



CLD Customer FAQ – First Day Motions

1. Why did CPE file for Chapter 11?

- Over the past several months, we have evaluated strategic alternatives to address the challenging market conditions in our industry.
- After a thorough review of strategic alternatives, CPE's Board of Directors determined that a sale process in Chapter 11 will provide the best opportunity to maximize value for CPE.
- Throughout the process, the Company's mines will continue normal operations, safely and efficiently meeting our customer commitments.

2. What is a marketing process? Could potential acquirers purchase one or some of our sites, but not others? Is it possible only some of our mines will remain operational as a result of the Chapter 11 process?

- Chapter 11 is a section of the U.S. Bankruptcy Code that allows companies to implement financial restructurings through a court-supervised process while continuing to operate their businesses.
- CPE intends to continue a marketing process for all of its assets.
- Beyond that, we cannot speculate. We are working through the Chapter 11 process, and no decisions have been made.
- We will continue to keep you updated.

3. Is the Company going out of business?

- No. CPE is continuing to operate its business in the same manner it does today throughout the Chapter 11 process.
- We intend to serve our customers as usual and maintain our relationships with our vendors and business partners.

4. Does CPE have enough liquidity to continue operating its business?

- The Court has granted CPE interim approval to access \$10 million of up to \$35 million in debtor-in-possession ("DIP") financing. The \$35 million DIP financing, combined with the Company's cash on hand and funds generated from ongoing operations, are expected to provide sufficient liquidity for the Company to continue operating in the ordinary course during the sale process.
- DIP financing is a specialized type of financing designed to fund the operating needs of companies that have filed for Chapter 11 protection.
- CPE's mining operations and customer shipments are continuing in the ordinary course, and the Company remains focused on safely and efficiently delivering on our customer commitments.

5. Will this result in any operational changes? Should we expect any changes to day-to-day operations?

- No. CPE's mines are continuing normal operations, and CPE remains focused on safely and efficiently meeting our customer commitments.

6. We are starting to see vendors stop extending us credit, what's CPE's plan to continue to run the business if we cannot get parts? How do we maintain our fleets while we file for Chapter 11?

- CPE's mines are continuing normal operations, safely and efficiently meeting our customer commitments and providing customers with the high-quality service they have come to expect from CPE. As CPE progresses through the Chapter 11 process, we expect operations will continue as normal.
- Our existing liquidity and new DIP financing facility will enable the company to continue to order and pay for parts in the ordinary course post-filing. Fleet maintenance will not be interrupted or delayed during the Chapter 11 process.



- 7. Will this process be similar to what CPE's competitors went through in 2016?**
 - We cannot comment on the specifics of what our competitors did. CPE intends to continue a marketing process for all of its assets.

- 8. What happens next? How long will the Chapter 11 process take?**
 - The process will progress, and CPE will remain focused on safely and efficiently meeting our customer commitments. We cannot speculate on how long the process will take and will provide updates, as appropriate.

- 9. How will CPE's Chapter 11 filing affect customers? Will you still fulfill requests on time?**
 - We expect our mines will continue normal operations throughout the process, and we have received court approval to continue entering into and fulfilling orders under sales contracts with customers in the ordinary course of business.
 - Our customers remain our top priority. We are committed to serving our customers and to doing everything to meet and exceed your expectations. We intend to remain a reliable source of high-quality coal.
 - We intend to move through this process as quickly as possible. We appreciate your business, and we remain focused on safely and efficiently meeting our customer commitments.
 - CPE will continue to update its customers throughout the Chapter 11 process.

- 10. Why should I continue to do business with CPE?**
 - CPE's commitments to customer satisfaction, safe operations and environmental excellence are unwavering, and will not change during the process. In fact, we are more focused than ever.
 - We took this action because we firmly believe that it is in the best interest of our customers, other stakeholders and CPE's future.
 - We value the relationship that has been developed with you and your organization and look forward to continuing it going forward.

- 11. Will prices be going up as part of the reorganization process?**
 - As always, pricing depends, in large part, on customer demand and market conditions.

- 12. How can I obtain more information?**
 - It is our objective to keep you informed throughout this sale process.
 - If you have additional questions, please do not hesitate to contact your CPE representative.
 - Court filings and other information related to the proceedings are available at a website administered by the Company's claims agent, Prime Clerk, at <https://cases.primeclerk.com/cloudpeakenergy/>.
 - You can also contact our Restructuring Hotline toll-free at 844-217-3067 or local at 347-761-3264 or by emailing cloudpeakinfo@primeclerk.com to address specific questions or concerns.