Wolverine is the largest producer in Utah and largest supplier in the Western Bituminous Region.

Largest Utah Production Footprint by a Wide Margin

2018 Production (*Tons in millions*)

- **Wolverine**: 9.1
- **Lila Canyon**: 2.6
- **Castle Valley**: 1
- **Alton**: 0.5
- **Bronco**: 0.4

Total: *4.5 mt*
In Utah, Fuel Matters
Current Power Prices

Source: EIA, (2018 YTD Data), State Electricity Profiles

$0.01 = average retail price per kilowatt hour for 2018

% = percent of total generation from coal for 2018

$0.01 = average retail price per kilowatt hour for 2018

% = percent of total generation from coal for 2018

Source: EIA, (2018 YTD Data), State Electricity Profiles
We are a Major Exporter of Utah Coal

Wolverine is the only major coal producer with exclusive US West Coast export capacity

- In 2018, Wolverine exported ~3 million tons of Utah coal!
- WF coal is branded internationally as a premium, lower sulfur, high btu product
- Our coal has been shipped to Central America, South America and Asia
- Vessels are primarily loaded at the Port of Stockton and topped off at the Port of Richmond

2019 Vessel Schedule

FD Angelica berthing at the Port of Stockton
Wolverine’s Impact on Utah’s Economy in 2018

<table>
<thead>
<tr>
<th></th>
<th>Sufco</th>
<th>Skyline</th>
<th>Dugout</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Production</td>
<td>4,895,041</td>
<td>3,614,000</td>
<td>566,682</td>
<td>9,075,723</td>
</tr>
<tr>
<td>Sales Value</td>
<td>$169,613,171</td>
<td>$128,333,140</td>
<td>$20,768,895</td>
<td>$318,715,206</td>
</tr>
<tr>
<td>Employment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full &amp; Part Time</td>
<td>418</td>
<td>339</td>
<td>122</td>
<td>879</td>
</tr>
<tr>
<td>Contractor</td>
<td>43</td>
<td>36</td>
<td>12</td>
<td>91</td>
</tr>
<tr>
<td>Indirect Employment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract Trucking</td>
<td>300</td>
<td>90</td>
<td>73</td>
<td>463</td>
</tr>
<tr>
<td>Other Support (3:1)</td>
<td>1,254</td>
<td>1,017</td>
<td>366</td>
<td>2,637</td>
</tr>
<tr>
<td>Total Jobs</td>
<td>2,015</td>
<td>1,482</td>
<td>573</td>
<td>4,070</td>
</tr>
<tr>
<td>Direct Economic Impact</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payroll</td>
<td>$44,284,730</td>
<td>$31,151,000</td>
<td>$9,855,000</td>
<td>$85,290,730</td>
</tr>
<tr>
<td>Supplies, Services, Gov’t Req., &amp; Admin.</td>
<td>$43,772,852</td>
<td>$33,062,250</td>
<td>$7,509,000</td>
<td>$84,344,102</td>
</tr>
<tr>
<td>Utilities</td>
<td>$3,980,463</td>
<td>$5,086,000</td>
<td>$1,268,000</td>
<td>$10,334,463</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$92,038,045</td>
<td>$69,299,250</td>
<td>$18,632,000</td>
<td>$179,969,295</td>
</tr>
<tr>
<td>Taxes &amp; Royalties</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>$1,398,710</td>
<td>$946,750</td>
<td>$325,000</td>
<td>$2,670,460</td>
</tr>
<tr>
<td>Production Taxes</td>
<td>$5,405,339</td>
<td>$3,486,000</td>
<td>$563,000</td>
<td>$9,454,339</td>
</tr>
<tr>
<td>Royalties</td>
<td>$10,296,869</td>
<td>$17,433,000</td>
<td>$2,025,000</td>
<td>$29,754,869</td>
</tr>
<tr>
<td>Subtotal Taxes &amp; Royalties</td>
<td>$17,100,918</td>
<td>$21,865,750</td>
<td>$2,913,000</td>
<td>$41,879,668</td>
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<tr>
<td>Total Direct Benefit</td>
<td>$109,138,963</td>
<td>$91,165,000</td>
<td>$21,545,000</td>
<td>$221,848,963</td>
</tr>
<tr>
<td>Indirect Economic Impact</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trucking &amp; Freight</td>
<td>$34,674,674</td>
<td>$35,920,000</td>
<td>$3,802,000</td>
<td>$74,396,674</td>
</tr>
<tr>
<td>Total Direct &amp; Indirect Benefit</td>
<td>$143,813,637</td>
<td>$127,085,000</td>
<td>$25,347,000</td>
<td><strong>$296,245,637</strong></td>
</tr>
</tbody>
</table>
Potential Future Economic Impact of Wolverine

Future Royalties from Existing Leases at Sufco, Skyline, Dugout, and Fossil Rock Mines $291,270,000

Future Lease Costs and Economic Impact for Planned Additional Reserves
- Projected Royalties $295,170,000
- Projected Costs $358,557,000 (NEPA/Permitting, Bonus Bid, CAPEX, etc.)

Regular Direct and Indirect Cost Over Projected Life of Mines
(Taxes, Payroll, Trucking Costs, Services, Supplies, Regulatory Compliance, Administrative Costs, etc.) $6,841,756,000

Total $7,786,753,000
Challenges Facing Wolverine Fuels, LLC

- Need market certainty that will encourage capital investments
  - Current long-term plans for the Hunter and Huntington Plants indicate life at least through 2036 and 2042, respectfully. These dates need to be maintained.
  - Incentivize Rocky Mountain Power to continue to burn Utah coal.
  - Remove, to the extent possible, regulatory uncertainty.

- Access to capital
  - How can financial institutions be incentivized to invest in Utah coal?
  - Are there Federal and State tax incentives that can be created to encourage investment?

- Significant funding for Clean Coal Technology

- Finding and keeping qualified employees
Wolverine Fuels, LLC
Keeping Utah’s Lights on!

62.4% of the electricity generated in our state comes from coal
~48% of all electricity generated in Utah is powered by Wolverine’s coal