

Sales will reduce Central App coal producer's permits, bonding and reclamation, along with holding costs

KINGSPORT, Tenn., May 30, 2017 /PRNewswire/ -- Alpha Natural Resources (ANR, Inc.) announces the divestment of substantially all of the assets of two separate operations, a coal mining complex and a natural gas operation, both located in central West Virginia.

The Green Valley mining assets in Nicholas and Greenbrier Counties are being sold to Quinwood Coal Company. The divestiture includes the Number 1 preparation plant and related permits, which have been idle since the second quarter of 2014.

In addition to the coal mining complex, the New River Energy natural gas operation is being sold to Kinzer Drilling. The divestiture includes 120 producing natural gas wells in five counties.

Alpha CEO David Stetson said the divestments represent another important step toward reducing Alpha's footprint. "With these significant divestitures, we will transfer 28 mining-related permits, reduce surety bonding by approximately \$3.5 million, eliminate future reclamation spending at these sites, and further reduce our annual holding cost for inactive and idle properties by approximately \$1.1 million," Stetson said. "Additionally, \$2.7 million in self bonding will be eliminated as part of these sales, which will assist ANR in meeting its obligations to the State of West Virginia."

Stetson added, "As with previous divestitures, Alpha has been able to enter into agreements with third parties that have indicated a desire to restart these operations and restore many jobs to the local community."

Stetson indicated that Alpha will continue to pursue sales of other non-strategic assets in the coming months. Terms of the transactions were not released.

About Alpha Natural Resources

Alpha Natural Resources has affiliate mining operations in West Virginia and Kentucky, and supplies metallurgical coal to the steel industry and thermal coal to generate power. Alpha has offices in Kingsport, Tennessee, and Julian, West Virginia, which support approximately 20 active mining operations. Alpha is committed to being a leader in mine safety and an environmental steward in the communities where its affiliates operate. For more information, visit Alpha's website (www.alphanr.com).

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