

1 **FOR IMMEDIATE RELEASE**

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3 **BLACKJEWEL TO REDUCE DEBT AND ENHANCE FINANCIAL STABILITY THROUGH**
4 **COURT-SUPERVISED PROCESS. MINING OPERATIONS AND CUSTOMER SHIPMENTS**
5 **TO CONTINUE IN THE ORDINARY COURSE**
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7 **CHARLESTON – JULY 1, 2019** – Blackjewel, L.L.C. (“Blackjewel”) today announced that, to
8 facilitate a financial restructuring of the company’s obligations, Blackjewel (and certain affiliated entities)
9 today filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code in the United
10 States Bankruptcy Court for the Southern District of West Virginia. Blackjewel expects its mining
11 operations and customer shipments to continue in the ordinary course throughout the court-supervised
12 process.
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14 “Today’s announcement represents another significant step in our continued efforts to position the
15 company for long-term success,” said Jeff Hoops, Blackjewel’s founder and CEO. “After carefully
16 evaluating our options, we determined that the best way to solidify our financial position and strengthen
17 our balance sheet was to proceed with a comprehensive financial restructuring under court protection.
18 We are confident that this restructuring will solidify Blackjewel’s position as a significant participant in
19 the US coal market.”
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21 “Through the hard work and commitment of our employees, we have implemented various proactive
22 measures over the past several years to adapt to the unprecedented challenges in the coal markets and
23 shifts in the regulatory landscape,” Hoops continued. “Thanks to these efforts, Blackjewel will continue
24 as a significant player in the U.S. coal industry for the foreseeable future. Although Blackjewel was able
25 to adequately manage its liquidity and continue its operations for several years while scores of its
26 competitors filed for bankruptcy, it very recently lost the support of its senior secured lender. This
27 impacted short-term liquidity which necessitated today’s actions. Having carefully reviewed the options
28 available, we determined that this court-supervised process is the best way to strengthen our financial
29 foundation and position Blackjewel to remain a trusted partner to our vendors and customers. This action
30 also means Blackjewel will continue to: provide high quality jobs to thousands of valued employees;
31 remain a strong contributor to our local communities; and, provide products to the critical US energy
32 market”.
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34 Hoops added “the Company has arranged post-petition financing which is subject to court approval.
35 Accordingly, no assurance can be given that a reorganization under Chapter 11 will be successful. If
36 approved, the new DIP financing and cash generated from Blackjewel’s ongoing operations is expected to
37 provide the liquidity necessary to support the business during the reorganization process and allow the
38 company to continue operations and customer shipments in an uninterrupted manner during the court-
39 supervised process.”
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41 Blackjewel Coal has filed various motions with the Bankruptcy Court supporting its reorganization,
42 including requesting authorization to continue paying employee wages and providing health care and
43 other benefits. The company intends to pay suppliers in full for goods and services provided after the
44 filing date of July 1, 2019.
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46 Additional information is available on the website administered by Blackjewel’s claims agent, Prime
47 Clerk, at <https://cases.primeclerk.com/Blackjewel>. This website also includes court filings and other
48 documents related to the reorganization.
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50 Squire Patton Boggs is serving as legal advisor to Blackjewel, FTI Consulting has been retained as Chief
51 Restructuring Officer and financial advisor and Jefferies LLC is serving as the company's investment
52 banker.

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54 U.S.-based Blackjewel LLC is one of the nation's top coal producers supporting both the global steel and
55 power generation industries. Its network of mining complexes is one of the most diversified in the United
56 States including major operations in Appalachia and the Powder River Basin. The company controls more
57 than 1.2 billion tons of high-quality metallurgical and thermal coal reserves.

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59 **Forward-Looking Statements**

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61 This press release contains "forward-looking statements" – that is, statements related to future, not past,
62 events. In this context, forward-looking statements often address our expected future business and
63 financial performance, and often contain words such as "expects," "anticipates," "intends," "plans,"
64 "believes," "seeks," or "will." Forward-looking statements by their nature address matters that are, to
65 different degrees, uncertain. For us, particular uncertainties arise from changes in the demand for our
66 coal by the domestic electric generation industry; from legislation and regulations relating to the Clean
67 Air Act and other environmental initiatives; from operational, geological, permit, labor and weather-
68 related factors; from fluctuations in the amount of cash we generate from operations; from potential
69 demands for additional collateral for self-bonding; from our ability to complete our potential exchange
70 offers; from future integration of acquired businesses; and from numerous other matters of national,
71 regional and global scale, including those of a political, economic, business, competitive or regulatory
72 nature. These uncertainties may cause our actual future results to be materially different than those
73 expressed in our forward-looking statements. We do not undertake to update our forward-looking
74 statements, whether as a result of new information, future events or otherwise, except as may be required
75 by law.

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