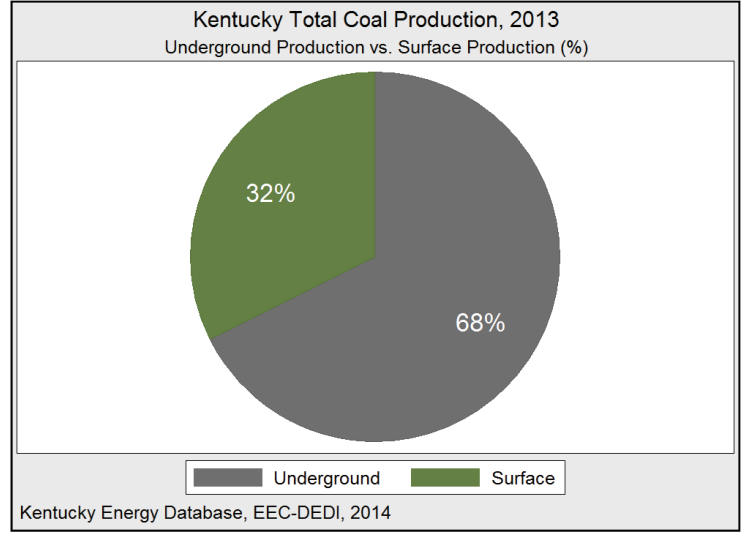
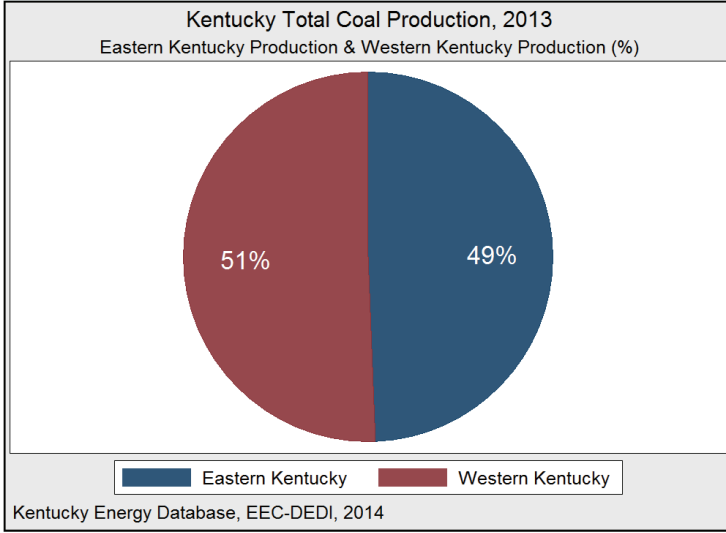


Kentucky Quarterly Coal Report

October to December 2013

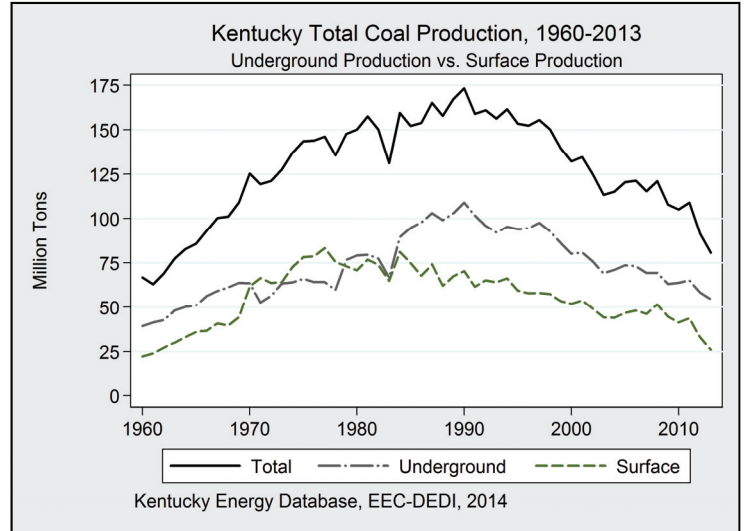
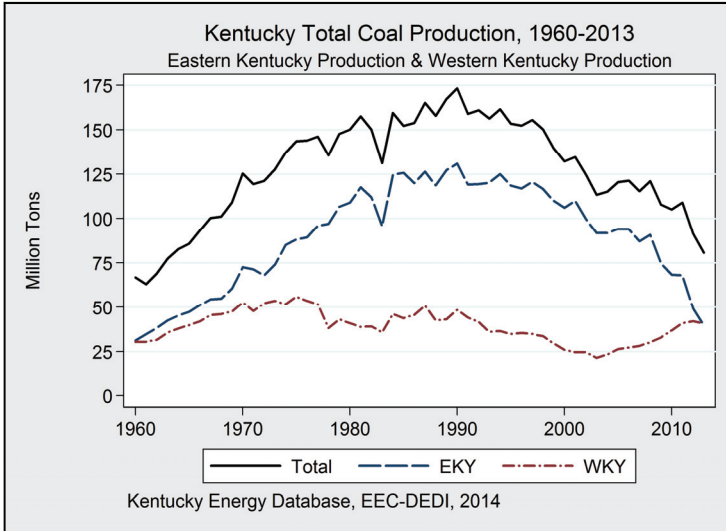


Region	2013 Tonnage	Annual Change
Total	80,724,543	-11.6%
Western Kentucky	40,878,967	-2.8%
Eastern Kentucky	39,845,576	-19.2%

Mine Type	2013 Tonnage	Annual Change
Total	80,724,543	-11.6%
Underground	54,608,126	-6.4%
Surface	26,116,417	-20.8%

Preliminary data indicate that Kentucky coal mines produced 80.7 million tons in 2013, a decrease of 11.6 percent from 2012.

Coal production at underground mines slowed to 54.6 million tons in 2013, a decrease of 6.4 percent. Surface mines produced 26.1 million tons, a decrease of 20.8 percent.

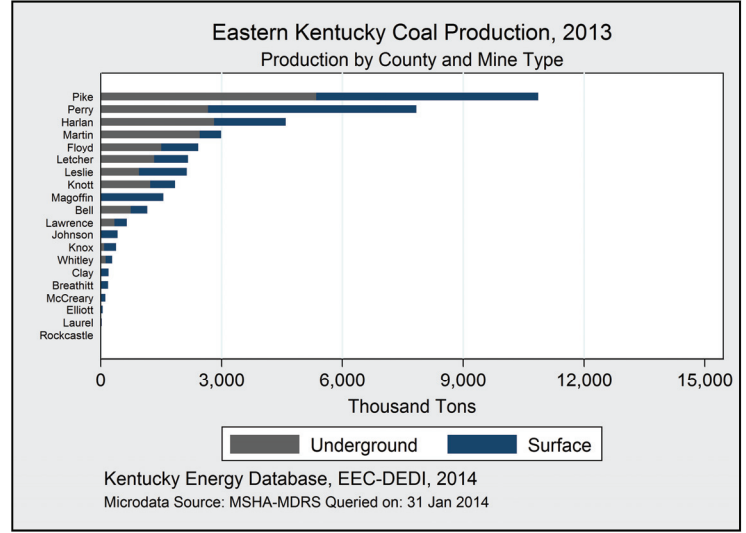
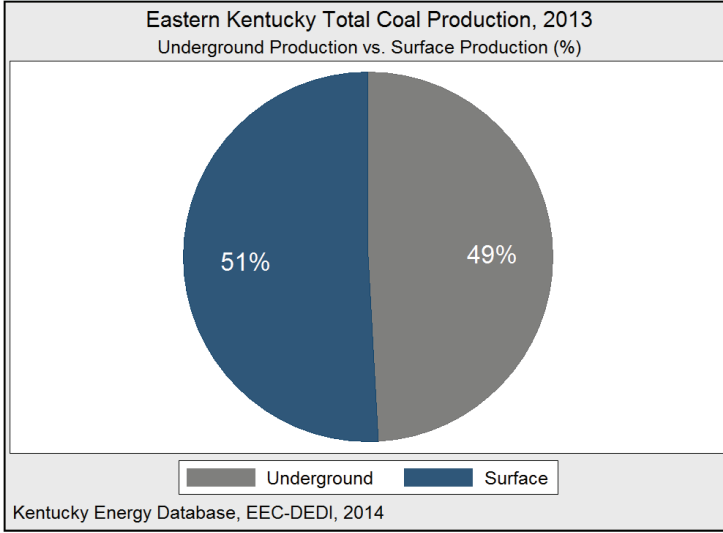


Total coal production decreased by 3.9 percent from the third to fourth quarter of 2013 to a quarterly rate of 19.1 million tons, 9.9 and 9.2 million tons in western and eastern Kentucky respectively.

During the fourth quarter of 2013, Kentucky produced coal from underground mines at a rate of 13 million tons per quarter, a decrease of 3.9 from the third quarter. Coal production at surface mining operations slowed to 6.1 million tons per quarter.

Eastern Kentucky Coal Production

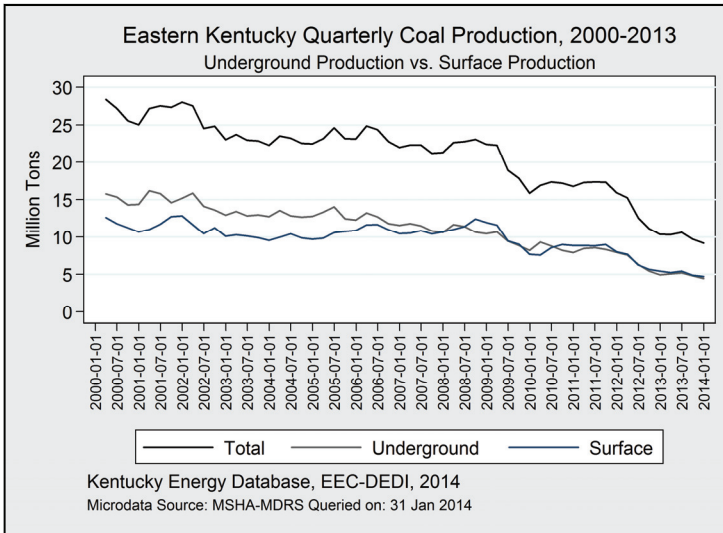
October to December 2013



Mine Type	2013 Tonnage	Annual Change
Total	39,845,576	-19.2%
Surface	20,284,540	-19.5%
Underground	19,561,036	-19.0%

Eastern County	2013 Tonnage	Quarter Change
Pike	10,866,320	-16.9%
Perry	7,840,068	-15.1%
Harlan	4,591,120	-35%
Martin	2,987,669	-16.7%
Floyd	2,419,580	-1.2%
Letcher	2,162,749	-27.9%
Leslie	2,136,704	-30.8%
Knott	1,843,011	-23.4%
Magoffin	1,551,124	-23%
Bell	1,156,997	-1.2%
Lawrence	643,970	+170.6%
Johnson	414,912	+26.6%
Knox	380,039	-41%
Whitley	285,761	+1.9%
Clay	190,001	-35.3%
Breathitt	180,251	-37.4%
McCreary	111,242	+250.4%
Elliott	46,421	+1,837.4%
Laurel	24,196	+91.6%
Rockcastle	13,441	+172.6%

Eastern Kentucky coal production decreased in 2013 by 19.2 percent to 39.9 million tons of coal, 51 percent from surface mines and 49 percent from underground mines.

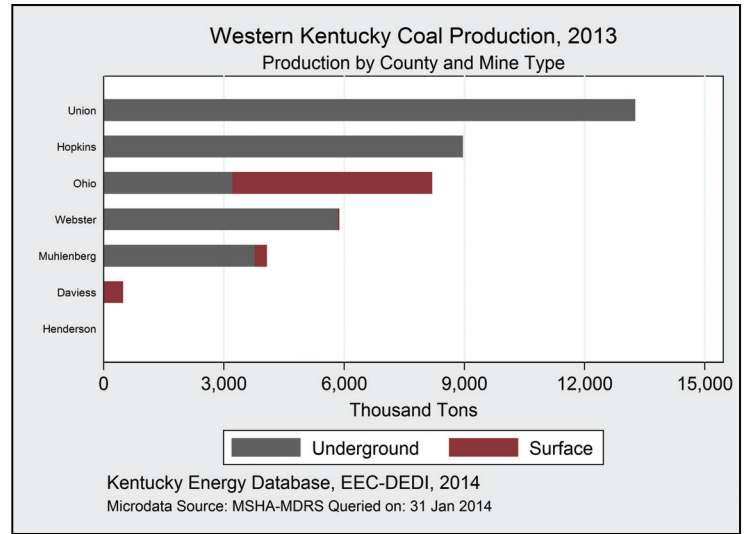
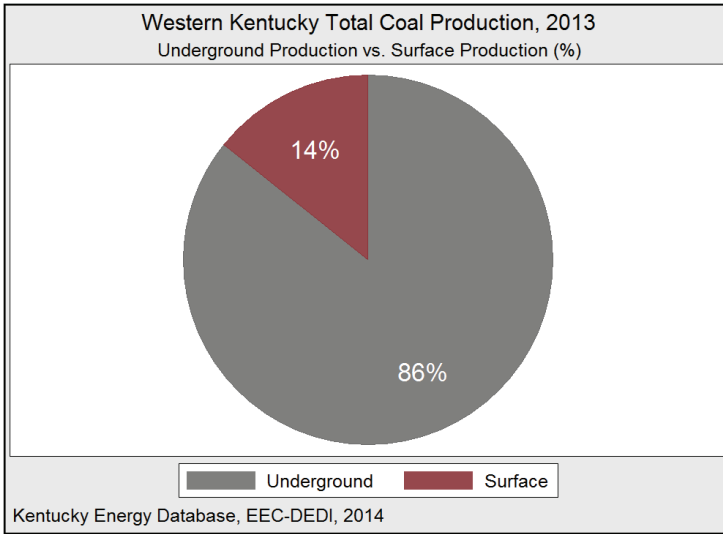


Production slowed at both surface and underground mining operations, by 19.5 and 19.0 percent mines respectively. The rate of Eastern Kentucky coal production during the fourth quarter of 2013 was 9.2 million tons.

Pike County remained the largest coal producing county in Eastern Kentucky and the second largest producing county overall, producing over 10.9 million tons during 2013.

Western Kentucky Coal Production

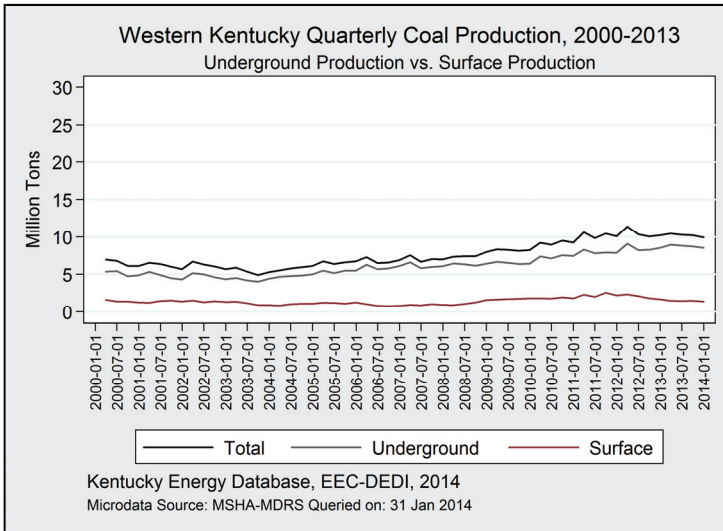
October to December 2013



Mine Type	2013 Tonnage	Annual Change
Total	40,878,967	-2.2%
Underground	35,047,090	+2.8%
Surface	5,831,877	-23.4%

Western County	2013 Tonnage	Annual Change
Union	13,265,620	-1.6%
Hopkins	8,963,894	+0.2%
Ohio	8,197,105	+13.4%
Webster	5,880,279	+5.9%
Muhlenberg	4,073,837	-16.7%
Daviess	484,569	+22.6%
Henderson	13,663	-99.1%

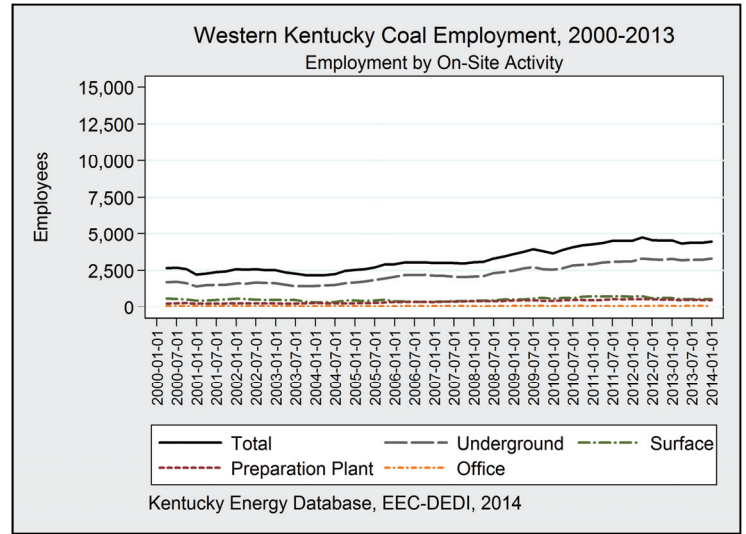
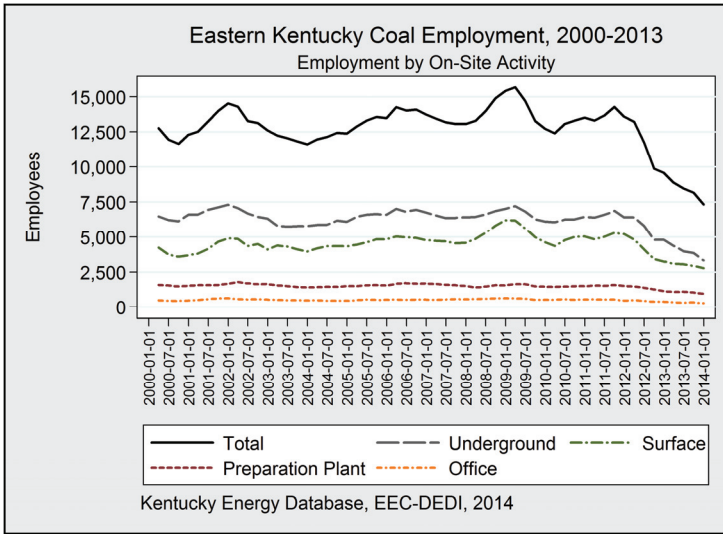
Western Kentucky mined 41 million tons in 2013, 86 percent from underground. Underground mining increased by 2.8 percent, while surface mining decreased by 23.4 percent.



Western Kentucky coal production decreased by 2.7 percent during 2013. The rate of coal production for the fourth quarter of 2013 was 9.9 million tons per quarter. Union County remained Kentucky's leading coal producing county, producing nearly 13.3 million tons during 2013.

Kentucky Coal Mine Employment

October to December 2013



Eastern Counties	Q4 Employment	Annual Change	Annual Change
Total	7,332	-2,232	-23.4%
Pike	1,859	-514	-21.7%
Perry	1,209	-321	21.0%
Harlan	929	-495	-34.8%
Martin	644	-77	-10.7%
Floyd	504	-42	-7.7%
Letcher	383	-226	-37.1%
Bell	364	-84	-18.7%
Knott	262	-60	-18.6%
Leslie	254	-399	-61.1%
Magoffin	175	-11	-5.9%
Knox	175	-49	-21.9%
Whitley	154	+63	69.2%
Lawrence	145	+62	74.7%
Boyd	76	-8	-9.5%
Johnson	73	+5	7.4%
Clay	45	-21	-31.8%
Breathitt	40	-22	-35.5%
McCreary	25	-10	-28.6%
Elliott	10	+10	+0.0%
Estill	6	+6	+100%

Western Counties	Q4 Employment	Annual Change	Annual Change
Total	4,449	-94	-2.10%
Union	1,328	+36	+2.8%
Hopkins	975	-22	-2.2%
Ohio	838	+128	+18.0%
Webster	669	-38	-5.4%
Muhlenberg	477	-99	-17.2%
Marshall	50	+0	0%
Daviess	43	+0	+0%
Livingston	37	-15	-28.9%
McLean	22	+14	+63.6%
Henderson	10	-98	-90.7%

Description	Q4 Employment	Annual Change	Annual Change
Kentucky Total	11,781	-2,326	-16.5%
Underground	6,632	-1,436	-17.8%
Surface	3,330	-554	-14.3%
Preparation Plant	1,438	-234	-14.0%
Office	381	-102	-21.1%

Kentucky coal mines reduced on-site employment by 2,326 workers, or 16.5 percent, during 2013. As of December 2013, an estimated 11,781 persons are employed at Kentucky coal mines. Layoffs included 1,990 coal miners, 1,436 underground and 554 surface. Coal preparation plants reduced employment by 234, while on-site office staff were reduced by 102.

Eastern Kentucky coal mines reduced total employment by 2,232 persons, or 23.4 percent, during the twelve months of 2013. Coal mines in western Kentucky decreased total employment by 94 jobs.

Date		Kentucky Total				Eastern Kentucky				Western Kentucky			
		Average Employment		Tons of Coal Produced		Average Employment		Tons of Coal Produced		Average Employment		Tons of Coal Produced	
		Annual	Quarter	Annual	Quarter	Annual	Quarter	Annual	Quarter	Annual	Quarter	Annual	Quarter
2007	Q1	16,194	16,449	115,408,135	29,857,552	13,189	13,449	87,140,740	22,302,720	3,005	3,000	28,267,395	7,554,832
	Q2		16,179		29,012,344		13,182		22,330,520		2,997		6,681,824
	Q3		16,031		28,226,908		13,061		21,207,510		2,970		7,019,398
	Q4		16,116		28,311,331		13,065		21,299,990		3,051		7,011,341
2008	Q1	17,748	16,365	121,059,852	30,003,678	14,390	13,286	90,884,900	22,637,880	3,357	3,079	30,174,952	7,365,798
	Q2		17,269		30,179,429		13,973		22,771,390		3,296		7,408,039
	Q3		18,328		30,483,824		14,884		23,057,080		3,444		7,426,744
	Q4		19,028		30,392,921		15,418		22,418,550		3,610		7,974,371
2009	Q1	17,877	19,422	107,887,419	30,611,297	14,094	15,668	74,935,320	22,278,700	3,783	3,754	32,952,099	8,332,597
	Q2		18,624		27,178,480		14,696		18,912,420		3,928		8,266,060
	Q3		17,079		25,993,920		13,282		17,865,250		3,797		8,128,670
	Q4		16,381		24,103,722		12,730		15,878,950		3,651		8,224,772
2010	Q1	17,180	16,290	105,169,487	26,138,293	13,072	12,400	68,273,880	16,921,040	4,109	3,890	36,895,607	9,217,253
	Q2		17,133		26,297,751		13,062		17,358,670		4,071		8,939,081
	Q3		17,519		26,700,882		13,310		17,206,400		4,209		9,494,482
	Q4		17,778		26,032,561		13,514		16,787,770		4,264		9,244,791
2011	Q1	18,183	17,670	108,950,570	27,909,620	13,716	13,317	67,939,800	17,303,260	4,467	4,353	41,010,770	10,606,360
	Q2		18,170		27,215,910		13,674		17,379,090		4,496		9,836,820
	Q3		18,794		27,778,980		14,285		17,315,100		4,509		10,463,880
	Q4		18,096		26,046,060		13,588		15,942,350		4,508		10,103,710
2012	Q1	15,679	17,943	91,331,390	26,654,700	11,095	13,214	49,285,070	15,255,170	4,583	4,729	42,046,320	11,399,530
	Q2		16,287		22,935,560		11,740		12,579,560		4,547		10,356,000
	Q3		14,377		21,172,280		9,863		11,093,610		4,514		10,078,670
	Q4		14,107		20,568,850		9,564		10,356,730		4,543		10,212,120
2013	Q1	12,589	13,197	80,724,543	20,775,760	8,205	8,871	39,845,576	10,329,510	4,384	4,326	40,878,967	10,446,242
	Q2		12,849		20,912,300		8,457		10,624,190		4,392		10,288,110
	Q3		12,528		19,909,430		8,160		9,700,223		4,368		10,209,207
	Q4		11,781		19,126,940		7,332		9,191,653		4,449		9,935,408

Note: Production and employment data for Q4-2013 as well as 2013 annual totals are preliminary and subject to revision. Data for previous dates have been revised.

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