Alpha Also Receives Approval For Sale of Certain Core Coal Assets to Contura Energy, Inc.

BRISTOL, Va., July 7, 2016 /PRNewswire/ -- Alpha Natural Resources Inc. (ANRZQ) today announced that, contingent upon the finalization of certain definitive documentation and the entry of an order in the coming days, the United States Bankruptcy Court for the Eastern District of Virginia approved the Plan of Reorganization for Alpha and certain of its wholly owned subsidiaries. The Plan will become effective upon Alpha's emergence from Chapter 11 bankruptcy protection, which is expected to occur in late July.

"Confirmation of Alpha's Plan represents the final Court milestone in a complex, one-year restructuring process," said Alpha's Chairman and CEO Kevin Crutchfield. "We appreciate the commitment of our workforce, the trust of our customers, and the ultimate support of our creditors and broader stakeholders in helping to pave the way for Alpha's successful emergence as a more streamlined, financially secure company with attractive prospects for the future. I also want to thank our lender group, who have provided steadfast support for our Plan and worked tirelessly with Alpha and multiple stakeholder constituencies to resolve challenges and reach positive outcomes."

Upon emergence, Alpha is expected to operate as a privately held company, positioned well to satisfy its environmental obligations on an ongoing basis.

In addition to Plan confirmation, and consistent with the previously filed Asset Purchase Agreement, the Court also approved Alpha's sale of certain core coal assets to Contura Energy, Inc., a new company formed by a group of Alpha's first lien lenders. The sale, which is scheduled to close concurrently with Alpha's emergence, includes the company's two Powder River Basin mine complexes in Wyoming, the Nicholas, McClure, and Toms Creek mine complexes in West Virginia and Virginia, all of the company's Pennsylvania coal operations and certain reserves, the company's interest in the Dominion Terminal Associates coal export terminal in Newport News, Virginia, and certain other assets, including working capital.

In addition to operating as an independent, competitive entity in the U.S. and international coal markets, Contura Energy will provide specified contingent credit support for reorganized Alpha in the aggregate amount of $35 million, from the effective date of emergence through September 2018, subject to the terms and conditions of the Global Settlement Term Sheet filed with the Court. Over the course of the next ten years, Contura has agreed to also make contributions of up to $100 million into certain restricted cash accounts to help fund the ongoing reclamation activities of reorganized Alpha, in addition to other support to be provided.

Alpha and certain of its wholly-owned subsidiaries filed voluntary petitions to reorganize under Chapter 11 of the United States Bankruptcy Code on August 3, 2015. The Company filed its preliminary Plan of Reorganization on March 8, 2016, and voting on the plan concluded on June 29, 2016. More information about Alpha's bankruptcy process and legal filings made with the Court to date can be found at www.kccllc.net/alpharestructuring.

About Alpha Natural Resources
Alpha Natural Resources is one of the largest and most regionally diversified coal suppliers in the United States. With affiliate mining operations in Virginia, West Virginia, Kentucky, Pennsylvania and Wyoming, Alpha supplies metallurgical coal to the steel industry and thermal coal to generate power to customers on five continents. Alpha is committed to being a leader in mine safety with our Running Right safety process, and an environmental steward in the communities where its affiliates operate. For more information, visit Alpha's website (www.alphanr.com).

Forward Looking Statements
This news release includes forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on Alpha's expectations and beliefs concerning future events and involve risks and uncertainties that may cause actual results to differ materially from current expectations. These factors are difficult to predict accurately and may be beyond Alpha's control. The following factors are among those that may cause actual results to differ materially from our forward-looking statements:

- our ability to continue as a going concern, including our ability to meet the requirements of our debtor-in-possession financing arrangements, our ability to execute strategic transactions as part of a plan of reorganization, and our ability, and the ability of other parties, to fulfill the terms of the plan of reorganization ;
- sustained depressed levels or further declines in coal prices;
- worldwide market demand for coal, electricity and steel, including demand for U.S. coal exports;
- competition in coal markets;
- our liquidity, results of operations and financial condition;
- our ability to obtain or renew surety bonds on acceptable terms or maintain self-bonding status;
- our ability to enter into and/or comply with the terms of settlements with state and federal governmental entities regarding the scope and necessary funding of reclamation obligations;
- utilities switching to alternative energy sources such as natural gas, renewables and coal from basins where we do not operate;
- reductions or increases in customer coal inventories and the timing of those changes;
- our production capabilities and costs;
- inherent risks of coal mining beyond our control, and our ability to utilize our coal assets fully and replace reserves as they are depleted;

- changes in environmental laws and regulations, including those directly affecting our coal mining and production, and those affecting our customers' coal usage, including potential climate change initiatives;
- changes in safety and health laws and regulations and their implementation, and the ability to comply with those changes;
- future legislation, regulatory and court decisions and changes in regulations, governmental policies or taxes or changes in interpretation thereof;
- global economic, capital market or political conditions, including a prolonged economic downturn in the markets in which we operate and disruptions in worldwide financial markets;
- the outcome of pending or potential litigation or governmental investigations;
- our relationships with, and other conditions affecting, our customers, including the inability to collect payments from our customers if their creditworthiness declines;
- changes in, renewal or acquisition of, terms of and performance of customers under coal supply arrangements and the refusal by our customers to receive coal under agreed contract terms;
- our ability to obtain, maintain or renew any necessary permits or rights, and our ability to mine properties due to defects in title on leasehold interests;
- attracting and retaining key personnel and other employee workforce factors, such as labor relations;
- the geological characteristics of coal reserves;
- funding for and changes in postretirement benefit obligations, pension obligations, including multi-employer pension plans, and federal and state black lung obligations;
- cybersecurity attacks or failures, threats to physical security, extreme weather conditions or other natural disasters;
- reclamation and mine closure obligations;
- our assumptions concerning economically recoverable coal reserve estimates;
- our ability to negotiate new United Mine Workers of America ("UMWA") wage agreements on terms acceptable to us, increased unionization of our workforce in the future, and any strikes by our workforce;
- disruptions in delivery or changes in pricing from third party vendors of key equipment and materials that are necessary for our operations, such as diesel fuel, steel products, explosives and tires;
- inflationary pressures on supplies and labor and significant or rapid increases in commodity prices;
- railroad, barge, truck and other transportation availability, performance and costs;
- disruption in third party coal supplies;
- the consummation of financing or other transactions and the related effects on our business and financial position;
- indemnification of certain obligations not being met;
- our substantial indebtedness;
- our ability to generate sufficient cash or obtain financing to fund our business operations; and
- other factors, including the factors addressed in previous filings made with the Securities and Exchange Commission and the Bankruptcy Court.

Forward-looking statements in this news release or elsewhere speak only as of the date made. New uncertainties and risks arise from time to time, and it is impossible for Alpha to predict these events or how they may affect the Company. Alpha has no duty to, and does not intend to, update or revise the forward?looking statements in this news release after the date it is issued. In light of these risks and uncertainties, investors should keep in mind that the results, events or developments disclosed in any forward?looking statement made in this news release may not occur.

To view the original version on PR Newswire,
visit:http://www.prnewswire.com/news-releases/alpha-natural-resources-plan-of-reorganization-confirmed-by-us-bankruptcy-court-3

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