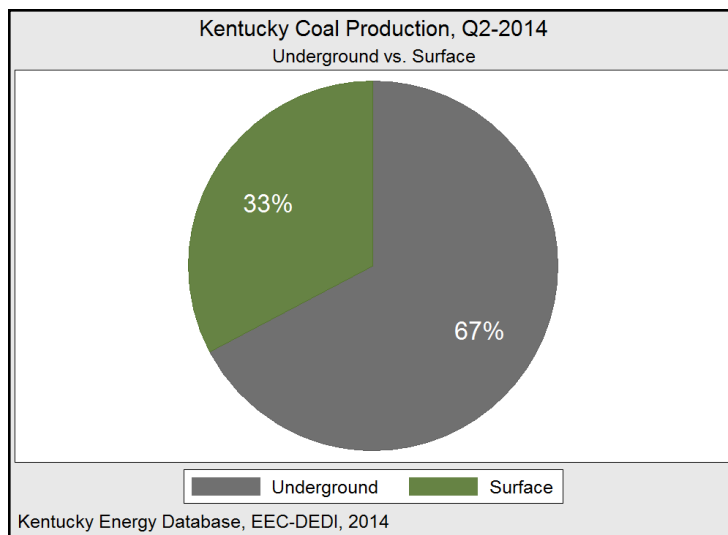
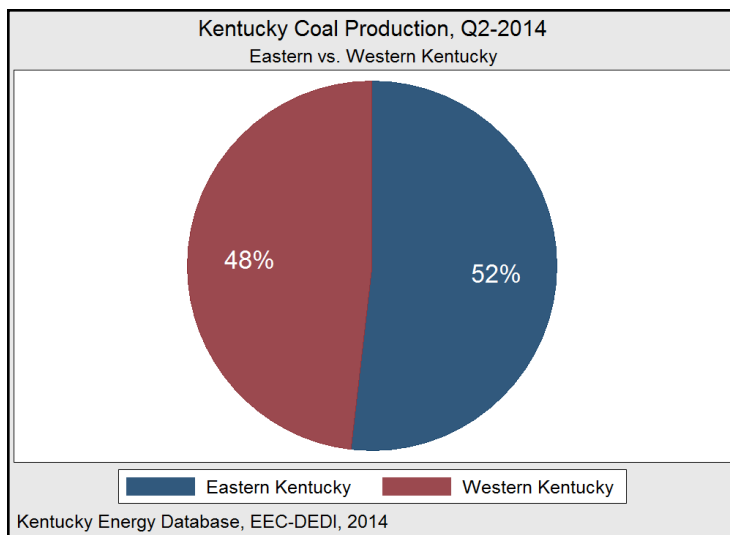


Kentucky Quarterly Coal Report

April to June 2014

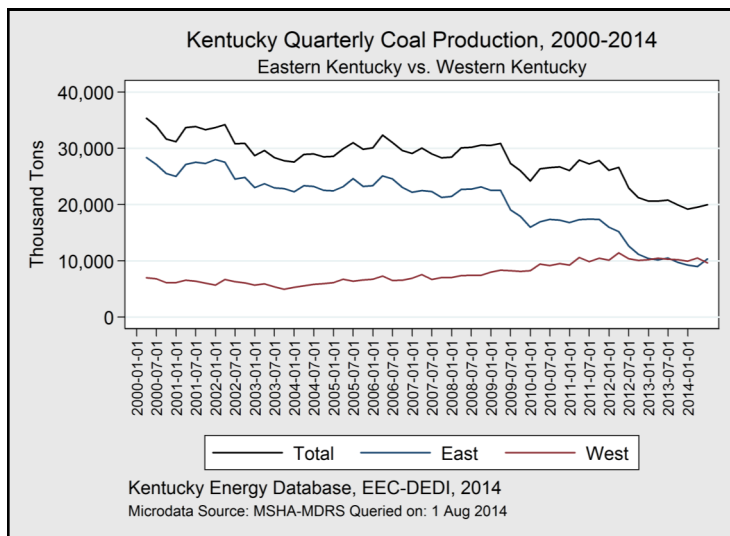


Region	Q2 Tonnage	Quarter Change
Total	19,998,595	+2.4%
Eastern Kentucky	10,374,560	+15.1%
Western Kentucky	9,624,035	-8.6%

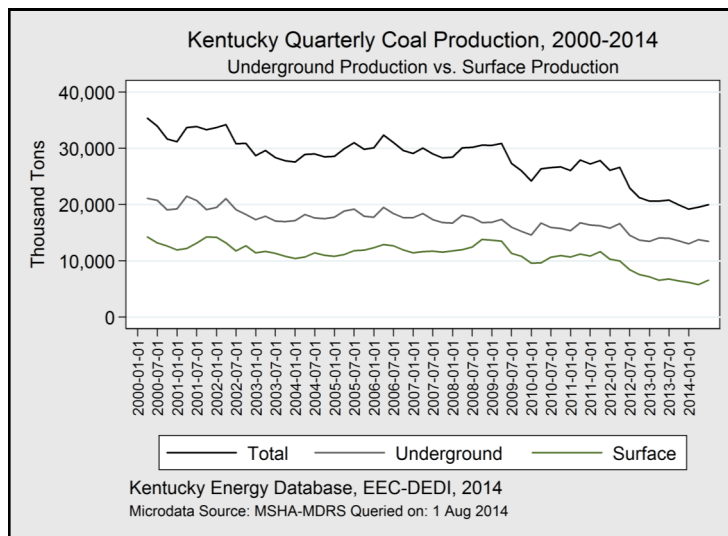
Kentucky coal mines produced 20 million tons during the second quarter of 2014, an increase of 2.4 percent from the first quarter of 2014.

Mine Type	Q2 Tonnage	Quarter Change
Total	19,998,595	+2.4%
Underground	13,458,537	-2.2%
Surface	6,540,058	+13.2%

Coal production at surface mines increased by 13.2 percent during the second quarter of 2014 and accounted for 33 percent of total Kentucky production.



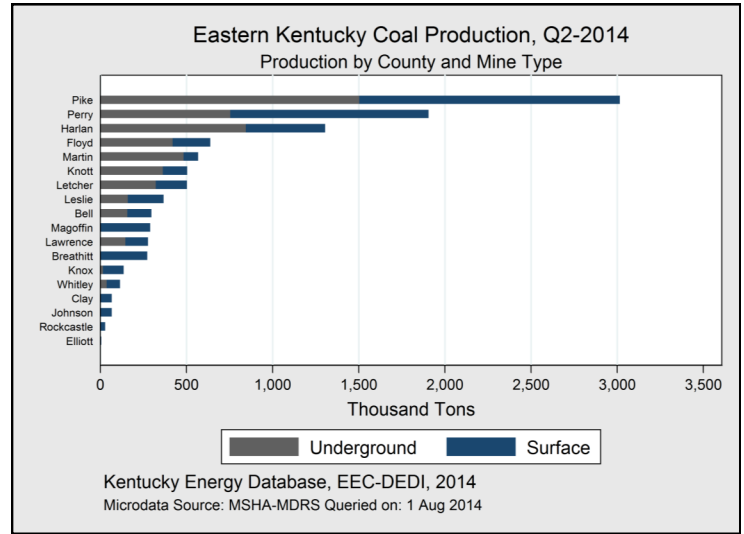
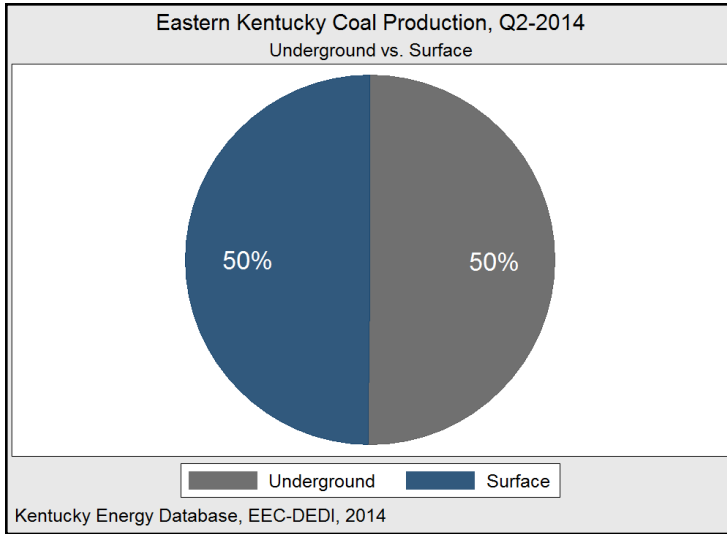
For the second consecutive quarter, Kentucky coal mines increased total coal production. Eastern Kentucky mines increased production by 15.1 percent, producing 8 percent more than western Kentucky during the second quarter. Western Kentucky mines decreased production by 8.6 percent due primarily to the temporary idling of a large mining facility in Union County, which has since resumed full operation.



During the second quarter of 2014, Kentucky produced coal from underground mines at a rate of 13.5 million tons per quarter, a decrease of 2.2 percent from the first quarter of 2014. Underground production accounted for 67 percent of total production. Overall, 20 of 25 Kentucky coal mining counties increased production during the second quarter.

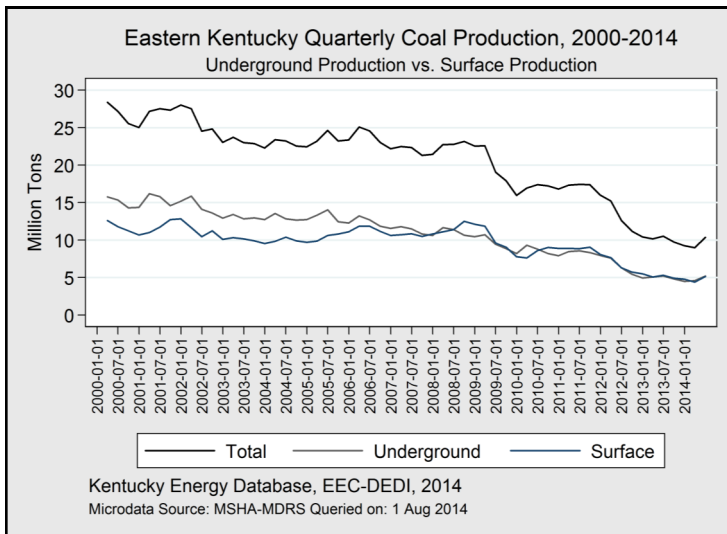
Eastern Kentucky Coal Production

April to June 2014



Mine Type	Q2 Tonnage	Quarter Change
Total	10,374,560	+15.1%
Underground	5,197,566	+13.2%
Surface	5,176,994	+17.2%

Eastern Kentucky coal production increased by 15.1 percent during the second quarter of 2014. Production increased substantially at both surface and underground operations.



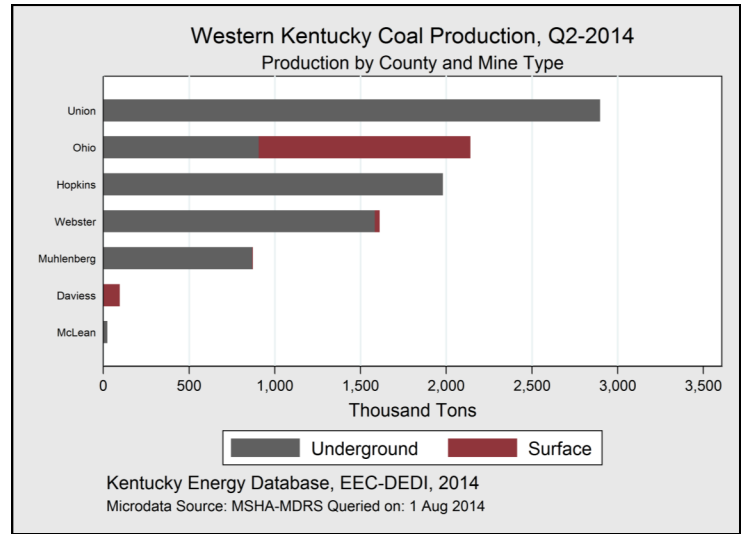
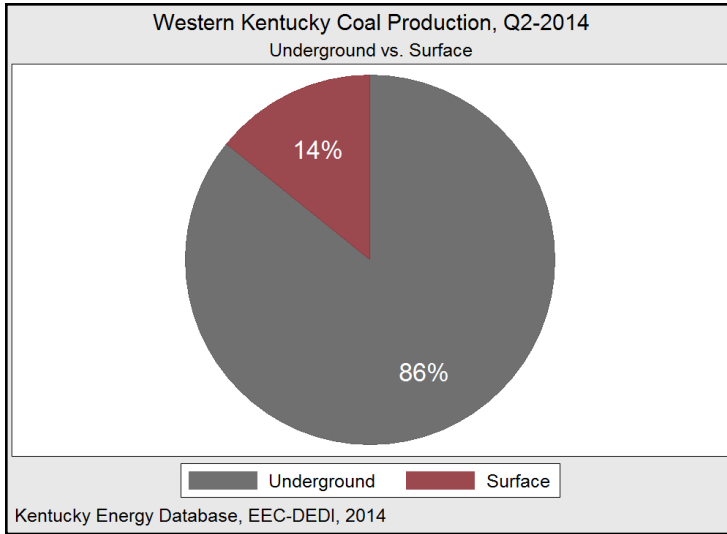
Underground mining techniques remained the leading method of coal extraction in eastern Kentucky. Production increased from underground operations by 13.2 percent and at surface mining operations by 17.2 percent.

Eastern County	Q2 Tonnage	Quarter Change
Pike	3,038,207	+22.5%
Perry	1,905,410	+0.4%
Harlan	1,305,139	+10.2%
Floyd	638,129	+4.7%
Martin	567,830	+19.2%
Knott	503,655	+1.1%
Letcher	501,833	+6.3%
Leslie	367,358	+44.8%
Bell	296,773	+13.8%
Magoffin	288,476	-16.5%
Lawrence	275,913	+66.6%
Breathitt	271,917	+439.0%
Knox	135,344	+11.0%
Whitley	113,812	+17.9%
Clay	66,344	+71.8%
Johnson	65,490	+31.6%
Rockcastle	24,580	+213.3%
Elliott	5,350	+60.5%

Pike County regained its historical position as the largest coal producing county in Kentucky, producing over 3 million tons during the second quarter. In eastern Kentucky, 17 of the 18 counties increased production, while only Magoffin County decreased during the quarter.

Western Kentucky Coal Production

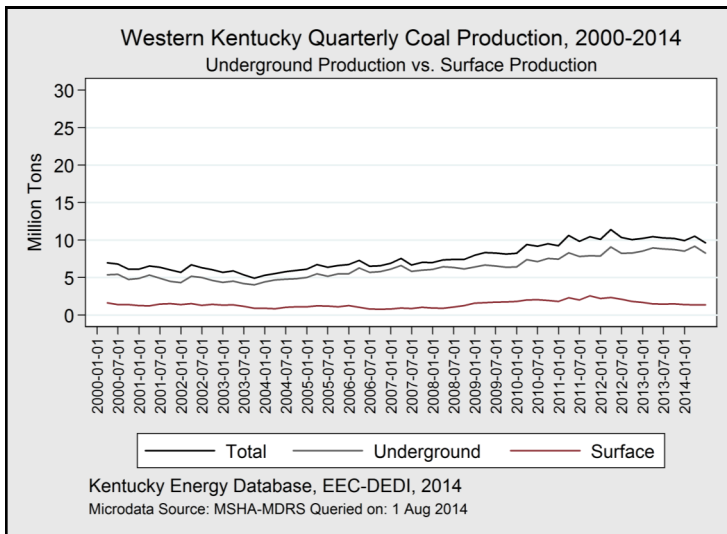
April to June 2014



Mine Type	Q2 Tonnage	Quarter Change
Total	9,624,035	-8.6%
Underground	8,260,971	-9.9%
Surface	1,363,064	+0.4%

Western Kentucky mined over 9.6 million tons during the first quarter of 2014, 86 percent from underground mines and 14 percent from surface mines.

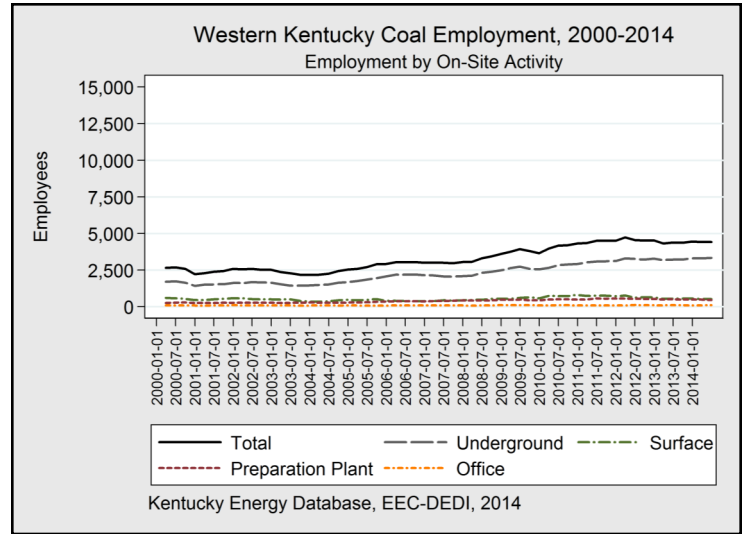
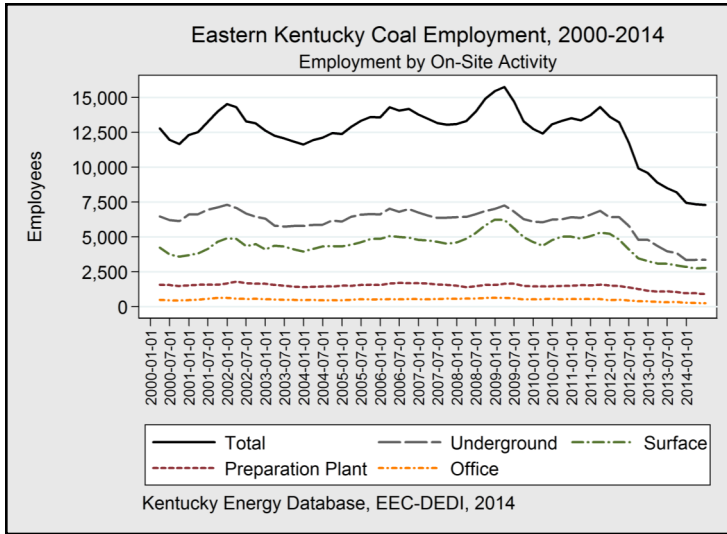
Western County	Q2 Tonnage	Quarter Change
Union	2,897,138	-16.9%
Ohio	2,141,055	+0.8%
Hopkins	1,981,662	-9.5%
Webster	1,612,227	-6.2%
Muhlenberg	872,361	-4.8%
Daviess	95,659	+7.2%
McLean	23,933	—



Western Kentucky coal production decreased by 8.6 percent during the second quarter of 2014. Union County remained western Kentucky's leading coal producing county, producing nearly 2.9 million tons for the quarter. Production was lower in Union County and western Kentucky due to the temporary idling of a large mining facility, which has since resumed full operation.

Kentucky Coal Mine Employment

April to June 2014



Eastern Counties	Q2 Employment	Quarter Change	
Total	7,294	-36	-0.5%
Pike	1,892	+12	+0.6%
Perry	1,091	-56	-4.9%
Harlan	1,009	-2	-0.2%
Floyd	520	+1	+0.2%
Martin	451	-27	-5.6%
Letcher	410	-26	-6.0%
Bell	355	+3	+0.9%
Leslie	320	+100	+45.5%
Knott	288	-66	-18.6%
Knox	188	+4	+2.2%
Magoffin	171	+9	+5.6%
Whitley	159	-6	-3.6%
Lawrence	141	-11	-7.2%
Breathitt	82	+40	+95.2%
Johnson	79	+7	+9.7%
Boyd	56	-16	-22.2%
Clay	56	+2	3.7%
Rockcastle	8	+3	+60.0%
Elliot	8	-2	-20.0%
Laurel	6	0	+0.0%
McCreary	4	-5	-55.6%

Western Counties	Q2 Employment	Quarter Change	
Total	4,421	+6	+0.1%
Union	1,338	+13	+1.0%
Hopkins	970	-4	-0.4%
Ohio	804	-32	-3.8%
Webster	669	-15	-2.2%
Muhlenberg	456	+3	+0.7%
McLean	50	+31	+163.2%
Livingston	46	+2	+4.5%
Marshall	45	+1	+2.3%
Daviess	34	-2	-5.6%
Henderson	9	+9	+100%

Description	Q2 Employment	Quarter Change	
Kentucky Total	11,715	-51	-0.4%
Underground	6,689	+13	+0.2%
Surface	3,311	+41	+1.3%
Preparation Plant	1,360	-92	-6.3%
Office	355	-13	-3.5%

Preliminary data indicate that Kentucky coal mines reduced on-site employment by 51 workers, or 0.4 percent, during the second quarter of 2014. As of July 1, an estimated 11,715 persons are employed at Kentucky coal mines. Kentucky coal mines added 54 miners, 13 underground and 41 surface. However, coal preparation plants reduced employment by 92, while on-site office staff was reduced by 13.

During the first three months of 2014, 124 coal mines in eastern Kentucky added mining jobs; however, total employment was reduced by 36, or 0.5 percent. Coal mines in western Kentucky increased total employment by six jobs. For more information on coal production in Kentucky, download the complete Kentucky Coal Facts publication available online at energy.ky.gov or kentuckycoal.com.

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	16,477	115,837,838	30,049,374	13,189	13,477	87,570,744	22,494,542	3,004	3,000	28,267,095	7,554,832
	Q2		16,152		29,017,392		13,156		22,335,868		2,996		6,681,524
	Q3		16,012		28,312,234		13,042		21,292,836		2,970		7,019,398
	Q4		16,133		28,458,839		13,082		21,447,498		3,051		7,011,341
2008	Q1	17,759	16,371	121,399,754	30,093,350	14,402	13,294	91,232,476	22,735,226	3,357	3,077	30,167,278	7,358,124
	Q2		17,262		30,177,357		13,966		22,769,318		3,296		7,408,039
	Q3		18,345		30,594,980		14,901		23,168,236		3,444		7,426,744
	Q4		19,056		30,534,067		15,446		22,559,696		3,610		7,974,371
2009	Q1	17,903	19,492	108,456,992	30,895,311	14,121	15,738	75,504,892	22,562,714	3,783	3,754	32,952,099	8,332,597
	Q2		18,644		27,333,500		14,716		19,067,440		3,928		8,266,060
	Q3		17,086		26,037,096		13,289		17,908,426		3,797		8,128,670
	Q4		16,391		24,191,084		12,740		15,966,312		3,651		8,224,772
2010	Q1	17,241	16,390	105,696,230	26,360,824	13,076	12,416	68,364,796	16,939,756	4,165	3,974	37,331,432	9,421,068
	Q2		17,230		26,564,599		13,064		17,393,508		4,166		9,171,091
	Q3		17,531		26,727,306		13,322		17,232,824		4,209		9,494,482
	Q4		17,813		26,043,499		13,501		16,798,708		4,312		9,244,791
2011	Q1	18,211	17,700	109,152,306	27,946,541	13,745	13,347	68,141,546	17,340,178	4,466	4,353	41,010,762	10,606,363
	Q2		18,208		27,258,809		13,712		17,421,996		4,496		9,836,813
	Q3		18,818		27,846,400		14,309		17,382,524		4,509		10,463,876
	Q4		18,117		26,100,558		13,611		15,996,848		4,506		10,103,710
2012	Q1	15,697	17,943	91,488,420	26,617,425	11,113	13,214	49,442,106	15,217,898	4,583	4,729	42,046,315	11,399,527
	Q2		16,293		22,993,476		11,746		12,637,471		4,547		10,356,005
	Q3		14,424		21,245,698		9,910		11,167,033		4,514		10,078,665
	Q4		14,126		20,631,822		9,583		10,419,704		4,543		10,212,118
2013	Q1	12,645	13,216	80,560,946	20,617,041	8,261	8,890	39,681,983	10,170,799	4,384	4,326	40,878,967	10,446,242
	Q2		12,881		20,810,546		8,489		10,522,440		4,392		10,288,106
	Q3		12,577		19,936,084		8,209		9,726,877		4,368		10,209,207
	Q4		11,904		19,197,275		7,455		9,261,867		4,449		9,935,408
2014	Q1		11,766		19,536,772		7,351		9,011,846		4,415		10,524,926
	Q2		11,715		19,998,595		7,294		10,374,559		4,421		9,624,035
Note: Production and employment data for Q2-2014 are preliminary and subject to revision. Data for all dates may be revised.													