

# James River Coal Company accepts bid for Hampden, Hazard and Triad Mining Complex assets

RICHMOND, Va., Aug. 21, 2014 /PRNewswire/ -- James River Coal Company announced that it has accepted, subject to Bankruptcy Court approval, a committed and binding bid from JR Acquisition, LLC, a wholly owned subsidiary of Blackhawk Mining, LLC, to purchase the Hampden Mining Complex (including the assets of Logan & Kanawha Coal Company, LLC), the Hazard Mining Complex (other than the assets of Laurel Mountain Resources LLC) and the Triad Mining Complex for \$52,000,000 plus the assumption of certain environmental and other liabilities. Together these complexes employ over 900 employees of James River Coal Company.

The winning bid was originally selected as the stalking horse bidder in advance of an auction held on August 18, 2014 through August 21, 2014 pursuant to Bankruptcy Court-approved bidding and auction procedures. The three-day auction included multiple bids by multiple bidders. Ultimately, the stalking horse bidder's winning bid at the conclusion of the auction included numerous structural enhancements and price improvements from the original stalking horse bid.

The sale is expected to close on or about August 29, 2014 and is subject to customary closing conditions. A Bankruptcy Court hearing is scheduled for August 26, 2014 to consider approval of the sale.

James River Coal Company is one of the leading coal producers in Central Appalachia and the Illinois Basin. The company sells metallurgical, bituminous steam and industrial-grade coal to electric utility companies and industrial customers both domestically and internationally. The Company's operations are managed through operating subsidiaries located throughout eastern Kentucky, southern West Virginia and southern Indiana.

Additional information about James River Coal can be found at its web site [www.jamesrivercoal.com](http://www.jamesrivercoal.com).

Blackhawk Mining, LLC was founded by Mitch Potter in 2010 and owns and operates two coal mining complexes in eastern Kentucky with production capacity of approximately 6.5 million tons per year. The Spurlock complex is located in Floyd and Magoffin counties, Kentucky, and produces specialty and thermal coal from surface and underground mining methods. The Pine Branch complex is located in Knott, Breathitt, Perry and Leslie counties, Kentucky and produces thermal coal from surface mining methods. The Pine Branch complex results from Blackhawk's 2012 acquisition of Pine Branch Coal Sales, LLC and the March 2014 acquisition of Arch Coal's ICG Hazard mining complex.

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SOURCE James River Coal Company