

Blackjewel Employee Update

On Friday, July 26, Blackjewel took important steps towards meeting our goals of bringing more employees back to work and helping those employees hardest hit by Blackjewel's unfortunate situation to access their 401(k) savings. These steps included: receiving approval from the Bankruptcy Court to move forward with our proposed process to sell substantially all of our assets and to terminate the Blackjewel LLC 401(k) Plan (the "401(k) Plan") which will make it possible for employees to access their hard-earned savings to the extent necessary.

While the sale process is on a substantially more expedited basis than we had hoped for at the outset of the case, we believe the Court's decisions on Friday provide the best path to getting employees back to work as quickly as possible and to addressing the immediate need many employees have to access their 401(k) Plan accounts. To address your questions about these events we have prepared the following update about what you can expect.

About the Sale Process

As many of you know, we have received an offer from Contura Energy to purchase our two mines in Wyoming as well as the Pax Surface Mine in West Virginia. The proposed sale would allow more than 500 Wyoming residents to return to work. Importantly, Contura's offer includes a commitment to pay returning employees amounts owed at the time of our Chapter 11 filing if the sale is completed.

As with any sale completed through the Chapter 11 process, other potential buyers will now have the opportunity to come forward to improve upon the proposed sale agreement with Contura and/or to place bids to acquire our other mines. Our goal remains to find buyers who will resume operations at each of our mines. To this end, the bankruptcy court has authorized Contura to make an immediate down payment of \$8.1 million for the assets it hopes to acquire. This payment has now been made and will be used to maintain safety and security at all of Blackjewel's mines through the remainder of the brief sale process.

We know how eager you all are to understand what will happen to your mine and whether you will be able return to work. We share this desire and assure you that we are doing everything possible to bring as many employees as possible back to work as quickly as possible. We still believe this is the best way to maximize the value of Blackjewel for the benefit of all stakeholders.

The timeline for the sale process approved by the bankruptcy court is:

July 31, 2019	Bid Deadline: Other potential buyers have until 5 p.m. ET on this date to submit bids to acquire any or all of our mines. Any bids submitted for our Western Mines or the Pax Mine must improve upon the offer from Contura to be considered.
August 1, 2019	Auction: If competing, qualified bids are received for any of the mines, an "auction" will be held at 9 a.m. ET on this date. Each qualified bidder may continue to improve upon its offer during the

	auction until the highest and best sale agreement is achieved for each of the assets. There is no guarantee that all of the mines will be acquired through this process.
August 3, 2019	Sale Hearing: A hearing to seek the bankruptcy court's approval of the sale(s) achieved through the auction process will occur at 12:30 p.m. ET
August 5, 2019	Sale Completion: Our goal is to complete the sales by this date. As soon as the sales are complete, the new owners will be able to move forward with any plans to resume mining operations. Any additional information about future operations would come from the buyers.

About the 401(k) Plan Termination

We heard clearly that many of our employees needed immediate access to their 401(k) Plan savings to support their families during this difficult period. After significant analysis of numerous approaches to address these critical needs, we determined that the fastest way to provide employees the relief necessary is to terminate the 401(k) Plan.

Based on this analysis, the Blackjewel Board of Directors adopted a resolution to terminate the 401(k) Plan, effective July 25, 2019 (subject to Bankruptcy Court approval), which was subsequently approved by the Bankruptcy Court on July 26, 2019. Blackjewel is now coordinating the 401(k) Plan termination and distribution of accounts with American Funds. In accordance with IRS procedures, distribution packets will be sent to participants outlining distribution options, and distributions will be processed as soon as possible.

To be very clear: **The funds that were in your 401(k) Plan account at the time of Blackjewel's Chapter 11 filing are still there and are yours.** The packet you will receive in the mail will outline the options available to you as the 401(k) Plan is terminated. Distributions from the 401(k) Plan will be subject to applicable IRS rules and laws.

We will continue to provide updates at <https://cases.primeclerk.com/blackjewel/> as we progress through the sale process. Meanwhile, the restructuring hotline remains available to help address your questions. Please call (844) 234-1462 to reach our team.

Thank you.