

Rhino Resource Partners Provides Operational Update

LEXINGTON, Ky., June 5, 2012 /PRNewswire/ -- Rhino Resource Partners LP (NYSE: RNO) ("Rhino") today is providing an operational update.

Northern Appalachia

- Rhino's Hopedale operations are performing according to plan, with geological conditions generally improving.
- Mining activities at Sands Hill's surface mines are performing well as Rhino maintains a focus on efficiency and cost control.
- Rhino produced approximately 308 thousand tons of steam coal from its Northern Appalachia operations during the first two months of Q2 2012.

Central Appalachia

- Coal shipments at Rhino's Deane location have begun to increase as a major customer that had been delaying deliveries has requested additional shipments.
- Rhino's operations at its Bevins Branch mine continue to operate as planned as Rhino fulfills contracted steam coal orders from this location.
- Rhino produced approximately 82 thousand tons of met coal and 128 thousand tons of steam coal from its Central Appalachia operations during the first two months of Q2 2012. Due to high productivity, Rhino's production has outpaced sales despite reduced hours and shifts at its Central Appalachia operations.
- Rhino had approximately 181 thousand tons of met coal inventory and approximately 130 thousand tons of steam coal inventory in Central Appalachia as of May 31, 2012. Normal coal inventory levels for this region should be around 70 thousand tons of met coal and 40 thousand tons of steam coal. Rhino has taken steps to return inventories to these levels by the end of 2012.
- Rhino has temporarily idled mining operations at its Rob Fork and Tug River complexes to reduce inventory levels, primarily of met coal. This involves the temporary layoff of a number of its direct mining personnel. Rhino anticipates the temporary idling to last approximately five weeks.
- During this production curtailment period, customer shipments will continue at a normal pace based on current shipping schedules, allowing Rhino to monetize excess inventory and reduce bank borrowings.
- Based upon current contracted prices, Rhino expects to monetize approximately \$18 million by year-end 2012 by reducing excess Central Appalachia inventory.
- Rhino anticipates the reduction in Central Appalachia production will have minimal impact on its 2012 projected net income and Adjusted EBITDA.

Oil and Gas

- Rhino has received \$7.4 million in lease bonus payments from Chesapeake for its owned acreage in the Utica. This covers the lease of 1,232 acres at \$6,000 per acre. Rhino is working to resolve title issues on about 250 remaining acres to be included in the lease.
- Gulfport Energy, the operator of Rhino's oil and gas lease interests in the Utica, has announced an agreement with MarkWest Energy to construct and operate gas gathering and processing facilities which will serve the Utica acreage being actively drilled by Gulfport Energy.

Rhino Western

- The Castle Valley mine will ramp up to full production as the force majeure notice that began at the end of 2011 from one of its major customers has been lifted

- Castle Valley produced approximately 148 thousand tons of steam coal during the first two months of Q2 2012.

Eastern Met

- Rhino Eastern has begun operations at its new Eagle #3 mine. Coal sales of Eagle quality met coal continue to be relatively strong. At full capacity, Eagle #3 is expected to produce at a rate of approximately 490 thousand tons per year.
- Rhino Eastern produced approximately 64 thousand tons of met coal during the first two months of Q2 2012.

About Rhino Resource Partners LP

Rhino Resource Partners LP is a growth-oriented limited partnership. Rhino produces metallurgical and steam coal in a variety of basins throughout the United States, it leases coal through its Elk Horn subsidiary, and it owns oil and gas acreage in the Utica and Cana Woodford plays.

Forward Looking Statements

Except for historical information, statements made in this press release are "forward-looking statements." All statements, other than statements of historical facts, included in this press release that address activities, events or developments that Rhino expects, believes or anticipates will or may occur in the future are forward-looking statements. These forward-looking statements are based on Rhino's current expectations and beliefs concerning future developments and their potential effect on Rhino's business, operating results, financial condition and similar matters. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting Rhino will be those that Rhino anticipates. Whether actual results and developments in the future will conform to expectations is subject to significant risks, uncertainties and assumptions, many of which are beyond Rhino's control or ability to predict. Therefore, actual results and developments could materially differ from Rhino's historical experience and present expectations and what is expressed, implied or forecast in these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, the following: decline in coal prices, which depend upon several factors such as the supply of domestic and foreign coal, the demand for domestic and foreign coal, governmental regulations, price and availability of alternative fuels for electricity generation and prevailing economic conditions; increased competition in global coal markets and declines in demand for coal; current and future environmental laws and regulations which could materially increase operating costs or limit Rhino's ability to produce and sell coal; extensive government regulation of mine operations, especially with respect to mine safety and health, which imposes significant actual and potential costs; difficulties in obtaining and/or renewing permits necessary for operations; a variety of operating risks, such as unfavorable geologic conditions, natural disasters, mining and processing equipment unavailability and failures and unexpected maintenance problems and accidents, including fire and explosions from methane; fluctuations in transportation costs or disruptions in transportation services could increase competition or impair Rhino's ability to supply coal; a shortage of skilled labor; increases in raw material costs, such as steel, diesel fuel and explosives; Rhino's ability to acquire replacement coal reserves that are economically recoverable; inaccuracies in Rhino's estimates of coal reserves and non-reserve coal deposits; existing and future laws and regulations regulating the emission of sulfur dioxide and other compounds could affect coal consumers and as a result reduce demand for coal; federal and state laws restricting the emissions of greenhouse gases; Rhino's ability to acquire or failure to maintain, obtain or renew surety bonds used to secure obligations to reclaim mined property; Rhino's dependence on a few customers and its ability to find and retain customers under favorable supply contracts; changes in consumption patterns by utilities away from the use of coal, such as resulting from low natural gas prices; disruption in supplies of coal produced by contractors operating Rhino's mines; defects in title in properties that Rhino owns or losses of any of Rhino's leasehold interests; increased labor costs or work stoppages; the ability to retain and attract senior

management and other key personnel; and assumptions underlying reclamation and mine closure obligations are materially inaccurate.

Other factors that could cause Rhino's actual results to differ from its projected results are described in its filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. Rhino undertakes no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise.

SOURCE Rhino Resource Partners LP

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