

July 8, 2019

Blackjewel Employee Update

As we shared with you last Friday, Blackjewel is fully committed to securing the additional financing necessary to resume its normal operations and to bring employees back to work as quickly as possible.

Below are the key developments since our last update to you:

- **Blackjewel has been able to call more than 120 employees back to work** to ensure the safety of our mines and our equipment while we work towards finding a longer-term solution. Using the \$5 million in debtor-in-possession (DIP) financing approved by the Bankruptcy Court on Wednesday, July 3, we were able to pay these employees in accordance with their regular schedule for all hours worked and fully intend to meet our commitments to our employees returning to work.
- **Checks have been issued to pay employees who have returned to work in Kentucky, Virginia and West Virginia for time worked prior to the Chapter 11 filing.** The funds are available for these checks to be deposited. However, some employees have reported that they are having issues with their local banks honoring these checks. If you have any problems “cashing” your check for immediate funds, we suggest that you deposit the check for clearance through the bank’s clearing system, and the funds should be available the next day. If you have trouble depositing the check, please report these issues immediately to the Blackjewel restructuring hotline at (844) 234-1462. We will call your local bank to expedite processing.
- **Wyoming employees who have been called back to work have been paid today through an electronic funds-transfer system called ACH for the remaining amounts owed to them for time worked prior to the Chapter 11 filing.** If you experience any issues with such payments, please call the Blackjewel restructuring hotline at (844) 234-1462 and we will work with you to address these issues.
- **We fully intend to pay our employees the amounts owed for work completed prior to the Chapter 11 filing as we bring our employees back to work.** Securing the funds necessary to bring Blackjewel back to full and profitable production remains the Company’s top priority.

As we have said previously, management is working as quickly as possible to secure additional financing from new or existing lenders to resume Blackjewel’s usual operations. We will advise you as soon as we have any information about the Company’s near-term plans.

Again, we want to emphasize the urgency with which we are approaching this situation. Management – and everyone involved in Blackjewel’s Chapter 11 case – understands that every day that passes adds to the hardship you and your families are experiencing, and we are doing everything possible to get our employees back to work.

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We will continue to provide updates by posting materials to our restructuring website, <https://cases.primeclerk.com/blackjewel/>. You also may contact the Blackjewel restructuring hotline at (844) 234-1462 with questions.

Thank you again for your dedication to Blackjewel over the years, and for the patience and perseverance you have demonstrated during this incredibly difficult time.