

**UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF ALABAMA  
SOUTHERN DIVISION**

In re:

PINEY WOODS RESOURCES, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 19-01390-11 (DSC)

(Jointly Administered)

**ORDER (A) AUTHORIZING THE SALE OF SUBSTANTIALLY ALL OF THE  
DEBTORS' ASSETS PURSUANT TO 11 U.S.C. § 363; (B) AUTHORIZING THE  
ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND  
UNEXPIRED LEASES PURSUANT TO 11 U.S.C. § 365; AND  
(C) OTHER RELATED RELIEF**

This matter having come before the Court on Debtors' *Motion for an Order:*

*(A) Authorizing the Sale of Substantially All of the Debtors' Assets Pursuant to 11 U.S.C. § 363;*

*(B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases Pursuant to 11 U.S.C. § 365; and (C) Other Related Relief* (Docket No. 203); supplement to same, *Notice of Filing of Form Asset Purchase Agreement* (Docket No. 230), amendment to same (Docket No. 250), and further supplement to same (Docket No. 291) (collectively, the "Sale Motion");<sup>2</sup> and it appearing that proper notice of the Sale Motion was given in accordance with the Bidding Procedures Order (Docket No. 145); and it appearing that the relief sought by the Debtors is necessary and in the best interest of the Debtors and their estates, and other parties in interest; and it further appearing that any timely objections being hereby overruled as set out herein, and the Court having reviewed the record, and having considered same;

THE COURT HEREBY FINDS AND DETERMINES as follows:

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Piney Woods Resources, Inc. (0129) and Jesse Creek Mining, LLC (0533). The location of the Debtors' service address is: 1615 Kent Dairy Road, Alabaster, Alabama 35007.

<sup>2</sup> Capitalized terms not defined herein shall have the meanings provided in the Sale Motion.

A. The Court has jurisdiction over the Chapter 11 Cases, the Sale Motion, and the proposed sale of the Debtors' Assets described in the Sale Motion and any supplements or amendments thereto pursuant to 28 U.S.C. §§ 157 and 1334 and the *General Order of Reference* from the United States District Court for the Northern District of Alabama, dated July 16, 1984, as amended on July 17, 1984. This matter constitutes a core proceeding under 28 U.S.C. §§ 157(b)(2)(A), (N), and (O).

B. Venue for these Chapter 11 Cases and the Sale Motion is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

C. The statutory predicates for the relief sought herein are sections 105(a), 362, 363, 365, 1107, and 1108 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, and other applicable law.

D. Proper, timely, adequate, and sufficient notice of the Sale proposed in the Sale Motion has been provided in accordance with 11 U.S.C. §§ 102(1) and 363(b) and Bankruptcy Rules 2002, 6004, and 9014, including to all parties to executory contracts and unexpired leases and to creditors who have asserted or who could assert Liens and Claims (which terms shall include the Claimed Liens as defined below), and in substantial compliance with the Bidding Procedures Order. *See* Docket Nos. 194, 204, 250, 251, 277, 282. Such notice was good and sufficient, and appropriate under the particular circumstances, and no other or further notice of the Sale Motion, Sale Hearing, and/or the Sale of the Assets shall be required.

E. The Debtors commenced the Chapter 11 Cases by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code on April 2, 2019 (the "Commencement Date"). Pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors are operating their businesses and managing their affairs as debtors-in-possession.

F. On April 16, 2019, the Bankruptcy Administrator appointed the Committee in the Debtors' cases (Docket No. 105).

G. Before the Commencement Date, Debtors engaged in the production and sale of metallurgical grade coal from a mining complex located in Shelby County, Alabama.

H. Mining and development operations were idled on March 27, 2019.

I. The Debtors filed these Chapter 11 Cases with the goal of marketing and selling their assets while they were idled, which they believe is the best way to realize the highest and best value of the assets for the benefit of their creditors, including their current and former employees.

J. On April 4, 2019, this Court held a hearing on the Debtors' First Day Motions and on April 5, 2019, the Court entered the Interim DIP Order (Docket No. 38).

K. The Court held a final hearing on the DIP Financing Motion on May 8, 2019, and approved the relief on a final basis ("Final DIP Order").

L. The Final DIP Order requires, among other things, the Debtors to meet certain Required Milestones as a condition to the DIP Lender's extension of the DIP Loans and the Debtors' use of Cash Collateral. (Final DIP Order, ¶ 22.)

M. The Required Milestones are aimed ultimately at the sale of substantially all of the Debtors' Assets and the failure to complete the Sale by June 1, 2019, will result in the termination of necessary DIP financing and likely a dismissal or conversion of the case to a Chapter 7 liquidation.

N. On April 10, 2019, Debtors filed the Bidding Procedures Motion (Docket No. 72).

O. On April 26, 2019, the Court entered the Bidding Procedures Order (Docket No. 145) (the approved procedures attached to the Bidding Procedures Order as Exhibit A are referred to as the "Bidding Procedures"). As a supplement to the Bidding Procedures, the above-captioned

debtors and debtors in possession (collectively, the “Debtors”) filed a *Notice of Auction Location and Time for Sale of Substantially All of the Assets* on May 10, 2019 (Docket No. 214) (“Auction Notice”).

P. The Debtors employed EVA as their sales consultant to pursue a sale of substantially all of the assets of the Debtors as part of this Chapter 11 Case (Order Granting Motion to Employ EVA, Docket No. 172).

Q. EVA and the Debtors actively marketed the Debtors’ Assets to potential bidders. A data room was established, and subject to agreements protecting the Debtors’ confidential financial information, potential bidders received sufficient information regarding the Debtors’ Assets to participate in the Sale.

R. The Debtors conducted the Sale in accordance with the Bidding Procedures approved by this Court.

S. Consistent with the Bidding Procedures, all initial bids were received by May 21, 2019 at 5:00 p.m. Central Time, the Initial Bid Deadline. (Bidding Procedures, p. 5.)

T. After multiple Qualified Bids were received, the Debtors, after consultation with the Consulting Parties, consisting of EVA, the Committee, the DIP Lender, and Indemnity National, selected and gave notice on May 22, 2019 prior to 5:00 p.m. Central Time of the Qualified Bids and the Debtors’ decision not to designate an Initial Bid in the Auction (Notice, Docket No. 260). (*Id.*, pp. 5–6.)

U. The Auction took place on May 23, 2019 at 9:00 a.m. Central Time at the offices of Maynard Cooper & Gale, in Birmingham, Alabama (Notice, Docket No. 214), at which time and in such place the Debtors considered the Qualified Bids, solicited higher and better bids,

received credit bids, and considered other matters all in accordance with the Bidding Procedures (Transcript, Docket No. 276).

V. At the conclusion of the Auction, the Debtors, after consultation with their professionals and the Consulting Parties, determined the Successful Bidders and the Auction results were filed in the Court record (Notice, Docket No. 264).

W. The Sale Hearing took place on May 29, 2019 at 9:30 a.m. Central Time.

X. As selected in accordance with the Bidding Procedures, Komatsu Financial Limited Partnership (“Komatsu”) is the successful bidder for nine (9) pieces of the Debtors’ equipment that are subject to claimed liens of Komatsu (the “Komatsu Equipment”):

	<b>Description</b>	<b>Serial No.</b>	<b>Credit Bid Amount</b>
1	HD605-7E0 Rigid Haul Truck	10659	\$1,618.30
2	HM400-2 Articulated Truck	A11218	\$5,487.85
3	HD605-7E0 Rigid Haul Truck	11214	\$17,715.94
4	D51PX-22 Crawler Dozer	B12742	\$3,440,61
5	PC450LC-8 Hydraulic Excavator	A10023	\$5,694.11
6	PC2000-8 Hydraulic Excavator	20615	\$1,500,000.00
7	HD 785-7 Rigid Haultruck	31495	\$1,873,014
	HD 785-7 Rigid Haultruck	31496	
	HD 785-7 Rigid Haultruck	31848	

Komatsu credit bid amounts of its debt secured by a purchase money security interest in the Komatsu Equipment (the “Komatsu Bid”).

Y. As selected in accordance with the Bidding Procedures, Coalmont Resources LLC (“Coalmont”), as the assignee of the credit bidding rights and perpetuation secured debt of Resource Capital Fund VI L.P. and RCF V Annex Fund L.P., is the Successful Bidder for substantially all of the assets of the Debtors, but excluding the Komatsu Equipment and all other PMSI Equipment and other excluded assets as defined in and set forth more fully in the Asset Purchase Agreement (the “APA”) by and between Coalmont and the Debtors. Coalmont will purchase the Acquired

Assets, as such term is defined in the APA, pursuant to the terms of the APA. The APA is attached hereto as **Exhibit A**.

Z. In addition, and as a condition to closing the sale contemplated by the APA, on or before June 1, 2019, Coalmont and the Debtors are entering into a Transition Services Agreement at Closing in the form attached hereto as **Exhibit B** (the “TSA,” and together, with the APA, including their respective exhibits and schedules and any other documents executed in connection with the Closing, the “Transaction Documents”). The Transaction Documents provide that Coalmont shall obtain replacement reclamation bonding to the satisfaction of Indemnity National.

AA. For avoidance of doubt, the Acquired Assets conveyed to Coalmont pursuant to this Order shall not include: (1) the Caterpillar 745C articulated dump truck (No: 3T600326) and the Caterpillar 16M grader (No: R9H00344) in which Thompson Tractor Company, Inc. (“Thompson Tractor”) claims an interest; (2) any equipment in which Caterpillar Financial Services Corporation (“Caterpillar”) claims a purchase money security interest and any associated executory contracts between Caterpillar and Debtors; (3) any equipment in which Portfolio Advisors VIII, LLC (“Portfolio”) claims a purchase money security interest and any associated executory contracts between Portfolio and Debtors; and (4) any equipment in which Macquarie Corporate and Asset Funding (“Macquarie”) claims a purchase money security interest or other interest and any associated executory contracts or unexpired leases between Macquarie and Debtors.

BB. A reasonable opportunity to object or be heard has been afforded to all interested persons and entities with respect to the Sale Motion and the relief requested therein, and third parties had the right to submit higher or otherwise better offers for all or any portion of the Sale of the Assets at the Auction in accordance with the Bidding Procedures approved by this Court.

CC. The Acquired Assets and the Komatsu Equipment are property of the Debtors' bankruptcy estates within the meaning of 11 U.S.C. § 541, and upon entry of this Sale Order, the Debtors will have the power to convey, assign, and transfer the Acquired Assets and the Komatsu Equipment to Coalmont and Komatsu, respectively (together, the "Purchasers"), free and clear of (i) any and all mortgages, liens (including Claimed Liens, as defined below), pledges, charges, security interests or encumbrances to, accruing, or arising any time prior to the Closing (collectively, the "Liens") and (ii)(a) any fines, assessments or penalties resulting from the Debtor's violations under the permits that are the subject of the APA (the "Permits") that occurred prior to the Closing, which, if any, shall be paid as part of the cure costs at Closing; (b) any mortgages, unrecorded claims in or against real estate, security interests, liens or encumbrances of any kind, including any administrative expenses or priority claim asserted herein and any interest of a party to a title retention arrangement intended as security, to the extent not otherwise included in the definition of Lien in the APA; (c) any demands or claims of creditors of, or claims against, the Debtors; (d) any interests of shareholders or other interests in the Debtors; and (e) any person claiming by, through, or on behalf of the Debtors, whether such claim, demand, lien or interest be direct or indirect, known or unknown, or claiming that the Successful Bidder is a successor or successor-in-interest or pursuant to any other theory, including without limitation: (1) any employment or labor agreements; (2) any pension, welfare, compensation or other employee benefit plans, agreements, practices and programs, including, without limitation, any pension plan of the Debtors; (3) any other employee, worker's compensation, occupational disease or unemployment or temporary disability related claims, including, without limitation, claims that might otherwise arise under or pursuant to (A) the Employee Retirement Income Security Act of 1974, as amended, (B) the Fair Labor Standards Act, (C) Title VII of the Civil Rights Act of 1964,

(D) the Federal Rehabilitation Act of 1973, (E) the National Labor Relations Act, (F) the Worker Adjustment and Retraining Act, (G) the Age Discrimination and Employee Act of 1967 and Age Discrimination in Employment Act of 1967, as amended, (H) the Americans with Disabilities Act of 1990, (I) the Consolidated Omnibus Budget Reconciliation Act of 1985, (J) the Coal Industry Retiree Health Benefit Act of 1992, (K) state discrimination laws, (L) state unemployment compensation laws or any other similar state laws, or (M) any other state or federal benefits or claims relating to any employment with the Debtors or any predecessors; (4) any products liability or similar claims, whether pursuant to any state or federal laws or otherwise, including, without limitation, asbestos-related claims; (5) to the extent permitted by applicable law, reclamation, environmental or other claims or liens arising from conditions first existing on or prior to the Closing (including, without limitation, the presence of hazardous, toxic, polluting or contaminating substances or waste) that may be asserted on any basis, including, without limitation, under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601, *et seq.*, or similar state statute; (6) any bulk sales or similar law; (7) any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended; and (8) any theories of successor liability (collectively, “Claims”). Notwithstanding the foregoing, the Successful Bidder shall not be relieved of liability with respect to obligations accruing under the Permits, Assumed Contracts, or Permitted Liens (as defined in the Transaction Documents) that are assumed from and after the Closing.

DD. The Debtors and their principals have discharged their fiduciary duties in conducting the Sale and the Auction, including considering all Qualified Bids and ultimately determining that the Sale of the Acquired Assets and the Komatsu Equipment to Coalmont and



Komatsu, respectively, will bring the highest and best value in accordance with the Bidding Procedures Order.

EE. The Debtors have demonstrated (i) good, sufficient, and legitimate business purposes and justification, and (ii) compelling circumstances for the Sale of the Acquired Assets and the Komatsu Equipment to Coalmont and Komatsu, respectively, pursuant to 11 U.S.C. § 363. Such justification and compelling circumstances include, but are not limited to, (a) Coalmont's Successful Bid constitutes the highest and best offer for the Acquired Assets; (b) Komatsu's Bid for the Komatsu Equipment constitutes the highest and best offer for the Komatsu Equipment, and (c) the fact that consummation of a Sale of the Acquired Assets and the Komatsu Equipment presents the best opportunity to realize the highest value for the respective assets and avoids potential decline and devaluation thereof.

FF. After consideration of the circumstances described in the Sale Motion and at the Sale Hearing, the Court has determined that the proposed Sale pursuant to the process established by the Bidding Procedures Order represents the best opportunity for the Debtors' estates to realize the greatest value for the Acquired Assets and the Komatsu Equipment and would provide for a greater recovery for the Debtors' creditors than would be provided by any other practical alternative.

GG. Coalmont's Successful Bid for the Acquired Assets and Komatsu's Bid for the Komatsu Equipment represents the highest and best bids the Debtors received for such assets after a period in which third parties had adequate opportunity to seek information and enter into negotiations with the Debtors concerning a Sale of the Acquired Assets and the Komatsu Equipment in an effort to maximize recovery to the Debtors' Estates and creditors.

HH. The consideration obtained for the Acquired Assets and the Komatsu Equipment from Coalmont and Komatsu, respectively, is fair and reasonable, represents the highest and best offer Debtors received for the such assets, and is in the best interests of the Debtors, their Estates, and their creditors. The purchase price constitutes full and adequate consideration and reasonably equivalent value for the Acquired Assets and the Komatsu Equipment, respectively.

II. The purchase terms, as set forth in this Sale Order and the Transaction Documents, are fair and reasonable under the circumstances of these Chapter 11 Cases and these proceedings and are in accordance with current market standards. Coalmont and Komatsu are each purchasers in good faith with respect to the Acquired Assets and the Komatsu Equipment, respectively, as that term is used in 11 U.S.C. § 363(m). The Transaction Documents and this Sale Order were proposed, negotiated, and entered into by the Debtors and the Purchasers in good faith, from arm's-length bargaining positions, and without collusion and in consultation with the Debtors' professionals and the Consulting Parties. The sale process was conducted pursuant to the Bidding Procedures and was non-collusive, fair, and reasonable, and conducted openly and in good faith. Neither Coalmont nor Komatsu or the Debtors have engaged in any conduct that would cause or permit the Sale or the Transaction Documents to be avoided. Therefore, Coalmont and Komatsu will each be entitled to the protections of 11 U.S.C. § 363(m) with respect to the Assets.

JJ. Certain parties have formally or informally claimed Liens on the Acquired Assets, which parties claimed Liens are listed in **Schedule 1** hereto (the "Claimed Liens"); provided, however, that nothing herein shall constitute an admission by the Debtors or any other party in interest that such Claimed Liens are valid or perfected.

KK. The Prepetition Secured Parties, as such term is defined in the Final DIP Order, held the Liens listed in **Schedule 2**, the validity of which has been stipulated by the Debtors, and

which were assigned to Coalmont and which assignment will be memorialized in applicable public records prior to Closing (the “Coalmont Liens”).

LL. Except to the extent the Transaction Documents or this Order provide that any Acquired Assets or the Komatsu Equipment are being sold subject to Liens or Claims, the Debtors may sell the Acquired Assets and the Komatsu Equipment free and clear of all Liens and Claims. In each case, one or more of the standards set forth in 11 U.S.C. §§ 363(f)(1)–(5) are satisfied. All holders of Liens and Claims and all parties who did not object to the Sale Motion are deemed to have consented to the Sale pursuant to 11 U.S.C. § 363(f)(2).

MM. As a condition to purchasing the Assets and unless expressly assumed pursuant to this Sale Order and the Transaction Documents, the Purchasers required that: (a) the Acquired Assets and the Komatsu Equipment be sold free and clear of all Liens and Claims and (b) the Purchasers have no liability whatsoever for any pre-closing obligations except as expressly set forth in this Sale Order. Coalmont would not enter into the Transaction Documents and Purchasers would not consummate the Sale, thus adversely affecting the estates, if the Sale was not free and clear of all Liens and Claims or if the Purchasers were or would be liable for any obligations or claims (as defined in 11 U.S.C. § 101(5)) against the Debtors other than any liabilities expressly assumed by Coalmont in this Sale Order or the Transaction Documents.

NN. Any of the Assumed Contracts (as defined in the APA) listed on **Schedule 3** hereto may be assumed by the Debtors and assigned to Coalmont, and to the extent they are in default at the time of the Sale, any defaults shall be cured as provided in the Transaction Documents or as otherwise agreed to by Coalmont and the non-debtor parties to those Assumed Contracts. All other requirements and conditions under 11 U.S.C. § 365 for the assumption of the Assumed Contracts

by the Debtors and for the Debtors' assignment of said Assumed Contracts to Coalmont have been satisfied.

OO. The Debtors have full power and authority to execute and deliver the Acquired Assets, Komatsu Equipment, and the Transaction Documents and any other documents necessary or appropriate to consummate the Sale of the Assets, including as contemplated under the Komatsu Bid and the Transaction Documents. All actions contemplated by the Komatsu Bid and the Transaction Documents have been duly and validly authorized by all necessary action of the Debtors and this Sale Order. No further consents or approvals are required for the Debtors to consummate the transactions contemplated by this Sale Order, the Komatsu Bid, or the Transaction Documents, except as otherwise set forth herein and in the Komatsu Bid and the Transaction Documents.

PP. An injunction against the creditors and third parties pursuing any Liens and Claims is necessary to induce the Purchasers to close the Sale under the Komatsu Bid and the Transaction Documents. Therefore, the issuance of such an injunction herein is necessary to avoid irreparable injury to the Debtors' Estates and will benefit all creditors.

QQ. Coalmont is not a mere continuation of the Debtors:

- i. The Sale of the Acquired Assets is not being entered into fraudulently. The Sale has been properly noticed in accordance with the approved Bidding Procedures Order.
- ii. Coalmont is not holding itself out to the public as a continuation of the Debtors.
- iii. Coalmont (a) is not, as a result of any action taken in connection with the purchase of the Acquired Assets or otherwise, successor to the Debtors (other than with respect to any obligations arising under the Assumed Contracts assigned to Coalmont from and after the Closing); and (b) has not, *de facto* or otherwise, merged or consolidated with or into the Debtors.
- iv. The Sale of the Acquired Assets does not amount to a consolidation, merger, or *de facto* merger of Coalmont and the Debtors.

- v. Coalmont is not a mere a continuation of the Debtors, there is not substantial continuity between the Purchasers and the Debtors, and there is no continuity of enterprise between the Debtors and the Purchasers.

RR. The transfer of the Acquired Assets and the Komatsu Equipment to Coalmont and Komatsu, respectively, is or will be a valid, legal, and effective transfer of such assets and will vest Coalmont and Komatsu with all right, title, and interest of the Debtors in and to the Acquired Assets and the Komatsu Equipment, respectively, free and clear of all Liens and Claims unless expressly set forth otherwise in this Sale Order and the Transaction Documents.

SS. All findings of fact and conclusions of law announced by this Court at the Sale Hearing in relation to the Sale Motion are incorporated herein by reference as though fully set forth in this Sale Order.

IT IS HEREBY ORDERED AS FOLLOWS:

1. The Sale of the Assets is APPROVED as set forth herein.
2. The objections filed by Caterpillar (Docket Nos. 272, 273), Portfolio (Docket Nos. 124, 262), Macquarie (Docket No. 271), and Komatsu (Docket No. 254, 266) are hereby OVERRULED. Except with respect to the Komatsu Equipment, no equipment or executory contracts in which Caterpillar, Portfolio, Macquarie, or Komatsu claim an interest are being conveyed or assigned pursuant to this Sale Order. Any other orders of this Court pertaining to such equipment shall remain in effect to the extent consistent with this Sale Order.
3. The objection filed by ProModular, LLC (“ProModular”) (Docket No. 248) is hereby OVERRULED. The basis for overruling the objection was announced by this Court at the Sale Hearing and is incorporated herein. ProModular filed an “Objection to Proposed List of Executory Contracts and Cure Amounts and to the Proposed Sale Free and Clear” (Docket No. 248). Regarding ProModular’s objection, this Court heard testimony from two witnesses and arguments of counsel at the Sale Hearing. This Court also considered evidence admitted at the

Sale Hearing including, but not limited to, a sale agreement, “contract clarifications,” and email correspondence between the Debtor and ProModular. Based upon that evidence, the testimony, and the arguments of counsel, this Court has determined that there is insufficient evidence to sustain ProModular’s objection. Specifically, the evidence fails to establish certain facts necessary for ProModular to carry its burden of proving that the subject sales agreement was, in fact, an executory contract, and to persuade this Court that there was no acceptance of the shower buildings on behalf of the Debtor.

4. The objection of Twin Creeks Timber, LLC (Docket No. 259) is hereby **OVERRULED**. Notwithstanding anything herein to the contrary, the Coal Mining Lease by and among Series One of Twin Creeks Timber, LLC, as assignee of SWF Birmingham, LLC (“TCT”) and Jesse Creek Mining, LLC shall be assumed and assigned to Coalmont subject to any all contractual claims for indemnification arising from the Debtors’ mining operations, including without limitation as more particularly set forth in paragraphs 22, 28, 29, 31, 32, 36, and 49 of the Coal Mining Lease. TCT and Coalmont reserve all rights, claims, and defenses with respect to the scope of any contractual indemnification under the Coal Mining Lease. TCT agrees that as of the date of this Sale Order there is no claim for royalties due under the Coal Mining Lease that must be paid as a condition to assumption and assignment of the Coal Mining Lease pursuant to this Sale Order and the Transaction Documents. For the avoidance of any doubt, the provisions of this Sale Order and the Transaction Documents shall inure to the benefit of TCT’s successors and assigns.

5. The objection filed by GMS Mine Repair & Maintenance, Inc. (Docket No. 284) is hereby **OVERRULED**. The GMS Contract, as defined in the objection, is not among the Acquired

Assets, is not an Assumed Contract under the APA, and is not being assumed and assigned pursuant to section 365.

6. Any other objections to the Sale that have not been withdrawn, waived, or resolved, and all reservations of rights included in any such objections are hereby OVERRULED on the merits.

7. Any other objections to the assumption or assignment of the Assumed Contracts or the proposed Cure Amounts set forth in the Sale Motion, as supplemented and modified, that have not been withdrawn, waived, or resolved, and all reservations of rights included in such objections are hereby OVERRULED on the merits. All objections to the assumption and assignment of the Assumed Contracts and/or the proposed Cure Amounts that are not timely filed are hereby forever barred.

8. The transactions contemplated herein are hereby APPROVED, and the Debtors are authorized, empowered, and directed to perform their obligations under this Sale Order and to take such actions as are necessary to effectuate the terms of this Sale Order, the Komatsu Bid, and the Transaction Documents, including, without limitation, entry into the APA and TSA. The failure to specifically reference or include any particular provision of the Komatsu Bid and Transaction Documents in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Transaction Documents be authorized and approved in their entirety. In the event of any inconsistency between the terms of the Komatsu Bid or Transaction Documents and this Sale Order, this Sale Order shall control.

9. Pursuant to 11 U.S.C. §§ 105(a) and 363(f), upon the closing of the Sale (the “Closing”), the Sale will be a legal, valid, and effective sale, assignment, and transfer of the Acquired Assets and the Komatsu Equipment to Coalmont and Komatsu, respectively, and shall

vest Coalmont and Komatsu with good and marketable title to the Acquired Assets and the Komatsu Equipment, respectively, free and clear of Liens and Claims, including, without limitation, the Liens listed in **Schedule 1** unless expressly assumed pursuant to this Sale Order and the Transaction Documents. Notwithstanding the foregoing, the Acquired Assets shall remain subject to the Coalmont Liens listed in **Schedule 2**. The Liens and Claims shall attach to the proceeds of the Sale (the “Sale Proceeds”) with the same validity, enforceability, priority, force and effect that they now have as against the Acquired Assets, subject to the rights, claims, defenses, and objections, if any, of the Debtors and all interested parties with respect to such Liens and Claims. Upon Closing with Coalmont or its designee, \$20 million of the prepetition secured debt held by Coalmont shall be deemed discharged and paid.

10. As of the Closing, all persons and entities holding any Liens and/or Claims and their respective successors and assigns, are hereby forever barred, estopped, and permanently enjoined from asserting, prosecuting or otherwise pursuing such Liens and Claims of any kind and nature against the Purchasers, their affiliates, successors, or assigns, the Assets, or any other assets or properties of the Purchasers or their affiliates, successors, or assigns. For the avoidance of any doubt, any and all Liens, Claims, encumbrances, or other claims against one or more of the Debtors shall not and do not extend to or attach to any real property interests of the non-debtor parties to the Assumed Contracts.

11. The Assumed Contracts are either (i) executory contracts or unexpired leases under 11 U.S.C. § 365(a) which may be assumed by the Debtors and assigned to Coalmont pursuant to the provisions of 11 U.S.C. § 365(f)(2), or (ii) non-executory contracts that may otherwise be assigned to Coalmont according to their terms and applicable law. Upon the Closing of the Sale and the Debtors’ payment of the Cure Amounts to the respective non-debtor parties to the



Assumed Contracts, the Debtors are authorized to assume and assign the Assumed Contracts to Coalmont. All such Cure Amount payments shall be paid on or before the date of the Closing and shall (a) effect a cure of all defaults existing under the related Assumed Contracts at the time of the Closing, (b) compensate for any actual pecuniary loss to such non-debtor party to the Assumed Contract or Lease resulting from such default, and (c) together with the assumption of the Assumed Contracts by Coalmont, constitute adequate assurance of future performance by the Purchaser under the Assumed Contracts. The Debtors shall then have assumed the Assumed Contracts, and pursuant to 11 U.S.C. § 365(f), shall be authorized to take all steps necessary to assign without recourse said Assumed Contracts to Coalmont. This assignment shall not constitute a default under the Assumed Contracts, and neither the Debtors nor Coalmont shall have any further liabilities to the non-debtor parties to the Assumed Contracts, other than Coalmont's obligations under those Assumed Contracts arising from and after the Closing.

12. Any entities that are presently, or as of the Closing may be, in possession of any portion of the Acquired Assets or the Komatsu Equipment sold at the Auction are hereby directed to surrender possession of such Assets to the Purchasers on the date of the Closing.

13. On and after the Closing, neither the Purchasers nor any of their affiliates will assume, be liable for, have any responsibility for, or otherwise become obligated in respect of any liabilities or any other obligations of the Debtors except that Coalmont shall assume and have all liability and responsibility for liabilities assumed in the Transaction Documents.

14. Each non-debtor party in interest to an Assumed Contract is hereby barred from asserting against the Debtors, Coalmont, or the Acquired Assets any default existing as of the date of the Sale Hearing if such default was not raised or asserted, or was otherwise cured, prior to or at the Sale Hearing.

15. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by this Sale Order, including, without limitation, documents and instruments for recording in any governmental agency or department required to transfer to Coalmont or Komatsu, as appropriate: (i) ownership and/or development of the Acquired Assets or the Komatsu Equipment; (ii) the operations that are associated with the Acquired Assets; and, where applicable (iii) all licenses and permits for the operation of the Acquired Assets. Any filing officer is hereby directed and authorized to accept filing of such documents and/or this Sale Order in any record books requested without the need to determine whether such filing is proper or allowed under local or state law.

16. If any person or entity that has filed financing statements, mortgages, liens, *lis pendens*, or other documents evidencing Claimed Liens, Liens and Claims (but excluding the Coalmont Liens) against the Acquired Assets sold at the Auction but has not delivered to the Debtors, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all Claimed Liens, Liens and Claims that the person or entity has with respect to such Acquired Assets, the Debtors, or the Purchasers after Closing, are hereby authorized and directed to execute and file such statements, instruments, releases, and other documents on behalf of the person or entity with respect to such Acquired Assets.

17. Coalmont and Komatsu are each afforded the protections of 11 U.S.C. § 363(m) as a purchaser in good faith. If any or all of the provisions of this Sale Order are hereafter reversed, modified, or vacated by a subsequent order of this Court or any other court, such reversal, modification, or *vacatur* shall not affect the validity and enforceability of any obligation or right granted pursuant to the terms of this Sale Order, unless, as stated in § 363(m), such obligation or

right is stayed pending appeal. Notwithstanding any reversal, modification, or *vacatur* of this Sale Order, any actions taken by either Coalmont or Komatsu, or the Debtors pursuant to the terms of this Sale Order prior to the effective date of any such reversal, modification, or *vacatur*, shall be governed in all respects by the original provisions of this Sale Order.

18. The Sale is not subject to avoidance pursuant to 11 U.S.C. § 363(n).

19. The Debtors and their professionals are hereby authorized to take such actions as may be necessary to effectuate the terms of this Sale Order.

20. The Court, having reviewed the APA and being informed of its provisions, finds that it represents a reasonable exercise of the Debtors' business judgment. Having reviewed the TSA and being informed of its provisions and obligations it creates on the Debtors and Coalmont, the Court finds that the TSA represents a reasonable exercise of the Debtors' business judgment and, further, that it is a condition to the Closing of the APA, that the terms of the TSA are reasonable and appropriate under the circumstances, and that the TSA does not expose the Debtors or their Estates to unnecessary risks of additional unsatisfied claims that could be asserted against the Debtors or their Estates.

21. The Debtors are hereby authorized and empowered to execute and deliver any and all instruments as may be required to effectuate the terms of this Sale Order, including, but not limited to, executing or consenting to the Transaction Documents and any other documents with either Coalmont or Komatsu, including but not limited to a bill of sale for the Komatsu Equipment in form and substance acceptable to Komatsu. Additionally, the Debtors shall cooperate with Komatsu to effectuate the turnover of the Komatsu Equipment and make the Komatsu Equipment readily accessible to Komatsu. Any agreements, documents, or other instruments related to this Sale Order or the transactions contemplated herein may be modified, amended, or supplemented

by the parties thereto, in a writing signed by all parties and in accordance with the terms thereof without further order of the Court, provided that any such modification, amendment, or supplement is not material.

22. The provisions of this Sale Order and any actions taken pursuant hereto shall survive any conversion or dismissal of these bankruptcy cases and the entry of any other order which may be entered in these cases, including any order: (i) confirming any plan of reorganization or liquidation; (ii) converting these cases from Chapter 11 to Chapter 7; (iii) appointing a trustee or examiner; or (iv) dismissing these cases. The terms and provisions of this Sale Order shall continue in full force and effect and shall be binding upon any successor, reorganized debtor, or Chapter 7 or 11 trustee applicable to the Debtors, notwithstanding any such conversion, dismissal, or order entry.

23. All of the transfers and other performance set forth in this Sale Order, together with the performance under all of the agreements identified herein to be executed and performed at Closing, are part of a single transaction such that the same is not subject to being avoided, rejected, or otherwise terminated or modified by a division or separate treatment of the various agreements or component transactions. Accordingly, the provisions of this Sale Order are non-severable and mutually dependent.

24. The Court shall retain exclusive jurisdiction to enforce the provisions of this Sale Order and to resolve any dispute concerning this Sale Order, disputes regarding the Acquired Assets and the Komatsu Equipment, and/or the rights and duties of the parties hereunder or under the Komatsu Bid or the Transaction Documents, or any issues relating solely to this Sale Order, including, but not limited to, interpretation of the terms, conditions, and provisions hereof, and the status, nature, and extent of the Acquired Assets or the Komatsu Equipment, and all issues and

disputes arising in connection with the relief authorized herein, inclusive of those concerning the transfer of the Acquired Assets and the Komatsu Equipment free and clear of Liens and Claims as set forth herein.

25. Nothing in this Sale Order releases, nullifies, precludes, or enjoins the enforcement of any police or regulatory liability (including but not limited to for reclamation and mitigation and any associated long-term protection requirements) to a governmental unit that any entity would be subject to as the owner or operator of property after the date of entry of this Sale Order. Nothing in this Sale Order authorizes the transfer or assignment of any governmental (a) license, (b) permit, (c) registration, (d) authorization, or (e) approval, or the discontinuation of any obligation thereunder, without compliance with all applicable legal requirements under police or regulatory law. Nothing in this Sale Order divests any tribunal of any jurisdiction it may have under police or regulatory law to interpret this Sale Order or to adjudicate any defense asserted under this Sale Order.

26. Coalmont shall obtain from Debtor all books, records, files and papers, whether in hard copy or computer format, related to the Acquired Assets, including any information related to any tax imposed on the Acquired Assets; provided, however, that the Debtor may retain copies of the same; and provided, further, however, that, except as provided otherwise in the Transaction Documents, Coalmont is not acquiring the computer servers, electronic mail records or financial records of the Debtors.

27. Coalmont and Komatsu may each assign their respective rights under this Sale Order without further order of this Court. In addition, Coalmont shall have the right to designate one or more designees to acquire all or any portion of the Acquired Assets or assume all or any portion of the Assumed Contracts, which designee or designees shall acquire or assume the

respective Acquired Assets and Assumed Contracts with the same force and effect as if they were Coalmont.

28. This Sale Order is entered subject to the Final DIP Order. All rights provided to the Official Committee of Unsecured Creditors in the Final DIP Order are specifically preserved, including all challenge rights, and nothing in this Sale Order shall in any way minimize or abrogate such rights. To the extent of any inconsistency between this Sale Order and the Final DIP Order, the Final DIP Order shall control.

29. Pursuant to, and to the extent necessary under, Bankruptcy Rule 6004(h) and 6006(d), this Court hereby expressly finds and concludes that there is no just cause for delay in the implementation of this Sale Order. This Sale Order therefore shall not be stayed for fourteen (14) days after its entry. Notwithstanding any provision of the Bankruptcy Code or Bankruptcy Rules to the contrary, this Sale Order shall be effective and enforceable immediately upon entry, and any stay thereof, including without limitation pursuant to Bankruptcy Rule 6004(h), is hereby abrogated.

Dated: May 30, 2019

/s/ D. Sims Crawford  
D. SIMS CRAWFORD  
United States Bankruptcy Judge

## SCHEDULE 1

### Claimed Liens

	<b>Claimant</b>	<b>Dated</b>	<b>Document</b>	<b>Debtor</b>	<b>Amount</b>	<b>Collateral</b>
1	Foley Products	4/5/2019	Statement of Mechanics Lien - no statute cited.	Jesse Creek Mining	24,740.60	Real property, Shelby County, legal description
2	GMS Mine Repair & Maintenance, Inc.	3/28/2019	Notice of Lien (Via CSC notice of service of process) Code of Alabama (1975), §§ 35-11-210, 35-11-218	Jesse Creek Mining Piney Woods	1,904,264.50	"Lolley Mine No. 1" (with legal description)
	GMS Mine Repair & Maintenance, Inc.	3/29/2019	Verified Claim of Lien Shelby County Judge of Probate	Jesse Creek Mining Piney Woods	1,904,264.50	"Lolley Mine No. 1" (with legal description)
3	Highland Machinery	4/11/2019	Certified Letter to JCM, Benton, Macquarie - Statutory Lien under WV Code 38-11-3 and -4	Jesse Creek Mining	260,001.85	In possession at Highland, two 10SC Shuttle cars N15G8329 & N15F8327

4	Martin Marietta Materials, Inc.	4/9/2019	Letter Unpaid Balance Lien Notice - Code of Alabama (1975), §§ 35-11-210, 35-11-218.	Jesse Creek Mining	14,608.17	Jesse Creek Mining LLC, 1615 Kent Dairy Road, Alabaster, Alabama 35007 and/or the place of material shipment, 3400 County Road 260, Montevallo, Alabama 35115
5	Tren Services	Unknown	Invoices delivered to Debtors' Counsel	Unknown	35,730.00	Unknown
6	Sherman Industries, LLC	4/24/2019	Motion for Relief from Stay	Jesse Creek Mining	105,867.00	Unknown
7	Ceramic Technology, Inc.	4/11/2019	Statement of Mechanics Lien	Jesse Creek Mining	55,200.00	Real Property
8	Jones Machine & Welding, Inc.	3/28/2019	Verified Statement of Lien	Jesse Creek Mining	121,793.63	Real Property



**SCHEDULE 2**

Coalmont Liens

	<b>Secured Party</b>	<b>Debtor</b>	<b>Filing Date</b>	<b>Type</b>	<b>Filing No.</b>	<b>Filing Office</b>
1.	RCF V Annex Fund L.P. and Resource Capital Fund VI L.P.	Piney Woods Resources, Inc.	11/9/2017	UCC-1	20177470554	Delaware
2.	RCF V Annex Fund L.P. and Resource Capital Fund VI L.P.	Jesse Creek Mining, LLC	11/9/2017	UCC-1	20177470448	Delaware
3.	RCF V Annex Fund L.P. and Resource Capital Fund VI L.P.	Jesse Creek Mining, LLC	12/22/2017	Mortgage	20171222000457270	Shelby County
4.	RCF V Annex Fund L.P. and Resource Capital Fund VI L.P.	Jesse Creek Mining, LLC	12/21/2017	Mortgage	Book 335, Page 657	Bibb County
5.	Resource Capital Fund VI L.P.	Jesse Creek Mining, LLC	12/22/2017	Mortgage	20171222000457260	Shelby County
6.	Resource Capital Fund VI L.P.	Jesse Creek Mining, LLC	12/21/2017	Mortgage	Book 335, Page 710	Bibb County
7.	Resource Capital Fund VI L.P.	Jesse Creek Mining, LLC	3/22/2018	Fixture Filing	20180322000095510	Shelby County
8.	Resource Capital Fund VI L.P.	Jesse Creek Mining, LLC	3/22/2018	Fixture Filing	Book 13, Page 61, File No. 22275	Bibb County
9.	Resource Capital Fund VI L.P.	Jesse Creek Mining, LLC	3/22/2018	Mortgage	20180322222295500	Shelby County
10.	Resource Capital Fund VI L.P.	Jesse Creek Mining, LLC	3/22/2018	Mortgage	Book 338, Page 632	Bibb County

11.	Resource Capital Fund VILP.	Jesse Creek Mining, LLC	3/11/2019	Mortgage Amendment	20190311000076950	Shelby County
12.	Resource Capital Fund VILP.	Jesse Creek Mining, LLC	3/12/2019	Mortgage Amendment	Book 350, Page 616	Bibb County

## SCHEDULE 3

### Assumed Contracts

#### Real Property Agreements

- 1. Coal Mining Lease** **Cure Cost: \$0.00**  
**Lessor: RGGs Land & Minerals, Ltd. L.P.**  
**Lessee: Tacona Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: September 6, 2005**  
**1st Amendment: February 20, 2007**  
**2nd Amendment: January 29, 2008**  
**3rd Amendment: April 3, 2012**  
**4th Amendment: January 9, 2015**  
**5th Amendment: October 20, 2017**
  
- 2. Coal Fines and Gob Recovery Lease** **Cure Cost: \$1,500.00**  
**Lessor: United States Steel Corporation**  
**Lessee: Tacona Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: September 6, 2005**  
**1st Amendment: March 20, 2007**  
**2nd Amendment: February 15, 2010**  
**3rd Amendment: June 25, 2012**  
**4th Amendment: April 9, 2015**  
**5th Amendment: October 20, 2017**
  
- 3. Coal Mining Lease** **Cure Cost: \$0.00**  
**Lessor: RGGs Land & Minerals Ltd., L.P.**  
**Lessee: Tacona Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: February 20, 2007**  
**Amendment: April 15, 2009**  
**Letter Agreement: January 29, 2010**

**2nd Amendment: February 14, 2013**

- 4. Coal Mining Lease** **Cure Cost: \$18,500.00**  
**Lessor: RGGGS Land & Minerals Ltd., L.P.**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: December 20, 2007**  
**1st Amendment: September 13, 2010**  
**Extension Letter: December 18, 2015**  
**2nd Amendment: April 26, 2017**  
**Letter Agreement: January 30, 2019**
  
- 5. Coal Mining Lease**  
**Lessor: RGGGS Land & Minerals Ltd., L.P.**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: August 25, 2009**  
**Amendment: January 9, 2015**
  
- 6. Coal Mining Lease** **Cure Cost: \$10,000.00**  
**Lessor: RGGGS Land & Minerals Ltd., L.P.**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: September 13, 2010**  
**Amendment: December 30, 2015**
  
- 7. Coal Mining Lease** **Cure Cost: \$20,000.00**  
**Lessor: RGGGS Land & Minerals Ltd., L.P.**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: April 3, 2012**  
**1st Amendment: April 2, 2015**  
**2nd Amendment: July 30, 2018**

- |                                                                                                                                                                       |                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| <b>8. Coal Mining Lease</b><br><b>Lessor: RGGGS Land &amp; Minerals, Ltd., L.P.</b><br><b>Lessee: Jesse Creek Mining, LLC</b><br><b>Date: February 14, 2013</b>       | <b>Cure Cost: \$0.00</b>   |
| <b>9. Surface Coal Mining Lease</b><br><b>Lessor: United States Steel Corporation</b><br><b>Lessee: Jesse Creek Mining, LLC</b><br><b>Date: February 26, 2013</b>     | <b>Cure Cost: \$0.00</b>   |
| <b>10. Coal Mining Lease</b><br><b>Lessor: RGGGS Land &amp; Minerals Ltd., L.P.</b><br><b>Lessee: Jesse Creek Mining, LLC</b><br><b>Date: June 28, 2013</b>           | <b>Cure Cost: \$0.00</b>   |
| <b>11. Coal Mining Lease</b><br><b>Lessor: United States Steel Corporation</b><br><b>Lessee: Jesse Creek Mining, LLC</b><br><b>Date: July 2, 2013</b>                 | <b>Cure Cost: \$0.00</b>   |
| <b>12. Mineral Lease Agreement</b><br><b>Lessor: Southern Electric Generating Company</b><br><b>Lessee: Jesse Creek Mining, LLC</b><br><b>Date: December 31, 2015</b> | <b>Cure Cost: \$0.00</b>   |
| <b>13. Coal Mining Lease</b><br><b>Lessor: United States Steel Corporation</b><br><b>Lessee: Jesse Creek Mining, LLC</b><br><b>Date: August 15, 2016</b>              | <b>Cure Cost: \$100.00</b> |
| <b>14. Coal Mining Lease</b><br><b>Lessor: RGGGS Land &amp; Minerals Ltd., L.P.</b><br><b>Lessee: Jesse Creek Mining, LLC</b>                                         | <b>Cure Cost: \$0.00</b>   |

**Date: August 16, 2016**  
**1st Amendment: October 16, 2017**

**15. Coal Mining Lease** **Cure Cost: \$0.00**

**Lessor: SWF Birmingham, LLC**  
**Lessee: Jesse Creek Mining, LLC**  
**Date: August 19, 2016**  
**1st Amendment: January 6, 2018**  
**Termination of 1st Amendment: March 16, 2018**  
**2nd Amendment: March 16, 2018**

**16. Coal Mining Lease Agreement** **Cure Cost: \$0.00**

**Lessor: Alabama Property Company and Southern Electric Generating Company**  
**Lessee: Jesse Creek Mining, LLC**  
**Date: April 20, 2017**

**17. Surface Mining Lease Agreement** **Cure Cost: \$0.00**

**Lessor: Anne Hubbard Norred, as custodian for Andrew Clark Norred and Daniel Joseph Norred**  
**Lessee: Jesse Creek Mining, LLC**  
**Date: December 20, 2018**

**18. Surface Mining Lease Agreement** **Cure Cost: \$0.00**

**Lessor: Jane Colvin Harrison**  
**Lessee: Jesse Creek Mining, LLC**  
**Date: January 4, 2019**

**19. Exploration Permit for certain Southern Electric Generating Company and Alabama Property Company Property in Bibb and Shelby Counties, Alabama**

**Cure Cost: \$0.00**

**Grantor: Southern Electric Generating Company and Alabama Property Company**  
**Grantee: Jesse Creek Mining, LLC**  
**Date: May 25, 2017**

**20. Agreement for the Sale and Purchase of Real Estate Cure Cost: \$0.00**

**Seller: Little Gem Coal Company**

**Buyer: Jesse Creek Mining, LLC**

**Date: October 17, 2018**

**Letter Agreement: January 28, 2019**

**Other Contracts**

<b>Contracting Party</b>	<b>Description of Contract</b>	<b>Cure Costs</b>
ProModular, LLC	Office lease agreement (5-wide office)	\$ 16,500.00
ProModular, LLC	Office lease agreement (8-wide office)	\$ 30,411.55
CIT Bank, N.A.	Copier Lease agreement - Xerox WorkCentre 7845	\$ 1,592.48
CIT Bank, N.A.	Copier Lease agreement - Xerox AltaLink C8045	\$ 803.00
CIT Bank, N.A.	Copier Lease agreement - Xerox AltaLink C8045	\$ 1,204.50
CIT Bank, N.A.	Copier Lease agreement - Xerox WorkCentre 7835	\$ 949.56
Indemnity National Insurance Company, c/o Cumberland Surety, Inc.	Agreement for Coal Reclamation Bond	\$ -
Shelby County Alabama	County Road 270 temporary closure	\$ -
Shelby County Alabama	County Road 260 temporary closure	\$ -
Alabama Power Company	Contract for Electric Service	\$ -
RGGS Land & Mineral Ltd., L.P., and Tacoa Minerals, LLC	Coal Lease Security Agreement	\$ -
Kodiak Mining Company, LLC	Royalty Rights Agreement	\$ -

**EXHIBIT A**

**Asset Purchase Agreement**



**ASSET PURCHASE AGREEMENT**

**dated**

**May 31, 2019**

**among**

**COALMONT RESOURCES LLC, as Buyer**

**and**

**JESSE CREEK MINING, LLC**

**and**

**PINEY WOODS RESOURCES, INC., as Sellers**

## **ASSET PURCHASE AGREEMENT**

This **ASSET PURCHASE AGREEMENT** (“Agreement”) is dated May 31, 2019, by and among **COALMONT RESOURCES LLC**, a Delaware limited liability company (“Buyer”), and **JESSE CREEK MINING, LLC** (“Jesse Creek”), a Delaware limited liability company and **PINEY WOODS RESOURCES, INC.** (“Piney Woods”), a Delaware corporation, each a debtor and debtor in possession (Jesse Creek and Piney Woods, individually each a “Seller” and collectively the “Sellers”).

### **R E C I T A L S:**

WHEREAS, on April 2, 2019 (the “Commencement Date”), Sellers commenced a voluntary case for reorganization, Case No. 19-01390-DSC11 (Jointly Administered) (the “Bankruptcy Case”) under Chapter 11 of Title 11 of the United States Code, and as amended from time to time (the “Bankruptcy Code”), in the United States Bankruptcy Court for the Northern District of Alabama, Southern Division (the “Bankruptcy Court”); and

WHEREAS, Sellers are each a debtor and debtor-in-possession and managing their properties pursuant to §§ 1107 and 1108 of the Bankruptcy Code, and this Agreement shall be binding on Sellers subject only to approval of the Bankruptcy Court; and

WHEREAS, Sellers were engaged in the business of mining and selling coal at the Jesse Creek mining complex, which consists of an idled surface and highwall mining operation, an idled underground mine development project, an idled preparation plant, and respective associated properties and assets in Shelby County, Alabama, and with reserves extending into Bibb County, Alabama; and

WHEREAS, Sellers have determined that it is in the best interest of Sellers and their bankruptcy estates to sell to Buyer all right, title and interest of Sellers respectively in and to the Acquired Assets (as defined below) in exchange for such consideration as more particularly described below and the assumption by Buyer of the Assumed Liabilities (as defined below), upon the terms and conditions hereinafter set forth; and

WHEREAS, Buyer desires to purchase the Acquired Assets and assume the Assumed Liabilities from Sellers, and Sellers desire to sell, convey, assign and transfer to Buyer, the Acquired Assets together with the Assumed Liabilities, all in the manner and subject to the terms and conditions set forth in this Agreement and in accordance with Sections 105, 363, 365, and other applicable provisions of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure; and

WHEREAS, the Acquired Assets are assets of Sellers that are to be purchased and assumed by Buyer free and clear of all Liens, other than Permitted Liens, pursuant to the Sale Order (each as defined below);

WHEREAS, the Final DIP Order and Procedures Order grant the Prepetition Secured Lenders or their assignees the right to credit bid up to the full amount of the Prepetition Secured Debt;

WHEREAS, the Prepetition Secured Lenders have contributed and assigned to Buyer the Prepetition Secured Lenders' rights and obligations under the Prepetition Credit Documents; and

WHEREAS, this Agreement is submitted by Buyer pursuant to the Procedures Order (as defined herein) as a bid for the Acquired Assets.

NOW THEREFORE, in consideration of the premises and the mutual representations, warranties, covenants, and agreements herein contained, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

## ARTICLE I

### DEFINITIONS

1.1 Definitions. For purposes of this Agreement, in addition to terms defined elsewhere in this Agreement the following terms and variations thereof have the meanings specified or referred to in this Section 1.1.

"Acquired Assets" has the meaning set forth in Section 2.1.

"Acquired Real Property" means all of Sellers' right, title and interest in and to the real property, including all rights of way and easements, constituting the Owned Real Property and the real property interests subject to the Real Property Agreements, including all of Sellers' rights to in-place mineral, and any improvements, fixtures, easements, rights of way, and other appurtenances thereto (such as appurtenant rights in and to public streets) and all rights to surface with respect to the foregoing.

"Additional Documents" has the meaning set forth in Section 2.10.

"Adverse Consequences" means, without duplication, all actions, suits, proceedings, hearings, charges, complaints, injunctions, judgments, orders, decrees, rulings, damages, dues, penalties, fines, costs, amounts paid in settlement, Liabilities, obligations, Taxes, liens, losses, expenses, and fees, including court costs and reasonable attorneys' fees and expenses, that have a material impact or effect on the party suffering such consequence in the sole discretion of Buyer.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person. For purposes of this definition, the terms "controls," "is controlled by," or "is under common control with" mean the power to direct or cause the direction of the management and policies of a Person or entity, whether through the ownership of voting securities, by contract or otherwise.

"Alternative Transaction" has the meaning set forth in Section 7.2(b).

"Assumed Contracts" has the meaning set forth in Section 2.1(f).

"Assumed Liabilities" has the meaning set forth in Section 2.3.

“Avoidance Action” means any avoidance, preference or recovery, claim, action or proceeding arising under chapter 5 of the Bankruptcy Code or under any similar state or federal law.

“Bankruptcy Case” has the meaning set forth in the preamble.

“Bankruptcy Code” has the meaning set forth in the preamble.

“Bankruptcy Court” has the meaning set forth in the preamble.

“Black Lung Liabilities” means any Liability or benefit obligations related to black lung claims and benefits under the Black Lung Benefits Act, 30 U.S.C. §§ 901 *et seq.*, the Federal Mine Safety and Health Act of 1977, 30 U.S.C. §§ 801 *et seq.*, the Black Lung Benefits Reform Act of 1977, Pub. L. No. 95-239, 92 Stat. 95 (1978), and the Black Lung Benefits Amendments of 1981, Pub. L. No. 97-119, 95 Stat. 1643, and the Black Lung Consolidation of Administrative Responsibility Act, Pub. L. No. 107-275, 116 Stat. 1925, in each case as amended, if applicable, and occupational pneumoconiosis, silicosis, or other lung disease liabilities and benefits arising under federal or state Law.

“Books and Records” means the original or true and complete copies of all of the books and records of Sellers related expressly to the Acquired Assets or the Assumed Liabilities, including contracts, title opinions and abstracts, plats, drawings and specifications, environmental and mining reports and studies, correspondence and miscellaneous records with respect to lessors and lessees, maps, core logs, production reports, engineering data, equipment maintenance records and all other general correspondence, records, books and files owned by Sellers related to the Acquired Assets or Assumed Liabilities, but excluding any and all Tax Returns, books and records relating to the Liabilities not assumed by Buyer or Excluded Assets and corporate and general financial records of Sellers.

“Business Day” means any day other than a Saturday, a Sunday or a United States federal or Alabama banking holiday.

“Buyer” has the meaning specified in the preamble.

“Closing” means the closing of the transactions contemplated by this Agreement.

“Closing Date” has the meaning set forth in Section 2.12.

“Commencement Date” has the meaning specified in the preamble.

“Contaminated” or “Contamination” means the presence of one or more Hazardous Substances in such quantity or concentration as to: (i) violate any Environmental Law; (ii) require disclosure to any Governmental Authority; (iii) require remediation or removal; (iv) interfere with or prevent the customary use of the Acquired Real Property owned by a Seller or included in the Acquired Assets; or (v) create any Liability to fund the clean-up of the Acquired Real Property.

“Cure Costs” has the meaning set forth in Section 2.5(a).

“Decree” means any injunction, judgment, order, decree or ruling of any applicable Governmental Authority.

“Deposits” has the meaning in Section 2.2(l).

“Employee” means any Person (i) employed by and/or rendering personal services for a Seller, (ii) receiving short-term or long-term disability benefits from a Seller under an Employee Benefit Plan, (iii) on vacation or an approved leave of absence from his employment with a Seller; or (iv) off work and receiving or eligible to receive benefits under any federal or state workers’ compensation Law. The term “current and former Employees” means any Persons who fall within the term Employee at any time prior to the Closing.

“Employee Benefit Plans” means those “employee benefit plans” as defined in Section 3(3) of ERISA and all other employee benefit plans, programs or arrangements, including, without limitation, each severance pay, bonus, deferred compensation, incentive compensation, stock purchase, stock option or other equity-based compensation, death benefit, group insurance, hospitalization or other medical, dental, health, life (including, without limitation, all individual life insurance policies as to which a Seller is the owner, beneficiary or both), disability or other insurance, Tax Code § 125 “cafeteria” or “flexible” benefit plan, pension, savings, profit-sharing or retirement plan, program or arrangement (i) under which Employees are entitled to participate by reason of their employment with a Seller or any Affiliate, whether or not any of the foregoing is funded, whether insured or self-funded, and with respect to which either a Seller or an Affiliate is a party or a sponsor or a fiduciary thereof or by which either a Seller or an Affiliate (or any of its rights, properties or assets) is bound; or (ii) with respect to which either a Seller or an Affiliate otherwise may have any direct or indirect Liability, including specifically as a result of it being in the same controlled group with its Affiliates.

“End Date” has the meaning set forth in Section 7.2(c).

“Environment” means surface or ground water, water supply, soil or the ambient air.

“Environmental Laws” means collectively, all Laws that relate to (a) the prevention, abatement or elimination of pollution, or the protection of the Environment, or of natural resources, including (i) Laws applicable to Mining Activities or related activities and (ii) all Reclamation Laws; (b) the generation, handling, treatment, storage, disposal or transportation of waste materials; (c) the regulation of or exposure to Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 *et seq.*, the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. §§ 6901 *et seq.*, the Clean Air Act, 42 U.S.C. §§ 7401 *et seq.*, the Clean Water Act, 33 U.S.C. §§ 1251 *et seq.*, the Toxic Substances Control Act, 15 U.S.C. §§ 2601 *et seq.*, the Emergency Planning and Community Right-To-Know Act of 1986, 42 U.S.C. §§ 11001 *et seq.*; and (d) any similar Laws of the State of Alabama relating to the matters set forth in (a) through (c) above.

“Environmental Matter” means any assertion of a violation, claim, administrative order, injunction, Decree by any Governmental Authority or any other Person for personal injury, damage to the Environment, nuisance, ongoing amelioration or cleanup obligation, Contamination or other

adverse effects on the Environment, or for damages or restrictions resulting from or related to (i) the Mining Activities of a Seller or the ownership, use or operation at or on any Acquired Real Property, Acquired Assets or other assets owned, operated or leased by a Seller or any predecessor; or (ii) the existence or the continuation of a Release of, or exposure to, or the transportation, storage or treatment of any Hazardous Substance or other substance into the Environment from or related to any Acquired Real Property, Acquired Assets or assets currently or formerly owned, operated or leased by a Seller or any activities on or operations thereof.

“Environmental Response Action” means all actions required (i) to clean up, remove, treat or in any other way address any Hazardous Substance or other substance; (ii) to prevent the Release or threat of Release, or minimize the further Release of any Hazardous Substance or other substance so it does not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor Environment; (iii) to perform pre-remedial studies and investigations or post-remedial monitoring and care; (iv) to bring facilities on any real property currently or formerly owned, operated or leased by a Seller and the facilities located and operations conducted thereon into compliance with all Environmental Laws and Reclamation Laws and all permits and other authorizations, and the filing of all notifications and reports required under any Environmental Laws; or (v) for the purpose of environmental protection of any real property currently or formerly owned, operated or leased by a Seller.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Excluded Assets” has the meaning set forth in Section 2.2.

“Existing Financial Assurances” means all reclamation and surety bonds and related letters of credit, cash collateral and other collateral, in each case relating to the Purchased Business.

“Final DIP Order” means the “Final Order (I) Authorizing Postpetition Secured Financing Pursuant to 11 U.S.C. Sections 105(a), 361, 362, 363, 364(c)(1), 364 (c)(2), 364(c)(3), 364(d)(1) and 364(e), (II) Authorizing Debtors Use of Cash Collateral Pursuant to 11 U.S.C. Section 363, and (III) Granting Adequate Protection Pursuant to 11 U.S.C. Sections 361, 363” entered by the Bankruptcy Court on May 9, 2019 (Docket No. 209).

“Governmental Authority” means any agency, authority, board, bureau, commission, court, tribunal, department, office or instrumentality of any nature whatsoever or any governmental unit, whether federal, state, county, district, city, other political subdivision, or taxing district, foreign or otherwise, and whether now or hereafter in existence, or any officer or official thereof acting in an official capacity.

“Hazardous Substances” means any substance, chemical, waste, solid, material, pollutant or contaminant that is defined or listed as hazardous or toxic under any applicable Environmental Laws. Without limiting the generality of the foregoing, it shall also include mine drainage, any radioactive material, including any naturally-occurring radioactive material, and any source, special or by-product material as defined in 42 U.S.C. §§ 2011, *et seq.*, any amendments or authorizations thereof, any asbestos-containing materials in any form or condition, any polychlorinated biphenyls in any form or condition, radioactive waste, or natural gas, natural gas

liquids, liquefied natural gas, condensate, or derivatives or byproducts thereof, or oil or petroleum products or by products and constituents thereof.

“Law” means any statute, code, ordinance or regulation of any applicable Governmental Authority.

“Liability” means any liability, including claims, interests, interests of creditors, and interests in property (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including Taxes; Mining Environmental Liabilities and claims; liabilities, obligations or responsibilities with respect to the Environment, Environmental Matters and Environmental Response Action and under Environmental Laws; Employees and Employee Benefit Plans; Liens; Successor Liabilities, Black Lung Liabilities, Workers’ Compensation Liabilities; or any other labor or other agreement with any current or former Employee of a Seller.

“Lien” means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest or encumbrance in respect of such property or asset.

“Material Adverse Effect” means (a) an adverse effect on the validity or enforceability of this Agreement in any material respect; (b) an adverse effect on the condition or the ability to conduct business of the assets or properties of the Mining Activities, taken as a whole, or on the value or condition of the Acquired Assets, taken as a whole, in any material respect (other than any such effect occurring solely as a result of general economic or industry conditions (including market prices for coal) which are not unique to Sellers and do not disproportionately affect Sellers); or (c) an impairment of the ability of either Seller to fulfill its obligations under this Agreement in any material respect.

“Mining Activities” means those activities related to the Acquired Assets that involve timber removal, surface mining, underground mining, auger or highwall mining, any other methods utilized to remove coal or other minerals from real property (whether now in existence or developed in the future), processing, removal, sale or transporting of coal and coal by-products (including coal bed methane and gob gas), and shall also include oil and gas drilling and related exploration and production activities. For purposes of this definition, “Mining Activities” shall include any activities defined under the Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. § 1201, *et seq.*, as amended, and Laws governing, controlling or applying to coal mining operations.

“Mining Environmental Liabilities” means Liabilities that relate to or arise from any Environmental Matter or Environmental Response Action associated with Mining Activities conducted in accordance with industry standards.

“Organizational Documents” means with respect to a Person, the articles of incorporation, certificate of incorporation, charter, bylaws, articles or certificate of formation, operating agreement, partnership agreement, and all other similar documents, instruments or certificates executed, adopted, or filed in connection with the creation, formation, or organization of such Person, including any amendments thereto.

“Permitted Liens” means (i) Liens that constitute Assumed Liabilities including, except to the extent respectively satisfied in full at or prior to the Closing, the PMSI Liens, (ii) statutory liens for Taxes and assessments not yet due and payable, including liens for *ad valorem* Taxes and statutory liens not yet due and payable arising other than by reason of any default by a Seller, (iii) easements, covenants, conditions, restrictions and other similar matters of record affecting any Acquired Real Property or the real property subject to the Real Property Agreements, (iv) the leasehold estate or any sublease, license, or rights of occupancy in any leased Acquired Real Property where a Seller is lessor, and (v) local, county, state and federal laws, ordinances or governmental regulations including Environmental Laws and regulations, local building and fire codes, and zoning, conservation, or other land use regulations now or hereafter in effect relating to any Acquired Real Property.

“Person” means any individual, general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, Governmental Authority, cooperative, association or any foreign trust or foreign business organization or any other entity of any kind whatsoever, as well as the heirs, executors, administrators, legal representatives, successors and assigns of such “person” where the context so requires.

“PMSI Equipment” has the meaning specified in Section 2.2(n).

“PMSI Lender” means the respective Person having a valid, perfected purchase money security interest in any portion of the PMSI Equipment as set forth in Schedule 2.2(n).

“PMSI Lien” means the valid, perfected purchase money security interest in any portion of the PMSI Equipment.

“PMSI Payoff Amounts” means respectively the full amount due and owing to a PMSI Lender to satisfy in full the PMSI Lien of such PMSI Lender.

“Pre-Closing Tax Period” means (i) any Tax period ending on or before the Closing Date and (ii) with respect to a Tax period that commences before but ends after the Closing Date, the portion of such period up to and including the Closing Date.

“Prepetition Credit Documents” means the documents, including all amendments, modifications, security agreements, mortgages, or related documents under which the Prepetition Secured Debt arises.

“Prepetition Secured Debt” means the debts, of which repayment is secured by a perfected security interest the assets of the Sellers, arising under (i) that certain Note Purchase Agreement (as amended or otherwise modified from time to time), dated May 27, 2016, among RCF V Annex Fund L.P., a Cayman Islands exempted limited partnership (“RCF V Annex”), Resource Capital Fund VI L.P., a Cayman Islands exempted limited partnership (“RCF VI”), Piney Woods, and Jesse Creek; (ii) that certain Note Purchase Agreement (as amended or otherwise modified from time to time), dated May 27, 2016, among RCF VI, Piney Woods, and Jesse Creek; (iii) that certain Note Purchase Agreement (as amended or otherwise modified from time to time), dated November 10, 2017, among RCF VI, Piney Woods, and Jesse Creek; (iv) that certain Bridge Loan Agreement (as amended or otherwise modified from time to time), dated March 22, 2018, among RCF VI, Piney Woods, and Jesse Creek; and (v) that certain



Reimbursement Agreement (as amended or otherwise modified from time to time), dated March 22, 2018, among RCF VI, Piney Woods, and Jesse Creek.

“Prepetition Secured Lenders” means RCF V Annex and RCF VI.

“Procedures Order” means that certain “Order Approving Bidding Procedures and Related Deadlines” entered by the Bankruptcy Court on April 26, 2019 (Docket No. 145).

“Purchase Price” has the meaning set forth in Section 2.7.

“Purchase Price Allocation Statement” has the meaning set forth in Section 2.7.

“Purchased Business” means the mining, processing, selling, shipping and related operations conducted by the Sellers.

“Real Property Agreements” has the meaning set forth in Section 2.1(b).

“Reclamation Laws” means all Laws, as now or hereafter in effect, relating to reclamation Mining Activities or reclamation Liabilities including the Surface Mining Control and Reclamation Act of 1977, 30 U.S.C. § 1201, *et seq.*, as amended, and applicable Alabama Law.

“Release” shall mean any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, dumping or disposing into the Environment of Hazardous Substances or other substances.

“Sale Order” shall mean an order entered by the Bankruptcy Court, which order shall be final and non-appealable and which (i) shall not be subject to a stay, or be vacated, amended, or revoked and (ii) remains in full force and effect, approving and authorizing the sale of the Acquired Assets to Buyer free and clear of all Liabilities and Liens other than Permitted Liens in the manner and subject to the terms and conditions set forth in this Agreement and the Sale Order itself.

“Seller(s)” has the meaning specified in the preamble.

“Subsidiary” means, with respect to any Person (the “Owner”), any corporation or other Person of which securities or other interests having the power to elect a majority of that corporation’s or other Person’s board of directors or similar governing body, or otherwise having the power to direct the business and policies of that corporation or other Person (other than securities or other interests having such power only upon the happening of a contingency that has not occurred), are held by the Owner or one or more of its other Subsidiaries.

“Successor Liabilities” means any Liability arising from a person claiming through, by or on behalf of a Seller, whether such claim, demand, lien, or interest be direct or indirect, known or unknown, that Buyer is a successor, successor-in-interest or pursuant to any other theory; provided, however, that Buyer shall not be relieved of liability with respect to the Assumed Liabilities or Permitted Liens from and after the Closing.

“Tax” or “Taxes” means any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits,

environmental (including taxes under Tax Code § 59A), custom duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, whether computed on a separate or consolidated, unitary or combined basis or in any other manner, including any interest, penalty, or addition thereto, whether disputed or not and including any obligation to indemnify or otherwise assume or succeed to the Tax liability of any other Person.

“Tax Allocation Schedule” has the meaning set forth in Section 2.11.

“Tax Code” means the Internal Revenue Code of 1986, and the rules and regulations promulgated thereunder, as amended, and any reference to a section of the Tax Code shall include any successor section or provision of the Tax Code.

“Tax Return” means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Transaction Documents” has the meaning set forth in Section 10.1.

“Transfer Taxes” means all excise Taxes on the transfer of real property and on the recordation of documents, and all sales, use, stamp or other transfer Taxes arising in connection with the transaction contemplated hereunder.

“Transferred Permits” has the meaning set forth in Section 2.1(i)

“Transition Services Agreement” means that certain Transition Services Agreement, between Buyer and Sellers in a form reasonably acceptable to such parties pursuant to which Sellers shall provide Buyer with transition services with respect to the Acquired Assets for a period of thirty (30) days after Closing.

“Workers’ Compensation Liabilities” means any Liabilities or benefit obligations related to workers’ compensation claims and benefits arising under any federal or state Law.

## 1.2 Rules of Interpretation.

- (a) The singular includes the plural and the plural includes the singular.
- (b) A word in any gender includes all genders.
- (c) The word “or” is not exclusive.
- (d) A reference to a Person includes its permitted successors and permitted assigns.
- (e) The words “include,” “includes” and “including” are not limiting and shall be deemed to be followed by “without limitation.”

(f) A reference in a document to an Article, Section, Exhibit, Schedule, Annex or Appendix is to the Article, Section, Exhibit, Schedule, Annex or Appendix of such document unless otherwise indicated. Exhibits, Schedules, Annexes or Appendices to any document shall be deemed incorporated by reference in such document.

(g) References to any document, instrument or agreement (i) shall include all exhibits, schedules and other attachments thereto, (ii) shall include all documents, instruments or agreements issued or executed in replacement thereof, and (iii) shall mean such document, instrument or agreement, or replacement or predecessor thereto, as amended, modified and supplemented from time to time and in effect at any given time.

(h) The words “hereof,” “herein” and “hereunder” and words of similar import when used in any document shall refer to such document as a whole and not to any particular provision of such document.

(i) References to “days” shall mean calendar days, unless the term “Business Days” shall be used.

(j) This Agreement is the result of negotiations among, and has been reviewed by, the parties hereto. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

## ARTICLE II

### PURCHASE AND SALE OF ASSETS

2.1 Assets to be Acquired. Upon the terms and subject to the conditions set forth in this Agreement and subject to the approval of the Bankruptcy Court and entry of the Sale Order, at the Closing, Sellers shall sell, convey, assign without recourse against Sellers, transfer and deliver to Buyer, and Buyer shall purchase and acquire from Sellers, all right, title and interest of Sellers, free and clear of all Liabilities, other than the Assumed Liabilities, and Liens, other than the Permitted Liens, in and to the following assets, other than the Excluded Assets:

(a) the owned interests in real property listed on Schedule 2.1(a), including all rights and easements appurtenant thereto (the “Owned Real Property”);

(b) the leases and other agreements for interests in real property listed on Schedule 2.1(b) (the “Real Property Agreements”);

(c) the buildings, facilities, fixtures and improvements located on the Acquired Real Property, including the related mine facilities and infrastructure;

(d) [RESERVED]

(e) the owned equipment, personal property and other personal property of Sellers listed on Schedule 2.1(e);

(f) all contracts, agreements, personal property leases, licenses, commitments, sales and purchase orders and other instruments listed on Schedule 2.1(f) (collectively, and together with the Real Property Agreements, the “Assumed Contracts”);

(g) all prepaid expenses, including rentals and royalties and all rights to recoupment and set-off related to an Assumed Contract, but excluding Deposits;

(h) All coal inventories, including run-of-mine unprocessed coal;

(i) all licenses, permits or other governmental authorizations, including those set forth on Schedule 2.1(i), pertaining to the Acquired Assets to the extent transferrable (collectively, the “Transferred Permits”);

(j) all rights that the Sellers may have to enter upon any real property presently or previously owned or leased by any Seller or predecessor in interest (including any real property leased by any Seller that is not included in the Acquired Real Property) for purposes of performing any and all reclamation work or as otherwise may be required by federal, state and/or local laws and regulations under the Transferred Permits, including any such real property leased by any Seller and for which the underlying lease has been terminated, cancelled, forfeited or rejected;

(k) all equity interests in Camellia Met Mining, LLC; and

(l) the Books and Records, to the extent they exist (and Sellers make no representations or warranties as to the existence of same).

All of the property and assets to be transferred to Buyer hereunder are herein referred to collectively as the “Acquired Assets.”

2.2 Excluded Assets. The only assets being sold pursuant to this Agreement are the Acquired Assets specifically set forth in Section 2.1. All other assets of Sellers (collectively, the “Excluded Assets”), are not part of the sale and purchase contemplated hereunder, and are excluded from the Acquired Assets. Without limiting the generality of the foregoing, the Excluded Assets shall include:

(a) all of the Sellers’ cash and cash equivalents on hand and in banks;

(b) insurance policies relating to the Purchased Business or the Acquired Assets and all claims, credits, causes of action or rights thereunder;

(c) except as set forth in Section 2.1(l), all books, records, files and papers, whether in hard copy or computer format, prepared in connection with this Agreement or the transactions contemplated hereby, all minute books and corporate records of the Sellers and all books, records, files and papers, whether in hard copy or computer format, not related to the Acquired Assets;

(d) all rights of the Sellers arising under this Agreement or the transactions contemplated hereby;

(e) all refunds for Taxes incurred in a Pre-Closing Tax Period, including those relating to the Purchased Business or the Acquired Assets, and all Tax Returns of the Sellers, together with all books and records (including working papers) related thereto;

(f) all Tax assets (including duty and tax refunds and prepayments) and net operating losses of the Sellers;

(g) all of the Sellers' Avoidance Actions, and all proceeds thereof;

(h) all equity interests in the Subsidiaries of any Seller other than Camellia Met Mining, LLC;

(i) all equipment and the other assets, properties and rights expressly set forth on Schedule 2.2(i);

(j) all accounts, notes and other receivables;

(k) all rights that the Sellers may have to enter upon any real property owned or leased by any Seller which rights were not transferred to Buyer pursuant to Section 2.1(j), including any such rights to enter upon any such real property to remove equipment;

(l) all rights to security or other deposits under any of the Assumed Contracts or otherwise related to the Acquired Assets (the "Deposits") except to the extent such Deposits are subject to the lien of Buyer arising from the Prepetition Secured Debt;

(m) all assets and properties of the Sellers or any of their Affiliates that are not owned, held or used in the conduct of the Acquired Assets;

(n) the specific items of equipment owned by a Seller subject to a PMSI Lien with the PMSI Lender, all as identified in Schedule 2.2(n) (the "PMSI Equipment"); and

(o) all Existing Financial Assurances.

2.3 Assumed Liabilities. Upon the terms and subject to the conditions of this Agreement, Buyer agrees, effective at the time of the Closing, to assume all of the following debts, obligations, contracts and liabilities of the Sellers (or any predecessor of any of the Sellers or any prior owner of all or part of their businesses and assets) (the "Assumed Liabilities");

(a) all liabilities and obligations of the applicable Sellers arising under the Assumed Contracts, including Cure Costs;

(b) all reclamation liabilities and all other Environmental Liabilities to the extent arising in connection with or in any way relating to the Purchased Assets, the Transferred Permits or any activities or operations occurring or conducted at the Acquired Real Property (including any offsite migration therefrom);

(c) all liabilities and obligations arising out of any notices of non-compliance or violation issued as a result of inspections or investigations taking place after the Closing;

(d) all liabilities and obligations arising pursuant to any Applicable Law relating to public or employee health or safety (including the Federal Mine Safety and Health Act of 1977) to the extent relating to the Acquired Assets incurred after the Closing; and

(e) all liabilities arising out of or in connection with any act, omission or circumstance occurring or existing at any time after the Closing in connection with the Acquired Assets.

2.4 Liabilities Retained by Sellers. Any and all Liabilities other than the Assumed Liabilities shall be retained by Sellers including, without limitation all liabilities relating to the PMSI Payoff Amounts and liabilities arising from executory contracts or unexpired leases that are not assumed by Buyer.

2.5 Assignment of Assumed Contracts and Rights; Cure Amounts.

(a) The Sellers shall assume, transfer and assign without recourse against Sellers or cause to be assumed, transferred and assigned without recourse against Sellers all Assumed Contracts to Buyer, and Buyer shall assume all Assumed Contracts from the Sellers, as of the Closing Date pursuant to Section 365 of the Bankruptcy Code and the Sale Order. Buyer shall use commercially reasonable efforts to comply with all requirements of Section 365 of the Bankruptcy Code necessary to permit such assignment and assumption. In connection with such assignment and assumption, subject to Section 10.3, the Sellers shall cure all defaults under such Assumed Contracts to the extent required by section 365(b) of the Bankruptcy Code (such amounts, the “Cure Costs”) upon the Closing from the Purchase Price payable at Closing and as set forth in the Purchase Price Allocation Statement, as further described in Section 2.7. The Cure Costs for each Assumed Contract are set forth opposite the name of each Real Property Agreement or other Assumed Contract set forth on Schedule 2.1(b) or Schedule 2.1(f) and shall be set forth in the Sale Order (unless otherwise agreed to by the applicable counterparty, the Sellers and Buyer). To the extent any such Assumed Contract does not constitute an executory contract subject to assumption and assignment under section 365 of the Bankruptcy Code, then the rights and obligations under such Assumed Contract shall be transferred to Buyer as part of the sale of the Acquired Assets with such rights and obligations (excluding all Cure Costs) being expressly assumed by Buyer.

(b) The Sale Order shall provide that as of the Closing, the Sellers shall assign without recourse against Sellers or cause to be assigned to Buyer without recourse against Sellers the Assumed Contracts, each of which shall be identified by the name and date of the Assumed Contract (if available), the other party to the Assumed Contract and the address of such party for notice purposes, all included on an exhibit attached to either the motion filed in connection with the Sale Order or a motion for authority to assume and assign such Assumed Contracts. Such exhibit shall also set forth the amounts necessary to cure any defaults under each of the Assumed Contracts as determined by the Sellers based on the Sellers’ books and records or as otherwise determined by the Bankruptcy Court.

(c) Notwithstanding anything herein to the contrary, to the extent the assignment of any Assumed Contract is, after giving effect to sections 363 and 365 of the Bankruptcy Code, not permitted by law or not permitted without the consent of another Person,

and such restriction cannot be effectively overridden or canceled by the Sale Order or other related order of the Bankruptcy Court, then (i) this Agreement shall not be deemed to constitute an assignment or attempt to assign such Assumed Contract or any right, interest or obligation thereunder if such consent is not given, and the Closing shall proceed with respect to the remaining Purchased Assets without any reduction in the Purchase Price; (ii) no breach of this Agreement shall have occurred by virtue of the non-assignment; and (iii) if such consent is not given, the Sellers and Buyer will, subject to any approval of the Bankruptcy Court that may be required, cooperate in a mutually agreeable arrangement (at Buyer's sole cost and expense), under which Buyer would obtain the benefits and assume the obligations thereunder in accordance with this Agreement, but without obligation of the Sellers to continue the Bankruptcy Case or their existence generally for any period of time.

2.6 Qualified Bidder. In accordance with the Procedures Order, Buyer, as an assignee of the Prepetition Secured Lenders under the Prepetition Credit Documents, is a Qualified Bidder as such terms are defined therein.

2.7 Consideration. In full payment for the Acquired Assets, Buyer shall pay a purchase price (collectively, the "Purchase Price") consisting of:

(a) an aggregate cash amount of \$103,061.09 payable at Closing, to be paid to Sellers for payment of Cure Costs;

(b) the assumption of the Assumed Liabilities to the extent not satisfied in connection with the Closing pursuant to the terms hereof;

(c) At Closing, pursuant to the terms of this Agreement, in exchange for the sale and transfer of the Acquired Assets, Buyer shall surrender and release a portion of the Prepetition Secured Debt and credit the Sellers with the same in the amount of \$20,000,000.00 (the "Credit Bid Amount").

The Purchase Price for the Acquired Assets shall be allocated to and among the respective Acquired Assets and for payment of Cure Costs pursuant to the allocation statement (the "Purchase Price Allocation Statement") attached hereto as Schedule 2.7, as may be further amended by Buyer and Seller after Closing, which Purchase Price Allocation Statement includes, *inter alia*, the allocation of the Purchase Price to payment of respective Cure Costs.

2.8 Closing Deliveries.

(a) At the Closing, Sellers shall: (i) execute and deliver to Buyer or Buyer's designee (as specified by Buyer) a special warranty deed, together with all other easements, rights of way, licenses and such other bills of sale, assignments, instruments of conveyance and documents as may be necessary to convey to Buyer or Buyer's designee all right, title and interest in and to the Acquired Assets, free and clear under 11 U.S.C. §§ 105(a) and 363(f) of any Liabilities, other than the Assumed Liabilities, and Liens, other than the Permitted Liens; and (ii) perform its obligations under this Agreement to be performed at or before the Closing.

(b) At the Closing, Buyer shall pay the amounts set forth in Section 2.7(a) and as allocated in the Purchase Price Allocation Statement subject to any deductions made pursuant to

this Agreement, including application of the Bid Deposit and interest earned thereon, by wire transfer in immediately available funds for distribution in accordance with the provisions of the Sale Order. It is contemplated that all such payments by Buyer shall be by separate wire transfers to the appropriate parties as shall be set forth in the Sale Order. Without affecting any specific purchase price deductions or allocations otherwise set forth in this Agreement, all payments required under the Bankruptcy Code to satisfy any Liens upon the Acquired Assets, other than the Permitted Liens, shall be paid and deducted from the portion of the Purchase Price paid at Closing.

(c) At the Closing, the parties shall execute and deliver the Transition Services Agreement and such other documents and instruments as may be reasonably necessary for Sellers to convey the Acquired Assets to Buyer (or Buyer's designee) and for Buyer (or Buyer's designee) to assume the Assumed Liabilities including delivery of corporate resolutions authorizing the execution of this Agreement and performance of their respective obligations herein.

(d) At the Closing, Buyer shall, with Buyer's own funds, replace with the holder thereof all Deposits in sums sufficient to cause the existing Deposits to be returned to Sellers.

(e) Subject to Section 5.6, Buyer shall deliver at Closing evidence of replacement of or arrangements for the replacement of all Existing Financial Assurances satisfactory to Sellers and other affected parties.

(f) Buyer reserves the right to deliver an amended Schedule 2.1(f) to Sellers prior to Closing.

2.9 Proration of Liabilities. Sellers and Buyer shall cooperate with each other to provide for payments due with respect to the Assumed Liabilities during the payment period in which the Closing occurs with all such Assumed Liabilities prorated as of the Closing Date, if applicable.

2.10 Additional Documents. At the Closing, Sellers and Buyer shall execute and deliver all such other documents or instruments necessary or appropriate to effect the transactions contemplated by this Agreement (the "Additional Documents").

2.11 Tax Allocation. The Purchase Price (to the extent it constitutes part of the amount realized for federal income Tax purposes) shall be allocated among the Acquired Assets in accordance with an allocation schedule (the "Tax Allocation Schedule") to be prepared by Buyer. The Tax Allocation Schedule shall be final and binding on Buyer and Sellers and shall provide the basis for Buyer and Sellers to complete IRS Form 8594. The allocation to the Acquired Assets is intended to comply with the requirements of Section 1060 of the Tax Code. The parties shall cooperate to comply with all substantive and procedural requirements of Section 1060 of the Tax Code, and the Tax Allocation Schedule shall be adjusted only if and to the extent necessary to comply with such requirements of Section 1060 of the Tax Code. Buyer and Sellers agree that they will not take nor will they permit any of their respective Affiliates to take, for income Tax purposes, any position inconsistent with the Tax Allocation Schedule; provided, however, that (i) Buyer's cost for the Acquired Assets may differ from the total amount allocated hereunder to reflect the inclusion in the total cost of items (for example, capitalized acquisition costs) not included in the total amount so allocated and (ii) the amount realized by Sellers may differ from



the total amount allocated hereunder to reflect transaction costs that reduce the amount realized for federal income Tax purposes.

2.12 Closing. Unless otherwise agreed by the parties, the Closing shall occur as soon as reasonably possible after the Sale Order is entered, but in no event later than May 31, 2019, unless a later date is provided for in the Sale Order (the “Closing Date”). The transactions contemplated hereby shall take place pursuant to, and in accordance with, the protections afforded Buyer under Section 363(m) of the Bankruptcy Code and the Sale Order and pursuant to the terms and conditions hereof.

### ARTICLE III

#### **REPRESENTATIONS AND WARRANTIES OF SELLERS REGARDING THE TRANSACTION**

For the purpose of inducing Buyer to enter into and perform this Agreement, Sellers represent and warrant to Buyer that the statements contained in this Article III are correct and complete as of the date of this Agreement and will be true and correct as of the Closing.

3.1 Organization of Sellers. Seller Piney Woods is a corporation duly organized and validly existing under the Laws of the State of Delaware. Seller Jesse Creek is a limited liability company duly organized and validly existing under the Laws of the State of Delaware. Subject to the Bankruptcy Code and orders of the Bankruptcy Court, Sellers have the power and authority to conduct its business as it is now being conducted and to own or use the Acquired Assets and other properties it purports to own.

3.2 Authorization of Transaction. Subject to the Bankruptcy Code, orders of the Bankruptcy Court, and the Bankruptcy Court’s entry of the Sale Order, (i) Sellers have full corporate or limited liability company power and authority to execute, deliver and perform their respective obligations under this Agreement, the Additional Documents, and each other agreement, document or instrument to which it is a party in connection with this Agreement, (ii) each Seller’s execution, delivery and performance of this Agreement, the Additional Documents, and all other agreements, documents and instruments to which it is a party in connection with this Agreement and the transactions contemplated hereby or thereby have been duly authorized by all requisite corporate or limited liability company action on the part of Seller, and (iii) this Agreement, the Additional Documents, and all other agreements, documents or instruments executed and delivered by each Seller in connection with this Agreement have been duly executed and delivered by such Seller and constitute the legal, valid and binding obligation of Sellers, enforceable against Sellers in accordance with their respective terms and conditions. Except for such filings and approvals as are required for transfer of the Transferred Permits, no notices to, filings with, authorizations, consents, or approvals of any Governmental Authorities or any other third party or Person are required to be made or obtained in order to consummate the transactions contemplated by this Agreement, the Additional Documents, or by any other agreements, documents or instruments to be executed and delivered in connection with this Agreement.

3.3 Noncontravention. Subject to the Bankruptcy Code, orders of the Bankruptcy Court and the Bankruptcy Court’s entry of the Sale Order, to the knowledge of Sellers, neither the

execution, delivery or performance of this Agreement and the Additional Documents by Sellers nor the execution, delivery or performance by Sellers of each other agreement, document or instrument to which it is a party executed in connection with this Agreement or delivered pursuant to this Agreement, nor the consummation of the transactions contemplated hereby or thereby, will (i) violate any Law to which Sellers or any of its assets are subject or any provision of the Sellers' Organizational Documents, (ii) contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Authority the right to revoke, withdraw, suspend, cancel or terminate any material authorization or permit issued by a Governmental Authority that is held by a Seller or that otherwise relates to the Acquired Assets, (iii) give any Governmental Authority or other Person the right to challenge any portion of the transactions contemplated under this Agreement or exercise any remedy or obtain any relief that is material to the Acquired Assets under any Law to which Sellers are subject, or (iv) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, cancel or exercise any remedy or loss of rights, or result in the creation of any Lien, or require any notice (in all such cases with or without the giving of notice and/or the passage of time) under any material contract, lease, agreement, document, instrument or other arrangement to which a Seller is a party or by which it is bound or to which any of its assets are subject.

3.4 Brokers' Fees. Sellers have no Liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Buyer could become liable or obligated.

#### **ARTICLE IV**

#### **REPRESENTATIONS AND WARRANTIES OF BUYER REGARDING THE TRANSACTION**

For the purpose of inducing Sellers to enter into and perform this Agreement, Buyer represents and warrants to Sellers that the statements contained in this Article IV are correct and complete as of the date of this Agreement and will be true and correct as of the Closing.

4.1 Organization. Buyer is a limited liability company duly organized, validly existing, and in good standing under the Laws of the State of Delaware.

4.2 Authorization of Transaction. Buyer has full corporate power and authority to execute, deliver and perform its obligations under this Agreement, the Additional Documents, and each other agreement, document or instrument to which it is a party in connection with this Agreement. Buyer's execution, delivery and performance of this Agreement, the Additional Documents, and all other agreements, documents and instruments in connection with this Agreement and the transactions contemplated under this Agreement have been duly authorized by all requisite company action on the part of Buyer. This Agreement, the Additional Documents, and all other agreements, documents or instruments executed and delivered by Buyer in connection with this Agreement have been duly executed and delivered by Buyer. This Agreement and all other agreements, documents or instruments executed and delivered by Buyer pursuant to this Agreement constitute the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms and conditions.

4.3 Noncontravention. Neither the execution, delivery or performance of this Agreement by Buyer nor the execution, delivery or performance by Buyer of each other agreement or instrument to which it is a party executed in connection with this Agreement or delivered pursuant to this Agreement, nor the consummation of the transactions contemplated hereby or thereby, will (i) violate any Law to which Buyer or any of its assets is subject or any provision of its Organizational Documents, (ii) contravene, conflict with or result in a material violation of any of the terms or requirements of, or give any Governmental Authority the right to revoke, withdraw, suspend, cancel or terminate any material authorization or permit issued by a Governmental Authority that is held by Buyer, (iii) give any Governmental Authority or other Person the right to challenge any material portion of the transactions contemplated under this Agreement or exercise any material remedy or obtain any relief under any Law to which Buyer is subject, or (iv) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel or exercise any material remedy or loss of rights, or result in the creation of any Lien, or require any notice (in all such cases with or without the giving of notice and/or the passage of time) under any material agreement, contract, lease, license, instrument, or other arrangement to which Buyer is a party or by which it is bound or to which any of its assets is subject.

4.4 Governmental Authorization. The execution, delivery and performance by Buyer of this Agreement and each of the Additional Documents and the consummation of the transactions contemplated hereby and thereby require no material action by or in respect of, or material filing with, any Governmental Authority other than (i) the Bankruptcy Court and (ii) the transfer or reissuance of the Transferred Permits as contemplated by Section 5.6.

4.5 Adequate Assurances Regarding Assumed Contracts. As of the Closing, Buyer will be capable of satisfying the conditions contained in Sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code with respect to the Assumed Contracts.

4.6 Financing. Buyer has sufficient cash, available lines of credit or other sources of immediately available funds to enable it to consummate the transactions contemplated by this Agreement, including without limitation to pay the Purchase Price and to replace all Existing Financial Assurances for the Transferred Permits.

4.7 Litigation. There is no action, suit, investigation or proceeding pending against, or to the knowledge of Buyer threatened against or affecting, Buyer before any arbitrator or any Governmental Authority which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

4.8 Brokers' Fees. Buyer has no Liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement for which Sellers could become liable or obligated.

4.9 Assurances Regarding Permits. Neither Buyer nor any person or entity that, together with any Affiliates of Buyer, owns ten percent (10%) or more of the equity interests of Buyer has been subject to any bond forfeiture, permit suspension, or revocation or similar effort, or any proceeding instituted by any Governmental Authority that would prohibit or materially adversely affect the transfer of the Transferred Permits to Buyer. Neither Buyer nor any person or

entity “owned or controlled” by Buyer or any of their respective Affiliates, has been notified by the Federal Office of Surface Mining or the agency of any state administering the Surface Mining Control and Reclamation Act of 1977, as amended (or any comparable state statute), that it is currently (a) ineligible to receive additional surface mining permits, or (b) under investigation to determine whether its eligibility to receive such permits should be revoked, i.e., “permit blocked.” As used in this Section 4.9, “owned or controlled” shall be defined as set forth in 30 C.F.R. Section 773.5, and “proceeding” shall mean any action, suit, proceeding, arbitration, investigation, or audit, whether or not by any Governmental Authority. Buyer is and as of the Closing will be capable of taking transfer of, or obtaining replacement or overlapping permits for, the Transferred Permits and will not have been denied any application for any mining license, permit or other governmental authorization by any Governmental Authority due to application of the Applicant Violator System established pursuant to the federal Surface Mining Control and Reclamation Act of 1977, as amended (or any applicable state equivalent system).

4.10 Inspections; No Other Representations. Buyer is an informed and sophisticated purchaser, and has had the opportunity to engage expert advisors, experienced in the evaluation and purchase of property and assets such as the Acquired Assets as contemplated hereunder. Buyer has undertaken such investigation and has been provided with and has evaluated such documents and information as it has deemed necessary to enable it to make an informed and intelligent decision with respect to the execution, delivery and performance of this Agreement. Buyer acknowledges that the Sellers have given Buyer complete and open access to the key employees, documents and facilities of the Purchased Business. Buyer will undertake prior to Closing such further investigation and request such additional documents and information as it deems necessary. Buyer acknowledges and agrees that the Purchased Assets are sold “as is” and Buyer agrees to accept the Acquired Assets and the Purchased Business in the condition they are in on the Closing Date based on its own inspection, examination and determination with respect to all matters, and without reliance upon any express or implied representations or warranties of any nature made by or on behalf of or imputed to the Sellers, except as expressly set forth in this Agreement. SELLERS MAKE NO WARRANTIES OF, AND BUYER EXPRESSLY DISCLAIMS, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ANY OF THE ACQUIRED ASSETS. Further, without limiting the generality of any of the foregoing set forth in this Section 4.10, Buyer acknowledges that the Sellers make no representation or warranty with respect to (i) any projections, estimates or budgets delivered to or made available to Buyer of future revenues, future results of operations (or any component thereof), future cash flows or future financial condition (or any component thereof) of the Purchased Business or the future business and operations of the Purchased Business or (ii) any other information or documents made available to Buyer or its counsel, accountants or advisors with respect to the Purchased Business, except as expressly set forth in this Agreement.

## **ARTICLE V**

### **COVENANTS OF THE PARTIES**

5.1 Cooperation. On the terms and subject to the conditions in this Agreement, Sellers agree to use commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper and advisable under applicable Law, to consummate and make effective the transactions contemplated by this Agreement. In case at any

time after the Closing Date any further action is necessary or desirable to carry out the purposes of this Agreement, Sellers and Buyer will execute any additional instruments reasonably necessary to consummate the transactions contemplated hereby.

5.2 Notices and Consents. Sellers will use commercially reasonable efforts to obtain the consents of all Governmental Authorities and other Persons necessary to the consummation of the transactions contemplated by this Agreement. Sellers shall have responsibility for providing any notices to third parties that may be required by the transactions contemplated by this Agreement and for obtaining, or causing to be obtained, at its sole cost and expense, all consents that may be required.

5.3 Further Assurances. The parties shall cooperate in a commercially reasonable manner with each other and with their respective representatives in connection with any steps required to be taken as part of their respective obligations under this Agreement, and shall (a) furnish upon request to each other such further information; (b) execute and deliver to each other such other documents; and (c) do such other acts and things, all as the other party may reasonably request for the purpose of carrying out the intent of this Agreement and the transactions contemplated hereby.

5.4 Certain Filings. The Sellers and Buyer shall cooperate with one another (i) in determining whether any action by or in respect of, or filing with, any Governmental Authority is required, or any actions, consents, approvals or waivers are required to be obtained from parties to any material contracts, in connection with the consummation of the transactions contemplated by this Agreement and (ii) in taking such actions or making any such filings, furnishing information required in connection therewith and seeking timely to obtain any such actions, consents, approvals or waivers.

5.5 Removal of Excluded Assets. For nine (9) months following the Closing, the Sellers shall retain the right to segregate and remove from the Acquired Real Property all Excluded Assets. Such removal shall be at Sellers or its successors' sole cost and expense and shall be undertaken in a manner so as not to unreasonably interfere with Buyer's operations on the Acquired Real Property. During such nine (9) month period Buyer shall permit any Excluded Assets to remain at a location that is mutually agreed to by Buyer and the Sellers on the Acquired Real Property and cooperate with the reasonable requests of the Sellers and their representatives in connection with the movement and/or sale of any equipment comprising the Excluded Assets; *provided* that such cooperation shall not unreasonably interfere with Buyer's operations on the Acquired Real Property.

5.6 Permit and Surety Bond Matters.

(a) Upon execution of this Agreement and at the Closing, Buyer shall provide the Sellers with evidence reasonably satisfactory to the Sellers and other affected parties that Buyer has the financial resources to replace the Existing Financial Assurances for the Transferred Permits in the amounts set forth on Schedule 5.6(a) hereto, or such other amounts as may be required by any applicable Governmental Authority. Such financial assurances shall include, among other things, indemnity undertakings in favor of third-parties who are currently providing credit support for Existing Financial Assurances, which indemnity undertakings must be reasonably satisfactory

to such party providing the credit support. Within 5 Business Days after the Closing Date, Buyer shall file the appropriate documentation with the applicable Governmental Authorities to transfer the Transferred Permits to Buyer, including but not limited to, all required financial assurances, and thereafter, Buyer shall take, or cause to be taken, all actions and do, or cause to be done, all things necessary or desirable under applicable Law to have transferred to Buyer as promptly as reasonably possible after the Closing the Transferred Permits and to obtain the release of the Existing Financial Assurances. The Sellers agree to provide reasonable assistance to support Buyer's efforts to accomplish such transfers as soon as possible after Closing. Buyer and the Sellers shall cooperate with one another to allow Buyer, to the extent permitted by and in accordance with Applicable Law and at Buyer's sole cost and expense, to operate pursuant to the Transferred Permits from and after the Closing as the designated operator until such time as such Transferred Permits are transferred to Buyer (the "Interim Period"). For illustration purposes only, Buyer and the Sellers might arrange for the Sellers during the Interim Period to retain one or more Transferred Permits, maintain any associated Existing Financial Assurances, subject to the consent of the issuer of the Existing Financial Assurances, and designate Buyer as the operator such that Buyer is authorized to conduct mining activities under the relevant Transferred Permits. From and after the Closing Date, Buyer shall pay the premiums for the Existing Financial Assurances (and all fees, costs and expenses of the letters of credit collateralizing such Existing Financial Assurances) until replaced as well as providing any third-party providing credit support for the Existing Financial Assurances an indemnity undertaking with respect to any credit support obligations of such third-party. All other costs and expenses of the actions taken and other matters contemplated by this Section 5.6 shall be paid by Buyer.

(b) During the Interim Period, Buyer shall satisfy, perform and undertake all liabilities, obligations, responsibilities and requirements relating to such Transferred Permits and mining activities conducted thereunder and agrees that any Environmental Liabilities relating to the Transferred Permit and all liabilities arising out of or in connection with any act, omission or circumstance occurring or existing during the Interim Period constitute Assumed Liabilities pursuant to Section 2.3. If any of the Sellers receives notice of a violation under a Transferred Permit prior to its transfer or reissuance to Buyer, then the Sellers agree to give Buyer reasonably prompt notice of such violation. If the Sellers reasonably determine that Buyer will not cause such violation to be cured in a timely fashion, then the Sellers and their Affiliates shall have all rights necessary to cure, or cause to be cured, such violation themselves and be promptly reimbursed by Buyer for the reasonable costs of curing such violation.

(c) Buyer hereby waives any claim, if any, it may have against Sellers with respect to a Transferred Permit, effective as of the time that the transfer of such Transferred Permit is approved by the applicable Governmental Authority(ies).

## ARTICLE VI

### **CONDITIONS PRECEDENT TO PERFORMANCE BY PARTIES**

6.1 Conditions Precedent to Performance by Sellers and Buyer. The parties' obligations to consummate the transactions contemplated by this Agreement are subject to the satisfaction at or prior to the Closing of each of the following conditions:

(a) All consents, approvals and actions of, filings with and notices to any Governmental Authority or other Person necessary to permit Sellers to perform their obligations under this Agreement and to consummate the transactions contemplated hereby, other than such filings, consents, notices or approvals which, if not made or obtained before the Closing, would not reasonably be expected, individually or in the aggregate, to result in a material Liability to Sellers, taken as a whole, after the Closing (i) shall have been duly obtained, made or given, (ii) shall be in form and substance reasonably satisfactory to Sellers, (iii) shall not be subject to the satisfaction of any condition that has not been satisfied or waived, and (iv) shall be in full force and effect, and all termination or expiration or waiting periods imposed by any Governmental Authority necessary for consummation of the transactions contemplated by this Agreement, shall have occurred.

(b) All consents, approvals and actions of, filings with and notices to any Governmental Authority or other Person necessary to permit Buyer to perform its obligations under this Agreement and to consummate the transactions contemplated hereby, other than such filings, consents, notices or approvals which are not required under any Law to be made or obtained on or before the Closing or, if not made or obtained before the Closing, would not reasonably be expected to (i) materially adversely affect Buyer's use or operation of the Acquired Assets, taken as a whole, after the Closing, or (ii) result in a Material Adverse Effect, shall have been duly obtained, made or given, shall be in form and substance reasonably satisfactory to Buyer, shall not be subject to the satisfaction of any condition that has not been satisfied or waived, and shall be in full force and effect, and all terminations or expiration of waiting periods imposed by any Governmental Authority necessary for the consummation of the transactions contemplated by this Agreement shall have occurred.

(c) Between the execution hereof and the Closing Date, except as specifically disclosed on the schedules to this Agreement, there shall not have occurred any Material Adverse Effect, or any event or development which, individually or together with such other events, could reasonably be expected to result in a Material Adverse Effect.

(d) On or before May 30, 2019, the Bankruptcy Court shall have entered the Sale Order, which shall confirm the terms and conditions set forth in this Agreement and shall approve the consummation of the transactions contemplated herein; and which shall provide that, other than the Permitted Liens and the Assumed Liabilities, the Acquired Assets shall be transferred to Buyer free and clear of all Liens and Liabilities, including (and without limitation of the definition of the terms Liens and Liabilities as set forth herein) free and clear of all Liens and Liabilities relating to (i) any pension, welfare, compensation or other Employee Benefit Plans, agreements, practices and programs, including any pension plan of a Seller; (ii) any fines, assessments or penalties resulting from a Seller's violations under any permits; (iii) any demands or claims by creditors of, or claimants against, a Seller; (iv) any Person claiming through, by or on behalf of a Seller, whether such claim, demand, lien or interest be direct or indirect, known or unknown, or claiming that Buyer is a successor, successor-in-interest or pursuant to any other theory; (v) any interests of shareholders of a Seller or other interests in a Seller; and (vi) Taxes, Mining Environmental Liabilities, Successor Liabilities, Black Lung Liabilities and Workers' Compensation Liabilities.

(e) There shall not be outstanding any order prohibiting the consummation of the transactions contemplated by this Agreement, and no action shall have been commenced that could reasonably be expected to prohibit the consummation of the transactions contemplated hereby and thereby.

(f) All representations and warranties made by the other party under this Agreement shall be true and correct in all material respects on the date of Closing, and a certificate of same shall be provided to such other party.

(g) The Sale Order shall have been entered and shall not be subject to a stay pending appeal.

(h) All documents to be executed and delivered at Closing shall have been executed by the appropriate party and delivered to the other party in recordable form, as applicable.

(i) Sellers and Buyer shall have satisfied their obligations under Section 5.6 of this Agreement.

(j) Neither this Agreement, nor any documents executed and delivered at Closing, shall be rejected by a Seller in the Bankruptcy Case.

## **ARTICLE VII**

### **TERMINATION**

7.1 Survival. The representations or warranties of Sellers set forth in this Agreement or in any other agreement or certificate executed in connection with, or delivered pursuant to, this Agreement, and the right of Buyer to recover for Adverse Consequences resulting from a breach of any such representation or warranty, shall not survive the Closing. The representations or warranties of Buyer set forth in this Agreement or in any other agreement or certificate executed in connection with, or delivered pursuant to, this Agreement, and the right of Sellers to recover for Adverse Consequences resulting from a breach of any such representation or warranty, shall survive the Closing for a period of one (1) year. To the extent that any covenant in this Agreement is to be performed prior to or at the Closing, such covenant and a party's right to recover for Adverse Consequences resulting from a breach of such covenant shall not survive the Closing. To the extent that any covenant in this Agreement is to be performed after the Closing, such covenant and a party's right to recover for Adverse Consequences resulting from a breach of such covenant shall survive the Closing without any limitation other than any applicable statutes of limitation as may apply to the specific breach of such covenant.

7.2 Termination. This Agreement may be terminated:

(a) By mutual consent of Buyer and Sellers;

(b) By Buyer, upon entry of an Order of the Bankruptcy Court approving or allowing any transaction (or series of transactions) involving the transfer of the Acquired Assets or a material portion thereof to a purchaser or purchasers other than Buyer or effecting any other



transaction the consummation of which would be substantially inconsistent with the transactions herein contemplated (an “Alternative Transaction”);

(c) by either the Sellers or Buyer if the Closing shall not have been consummated on or before May 31, 2019 (the “End Date”); provided, however, that at the time of such termination, the party seeking to terminate shall not be in material breach of its obligations under this Agreement, including its obligation to consummate the Closing on the terms and subject to the conditions set forth herein;

(d) by either the Sellers or Buyer if consummation of the transactions contemplated hereby would violate any non-appealable final order, decree or judgment of any Governmental Authority having competent jurisdiction;

(e) by the Sellers if (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Buyer set forth in this Agreement shall have occurred that would cause any of the conditions set forth in Section 6.1 not to be satisfied and (ii) such condition is incapable of being cured or, if curable, is not cured by Buyer by the earlier of (A) within 5 Business Days after the giving of written notice of such breach or failure and (B) the End Date; *provided*, that at the time of such termination, the Sellers shall not be in material breach of its obligations under this Agreement;

(f) by Buyer if (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Sellers set forth in this Agreement shall have occurred that would cause any of the conditions set forth in Section 6.1 not to be satisfied and (ii) such condition is incapable of being cured or, if curable, is not cured by the Sellers by the earlier of (A) within 5 Business Days after the giving of written notice of such breach or failure and (B) the End Date; *provided*, that at the time of such termination, Buyer shall not be in material breach of its obligations under this Agreement; or

(g) (i) by the Sellers if any Seller enters into a definitive agreement with respect to an Alternative Transaction or (ii) automatically if an Alternative Transaction is consummated.

The party electing to terminate this Agreement pursuant to this Section 7.2 shall give notice of such termination to the other party.

### 7.3 Effect of Termination; Remedies.

(a) In the event of a termination pursuant to Section 7.2, this Agreement shall become null and void and have no effect (except that Article VII and any other provisions that expressly survive termination shall survive termination); provided, however, that any such termination shall be without prejudice to the rights of any party hereto arising out of the material and willful breach by any other party of any covenant or agreement contained in this Agreement.

(b) If this Agreement is terminated by Sellers pursuant to Section 7.2(e), Buyer shall pay to Sellers or as otherwise directed by the Bankruptcy Court, the Bid Deposit, which is intended as liquidated damages, is intended to be in full satisfaction of all Sellers’ claims against Buyer under this Agreement, and is not and is not intended to be a penalty. Thereupon, this

Agreement shall be null and void, and Buyer shall have no further liabilities whatsoever to Sellers or any of their Affiliates.

(c) If this Agreement is terminated for any reason and the Buyer is not in breach or default hereof, Buyer shall be entitled to the prompt return of the Bid Deposit.

## **ARTICLE VIII**

### **CERTAIN TAX MATTERS**

8.1 Property Taxes. Property Taxes with respect to the Acquired Assets will be pro-rated for the current tax year as of the Closing Date. Sellers' pro-rata share shall be deducted from the Purchase Price, and Buyer shall pay the property Taxes when they become due. If property tax tickets are not available for the current tax year as of the Closing Date, Sellers' pro-rata share shall be based upon the tax amounts set forth in the prior calendar year's property tax tickets. Property Taxes due for prior tax years shall be paid by Sellers on or before Closing. Property Taxes due for subsequent tax years shall be paid by Buyer.

8.2 Transfer Taxes and Recording Fees.

(a) All Transfer Taxes arising in connection with the transactions contemplated hereunder shall be borne by Buyer.

(b) All recording fees for the recordation of deeds, assignments, lien releases and other public recordings necessary to effectuate the transfer of the Acquired Assets and other performance under this Agreement shall be borne by Buyer.

(c) On or before the Closing Date, the Sellers shall deliver to Buyer a certification that the Sellers are not foreign persons in accordance with Section 1445 of the Internal Revenue Code of 1986, as amended.

## **ARTICLE IX**

### **COVENANTS REGARDING EMPLOYEES**

9.1 Idled Operations. As of the Commencement Date, Sellers' operations have been idled and terminated and Sellers have otherwise provided for Employees working or employed at the Acquired Assets. Except as otherwise provided in the Transition Services Agreement, the Acquired Assets shall be acquired by Buyer in such idle condition without Employees or the obligations for such Employees or for continued employment of the same.

9.2 Employee Liabilities. As between the Buyer and Sellers, Sellers shall retain any and all Liability to and with respect to Employees, working or employed, and former Employees, who worked or who were employed, at the Acquired Assets prior to Closing arising out of such Employees' employment with and/or layoff by Sellers, including, without limitation, all obligations, claims, and benefits, if any and to the extent applicable, under ERISA, the Federal Mine Safety and Health Act of 1977, as amended, and Workers' Compensation Liabilities, Black

Lung Liabilities, Successor Liabilities, and other federal, state and local Laws and regulations, and any Employee Benefit Plans.

9.3 Employment Offers. Some or all of Sellers' Employees, if any, or former Employees, may, in Buyer's sole discretion, be offered employment by Buyer or an appropriate Affiliate of Buyer on the Closing Date on terms and conditions determined by Buyer, in its sole discretion; provided that Buyer is under no obligation to make any offers of employment whatsoever and Buyer or its Affiliate shall not have any obligation to employ any such Employee for any length of time or at all, or to offer employment to any individual on other than an employee-at-will basis, meaning that the individual can quit or be terminated for any reason and at any time.

9.4 Information. From time to time after the Closing Date, Sellers and Buyer may require information with respect to current or former Employees. Without intending to limit the obligations of the parties in the exchange of information with respect to any other matter, Sellers and Buyer agree to furnish such information to the other, if available, promptly after receipt of a written request therefor.

9.5 Employee Benefits. To the extent that any of Sellers' Employees are hired by Buyer or its Affiliates and become eligible to participate in any Employee Benefit Plans or programs of Buyer or any of its Affiliates on or after the Closing Date, then for all purposes (including, without limitation, determining eligibility to participate, vesting, and early retirement and benefit accrual), service with Sellers shall not be treated as service under such Employee Benefit Plans or programs. In addition, participation by and coverage of the Employees and their eligible dependents in all such Employee Benefit Plans and programs shall be subject to any pre-existing conditions, actively-at-work exclusions and waiting periods provisions of such plans.

## ARTICLE X

### MISCELLANEOUS

10.1 Entire Agreement. This Agreement, the Additional Documents, and any other documents referred to in this Agreement or to be delivered pursuant to this Agreement and any other agreement entered into contemporaneously with this Agreement among Sellers and Buyer (collectively, the "Transaction Documents") constitute the entire agreement among the parties pertaining to the subject matter of this Agreement, and supersede all prior agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements among the parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement or therein. The Transaction Documents are integral, interdependent and non-severable.

10.2 Amendment. This Agreement may be amended by an instrument in writing and signed on behalf of all of the parties to this Agreement at any time.

10.3 Extension; Waiver. At any time prior to the Closing Date, the parties may (i) extend the time for the performance of any of the obligations or other acts of the other parties to this Agreement, (ii) waive any inaccuracies in the representations and warranties contained in this Agreement or in any document, certificate or writing delivered pursuant to this Agreement or (iii)

waive compliance with any of the agreements or conditions contained in this Agreement. Any agreement on the part of any party to any such extension or waiver shall be valid only if set forth in an instrument in writing and signed on behalf of such party. The failure of any party to enforce any right arising under this Agreement on one or more occasions will not operate as a waiver of that or any other right on that or any other occasion.

10.4 Expenses. Except as otherwise set forth in this Agreement, each of the parties to this Agreement shall pay the fees and expenses of their respective counsel, investment bankers, financial advisors, accountants and other experts and the other expenses incident to the negotiation and preparation of this Agreement and consummation of the transactions contemplated hereby, whether or not the transactions contemplated by this Agreement are consummated.

10.5 Governing Law. This Agreement shall be construed and interpreted according to the Laws of the State of Alabama, without regard to the conflicts of law rules thereof.

10.6 Assignment. This Agreement and each party's respective rights hereunder may not be assigned at any time except as expressly set forth in this Agreement without the prior written consent of the other party, provided that Buyer may assign any or all of its rights and obligations, under this Agreement to any one or more Affiliates of Buyer, or a joint venture in which Buyer has a majority ownership interest, prior to, at or after the Closing Date without the consent of Sellers and, further provided, that nothing in this Agreement shall prevent a successor-in-interest to either party from enforcing the provisions of this Agreement. Any assignment by Buyer as permitted above shall not, however, relieve Buyer from any obligations set forth in this Agreement. This Agreement shall be binding upon any Trustee or other representative of the debtors or their creditors appointed in the Bankruptcy Case to the extent that it is binding on Sellers.

10.7 Notices. All communications, notices and disclosures required or permitted by this Agreement shall be in writing and shall be deemed to have been given on date of delivery when delivered personally, by electronic mail, by messenger, by overnight delivery service or by facsimile; or within five days of being mailed by registered or certified United States mail, postage prepaid, return receipt requested, in all cases addressed to the person for whom it is intended at his address set forth below or to such other address as a party shall have designated by notice in writing to the other party in the manner provided by this Section 10.7:

If to Sellers: Mary Elisabeth Naumann, Esq.  
Jackson Kelly PLLC  
175 East Main Street, Suite 500  
P.O. Box 2150  
Lexington, Kentucky 40588-9945  
Telephone: (859) 255-9500  
Facsimile: (859) 252-0688  
Email: [mnaumann@jacksonkelly.com](mailto:mnaumann@jacksonkelly.com)

with copy to: Charles A. Compton, Esq.  
Jackson Kelly PLLC  
221 N.W. Fifth Street  
P.O. Box 1507

Evansville, Indiana 47708  
Telephone: (812) 422-9444  
Facsimile: (812) 421-7459  
Email: charles.compton@jacksonkelly.com

If to Buyer: Coalmont Resources LLC  
Attn.: Brett Beatty, President  
1400 Sixteenth Street  
Suite 200  
Denver, Colorado 80202  
Telephone: (720) 346-4444  
Facsimile: (720) 946-1450  
Email: bbeatty@rcflp.com

with copy to: Davis Graham & Stubbs LLP  
Attn.: Joel Benson, Esq.  
1550 Seventeenth Street  
Suite 500  
Denver, Colorado 80202  
Telephone: (303) 892-9400  
Facsimile: (303) 893-1379  
Email: joel.benson@dgsllaw.com

10.8 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same Agreement and shall become effective when one or more counterparts have been signed by each of the parties hereto. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or e-mail transmission shall be effective as delivery of a manually executed counterpart. Any party so executing this Agreement by facsimile or e-mail transmission shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by facsimile or e-mail transmission.

10.9 Headings. The Article and Section headings in this Agreement are inserted for convenience of reference only and shall not constitute a part of this Agreement.

10.10 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

10.11 No Reliance or Third-Party Beneficiaries. No third party is entitled to rely on any of the representations, warranties and agreements contained in this Agreement, and Seller and Buyer assume no Liability to any third party because of any reliance on the representations, warranties and agreements of Sellers and Buyer contained in this Agreement. This Agreement shall not confer any rights or remedies upon any Person other than the parties and their respective successors and permitted assigns.

10.12 Attorneys' Fees. In the event of any action or suit based upon or arising out of any alleged breach by any party of any representation, warranty, covenant or agreement contained in this Agreement, the prevailing party will be entitled to recover reasonable attorneys' fees and other costs of such action or suit from the other party.

10.13 Further Actions. The parties will execute and deliver, from time to time at or after the Closing, for no additional consideration and at no additional cost to the requesting party, such further assignments, certificates, instruments, records, or other documents, assurances or things as may be reasonably necessary to give full effect to this Agreement and to allow each party fully to enjoy and exercise the rights accorded and acquired by it under this Agreement.

10.14 Time. Time is of the essence under this Agreement. If the last day permitted for the giving of any notice or the performance of any act required or permitted under this Agreement falls on a day which is not a Business Day, the time for the giving of such notice or the performance of such act will be extended to the next succeeding Business Day.

10.15 Certain Damages. Except as prohibited by Law, each party hereby waives any right to assert punitive, lost profits, exemplary, special or consequential damages, or any damages other than, or in addition to, actual damages, against any other party in connection with the transactions contemplated in this Agreement.

10.16 Agreement Subject to Bankruptcy Court Approval. This Agreement is binding on the parties and their successors, including any bankruptcy trustee, subject only to entry of an order of the Bankruptcy Court approving it.

10.17 Waiver of Jury Trial. Subject to the terms thereof, each of the parties hereto irrevocably waives any and all rights each such party may have to a trial by jury in any action, proceeding or claim of any nature relating to this Agreement, any documents executed in connection with this Agreement, or any transaction contemplated herein. Each of the parties hereto waives any right of special, consequential and punitive damages with respect to any breach of this Agreement or arising out of the performance or non-performance of this Agreement. Each of the parties acknowledges that the foregoing waivers are knowing and voluntary.

[Reminder of Page Intentionally Left Blank,  
Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Asset Purchase Agreement to be duly executed as of the date first above written.

**BUYER:**

**COALMONT RESOURCES LLC**

By: Resource Capital Fund VI L.P., its Managing Member

By: Resource Capital Associates VI L.P., its General Partner

By: RCA VI GP Ltd., its General Partner

By: \_\_\_\_\_

Name: Mason Hills

Title: General Counsel

**SELLERS:**

**PINEY WOODS RESOURCES, INC.**, as debtor and debtor-in-possession

By: \_\_\_\_\_  
[name][title]

**JESSE CREEK MINING, LLC**, as debtor and debtor-in-possession

By: \_\_\_\_\_  
[name][title]

**Schedule 2.1(a)**

**Owned Real Property**

**Parcel 1:**

Address: 3400 County Road 260  
Montevallo, AL

A tract of land, situated in the Northeast quarter and also in the East half of the Northwest quarter of Section 22, Township 21 South, Range 4 West, Shelby County, Alabama more particularly described as follows:

Commence at the Northeast corner of Section 22, Township 21 South, Range 4 West; thence run Westerly along a straight line which is the North line of said Section 22, 1457.97 feet; thence turn left 90 degrees 00 minutes 19 seconds and run Southerly along a straight line 730.86 feet to the point of beginning; thence turn left 55 degrees 21 minutes 55 seconds and run Southeasterly along a straight line 199.96 feet; thence turn right 9 degrees 05 minutes 07 seconds and run Southeasterly along a straight line 190.73 feet to the centerline of a road; thence turn right 81 degrees 40 minutes 50 seconds and run Southwesterly along a straight line and along the centerline of said road 336.14 feet to the beginning of the arc of a curve tangent to straight line, said arc turning to the left, having a radius of 269.77 feet and being subtended by central angle of 43 degrees 09 minutes 15 seconds; thence in a Southwesterly direction along said arc which is the centerline of said road 203.19 feet; thence in a Southerly direction along said centerline and along a straight line tangent to said arc 94.79 feet to the beginning of the arc of a curve tangent to said straight line, said arc turning to the right, having a radius of 552.51 feet and being subtended by a central angle of 58 degrees 56 minutes 00 seconds; thence in a Southwesterly direction along said arc which is the centerline of said road 56830 feet; thence in a Southwesterly direction along said road and along a straight line tangent to said arc 160.32 feet; thence turn right 78 degrees 15 minutes 52 seconds and run Northwesterly along a straight line 296.04 feet; thence turn left 62 degrees 53 minutes 50 seconds and run Southwesterly along a straight line 440.45 feet; thence turn right 22 degrees 46 minutes 07 seconds and run Westerly along a straight line 261.82 feet; thence turn right 46 degrees 40 minutes 01 seconds and run Northwesterly along a straight line 184.45 feet; thence turn right 28 degrees 41 minutes 00 seconds and run Northwesterly along a straight line 355.92 feet; thence turn right 0 degrees 49 minutes 02 seconds and run Northwesterly along a straight line 333.68 feet; thence turn right 40 degrees 15 minutes 31 seconds and run Northeasterly along a straight line 279.31 feet; thence turn right 14 degrees 59 minutes 29 seconds and run Northeasterly along a straight line 134.55 feet; thence turn right 25 degrees 52 minutes 33 seconds and run Northeasterly along a straight line 119.99 feet; thence turn right 12 degrees 47 minutes 52 seconds and run Northeasterly along a straight line 225.96 feet; thence turn left 5 degrees 57 minutes 24 seconds and run Northeasterly along a straight line 266.84 feet; thence turn right 60 degrees 56 minutes 19 seconds and run Southeasterly along a straight line 201.82 feet; thence turn left 20 degrees 50 minutes 53



seconds and run Southeasterly along a straight line 212.82 feet; thence turn left 67 degrees 55 minutes 36 seconds and run Northeasterly along a straight line 442.38 feet to the point of beginning.

**Parcel 2:**

Address: Vacant Land

A tract of land, mineral and mining rights excepted, situated in the Southwest quarter of the Southeast quarter and in the Northwest quarter of the Southeast quarter of Section 21, Township 21 South, Range 4 West located in Shelby County, Alabama, more particularly described as follows:

Commence at the Southeast corner of Section 21, Township 21 South, Range 4 West; thence run Westerly along the South line of said Section 21, 1875.40 feet; thence turn right an angle of 90 degrees and run Northerly and at right angles to said South line 978.69 feet to the point of beginning; thence turn left an angle of 86 degrees 42 minutes 02 seconds and run Westerly 333.28 feet; thence turn right an angle of 76 degrees 00 minutes 24 seconds and run Northwesterly 444.58 feet; thence turn right an angle of 76 degrees 53 minutes 05 seconds and run Northeasterly 230.20 feet; thence turn left an angle of 26 degrees 45 minutes 26 seconds and run Northeasterly 400.06 feet; thence turn right an angle of 31 degrees 49 minutes and run Northeasterly 266.25 feet; thence turn right an angle of 52 degrees 51 minutes 13 seconds and run Southeasterly 128.05 feet; thence turn right an angle of 64 degrees 49 minutes 30 seconds and run Southwesterly 675.16 feet; thence turn left an angle of 21 degrees 27 minutes 52 seconds and run Southeasterly 360.58 feet; thence turn right an angle 123 degrees 39 minutes 23 seconds and run Northwesterly 408.55 feet to the point of beginning.

**Parcel 3:**

Address: Vacant Land

Part of the SE 1/4 of the SE 1/4 of Section 14, Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: Begin at a 3" capped pipe at the SE corner of said 1/4, - 1/4 section and run S 89°17'44" W, along the South 1/4- 1/4 line, 1330.73 feet to a 2" capped pipe purported to be the SW corner of said 1/4 - 1/4 section; thence N 0°36'55" W, along the West 1/4 - 1/4 line, 175.63 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS; thence continue N 0°36'55" W, 22.40 feet to the center of Shelby County Road 260; thence run along the center line of said road, more or less, these bearings, distances and curved lines; thence N 82.18'04" E, 46.72 feet; thence run 161.31 feet, along the arc of a curve to the right, which has a radius of 800.00 feet, a chord bearing of N 88°04'38" E, and a chord distance of 161.03 feet; thence S 86°08'49" E, 82.43 feet; thence run 322.32 feet, along the arc of a curve to the left, which has a radius of 600.00 feet, a chord bearing of N 78.27'52" E, and a chord distance of 318.46 feet; thence N 63°04'32" E, 211.05 feet; thence run 179.90 feet, along the arc of a curve to the right, which has a radius of 600.00 feet, a chord bearing of N 71°39'53" E, and a chord distance of 179.23 feet; thence N 80°15'13" E, 158.34 feet; thence run 221.75 feet, along the arc of a curve to the left, which has a radius of 800.00 feet, a chord bearing of N 72°18'47" E, and a chord distance of 221.04 feet to the East line of said 1/4 - 1/4 section; thence

leaving said road center line and run S 0°43'33" E, along the East 1/4 - 1/4 line, 28.67 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS; thence continue S 0°43'33" E, along the East 1/4 - 1/4 line, 468.75 feet to the Point of Beginning. Said described property contains 9.51 acres to the center of Shelby County Road 260, less and except that part which lies within the county prescriptive right-of-way of said road.

**Parcel 4:**

Address: Vacant Land

Part of the NW 1/4 of the SW 1/4 of Section 13, Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: Commence at a 3" capped pipe at the SE corner of the SE 1/4 of the SW 1/4 and run N 46°31'52" W, along the diagonal line from the SE corner to the NW corner of the SE 1/4 of the SW 1/4, 1842.10 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS, which is also the SE corner of the NW 1/4 of the SW 1/4 and the Point of Beginning of the herein described property; thence run N 46°32'42" W, along the diagonal line from the SE corner to the NW corner of the NW 1/4 of the SW 1/4, 689.23 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS; thence N 87°41'36" E, 495.04 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS on the East line of the NW 1/4 of the SW 1/4; thence S 0°39'35" E, along the East 1/4 - 1/4 line, 494.00 feet to the Point of Beginning. Said described property contains 2.81 acres.

**Parcel 5:**

Address: Vacant Land

Part of the SE 1/4 of the NW 1/4 of Section 13, Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: Commence at a 3" capped pipe at the SE corner of the SW 1/4 and run N 0°35'36" W, along the East 1/4 section line, 2640.54 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS, at the SE corner of the SE 1/4 of the NW 1/4 being the Point of Beginning of the herein described property; thence run S 87°45'46" W, along the South 1/4-1/4 line, 487.00 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS; thence N 43°35'05" E, 698.53 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS on the East line of the SE 1/4 of the NW 1/4; thence S 0°35'36" E, along the East 1/4- 1/4 line, 487.00 feet to the Point of Beginning. Said described property contains 2.72 acres.

**Parcel 6:**

Address: Vacant Land

The West 1/2 of Section 14 Township 21 South Range 04 West lying south of Norfolk Southern Railroad, situated in Shelby County, Alabama.

**Parcel 7:**

Address: Vacant Land

Part of the SW 1/4 of the SW 1/4 of Section 32, Township 21 South, Range 4 West, Bibb County, Alabama, described as follows: Commence at a 3" capped pipe at the NE corner of said 1/4-1/4 section and run N 89°56'09" W, along the North 1/4-1/4 line, 277.36 feet to the Point of Beginning of the herein described property; thence S 0°13'51"W, 190.00 feet; thence N 89°56'09" W, parallel with the North 1/4-1/4 line, 438.63 feet; thence N 0°03'51" E, 190.00 feet to the North line of said 1/4-1/4 section; thence S 89°56'09" E, 438.63 feet to the Point of Beginning. Said described property contains 1.91 acres.

**Parcel 8:**

Address: Vacant Land

A parcel of land being situated in the SE 1/4 and the SW 1/4 of Section 16, Township 21 South, Range 4 West, Shelby County, Alabama., being more particularly described as follows:

COMMENCE at a 3" capped pipe at the NE corner of the NE 1/4 of the SE 1/4 of Section 16, Township 21 South, Range 4 West, and run in a Southwesterly direction along the diagonal of said 1/4-1/4 section for a distance of 169.88 feet to the POINT OF BEGINNING, said point being an iron pin set at the intersection of said 1/4-1/4 section and the Northern Bank of Piney Woods Creek thence continue in a Southwesterly direction along the diagonal of said 1/4-1/4 section for a distance of 1685.25 feet to a point, said point being a McGehee Engineering iron pin at the SW corner of the NE 1/4 of the SE 1/4 of said Section 16; thence turn an angle left of 45°58'40" and run in a Southerly direction along the East line of the SW 1/4 of the SE 1/4 of said Section 16 for a distance of 1321.56 feet to a point, said point being the SE corner of the SW 1/4 of the SE 1/4 of said Section 16; thence turn an angle right of 90°55'49" and run in a Westerly direction along the South line of said Section 16 for a distance of 1911.10 feet to a point, said point being an iron pin set at the intersection of the Southeasterly right-of-way line of the Norfolk Southern Railroad and the South line of the SE 1/4 of the SW 1/4 of said Section 16; thence leaving the previously described 1/4-1/4 section line, turn an angle to the right of 123°08'21" and run in a Northeasterly direction along said right-of-way line of Norfolk Southern Railroad for a distance of 1634.86 feet to a point, said point being an iron pin set at the point of beginning of a curve to the right having a radius of 1382.69 feet and a central angle of 11°07'47" thence run in a Northeasterly direction along the arc of said curve and along said right-of-way for a distance of 268.59 feet; thence continue tangent from said curve and run in a Northeasterly direction along said right-of-way line for a distance of 429.32 feet to a point, said point being an iron pin set at the point of beginning of a curve to the left having a radius of 1578.16 feet and a central angle of 6°44'58" thence run in a Northeasterly direction along the arc of said curve and along said right-of-way for a distance of 185.89 feet to a point, said point being an iron pin set; thence continue tangent from said curve and run in a Northeasterly direction along said right-of-way line for a distance of 303.71 feet to a point, said point being an iron pin set at the beginning of a curve to the right having a radius of 587.27 feet and a central angle of 41°24'33" thence run in a Northeasterly direction along the arc of said curve and said right-of-way for a distance of 423.92 feet to a point, said point being an iron pin set; thence continue tangent from said curve and run in a Northeasterly direction along said right-of-way One for a distance of 133.44 feet to a point, said point being an iron pin set at the intersection of the previously described right-of-way line and the Northern Bank of Piney Woods Creek; thence leaving said right-of-way line, run in a Southwesterly direction, thence a Southeasterly direction, thence an Easterly direction, thence a Northeasterly direction, thence a

Southeasterly direction, thence a Northeasterly direction, thence an Easterly direction along said Northern Bank of Piney Woods Creek for a distance of 1142 feet more or less, to the POINT OF BEGINNING.

**Parcel 9:**

Address: Vacant Land

A parcel of land being situated in the SE 1/4 and the SW 1/4 of Section 16, Township 21 South, Range 4 West, Shelby County, Alabama, being more particularly described as follows:

COMMENCE at a 3" capped pipe at the NE corner of the NE 1/4 of the SE 1/4 of Section 16, Township 21 South, Range 4 West, and run in a Westerly direction along the North line of said 1/4-1/4 section for a distance of 970.58 feet to the POINT OF BEGINNING, said point being an iron pin set at the intersection of the North line of said 1/4-1/4 section and the Northern Bank of Piney Woods Creek thence continue in a Westerly direction along said 1/4-1/4 section line for a distance of 367.34 feet to a point, said point being a 3" capped pipe at the NE corner of the NW 1/4 of the SE 1/4 of said Section 16; thence turn an angle to the left of 1°08'14" and continue in a Westerly direction along the North line of the NW 1/4 of the SE 1/4 for a distance of 1313.81 feet to a point, said point being an iron pin set at the NW corner of the NW 1/4 of the SE 1/4 of said Section 16; thence turn an angle left of 90°47'32" and run in a Southerly direction along the West line of the previously described 1/4-1/4 section for a distance of 1316.76 feet to a point, said point being an iron pin set at the NE corner of the SE 1/4 of the SW 1/4 of said Section 16; thence turn an angle right of 45°33'50" and run in a Southwesterly direction along the diagonal of the previously described 1/4-1/4 section for a distance of 1855.48 feet to a point, said point being a 3" capped pipe at the SW corner of said 1/4-1/4 section; thence leaving said diagonal of said 1/4-1/4 section turn an angle left of 134°47'53" and run in an Easterly direction along the South line of said 1/4-1/4 section for a distance of 619.46 feet to a point, said point being an iron pin set at the intersection of said South line of said 1/4-1/4 section and the Northwesterly right-of-way line of the Norfolk Southern Railroad; thence leaving said South line of said 1/4-1/4 section, turn an angle to the left of 56°51'39" and run in a Northeasterly direction along said right-of-way line for a distance of 1700.14 feet to a point, said point being an iron pin set at the beginning of a curve to the right having a radius of 1482.69 feet and a central angle of 11°07'47" thence run in a Northeasterly direction along the arc of said curve and along said right-of-way line for a distance of 288.02 feet to a point, said point being an iron pin set; thence continue tangent from said curve and run in a Northeasterly direction along said right-of-way line for a distance of 429.32 feet to a point, said point being an iron pin set at the beginning of a curve to the left having a radius of 1478.16 feet and a central angle of 6°44'56" thence run in a Northeasterly direction along the arc of said curve and along said right-of-way for a distance of 174.11 feet to a point, said point being an iron pin set; thence continue tangent from said curve and run in a Northeasterly direction along said right-of-way line for a distance of 303.71 feet to a point, said point being an iron pin set at the beginning of a curve to the right having a radius of 687.27 feet and a central angle of 41°21'33" thence continue along the arc of said curve and along said right-of-way for a distance of 496.11 feet to a point, said point being an iron pin set; thence continue tangent from said curve and run in a Northeasterly direction for a distance of 222.66 feet to a point, said point being an iron pin set at the intersection of said right-of-way line and the Northern Bank of Piney Woods Creek; thence leaving said right-of-way line, run in a Northeasterly direction along said

Northern Bank of Piney Woods Creek for a distance of 20 feet, more or less, to the POINT OF BEGINNING.

**Parcel 10:**

Address: Vacant Land

A parcel of property located in the E 1/2 of the SE 1/4 of Section 20, and the W 1/2 of the SW 1/4 of Section 21, all in Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: Commence at the SE corner of said Section 20 and run N 63°30' 49" W, along the North line of the South diagonal of the S 1/2 of the SE 1/4 of the SE 1/4 of said Section 20, 393.30 feet to the Westerly right of way line for the Norfolk Southern railroad track, said point being the Point of Beginning of the herein described property; thence continue N 63°30'49" W, along the North line of said South diagonal and also the Kodiak Mining Company LLC boundary line, 301.94 feet; thence leaving said Kodiak boundary and run N 18°46'46" E, 1424.74 feet; thence S 71°12'06" E, 300.00 feet to a number 5 capped rebar stamped USX PLS 14979 at the Westerly right of way line for the Norfolk Southern railroad track; thence S 18°47'26" W, along the Westerly right of way for said Norfolk Southern railroad track, 708.25 feet to a number 5 capped rebar stamped USX PLS 14979; thence S 18°49'42" W, along said railroad right of way, 756.88 to the Point of Beginning.

**Parcel 11:**

Address: Vacant Land

A parcel of property located in the SE 1/4 of the SE 1/4 of Section 20, the SW 1/4 of the SW 1/4 of Section 21, the NW 1/4 of the NW 1/4 of Section 28, and the East 1/2 of the NE 1/4 of Section 29, all in Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: Commence at the NW corner of said Section 28 and run S 89°58' 00" E, along the North section line, 539.29 feet to the Point of Beginning of the herein described property; thence S 18°47'54" W, 705.80 feet; thence S 84°07'01" W, 388.13 feet; thence S 24°18'26" W, 1186.13 feet; thence S 61°01'54" W, 858.52 feet to the West line of the East 1/2 of the NE 1/4 of said Section 29; thence N 0°25'23" W, along the West line of said East 1/2, 186.85 feet; thence run 349.34 feet, along the arc of a curve to the left, that ties into the Norfolk Southern railroad Easterly right of way line at the end of their railroad track, said curve has a radius of 897.50 feet, a chord bearing of N 24°23'50" E, and a chord distance of 347.14 feet; thence continue along said railroad right of way N 13°14'47" E, 44.03 feet to the property line for Kodiak Mining Company, LLC; thence run along said Kodiak Mining Company boundary these bearings and distances, S 78°59'15" E, 157.89 feet; thence N 45°20'56" E, 303.15 feet to a number 5 capped rebar stamped USX PLS 14979; thence N 24°36'19" E, 801.80 feet to a number 5 capped rebar stamped USX PLS 14979; thence N 8°16'06" E, 322.74 feet to a number 5 capped rebar stamped USX PLS 14979; thence N 53°37'12" W, 117.05 feet to the Easterly right of way for said Norfolk Southern railroad track; thence leaving said Kodiak boundary and run 246.11 feet, along the arc of a curve to the left for said railroad right of way, which has a radius of 1447.50, a chord bearing of N 30°16'23" E, and a chord distance of 245.81 feet; thence continue along said railroad right of way these bearings and distances, N 25°24'08" E, 114.26 feet; thence N 22°52'09" E, 118.38 feet; thence N 19°52'19" E, 116.07 feet; thence N 18°49'42" E, 754.66 feet to the property line for Kodiak Mining Company LLC; thence run along said Kodiak Mining Company boundary these bearings and distances, S 88°45'47" E, 219.16 feet;

thence N 53°46'03" E, 217.55 feet to a number 5 capped rebar stamped USX PLS 14979; thence S 80°15'58" E, 9635 feet to a number 5 capped rebar stamped USX PLS 14979; thence leaving said Kodiak boundary and run S 80°15'58" E, 375.92 feet; thence S 18°47'54" W, 986.46 feet to the Point of Beginning. Less and except that part of Shelby County Road 270 right of way, that runs through said described property.

**Parcel 12:**

Address: Vacant Land

A parcel of land situated In the NE 1/4 of the NW 1/4 of Section 21, Township 21, Range 4 West, Shelby County, Alabama being more particularly described as follows:

Commence at a 3" capped pipe that is locally accepted as the NW corner of the NE 1/4 of the NW 1/4 of Section 21, Township 21, Range 4 West and run in an easterly direction along the north line of said 1/4 - 1/4 section for a distance of 373.61'; thence leaving said 1/4 - 1/4 section line, turn a deflection angle of 90°00'00" to the right and run south for a distance of 623.75 feet to a 3" capped pipe that is the POINT OF BEGINNING (N 1,164,583.70, E 2, 132, 548.00); thence turn a deflection angle of 68°31'41" to the left and run in a southeasterly direction for a distance of 200.00 feet to a 3" capped pipe; thence turn a deflection angle of 90°00'00" to the right and run in a southwesterly direction for a distance of 400.00 feet to a 3" capped pipe (N 1,164,138.23, E 2, 132, 587.39); thence turn a deflection angle of 90°00'00" to the right and run in a northwesterly direction for a distance of 200.00 feet to an capped rebar stamped "ALA ENG CA-708-LS" thence turn a deflection angle of 90°00'00" to the right and run in a northeasterly direction for a distance of 400.00 feet to the POINT OF BEGINNING.

**Parcel 13:**

Address: Vacant Land

Part of the W 1/2 of the NW 1/4 and of the W 1/2 of the NW 1/4 of the SW 1/4 of Section 25 and part of the E 1/2 of the NE 1/4 of Section 26, all in Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: Commence at the NE corner of said Section 26 being an old 2.5 inch pipe, that has the top capped piece rusted off, and run S 0°17'52" E, along the East line of Section 26, 906.56 feet to the Point of Beginning of the herein described property; thence run S 33°36'32" E, 253.88 feet; thence run S 28°43'04" E, 532.85 feet; thence run S 13°57'03" E, 1128.89 feet to the East line of the W 1/2 of the NW 1/4 of the SW 1/4 of said Section 25; thence run S 68°14'54" W, 333.95 feet; thence run N 22°04'22" W, 407.90 feet; thence run N 19°36'57" W, 1408.06 feet; thence run N 54°04'42" E, 330.24 feet to the Point of Beginning. Said described property contains 17.173 acres.

**Parcel 14:**

Address: Vacant Land

Part of the NE 1/4 of Section 26, Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: Commence at the NE corner of said Section 26, being an old 2.5 inch pipe, that

has the top capped piece rusted off, and run S 0°17'52" E, along the East section line, 1318.54 feet to a calculated position for the NE corner of the SE 1/4 of the NE 1/4; thence run S 89°36'28" W, along the North line of the SE 1/4 of the NE 1/4, 613.93 feet to the Point of Beginning of the herein described property; thence run S 29°12'10" W, 634.07 feet; thence run S 48°32'57" W, 721.13 feet; thence run N 58°13'48" W, 320.00 feet; thence run N 36°15'59" E, 307.41 feet; thence run N 39°52'25" E, 1084.29 feet; thence run S 61°15'51" E, 320.00 feet; thence run S 29°12'10" W, 73.08 feet to the Point of Beginning. Said described property contains 12.338 acres.

**Parcel 15:**

Address: Vacant Land

Part of the NW 1/4. of the NW 1/4 of Section 28, Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: Commence at the NW corner of said Section 28 and run S 89°58' 00" E, along the North section line, 836.92 feet; thence S 0°02'0" W, 321.24 feet to the Point of Beginning of the herein described property; thence S 56°30'24" E, 142.00 feet; thence S 33°29'36" W, 208.00 feet; thence N 56°30'24" W, 142.00 feet; thence N 33°29'36" E, 208.00 feet to the Point of Beginning. Less and except that part of Shelby County Road 260 right of way, that runs along the Easterly edge of said described property.

**Parcel 16:**

Address: Vacant Land

The Northwest Quarter of the Southwest Quarter of Section 15, Township 21 South, Range 4 West, situated in Shelby County, Alabama.

The South one-half of the Southwest Quarter of Section 15, Township 21 South, Range 4 West, situated in Shelby County, Alabama.

The Southeast Quarter of the Southeast Quarter of Section 16, Township 21 South, Range 4 West, situated in Shelby County, Alabama.

The southeast Diagonal one-half of the Northeast Quarter of the Southeast Quarter of Section 16, Township 21 South, Range 4 West, situated in Shelby County, Alabama.

**Parcel 17:**

Address: 1615 Kent Dairy Road  
Alabaster, Alabama

Beginning at the southwest corner of Lot 13 of Park Place as recorded in Map Book 15, Page 47, in the Office of the Judge of Probate of Shelby County, Alabama and run thence southerly along the East line of Warrior Drive a distance of 160.99 feet to a point on the North margin of Shelby

County Highway No. 26 (AKA Kent Dairy Road); thence turn 89 degrees 28 minutes 58 seconds left and run easterly along said margin of said Highway No. 26 a distance of 159.47 feet to a point; thence turn 92 degrees 33 minutes 33 seconds left and run northerly a distance of 155.74 feet to a point; thence turn 90 degrees 24 minutes 25 seconds left and run westerly a distance of 46.07 feet to a point; thence turn 92 degrees 28 minutes 54 seconds right and run northerly a distance of 7.76 feet to a point marking the southeast corner of same said Lot 13 of same said Park Place subdivision; thence turn 89 degrees 30 minutes 02 seconds left and run westerly a distance of 108.00 feet to the Point of Beginning, being located in the SE 1/4 of the SE 1/4 of Section 10, Township 21 South, Range 3 West, Shelby County, Alabama.

**Parcel 18:**

Address: Vacant Land

A parcel of land lying in the Southeast Quarter (SE 1/4), the South Half of the Northeast Quarter (S 1/2 of the NE 1/4), the Northeast Quarter of the Southwest Quarter (NE 1/4 of the SW 1/4), the Northeast Half of the Southeast Quarter of the Southwest Quarter (NE 1/2 of the SE 1/4 of the SW 1/4), and the North Half of the Northeast Quarter (N 1/2 of the NE 1/4) Section 13, Township 21 South, Range 04 West, and the Southwest Quarter of the Northwest Quarter (SW 1/4 of the NW 1/4), and the Northwest Quarter of the Southwest Quarter (NW 1/4 of the SW 1/4) of Section 18, Township 21 South, Range 03 West, Shelby County, Alabama, such parcel being more particularly described as follows:

Parcels 1-9 as described in Deed Book 211, Page 648, recorded October 18, 1960 in the Office of the Judge of Probate of Shelby County.

Also Parcels 1 & 2 as described in Deed Book 357, Page 826, recorded August 3, 1984 in the Office of the Judge of Probate of Shelby County.

Also, all of that land described in Deed Book 196, Page 161, recorded October 16, 1958 in the Office of the Judge of Probate of Shelby County.

Said parcel containing 412.52 acres, more or less.

**Parcel 19:**

Address: Vacant Land

That portion of the Northeast Quarter of the Northeast Quarter (NE 1/4 of the NE 1/4) which lies north of an existing Norfolk Southern Railroad right-of-way, lying in Section 13, Township 21 South, Range 04 West.

Also, part of the NW 1/4 of the SW 1/4 of Section 13, Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: **Commence** at a 3" capped pipe at the SE corner of the SE 1/4 of the SW 1/4 and run N 46°31'52" W, along the diagonal line from the SE corner to the NW



corner of the SE  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ , 1842.10 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS, which is also the SE corner of the NW  $\frac{1}{4}$  of the SW  $\frac{1}{4}$  and the **Point of Beginning** of the herein described property; thence run N 46°32'42" W, along the diagonal line from the SE corner to the NW corner of the NW  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ , 689.23 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS; thence N 87°41'36" E, 495.04 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS on the East line of the NW  $\frac{1}{4}$  of the SW  $\frac{1}{4}$ ; thence S 0°39'35" E, along the East  $\frac{1}{4}$  -  $\frac{1}{4}$  line, 494.00 feet to the **Point of Beginning**. Said described property contains 2.81 acres.

Also, Part of the SE  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of Section 13, Township 21 South, Range 4 West, Shelby County, Alabama, described as follows: **Commence** at a 3" capped pipe at the SE corner of the SW  $\frac{1}{4}$  and run N 0°35'36" W, along the East  $\frac{1}{4}$  section line, 2640.54 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS, at the SE corner of the SE  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  being the **Point of Beginning** of the herein described property; thence run S 87°45'46" W, along the South  $\frac{1}{4}$  -  $\frac{1}{4}$  line, 487.00 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS; thence N 43°35'05" E, 698.53 feet to a number 5 capped rebar stamped MCGEHEE ENG CA0440LS on the East line of the SE  $\frac{1}{4}$  of the NW  $\frac{1}{4}$ ; thence S 0°35'36" E, along the East  $\frac{1}{4}$  -  $\frac{1}{4}$  line, 487.00 feet to the **Point of Beginning**. Said described property contains 2.72 acres.

Said parcel containing 24.29 acres, more or less.

**Schedule 2.1(b)**

**Real Property Agreements**

- 6. Coal Mining Lease** **Cure Cost: \$0.00**  
**Lessor: RGGGS Land & Minerals, Ltd. L.P.**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: September 6, 2005**  
**1st Amendment: February 20, 2007**  
**2nd Amendment: January 29, 2008**  
**3rd Amendment: April 3, 2012**  
**4th Amendment: January 9, 2015**  
**5th Amendment: October 20, 2017**
- 7. Coal Fines and Gob Recovery Lease** **Cure Cost: \$1,500.00**  
**Lessor: United States Steel Corporation**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: September 6, 2005**  
**1st Amendment: March 20, 2007**  
**2nd Amendment: February 15, 2010**  
**3rd Amendment: June 25, 2012**  
**4th Amendment: April 9, 2015**  
**5th Amendment: October 20, 2017**
- 8. Coal Mining Lease** **Cure Cost: \$0.00**  
**Lessor: RGGGS Land & Minerals Ltd., L.P.**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: February 20, 2007**

**Amendment: April 15, 2009**

**Letter Agreement: January 29, 2010**

**2nd Amendment: February 14, 2013**

- 9. Coal Mining Lease** **Cure Cost: \$18,500.00**  
**Lessor: RGGGS Land & Minerals Ltd., L.P.**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: December 20, 2007**  
**1st Amendment: September 13, 2010**  
**Extension Letter: December 18, 2015**  
**2nd Amendment: April 26, 2017**  
**Letter Agreement: January 30, 2019**
- 10. Coal Mining Lease** **Cure Cost: \$0.00**  
**Lessor: RGGGS Land & Minerals Ltd., L.P.**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: August 25, 2009**  
**Amendment: January 9, 2015**
- 14. Coal Mining Lease** **Cure Cost: \$10,000.00**  
**Lessor: RGGGS Land & Minerals Ltd., L.P.**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**  
**Date: September 13, 2010**  
**Amendment: December 30, 2015**
- 15. Coal Mining Lease** **Cure Cost: \$20,000.00**  
**Lessor: RGGGS Land & Minerals Ltd., L.P.**  
**Lessee: Tocoa Minerals, LLC (assigned to Jesse Creek Mining, LLC on January 22, 2013)**

**Date: April 3, 2012**

**1st Amendment: April 2, 2015**

**2nd Amendment: July 30, 2018**

- |                                                      |                            |
|------------------------------------------------------|----------------------------|
| <b>16. Coal Mining Lease</b>                         | <b>Cure Cost: \$0.00</b>   |
| <b>Lessor: RGGGS Land &amp; Minerals, Ltd., L.P.</b> |                            |
| <b>Lessee: Jesse Creek Mining, LLC</b>               |                            |
| <b>Date: February 14, 2013</b>                       |                            |
| <b>17. Surface Coal Mining Lease</b>                 | <b>Cure Cost: \$0.00</b>   |
| <b>Lessor: United States Steel Corporation</b>       |                            |
| <b>Lessee: Jesse Creek Mining, LLC</b>               |                            |
| <b>Date: February 26, 2013</b>                       |                            |
| <b>18. Coal Mining Lease</b>                         | <b>Cure Cost: \$0.00</b>   |
| <b>Lessor: RGGGS Land &amp; Minerals Ltd., L.P.</b>  |                            |
| <b>Lessee: Jesse Creek Mining, LLC</b>               |                            |
| <b>Date: June 28, 2013</b>                           |                            |
| <b>19. Coal Mining Lease</b>                         | <b>Cure Cost: \$0.00</b>   |
| <b>Lessor: United States Steel Corporation</b>       |                            |
| <b>Lessee: Jesse Creek Mining, LLC</b>               |                            |
| <b>Date: July 2, 2013</b>                            |                            |
| <b>20. Mineral Lease Agreement</b>                   | <b>Cure Cost: \$0.00</b>   |
| <b>Lessor: Southern Electric Generating Company</b>  |                            |
| <b>Lessee: Jesse Creek Mining, LLC</b>               |                            |
| <b>Date: December 31, 2015</b>                       |                            |
| <b>21. Coal Mining Lease</b>                         | <b>Cure Cost: \$100.00</b> |
| <b>Lessor: United States Steel Corporation</b>       |                            |
| <b>Lessee: Jesse Creek Mining, LLC</b>               |                            |
| <b>Date: August 15, 2016</b>                         |                            |
| <b>14. Coal Mining Lease</b>                         | <b>Cure Cost: \$0.00</b>   |
| <b>Lessor: RGGGS Land &amp; Minerals Ltd., L.P.</b>  |                            |
| <b>Lessee: Jesse Creek Mining, LLC</b>               |                            |
| <b>Date: August 16, 2016</b>                         |                            |

**1st Amendment: October 16, 2017**

**20. Coal Mining Lease** **Cure Cost: \$0.00**  
**Lessor: Series One of Twin Creeks Timber, LLC, as successor in interest to SWF Birmingham, LLC**

**Lessee: Jesse Creek Mining, LLC**

**Date: August 19, 2016**

**1st Amendment: January 6, 2018**

**Termination of 1st Amendment: March 16, 2018**

**2nd Amendment: March 16, 2018**

**21. Coal Mining Lease Agreement** **Cure Cost: \$0.00**  
**Lessor: Alabama Property Company and Southern Electric Generating Company**

**Lessee: Jesse Creek Mining, LLC**

**Date: April 20, 2017**

**22. Surface Mining Lease Agreement** **Cure Cost: \$0.00**  
**Lessor: Anne Hubbard Norred, as custodian for Andrew Clark Norred and Daniel Joseph**

**Norred**

**Lessee: Jesse Creek Mining, LLC**

**Date: December 20, 2018**

**23. Surface Mining Lease Agreement** **Cure Cost: \$0.00**  
**Lessor: Jane Colvin Harrison**

**Lessee: Jesse Creek Mining, LLC**

**Date: January 4, 2019**

**24. Exploration Permit for certain Southern Electric Generating Company and Alabama Property Company Property in Bibb and Shelby Counties, Alabama**

**Cure Cost: \$0.00**

**Grantor: Southern Electric Generating Company and Alabama Property Company**

**Grantee: Jesse Creek Mining, LLC**

**Date: May 25, 2017**

**20. Agreement for the Sale and Purchase of Real Estate** **Cure Cost: \$0.00**

**Seller: Little Gem Coal Company**

**Buyer: Jesse Creek Mining, LLC**

**Date: October 17, 2018**

**Letter Agreement: January 28, 2019**

**Schedule 2.1(e) Personal Property<sup>1</sup>**

<b>Asset ID</b>	<b>Description</b>
000009	Misc Office Furniture
000238	Mobile Office Unit and Furniture
000239	Mobile Office Unit and Furniture
000240	Mobile Office Unit and Furniture
000348	replace gas furnace and a/c system in training area

<b>Asset ID</b>	<b>Description</b>
000112	Plant Building
000151	Building-Kent Dairy
000152	Building Improvements-Kent Dairy
000300	Metal Storage Bldgs for Underground Equipment
000312	Metal Storage Bldgs for Underground Equipment #3
000322	Metal Storage Bldg for Pond Fines area

<b>Asset ID</b>	<b>Description</b>	<b>Serial Number(s)</b>
000001	Infrastructure design 2013-AC	
000002	Carlson Software	
000003	SE 1.GP Hiper V dual Kit base rover survey (2)	1122-10879, 1122-10889
000004	SE 2-TDC tesla Battery w charger	133123

<sup>1</sup> For purposes of completeness, items may appear more than once.

000005	SE 3-TS OS 103 3" total state w/dual display	CT0460
000006	SE 4-Magnet Field GPS with other survey comp	
000007	AutoCad	
000008	Xerox 7835 copier	MX0133283
000186	Dell Computer	
000191	Dell Computer	
000233	Dell Computer - Bill Harwood	
000274	Dell Computer - Brian Felty	
000275	Dell Computer - Chrissey Behnke	
000287	Latitude E6540 Personal Computer Brian Felty	
000288	Latitude E6540 Personal Computer Ty Coleman	
000292	Personal Computer Tim Hawkes	
000313	Drone for Engineering Surveying & software	
000314	Personal Computer CEO CFO	
000345	Personal Computer CEO	
000398	Laptops for B Atwell and D Sumner	
000405	Laptops Green & Alvis	
000406	Laptops for Gyarmati & Wirth	
000423	Laptops C Harwood & S Cook	
000432	Laptops D Green	
000512	Engineering Laptops	
000525	HR Laptops	
000526	Laptops	

Asset ID	Description	Serial Number(s)
000118	CH600 Service Truck	1M2AA12Y9RW042053



000142	LTA9000 Water Truck	1FTYY95Y0VVA12450
000187	Kubota Traco 2 UMV 2 Seat Vehicle	ASKBB2FDBPEG017231
000281	RTV 1140 CPX 4 Man Kubota RTV	A5KD1HDAVFG036724
000283	RTV 1140 CPX 4 Man RTV	A5KD1HDAAF036000
000308	Water Truck for Surface mine	1FDYY95UXRVA49486
000431	purchase 1997 Ford Truck 1FDZU90V3VVA	1FDZU90V3VVA

<b>Asset ID</b>	<b>Description</b>	<b>Serial Number(s)</b>
000021	Crawler Mounted Roofbolter	2008119
000026	Shuttle Car	ET14347
000027	Shuttle Car	ET14701
000031	Mine Ventilation Fan	4295
000033	Shuttle Car	MOEQ-0051
000036	Fletcher CRR11 Roof Drill	2007-066
000037	Fletcher CRR11 Roof Drill	2007-067
000044	Conveyor (jan-Mar '13)	
000046	930H Loader	DHC00395
000052	Refuge Chamber #3	
000053	Power Center	36684-53287-0913
000054	Replace #1 Belt	
000055	WA500-6	A92594
000058	HWM Push Beams	
000059	Rubber Tired 988H Articulated Fork Loader	0988HTBXY04272
000060	Rubber Tired Articulated Front Endloader	A92597
000061	Light Plant	548840
000062	HWM surface vacuum breaker	
000063	2004 Crawler Mounted Blasthole Drill	732703
000064	TS65 Conveyor	10T56648037
000065	980H RT Wheel Loader	JMS02588

000066	Raw Coal Chute	
000067	Telemeter Control System	
000068	Raw Coal Feeder	
000069	Feeder Hopper	
000070	Raw Coal Conveyor	
000071	Raw Coal Scalping Screen	
000072	Jeffery Crusher	
000073	Crusher Tower	
000074	Plant Feed Conveyor	
000075	Plant Feed Screen	
000076	Classifying Cyclone Tank	
000077	Classifying Cyclone Pump	
000078	KREBS Classifying Cyclone #1	
000079	KREBS Classifying Cyclone #2	
000080	KREBS Classifying Cyclone #3	
000081	KREBS Classifying Cyclone #4	
000082	KREBS Classifying Cyclone #5	
000083	KREBS Classifying Cyclone #6	
000084	KREBS Classifying Cyclone #7	
000085	KREBS Classifying Cyclone #8	
000086	Classifying Cyclone Tub	
000087	Magnetic Separator #2	
000088	HM Cyclone Tank	
000089	HM Cyclone Pump	
000090	26" Krebs HM Cyclone # 1	
000091	26" Krebs HM Cyclone # 2	
000092	Refuse D&R Screen	
000093	Clean Coal D&R Screen	
000095	EBW-40	
000096	Dilute Media Tank	
000097	Dilute Media Pump	

000098	36 x 72 Screen Bowl Centrifuge	
000099	Fines Refuse Screen	
000100	65 ft Thickener	
000101	Thickener Underflow Pump #1	
000102	Thickener Underflow Pump #2	
000103	Clarified Water Pump	
000104	Refuse Transfer Conveyor	
000105	Refuse Conveyor	
000106	Clean Coal Conveyor	
000107	Clean Coal Stacker	
000108	Clean Fines Conveyor	
000109	Refuse Bin	
000110	Creek Pump	
000111	Pond Pump	
000113	Plant Transformer/Substation	
000114	Plant Pond	
000115	Piping	
000116	Motor Control Center	
000117	Lighting System	
000119	226 Skid Steer Loader	5FZ09968
000120	Automated Truck Scale	N/A
000123	Diesel Powered Six-inch Pump	3661-0005
000124	Diesel Powered Six-inch Pump	3662-0009
000125	Install new dryer	
000126	Caterpillar 325L Excavator	7LM00808
000127	824J Front End Loader	DW824J598743
000128	LT12 Light PLant	
000129	Hitachi Hoe ZX330	33174
000130	PC1800-6 Excavator	11048
000131	PC1250LC-8 Excavator	30243
000132	D65WX Dozer	69047

000133	Komatsu D275A-5E0/ Dozer	30042
000134	D375A Dozer	50054
000135	WA500 Front End Loader	A92610
000136	WA500 Front End Loader	A92255
000138	A25 Water Truck	
000139	HD465 Haul Truck	A10222
000140	HD465 Haul Truck	A10374
000143	HM400 Haul Truck	2058
000144	HD785 Haul Truck	A10369
000145	D50KS Blast Hole Drill	733057
000146	Hay Blower	
000147	PC450LC-8 Excavator	A10058
000148	JD700J Dozer	T0700JX179214
000150	Volvo G710B Motor Grader	X035243X
000153	Conveyor advance-3L	
000154	Chieftan 1700 Track screening Plant	PID00129CDGB93524
000155	6036 Stacking Conveyor	6036002
000156	2013 PC 1800 engine rebuilds	
000157	Used 5MVA substation-2013	ST3977564H-X
000158	Plant Upgrade - Spirals	
000159	Bolter Arms	
000161	300 Hp Air Compressor and Carport	
000162	Replacement Scoop Battery & Charger	
000163	High Voltage Cable	
000164	Belt #1 - Tail Piece	
000165	Belt #2 - New Conveyor Belt	
000166	Belt #2 - Belt Drive	
000167	Belt #3 - Conveyor Extensions	
000168	Mobile Power Center	
000169	Caterpillar 299 Skid Loader	JSP00606
000170	15KVA 4/0 HV Cable	

000171	Monitor Well #1	
000172	Monitor Well #2	
000176	Substation for HWM	
000178	Kubota 4 Man Vehicle	RTV1140CPX33989
000179	Conveyor Advance 4	
000180	Dual 250 HP Belt Drive, Starter VFD, Discharge Assembly, & Tail Section	
000182	2 - 500 ft Rolls of Conveyor Belt	
000183	Cat BR172 Brush Cutter Attachment	TAB02899
000184	Conveyor Extension	
000185	2 - 500 ft Rolls of Conveyor Belt	
000188	Damacus MAC30 4 Man Diesel Mantrip	162
000189	Conveyor Belt	
000190	Conveyor Extensions	
000192	Kubota Traco 2 UMV 2 Seat Vehicle	RTV14-140CPX-934642
000193	Joy Feeder BF-14A-59-102C	14252
000194	Conveyor Belt	
000195	Conveyor Belt	
000197	Tail Pulley - RAW Input Conveyor	
000198	Heavy Media Sump Repairs	
000199	Rebuild Roof Bolter	2007-066
000200	Tagging and Tracking System (Deep Mine)	
000201	Slurry Pump	
000202	Rebuild Cutterhead Gear Case and Arms	
000203	Conveyor Extensions	
000204	Feeder from Coal River (2nd Section)	
000205	Repair 750 KVA Load Center	
000206	New 48' Alignment Free 150 HP Combo Drive	
000207	48" 8' X 12" Glide Tail Section Replacement	
000208	Feeder Repair	
000209	Rebuild 48" Drive	

000210	Rebuild 42/48" Tail Piece and Full Terminal Group	
000211	Full Terminal Group - Dual 250 HP Drive, Hydraulic Takeup. Tail Piece, Guarding	
000212	Tool Sled (2nd Section)	
000214	36" Conveyor Pulley with Takeup	
000215	250 HP Motor	
000216	Huck Power Unit	
000217	52" Cross Magnet, Rectifier and Transformer	
000218	Breaker Bar and Liner Replacements	
000219	1000 KVA Load Center Repair	
000220	Rebuild HWM Push Beam	
000221	6 Ton Tag Trailer	
000222	Flatbed Utility Construction Trailer	
000223	Kubota UMV1140 3 Man RTV	
000224	Kubota RTV1140 4 Man RTV	33674
000225	Irwin wet Rock Duster	
000231	Komatsu D375A-6 Dozer	60047
000232	RTV1140- 4 Man Kubota RTV	35092
000234	Backup AC Scoop Battery and Charger	
000235	Conveyor Extensions	
000236	Salt Spreader	
000237	Conex Storage Containers	
000241	Heavy Media Pump	
000242	Heavy Media Pump	
000243	Ocenco Rescuers	
000245	Full Terminal Group - Dual 250 HP Belt Drive, Hyd takeup, & tail piece	
000246	Conveyor Belt - Mine Haul 3-600 Fire Boss AR 1/4 X 1/8	
000247	3 Unit Lockers	
000249	Upgrade Plt & DM Electrical Substation	
000250	Full Terminal Group	
000251	Alpha 12 Man Mantrip	5623
000252	Cable Sled	

000253	Scoop Charging Station	
000254	PSI Pressure Washer	15059358
000255	PSI Pressure Washer	15055910
000256	Carport	
000257	Carport	
000258	Kubota UMV 1140XP 3 Man RTV	33674
000259	Water Pump on HWM	
000260	Magnet on RAW Belt	
000261	Hwm Push Beam Rebuild	
000264	Conveyor Extensions	
000265	Conveyor Belt	
000267	Prep Plant Submersible Pond Pump	
000268	Out-By Tractor	
000269	Ocenco Rescurers & Storage	
000270	Heavy Media Pump	
000271	Gholson Seam Dewatering Well Project	
000276	HWM Push Beam Repair	
000277	Conveyor Belt	
000278	Conveyor Extensions	
000279	HP T1300 Plotter & HD Scanner	
000280	Glen Carbon Dewatering Well	
000282	6.5 Rescurers	
000284	Kubota 1140 3 Man UMV	35957
000285	Replacement Admin Server	
000286	Conveyor Extensions	
000289	Conveyor Belt	
000290	Coverts for Prep Plant Yard	
000291	Kubota 1140 CPX UMV (Underground Mining Vehicle)	36913
000293	Logic 5000 Program for PLC's (Engineering)	
000297	Roof Bolter	
000298	Screen Bowl, Rotor	

000299	Security Cameras	
000301	Coverts for Conveyor from Box Pit Belt Conveyor	
000302	Roof Bolter	
000303	Conveyor Belt	
000304	Crawler Repair	
000305	Highwall Miner Extension	
000306	Push Beam Repair	
000307	Repairs to D65WX-15	
000309	Gurnee Development - Surface	
000310	Gurnee Development - HWM	
000311	Portable Coal Crusher	
000315	Plant Jog Stations - Thickener Controls	
000316	Gholson Seam Dewatering Well Project	
000317	Rear Differential for HD465-7EO s/n 10374	10374
000318	D375A-6 Dozer Undercarriage s/n 60047	60047
000319	Glen Carbon Dewatering Well - Output Module and Magmeter	
000320	1986 Volvo Dump Truck 8-Speed Transmission	
000323	D375A-SEO Dozer Hydraulics s/n 50054	50054
000325	Murry Creek Development - Surface	
000326	Murry Creek Development - HWM	
000327	PC1800-6 Excavator - undercarriage and arm cylinder rebuild	11048
000328	Rebuild Cutter Drum	
000329	WA500 Pins - s/n A92610	A92610
000330	PC1250 Bucket - s/n 30243	30243
000331	Undercarriage on D51PX-22 SN B12742	B12742
000332	D375A Turbo Charger SN 50054	50054
000333	D275AX-SEO Track Adjuster SN30042	30042
000334	Replacement Drill for D50KD SN733057	733057
000335	Turbidity Curtains for Murry Creek 004 Basin Build	
000336	MC 004 Primary Spillway	
000337	Engine rebuild for Black Water Truck #N14-310E	N14-310E



000338	980H Hoist and Lift Cylinder SN 2588	2588
000339	SPORTSLIGHT LED FIXTURES FOR THE PLANT YARD	
000340	(2) HMC UNDERFLOW BOXES	
000341	HEATER, WASH DOWN UNIT BY MARLEY ENGINEERING	
000342	PROJECT:CHUTE FOR THE FINES REF.	
000343	HWM Gearbox	
000344	HWM motor rebuild	
000346	Corporate Governance Risk - system implementation	
000347	Volvo dump truck engine rebuild	
000349	TRANSMISSION FOR THE VOLVO DUMP TRUCK TAG#58X0165	
000350	HD465 SN:10374 LEFT FRONT HUB JOB#69543	30243
000351	PC1250 HOSES AND FAN PUMP / PARTS / etc	30243
000352	PROJECT:CHUTE FOR THE FINES REF.	
000353	REPLACE CLEARANCES ON HWM	
000354	Raw Coal Crusher Feed Chute, 1-1/2 Dia. Shaft, Two(2) Pillow Block Bearings	
000355	Bolt for HWM Undercarriage	
000356	FLOOR BEAMS FOR THE FINES REFUGE	
000357	HWM, #11439L, Power Head Auger Assy. (Exchange)	
000358	COLLARS FOR THE HWM, #4106048	
000360	PC1250/30243-RPL PRIMING PUMP, BOOM CYLINDER, ARM CYLINDER	30243
000361	HD465/10374-REPLACE RIGHT HOIST CYLINDER	10374
000362	375 DOZER TRACK ADJUSTER	50054
000363	PC1250 Bucket - s/n 30243	30243
000364	HWM, #11439L, Power Head Auger Assy. (Exchange)	
000365	HWM Gearbox	
000366	Prep plant electrical	
000367	Prep plant pond pumps	
000368	HWM, 165HP CUTTER MOTOR Service Exchange	
000369	2100 Screener	
000370	Electrical for surface office - Murry	
000371	Bucket on PC 1800	

000372	Lighting for Spoil area	
000373	Repair horizontal auger for HWM	
000374	HWM Beams, Augers & cutter drum	
000375	Repair left front hub on HW400-2	
000376	REFURBISHED TABOR 4FT X 10FT REVERSE INCLINE SCREEN, COMPLETE WITH TH100 DRIVE, A	
000377	REBUILD ON THE GHOLSTON PUMP FOR THE PREP PLANT	
000378	communication setup-surface office	
000379	PROJECT: PC1800/11048-RPL REAR PTO GEARBOX & 1 CHARGE PUMP-W70604	
000380	PROJECT: PC1800/11048, RPL LEFT ARM CYLINDER-EXCHANGE-INVOICE#: W70752	
000381	HD605 Final drive repairs financed with Kamatsu	
000382	Shaker Screen Removal/Install Structure	
000383	D50kd/733057 DRILL, RPL ROTARY DRILL HEAD	
000384	HWM Beams, Augers & cutter drum	
000385	165HP CUTTER MOTOR Service Exchange	
000386	SHM58, CUTTER MOTOR RPR, 165HP, 1800RPM, 995V, M360TY FRAME	
000387	PC1800/11048, INSTALL LEFT BUCKET CYLINDER-EXCHANGE	
000388	communication setup-surface office	
000389	PC1250/30243, Check swing, travel; Renew swivel joint & replace	30243
000390	WA500/92597 Repair parking brake clutch pack/installed disc & plates	92597
000391	PP, Motor, 250HP	
000392	Sump, Classifying, #AL100175	
000393	Rebuild of 2100 Screener	
000394	Fabricate Staircase at prep plant	
000395	HW, EDGE STACKER BELT, GEAR BOX	
000396	Hydraulic pump for HWM	
000397	CUTTER CHAIN	
000399	New HVAC unit at 1615 Kent Dairy	
000401	PC1800/11048 New Engine	11048

000402	HWM Cutter Mod & beams	
000403	PC1800/11048 Bucket Cylinder	11048
000404	165HP CUTTER MOTOR	
000407	PROJECT: WA500/92610, Brake Packs (4), Removed Brake Hub Assy's, Repaired Brake	
000414	HWM Cutter Mod & beams	
000415	HWM Cutter Mod & beams	
000416	Remove, replace with exchange and install transmission in 980 Fork Loader (Segme	
000417	HWM Cutter Mod & beams	
000418	HYD PUMP, KOMATSU WA500 SN A92597	A92597
000419	Rebuilt Axle on John Deere 824J SN#598743	598743
000420	Rebuild Flygt Pump BS2660.080-HH (15HP/460V/3PH) (Creek Pump	
000421	Komatsu PC1250LC-8 Excavator SN: 30243, R&M Replace arm and Boom cylinder	30243
000422	PROJECT: SURFACE MURRY CREEK, REPAIR FRONT DRIVE LINE & INSTALLED HYDRAULIC PUMP	
000428	April/May 18 HWM improvements	
000429	HWM SUBSTATION	
000430	WIDER TRACKS, CAT 973D SN LCP00247	LCP00247
000433	CAT D11 camshaft,hydraulic sys and cutting edges	
000434	PURCHASE USED 1996 PETERBILT 330 TRUCK	
000435	FINAL DRIVES, KOMATSU PC450 SN A10023	A10023
000436	RAW COAL CYCLONE	
000437	Landa EHW4-30024C Pressure Washer (All Electric)	
000438	262C-CR-45 INLET HEAD LINER	
000439	FEEDER CONVEYOR MOTOR	
000440	MILLER BIG BLUE WELDER, 400AMP AND GENERATOR	
000441	SMARTLINK SAFETY SIGNAL LIGHTS - For PERFORMANCE COMMUNICATION	
000442	Rebuild Cutter Drum	
000449	2500 Load Center	
000450	250 Drives - 2018	

000451	200 HP Mine Fan	
000452	CM Cables	
000453	Roof Bolter Cable and splice kits	
000454	CM Conveyor Shaft/Chains	
000455	Shuttle Car Cables	
000456	Shuttle Car Misc	
000457	Feeder Breaker rebuild	
000458	Section 1 Scoop Rebuilds	
000459	Take up and Power Pack - June 2018	
000460	VFD Starter - June 2018	
000461	Initial repairs to Generator	
000462	Discharge Frame Assembly - June 2018	
000463	Ancillary Package - June 2018	
000464	Entry lighting - June 2018	
000465	NEW 250 HP VFD Fan Starter	
000466	Interim Office	
000467	Scalping screen	
000468	Dilute media sump design & install	
000469	Classifying cyclones	
000470	JOHN DEERE 824J SN:598743 LOADER, B17580 (Backfill)	598743
000471	15 kVA High Voltage Cable - June 2018	
000472	Vent Fans and Tubing	
000473	Kubota SN 36000	36000
000474	Kubota SN 36724	36724
000475	Kubota SN 34687	34687
000476	Kubota SN 35092	35092
000477	Kubota SN 33989	33989
000478	Ambulance Kubota	
000479	48" Belt Structure - June 2018	
000480	48" Belting (price doubled) - June 2018	
000481	Communication and Tracking - June 2018	

000482	Refuse screen static sieve	
000483	Dense media sump design & install	
000484	Slugger Conversion Package	
000485	Construction Kubota	
000486	Prep Plant Kubota	
000487	Underground Kubota	
000488	Underground Kubota	
000489	RD55-500 DERON DUSTER 000084162	
000490	Surveyor Kubota	
000491	Safety Dept Kubota	
000492	Mantrip Rebuild	
000493	Section 1 CM Costs - June 2018	
000494	Lifelines (2) - June 2018	
000495	Design & install 2-stage spiral product desliming sieve circuit	
000496	Clean and Raw Coal Scales	
000497	Cap Lamps and Chargers/SCSRs/Instruments and meters	
000510	Rebuild Komatsu 785 Truck	10369
000511	HD465 Final Drives TEC inv#W74295	
000513	HWM, NEW TIRE CHAINS, CAT 988H SN BXY04272	BXY04272
000514	CABLE REEL replacement	
000515	Beams/Augers/Gear Case	
000516	CUTTER HEAD REDUCER	
000517	Power Head Augers	
000518	REPAIR BEAM & AUGERS	
000519	Caustic Tank System	
000520	D11T UNDER CARRIAGE INSTALLED, SN GEB00624	GEB00624
000521	REPAIRS, VOLVO A25C SN: 6038 WATER TRUCK	6038
000522	CAT D11 Under carriage	GEB00634
000523	CAT D11 Engine Rebuild	GEB00624
000524	PC 1250 Stick Repairs	
000532	SELF CLEANING BELT MAGNETS	

000533	FINAL DRIVE, D700 SN 179214	179214
000534	UNDERCARRIAGE, CAT 299C SN JSP00606, SKID STEER	JSP00606

Item ID	Part Number	Item Description	Vendor ID	Phy. Count
022099R	522249	JACK, DRILL FEED	Fletcher	1
022097R	152429	CYLINDER, ATRS, BOOM LIFT	Fletcher	2
022098R	100450658	JACK, BOOM LIFT	Fletcher	1
0022106	147923	VALVE, BANK	Fletcher	1
022101R	152472	JACK, ATRS, EXTENDED BOOM	Fletcher	1
022100R	531204	CYLINDER, REAR LIFT	Fletcher	1
0022120	99652	KEEPER	Fletcher	18
0022075	55905	CHUCK, DRILL POT	Fletcher	2
022089R	143950	MOTOR, BLOWER	Fletcher	1
0022110	1-020-0235-025	BIT, 1 5/8IN	Fletcher	100
0022102	562569	FILTER, HYDRAULIC	Fletcher	14
0022087	47633	SWITCH, HEADLIGHT	Fletcher	1
0022105	125331	SWITCH, PANIC	Fletcher	4
0022112	5730200	BAG, DUST, STANDARD	Fletcher	72
0022072	386542	FLINGER, SPLIT	Fletcher	3
0022114	57318	HOSE, 1 1/4IN, ROCK DUST	Fletcher	1
0022092	40846	ELEMENT, FLEX	Fletcher	3
0022080	414405	ROLLER, POLY, ASSY	Fletcher	2
0022082	35943	PIN	Fletcher	5
0022107	5-041-0852-001	SEAT, BIT, 7/8IN	Fletcher	180
0022084	379195	HANDLE	Fletcher	3
0022108	5-071-0851-001	COUPLER, 7/8IN	Fletcher	112
0022068	6-152-024	WRENCH, 24IN	Fletcher	8

0022094	37194	VALVE, FLOW CONTROL	Fletcher	4
0022104	42797	BUSHING	Fletcher	4
0022079	132155	GAUGE, VACCUM	Fletcher	3
0022115	360848	PLATE, BENT	Fletcher	2
0022116	360847	PLATE, BENT	Fletcher	2
0022067	6-152-036	WRENCH, 36IN	Fletcher	4
022119	144037	CHAIN, ROLLER	Fletcher	2
0022086	231167	BAR, MACHINED, URETHANE	Fletcher	4
0022103	42783	BUSHING	Fletcher	5
0022066	6-152-048	WRENCH, 48IN	Fletcher	3
0022073	42861	SHEAVE	Fletcher	1
0022088	51436	LATCH, DUST BOX	Fletcher	8
0022081	187786	BUSHING, RUBBER	Fletcher	1
0024023	100133413	BUSHING, SHUTTLE CAR	Highland	6
0026101	TC3923-9	U-JOINT, FC SCOOP	Highland	4
024015R	506246-202	BANK, VALVE, SHUTTLE CAR	Highland	1
0024026	100210523	LINK, DRAG, SOCKET, LEFT HAND, SHUTTLE CAR	Highland	3
0024025	100133416	PIN, SHUTTLE CAR	Highland	3
0024024	100234244	PIN, SHUTTLE CAR	Highland	3
0024030	531873-5	VALVE, BRAKE, SEQUENCE, SHUTTLE CAR	Highland	1
0024027	100210522	LINK, DRAG, SOCKET, RIGHT HAND, SHUTTLE CAR	Highland	1
0024031	03048709-0005	U-JOINT, SHUTTLE CAR	Highland	2
0024017	100294981	YOKE, SHUTTLE CAR	Highland	1
0017021	100336881	CENTRAL, CONTRL, CCU	joy	2
0017011	100910419	A-MOD	joy	4
0017053	01565964-0003	SPACER	joy	1
0017164	100330623	JACK, SHEAR	joy	2
0017081	100307920	KIT, CUTTER, HEAD GEAR, CASE	joy	2
0017004	100486185	SHAFT, CUTTER	joy	20

0017166	100190591	JACK, PAN	joy	3
0017005	00601878-0021	CONTACTOR, VACUM, 60AMP	joy	5
017042R	10051008	REMOTE, STATION	joy	3
0017045	4NM29	FLOWMETER, HEDLAND	joy	5
0017084	00571683-0020	BRAKE, WET	joy	2
0017165	100851630	JACK, SHEAR	joy	1
0017022	100194455	COVER, ACCESS	joy	7
0017160	100662151	POWER SUPPLY, MATRIX, BOARD, MAIN	joy	2
0017013	100765314	MCT, TOP	joy	3
0017003	100173861	SHAFT, CUTTER	joy	11
0017115	00500524-0460	CONTROL, STATION	joy	1
0017124	00571648-0063	BOX, CONNECTION	joy	1
0017102	100211094	BUSHING, STRAIGHT, CUTTER, BOOM	joy	2
0017117	100409167	PRIMARY, RECEIVER	joy	2
0017000	01069528-2116	SHAFT, CONVEYOR	joy	10
0028000	98-	BREAKER, CIRCUIT, OPERATOR, FEEDER	joy	1
0017170	01069545-0032	BOARD, FLEX, SIDE, 12"x81"	joy	3
0017023	001124794-0022	COVER, ACCESS, CLUTCH	joy	6
0017089	100217946	BOLT, HEX, HD, M30X3.5, 135, GR 12.9	joy	8
0017122	00571379-0824	SCREEN, SCRUBBER	joy	3
0017152	01069432-0846	PIN, ROD END, SHEAR CYL, CUTTERHEAD	joy	5
0017150	100143501	PIN, STEPPED, CUTTERHEAD	joy	2



017078R	100619644	BREAKER, 600A, 3P, 1000V	joy	1
0017171	01061872-0001	BOARD, FLEX, SIDE, 12"x88"	joy	3
0017167	100174242	JACK, PAN	joy	2
0017123	10035910	BASE, MOUNTING	joy	2
0028008	98- 280530014	INSERT, COUPLING, FEEDER	joy	3
0017025	100204908	SOLENOID	joy	4
0028021	98- 230040118	HOLDER, PICK, INTERMEDIATE W/THREADED END, FEEDER	joy	12
0017077	100421917	SOLENOID, VALVE, NORMALLY CLOSED, 24V	joy	2
0017112	100245310	PUMP, PACER	joy	1
0017151	01069432-0865	PIN, CAP END, SHEAR CYL, CUTTERHEAD	joy	4
0017026	100479564	FILTER, FLUID, HYDRAULIC, PILOT	joy	10
0017079	00570553-0015	SOLENOID, CARTRIDGE	joy	1
0017028	100736175	SUPPLY, POWER, 48V	joy	3
0017153	01122773-0008	COVER	joy	5
0017118	100150644	CABLE, REMOTE, ASSEMBLY	joy	2
0017046	01069566-0489	SPACER, CUTTER, HEAD, GEARCASE	joy	1
0017029	00905319-0130	BEARING, SPHERICAL, ROLLER,	joy	2
0017114	100629755	ANTENNA, PROXIMITY	joy	1
0017033	00916893-0003	DEVICE, LIFT, 2200KG, BOLT ON	joy	1
0028015	100820675	SPROCKET, CONVEYOR, HEADSHAFT, 9 TOOTH, FEEDER	joy	2
0017076	100039585	SHIM, SPECIAL	joy	11
0017083	01451720-0000	PIN, HINGE, CAT, PAD	joy	25

0017054	01566840-2987	DETAIL	joy	2
0017113	100415609	ANTENNA	joy	2
0017139	100145123	GEAR, SPUR	joy	1
0028005	98- 480115151	FILTER, ELEMENT, FEEDER	joy	10
0017024	100204907	SOLENOID, COIL, 24V	joy	2
0028019	98- 210420001	BEARING, ROLLER, 3-7/16 BORE, FEEDER	joy	1
0017027	00601566-0012	MODULE, POWER, AC TO DC,	joy	2
0017038	01069128-0008	BUSHING	joy	2
0017014	100591277	MCT, BOTTOM	joy	2
0017173	1069125- 2022	BUSHING, GATHERING HEAD	joy	10
0017009	00601506-0174	SWITCH, ROTARY, 1 STAGE	joy	2
0017142	00572065-0133	GLAND, CABLE	joy	3
0017144	00572065-0139	GLAND, CABLE	joy	3
0028012	98- 200020202	RING, DRIVE, FEEDER	joy	45
0017175	1069128-0203	BUSHING, MOUNTING, GATHERING HEAD	joy	4
0028009	98- 210152867	BAR, PANIC, KIT, FEEDER	joy	1
0017162	01124794-0021	COVER, CLUTCH, W/ HOLE	joy	1
0017075	100039641	SHIM, SPECIAL	joy	5

0028002	98- <del>68054E017</del>	PULSAR, FEEDER	joy	2
0017119	100318905	CABLE, ASSEMBLY, REMOTE, ANTENNA	joy	4
0017057	00600007- 0648	SAFE, PAK, SWITCHING, UNIT	joy	1
0017141	00572065- 0134	GLAND, CABLE	joy	2
0017172	1069434- <del>1400</del>	PIN, GATHERING HEAD	joy	6
0017073	100039584	SHIM, SPECIAL	joy	5
0026088	TC1728X10	CABLE, PUSH, PULL, 144"	joy	3
028017R	410080014	CYLINDER, TAKEUP, FEEDER	joy	1
0017116	100431530	CABLE, REMOTE	joy	2
0017058	00905362- 0500	RING, RETAINING	joy	6
0028001	98- <del>220440150</del>	FLIGHTS, FEEDER,	joy	2
0017146	01069427- 2094	PIN, RUB, RAIL	joy	4
0017145	100396046	CABLE, CONTROL	joy	1
0028007	98- <del>48052E001</del>	FILTER, ELEMENT, FEEDER	joy	3
0026094	100665069	CABLE, PUSH, PULL	joy	2
0017071	01069533- 0377	SHIM, CAT, TRACK	joy	5
0017059	01069367- 2020	KEEPER	joy	4
0017125	100190803	TOOL, INSTALLATION	joy	1
0017174	1069367- <del>2168</del>	KEEPER, GATHERING HEAD	joy	15
0017039	100352012	STRAINER, WATER, MANIFOLD, ELEMENT	joy	6
0017030	100149746	TUBE, ROUND, DETAIL	joy	3

0017143	00572065-0136	GLAND, CABLE	joy	1
0017088	00572065-0026	PACKING, GLAND, ANGLE	joy	1
0017177	1069427- 2102	PIN, GATHERING HEAD	joy	2
0017043	01069450-0021	PLUG, STRAIGHT	joy	4
0017140	00481289-0000	WRENCH, SPANNER, CLUTCH	joy	2
0017147	100149796	BOLT, KIT, REWORK, MOTOR, PUMP	joy	2
0017148	100149877	BOLT, KIT, REWORK, MOTOR, PUMP	joy	2
0017072	100039583	SHIM, SPECIAL	joy	1
0017149	00570425-0000	HANGER, CABLE	joy	1
0017032	01069091-0258	FITTING, BOSS, METRIC	joy	1
0028010	98- 880480028	DISK, SPRING, 1.25, FEEDER	joy	15
0017066	100359320	PLATE, WEAR	joy	2
0017035	01069230-0488	HOSE, MICROBORE	joy	2
0017108	100219232	JOINT, SWIVEL	joy	1
0017069	01069533-0375	SHIM, CAT, TRACK	joy	6
0017052	01069434-0375	PIN	joy	3
0017047	01069367-2035	KEEPER	joy	2
0017070	01069533-0376	SHIM, CAT, TRACK	joy	5

0017068	01069533-0374	SHIM, CAT, TRACK	joy	6
0017074	100039586	SHIM, SPECIAL	joy	1

<b>Model</b>	<b>Description</b>	<b>Serial Number</b>
	Long Stick	98Z1197
	Preparation Plant	
	Fan - Jeffery 8HU84	
32483-41466-396	MCI 1000KVA dual 7200 switch house substation & T&R Electric 5000KVA power center	4336
HM400-2	Komatsu haul truck	A11011
	Radial Stacker- (Wash House Location)	
	Kawaski 90Z Wheel Loader	90C55034
	Kanawha Automated Weighmaster System	
A25C	Volvo Water Truck	5350V68117
	Thompson Water Pump High Pressure 6	6JSC-164
	40' OFFICE CONTAINER-HIGHCUBE	960626MSG
	Thompson Water Pump Trash 6	6T0C-370
	Starter & Belt Drive & Stacker	
	Model PE-300 Scoop	3049
	Fletcher Roof Bolter	20040115
	GE Fairchild Scoop (inc 2 batteries & 1 battery charger s/n 03D28MC2168	337-150
DDO-13	Fletcher Rubber Tired Roofbolter	81017
CF50LP-A2-CB-S	Cogar - Feeder Breaker	5061
	Refuge Chamber	454055-01-18
	24 man inflatable fresh air bay	454-157-0113
	24 man inflatable fresh air bay	CH312-2085
	24 man inflatable fresh air bay	Ch312-083
21SC	Shuttle Car	MoEqCo-0035
21SC-56AAE-3	Shuttle Car	MoEqCo-0034
	Power Centers (4 power boxes)	
	S&S Scoop	1578
	Battery Powered MSHA Permissible Personnel Carrier	YJ053P

	Trey K Electric Model DC load center 500KVA input 7200VAC output 600VDC	14179
	4X4 Super Steer Diesel Personnel Carrier Capacity 8-14 Men	SS096D
	4x4 Super Steer Diesel Personnel Carrier	S1025D
	EMU-LR4 w/ customized options	4XARC08G1DE787203
	EMU-LR4 w/ customized options	4XARC0867C4716887
	EMU-LR4 w/ customized options	4XARC08G2DE212981
	EMU-LR4 w/ customized options	4XARC08G6D4317156
	EMU-LR4 w/ customized options	4AXRC08G2D4317154
	EMU-ALR (ambulance)	4XARC08G3C4721451
	EMU-LR4 w/ customized options	4XARC08G9DE219930
	EMU-LR	4XARC08G2EE231628
	EMU-LR	4XARC08G2EE228639
	Battery Powered MSHA Permissible Personnel Carrier	JL394P
	Rust Duster, scoop bucket type	T-RD
	Single Head Roof Bolter	
	Kubota Traco 2 UMV 2 seat RTV	
	Kubota Traco 2 UMV 2 seat RTV	
	Kubota Traco 2 UMV 2 seat RTV	
	Kubota 4 man RTV	
	Conveyor Belt & Structure incl take up, tail piece, power cent & starters	
410L	John Deere Backhoe Loader & 60 quick attach rail forks	1T0410LXKFF284290
	John Deere Articulated Dump Truck	1DW410ETTCE649195
	Sakai Compactor & Smooth Shell Kit	35V53-10311
	Powerscreen- Chieftain	PID00124V7AD05162
	Processing Plant Double Wide- Building	
	Processing Plant Double Wide- Contents	
	Processing Plant Storage Trailer- Building	

	Processing Plant Storage Trailer- Contents	
	Scale House Trailer- Building	
	Scale House Trailer- Contents	
	Todd's Office: 20' Open Bay Office - Building	GS20YWO2001
	Todd's Office: 20' Open Bay Office - Contents	GS20YWO2001
	Clark Office & Supply: 40' Combo Office-Building	AS40UYU0413
	Clark Office & Supply: 40' Combo Office-Contents	AS40UYU0413
	Clark Office: 20' Open Bay Office- Building	JS20MYW0076
	Clark Office: 20' Open Bay Office- Contents	JS20MYW0076
	Hitachi Compact Excavator w/ Bucket & Hydraulic Thumb	HCM AFC60H00286957
	Hitachi Excavator w/ Bucket & Lube System	1FFDDC70HEE930591
	John Deere 410E Articulated Dump Truck	1DW410ETPEE659861
410E	John Deere Articulated Dump	1DW410ETAEE663738
410 E	John Deere Articulated Dump Truck	1DW410ETKCE649197
470GLC	John Deere Excavator w/ 72 in Bkt & Lub Sys	1FF470GXHFE471261
410E	John Deere Articulated Dump Truck	1DW41DETHFE666157
	Cell Tower	
	Cell Tower	
	Security Camera & Antenna	
	Security Camera & Antenna	
	A.L. Lee Diesel Tractor	E-8486
410 E	John Deere Articulated Dump Truck	1DW410ETLEE659089
470GLC	John Deere Excavator with 72 Inch Tag Bucket	1FF470GXKEE470956
	Lolley Mine Office- Building	1741249-1741253
	Lolley Mine Office- Contents	1741249-1741253
	Spare Parts and Container w/ Shafting	
	Generator Hauling Vehicle	
	80KW Generator	



	36 ft x 40 ft Shower Trailer unit (including contents)	FSSI-2673 A-C
	36 ft x 56 ft Shower Trailer unit (including contents)	FSSI-3964 A-C

**Schedule 2.1(f)**

**Assumed Contracts**

<b>Contracting Party</b>	<b>Description of Contract</b>	<b>Cure Costs</b>
ProModular, LLC	Office lease agreement (5-wide office)	\$ 16,500.00
ProModular, LLC	Office lease agreement (8-wide office)	\$ 30,411.55
CIT Bank, N.A.	Copier Lease agreement - Xerox WorkCentre 7845	\$ 1,592.48
CIT Bank, N.A.	Copier Lease agreement - Xerox AltaLink C8045	\$ 803.00
CIT Bank, N.A.	Copier Lease agreement - Xerox AltaLink C8045	\$ 1,204.50
CIT Bank, N.A.	Copier Lease agreement - Xerox WorkCentre 7835	\$949.56
Indemnity National Insurance Company, c/o Cumberland Surety, Inc.	Agreement for Coal Reclamation Bond	\$ -
Shelby County Alabama	County Road 270 temporary closure	\$ -
Shelby County Alabama	County Road 260 temporary closure	\$ -
Alabama Power Company	Contract for Electric Service	\$ -
RGGS Land & Mineral Ltd., L.P., and Tacoa Minerals, LLC	Coal Lease Security Agreement	\$ -
Kodiak Mining Company, LLC	Royalty Rights Agreement	\$ -

**Schedule 2.1(i)**

**Transferred Permits**

**Jesse Creek Mining, LLC. ASMC PERMITS**

**Mining License # L-0828 Renewed**

MINE NAME	ASMC NO.	Renewal	Mid-Term		Expiration	Comment	Permit Status	Issued	Expires
			Year	Month					
Hebron Mine	P-3898	6/4/2015	2017	12	6/2/2020		Temp Closure	2/7/2019	8/7/2019
Seymour Mine	P-3855	8/13/2014	2017	14	8/12/2019	Submitted for Renewal	Temp Closure	3/13/2019	9/13/2019
Helena Mine	P-3916	3/31/2014	2016	9	3/31/2019	Submitted for Renewal			
Piper Mine	P-3943	5/8/2015	2017	11	5/8/2020				
Gholson Mine	P-3663	5/23/2016	2018	11	5/22/2021		Temp Closure		
Gurnee Mine	P-3978	5/6/2014	2016	11	5/5/2019				
Murry Creek Mine	P-3985	9/1/2016	2018	15	8/31/2021		Temp Closure		
Marvel Mine	P-3989	2/7/2019	2021	8	2/6/2024				
Murry Creek Mine No. 2	P-3992	7/26/2018	2020	13	7/25/2023		Temp Closure		

**Jesse Creek Mining, LLC. ADEM PERMITS**

MINE NAME	NPDES NO.	Issued	Expiration	Modified	Comment
Hebron Mine	AL0061808	1/23/2018	1/31/2023		
Seymour Mine	AL0076295	6/1/2018	6/1/2023		
Helena Mine	AL0079472	9/1/2017	8/31/2022		
Piper Mine	AL0079511	7/1/2018	7/1/2023		
Marvel Mine	AL0079588	9/27/2017	9/30/2022		
Mine No. 1	AL0061786	9/13/2016	9/30/2021		

Kodiak Mine	AL0069108	4/2/2015	3/31/2020	3/31/2019	
Gurnee	AL0082317	4/1/2014	3/31/2019		Under Administrative Extension
Alliance	AL0074039				Under Administrative Extension

**Jesse Creek Mining, LLC. UIC Permits**

<b>MINE NAME</b>	<b>PERMIT NO.</b>	<b>Issued</b>	<b>Expiration</b>	<b>Modified</b>
Gholson Mine	ALSI9959497	6/21/2018	9/25/2023	

**Jesse Creek Mining, LLC. MSHA ID's**

<b>MINE NAME</b>	<b>ID NO.</b>	<b>Status</b>
Piney Woods Prep Plant	01-02976	Non-Producing
Kodiak No. 2	01-03067	Abandoned
Burgess Refuse Site	01-03210	Abandoned
Seymour Mine	01-03295	Abandoned
Thompson Surface Mine	01-03366	Abandoned
Jesse Creek H.W.M.	01-03381	Non-Producing
Helena Mine	01-03381	Active
Hebron Mine	01-03388	Abandoned
Thompson No. 2 Mine	01-03391	Abandoned
Clark No. 1 Mine	01-03422	Abandoned
Gholson Mine No. 1	01-02908	New Mine
		Temporarily
Gurnee Mine	01-03472	Idled
Marvel Mine	01-03441	New Mine

Murry Creek Mine	01-03500	Non-Producing
Lolley Mine No. 1	01-03503	Non-Producing

**Jesse Creek Mining, LLC. Corp Permits**

<b>MINE NAME</b>	<b>Permit No.</b>	<b>Issued</b>	<b>Expiration</b>	
Helena Mine	SAM-2009-00320-CTM	3/27/2009	3/18/2017	All Impacts Completed
Piper Mine	SAM-2008-01445-CJH	5/29/2009	3/18/2017	All Impacts Completed
Piper Mine	SAM-2010-00376-CTM	3/24/2010	3/18/2012	All Impacts Completed
Gurnee Mine	SAM-2012-01045-LCB	7/31/2013	5/4/2019	Permit is in Maintenance IP
Murry Mine & Murry Creek No. 2	SAM-2014-01052-	11/21/2017	3/18/2022	NWP 49 - Impacts Completed
	CM			
	<b>Certificate of Use</b>	<b>Issued</b>	<b>Expiration</b>	

Jesse Creek Mining -

Water Withdrawal Permit	1259	6/16/2017	1/1/2027
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**Alabama Department of Public Health (Shelby County)**

	<b>Permit Number</b>	<b>Issued</b>	<b>Expiration</b>
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Jesse Creek Mining -

Septic Permit	58-16-6051	6/28/2018	6/27/2023
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**Schedule 2.2(i)**

**Excluded Assets**

**All PMSI Equipment**

**McPherson Company fuel tanks**

**American Hydraulics & Rebuild Company consignment parts**

**Refab Company, Inc. consignment parts**

**Schedule 2.2(n)**  
**PMSI Equipment**

**No PMSI Equipment is Included as Part of the Coalmont Resources Bid**

<b>Description of PMSI Equipment</b>	<b>PMSI Lender</b>	<b>Description of Contract</b>	<b>PMSI Payoff Amount</b>
Cat 745C Articulated Truck	Caterpillar Financial	Equipment loan agreement 001-0925852-000	
Cat 980M Wheel Loader			
Genie Z60G2 4x4 Manlift			
Cat TL943C Telehandler			
Cat 289D Compact Track Loader			
Genie S65G2 65' 4x4 Manlift			
Cat 938K Wheel Loader - s/n SWL03995	Caterpillar Financial	Equipment loan agreement 001-0895427000	
Cat 745C Articulated Truck - s/n TFK00666	Caterpillar Financial	Equipment loan agreement 001-0895048000	
Cat D8T Track Type Tractor - s/n FMC00607	Caterpillar Financial	Equipment loan agreement 001-0894987-000	
Cat 745C Articulated Truck - s/n TFK00669	Caterpillar Financial	Equipment loan agreement 001-0894995000	
Cat 980M Wheel Loader - s/n KRS01783	Caterpillar Financial	Equipment loan agreement 001-0895000000	
Cat 745C Articulated Truck - s/n TFK00667	Caterpillar Financial	Equipment loan agreement 001-0895557000	
Cat 973D Track Loader - s/n LCP00247	Caterpillar Financial	Equipment loan agreement 001-0880866000	
Komatsu HD605 s/n 10659	Komatsu Financial	Equipment loan agreement 777-0148551-000	



Komatsu HM400 s/n A11218	Komatsu Financial	Equipment loan agreement 777-0148551-010	
Komatsu HD605 s/n 11214	Komatsu Financial	Equipment loan agreement 777-0148551-011	
Komatsu D51PX-22 s/n B12742	Komatsu Financial	Equipment loan agreement 777-0148551-012	
Komatsu PC450LC-8 s/n A10023	Komatsu Financial	Equipment loan agreement 777-0148551-013	
Komatsu PC2000 s/n 20615	Komatsu Financial	Equipment loan agreement 777-0148551-014	
Three Komatsu HD785 s/n 31495, 31496, 31848	Komatsu Financial	Equipment loan agreement 777-0148551-015	
Superior Highwall Miner #58 & Accessories	Portfolio Advisors VIII, LLC	Equipment loan agreement 10533-001	
Twelve Ram trucks	Portfolio Advisors VIII, LLC	Equipment loan agreement 10533-002	
Five Ram trucks	Portfolio Advisors VIII, LLC	Equipment loan agreement 10533-003	

**Schedule 2.7**

**Purchase Price Allocation Statement**

The Purchase Price (together with the value of the Assumed Liabilities) shall be allocated as follows:

<b>Asset Class</b>	<b>Description</b>	<b>Allocation</b>
I	Owned Real Property [Sch. 2.1(a)]	[\$TBD]
II	Real Property Agreement [Sch. 2.1(b)]	[\$TBD]
III	Personal Property [Sch. 2.1(e)]	[\$TBD]
IV	Transferred Permits [Sch. 2.1(i)]	[\$TBD]
V	Cure Costs	\$101,461.09
VI	Other Intangibles	[\$TBD]
VII	Goodwill and Going Concern Value	The balance of the Purchase Price

**Schedule 5.6(a)**

**Existing Financial Assurances for the Transferred Permits**

<b>Permit #</b>	<b>Permit Name</b>	<b>Total Bond Amount</b>
P-3663	Gholson	\$ 3,807,606
P-3855	Seymour	334,189
P-3898	Hebron	196,567
P-3916	Helena	348,104
P-3943	Piper	481,562
P-3978	Gurnee	517,559
P-3978	Gurnee (Shelby County Road 270)	1,141,803
P-3978	Gurnee Mitigation	447,544
P-3985	Murry Creek	1,284,914
P-3985	Murry Creek (Shelby County Road 260)	169,688
P-3989	Marvel	37,950
P-3992	Murry Creek #2	1,681,404
	<b>Total:</b>	<b>\$ 10,448,890</b>
	<b>Collateral</b>	<b>Amount</b>
	Irrevocable Standby Letter of Credit No. A32258A established by Compass Bank in favor of Indemnity National Insurance Company c/o Cumberland Surety, Inc.	\$ 1,196,000
	Irrevocable Standby Letter of Credit No. SVBSF012061 established by Silicon Valley Bank in favor of Indemnity National Insurance Company c/o Cumberland Surety, Inc.	\$ 1,404,000

**EXHIBIT B**

Transition Services Agreement

## TRANSITION SERVICES AGREEMENT

This Transition Services Agreement (this “Agreement”), dated as of May 31, 2019 (the “Closing Date”), is entered into by and between Piney Woods Resources, Inc., a Delaware corporation (“Piney Woods”), and Jesse Creek Mining, LLC (“Jesse Creek,” and, with Piney Woods, each individually a “Debtor” and together, the “Debtors”), on the one part, and Coalmont Resources LLC, a Delaware limited liability company (the “Buyer”), on the other part. For purposes of this Agreement, and to the extent any of the Acquired Assets are titled at closing in, or designated by Buyer to be transferred to, an entity other than Buyer in connection with or following the closing under the APA (as defined below), such other entity shall be considered part of Buyer for purposes of this Agreement. Debtors and Buyer are each, individually, a “Party,” and are, collectively, the “Parties.” All capitalized terms used but not defined in this Agreement have the meaning given such terms in the APA.

### RECITALS

WHEREAS, on April 2, 2019 (the “Commencement Date”), the Debtors commenced a voluntary case for reorganization, Case No. 19-01390-DSC11 (Jointly Administered) (the “Bankruptcy Case”) under Chapter 11 of Title 11 of the United States Code, and as amended from time to time (the “Bankruptcy Code”), in the United States Bankruptcy Court for the Northern District of Alabama, Southern Division (the “Bankruptcy Court”); and

WHEREAS, the Debtors are each a debtor and debtor-in-possession and prior to the date hereof were managing their properties pursuant to §§ 1107 and 1108 of the Bankruptcy Code, and this Agreement shall be binding on the Debtors subject only to approval of the Bankruptcy Court; and

WHEREAS, the Debtors were engaged in the business of mining and selling coal at the Jesse Creek mining complex, which consists of an idled surface and highwall mining operation, an idled underground mine development project, an idled preparation plant, and respective associated properties and assets in Shelby County, Alabama, and with reserves extending into Bibb County, Alabama; and

WHEREAS, the Debtors have determined that it is in the best interest of the Debtors and their bankruptcy estates to sell to Buyer all right, title and interest of the Debtors respectively in and to the Acquired Assets as defined in that certain Asset Purchase Agreement entered into between the Parties on May \_\_, 2019, as it may be amended (the “APA”), in exchange for such consideration as more particularly described below and the assumption by the Buyer of the Assumed Liabilities, upon the terms and conditions hereinafter set forth; and

WHEREAS, Buyer desires to purchase the Acquired Assets and assume the Assumed Liabilities from the Debtors, and the Debtors desire to sell, convey, assign and transfer to Buyer, the Acquired Assets together with the Assumed Liabilities, all in the manner and subject to the terms and conditions set forth in the APA and in accordance with Sections 105, 363, 365, and other applicable provisions of the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure; and

WHEREAS, it is a condition to closing the transactions contemplated by the APA, that Buyer and the Debtors enter into this Agreement pursuant to which the Debtors shall provide

certain services to the Buyer for a limited period of time as set forth herein and as provided in the Sale Order as hereinafter defined;

WHEREAS, the Parties desire to enter into this Agreement as contemplated by the APA and the Sale Order.

## **AGREEMENT**

Now, therefore, in consideration of the foregoing and the mutual covenants and agreements in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

### **ARTICLE 1** **SERVICES AND COMPENSATION**

#### **1.1 Scope of Services**

During the Term (as defined below), Debtors shall furnish to Buyer the services described on Schedule 1 attached hereto (the “Services”) for the Acquired Assets and the Assumed Liabilities in the same manner as the Services have been performed by Debtors prior to the Closing Date, subject to the available personnel of Debtors. To the extent Buyer notifies Debtors in writing of Buyer’s desire to add a new service, or modify an existing Service, Buyer and Debtors shall consult and attempt to mutually agree upon such addition or modification. Notwithstanding anything to the contrary in this Agreement, Buyer shall have the right to conduct operations on the Acquired Assets and in connection with the Assumed Liabilities during the Term.

#### **1.2 Term**

Debtors shall furnish the Services to Buyer during the period beginning on the Closing Date and terminating on June 30, 2019, unless earlier terminated or extended consistent with this Agreement (the “Term”). Upon ten (10) days advance written notice to Debtor, Buyer may elect to extend the Term one time by up to thirty (30) days. If at any time during the Term, including the permitted extension thereof, all or a substantial portion of Debtors’ then applicable employees become employees of Buyer, such that Debtors have no remaining employees, this Agreement shall terminate. Debtors and Buyer shall agree on a stipulated extension of any authorization to use cash collateral sufficient for Debtors to carry out their obligations under this Agreement.

#### **1.3 Standard of Performance**

Debtors shall perform the Services as a reasonably prudent operator in accordance with applicable laws, consistent with the same degree of care, skill, and prudence generally consistent with the historical provision of the Services prior to the Closing Date and with the same standard of care as historically provided prior to the Closing Date, subject to Debtors’ then available personnel. Debtors shall have no obligation to replace any departed personnel. Except as expressly set forth in this Agreement or in any contract entered into hereunder, Debtors make no representations and warranties of any kind, implied or expressed, with respect to the Services, including, without limitation, no warranties of merchantability or fitness for a particular purpose, which are specifically disclaimed. Except as otherwise provided in this Agreement, nothing herein

shall require Debtors to (a) provide records, financial information, or other information for the Acquired Assets, which is not kept or reported by Debtors in the ordinary course of business, or (b) perform any such Service in a manner different from the manner in which Debtors have customarily performed similar services with respect to the Acquired Assets prior to the Closing Date. Buyer acknowledges and agrees that Debtors are not a professional provider of the type of services included in the Services. In no event shall Debtors be obligated to perform any of the following actions: (i) make modifications to its existing systems, equipment, records, or procedures; (ii) acquire or expand assets, equipment, rights, or properties (including computer equipment, software, and other tangible personal property) beyond the level and location currently provided by Debtors as of the date hereof; (iii) hire additional employees or contractors; or (iv) pay any costs related to the transfer or conversion of data, services, or operations from Debtors to Buyer.

#### **1.4 Financial Obligations**

Absent the express written consent of the Buyer, and excluding any financial obligations expressly contemplated by this Agreement, Debtors shall take no action while providing the Services during the Term that would result in Buyer incurring any binding financial obligations.

#### **1.5 Payment for Services**

(a) In consideration for Debtors' performance of the Services during the Term, Buyer shall pay to Debtors an amount equal to (and a reimbursement of) all employee wages and benefits and employer taxes thereon accruing during the Term, including any permitted extension thereof, and including amounts payable following the expiration or termination thereof (the "Payroll Amount"), all expenses related to the maintenance of insurance coverage and security of the Acquired Assets payable for or accruing during the Term, including any extension thereof (the "Insurance and Security Amount"), and any other third-party costs and expenditures (the "Third Party Expenses") accruing by Debtors during the Term related to the performance of the Services or otherwise arising by virtue of this Agreement and the obligations of Debtors hereunder (together, the Payroll Amount, Insurance and Security Expense, and the Third Party Expenses shall be referred to as the "Reimbursable Costs").

(b) On or before the Closing Date, Debtors shall furnish Buyer with a written good faith estimate of the aggregate Insurance and Security Amount and Third Party Expenses that Debtors anticipate incurring during the Term (the "Non-Employee Reimbursable Costs Estimate"). Thereafter, Debtors shall provide Buyer a written request each Friday of the Non-Employee Reimbursable Costs expected to be incurred during the following week. On the following Monday, upon Buyer's reasonable approval of such request, Buyer shall wire such amount to Debtors' disbursement account. This process shall continue during the Term of this Agreement. Within three (3) days after the end of the Term or earlier termination of this Agreement, Buyer and Debtors shall in good faith reconcile the Non-Employee Cost Estimate with the Non-Employee Reimbursable Costs actually incurred by Debtors during the Term and determine whether adjustments or additional payments by Buyer may be required or any excess funds returned to Buyer by Debtors.

(c) On each Monday during the Term of this Agreement and on the Monday following the expiration or termination of this Agreement, Debtors shall provide Buyer written notice of the Payroll Amount due to be paid that week for the prior week's payroll. By no later than noon Central Time of Wednesday of that week, Buyer shall wire transfer such amount to the Debtors' payroll service provider's bank account to enable Debtors' payroll service provider to disburse the Payroll Amount to Debtors' employees and the appropriate taxing authorities by Friday of that week.

## **1.6 Site Access**

In order to enable the provision of the Services by Debtors, Buyer agrees that it shall provide to Debtors' employees and any third-party service providers or subcontractors who provide Services, at no cost to Debtors, access to the Acquired Assets, in all cases to the extent necessary for Debtors to fulfill their obligations under this Agreement.

## **1.7 Contact Persons**

Debtors and Buyer have each designated in this Section 1.7 a contact person or persons to act on its behalf (the "Debtors Contact Persons" or the "Buyer Contact Person", as applicable) for the purpose of coordinating the provision of the Services. Either Party may change its contact person for any Service by written notice to the other Party. Debtors may conclusively rely upon and shall be fully protected in acting or refraining from acting upon any written request or instruction with respect to any of the Services received from any Buyer Contact Person with respect to such Services pursuant to this Article I. The Debtors Contact Persons shall be reasonably available during Debtors' regular business hours, and shall cause appropriate Debtors' personnel to be reasonably available during Debtor's regular business hours, in each case, to discuss such information regarding the Acquired Assets and Assumed Liabilities as may be reasonably requested by Buyer.

### **DEBTORS CONTACT PERSON:**

Piney Woods Resources, Inc.  
B. Scott Spears  
Chief Executive Officer  
sspears@jessecreekmining.com

Brian O'Dea  
Chief Engineer  
bodea@jessecreekmining.com

### **BUYER CONTACT PERSON:**

Coalmont Resources LLC  
Brett Beatty  
President  
bbeatty@rcflp.com



The Debtors Contact Person shall be knowledgeable in Debtors' functions constituting the Services, and shall facilitate the provision of the Services to be provided hereunder.

## **ARTICLE 2**

### **STATUS; BOOKS AND RECORDS**

#### **2.1 Status as a Contractor**

The Parties expressly agree that the Services rendered by Debtors in the fulfillment of the terms and obligations of this Agreement shall be as an "independent contractor" of Buyer, and nothing in this Agreement is intended and nothing shall be construed to create an agency, employer/employee, partnership, joint venture, or other similar relationship between Debtors and their affiliates, on the one hand, and Buyer and its affiliates on the other. Debtors have the authority and responsibility to elect the means, manner, and method of performing the Services; *provided, however*, that such Services shall be performed in accordance with the requirements of this Agreement. For such time as any employees of Debtors are providing the Services to Buyer under this Agreement, (a) such employees will remain employees of Debtors and shall not be deemed to be employees of Buyer for any purpose, and (b) Debtors shall be solely responsible for the payment and provision of all wages, bonuses and commissions, employee benefits, including severance and worker's compensation insurance, and the withholding and payment of applicable taxes relating to such employment.

#### **2.2 Books and Records**

Debtors shall keep and maintain complete and accurate books and records of all reports, expenditures, operations and transactions relating to each category of the Services consistent with its past practices and the Reimbursable Costs charged under this Agreement, which books and records shall be deemed to be the property of Buyer, and Debtors shall make such books and records available for audit and review by Buyer during the Term. As soon as is reasonably practical, but no later than seven (7) business days after the expiration of the Term, Debtors shall deliver to Buyer the books and records related to the Services.

## **ARTICLE 3**

### **INSURANCE; LIMITATION OF LIABILITY AND INDEMNIFICATION**

#### **3.1 Insurance**

(a) Debtors shall secure and maintain at all times during the Term, with insurance companies authorized to do business in the State of Alabama, insurance policies with the types of coverage and the policy limits set forth for such policies in Schedule 2; *provided, however*, that in no event shall Debtors maintain any lesser insurance coverage for the Acquired Assets to the extent of an insurable interest therein and taking into account the idled status of such Acquired Assets than was in place prior to the Closing Date.

(b) All insurance policies of Debtors shall be endorsed expressly to provide, that Buyer is named as additional insured (except for Worker's Compensation) to the extent of Debtor's assumed obligations under this Agreement.

### 3.2 Limitation of Liability

In no event do Debtors and their affiliates, and all of their respective equity holders, partners, members, directors, officers, managers, employees, agents, and representatives (each a “Debtor Indemnified Party” and, together, the “Debtor Indemnified Parties”), have any liability to the Buyer and its affiliates and all of its equity holders, partners, members, directors, officers, managers, employees, agents, and representatives (each a “Buyer Indemnified Party” and, together, the “Buyer Indemnified Parties”) for any Losses for, and Buyer, on behalf of itself and on behalf of each other member of the Buyer Indemnified Parties, hereby waives any Losses related to, the provision of the Services, REGARDLESS OF WHETHER SUCH LOSSES ASSERTED BY THE BUYER INDEMNIFIED PARTIES ARE A RESULT OF OR CAUSED BY THE SOLE, ACTIVE, PASSIVE, CONCURRENT, OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY, OR OTHER FAULT OR VIOLATION OF THE LAW OF OR BY ANY DEBTOR INDEMNIFIED PARTY, BUT EXCLUDING ANY AND ALL SUCH LOSSES ARISING OUT OF, RESULTING FROM, OR IN CONNECTION WITH THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY DEBTOR INDEMNIFIED PARTY.

### 3.3 Indemnification

(a) Buyer’s Indemnity. To the extent permitted by Law, Buyer shall indemnify, defend, and hold harmless the Debtor Indemnified Parties from and against any and all Losses arising out of, resulting from, or in connection with the performance of the Services by any of the Debtor Indemnified Parties during the Term, REGARDLESS OF WHETHER SUCH LOSSES ARE A RESULT OF OR CAUSED BY THE SOLE, ACTIVE, PASSIVE, CONCURRENT, OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY, OR OTHER FAULT OR VIOLATION OF THE LAW OF OR BY ANY DEBTOR INDEMNIFIED PARTY, BUT EXCLUDING ANY AND ALL SUCH LOSSES ARISING OUT OF, RESULTING FROM, OR IN CONNECTION WITH THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY DEBTOR INDEMNIFIED PARTY; *provided, however*, that each Debtor Indemnified Party must first exhaust any available insurance proceeds before seeking indemnity from Buyer for any losses covered under this Section 3.3(a). This Section 3.3(a) will survive the termination or expiration of this Agreement.

(b) Debtors’ Indemnity. Notwithstanding anything to the contrary in this Agreement, to the extent permitted by law, Debtors shall indemnify, defend, and hold harmless the Buyer Indemnified Parties from and against any and all Losses arising out of, resulting from, or in connection with the gross negligence or willful misconduct of any of the Debtor Indemnified Parties *provided, however*, that each Buyer Indemnified Party shall be limited solely to any available insurance proceeds and the Buyer Indemnified Parties shall not seek direct indemnification from the Debtors or their estates. This Section 3.3(b) will survive the termination or expiration of this Agreement.

### 3.4 Express Negligence

**THE DEFENSE, INDEMNIFICATION, HOLD HARMLESS, RELEASE, WAIVER, AND LIMITATION OF LIABILITY PROVISIONS PROVIDED FOR IN THIS AGREEMENT WILL BE APPLICABLE WHETHER OR NOT THE LIABILITIES,**

**LOSSES, COSTS, EXPENSES, AND DAMAGES IN QUESTION AROSE OR RESULTED SOLELY FROM THE SOLE, ACTIVE, PASSIVE, CONCURRENT, OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY, OR OTHER FAULT OR VIOLATION OF LAW OF OR BY ANY INDEMNIFIED PARTY, BUT EXCLUDING THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF AN INDEMNIFIED PARTY. THIS STATEMENT COMPLIES WITH THE EXPRESS NEGLIGENCE RULE AND IS CONSPICUOUS.**

### **3.5 Limitation on Damages**

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NO PARTY SHALL BE LIABLE TO THE OTHER PARTY OR TO THE OTHER PARTY'S INDEMNIFIED PARTIES FOR SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR INCIDENTAL DAMAGES SUFFERED BY SUCH OTHER PARTY OR ITS INDEMNIFIED PARTIES RESULTING FROM OR ARISING OUT OF THIS AGREEMENT OR THE BREACH THEREOF OR UNDER ANY OTHER THEORY OF LIABILITY, WHETHER TORT, NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT, WARRANTY, INDEMNITY OR OTHERWISE, INCLUDING LOSS OF USE, INCREASED COST OF OPERATIONS, LOSS OF PROFIT OR REVENUE, OR BUSINESS INTERRUPTIONS. IN FURTHERANCE OF THE FOREGOING, EACH PARTY RELEASES THE OTHER PARTY AND WAIVES ANY RIGHT OF RECOVERY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, OR INCIDENTAL DAMAGES SUFFERED BY SUCH PARTY REGARDLESS OF WHETHER ANY SUCH DAMAGES ARE CAUSED BY SUCH OTHER PARTY'S NEGLIGENCE (AND REGARDLESS OF WHETHER SUCH NEGLIGENCE IS SOLE, JOINT, CONCURRENT, ACTIVE, PASSIVE OR GROSS NEGLIGENCE), FAULT, OR LIABILITY WITHOUT FAULT; *PROVIDED, HOWEVER*, NOTWITHSTANDING ANYTHING SET FORTH HEREIN TO THE CONTRARY, THE FOREGOING SHALL NOT BE CONSTRUED AS LIMITING AN OBLIGATION OF A PARTY HEREUNDER TO INDEMNIFY, DEFEND, OR HOLD HARMLESS THE OTHER PARTY AGAINST LOSSES ASSERTED BY UNAFFILIATED THIRD PARTIES, INCLUDING, BUT NOT LIMITED TO, THIRD-PARTY CLAIMS FOR SPECIAL, INDIRECT, CONSEQUENTIAL, LOST PROFIT OR REVENUE, BUSINESS INTERRUPTIONS, PUNITIVE OR EXEMPLARY DAMAGES. THE PARTIES ACKNOWLEDGE THAT THE AGREEMENTS CONTAINED IN THIS SECTION 3.5 ARE AN INTEGRAL PART OF THE TRANSACTION, AND THAT, WITHOUT THESE AGREEMENTS, THE PARTIES WOULD NOT ENTER INTO THIS AGREEMENT.

## **ARTICLE 4** **MISCELLANEOUS**

### **4.1 Notices**

All notices under this Agreement shall be sufficiently given for all purposes under this Agreement if in writing and delivered personally, sent by documented overnight delivery service or, to the extent receipt is confirmed, by mail, electronic mail and follow-up telephone call, or facsimile to the appropriate address or number as set forth below (or at such other address and to the attention of such other Person as the recipient Party may designate by written notice to the other Parties):

If to Debtors:

Piney Woods Resources, Inc.  
Attn: B. Scott Spears  
1615 Kent Dairy Road  
Alabaster, Alabama 35007  
Telephone: (205) 358-8826  
Email: [sspears@jessecreekmining.com](mailto:sspears@jessecreekmining.com)

with copy to: Charles A. Compton, Esq.  
Jackson Kelly PLLC  
221 N.W. Fifth Street  
P.O. Box 1507  
Evansville, Indiana 47708  
Telephone: (812) 422-9444  
Facsimile: (812) 421-7459  
Email: [charles.compton@jacksonkelly.com](mailto:charles.compton@jacksonkelly.com)

If to Buyer: Coalmont Resources LLC  
Attn.: Brett Beatty, President  
1400 Sixteenth Street  
Suite 200  
Denver, Colorado 80202  
Telephone: (720) 946-4444  
Email: [bbeatty@rcflp.com](mailto:bbeatty@rcflp.com)  
[rcfnotices@rcflp.com](mailto:rcfnotices@rcflp.com)

with copy to: Davis Graham & Stubbs LLP  
Attn.: Joel Benson, Esq.  
1550 Seventeenth Street  
Suite 500  
Denver, Colorado 80202  
Telephone: (303) 892-9400  
Email: [joel.benson@dgsllaw.com](mailto:joel.benson@dgsllaw.com)

Notice given by overnight delivery or mail shall be effective upon actual receipt. Notice given by facsimile shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours. Any Party may, by written notice so delivered to the other Party, change the address or individual to which delivery shall thereafter be made.

#### **4.2 Entire Agreement**

This Agreement constitutes the entire agreement among the Parties, and supersedes all prior discussions and agreements between the Parties with respect to the subject matter hereof and contains the sole and entire agreement between the Parties hereto with respect to the subject matter

hereof and thereof. In the event of a conflict between the terms of this Agreement and the terms of the APA, the terms of the APA shall control.

#### **4.3 Waiver**

Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition.

#### **4.4 Amendment**

Except with respect to the identification of the Persons entitled to notice under Section 4.1 of this Agreement, this Agreement may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each Party.

#### **4.5 No Third-Party Beneficiary**

Except with respect to the members of the Seller Indemnified Parties and Buyer Indemnified Parties, each of which Persons are third-party beneficiaries for purposes of Section 3.3 of this Agreement, the terms and provisions of this Agreement are intended solely for the benefit of the Parties and their respective successors or permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other Person.

#### **4.6 Assignment; Binding Effect**

Upon notice to Debtors, Buyer shall have the right to assign all or part of its interests under this Agreement, but such assignment shall not have the effect of releasing Buyer from any of its obligations or liabilities under this Agreement. This Agreement is binding upon, inures to the benefit of and is enforceable by the Parties and their respective successors and permitted assigns.

#### **4.7 Headings**

The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.

#### **4.8 Invalid Provisions**

If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement shall remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree shall remain in full force and effect to the extent not held invalid or unenforceable.

#### **4.9 Counterparts; Facsimile**

This Agreement may be executed by Parties in any number of counterparts, each of which shall be deemed an original instrument, but all of which together shall constitute but one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile or by electronic image scan transmission in .pdf format shall constitute effective execution and

delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile or electronic image scan transmission in .pdf format shall be deemed to be their original signatures for all purposes.

#### **4.10 Offers of Employment**

At any time during the Term, Buyer may, but is not required to, solicit and discuss employment, negotiate, make offers of employment to and hire any employee of the Debtors.

#### **4.11 Governing Law**

This Agreement is governed by and must be construed according to the Laws of the State of Alabama, excluding any conflicts-of-law rule or principle that might apply the Law of another jurisdiction.

*[Signature pages follow.]*

IN WITNESS WHEREOF, the parties have caused this Transition Services Agreement to be duly executed as of the date first above written.

**DEBTORS:**

**PINEY WOODS RESOURCES, INC.**, as debtor and debtor-in-possession

By: \_\_\_\_\_  
[name][title]

**JESSE CREEK MINING, LLC**, as debtor and debtor-in-possession

By: \_\_\_\_\_  
[name][title]

**BUYER:**

**COALMONT RESOURCES LLC**

By: Resource Capital Fund VI L.P., its Managing Member

By: Resource Capital Associates VI L.P., its General Partner

By: RCA VI GP Ltd., its General Partner

By: \_\_\_\_\_  
Name: Mason Hills  
Title: General Counsel

## Schedule I

### Administrative Services

Accounting and Human Resources. Debtors shall provide all necessary or appropriate accounting and human resources services, including:

- *Operational Expense Administration.* Debtors shall assist Buyer in determining and paying expenses associated with Buyer's operation of the Acquired Assets, excluding any such expenses that are Reimbursable Costs.
- *Employee Wages and Benefits.* Debtors shall administer payroll, benefits, and human resources services for Debtors' employees. Debtors shall assist and support Buyer's efforts to establish its employee welfare and benefit plans and to establish its payroll and human resources operations and services, including establishing payroll processing, human resources database files, benefit plan participation, employee benefit education, employee counseling, organizational data and employee profile data.
- *Miscellaneous Accounting.* Debtors shall provide general accounting and financial services, including record keeping, maintaining internal controls, managing accounts payable and accounts receivable, check generation, bank account reconciliation, revenue recording, customer and vendor maintenance, accounting journal entries, cash application, property, sales and use tax accounting and management, periodic financial reporting, budgeting, maintaining information technology systems for accounting functions, financial forecasting and banking, and such accounting and financial services necessary to maintain any bonding and letters of credit, insurance and risk management. Debtor shall provide other miscellaneous accounting services required for operation of the Acquired Assets and satisfaction of the Assumed Liabilities during the Term in the same manner as provided prior to the Closing Date.

Transaction Support. Debtors shall provide all necessary services and support to Buyer (A) to facilitate the transfer to Buyer or its designee of the Acquired Assets, including transfer of Assumed Contracts, the Transferred Permits, utility or related services as well as Buyer's or its designee's acquisition of replacement reclamation bonding, (B) to administer all leases and agreements pertaining to the land or real-property-related Acquired Assets, (C) to manage all vendors, contractors, suppliers and service providers, and (D) perform any required Assumed Liability to the extent arising during the Term hereof.

Regulatory Matters. Debtors shall interact with state, local, and other governmental authorities to maintain the Acquired Assets in regulatory compliance, including maintaining and transferring all Transferred Permits associated with the Acquired Assets and filing for, pursuing and obtaining any other environmental, health, safety or other regulatory permits, approvals or authorizations necessary to maintain the Acquired Assets. Debtors shall notify Buyer of all communications from state, local, or other governmental authorities regarding the Acquired Assets or Assumed Liabilities.

Schedule 1



IT, Communication and Data Management. Debtors shall provide all necessary services and support to Buyer to maintain and facilitate the transfer to Buyer of all information technology assets, telephone and voice communication systems, computer and network systems, software, data management, data migration, and information technology contracts and vendors.

Marketing and Customer Management Efforts. Debtors will assist Buyer in managing and responding to information requests (including requests for on-site diligence) from prospective buyers and customers and otherwise provide institutional support for communicating with and managing historic or potential future buyers and customers. Debtors will notify Buyer of all communications from third parties regarding the Acquired Assets and Assumed Liabilities.

### Operational Services

Operations. Debtors shall provide or arrange for all necessary or appropriate operational services, including:

- *Maintenance of Assets.* Debtors shall provide services to protect and maintain the buildings, machinery, equipment and other physical goods and assets located on the property.
- *Security.* Debtors shall make arrangements to ensure the Acquired Assets and property are secure, and may provide such services through the use of a third-party contractor.
- *Utilities.* Debtors shall maintain and facilitate the transfer to the Buyer of all utility services associated with the Acquired Assets, including electrical power, fuel, water and telephone services.
- *Examinations and Inspections.* Debtors shall conduct the requisite audit, mine slope, water management, ventilation, main fan, pumping systems, safety, electrical, and other inspections and examinations necessary to maintain the Acquired Assets in compliance with all applicable regulations, including maintaining a Professional Engineer on site. Debtors shall facilitate and manage all regulatory site inspections by any federal, state or local regulatory authorities, including with respect to MSHA, OSHA and environmental compliance.
- *Miscellaneous Operational Matters.* Debtors shall otherwise maintain the Acquired Assets in the same idled, care and maintenance status as such assets were maintained prior to the Closing Date.

Schedule 1

Environmental, Health and Safety Management. Debtors shall provide all necessary or appropriate environmental, health and safety management services with respect to the Acquired Assets, including (A) regulatory management and compliance, including obtaining and maintaining governmental approvals and permits, preparation and filing of all applications, reports, notices, and other regulatory filings and reports, and participation in hearings and other administrative proceedings, (B) environmental sampling and reporting (water, air, dust, soil or other), (C) waste management, (D) safety training, and (E) emergency response.

Schedule 1

**Schedule 2**

[Debtors to Insert]

Schedule 2