Alpha Natural Resources NEWS RELEASE

FOR IMMEDIATE RELEASE

Alpha Natural Resources Announces Results for First Half 2018

- ***Net income from continuing operations of $63 million for the six months ended June 30, 2018, compared to $59 million for the year ago period***
- ***First half 2018 revenue was $607 million and Adjusted EBITDA was $122 million***
- ***Reduced long-term debt by $56 million***
- ***Updating sales guidance to 13.8 to 14.5 million tons, and capex projects will provide access to additional 146 million tons of metallurgical reserves, with 70% High Vol A***

BRISTOL, TN, August 16, 2018 – Alpha Natural Resources (ANR, Inc.), a leading coal supplier in Central Appalachia, reported first half 2018 net income of $64.6 million, compared with $23.7 million in the first half of 2017. Net income from continuing operations was $63.4 million versus $58.9 in the first half of 2017. Net income from discontinued operations was $1.2 million versus a net loss of $35.2 million in 2017.

Excluding the items described in "Reconciliation of Net Income from continuing operations to Adjusted EBITDA," the first half 2018 Adjusted EBITDA was $122.1 million compared with Adjusted EBITDA of $147.9 million in the first half of 2017.

2018 & 2017 H1 Financial & Operating Highlights

(millions, except per-ton amounts)

	H1 2018	H1 2017
Net income	**$64.6**	**$23.7**
Net income from continuing operations	**$63.4**	**$58.9**
Total revenue	**$606.7**	**$639.0**
Operating cash flow[1]	**$73.7**	**$35.9**
Adjusted EBITDA[2]	**$122.1**	**$147.9**
Tons of coal sold	**6.9**	**7.1**
Average coal sales price per ton[3]	**$85.23**	**$87.28**
Average coal cost per ton[3]	**$65.33**	**$64.68**

1. Includes discontinued operations
2. This is a non-GAAP financial measure. A reconciliation of net income from continuing operations to Adjusted EBITDA is included in a table accompanying the financial schedules.
3. Excludes discontinued operations

"Although the first quarter proved to be challenging from a logistics and weather perspective, we are pleased with the first six months of 2018," said David Stetson, chairman and CEO. "We had a strong first half with an average price of $111.01 for metallurgical coal, $52.84 for steam coal, and Alpha is seeing a strong, stable market in the second half of 2018 and into 2019."

Financial Performance- Continuing Operations

- Total revenues in the first half of 2018 were $606.7 million compared with $639.0 million in the first half of 2017. The decrease in total revenue was attributable to lower average per ton realizations and fewer brokered tons sold, along with impacts to shipments caused by persistent logistical disruptions in the period.

  During the first half of 2018, metallurgical coal shipments were 3.7 million tons, compared with 3.5 million tons in the first half of 2017. Steam coal shipments were 3.1 million tons, compared with 3.1 million tons in the year-ago period. Brokered coal shipments were 0.1 million tons during the first half of 2018, compared with 0.5 million tons in the first half of 2017. The average per ton realization on metallurgical coal shipments in the first half was $111.01, down from $115.73 in the first half last year. The average per-ton realization for steam shipments was $52.84, compared with $50.65 in the first half last year. The average per-ton realization for brokered shipments was $129.54, compared with $118.49 in the first half of 2017.

- Total costs and expenses during the first half of 2018 were $534.4 million, compared with $535.3 million in the first half of 2017. Cost of coal sales was $448.0 million, or $65.33 per ton, compared with $457.4 million, or $64.68 per ton, in the year-ago period.

- Selling, general and administrative (SG&A) expense in the first half of 2018 was $27.8 million, compared with SG&A expense of $16.7 million in the first half of 2017. The first half of 2018 expense included one-time stock reclassification and merger-related expenses of $11.4 million. Depreciation, depletion and amortization decreased to $18.1 million during the first half of 2018 from $24.8 million in the year-ago period.

- Alpha recorded net income from continuing operations of $63.4 million during the first half of 2018, compared with $58.9 million during the first half of 2017.

- Adjusted EBITDA was $122.1 million in the first half of 2018, compared with Adjusted EBITDA of $147.9 million in the first half of 2017.

Financial Performance – Discontinued Operations

Alpha recorded net income of $1.2 million during the first half of 2018 compared to a net loss of $35.2 million in the year ago period. The 2017 period included idle mine costs on properties substantially divested in October, 2017 to Lexington Coal Company.

Liquidity and Capital Resources

Cash provided by operating activities, including discontinued operations, for the first half ended June 30, 2018 was $73.7 million, compared with cash provided by operating activities of $35.9 million for the first half of 2017. Capital expenditures for the first half of 2018 were $39.3 million, compared with $24.5 million in the first half of 2017.

As of the end of the first half of 2018, Alpha had total liquidity of $72.9 million, consisting of cash and cash equivalents. Total long-term debt, net of debt discounts and deferred debt issuance costs, and including the current portion of long-term debt as of June 30, 2018, was $150.0 million.

Second Half 2018 Outlook

Alpha has updated its 2018 shipment guidance range of 13.8-14.5 million tons. As of June 30, 2018, the company has domestic commitments for 2.5 million tons of metallurgical coal priced at $100.07 per ton and 3.3 million tons of steam coal priced at $52.74 per ton.

Capital expenditures for 2018 are now expected to be in the range of $67 million to $72 million. According to David Stetson, “The three organic projects at Black Eagle, Road Fork 52 and Lynn Branch, along with the two recently completed projects at Panther Eagle and Workman Creek, will provide access to approximately 146 million tons of metallurgical coal while lowering costs. This coal is primarily High Vol A and Low Vol reserves, therefore completion of these projects will serve to strengthen Alpha’s position as the leading provider of high quality metallurgical coal.”

Contura Energy Merger Update

ANR, Inc., Alpha Natural Resources Holdings, Inc. and Contura Energy, Inc. (“Contura”) jointly announced a definitive merger agreement on April 30, and on July 16, Contura filed a confidential registration statement on form S-4 with the U.S. Securities and Exchange Commission. The all-stock transaction is expected to close prior to year-end.

Additional Information for Investors

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. Before making any voting or investment decision, investors are urged to read the form S-4 being submitted by Contura and the joint proxy statement and prospectus being prepared by ANR, Inc. and Alpha Natural Resources Holdings, Inc., regarding the proposed transaction and any other relevant documents carefully in their entirety when they become available because they will contain important information about the proposed transaction. The joint proxy statement and prospectus, as well as other filings containing information about ANR, Inc. Alpha Natural Resources Holdings, Inc., and Contura will be available without charge at the SEC’s Internet site (www.sec.gov). Copies of the joint proxy statement can be obtained, when available, without charge, from Alpha's website at www.alphanr.com. Copies of the joint proxy statement and prospectus can also be obtained, when available, without charge, from Contura's website at www.conturaenergy.com. For additional financial information about Alpha, please visit http://www.alphanr.com/Pages/Investors.aspx

About Alpha Natural Resources

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

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Forward Looking Statements

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

- our liquidity, results of operations and financial condition;
- depressed levels or declines in coal prices;
- worldwide market demand for coal, electricity and steel, including demand for U.S. coal exports;
- utilities switching to alternative energy sources such as natural gas, renewables and coal from basins where we do not operate;
- reductions or increases in customer coal inventories and the timing of those changes;
- our production capabilities and costs;
- inherent risks of coal mining beyond our control;
- changes in environmental laws and regulations, including those directly affecting our coal mining and production, and those affecting our customers' coal usage, including potential climate change initiatives;
- changes in safety and health laws and regulations and their implementation, and the ability to comply with those changes;
- competition in coal markets;
- future legislation, regulatory and court decisions and changes in regulations, governmental policies or taxes or changes in interpretation thereof;
- our relationships with, and other conditions affecting, our customers, including the inability to collect payments from our customers if their creditworthiness declines;
- changes in, renewal or acquisition of, terms of and performance of customers under coal supply arrangements and the refusal by our customers to receive coal under agreed contract terms;
- our ability to obtain, maintain or renew any necessary permits or rights, and our ability to mine properties due to defects in title on leasehold interests;
- attracting and retaining key personnel and other employee workforce factors, such as labor relations;
- the geological characteristics of the Central Appalachian coal reserves;
- funding for and changes in employee benefit obligations;
- cybersecurity attacks or failures, threats to physical security, extreme weather conditions or other natural disasters;
- reclamation and mine closure obligations;

- our assumptions concerning economically recoverable coal reserve estimates;
- our ability to negotiate new United Mine Workers of America ("UMWA") wage agreements on terms acceptable to us, increased unionization of our workforce in the future, and any strikes by our workforce;
- disruptions in delivery or changes in pricing from third party vendors of key equipment and materials that are necessary for our operations, such as diesel fuel, steel products, explosives and tires;
- inflationary pressures on supplies and labor and significant or rapid increases in commodity prices;
- railroad, barge, truck and other transportation availability, performance and costs;
- disruption in third party coal supplies;
- the consummation of financing or refinancing transactions, acquisitions or dispositions and the related effects on our business and financial position;
- our indebtedness and potential future indebtedness;
- our ability to generate sufficient cash or obtain financing to fund our business operations;
- our ability to obtain or renew surety bonds on acceptable terms or maintain self-bonding status;

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

ANR, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations (Unaudited)
(Amounts in thousands, except for share and per share data)

	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
Revenues:		
Coal revenues	$ 603,727	$ 617,217
Freight and handling revenues	-	17,446
Other revenues	2,992	4,318
Total revenues	606,719	638,981
Costs and expenses:		
Cost of coal sales (exclusive of items shown separately below)	447,969	457,450
Loss on disposition of property, plant and equipment	5,823	1,350
Freight and handling costs	17,677	17,446
Other expenses	-	751
Depreciation, depletion and amortization	18,120	24,790
Amortization of acquired coal supply agreements, net	143	5,125
Accretion of asset retirement obligations	8,147	8,594
Selling, general and administrative expenses (exclusive of depreciation, depletion and amortization shown separately above)	27,839	16,708
Mark-to-market adjustment – acquisition-related obligations	8,706	3,091
Total costs and expenses	534,424	535,305
Income from operations	72,295	103,676
Other income (expense):		
Interest expense	(14,027)	(8,033)
Interest income	1,794	1,461
Loss on early extinguishment of debt	-	(16,348)
Miscellaneous income, net	3,289	2,603
Total other expense, net	(8,944)	(20,317)
Income from continuing operations before income taxes	63,351	83,359
Income tax expense	-	(24,424)
Net income from continuing operations	63,351	58,935
Discontinued operations		
Income (loss) from discontinued operations (including gain on disposal of $2,857 and $9,264 for the six months ended June 30, 2018 and 2017, respectively) before income taxes	1,270	(35,655)
Income tax benefit	-	467
Income (loss) from discontinued operations	1,270	(35,188)
Net income	$ 64,621	$ 23,747
Basic income (loss) per common share:		
Income from continuing operations	$ 3.15	$ 2.93
Income (loss) from discontinued operations	$ 0.06	$ (1.75)
Net income	$ 3.21	$ 1.18
Diluted income (loss) per common share:		
Income from continuing operations	$ 3.15	$ 2.93
Income (loss) from discontinued operations	$ 0.06	$ (1.75)
Net Income	$ 3.21	$ 1.18
Weighted average shares - basic	20,131,152	20,117,485
Weighted average shares - diluted	20,147,516	20,117,485

ANR, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(Amounts in thousands, except for share and per share data)

	June 30, 2018 (Unaudited)	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	$ 72,904	$ 45,978
Trade accounts receivable, net	63,243	126,170
Notes and other receivables	26,686	23,281
Inventories, net	82,429	63,913
Restricted cash	79,478	101,599
Prepaid expenses and other current assets	10,120	25,116
Total current assets	334,860	386,057
Property, plant and equipment, net	155,011	144,307
Acquired coal supply agreements (net of accumulated amortization of $21,195 and $21,052, respectively)	255	398
Long-term restricted cash	237,101	260,797
Other non-current assets	84,946	84,521
Total assets	$ 812,173	$ 876,080
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Current portion of long-term debt	$ 26,814	$ 18,655
Trade accounts payable	56,059	71,733
Accrued expenses and other current liabilities	144,763	186,540
Total current liabilities	227,636	276,928
Long-term debt, net of current portion	123,170	179,605
Workers compensation and black lung	221,814	227,623
Pension and postretirement medical benefit obligations	199,732	206,966
Asset retirement obligations	56,634	57,306
Other non-current liabilities	40,643	50,665
Total liabilities	869,629	999,093
Commitments and Contingencies		
Stockholders' Equity (Deficit)		
Preferred stock - par value $0.01, no shares authorized or issued at June 30, 2018 and, 6,800,000 shares authorized, 6,800,000 issued and outstanding at December 31, 2017	-	68
Common stock - par value $0.01, 54,223,400 shares authorized, 20,131,152 issued and outstanding at June 30, 2018 and 12,000,000 shares authorized, 10,018,000 issued and outstanding at December 31, 2017	201	100
Additional paid-in capital	1,894	991
Accumulated other comprehensive loss	(28,169)	(28,169)
Accumulated deficit	(31,382)	(96,003)
Total stockholders' equity (deficit)	(57,456)	(123,013)
Total liabilities and stockholders' equity (deficit)	$ 812,173	$ 876,080

ANR, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)
(Amounts in thousands)

	Six Months Ended June 30, 2018	Six Months Ended June 30, 2017
Operating activities:		
Net income	$ 64,621	$ 23,747
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion, and amortization	18,120	30,882
Amortization of acquired coal supply agreements, net	143	5,125
Amortization of debt issuance costs and debt discount	7,109	2,612
Accretion of asset retirement obligations	8,287	32,475
Mark-to-market adjustment - acquisition-related obligations	8,706	3,091
Stock-based compensation	936	23
Employee benefit plans, net	(185)	258
Loss (gain) on disposition of property, plant, and equipment	2,966	(7,914)
Loss on early extinguishment of debt	-	16,348
Changes in operating assets and liabilities:		
Trade accounts receivable, net	62,927	(6,334)
Notes and other receivables	303	4,691
Inventories, net	(18,516)	(26,301)
Prepaid expenses and other current assets	14,836	6,768
Other non-current assets	2,200	(26,842)
Trade accounts payable	(16,169)	21,579
Accrued expenses and other current liabilities	(45,856)	11,918
Workers compensation and black lung	(17,971)	(12,047)
Pension and postretirement medical benefit obligations	(11,665)	(12,267)
Asset retirement obligations	(2,669)	(20,328)
Other non-current liabilities	(4,384)	(11,615)
Net cash provided by operating activities	73,739	35,869
Investing activities:		
Capital expenditures	(39,289)	(24,480)
Payments on disposition of property, plant, and equipment	(2,502)	-
Proceeds from sale of property, plant and equipment	5,492	2,817
Net cash used in investing activities	(36,299)	(21,663)
Financing activities:		
Principal repayments of long term debt	(55,510)	(124,889)
Letter of credit and AR securitization facilities fees	-	(3,510)
Principal repayments of capital lease obligations and notes payable	(821)	(2,036)
Net cash used in financing activities	(56,331)	(130,435)
Net decrease in cash, cash equivalents and restricted cash	(18,891)	(116,229)
Cash, cash equivalents, and restricted cash at beginning of period	408,374	636,383
Cash, cash equivalents, and restricted cash at end of period	$ 389,483	$ 520,154
Supplemental cash flow information - Discontinued Operations:		
Net cash used in operating activities of discontinued operations included above	$ (1,502)	$ (30,500)
Net cash provided by (used in) investing activities included above	$ (2,502)	$ 1,930
Supplemental cash flow information:		
Cash paid for interest	$ 7,018	$ 7,632
Cash paid for income taxes	$ 2	$ 11,502
Cash received for income tax refunds	$ 12,265	$ 7,333
Supplemental disclosure of non-cash investing and financing activities:		
Accrued capital expenditures	$ 1,953	$ 1,383

ANR, Inc. and Subsidiaries
Adjusted EBITDA Reconciliation
(Amounts in thousands)

Reconciliation of Non-GAAP measures:

	Six Months Ended June 30,	
	2018	2017
Net income from continuing operations	$ 63,351	$ 58,935
Interest expense	14,027	8,033
Interest income	(1,794)	(1,461)
Income tax expense	-	24,424
Depreciation, depletion and amortization	18,120	24,790
Amortization of acquired coal supply agreements, net	143	5,125
Accretion of asset retirement obligations	8,147	8,594
Merger related and share simplification expenses	11,407	-
Loss on early extinguishment of debt	-	16,348
Mark-to-market adjustment - acquisition-related obligations	8,706	3,091
Adjusted EBITDA	$ 122,107	$ 147,879

ANR, Inc. and Subsidiaries
Revenue Data
(Amounts in thousands, except for per ton data)

	Six Months Ended June 30,		Increase (Decrease)	
	2018	2017	$ or tons	%
Revenues:				
Coal Revenues:				
Met	$ 413,859	$ 403,908	$ 9,951	2.5%
Steam	161,746	157,621	4,125	2.6%
Broker	8,809	55,688	(46,879)	(84.2%)
Freight and handling fulfillment revenues	18,549	17,446	1,103	6.3%
Other revenues	3,756	4,318	(562)	(13.0%)
Total revenues	$ 606,719	$ 638,981	$ (32,262)	(5.0%)
Tons sold:				
Met	3,728	3,490	238	6.8%
Steam	3,061	3,112	(51)	(1.6%)
Broker	68	470	(402)	(85.5%)
Total	6,857	7,072	(215)	(3.0%)
Coal sales realization per ton (1):				
Met	$ 111.01	$ 115.73	$ (4.72)	(4.1%)
Steam	52.84	50.65	2.19	4.3%
Broker	129.54	118.49	11.06	9.3%
Average	$ 85.23	$ 87.28	$ (2.05)	(2.3%)

(1) Does not include $18.5 million of freight and handling fulfillment revenues for the six months ended June 30, 2018.

Use of Non-GAAP Measures

In addition to the results prepared in accordance with generally accepted accounting principles in the United States (GAAP) provided throughout this press release, Alpha has presented Adjusted EBITDA as a Non-GAAP financial measure, which management uses to gauge operating performance.

The definition of this non-GAAP measure may be changed periodically by management to adjust for significant items important to an understanding of operating trends. This measure is not intended to replace financial performance measures determined in accordance with GAAP. Rather, it is presented as a supplemental measure of the Company's performance that ANR's management finds useful in assessing the company's financial performance and believes is useful to securities analysts, investors and others in assessing the Company's performance over time. Moreover, this measure is not calculated identically by all companies and therefore may not be comparable to similarly titled measures used by other companies.

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