
XINERGY CORP.
PRESENTATION TO DIP LENDERS
AND HOLDERS OF 9.25% SENIOR
SECURED NOTES
AUGUST 6, 2015

* CONFIDENTIAL *

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OVERVIEW

Overview

- In recent weeks, management has initiated several actions to minimize the projected cash burn and lower its structural costs as follows:

Initiated action	Annualized savings
Closing the South Fork Surface Mine.	\$8.5 mm
Negotiating a reduction in minimum royalty payments at Mine Site A	\$0.5 mm
Completing / initiating headcount reductions at corporate headquarters	\$0.4 mm
Total annualized savings	\$9.4 mm

- In addition management has:
 - Gained momentum in their discussions with Prospect A and Prospect B regarding supply contracts for 2016.
 - Investigated the potential benefits of rejecting certain Mine Site F and Mine Site G leases.
- Current Baseline forecasts are approaching operating breakeven over the projected 13 week period, however, indicate that without additional funding Xinergy Corp. ('the Company') will run out of cash by the week ended August 28, 2015.

Overview (continued)

- Based on the Baseline Forecast, approximately \$7.0 - \$7.5 million is required to continue operating the Company, service DIP payments and pay restructuring professionals through an estimated exit date of December 1, 2015.
 - The above estimate incorporates the projected funding need of \$5.3 million through the week ended October 23, 2015 plus \$1.0 - \$1.5 million to fund operations and DIP payments for the period through to the estimated exit date.
 - The funding estimate also incorporates cushion of \$700,000 in the case that projected shipments are cancelled or delayed.
 - Incorporated in these forecasts is an estimate for July 31, 2015 unpaid professional fees of \$2.3 million, plus a run rate of \$200,000 per week for ongoing fees.
 - The Company's professionals intend to work in a manner that will result in actual fees significantly lower than what is reflected in the forecast.
- The Company and its professionals intend to file a Plan of Reorganization by end of August 2015, with confirmation to occur before the end of 2015.
 - Zolfo Cooper and management intend to deliver a business plan around which exit funding and capital structure decisions can be made by August 21, 2015.



OPERATIONAL UPDATE

Sales Update

▪ Pricing

- Recent met coal pricing indications have seen some strengthening, to \$55 per ton, up from \$45 - \$50 per ton in early July 2015.
- Recent steam coal prices are approximately \$44 for Q4, and \$46 for Q1 2016.

▪ Prospect A / Prospect C

- Prospect A buys 100% of Prospect C's local production.
- Awaiting purchase order for 9,000 tons at \$60 for shipment September 2015.
- After recently submitting a proposal to supply 240,000 met tons in 2016, South Fork is now in discussions to provide 300,000 tons at a price of \$89.50 FOB Clearco.
- Prospect A had conducted a twenty car test in 2014.

▪ Prospect B

- Planning to submit a proposal, due August 5, 2015 for 240,000 tons at \$89.50 per ton.

▪ Customer A

- Provided purchase orders for 3,500 tons per month during Q3.

▪ New Broker

- In discussions with Broker A regarding met coal representation.
- Currently utilizing Integrity for met coal, and Broker B for thermal, with Broker B agreement set to expire at the end of 2015.
- Broker C has assisted with Prospect A / Prospect C 2016 proposals.

Actions Taken

▪ South Fork

- Blue Knob surface mine was idled on June 11, 2015 resulting in 42 employees being laid off.
- This action resulted in cash savings of \$8.5 million on an annualized basis as shown below

Blue Knob Annualized Cost Savings	
Labor - Wages / Benefits	\$4.3 mm
Labor - Overtime	\$1.5 mm
Blasting	\$5.2 mm
Diesel Fuel	\$2.6 mm
Equipment Repair & Maintenance	\$1.8 mm
Lubricants	\$0.5 mm
Other Direct Costs	\$0.6 mm
Total Blue Knob Surface Mine Cost Savings	\$16.5 mm
HWM and related costs	\$8.0 mm
South Fork Annualized Cost Savings	\$8.5 mm

* Note Based on HWM production of 33,846 raw tons per month

- HWM production at Lost Flats commenced on June 8, 2015.
 - Contractor A paid at rate of \$15 per raw ton.
 - HWM has the capability of producing 700 raw tons per shift and operates 44 shifts per month.
- On July 20, 2015 the HWM work schedule reduced to three days per week.

▪ Headcount

Operations	FTE April 2015	FTE August 2015	Change	Monthly Pay / Benefits Cost Savings
South Fork	73	23	(50)	355,831
Raven Crest	90	81	(9)	44,218
Corporate	8	6	(2)	30,589
Other	6	5	(1)	13,380
Total	177	115	(62)	\$ 444,018

Royalty Initiatives

- Landlord A

	Current	Requested
Mine Site A	\$50,000 pm	\$10,000 pm
Mine Site B Loadout	1.5% \$GSP	reduction

- Mine Site A:
 - Negotiated \$40,000 reduction in minimum royalty payment at Mine Site A for two year period.
 - Will be reviewed after two years with consideration given to market conditions at the time.
- Mine Site B Loadout
 - Requested to reduce throughput royalty, currently 1.5% of \$GSP.
 - Landlord A indicated they may consider the Company's request when the outstanding pre-petition balance of \$286,586 is paid and the Company exits Chapter 11.

- Landlord B

- Requested to defer the November 2015 scheduled increase in minimum royalty from \$500,000 to \$750,000 per year.
- Landlord B advised the Company has local management's support and are awaiting on a response from corporate.
- The Company requested to lease the area adjacent to the Prep Plant to be used as storage for coal refuse which would save \$2 per ton of trucking costs.
- The request also includes additional mine area adjacent to the Mine Site C and Mine Site D mines.
- Landlord B has indicated they will consider the proposal when the Company exits Chapter 11.

Royalty Initiatives

▪ Landlord C

- Requested to reduce royalty rate for Mine Site E HWM from 10.0% of \$GSP to 7.5% of \$GSP.
- Indicated cannot consider our 2.5% royalty reduction request as the Company is not considered in good standing given:
 - Pre-petition outstanding balance of \$466,462.
 - No guarantee of payment.
- Advised if their pre-petition balance is paid and the Company exits Chapter 11 will consider reducing the royalty.
- The reduction may not be the full 2.5% requested but would expect something close.

▪ True Energy

- Reclamation liability \$2.1 million.
- Annual idling costs of approximately \$0.5 million including minimums of \$65,000.
- May be opportunity to transfer / sell rather than reject.

▪ Sewell Mountain

- Annual idling cost of \$0.1 - \$0.2 million.

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Raven Crest CapEx

- Current mining in the Round Bottom Area will be exhausted in late 2015.
- In order to advance to the next mining area, sediment pond construction is required in the Branch Area A at a total cost of approximately \$650,000, as follows:
 - \$280,240 fee payable to WVDEP (fee, not a bond) in August / September 2015.
 - \$250,000 cost to build the two sediment ponds, reflects use of own manpower and renting additional equipment as needed.
 - \$20,000 estimate to post reclamation bond of \$826,360 for Increment 4, with no additional cash collateral required.
- This will allow access to 4.5 million tons of saleable coal contained within the Branch Area A.
- Construction of ponds expected to be completed in late fall to avoid delays due to winter weather.



FINANCIAL UPDATE

Financial Update

	Apr-15	May-15	Jun-15	2Q15 Total	2015 YTD	2014 YTD
RAVEN CREST						
Revenue	3,327,816	1,664,438	2,664,458	7,656,712	12,992,388	15,729,623
EBITDA	881,033	(246,284)	287,968	922,716	(118,865)	(1,111,152)
Tons Produced	55,331	44,916	64,617	164,864	304,352	252,012
Tons Sold	73,992	36,711	60,008	170,711	282,288	282,530
Raven Crest Head Count ⁽¹⁾	85	87	87	87	87	73
SOUTH FORK						
Revenue	1,000,705	998,120	206,658	2,205,483	8,729,489	16,097,062
EBITDA	(378,627)	(887,637)	(340,518)	(1,606,782)	(2,413,677)	674,659
Tons Produced	13,945	13,090	25,625	52,660	115,965	177,660
Tons Sold	10,833	10,588	1,425	22,846	95,590	172,862
South Fork Head Count ⁽¹⁾	74	73	73	73	73	78
SEWELL MOUNTAIN						
EBITDA	(9,798)	(7,182)	(7,770)	(24,751)	(65,619)	(45,009)
TRUE ENERGY						
EBITDA	(41,666)	(50,477)	(37,592)	(129,736)	(283,754)	(339,732)
True Energy Head Count ⁽¹⁾	6	6	5	5	5	6
CORPORATE						
G&A	157,648	264,707	269,969	692,324	1,953,285	3,324,975
Other income and expenses	(114,268)	60,246	6,980	(47,042)	(24,984)	32,441
EBITDA⁽²⁾	(271,916)	(204,462)	(262,989)	(739,367)	(1,917,033)	(3,067,757)
Corporate Head Count ⁽¹⁾	8	8	8	8	8	9
CONSOLIDATED						
Revenue	4,328,521	2,662,558	2,871,116	9,862,195	21,721,877	31,826,685
EBITDA⁽²⁾	179,025	(1,396,042)	(360,902)	(1,577,919)	(4,798,948)	(3,888,991)
Consolidated Head Count ⁽¹⁾	173	174	173	173	173	166

(1) See page 8 for updated headcounts (down ~34% to 115 as of August 2015)

(2) Before Chapter 11 professional fees aggregating ~\$4 million through June 2015



LIQUIDITY

Liquidity Overview

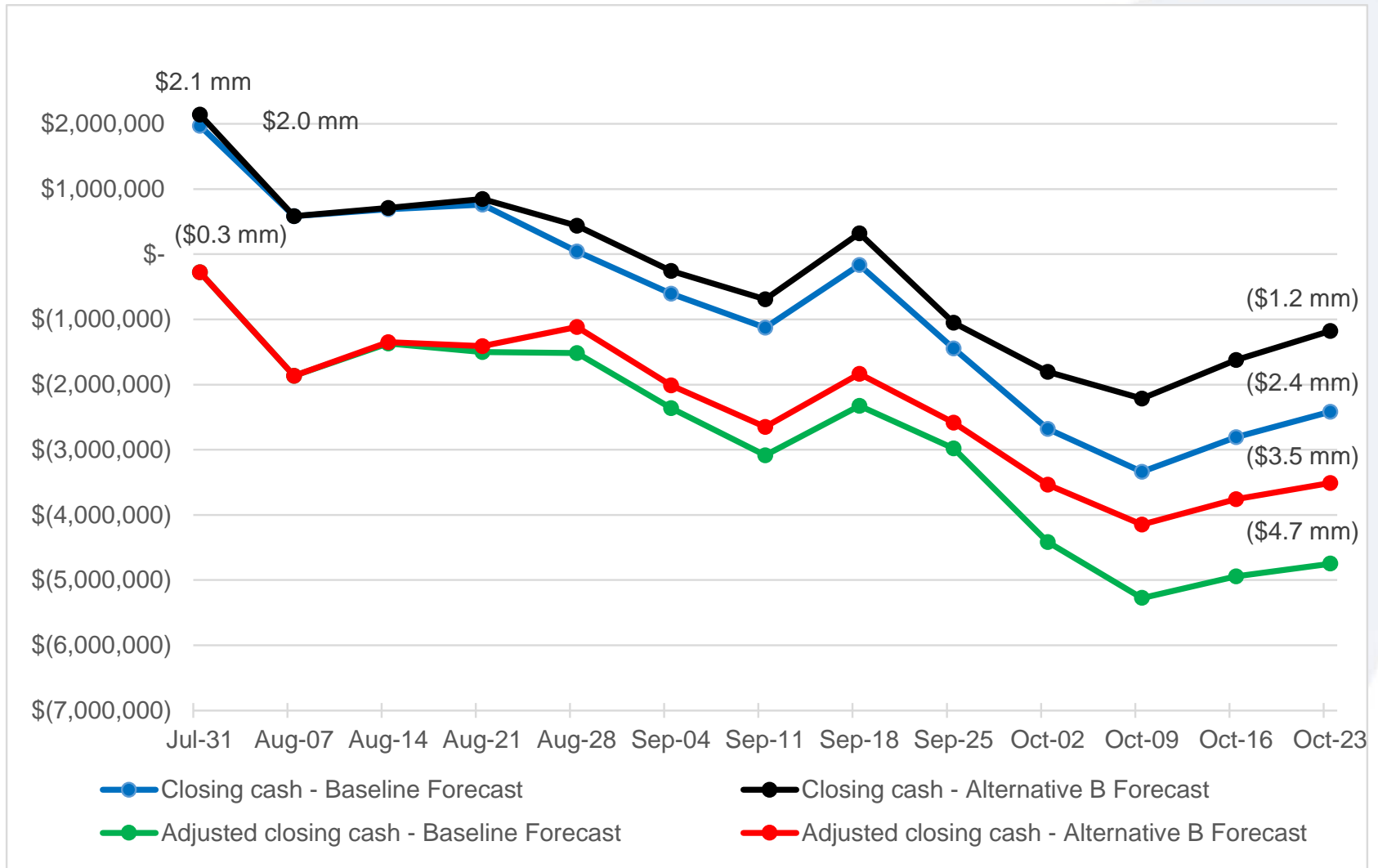
- Management and Zolfo Cooper have analyzed the Company's potential funding requirements under two (2) scenarios:
 - Baseline forecast—continued operation of Contractor A for three (3) days per week.
 - Alternative B forecast.
- The revised forecasts indicate a potential funding need ranging from \$4.2 million (Alternative B forecast) to \$5.3 million (Baseline).
 - Both forecasts include an estimate of incurred but unpaid professional fees of \$2.3 million (excluding success fees) to be incurred through the end of the case.
- On an operating basis, net cash flow is projected to range from positive \$0.8 million (Alternative B forecast) to negative \$0.4 million (Baseline) as shown below:

Segment	Baseline Cash Flow	Alternative B Cash Flow	Change
Raven Crest	\$ 1,798,034	\$ 1,798,034	\$ -
South Fork	(570,746)	668,834	1,239,580
Corporate and Other	(1,664,432)	(1,664,432)	-
Total	\$ (437,144)	\$ 802,436	\$ 1,239,580

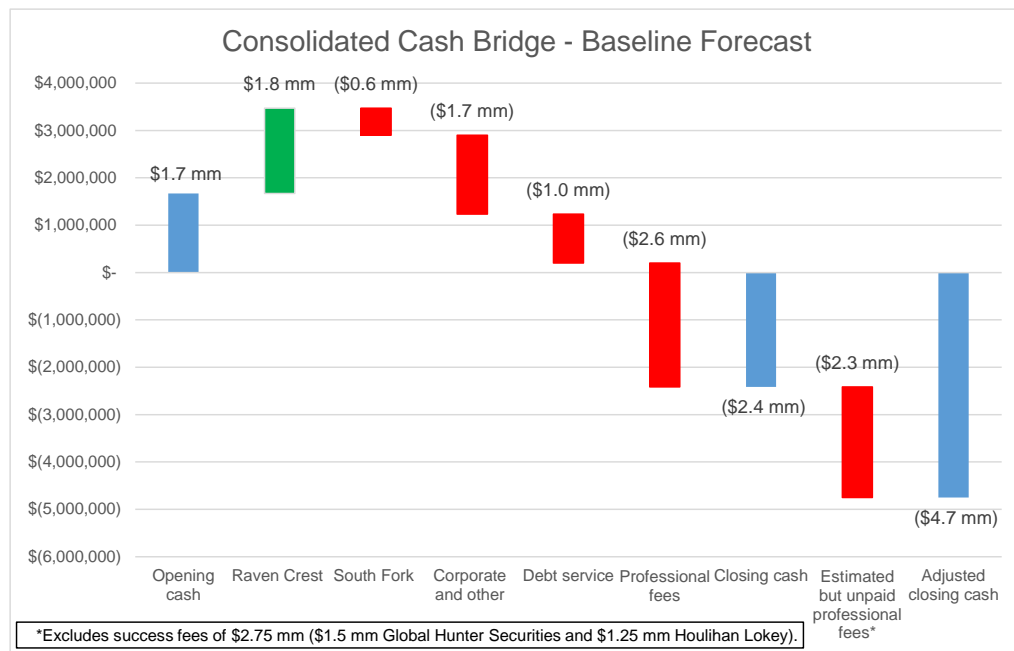
Liquidity Overview

- Baseline Forecast indicates the Company will require additional funding the week of August 28, 2015.
 - Alternative B forecast indicates a funding requirement the week of September 4, 2015 (one week later).
 - Delays or cancellations of scheduled and forecasted shipments could accelerate the timing of the need for additional funding.
- The estimated professional fees of \$5 million are the primary contributor to cash burn.
- The Baseline Forecast indicates:
 - Inventory decrease of \$1.2 million at Raven Crest.
 - No change in inventory at South Fork.
- The Alternative B forecast indicates inventory decreases of \$1.2 million at Raven Crest and \$1.2 million at South Fork for a total inventory decrease of \$2.4 million.

Closing Cash Balance Comparison

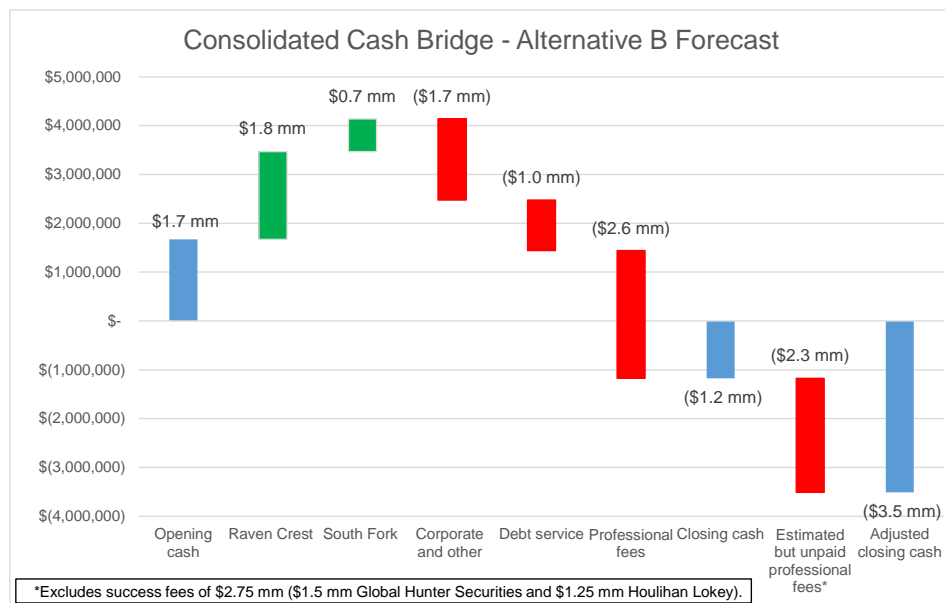


Baseline Forecast



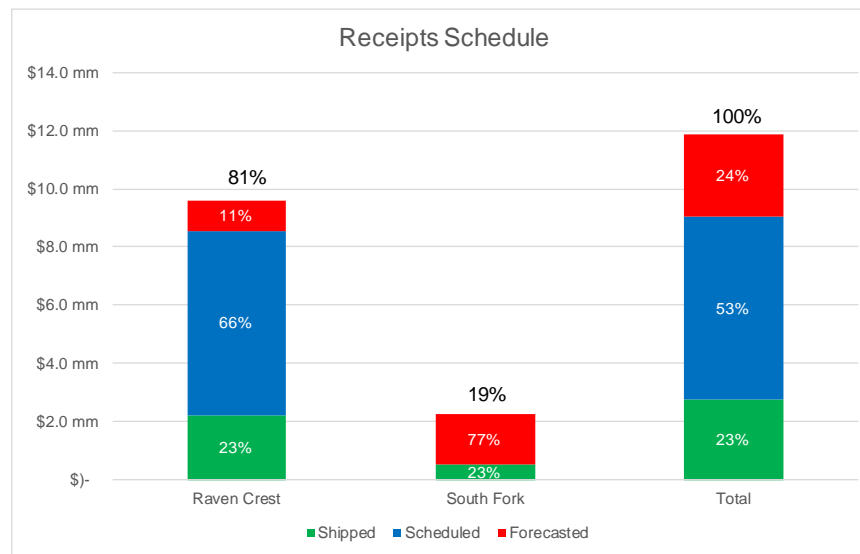
BASILINE FORECAST	Jul 31 15	Aug 7 15	Aug 14 15	Aug 21 15	Aug 28 15	Sep 4 15	Sep 11 15	Sep 18 15	Sep 25 15	Oct 2 15	Oct 9 15	Oct 16 15	Oct 23 15	Total 13 weeks
Opening Cash Balance	1,671,435	1,971,834	581,210	687,947	758,542	40,924	(606,863)	(1,127,373)	(167,212)	(1,443,705)	(2,682,436)	(3,340,364)	(2,808,263)	1,671,435
Total Cash Sources	1,809,911	100,317	1,346,089	1,026,600	1,607,448	621,033	45,335	1,540,188	571,602	718,533	112,500	1,226,745	1,124,500	11,850,799
A/P - Other	104,464	110,290	75,000	75,000	75,500	110,290	75,000	75,000	75,500	185,290	75,500	75,500	75,500	1,187,834
Capital Expenditures	-	-	280,000	-	190,000	-	-	-	50,000	382,101	-	-	-	902,101
A/P - Critical Vendors Post-Petition	228,707	612,793	219,887	559,297	155,410	427,550	396,400	246,092	533,400	319,550	565,400	271,763	232,500	4,768,750
Royalties	283,268	-	-	-	642,500	-	-	-	-	403,420	-	-	-	1,329,188
Coal Taxes	-	16,407	-	-	284,006	-	-	-	298,080	-	-	-	354,740	953,233
Insurance	511,704	38,913	-	62,773	-	20,000	18,913	-	62,773	-	20,000	18,913	62,773	816,762
Payroll & Benefits	79,465	365,218	75,532	258,935	75,532	362,463	75,532	258,935	6,000	328,467	109,528	328,467	6,000	2,330,074
Total Cash Uses	1,207,609	1,143,621	650,419	956,005	1,422,948	920,303	565,845	580,027	1,025,753	1,618,828	770,428	694,643	731,513	12,287,943
Cash flow before DIP draw, debt and prof fees	602,302	(1,043,304)	695,670	70,594	184,500	(299,271)	(520,511)	960,161	(454,151)	(900,296)	(657,928)	532,102	392,987	(437,144)
Debt Service	-	347,320	-	-	-	348,516	-	-	-	338,435	-	-	-	1,034,271
Paid Professional Fees*	301,903	-	588,933	-	902,117	-	-	-	822,342	-	-	-	-	2,615,295
Net cash flow	300,400	(1,390,624)	106,737	70,594	(717,618)	(647,787)	(520,511)	960,161	(1,276,493)	(1,238,731)	(657,928)	532,102	392,987	(4,086,710)
Closing Cash Balance	1,971,834	581,210	687,947	758,542	40,924	(606,863)	(1,127,373)	(167,212)	(1,443,705)	(2,682,436)	(3,340,364)	(2,808,263)	(2,415,276)	(2,415,276)
Estimated but unpaid Professional Fees*	2,248,097	2,448,097	2,059,164	2,259,164	1,557,047	1,757,047	1,957,047	2,157,047	1,534,705	1,734,705	1,801,705	2,134,705	2,334,705	2,334,705
Adjusted Closing Cash Balance	(276,263)	(1,866,887)	(1,371,217)	(1,500,623)	(1,516,123)	(2,363,910)	(3,084,420)	(2,324,259)	(2,978,410)	(4,417,141)	(5,275,069)	(4,942,968)	(4,749,981)	(4,749,981)

Alternative B Forecast



ALTERNATIVE B FORECAST	Jul 31 15	Aug 7 15	Aug 14 15	Aug 21 15	Aug 28 15	Sep 4 15	Sep 11 15	Sep 18 15	Sep 25 15	Oct 2 15	Oct 9 15	Oct 16 15	Oct 23 15	Total 13 weeks
Opening Cash Balance	1,671,435	2,142,208	584,210	707,695	848,072	437,955	(255,429)	(692,499)	322,263	(1,049,910)	(1,802,793)	(2,215,115)	(1,623,419)	1,671,435
Total Cash Sources	1,809,911	100,317	1,346,089	1,026,600	1,607,448	621,033	45,335	1,540,188	571,602	718,533	112,500	1,226,745	1,124,500	11,850,799
A/P - Other	104,464	110,290	75,000	75,000	75,000	110,290	75,000	75,000	75,500	180,297	70,507	70,507	70,507	1,167,862
Capital Expenditures	-	-	280,000	-	100,000	-	-	-	-	382,101	-	-	-	762,101
A/P - Critical Vendors Post-Petition	228,707	609,793	203,140	499,674	137,910	293,519	315,000	228,592	305,000	294,155	335,000	254,263	205,000	3,909,754
Royalties	283,268	-	-	-	442,500	200,000	-	-	376,120	-	-	-	-	1,301,888
Coal Taxes	-	16,407	-	-	284,006	-	-	-	298,080	-	-	-	334,536	933,029
Insurance	511,704	38,913	-	62,773	-	20,000	18,913	-	62,773	-	20,000	18,913	62,773	816,762
Payroll & Benefits	79,465	365,218	75,532	248,775	75,532	342,090	73,492	221,834	3,960	276,427	99,315	291,366	3,960	2,156,967
Total Cash Uses	1,207,609	1,140,621	633,672	886,222	1,115,448	965,899	482,405	525,426	1,121,433	1,132,980	524,822	635,049	676,776	11,048,363
Cash flow before DIP draw, debt and prof fees	602,302	(1,040,304)	712,417	140,378	492,000	(344,867)	(437,071)	1,014,762	(549,831)	(414,448)	(412,322)	591,696	447,724	802,436
Debt Service	-	347,320	-	-	-	348,516	-	-	-	338,435	-	-	-	1,034,271
Paid Professional Fees*	131,529	170,374	588,933	-	902,117	-	-	-	822,342	-	-	-	-	2,615,295
Net cash flow	470,774	(1,557,998)	123,484	140,378	(410,118)	(693,383)	(437,071)	1,014,762	(1,372,173)	(752,883)	(412,322)	591,696	447,724	(2,847,130)
Closing Cash Balance	2,142,208	584,210	707,695	848,072	437,955	(255,429)	(692,499)	322,263	(1,049,910)	(1,802,793)	(2,215,115)	(1,623,419)	(1,175,695)	(1,175,695)
Estimated but unpaid Professional Fees*	2,418,471	2,448,097	2,059,164	2,259,164	1,557,047	1,757,047	1,957,047	2,157,047	1,534,705	1,734,705	1,834,705	2,134,705	2,334,705	2,334,705
Adjusted Closing Cash Balance	(276,263)	(1,863,887)	(1,351,470)	(1,411,092)	(1,119,092)	(2,012,476)	(2,649,546)	(1,834,784)	(2,584,615)	(3,537,498)	(4,149,820)	(3,758,124)	(3,510,400)	(3,510,400)

Receipts Schedule



RAVEN CREST	Jul-31-15	Aug-7-15	Aug-14-15	Aug-21-15	Aug-28-15	Sep-4-15	Sep-11-15	Sep-18-15	Sep-25-15	Oct-2-15	Oct-9-15	Oct-16-15	Oct-23-15	Total 13 weeks
Shipped	1,702,040	-	-	-	530,668	-	-	-	-	-	-	-	-	2,232,708
Scheduled	-	-	-	978,743	1,073,310	621,033	-	1,468,898	490,200	621,033	-	586,245	484,000	6,323,460
Forecasted	-	-	-	-	-	-	-	-	-	-	-	528,000	528,000	1,056,000
Total Cash Sources	1,702,040	-	-	978,743	1,603,978	621,033	-	1,468,898	490,200	621,033	-	1,114,245	1,012,000	9,612,168

SOUTH FORK	Jul-31-15	Aug-7-15	Aug-14-15	Aug-21-15	Aug-28-15	Sep-4-15	Sep-11-15	Sep-18-15	Sep-25-15	Oct-2-15	Oct-9-15	Oct-16-15	Oct-23-15	Total 13 weeks
Shipped	107,871	100,317	48,089	47,857	3,470	-	45,335	71,291	81,402	-	-	-	-	505,631
Scheduled	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Forecasted	-	-	1,298,000	-	-	-	-	-	-	97,500	112,500	112,500	112,500	1,733,000
Total Cash Sources	107,871	100,317	1,346,089	47,857	3,470	-	45,335	71,291	81,402	97,500	112,500	112,500	112,500	2,238,631

TOTAL	Jul-31-15	Aug-7-15	Aug-14-15	Aug-21-15	Aug-28-15	Sep-4-15	Sep-11-15	Sep-18-15	Sep-25-15	Oct-2-15	Oct-9-15	Oct-16-15	Oct-23-15	Total 13 weeks
Shipped	1,809,911	100,317	48,089	47,857	534,138	-	45,335	71,291	81,402	-	-	-	-	2,738,339
Scheduled	-	-	-	978,743	1,073,310	621,033	-	1,468,898	490,200	621,033	-	586,245	484,000	6,323,460
Forecasted	-	-	1,298,000	-	-	-	-	-	-	97,500	112,500	640,500	640,500	2,789,000
Total Cash Sources	1,809,911	100,317	1,346,089	1,026,600	1,607,448	621,033	45,335	1,540,188	571,602	718,533	112,500	1,226,745	1,124,500	11,850,799

Baseline Forecast - Segments

RAVEN CREST	Jul-31-15	Aug-7-15	Aug-14-15	Aug-21-15	Aug-28-15	Sep-4-15	Sep-11-15	Sep-18-15	Sep-25-15	Oct-2-15	Oct-9-15	Oct-16-15	Oct-23-15	Total 13 weeks
Total Cash Sources	1,702,040	-	-	978,743	1,603,978	621,033	-	1,468,898	490,200	621,033	-	1,114,245	1,012,000	9,612,168
A/P - Other	72,917	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	672,917
Capital Expenditures	-	-	280,000	-	100,000	-	-	-	-	382,101	-	-	-	762,101
A/P - Critical Vendors Post-Petition	192,187	336,318	179,149	279,087	127,910	261,050	315,000	217,250	305,000	281,050	335,000	242,921	205,000	3,276,923
Royalties	259,131	-	-	-	309,000	-	-	-	-	309,000	-	-	-	877,131
Coal Taxes	-	16,407	-	-	245,911	-	-	-	286,560	-	-	-	286,560	835,438
Payroll & Benefits	9,987	253,795	7,778	192,340	7,778	253,795	7,778	192,340	2,340	197,778	63,795	197,778	2,340	1,389,624
Total Cash Uses	534,222	656,521	516,927	521,427	840,600	564,845	372,778	459,590	643,900	1,219,929	448,795	490,699	543,900	7,814,134
Cash flow before DIP draw, debt and prof fees	1,167,818	(656,521)	(516,927)	457,315	763,378	56,187	(372,778)	1,009,308	(153,700)	(598,897)	(448,795)	623,546	468,100	1,798,034

SOUTH FORK	Jul-31-15	Aug-7-15	Aug-14-15	Aug-21-15	Aug-28-15	Sep-4-15	Sep-11-15	Sep-18-15	Sep-25-15	Oct-2-15	Oct-9-15	Oct-16-15	Oct-23-15	Total 13 weeks
Total Cash Sources	107,871	100,317	1,346,089	47,857	3,470	-	45,335	71,291	81,402	97,500	112,500	112,500	112,500	2,238,631
A/P - Other	29,045	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	269,045
Capital Expenditures	-	-	-	-	90,000	-	-	-	50,000	-	-	-	-	140,000
A/P - Critical Vendors Post-Petition	36,441	276,475	40,738	274,539	27,500	166,500	81,400	17,500	228,400	38,500	230,400	17,500	27,500	1,463,393
Royalties	17,637	-	-	-	329,500	-	-	-	-	76,800	-	-	-	423,937
Coal Taxes	-	-	-	-	38,094	-	-	-	11,520	-	-	-	68,180	117,794
Payroll & Benefits	3,264	67,247	5,449	53,240	5,449	67,247	5,449	53,240	3,240	55,449	17,247	55,449	3,240	395,208
Total Cash Uses	86,386	363,721	66,187	347,779	510,543	253,747	106,849	90,740	313,160	190,749	267,647	92,949	118,920	2,809,377
Cash flow before DIP draw, debt and prof fees	21,485	(263,404)	1,279,902	(299,922)	(507,074)	(253,747)	(61,515)	(19,450)	(231,758)	(93,249)	(155,147)	19,551	(6,420)	(570,746)

OTHER	Jul-31-15	Aug-7-15	Aug-14-15	Aug-21-15	Aug-28-15	Sep-4-15	Sep-11-15	Sep-18-15	Sep-25-15	Oct-2-15	Oct-9-15	Oct-16-15	Oct-23-15	Total 13 weeks
Total Cash Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A/P - Other	2,503	40,290	5,000	5,000	5,500	40,290	5,000	5,000	5,500	115,290	5,500	5,500	5,500	245,873
A/P - Critical Vendors Post-Petition	79	-	-	5,671	-	-	-	11,342	-	-	-	11,342	-	28,435
Royalties	6,500	-	-	-	4,000	-	-	-	-	17,620	-	-	-	28,120
Insurance	511,704	38,913	-	62,773	-	20,000	18,913	-	62,773	-	20,000	18,913	62,773	816,762
Payroll & Benefits	66,214	44,176	62,305	13,355	62,305	41,421	62,305	13,355	420	75,240	28,486	75,240	420	545,242
Total Cash Uses	587,000	123,379	67,305	86,799	71,805	101,711	86,218	29,697	68,693	208,150	53,986	110,995	68,693	1,664,432
Cash flow before DIP draw, debt and prof fees	(587,000)	(123,379)	(67,305)	(86,799)	(71,805)	(101,711)	(86,218)	(29,697)	(68,693)	(208,150)	(53,986)	(110,995)	(68,693)	(1,664,432)

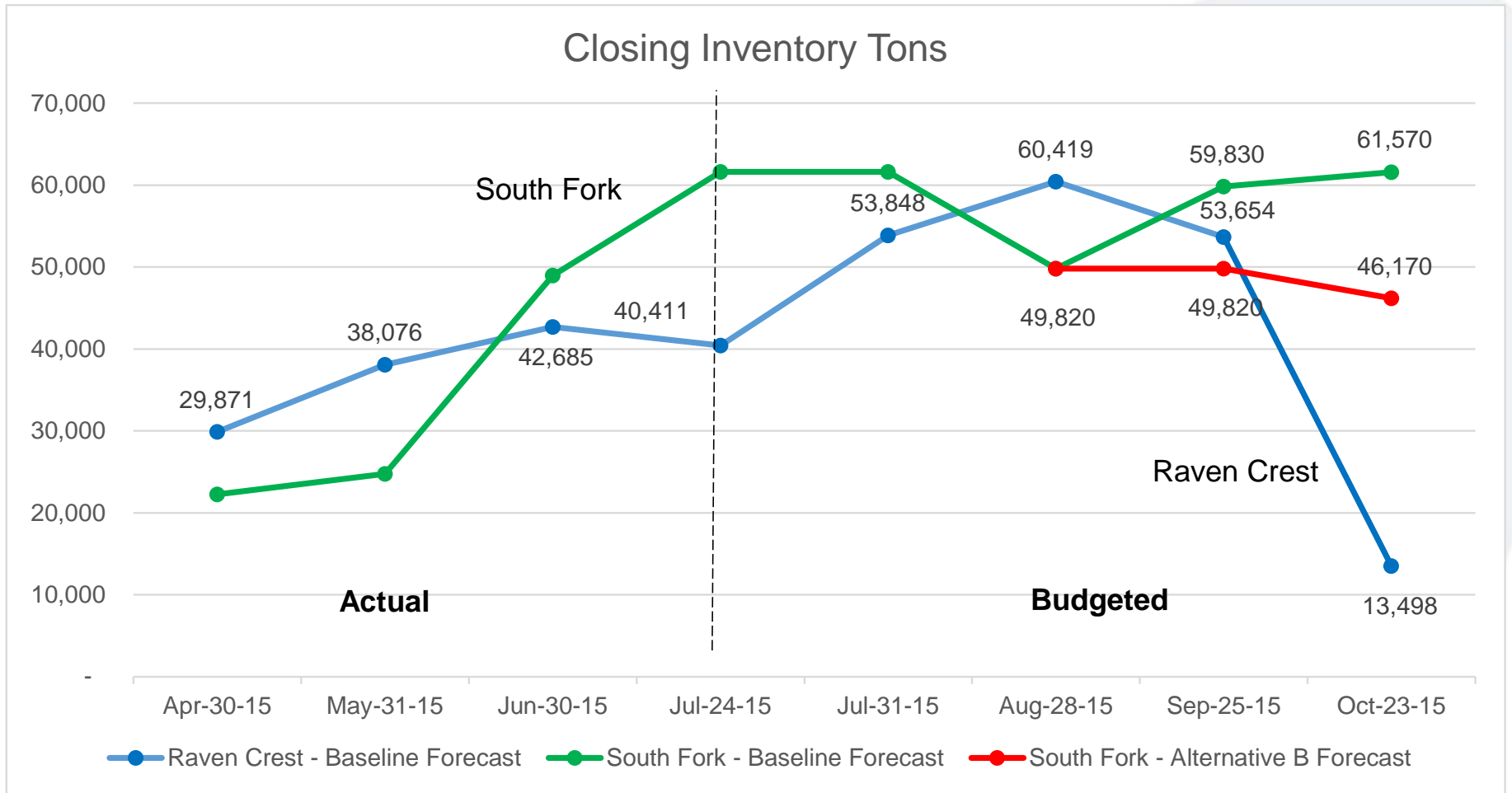
South Fork - Baseline Forecast vs Alternative B Forecast

SOUTH FORK - BASELINE FORECAST	Jul-31-15	Aug-7-15	Aug-14-15	Aug-21-15	Aug-28-15	Sep-4-15	Sep-11-15	Sep-18-15	Sep-25-15	Oct-2-15	Oct-9-15	Oct-16-15	Oct-23-15	Total 13 weeks
Total Cash Sources	107,871	100,317	1,346,089	47,857	3,470	-	45,335	71,291	81,402	97,500	112,500	112,500	112,500	2,238,631
A/P - Other	29,045	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	269,045
Capital Expenditures	-	-	-	-	90,000	-	-	-	50,000	-	-	-	-	140,000
A/P - Critical Vendors Post-Petition	36,441	276,475	40,738	274,539	27,500	166,500	81,400	17,500	228,400	38,500	230,400	17,500	27,500	1,463,393
Royalties	17,637	-	-	-	329,500	-	-	-	-	76,800	-	-	-	423,937
Coal Taxes	-	-	-	-	38,094	-	-	-	11,520	-	-	-	68,180	117,794
Payroll & Benefits	3,264	67,247	5,449	53,240	5,449	67,247	5,449	53,240	3,240	55,449	17,247	55,449	3,240	395,208
Total Cash Uses	86,386	363,721	66,187	347,779	510,543	253,747	106,849	90,740	313,160	190,749	267,647	92,949	118,920	2,809,377
Cash flow before DIP draw, debt and prof fees	21,485	(263,404)	1,279,902	(299,922)	(507,074)	(253,747)	(61,515)	(19,450)	(231,758)	(93,249)	(155,147)	19,551	(6,420)	(570,746)

SOUTH FORK - ALTERNATIVE B FORECAST	Jul-31-15	Aug-7-15	Aug-14-15	Aug-21-15	Aug-28-15	Sep-4-15	Sep-11-15	Sep-18-15	Sep-25-15	Oct-2-15	Oct-9-15	Oct-16-15	Oct-23-15	Total 13 weeks
Total Cash Sources	107,871	100,317	1,346,089	47,857	3,470	-	45,335	71,291	81,402	97,500	112,500	112,500	112,500	2,238,631
A/P - Other	29,045	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	15,007	15,007	15,007	15,007	249,073
Capital Expenditures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A/P - Critical Vendors Post-Petition	36,441	273,475	23,991	214,915	10,000	32,469	-	-	-	13,105	-	-	-	604,396
Royalties	17,637	-	-	-	129,500	200,000	-	-	49,500	-	-	-	-	396,637
Coal Taxes	-	-	-	-	38,094	-	-	-	11,520	-	-	-	47,976	97,590
Payroll & Benefits	3,264	67,247	5,449	43,080	5,449	46,874	3,409	16,139	1,200	3,409	7,034	18,348	1,200	222,101
Total Cash Uses	86,386	360,721	49,440	277,995	203,043	299,343	23,409	36,139	82,220	31,521	22,041	33,355	64,183	1,569,797
Cash flow before DIP draw, debt and prof fees	21,485	(260,404)	1,296,649	(230,138)	(199,574)	(299,343)	21,926	35,152	(818)	65,979	90,459	79,145	48,317	668,834

SOUTH FORK - VARIANCE	Jul-31-15	Aug-7-15	Aug-14-15	Aug-21-15	Aug-28-15	Sep-4-15	Sep-11-15	Sep-18-15	Sep-25-15	Oct-2-15	Oct-9-15	Oct-16-15	Oct-23-15	Total 13 weeks
Total Cash Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A/P - Other	-	-	-	-	-	-	-	-	-	(4,993)	(4,993)	(4,993)	(4,993)	(19,972)
Capital Expenditures	-	-	-	-	(90,000)	-	-	-	(50,000)	-	-	-	-	(140,000)
A/P - Critical Vendors Post-Petition	-	(3,000)	(16,747)	(59,624)	(17,500)	(134,031)	(81,400)	(17,500)	(228,400)	(25,395)	(230,400)	(17,500)	(27,500)	(858,996)
Royalties	-	-	-	-	(200,000)	200,000	-	-	49,500	(76,800)	-	-	-	(27,300)
Coal Taxes	-	-	-	-	-	-	-	-	-	-	-	-	(20,204)	(20,204)
Payroll & Benefits	-	-	-	(10,160)	-	(20,373)	(2,040)	(37,101)	(2,040)	(52,040)	(10,213)	(37,101)	(2,040)	(173,108)
Total Cash Uses	-	(3,000)	(16,747)	(69,784)	(307,500)	45,596	(83,440)	(54,601)	(230,940)	(159,228)	(245,606)	(59,594)	(54,737)	(1,239,580)
Cash flow before DIP draw, debt and prof fees	-	(3,000)	(16,747)	(69,784)	(307,500)	45,596	(83,440)	(54,601)	(230,940)	(159,228)	(245,606)	(59,594)	(54,737)	(1,239,580)

Inventory





OVERVIEW OF LEASES AND CONTRACTS

Contracts Overview

Lease / Contract	# Agreements	# Permits	Reclamation Liability \$ mm	# Bonds	Bond Amount \$ mm	Approximate Acreage	Action Proposed / Taken
<i>Active Mine Sites</i>							
Raven Crest	5	9	\$7.2	30	\$6.4	12,500	Request concessions
South Fork	6	10	\$2.9	15	\$3.9	36,000	Request concessions
<i>Idle Mine Sites</i>							
Mine Site A	2	5	\$1.5	6	\$0.8	13,000	Landlord A agreed to concessions
Mine Site G	18	1	\$2.2	1	\$0.6	1,000	Investigate rejection or transfer/sale
Mine Site F	7	3	\$0.0	3	\$0.8	2,000	Investigate rejection
<i>Other Contracts</i>							
Knoxville / Beckley offices	2	n/a	n/a	n/a	n/a	n/a	Keep both--Knoxville is month to month and Beckley terms February 2016
Agreement A	1	n/a	n/a	n/a	n/a	36,000	Targeted for rejection
Agreement B	1	n/a	n/a	n/a	n/a	n/a	Negotiate nonexclusive or reject
Mine Site G Agreements	3	n/a	n/a	n/a	n/a	n/a	Investigate for rejection



PRELIMINARY CLAIMS ANALYSIS

Preliminary Claims Analysis

Creditor Name (1)	Claim Amount (2)	Debtor	Unsecured Pool	
			SAP / Cure	
Creditor A (3)	\$ 703,586	South Fork Coal Company, Inc.	\$ -	\$ 703,586
Creditor B	466,462	South Fork Coal Company, Inc.	466,462	-
Creditor C	286,586	Raven Crest Mining, LLC	286,586	-
Creditor D	225,000	Xinergy Corp.	-	225,000
Creditor E	177,148	Xinergy Corp.	-	177,148
Creditor F	172,158	Xinergy Corp.	-	172,158
Creditor G	147,768	South Fork Coal Company, Inc.	-	147,768
Creditor H	130,763	Xinergy Corp.	-	130,763
Creditor I	125,402	Raven Crest Mining, LLC	-	125,402
Creditor J	123,335	Xinergy Corp.	-	123,335
Creditor K	109,782	Xinergy Corp.	-	109,782
Creditor L	109,523	Xinergy Corp.	-	109,523
Creditor M	100,997	Raven Crest Mining, LLC	-	100,997
Creditor N	96,701	True Energy, LLC	96,701	-
Creditor O	82,529	Raven Crest Mining, LLC	82,529	-
Creditor P	70,745	True Energy, LLC	-	70,745
Creditor Q	68,847	Raven Crest Mining, LLC	-	68,847
Creditor R	68,752	True Energy, LLC	-	68,752
Creditor S	60,250	Raven Crest Mining, LLC	-	60,250
Creditor T	55,927	Xinergy Corp.	-	55,927
Creditor U	50,490	Raven Crest Mining, LLC	-	50,490
Creditor V	48,544	South Fork Coal Company, Inc.	-	48,544
Creditor W	43,842	True Energy, LLC	-	43,842
Creditor X	40,432	Xinergy Corp.	-	40,432
Creditor Y	39,921	Xinergy Corp.	-	39,921
Creditor Z	39,898	South Fork Coal Company, Inc.	-	39,898
Creditor AA	39,044	South Fork Coal Company, Inc.	39,044	-
Creditor AB	35,969	South Fork Coal Company, Inc.	-	35,969
Creditor AC	33,537	South Fork Coal Company, Inc.	-	33,537
Creditor AD	31,646	Xinergy Corp.	-	31,646
Other unsecured under \$30K	929,170		4,436	924,734
Total Unsecured	4,714,750		975,758	3,738,991
<i>Additional Filed Claims</i>				
Secured claims filed	38,953		38,953	
Admin claims filed	354,315		354,315	
Priority claims filed	459,584		459,584	
Total	\$ 5,567,602		\$ 1,828,610	\$ 3,738,991

Notes

- (1) Excludes intercompany claims
- (2) Reflects scheduled unsecured claims, and greater of scheduled or filed claims for admin, priority and secured claims.
- (3) Reflects preliminary view regarding Creditor A claim. Creditor A may assert rejection damages claim