense	(5,042)	(5,305)	(5,893)
Other expense, net	(83)	(304)	(57)
Total other expense, net	(5,125)	(5,464)	(5,600)
NET INCOME	55,059	31,030	106,155
Income on derivative financial instruments	5,897	5,951	1,612
COMPREHENSIVE INCOME	$ 60,956	$ 36,981	$ 107,767

See notes to financial statements.

SISECAM WYOMING LLC

(A Majority Owned Subsidiary of Sisecam Resources LP)

STATEMENTS OF MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019
(In thousands of dollars)

	Sisecam Resources LP	NRP Trona LLC	Accumulated Other Comprehensive Income (Loss)	Total Members' Equity
Balance at December 31, 2018	**$ 114,434**	**$ 109,947**	**$ (7,491)**	**$ 216,890**
Allocation of net income	54,139	52,016	—	106,155
Capital distribution to members	(33,150)	(31,850)	—	(65,000)
Other comprehensive income	—	—	1,612	1,612
Balance at December 31, 2019	**$ 135,423**	**$ 130,113**	**$ (5,879)**	**$ 259,657**
Allocation of net income	15,826	15,205	—	31,030
Capital distribution to members	(14,790)	(14,210)	—	(29,000)
Other comprehensive income	—	—	5,951	5,951
Balance at December 31, 2020	**$ 136,459**	**$ 131,108**	**$ 72**	**$ 267,639**
Allocation of net income	28,080	26,979	—	55,059
Capital distribution to members	(11,730)	(11,270)	—	(23,000)
Other comprehensive income	—	—	5,897	5,897
Balance at December 31, 2021	**$ 152,809**	**$ 146,817**	**$ 5,969**	**$ 305,595**

See notes to financial statements.

SISECAM WYOMING LLC
(A Majority Owned Subsidiary of Sisecam Resources LP)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019
(In thousands of dollars)

	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 55,059	$ 31,030	$ 106,155
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation, depletion and amortization	31,468	28,494	26,440
Loss on disposal of assets, net	965	8	642
Other non-cash items	(487)	322	304
(Increase) decrease in:			
Accounts receivable - affiliates	(4,768)	8,418	(24,756)
Accounts receivable, net	(34,325)	(4,650)	907
Inventory	303	(9,757)	(385)
Other current and non-current assets	(2,069)	(450)	(123)
Increase (decrease) in:			
Accounts payable	5,000	2,155	(3,073)
Accrued expenses and other liabilities	5,715	2,489	(73)
Due to affiliates	(554)	(382)	372
Net cash provided by operating activities	56,307	57,677	106,410
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(25,654)	(42,218)	(65,350)
Insurance proceeds	809		
Net cash used in investing activities	(24,845)	(42,218)	(65,350)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Borrowings on revolving credit facility	83,500	211,500	102,000
Borrowings on other long-term debt	29,000	30,000	—
Repayments on revolving credit facility	(116,000)	(238,500)	(71,500)
Repayments on other long-term debt	(3,031)	(2,225)	—
Debt issuance costs	(1,394)	(554)	—
Cash distribution to members	(23,000)	(29,000)	(65,000)
Net cash used in financing activities	(30,925)	(28,779)	(34,500)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	537	(13,320)	6,560
CASH AND CASH EQUIVALENTS:			
Beginning of year	364	13,684	7,124
End of year	$ 901	$ 364	$ 13,684
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Interest paid during the year	$ 4,541	$ 5,115	$ 5,476
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING ACTIVITIES:			
Capital expenditures on account	$ 4,105	$ 1,977	$ 6,786

See notes to financial statements.

1. Corporate Structure

A 51% membership interest in Sisecam Wyoming LLC (the "Company," "Sisecam Wyoming," "we," "us," or "our," formerly known as Ciner Wyoming LLC) is owned by Sisecam Resources LP ("Sisecam LP" or the "Partnership," formerly known as Ciner Resources LP). NRP Trona LLC, a wholly owned subsidiary of Natural Resource Partners LP ("NRP") owns a 49% membership interest in the Company. Sisecam LP is a master limited partnership traded on the New York Stock Exchange and is currently owned approximately 72% by Sisecam Chemicals Wyoming LLC ("SCW LLC," formerly known as Ciner Wyoming Holding Co.), approximately 2% by Sisecam Resource Partners LLC (our “general partner” or “Sisecam GP,” formerly known as Ciner Resource Partners LLC) and approximately 26% by the general public. SCW LLC is 100% owned by Sisecam Chemicals Resources LLC ("Sisecam Chemicals," formerly known as Ciner Resources Corporation) which is 60% owned by Sisecam Chemicals USA Inc. ("Sisecam USA") and 40% owned by Ciner Enterprises Inc. ("Ciner Enterprises"). As of December 31, 2021, Sisecam USA is a direct wholly-owned subsidiary of Türkiye Şişe ve Cam Fabrikalari A.Ş, a Turkish corporation ("Şişecam Parent") which is an approximately 51%-owned subsidiary of Turkiye Is Bankasi Turkiye Is Bankasi ("Isbank"). Şişecam Parent is a global company operating in soda ash, chromium chemicals, flat glass, auto glass, glassware glass packaging and glass fiber sectors. Şişecam Parent was founded 86 years ago, is based in Turkey and is one of the largest industrial publicly-listed companies on the Istanbul exchange. With production facilities in four continents and in 14 countries, Sisecam is one of the largest glass and chemicals producers in the world. Ciner Enterprises Inc. is a direct wholly-owned subsidiary of WE Soda Ltd., a U.K. Corporation (“WE Soda”). WE Soda is a direct wholly-owned subsidiary of KEW Soda Ltd., a U.K. corporation (“KEW Soda”), which is a direct wholly-owned subsidiary of Akkan Enerji ve Madencilik Anonim Şirketi (“Akkan”). Akkan is directly and wholly owned by Turgay Ciner, the Chairman of the Ciner Group (“Ciner Group”), a Turkish conglomerate of companies engaged in energy and mining (including soda ash mining), media and shipping markets.

Completed Change of Control Transaction

On December 21, 2021, Ciner Enterprises (which was the indirect owner of approximately 74% of the common units in Sisecam LP and 100% of the general partner), completed the following transactions pursuant to the definitive agreement which Ciner Enterprises entered into with Sisecam USA, a direct subsidiary of Şişecam Parent on November 20, 2021:

- Ciner Enterprises converted Ciner Resources Corporation into Sisecam Chemicals Resources LLC, a Delaware limited liability company and Ciner Wyoming Holding Co., a direct wholly-owned subsidiary of Sisecam Chemicals, into Sisecam Chemicals Wyoming LLC ("SCW LLC") with SCW LLC in turn then directly owning approximately 74% of the common units in Sisecam LP and 100% of the general partner (collectively, the “Reorganization Transactions”);

- subsequent to the Reorganization Transactions, Ciner Enterprises sold to Sisecam USA, and Sisecam USA purchased, 60% of the outstanding units of Sisecam Chemicals owned by Ciner Enterprises for a purchase price of $300 million (the “Sisecam Chemicals Sale”); and

- at the closing of the Sisecam Chemicals Sale, Sisecam Chemicals, Ciner Enterprises, and Sisecam USA entered into a unitholders and operating agreement (the “Sisecam Chemicals Operating Agreement”) (collectively such transactions, the “CoC Transaction”).

Pursuant to the terms of the Sisecam Chemicals Operating Agreement, Sisecam USA and Ciner Enterprises have a right to designate six directors and four directors, respectively, to the board of directors of Sisecam Chemicals. In addition, the Sisecam Chemicals Operating Agreement provides that (i) the board of directors of the general partner (the “MLP Board”) shall consist of six designees from Sisecam USA, two designees from Ciner Enterprises and three independent directors for as long as the general partner is legally required to appoint such independent directors and (ii) the Partnership's right to appoint four managers to the board of managers of Sisecam Wyoming (the “Wyoming Board”) shall be comprised of three designees from Sisecam USA and one designee from Ciner Enterprises.

Each of Sisecam USA and Ciner Enterprises shall vote all units over which such unitholder has voting control in Sisecam Chemicals to elect to the board of directors any individual designated by Sisecam USA and Ciner Enterprises. The Sisecam Chemicals Operating Agreement also requires the board of directors of Sisecam Chemicals to unanimously approve certain actions and commitments, including without limitation taking any action that would have an adverse effect on the master limited partnership status of the Partnership or any of its subsidiaries. As a result of Sisecam USA’s and Ciner Enterprise’s respective interests in Sisecam Chemicals and their respective rights under the Sisecam Chemicals Operating Agreement, each of Ciner Enterprises and Sisecam USA and their respective beneficial owners may be deemed to share beneficial ownership of the approximate 2% general partner interest in the Partnership and approximately 74% of the common units in the Partnership owned directly by SCW LLC and indirectly by Sisecam Chemicals as parent entity of SCW LLC.

2. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Company's operations consist of the mining of trona ore, which, when processed, becomes soda ash. All mining and processing activities take place in one facility located in Green River, Wyoming. All our soda ash processed is sold to various domestic and international customers. Sisecam Chemicals is the exclusive sales agent for the Company.

Sisecam Chemicals terminated its membership in American Natural Soda Ash Corporation ("ANSAC") effective December 31, 2020. As of January 1, 2021, Sisecam Chemicals began managing the Company's sales and marketing efforts for exports with the ANSAC exit being complete. In connection with the settlement agreement with ANSAC, Sisecam Chemicals continued to sell, at substantially lower volumes, product to ANSAC for export sales purposes, with a fixed rate per ton selling, general and administrative expense, and also fulfilled its obligation to purchase a limited amount of export logistics services in 2021. In connection with the settlement agreement with ANSAC, there remains sales commitments to ANSAC in 2022 where Sisecam Chemicals will continue to sell, at substantially lower volumes than 2021, product to ANSAC for export sales purposes, with a fixed rate per ton selling, general and administrative expense. Further, in 2022 there are no requirements to purchase export logistics services from ANSAC. The ANSAC exit allowed Sisecam Chemicals to improve the access to the customer and gain control over placement of its sales in the international marketplace in 2021. This enhanced view of the global market allows Sisecam Chemicals to better understand supply and demand fundamentals thus allowing better decision making for its business. Sisecam Chemicals continues to optimize its distribution network leveraging strengths of existing partners while expanding as our business requires in certain target areas.

A summary of the significant accounting policies is as follows:

Basis of Presentation - The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates - The preparation of financial statements, in accordance with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Furthermore, we considered the impact of the COVID-19 pandemic on the use of estimates and assumptions used for financial reporting. While our year-to-date production has recovered from the negative impact of the COVID-19 pandemic, given we cannot predict the duration or the scope of the COVID-19 pandemic and its impact on our operations, the potential negative financial impact to our results cannot be reasonably estimated but could be material. As a result of these uncertainties, actual results could differ from those estimates and assumptions. If the economy or markets in which we operate become weaker than pre-COVID-19 levels, our business, financial condition and results of operations might be materially and adversely impacted.

Revenue Recognition - The Company's revenues are recognized upon satisfaction of our performance obligations, that is, delivery and transfer of title to the product to our customers as discussed below. Additionally, the Company has made an accounting policy election to account for shipping and handling activities as fulfillment costs. We have one reportable segment and our revenue is derived from the sale of soda ash which is our sole and primary good and service.

Performance Obligations. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. At contract inception, we assess the goods and services promised in contracts with customers and identify performance obligations for each promise to transfer to the customer, a good or service that is distinct. To identify the performance obligations, the Company considers all goods and services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. From its analysis, the Company determined that the sale of soda ash is currently its only performance obligation. Many of our customer volume commitments are short-term and our performance obligations for the sale of soda ash are generally limited to single purchase orders.

- *When performance obligations are satisfied.* Substantially all of our revenue is recognized at a point-in-time when control of goods transfers to the customer.

- *Transfer of Goods*. The Company uses standard shipping terms across each customer contract with very few exceptions. Control transfer occurs at the point at which the customer has the ability to direct the use of and obtain substantially all remaining benefits from the asset. The time at which delivery and transfer of title, and therefore control, occurs is the point when the product leaves our facilities for domestic customers, the point when the product reaches the port of loading for ANSAC sales, and the point when the product is placed on a vessel for other international customers, thereby rendering our performance obligation fulfilled. Until the ANSAC exit on December 31, 2020, the time at which delivery and transfer of title occurred for ANSAC sales had been the same as domestic customers.

- *Payment Terms*. The Company's payment terms vary by the type and location of our customers. The term between invoicing and when payment is due is not significant and consistent with typical terms in the industry.

- *Variable Consideration*. The Company recognizes revenue as the amount of consideration that we expect to receive in exchange for transferring promised goods or services to customers. We do not adjust the transaction price for the effects of a significant financing component, as the time period between control transfer of goods and services and expected payment is one year or less. At the time of sale, we estimate provisions for different forms of variable consideration (discounts, rebates, and pricing adjustments) based on historical experience, current conditions and contractual obligations, as applicable. The estimated transaction price is typically not subject to significant reversals. We adjust these estimates when the most likely amount of consideration we expect to receive changes, although these changes are typically immaterial.

- *Returns, Refunds and Warranties*. In the normal course of business, the Company does not accept returns, nor does it typically provide customers with the right to a refund.

- *Freight*. In accordance with FASB Accounting Standard Codification, Revenue from Contracts with Customers (Topic 606) ("ASC 606"), the Company made a policy election to treat freight and related costs that occur after control of the related good transfers to the customer as fulfillment activities instead of separate performance obligations. Therefore, freight is recognized at the point in which control of soda ash has transferred to the customer.

Revenue Disaggregation. In accordance with ASC 606-10-50, the Company disaggregates revenue from contracts with customers into geographical regions. The Company determined that disaggregating revenue into these categories achieved the disclosure objectives to depict how the nature, timing, amount and uncertainty of revenue and cash flows are affected by economic factors. Refer to Note 14, "Segment Reporting," for revenue disaggregated into geographical regions.

Revenue Contract Balances. The timing of revenue recognition, billings and cash collections results in billed receivables, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities).

- *Contract Assets* At the point of shipping, the Company has an unconditional right to payment generally that is only dependent on the passage of time. In general, customers are billed and a receivable is recorded as goods are shipped. These billed receivables are reported as "Accounts Receivable, net" on the Consolidated Balance Sheets as of December 31, 2021 and December 31, 2020. There were no contract assets as of December 31, 2021 and December 31, 2020.

- *Contract Liabilities* There may be situations where customers are required to prepay for freight and insurance prior to shipment. The Company accounts for freight costs as fulfillment activities and therefore, such prepayments are considered a part of the single obligation to provide soda ash. In such instances, a contract liability for prepaid freight will be recorded.

Freight Costs - The Company includes freight costs billed to customers for shipments administered by the Company in gross sales. The related freight costs incurred by the Company along with cost of products sold are deducted from gross sales to determine gross profit.

Cash and Cash Equivalents - The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents consist primarily of money market deposit accounts.

Accounts Receivable - We determine expected credit losses for recorded receivables based on information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount.

Inventory - Inventory is carried at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method for raw material and finished goods inventory and the weighted average cost method for stores inventory. Costs include raw materials, direct labor and manufacturing overhead. Net realizable value is defined as the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.

- Raw material inventory includes material, chemicals and natural resources being used in the mining and refining process.

- Finished goods inventory is the finished product soda ash.

- Stores inventory includes parts, materials and operating supplies which are typically consumed in the production of soda ash and currently available for future use. If the inventory has been used within the preceding twelve months, it is classified as current assets and remainder is classified as non-current assets.

Property, Plant, and Equipment - Property, plant, and equipment are stated at cost less accumulated depreciation. Depreciation is computed over the estimated useful lives of depreciable assets, using the straight-line method. The estimated useful lives applied to depreciable assets are as follows:

	Useful Lives
Land improvements	10 years
Depletable land	15-60 years
Buildings and building improvements	10-30 years
Computer hardware	3-5 years
Machinery and equipment	5-20 years

The Company's policy is to evaluate property, plant, and equipment for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An indicator of potential impairment would include situations when the estimated future undiscounted cash flows are less than the carrying value. The amount of any impairment then recognized would be calculated as the difference between estimated fair value and the carrying value of the asset.

Derivative Instruments and Hedging Activities - The Company may enter into derivative contracts from time to time to manage exposure to the risk of exchange rate changes on its foreign currency transactions, the risk of changes in natural gas prices, and the risk of the variability in interest rates on borrowings. Gains and losses on derivative contracts qualifying for hedge accounting are reported as a component of the underlying transactions. The Company follows hedge accounting for its hedging activities. All derivative instruments are recorded on the balance sheet at their fair values. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and the resulting designation. The Company designates its derivatives based upon criteria established for hedge accounting under generally accepted accounting principles. For a derivative designated as a fair value hedge, the gain or loss is recognized in earnings in the period of change together with the offsetting gain or loss on the hedged item attributed to the risk being hedged. For a derivative designated as a cash flow hedge, the effective portion of the derivative's gain or loss is initially reported as a component of accumulated other comprehensive income (loss) and subsequently reclassified into earnings when the hedged exposure affects earnings. Any significant ineffective portion of the gain or loss is reported in earnings immediately. For derivatives not designated as hedges, the gain or loss is reported in earnings in the period of change. When the Partnership has natural gas physical forward contracts, they are accounted for under the normal purchases and normal sales scope exception.

The Company has interest rate swap contracts, designated as cash flow hedges, to mitigate our exposure to possible increases in interest rates. The swap contracts consist of three individual $12,500 swaps with an aggregate notional value of $37,500 at both December 31, 2021 and December 31, 2020. The swaps outstanding at December 31, 2021 have various maturities through 2024. At December 31, 2021, the Company anticipates that approximately $404 of losses currently recorded in accumulated other comprehensive income (loss) will be reclassified into earnings within the next twelve months.

The Company has entered into natural gas financial forward contracts, designated as cash flow hedges, to mitigate volatility in the price of natural gas related to a portion of the natural gas we consume. These contracts generally have various maturities through 2024. These contracts had an aggregate notional value of $24,050 and $25,908 at December 31, 2021 and December 31, 2020, respectively. At December 31, 2021, it is anticipated that $5,330 of net gains currently recorded in accumulated other comprehensive income (loss) will be reclassified into earnings within the next twelve months.

The following table presents the fair value of derivative assets and liabilities and the respective balance sheet locations as of:

	Assets				Liabilities			
	December 31, 2021		December 31, 2020		December 31, 2021		December 31, 2020	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives designated as hedges:								
Interest rate swap contracts - current		$ —		$ —	Accrued Expenses	$ 188	Accrued Expenses	$ 196
Natural gas forward contracts - current	Other current assets	5,922	Other current assets	1,360	Accrued Expenses	592	Accrued Expenses	700
Interest rate swap contracts - non-current	Other non-current assets	131		—	Other non-current liabilities	222	Other non-current liabilities	1,077
Natural gas forward contracts - non-current	Other non-current assets	2,443	Other Non-current assets	876	Other non-current liabilities	1,438	Other non-current liabilities	191
Total derivatives designated as hedging instruments		$ 8,496		$ 2,236		$ 2,440		$ 2,164

Income Tax - The Company is organized as a pass-through entity for federal income tax purposes and therefore are not subject to federal or certain state income taxes. As a result, our members are responsible for income taxes based on their respective share of taxable income. Net income for financial statement purposes may differ significantly from taxable income reportable to members as a result of differences between the tax basis and financial reporting basis of assets and liabilities and the taxable income allocation requirements under the membership agreement.

Reclamation Costs - The Company is obligated to return the land beneath its refinery and tailings ponds to its natural condition upon completion of operations and is required to return the land beneath its rail yard to its natural condition upon termination of the various lease agreements.
The Company accounts for its land reclamation liability as an asset retirement obligation, which requires that obligations associated with the retirement of a tangible long-lived asset be recorded as a liability when those obligations are incurred, with the amount of the liability initially measured at fair value. Upon initially recognizing a liability for an asset retirement obligation, an entity must capitalize the cost by recognizing an increase in the carrying amount of the related long-lived asset. Over time, the liability is accreted to its present value each period, and the capitalized cost is depreciated over the estimated useful life of the related asset. Upon settlement of the liability, an entity either settles the obligation for its recorded amount or incurs a gain or loss upon settlement.

The estimated original liability calculated in 1996 for the refinery and tailing ponds was calculated based on the estimated useful life of the mine, which was 80 years, and on external and internal estimates as to the cost to restore the land in the future and state regulatory requirements. The liability was discounted using a weighted average credit-adjusted risk-free rate of approximately 6% and is being accreted throughout the estimated life of the related assets to equal the total estimated costs with a corresponding charge being recorded to cost of products sold.

The Company has constructed a rail yard to facilitate loading and switching of rail cars. The Company is required to restore the land on which the rail yard is constructed to its natural conditions. The original estimated liability for restoring the rail yard to its natural condition was calculated based on the land lease life of 30 years and on external and internal estimates as to the cost to restore the land in the future. The liability is discounted using a credit-adjusted risk-free rate of 4.2% and is being accreted throughout the estimated life of the related assets to equal the total estimated costs with a corresponding charge being recorded to cost of products sold.

Fair Value of Financial Instruments - The following methods and assumptions were used to estimate the fair values of each class of financial instruments:

The Company measures certain financial and non-financial assets and liabilities at fair value on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. Fair value disclosures are reflected in a three-level hierarchy, maximizing the use of observable inputs and minimizing the use of unobservable inputs.

Financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, derivative financial instruments and long-term debt. The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate their fair value because of the nature of such instruments. Our long-term debt and derivative financial instruments are measured at their fair values with Level 2 inputs based on quoted market values for similar but not identical financial instruments.

The carrying value of the Sisecam Wyoming Credit Facility materially reflects the fair value as the rate is variable and its key terms are similar to indebtedness with similar amounts, durations and credit risks. The carrying value of the Sisecam Wyoming Equipment Financing Arrangement materially reflects the fair value as its key terms are similar to indebtedness with similar amounts, durations and credit risks that are currently available to the Company. See Note 8, “Debt,” for additional information on our debt arrangements.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Fair value accounting requires that these financial assets and liabilities be classified into one of the following three categories:

- Level 1-inputs to the valuation methodology are quoted prices (unadjusted) for an identical asset or liability in an active market.
- Level 2-inputs to the valuation methodology include quoted prices for a similar asset or liability in an active market or model-derived valuations in which all significant inputs are observable for substantially the full term of the asset or liability.
- Level 3-inputs to the valuation methodology are unobservable and significant to the fair value measurement of the asset or liability.

Subsequent Events - The Company has evaluated all subsequent events through March 15, 2022, the date the financial statements were available to be issued. See Note 15, "Subsequent Events," for additional information.

Recently Issued and Adopted Accounting Standards - In March 2020, the FASB issued ASU 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting (“ASU 2020-04”) providing temporary guidance to ease the potential burden in accounting for reference rate reform primarily resulting from the discontinuation of the London Inter-bank Offered Rate ("LIBOR"), which occurred on December 31, 2021 except U.S. Dollar LIBOR, which is expected to occur on June 30, 2023. The amendments in ASU 2020-04 are elective and apply to all entities that have contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued. The new guidance provides the following optional expedients: (i) simplifies accounting analyses under current GAAP for contract modifications; (ii) simplifies the assessment of hedge effectiveness and allows hedging relationships affected by reference rate reform to continue; and (iii) allows a one-time election to sell or transfer debt securities classified as held to maturity that reference a rate affected by reference rate reform. An entity may elect to apply the amendments prospectively from March 12, 2020 through December 31, 2022 by accounting topic. The Company evaluated ASU 2020-04 and concluded that there was no impact to the Company's financial statements.

In January 2021, the FASB issued ASU 2021-01, Reference Rate Reform (Topic 848): Scope ("ASU 2021-01") to clarify that all derivative instruments affected by changes to the interest rates used for discounting, margining or contract price alignment (commonly referred to as the discounting transition) are in the scope of ASC 848. The amendments also clarify other aspects of the guidance in ASC 848 and addresses the effects of the cash compensation adjustment provided in the discounting transition on certain aspects of hedge accounting. The guidance in ASC 848 also allows entities to make a one-time election to sell and/or transfer to available for sale or trading any held-to-maturity debt securities that refer to an interest rate affected by reference rate reform and were classified as held to maturity before January 1, 2020. The original guidance and the recently issued ASU are effective as of their issuance dates. The relief provided is temporary and generally cannot be applied to contract modifications that occur after December 31, 2022 or hedging relationships entered into or evaluated after that date. However, the FASB has indicated that it will revisit the sunset date in ASC 848 after the LIBOR administrator makes a final decision on a phaseout date. The LIBOR administrator recently extended the publication of the overnight and the one-, three-, six- and 12-month U.S. Dollar LIBOR settings through June 30, 2023, when many existing contracts that reference LIBOR will have expired. The Company evaluated ASU 2021-01 and concluded that there was no impact to the Company's financial statements.

3. ACCOUNTS RECEIVABLE, NET

Accounts receivable, net as of December 31, 2021 and 2020 consisted of the following:

	2021	2020
Trade receivables, net	$ 109,677	$ 32,569
Other receivables	7,208	8,044
Total	$ 116,885	$ 40,613

The increase in trade receivables, net of allowances at December 31, 2021 compared to December 31, 2020, is primarily due to the receivables from ANSAC being included in the balance at December 31, 2021, while classified as accounts receivable (affiliates) at December 31, 2020, as well as more sales in the three months ended December 31, 2021 compared to the same period ended December 31, 2020.

4. INVENTORY

Inventory as of December 31, 2021 and 2020 consisted of the following:

	2021	2020
Raw materials	$ 10,521	$ 9,855
Finished goods	9,247	13,357
Stores inventory, current	10,298	10,244
Total	$ 30,066	$ 33,456

The decrease in finished goods inventory at December 31, 2021 compared to December 31, 2020 is primarily due to the buildup of inventory to facilitate Sisecam Chemicals' exit from ANSAC on December 31, 2020.

5. PROPERTY, PLANT, AND EQUIPMENT, NET

Property, plant, and equipment as of December 31, 2021 and 2020 consisted of the following:

	2021	2020
Land and land improvements	$ 192	$ 192
Depletable land	2,957	2,957
Buildings and building improvements	164,254	163,483
Computer hardware	5,589	5,328
Machinery and equipment	686,630	681,570
Total	859,622	853,530
Less accumulated depreciation, depletion and amortization	(653,258)	(625,219)
Total net book value	206,364	228,311
Construction in progress	59,668	40,279
Property, plant, and equipment, net	$ 266,032	$ 268,590

Depreciation, depletion and amortization expense on property, plant, and equipment was $30,049, $27,399, and $26,175 for the years ended December 31, 2021, 2020 and 2019, respectively.

The increase in construction in progress from December 31, 2020 to December 31, 2021 is due to the construction of mine ventilation and housing for the switchgear.

6. OTHER NON-CURRENT ASSETS

Other non-current assets as of December 31, 2021 and 2020 consisted of the following:

	2021	2020
Stores inventory, non-current	$ 20,524	$ 18,630
Internal-use software, net of accumulated amortization	5,691	5,674
Other	4,963	1,114
Total	$ 31,178	$ 25,418

During the years ended December 31, 2021, 2020 and 2019, in accordance with ASC 350-40, Internal Use Software, we capitalized $869, $488, and $596, respectively, of certain internal use software development costs. Software development activities generally consist of three stages (i) the research and planning stage, (ii) the application and infrastructure development stage, and (iii) the post-implementation stage. Costs incurred in the planning and post-implementation stages of software development, or other maintenance and development expenses that do not meet the qualification for capitalization are expensed as incurred. Costs incurred in the application and infrastructure development stage, including significant enhancements and upgrades, are capitalized. These software development costs are amortized on a straight-line basis over the estimated useful life of five to ten years under depreciation and amortization expense which is included in the cost of products sold financial statement line item of the statements of operations. During the years ended December 31, 2021, 2020 and 2019, we amortized internal use software development costs of $853, $725, and $699, respectively. Amortization for these internal use software development costs is expected to be approximately $832 per year.

7. ACCRUED EXPENSES

Accrued expenses as of December 31, 2021 and 2020 consisted of the following:

	2021	2020
Accrued capital expenditures	$ 2,873	$ 1,271
Accrued employee compensation & benefits	8,991	7,462
Accrued energy costs	7,009	5,070
Accrued royalty costs	7,571	8,062
Accrued other taxes	4,236	5,030
Accrued derivatives	781	896
Other accruals	9,087	5,281
Total	$ 40,548	$ 33,072

8. DEBT

Long-term debt as of December 31, 2021 and 2020 consisted of the following:

	2021	2020
Sisecam Wyoming Equipment Financing Arrangement Security Note Number 001 with maturity date of March 26, 2028, fixed interest rate of 2.479%	$ 24,569	$ 27,552
Sisecam Wyoming Equipment Financing Arrangement Security Note Number 002 with maturity date of December 17, 2026, fixed interest rate of 2.4207%	29,000	N/A
Sisecam Wyoming Credit Facility, secured principal expiring on October 28, 2026, variable interest rate as a weighted average rate of 1.82% at December 31, 2021	70,000	N/A
Prior Sisecam Wyoming Credit Facility, secured principal expiring on August 1, 2022, variable interest rate as a weighted average rate of 2.25% at December 31, 2020	—	102,500
Total debt	123,569	130,052
Less current portion of long-term debt	8,587	2,983
Total long-term debt	$ 114,982	$ 127,069

Aggregate maturities required on long-term debt at December 31, 2021 are due in future years as follows:

2022	$ 8,630
2023	8,843
2024	9,062
2025	9,285
2026	79,515
Thereafter	8,410
Total	$ 123,745

Sisecam Wyoming Equipment Financing Arrangement

Master Loan and Security Agreement:

On March 26, 2020, Sisecam Wyoming and Banc of America Leasing & Capital, LLC, as lender (the “Equipment Financing Lender”), entered into an equipment financing arrangement (“Sisecam Wyoming Equipment Financing Arrangement”), including a Master Loan and Security Agreement, dated as of March 25, 2020 (as amended, the “Master Agreement”) and an Equipment Security Note Number 001, dated as of March 25, 2020 (the “Sisecam Wyoming Equipment Financing Arrangement Security Note Number 001,” or the “Initial Secured Note”), which provides the terms and conditions for the debt financing of certain equipment related to Sisecam Wyoming’s natural gas-fired turbine co-generation facility that became operational in March 2020. Each equipment financing entered into under the Sisecam Wyoming Equipment Financing Arrangement will be evidenced by the execution of one or more equipment notes (including the Initial Secured Note) that incorporate the terms and conditions of the Master Agreement (each, an

“Equipment Note”). In order to secure the payment and performance of Sisecam Wyoming’s obligations under the Sisecam Wyoming Equipment Financing Arrangement, Sisecam Wyoming granted to the Equipment Financing Lender a continuing security interest in all of Sisecam Wyoming’s right, title and interest in and to the Equipment (as defined in the Master Agreement) and certain related collateral.

On October 28, 2021, in connection with the entry into the Sisecam Wyoming Credit Facility (which replaced the Prior Sisecam Wyoming Credit Facility), Sisecam Wyoming and the Equipment Financing Lender entered into an amendment to the Master Agreement, in order to amend and restate all covenants that are based upon a specified level or ratio relating to assets, liabilities, indebtedness, rentals, net worth, cash flow, earnings, profitability, or any other accounting-based measurement or test to conform with the Sisecam Wyoming Credit Facility.

On December 17, 2021, Sisecam Wyoming and the Equipment Financing Lender entered into Amendment Number 001 to the Initial Secured Note (“First Amendment to the Initial Secured Note”). The First Amendment to the Initial Secured Note, provides among other things: (i) upon the occurrence of an early full payoff of the Second Secured Note (as defined below), Sisecam Wyoming shall simultaneously pay, in full, the outstanding amount of the Initial Secured Note and (ii) Sisecam Wyoming grants to Equipment Financing Lender a security interest in all collateral securing the Second Secured Note to secure Sisecam Wyoming’s obligations under the Initial Secured Note.

At December 31, 2021, Sisecam Wyoming was in compliance with all financial covenants of the Sisecam Wyoming Equipment Financing Arrangement.

The Sisecam Wyoming Equipment Financing Arrangement:

(1) incorporates all covenants in the Sisecam Wyoming Credit Facility (as defined below), now or hereinafter existing, or in any applicable replacement credit facility accepted in writing by the Equipment Financing Lender, that are based upon a specified level or ratio relating to assets, liabilities, indebtedness, rentals, net worth, cash flow, earnings, profitability, or any other accounting-based measurement or test, and (2) includes customary events of default subject to applicable grace periods, including, among others, (i) payment defaults, (ii) certain mergers or changes in control of Sisecam Wyoming, (iii) cross defaults with certain other indebtedness (a) to which the Equipment Financing Lender is a party or (b) to third parties in excess of $10 million, and (iv) the commencement of certain insolvency proceedings or related events identified in the Master Agreement. Upon the occurrence of an event of default, in its discretion, the Equipment Financing Lender may exercise certain remedies, including, among others, the ability to accelerate the maturity of any Equipment Note such that all amounts thereunder will become immediately due and payable, to take possession of the Equipment identified in any Equipment Note, and to charge Sisecam Wyoming a default rate of interest on all then outstanding or thereafter incurred obligations under the Sisecam Wyoming Equipment Financing Arrangement:

Among other things, Security Note Number 001:

- was executed on March 25, 2020;
- has a principal amount of $30,000,000;
- has a maturity date of March 26, 2028;
- shall be payable by Sisecam Wyoming to the Equipment Financing Lender in 96 consecutive monthly installments of principal and interest commencing on April 26, 2020 and continuing thereafter until the maturity date of the Initial Secured Note, which shall be in the amount of approximately $307,000 for the first 95 monthly installments and approximately $4,307,000 for the final monthly installment; and
- entitles Sisecam Wyoming to prepay all (but not less than all) of the outstanding principal balance of the Initial Secured Note (together with all accrued interest and other charges and amounts owed thereunder) at any time after one (1) year from the date of the Initial Secured Note, subject to Sisecam Wyoming paying to the

Equipment Financing Lender an additional prepayment amount determined by the amount of principal balance prepaid and the date such prepayment is made.

In connection with the Second Sisecam Wyoming Amendment (as defined below), the Master Agreement was amended to incorporate, among other things, the modified covenants set forth in the Second Sisecam Wyoming Amendment related to consolidated leverage ratios of Sisecam Wyoming.

In December 2021 a waiver was obtained to accommodate the CoC Transaction.

First Amendment to Security Note Number 001:

On December 17, 2021, Sisecam Wyoming and the Equipment Financing Lender entered into Amendment Number 001 to the Initial Secured Note ("First Amendment to the Initial Secured Note"). The First Amendment to the Initial Secured Note, provides among other things: (i) upon the occurrence of an early full payoff of the Second Secured Note, Sisecam Wyoming shall simultaneously pay, in full the outstanding amount of the Initial Secured Note and (ii) Sisecam Wyoming grants to Equipment Financing Lender a security interest in all collateral securing the Second Secured Note to secure Sisecam Wyoming's obligations under the Initial Secured Note.

Sisecam Wyoming's balance under the Sisecam Wyoming Equipment Financing Arrangement at December 31, 2021 was $24.7 million ($24.6 million net of financing costs).

Among other things, Security Note Number 002:

- was executed on December 17, 2021
- has a principal amount of $29,000,000;
- has a maturity date of December 17, 2026;
- shall be payable by Sisecam Wyoming to the Equipment Financing Lender in 60 consecutive monthly installments of principal and interest commencing on January 17, 2022 and continuing thereafter until the maturity date of the Second Secured Note, which shall be in the amount of approximately $513,660 for each monthly installment;
- entitles Sisecam Wyoming to prepay all (but not less than all) of the outstanding principal balance of the Second Secured Note (together with all accrued interest and other charges and amounts owed thereunder) at any time after one (1) year from the date of the Second Secured Note, subject to Sisecam Wyoming paying to the Equipment Financing Lender an additional prepayment amount determined by the amount of principal balance prepaid and the date such prepayment is made and subject to Sisecam Wyoming simultaneously paying, in full, the outstanding amount of the Initial Secured Note as discussed above; and
- upon the occurrence of full payoff of Initial Secured Note dated as of March 25, 2020 under the Master Agreement, Sisecam Wyoming shall simultaneously pay, in full, the outstanding amount of this Second Secured Note.

Sisecam Wyoming Credit Facility

On October 28, 2021, Sisecam Wyoming entered into a new $225.0 million senior secured revolving credit facility (the "Sisecam Wyoming Credit Facility") with each of the lenders listed on the respective signature pages thereof and Bank of America, N.A., as administrative agent, swing line lender and letter of credit issuer. The Sisecam Wyoming Credit

Facility matures on October 28, 2026. On closing, the amount drawn under this new Sisecam Wyoming Credit Facility approximated the amount outstanding under the Prior Sisecam Wyoming Credit Facility at September 30, 2021.

The Sisecam Wyoming Credit Facility provides, among other things:

- a sublimit up to $40.0 million for the issuance of standby letters of credit and a sublimit up to $20.0 million for swingline loans;
- an accordion feature that enables Sisecam Wyoming to increase the revolving borrowings under the Sisecam Wyoming Credit Facility by up to an additional $250.0 million (subject to certain conditions);
- in addition to the aforementioned revolving borrowings, an ability to incur up to $225 million of additional term loan facility indebtedness to finance Sisecam Wyoming's capacity expansion capital expenditures; (subject to certain conditions);
- a pledge by Sisecam Wyoming of substantially all of Sisecam Wyoming's assets (subject to certain exceptions), including: (i) all present and future shares of any subsidiaries of Sisecam Wyoming (whether now existing or hereafter created) and (ii) all personal property of Sisecam Wyoming (subject to certain conditions);
- contains various covenants and restrictive provisions that limit (subject to certain exceptions) Sisecam Wyoming's ability to: (i) incur certain liens or permit them to exist; (ii) incur or guarantee additional indebtedness; (iii) make certain investments and acquisitions related to Sisecam Wyoming's operations in Wyoming); (iv) merge or consolidate with another company; (v) transfer, sell or otherwise dispose of assets, (vi) make distributions; (vii) change the nature of Sisecam Wyoming's business; and (viii) enter into certain transactions with affiliates;
- a requirement to maintain a quarterly consolidated leverage ratio of not more than 3.25:1:00; provided, however, subject to certain conditions, Sisecam Wyoming shall have the ability to increase the maximum consolidated leverage ratio to 3.75:1.00 for a year while Sisecam Wyoming is undertaking capacity expansion capital expenditures;
- a requirement to maintain a quarterly consolidated interest coverage ratio of not less than 3.00:1.00; and
- customary events of default including (i) failure to make payments required under the Sisecam Wyoming Credit Facility, (ii) events of default resulting from failure to comply with covenants and financial ratios, (iii) the occurrence of a voluntary change of control, as a result of which Sisecam Wyoming is directly or indirectly controlled by persons or entities not currently directly or indirectly controlling Sisecam Wyoming, (iv) the institution of insolvency or similar proceedings against Sisecam Wyoming, and (v) the occurrence of a cross default under any other material indebtedness Sisecam Wyoming may have. Upon the occurrence of an event of default, in their discretion, the Sisecam Wyoming Credit Facility lenders may exercise certain remedies, including, among others, accelerating the maturity of any outstanding loans, accrued and unpaid interest and all other amounts owing and payable such that all amounts thereunder will become immediately due and payable, and if not timely paid upon such acceleration, to charge Sisecam Wyoming a default rate of interest on all amounts outstanding under the Sisecam Wyoming Credit Facility. However, upon the occurrence of an involuntary change of control of Sisecam Wyoming, and after the passage of time as specified in the Sisecam Wyoming Credit Facility, Sisecam Wyoming's debt thereunder would be accelerated.

In addition, loans under the Sisecam Wyoming Credit Facility (other than any swingline loans) will bear interest at Sisecam Wyoming's option at either:

- a base rate, which equals the highest of (i) Bank of America's prime rate, (ii) the federal funds rate then in effect on such day, plus 0.50%; (iii) one-month Bloomberg Short-Term Bank Yield Index ("BSBY") adjusted daily rate, plus 1.0%; and (iv) 1.0%, plus, in each case, an applicable margin range from 0.50% to 1.75% based on the consolidated leverage ratio of Sisecam Wyoming; or

- a BSBY rate for interest periods of one, three or six months, plus, in each case, an applicable margin range from 1.50% to 2.75% based on the consolidated leverage ratio of Sisecam Wyoming.

In addition, if a BSBY rate ceases to exist for any period, loans under the Sisecam Wyoming Credit Facility will bear interest based on alternative indexes (including the secured overnight financing rate), plus an applicable margin.

The unused portion of the Sisecam Wyoming Credit Facility is subject to a per annum commitment fee and the applicable margin of the interest rate under the Sisecam Wyoming Credit Facility will be determined as follows:

Pricing Tier	Leverage Ratio	BSBY Rate Loans	Base Rate Loans	Commitment Fee
1	< 1.25:1.0	1.500%	0.500%	0.225%
2	≥ 1.25:1.0 but < 1.75:1.0	1.750%	0.750%	0.250%
3	≥ 1.75:1.0 but < 2.25:1.0	2.000%	1.000%	0.275%
4	≥ 2.25:1.0 but < 3.00:1.0	2.250%	1.250%	0.300%
5	≥ 3.00:1.0 but < 3.50:1.0	2.500%	1.500%	0.325%
6	≥ 3.50:1.0	2.750%	1.750%	0.350%

The Sisecam Wyoming Credit Facility permits the consolidated leverage ratio as of the end of each fiscal quarter of Sisecam Wyoming, commencing with the fiscal quarter ending December 31, 2021, to be greater than 3.25: 1.0; provided, however, during the Specified Capital Expansion Holiday, the lenders shall not permit the consolidated leverage ratio as of the end of each fiscal quarter of Sisecam Wyoming to be greater than 3.75:1.00. “Specified Capital Expansion Holiday” means the period consisting of four (4) full fiscal quarters after the Sisecam Wyoming has (i) made capital expenditures related to the Specified Capital Expansion (or other capital expansion project approved by the board of directors, board of managers or equivalent governing body of Sisecam Wyoming) of at least $200.0 million and (ii) provided written notice to the administrative agent that Sisecam Wyoming is electing to initiate such Specified Capital Expansion Holiday. “Specified Capital Expansion” means expansion activities related to the lenders’ soda ash operations in Wyoming which have been approved in writing by the Sisecam Wyoming’s board of directors, board of managers or equivalent governing body. The Sisecam Wyoming Credit Facility permits the consolidated interest coverage ratio as of the end of any fiscal quarter of Sisecam Wyoming, commencing with the fiscal quarter ending December 31, 2021, to be less than 3.00:1.00.

In connection with the CoC Transaction (as defined in Note 1 above), on December 17, 2021, Sisecam Wyoming entered into the First Amendment (“First Amendment”) to its $225.0 million senior secured revolving credit facility, dated as of October 28, 2021 (as amended, the “Sisecam Wyoming Credit Facility”), with each of the lenders listed on the respective signature pages thereof and Bank of America, N.A., as administrative agent, swing line lender and letter of credit issuer. Pursuant to the First Amendment, the definition of “Change of Control” under the Credit Facility was revised to reflect that the updated indirect ownership of Sisecam Resources LP and Sisecam GP as contemplated by the CoC Transaction will not cause a Change of Control under the Sisecam Wyoming Credit Facility so long as the CoC Transaction occurs prior to March 31, 2022. The CoC Transaction did not cause a change in control event under the Credit Facility.

Management is not aware of any current circumstances that would result in an event of default under the Sisecam Wyoming Credit Facility at December 31, 2021 or in the next twelve months.

Prior Sisecam Wyoming Credit Facility

On August 1, 2017, Sisecam Wyoming entered into a credit agreement (as amended, the “Prior Sisecam Wyoming Credit Facility” and together with the Sisecam Wyoming Equipment Financing Arrangement, the “Prior Sisecam Wyoming Debt Agreements”) with each of the lenders listed on the respective signature pages thereof and PNC Bank, National Association (“PNC Bank”), as administrative agent, swing line lender and a Letter of Credit (“L/C”) issuer. The Prior

Sisecam Wyoming Credit Facility was a $225.0 million senior revolving credit facility with a syndicate of lenders, which matured on the fifth anniversary of the closing date of such credit facility. The Prior Sisecam Wyoming Credit Facility provided for revolving loans to fund working capital requirements, and capital expenditures, to consummate permitted acquisitions and for all other lawful partnership purposes. The Prior Sisecam Wyoming Credit Facility had an accordion feature that allowed Sisecam Wyoming to increase the available revolving borrowings under the facility by up to an additional $75.0 million, subject to Sisecam Wyoming receiving increased commitments from existing lenders or new commitments from new lenders and the satisfaction of certain other conditions. In addition, the Prior Sisecam Wyoming Credit Facility includes a sublimit up to $20.0 million for same-day swing line advances and a sublimit up to $40.0 million for letters of credit.

On July 27, 2020, the Prior Sisecam Wyoming Credit Facility was further amended (the "July 2020 Sisecam Wyoming Amendment") to increase Sisecam Wyoming's financial and liquidity flexibility due to COVID-19. The July 2020 Sisecam Wyoming Amendment, among other things, (i) increased, for a limited period, certain restrictive debt covenants that require Sisecam Wyoming and its subsidiaries to maintain certain leverage ratios and interest coverage ratios at the end of each period, (ii) provided a tiered interest rate structure based on applicable covenant ratios and established a 0.5% interest floor, (iii) effectuated changes to collateral restricted disbursements and covenanted to give security if covenant ratios are equal to or above certain levels. The July 2020 Sisecam Wyoming Amendment also provided for covenants to restrict certain payments and to give security in certain personal property of Ciner Wyoming following a fiscal quarter in which the leverage ratio is equal to or higher than 3.50:1.0, so long as the applicable leverage ratio limit is otherwise adhered to. Any such security would be released upon achievement of a leverage ratio less than 2.00:1.0 at the end of any quarter.

In addition, the Prior Sisecam Wyoming Credit Facility contained various covenants and restrictive provisions that limit (subject to certain exceptions) Sisecam Wyoming's ability to:

- make distributions on or redeem or repurchase units;
- incur or guarantee additional debt;
- make certain investments and acquisitions;
- incur certain liens or permit them to exist;
- enter into certain types of transactions with affiliates of Sisecam Wyoming;
- merge or consolidate with another company; and
- transfer, sell or otherwise dispose of assets.

The July 2020 Sisecam Wyoming Amendment also required quarterly maintenance of a certain leverage ratio and an interest coverage ratio of not less than 3.00:1.0. On October 28, 2021, Sisecam Wyoming terminated the Prior Sisecam Wyoming Credit Facility and entered into the Sisecam Wyoming Credit Facility as described above.

WE Soda and Ciner Enterprises Facilities Agreement

On August 1, 2018, Ciner Enterprises, the entity that, prior to the CoC Transaction, indirectly owned and controlled Sisecam Wyoming, refinanced its existing credit agreement and entered into a new facilities agreement, to which WE Soda and Ciner Enterprises (as borrowers), and KEW Soda, WE Soda, WE Soda Kimya Yatırımları Anonim Şirketi, Ciner Kimya Yatırımları Sanayi ve Ticaret Anonim Şirketi, Ciner Enterprises, SCW LLC, and Sisecam Chemicals (as original guarantors and together with the borrowers, the "Ciner Obligors"), were parties (as amended and restated or otherwise modified, the "Facilities Agreement"), and certain related finance documents.

On February 20, 2022, the Facilities Agreement was refinanced and Ciner Enterprises, SCW LLC, and Sisecam Chemicals were released from being Obligors of the Facilities Agreement and are not a party to the WE Soda refinanced agreement.

9. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities as of December 31, 2021 and 2020 consisted of the following:

	2021	2020
Reclamation reserve	$ 7,993	$ 7,337
Derivative instruments and hedges, fair value liabilities	1,660	1,268
Other	114	102
Total	$ 9,767	$ 8,707

Details of the reclamation reserve shown above are as follows:

	2021	2020
Reclamation reserve at beginning of year	$ 7,337	$ 5,672
Accretion expense	409	322
Reclamation adjustment (1)	247	1,343
Reclamation reserve at end of year	$ 7,993	$ 7,337

(1) The reclamation costs are periodically evaluated for adjustments by the Wyoming Department of Environmental Quality. See Note 12 “Commitments and Contingencies,” “Mine Permit Bonding Commitment” for additional information on our reclamation reserve at December 31, 2021 and 2020.

10. EMPLOYEE BENEFIT PLANS

The Company participates in various benefit plans offered and administered by Sisecam Chemicals and is allocated its portions of the annual costs related thereto. The specific plans are as follows:

Retirement Plans - Benefits provided under the retirement plans for salaried employees and hourly employees (the “Retirement Plans”) are based upon years of service and average compensation for the highest 60 consecutive months of the employee’s last 120 months of service, as defined. The Retirement Plans cover substantially all full-time employees hired before May 1, 2001. Sisecam Chemicals’ Retirement Plans had a net liability balance of $32,843 and $55,157 at December 31, 2021 and December 31, 2020, respectively. Sisecam Chemicals’ current funding policy is to contribute an amount within the range of the minimum required and the maximum tax-deductible contribution. The Company’s allocated portion of the Retirement Plans' net periodic pension (benefit) cost for the years ended December 31, 2021, 2020 and 2019 was $(2,723), $(1,260), and $994, respectively. The variation in annual pension (benefit) cost was driven by a better-than-expected return on assets and lower interest expense assumptions.

Savings Plan -The 401(k) retirement plan (the “401(k) Plan”) covers all eligible hourly and salaried employees. Eligibility is limited to all domestic residents and any foreign expatriates who are in the United States indefinitely. The 401(k) Plan permits employees to contribute specified percentages of their compensation, while the Company makes contributions based upon specified percentages of employee contributions. Participants hired on or subsequent to May 1, 2001, will receive an additional contribution from the Company based on a percentage of the participant’s base pay. Contributions made to the 401(k) Plan for the years ended December 31, 2021, 2020, and 2019 were $3,356, $3,366, and $3,032, respectively.

Postretirement Benefits - Most of the Company’s employees hired before January 2, 2017 are eligible for postretirement benefits other than pensions if they reach age 58 while still employed with at least 10 years of service.

The postretirement benefits are accounted for by Sisecam Chemicals on an accrual basis over an employee's period of service. The postretirement plan, excluding pensions, is not funded, and Sisecam Chemicals has the right to modify or terminate the plan. The post-retirement plan had a net unfunded liability of $10,695 and $13,128 on December 31, 2021 and December 31, 2020, respectively.

The Company's allocated portion of postretirement cost (benefit) for the years ended December 31, 2021, 2020 and 2019, was $871, $1,233, and $(2,152), respectively. The postretirement benefit for the Partnership in 2019 is due to Sisecam Chemicals amending its postretirement benefit plan in prior years.

11. ACCUMULATED OTHER COMPREHENSIVE (LOSS)/INCOME

Accumulated other comprehensive (loss)/income as of December 31, 2021, 2020 and 2019 consisted of the following:

	Interest Rate Swap Contracts	Natural Gas Forwards Contracts	Total
BALANCE at December 31, 2018	$ (319)	$ (7,172)	$ (7,491)
Other comprehensive (loss)/income before reclassification	(711)	1,085	374
Amounts reclassified from accumulated other comprehensive income	175	1,063	1,238
Net current-period other comprehensive (loss)/income	(536)	2,148	1,612
BALANCE at December 31, 2019	$ (855)	$ (5,024)	$ (5,879)
Other comprehensive (loss)/income before reclassification	(1,253)	3,762	2,509
Amounts reclassified from accumulated other comprehensive income	835	2,607	3,442
Net current-period other comprehensive (loss)/income	(418)	6,369	5,951
BALANCE at December 31, 2020	$ (1,273)	$ 1,345	$ 72
Other comprehensive income before reclassification	205	5,692	5,897
Amounts reclassified from accumulated other comprehensive income/(loss)	702	(702)	—
Net current-period other comprehensive income	907	4,990	5,897
BALANCE at December 31, 2021	$ (366)	$ 6,335	$ 5,969

The components of other comprehensive income/(loss), that have been reclassified out of Accumulated other comprehensive income/loss consisted of the following:

	2021	2020	2019	Affected Line Items on the Statements of Operations and Comprehensive Income
Details about other comprehensive income/(loss) components:				
Gains/(losses) on cash flow hedges:				
Interest rate swap contracts	$ 702	$ 835	$ 175	Interest expense
Commodity hedge contracts	(702)	2,607	1,063	Cost of products sold
Total reclassifications for the period	$ —	$ 3,442	$ 1,238	

12. COMMITMENTS AND CONTINGENCIES

Lease and License Commitments

The Company leases and licenses mineral rights from the U.S. Bureau of Land Management, the state of Wyoming, Rock Springs Royalty Company, LLC ("RSRC") an affiliate of Occidental Petroleum Corporation (formerly an affiliate of Anadarko Petroleum Corporation), and other private parties which provide for royalties based upon production volume.

The Company has a perpetual right of first refusal with respect to these leases and license and intends to continue renewing the leases and license as has been its practice.

The Company entered into a 10-year rail yard switching and maintenance agreement on December 1, 2011. Under the agreement, the rail-switching services are provided at the Company's rail yard. The Company's rail yard is constructed on land leased by the third party from Rock Springs Grazing Association and on land that the third party holds an easement from Sweetwater Surface LLC. The land lease is renewable every five years for a total period of thirty years, while the Sweetwater Surface LLC easement is perpetual. The Company has agreed with the third party for the assignment of the lease and easement to the Company at any time during the land lease term. An immaterial annual rental is paid under the easement and lease. On December 1, 2021, the Company entered into a new 10-year agreement for rail yard switching and maintenance services.

As of December 31, 2021, the total minimum contractual rental commitments under the Company's various operating leases, including renewal periods is approximately $1,640 with the amount due in any of the next five years being immaterial.

Sisecam Chemicals typically enters into operating lease contracts with various lessors for rail cars to transport product to customer locations and warehouses. Rail car leases under these contractual commitments range for periods from one to ten years. Sisecam Chemicals' obligation related to these rail car leases are $8,367 in 2022, $5,021 in 2023, $3,443 in 2024, $2,231 in 2025, $1,620 in 2026 and $478 thereafter. Total lease expense allocated to the Company from Sisecam Chemicals was approximately $10,583, $11,304, and $11,770 for the years ended December 31, 2021, 2020 and 2019, respectively, and is recorded in freight costs.

Purchase Commitments - We have financial natural gas supply contracts to mitigate volatility in the price of natural gas. As of December 31, 2021, these contracts totaled approximately $24,050 for the purchase of a portion of our natural gas requirements over approximately the next three years. The supply purchase agreements have specific commitments of $14,081 in 2022, $4,317 in 2023, and $5,652 in 2024. The Company has a separate contract that expired in 2021 and renews annually thereafter, for the transportation of natural gas with an average minimum annual cost of approximately $4.0 million per year.

Legal and Environmental Matters- From time to time we are party to various claims and legal proceedings related to our business. Although the outcome of these proceedings cannot be predicted with certainty, management does not currently expect any such legal proceedings we may be involved in from time to time to have a material effect on our business, financial condition and results of operations. We cannot predict the nature of any future claims or proceedings, nor the ultimate size or outcome of any such claims and legal proceedings and whether any damages resulting from them will be covered by insurance.

Mine Permit Bonding Commitment - Our operations are subject to oversight by the Land Quality Division of Wyoming Department of Environmental Quality ("WDEQ"). Our principal mine permit issued by the Land Quality Division, requires the Company to provide financial assurances for our reclamation obligations for the estimated future cost to reclaim the area of our processing facility, surface pond complex and on-site sanitary landfill. The Company provides such assurances through a third-party surety bond (the "Surety Bond"). According to the annual recalculation and submittal, the Surety Bond amount was $41.8 million and $36.2 million at December 31, 2021 and 2020, respectively. The amount of such assurances that we are required to provide is subject to change upon annual recalculation according to Department of Environmental Quality's Guideline 12, annual site inspection and subsequent evaluation/approval by the WDEQ's Land Quality Division.

13. AGREEMENTS AND TRANSACTIONS WITH AFFILIATES

Agreements and transactions with affiliates have a significant impact on the Company’s financial statements because the Company is a subsidiary and investee within two different global group structures. Agreements directly between the Company and other affiliates, or indirectly between affiliates that the Company does not control, can have a significant impact on recorded amounts or disclosures in the Company's financial statements, including any commitments and contingencies between the Company and affiliates, or potentially, third parties.

Sisecam Chemicals was the exclusive sales agent for the Company and through its membership in ANSAC, through December 31, 2020, Sisecam Chemicals had responsibility for promoting and increasing the use and sale of soda ash and other refined or processed sodium products produced. Through December 31, 2020, ANSAC served as the primary international distribution channel for the Company and two other U.S. manufacturers of trona-based soda ash. ANSAC operated on a cooperative service-at-cost basis to its members such that typically any annual profit or loss is passed through to the members. As previously disclosed as part of its strategic initiative to gain better direct access and control of international customers and logistics and the ability to leverage the expertise of Ciner Group, the world’s largest natural soda ash producer, effective as of the end of day on December 31, 2020, Sisecam Chemicals exited ANSAC (the “ANSAC termination date”) and ANSAC has no longer been an affiliate since January 1, 2021. Through in part the Partnership’s affiliates, the Company has amongst other things: (i) obtained its own international customer sales arrangements for 2021, (ii) obtained third-party export port services, and (iii) chartered and executed its own international product delivery. For the year ended December 31, 2021, the total logistic services, which are included in cost of products sold, from affiliates were approximately $3,468.

Although ANSAC has historically been our largest customer, the impact of Sisecam Chemicals' exit from ANSAC on our net sales, net income and liquidity was limited. With a low-cost position and improved access to international customers and control over placement of its sales in the international marketplace and logistics, we have adequately replaced these net sales made under the former agreement with ANSAC. Since January 1, 2021, Sisecam Chemicals has managed the Company’s sales and marketing activities for exports with the ANSAC exit being complete. Sisecam Chemicals leveraged the distributor network established by the Ciner Group in 2021 and continues to evaluate the distribution network and independent third-party distribution partners to optimize our reach into each market.

Selling, general and administrative expenses also include amounts charged to the Company by its affiliates principally consisting of salaries, benefits, office supplies, professional fees, travel, rent and other costs of certain assets used by the Company. On October 23, 2015, the Company entered into a Services Agreement (the “Services Agreement”) with our general partner and Sisecam Chemicals. Pursuant to the Services Agreement, Sisecam Chemicals has agreed to provide the Company with certain corporate, selling, marketing, and general and administrative services, in return for which the Company has agreed to pay Sisecam Chemicals an annual management fee and reimburse Sisecam Chemicals for certain third-party costs incurred in connection with providing such services. In addition, under the limited liability company agreement governing Sisecam Wyoming, Sisecam Wyoming reimburses us for employees who operate our assets and for support provided to Sisecam Wyoming. These transactions do not necessarily represent arm's length transactions and may not represent all costs if Sisecam Wyoming operated on a standalone basis.

The total selling, general and administrative costs charged to the Company by affiliates for the years ended December 31, 2021, 2020 and 2019 were as follows:

	2021	2020	2019
Sisecam Chemicals	$ 16,494	$ 15,659	$ 14,233
ANSAC (1)	N/A	1,362	3,508
Sisecam LP	141	377	663
Total selling, general and administrative expenses - affiliates	$ 16,635	$ 17,398	$ 18,404

(1) ANSAC allocates its expenses to its members using a pro rata calculation based on sales.

Net sales to affiliates for the years ended December 31, 2021, 2020 and 2019 were as follows:

	2021	2020	2019
ANSAC	N/A	$ 177,891	$ 315,847
Total	$ —	$ 177,891	$ 315,847

As of December 31, 2021 and 2020, the Company had due from/to with affiliates as follows:

	2021		2020	
	Due from Affiliates	Due to Affiliates	Due from Affiliates	Due to Affiliates
ANSAC	N/A	N/A	$ 41,948	$ 183
Sisecam Chemicals	49,285	1,996	44,594	2,520
Other	232	132	155	162
Total	$ 49,517	$ 2,128	$ 86,697	$ 2,865

The increase in due from Sisecam Chemicals from December 31, 2021 to December 31, 2020 is due to timing of funding of pension and postretirement plans offered and administered by Sisecam Chemicals.

14. SEGMENT REPORTING

Our operations are similar in geography, nature of products we provide and type of customers we serve. As the Company earns substantially all of its revenues through the sale of soda ash mined at a single location, we have concluded that we have one operating segment for reporting purposes.

The net sales by geographic area for the years ended December 31, 2021, 2020 and 2019 were as follows:

	2021	2020	2019
Domestic	$ 276,778	$ 208,838	$ 206,996
International	263,361	183,393	315,847
Total net sales	$ 540,139	$ 392,231	$ 522,843

15. SUBSEQUENT EVENTS

Cash Distribution

On February 17, 2022, the members of the board of managers of the Company, approved a cash distribution to the members of the Company in the aggregate amount of $27,000. This distribution was paid on February 17, 2022.

Corporate Name Changes

As a result of the CoC Transaction, Ciner Resources LP changed its name to Sisecam Resources LP to be effective on February 18, 2022. In connection with these changes, the general partner of Ciner Resources LP also changed its name to Sisecam Resource Partners LLC and Ciner Wyoming LLC changed its name to Sisecam Wyoming LLC, effective on February 18, 2022.

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