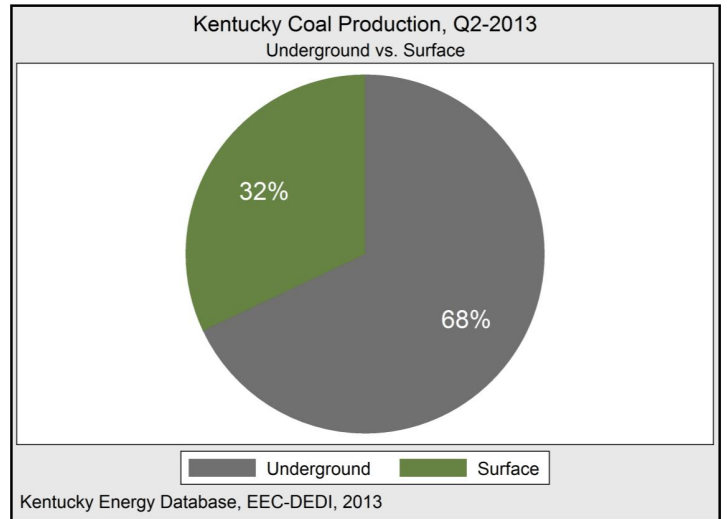
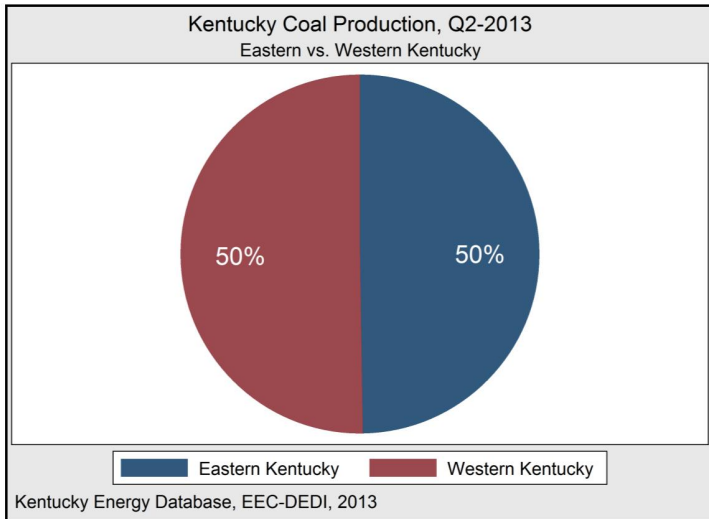


Kentucky Quarterly Coal Report

April to June 2013

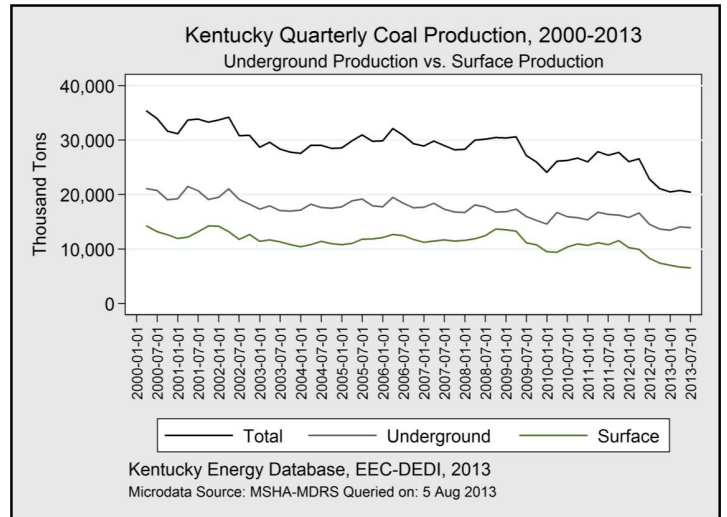
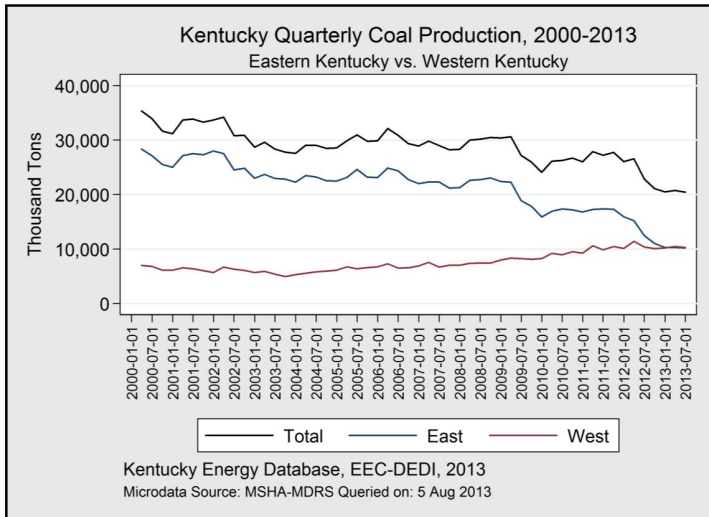


Region	Q2 Tonnage	Quarter Change
Total	20,474,458	-1.3%
Western Kentucky	10,288,104	-1.5%
Eastern Kentucky	10,186,354	-1.0%

Mine Type	Q2 Tonnage	Quarter Change
Total	20,474,458	+0.4%
Underground	13,917,930	-1.0%
Surface	6,556,528	-2.0%

Western Kentucky produced almost 10.3 million tons of coal in the second quarter of 2013, which was 50.2 percent of total production and 1 percent more than Eastern Kentucky.

Underground coal mines in Kentucky produced nearly 14 million tons, or 68 percent of total production, while surface mines produced 6.6 million tons, or 32 percent of production.

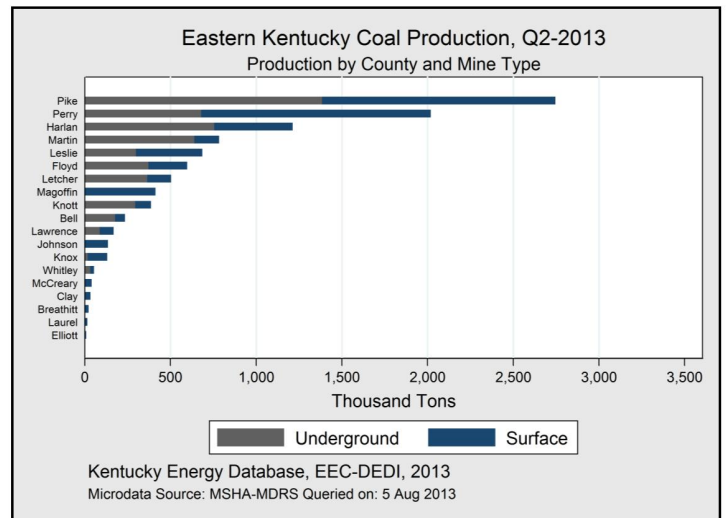
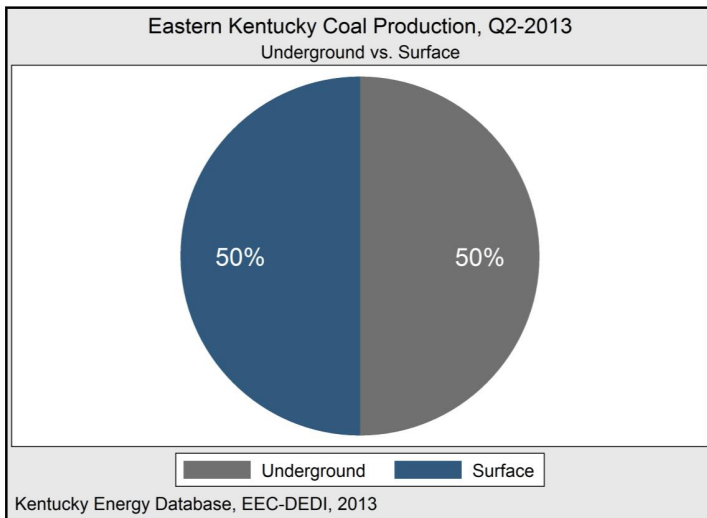


Preliminary data indicate that total Kentucky coal production decreased by 1.3 percent during the second quarter of 2013, to a rate of less than 20.5 million tons per quarter. Production decreased in both the Eastern Kentucky coalfield and Western Kentucky coalfield, by 1.0 and 1.5 percent respectively. Total Kentucky production rates have fallen by 25 percent during the past two years, by 38 percent since the year 2000, and by 52 percent since peaking in the year 1990.

During the second quarter of 2013, coal production at underground coal mines in Kentucky increased by 1 percent while production at surface mines decreased by 2 percent. Surface production remains at the lowest level since 1963. Coal production stopped in Henderson and Rockcastle Counties in 2013.

Eastern Kentucky Coal Production

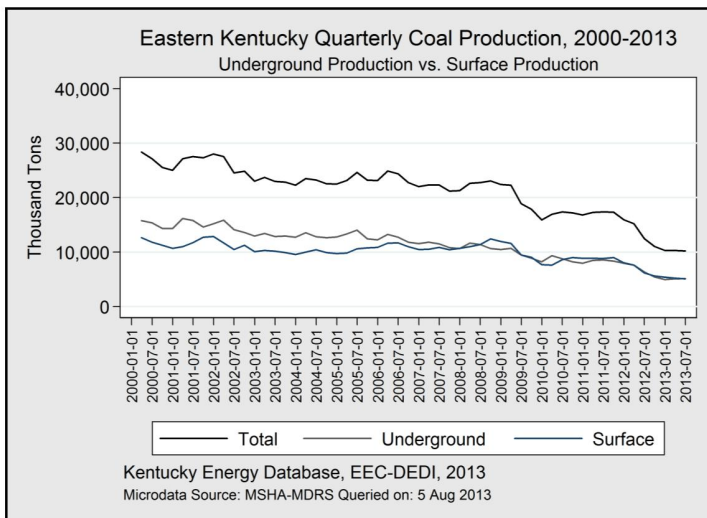
April to June 2013



Mine Type	Q2 Tonnage	Quarter Change
Total	10,186,354	-1.0%
Underground	5,095,658	+0.2%
Surface	5,090,698	-2.3%

Eastern Kentucky produced less than 10.2 million tons of coal during the second quarter of 2013, almost exactly half from underground mines and half from surface mines.

Eastern County	Q2 Tonnage	Quarter Change
Pike	2,746,299	+0.76%
Perry	2,018,425	+3.6%
Harlan	1,213,669	+0.86%
Martin	783,417	-8.63%
Leslie	685,787	+0.58%
Floyd	597,121	+6.26%
Letcher	504,085	-19.4%
Magoffin	412,066	+0.6%
Knott	386,258	-14.4%
Bell	234,368	-21.3%
Lawrence	168,229	+44.4%
Johnson	134,917	+55.5%
Knox	130,575	+48.4%
Whitley	53,755	+21.0%
McCreary	39,536	-9.85%
Clay	32,923	-65.0%
Breathitt	21,585	-43.6%
Laurel	14,805	+111%
Elliot	8,536	+100%
Rockcastle	0	-100%

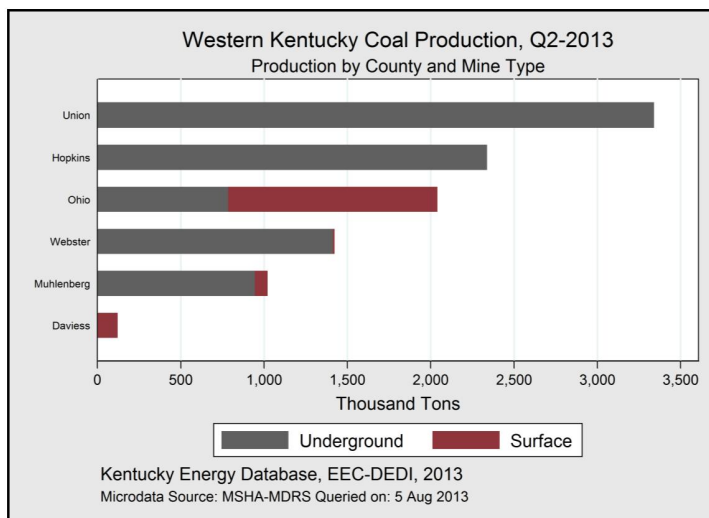
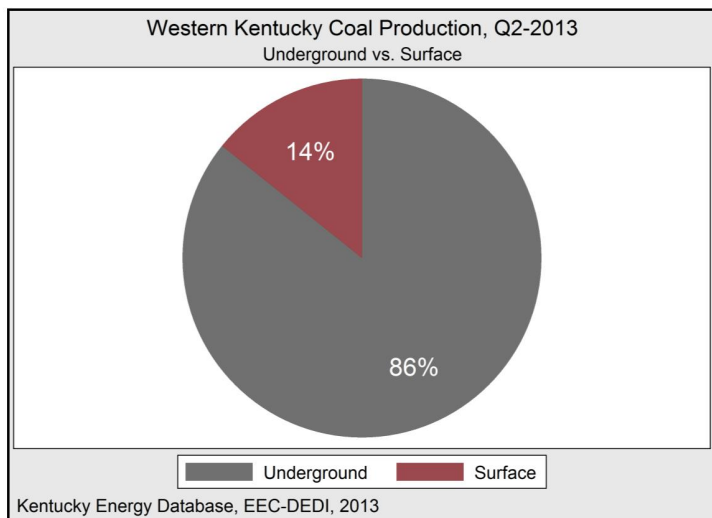


The rate of Eastern Kentucky coal production decreased by 1 percent during the second quarter of 2013, by 41.4 percent during the past 2 years, and by 64 percent since the year 2000. Production slowed at surface mining operations by 2.3 percent, but increased by a marginal 0.2 percent in underground mines.

Commercial coal production in Owsley, Rockcastle, and Wolfe Counties, where coal was mined in 2012, has stopped. Pike County, despite producing coal at the slowest rate since 1962, remained the largest coal producing county in Eastern Kentucky and the second largest producing county overall, having been overtaken by Union County in 2012.

Western Kentucky Coal Production

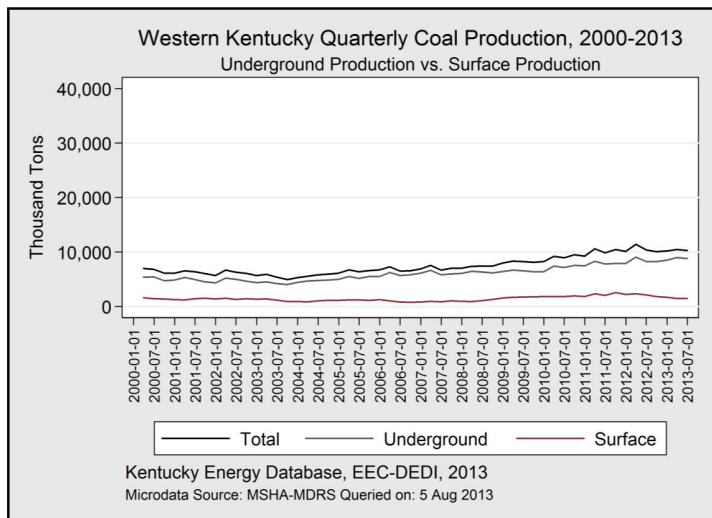
April to June 2013



Mine Type	Q2 Tonnage	Quarter Change
Total	10,288,104	-1.5%
Underground	8,822,276	-1.6%
Surface	1,465,830	-0.8%

Western Kentucky produced nearly 10.3 million tons of coal during the second quarter of 2013, 86 percent from underground mines and 14 percent from surface mines.

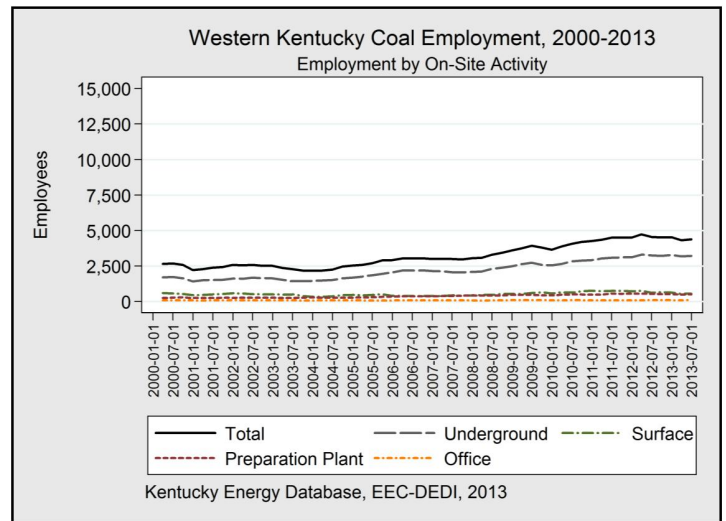
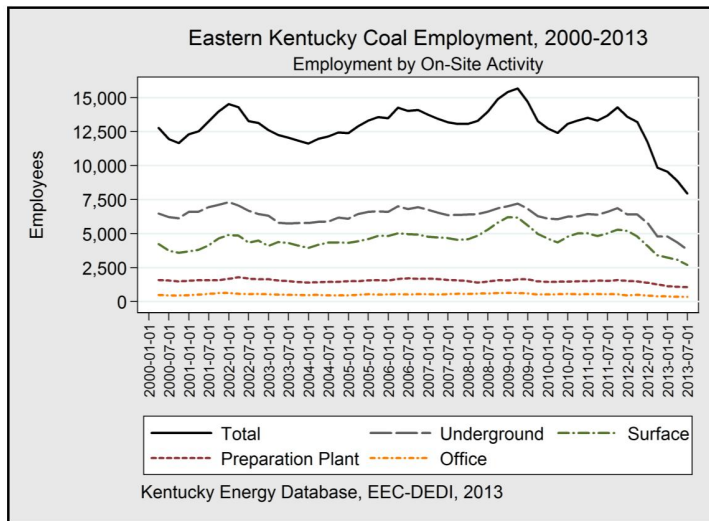
Western County	Q2 Tonnage	Quarter Change
Union	3,340,241	-3.37%
Hopkins	2,339,398	-0.35%
Ohio	2,041,209	+6.60%
Webster	1,423,781	-5.08%
Muhlenberg	1,021,516	-5.23%
Daviess	121,961	-9.70%
Henderson	0	-100.0%



Western Kentucky coal production decreased by 1.5 percent during the second quarter of 2013. Underground coal mines decreased production by 1.6 percent while surface mining decreased by 0.8 percent. Coal production stopped in Henderson County in February, 2013. Union County solidified its new position as Kentucky's leading coal producing county, producing over 3.3 million tons during the second quarter of 2013.

Kentucky Coal Mine Employment

April to June 2013



Eastern Counties	Employment	Quarter Change	Quarter Change
Total	7,951	-916	-10.33%
Pike	2,043	-180	-8.1%
Perry	1,320	+7	+0.5%
Harlan	1,021	-207	-16.9%
Martin	709	-35	-4.7%
Leslie	547	-56	-9.3%
Floyd	503	-17	-3.3%
Bell	362	-49	-11.9%
Letcher	354	-264	-42.7%
Knott	232	-64	-21.6%
Magoffin	186	-18	-8.8%
Knox	151	-27	-15.2%
Lawrence	115	+23	+25.0%
Whitley	97	+4	+4.3%
Boyd	81	+6	+8.0%
Johnson	80	0	+0.00%
McCreary	63	+6	+10.5%
Clay	40	-28	-41.2%
Breathitt	20	-27	-57.5%
Laurel	16	+5	+45.5%
Elliott	11	+11	+100%

Western Counties	Employment	Quarter Change	Quarter Change
Total	4,391	+65	+1.5%
Union	1,282	+8	+0.6%
Hopkins	954	+19	+2.0%
Ohio	798	+67	+9.2%
Webster	688	-17	-2.4%
Muhlenberg	499	-10	-2.0%
Marshall	52	-2	-3.7%
Livingston	52	+0	+0.0%
Daviess	46	+3	+7.0%
Henderson	11	-5	-31.2%
McLean	9	+2	+28.6%

Description	Employment	Quarter Change	Quarter Change
Kentucky Total	12,342	-851	-6.5%
Underground	7,058	-487	-6.5%
Surface	3,248	-377	-10.4%
Preparation Plant	1,582	+7	+0.4%
Office	454	+7	+1.6%

Kentucky coal mines reduced on-site employment by 851 workers, or 6.5 percent, during the second quarter of 2013. As of July 2013, an estimated 12,342 persons are employed at Kentucky coal mines—the lowest level recorded since the Commonwealth began keeping mining employment statistics in 1927. Layoffs included 864 coal miners, 487 underground and 377 surface. Coal preparation plants and on-site office staff increased by a total of 14 jobs.

Eastern Kentucky coal mines reduced total employment by 916 persons, or 10.3 percent, in the second quarter of 2013. During the two years since July 2011, total employment at Eastern Kentucky coal mines has fallen by 5,725 or 41.9 percent. Coal mines in Western Kentucky increased total employment by 65 jobs, or 1.5 percent, during the second quarter of 2013. During the past two years, Western Kentucky mining employment fell by 105 jobs, or 2.3 percent.