

[Cloud Peak Energy Inc.](#) (NYSE:CLD), one of the largest U.S. coal producers and the only pure-play Powder River Basin (“PRB”) coal company, today announced that it has reached an agreement with a landowner near the company’s Cordero Rojo Mine in Wyoming, which provides Cordero Rojo with access to approximately 95 million tons of additional coal and enhances flexibility for the future development of the mine.

The additional coal consists of tons directly under the acquired land and other adjacent tonnage that is anticipated to become available for future mining as a result of acquiring the surface access. The agreement primarily involves a land exchange and production payments from any future sales of the underlying coal, including certain recoupable advance production payments.

As of December 31, 2014, Cloud Peak Energy controlled approximately 1.1 billion tons of proven and probable coal reserves. These additional tons were not included in Cloud Peak Energy’s reported year-end 2014 proven and probable reserves. The company will evaluate inclusion of these additional tons as part of its year-end 2015 reserves reporting. As previously disclosed, Cloud Peak Energy made its final lease by application (“LBA”) payment for its federally leased coal in June 2015 and has no further committed LBA payments.

About Cloud Peak Energy®

[Cloud Peak Energy Inc.](#) (NYSE:CLD) is headquartered in Wyoming and is one of the largest U.S. coal producers and the only pure-play Powder River Basin coal company. As one of the safest coal producers in the nation, Cloud Peak Energy mines low sulfur, subbituminous coal and provides logistics supply services. The Company owns and operates three surface coal mines in the PRB, the lowest cost major coal producing region in the nation. The Antelope and Cordero Rojo mines are located in Wyoming and the Spring Creek Mine is located in Montana. In 2014, Cloud Peak Energy shipped approximately 86 million tons from its three mines to customers located throughout the U.S. and around the world. Cloud Peak Energy also owns rights to substantial undeveloped coal and complimentary surface assets in the Northern PRB, further building the Company’s long-term position to serve Asian export and domestic customers. With approximately 1,600 total employees, the Company is widely recognized for its exemplary performance in its safety and environmental programs. Cloud Peak Energy is a sustainable fuel supplier for approximately four percent of the nation’s electricity.

Cautionary Note Regarding Forward-Looking Statements

This release contains “forward-looking statements” within the meaning of the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are not statements of historical facts and often contain words such as “may,” “will,” “expect,” “believe,” “anticipate,” “plan,” “estimate,” “seek,” “could,” “should,” “intend,” “potential,” or words of similar meaning. Forward-looking statements are based on management’s current expectations, beliefs, assumptions and estimates regarding our company, industry, economic conditions, government regulations, energy policies and other factors. Forward-looking statements may include, for example, those regarding: (1) operational plans for the Cordero Rojo Mine, (2) estimates of the quantity of additional coal to which the company will have access as a result of this transaction, (3) future determinations of the company’s proven and probable reserves, (4) anticipated benefits of this transaction, and (5) other statements regarding our plans, strategies, prospects and expectations concerning our business, operating results, financial condition and other matters that do not relate strictly to historical facts. These statements are subject to significant risks, uncertainties, and assumptions that are difficult to predict and could cause actual results to differ materially and adversely from those expressed or implied in the forward-looking statements. Factors that could adversely affect our future results include, for example, (a) our ability to obtain required permits to mine the additional coal discussed in this release, including due to the impact of third party legal challenges, (b) regulatory requirements for calculating proven and probable reserves, (c) existing and future coal-fired power plant capacity and utilization, demand for our coal by the domestic electric generation industry, and the prices we receive for our coal, including potential prices for the additional coal discussed in this release, (d) competition from other coal producers, natural gas producers and other sources of energy, domestically and internationally, (e) environmental, health, safety, endangered species (including the potential listing of the greater sage-grouse as a threatened or endangered species) or other legislation, regulations, executive orders, treaties, court decisions or government actions, or related third-party legal challenges or changes in interpretations, including new requirements or uncertainties affecting the use, demand or price for coal or imposing additional costs, liabilities or restrictions on our mining operations, the utility industry or the logistics, transportation and terminal industries, (f) public perceptions, third-party legal challenges or governmental regulations, executive orders or other actions and energy policies relating to concerns about climate change, air and water quality or other environmental considerations, including emissions restrictions (for example, EPA carbon regulations for power plants under the Clean Air Act) and governmental subsidies or mandates that make natural gas, wind, solar or other alternative fuel sources more cost-effective and competitive with coal, (g) future development and operating costs significantly exceed our expectations, and (h) other risk factors described from time to time in the reports and registration statements we file with the Securities and Exchange Commission, including those in Item 1A - Risk Factors in our most recent Form 10-K and any updates thereto in our Forms 10-Q and Forms 8-K. There may be other risks and uncertainties that are not currently known to us or that we currently believe are not material. We make forward-looking statements based on currently available information, and we assume no obligation to, and expressly disclaim any obligation to, update or revise publicly any forward-looking statements made in this release, whether as a result of new information, future events or otherwise, except as required by law.

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