



CLD Vendor / Supplier 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. Will vendors and suppliers continue to be paid for goods or services provided after the filing date?**
 - The Company has received court authorization to pay vendors, suppliers and other providers essential to the Company's business in full for goods and services provided after the filing date.
 - 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.

- 10. Will vendors and suppliers be paid for goods and services delivered prior to the filing date?**
 - Under U.S. bankruptcy law, unpaid debts for goods and services provided to CPE prior to the filing, also known as "pre-petition claims," generally cannot be paid.
 - Any claims will be addressed as part of the Bankruptcy Court process moving forward. If vendors believe they have a pre-petition claim or an administrative claim for goods and services provided to CPE, you may need to file a proof of claim with the Bankruptcy Court to be eligible for payment on your claim. Information about the claims process will be made available at a later date.
 - The Company has also received court authorization to support its operations while this process is ongoing. These include authority to pay certain types of pre-petition claims of vendors and suppliers.

- 11. We have a contract with CPE. Are you going to be able to satisfy it?**
 - We expect our mines will continue normal operations throughout the process, and we are continuing to order and pay for goods and services in the ordinary course.
 - We intend to pay vendors and suppliers in full under normal terms for goods and services provided after the Chapter 11 filing. 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.

- 12. Why should I sell you goods and services now?**
 - We intend to meet our post-filing obligations in full, in the ordinary course.
 - CPE is open for business. We expect our mines will continue normal operations throughout the process, and we are continuing to order and pay for goods and services in the ordinary course.
 - The continued supply of goods and services, from all of our vendors and suppliers, is an essential part of our ongoing business and will help ensure we can continue to meet and exceed our customers' expectations.
 - We appreciate your continued cooperation, which will enable us to continue to meet all coal delivery commitments to our customers going forward, and we will continue to work closely with you throughout this process.

- 13. Given the uncertainties of the situation, what if I want to renegotiate our terms with you?**



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- We understand the uncertainty that the prolonged weakness in the domestic and global coal markets and our recent announcement may cause. The cooperation of all of our suppliers will help ensure that we can continue to work closely for many years to come.
- Our ability to purchase from you on favorable terms and at competitive prices is critical to our successful completion of the reorganization process and long-term success as a leading coal supplier.

14. Can I take back my goods?

- It is against the law to take back goods from a company that has filed for reorganization under Chapter 11.

15. How do I file a proof of claim?

- Court filings and other information related to the proceedings, including proof of claim forms, 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.

16. How can I obtain more information?

- It is our objective to keep you informed throughout this 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.