

ALPHA METALLURGICAL RESOURCES, INC. AND SUBSIDIARIES
RESULTS OF OPERATIONS

	Three Months Ended September 30, 2020			
	Met	CAPP - Thermal	All Other	Consolidated
<i>(In thousands, except for per ton data)</i>				
Coal revenues	\$ 295,376	\$ 39,813	\$ —	\$ 335,189
Less: Freight and handling fulfillment revenues	(49,742)	(3,015)	—	(52,757)
Non-GAAP Coal revenues	\$ 245,634	\$ 36,798	\$ —	\$ 282,432
Tons sold	3,329	636	—	3,965
Non-GAAP Coal sales realization per ton	\$ 73.79	\$ 57.86	\$ —	\$ 71.23
Cost of coal sales (exclusive of items shown separately below)	\$ 276,248	\$ 33,999	\$ (553)	\$ 309,694
Depreciation, depletion and amortization - production ⁽¹⁾	41,177	7,313	410	48,900
Accretion on asset retirement obligations	3,800	2,406	530	6,736
Amortization of acquired intangibles, net	2,535	(486)	25	2,074
Total Cost of coal sales	\$ 323,760	\$ 43,232	\$ 412	\$ 367,404
Less: Freight and handling costs	(49,742)	(3,015)	—	(52,757)
Less: Depreciation, depletion and amortization - production ⁽¹⁾	(41,177)	(7,313)	(410)	(48,900)
Less: Accretion on asset retirement obligations	(3,800)	(2,406)	(530)	(6,736)
Less: Amortization of acquired intangibles, net	(2,535)	486	(25)	(2,074)
Less: Idled and closed mine costs	(5,091)	(1,742)	546	(6,287)
Non-GAAP Cost of coal sales	\$ 221,415	\$ 29,242	\$ (7)	\$ 250,650
Tons sold	3,329	636	—	3,965
Non-GAAP Cost of coal sales per ton	\$ 66.51	\$ 45.98	\$ —	\$ 63.22

⁽¹⁾ Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

Three Months Ended September 30, 2020

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Coal revenues	\$ 295,376	\$ 39,813	\$ —	\$ 335,189
Less: Total Cost of coal sales (per table above)	(323,760)	(43,232)	(412)	(367,404)
GAAP Coal margin	\$ (28,384)	\$ (3,419)	\$ (412)	\$ (32,215)
Tons sold	3,329	636	—	3,965
GAAP Coal margin per ton	\$ (8.53)	\$ (5.38)	\$ —	\$ (8.12)
GAAP Coal margin	\$ (28,384)	\$ (3,419)	\$ (412)	\$ (32,215)
Add: Depreciation, depletion and amortization - production ⁽¹⁾	41,177	7,313	410	48,900
Add: Accretion on asset retirement obligations	3,800	2,406	530	6,736
Add: Amortization of acquired intangibles, net	2,535	(486)	25	2,074
Add: Idled and closed mine costs	5,091	1,742	(546)	6,287
Non-GAAP Coal margin	\$ 24,219	\$ 7,556	\$ 7	\$ 31,782
Tons sold	3,329	636	—	3,965
Non-GAAP Coal margin per ton	\$ 7.28	\$ 11.88	\$ —	\$ 8.02

⁽¹⁾ Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

Three Months Ended December 31, 2020

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Coal revenues	\$ 289,756	\$ 33,604	\$ —	\$ 323,360
Less: Freight and handling fulfillment revenues	(48,251)	(1,548)	—	(49,799)
Non-GAAP Coal revenues	\$ 241,505	\$ 32,056	\$ —	\$ 273,561
Tons sold	3,210	536	—	3,746
Non-GAAP Coal sales realization per ton	\$ 75.24	\$ 59.81	\$ —	\$ 73.03
Cost of coal sales (exclusive of items shown separately below)	\$ 273,984	\$ 28,754	\$ (907)	\$ 301,831
Depreciation, depletion and amortization - production ⁽¹⁾	2,381	1,031	(7,680)	(4,268)
Accretion on asset retirement obligations	3,328	2,259	972	6,559
Amortization of acquired intangibles, net	5,014	(291)	25	4,748
Total Cost of coal sales	\$ 284,707	\$ 31,753	\$ (7,590)	\$ 308,870
Less: Freight and handling costs	(48,251)	(1,548)	—	(49,799)
Less: Depreciation, depletion and amortization - production ⁽¹⁾	(2,381)	(1,031)	7,680	4,268
Less: Accretion on asset retirement obligations	(3,328)	(2,259)	(972)	(6,559)
Less: Amortization of acquired intangibles, net	(5,014)	291	(25)	(4,748)
Less: Idled and closed mine costs	(3,445)	(3,543)	845	(6,143)
Non-GAAP Cost of coal sales	\$ 222,288	\$ 23,663	\$ (62)	\$ 245,889
Tons sold	3,210	536	—	3,746
Non-GAAP Cost of coal sales per ton	\$ 69.25	\$ 44.15	\$ —	\$ 65.64

⁽¹⁾ Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

Three Months Ended December 31, 2020

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Coal revenues	\$ 289,756	\$ 33,604	\$ —	\$ 323,360
Less: Total Cost of coal sales (per table above)	(284,707)	(31,753)	7,590	(308,870)
GAAP Coal margin	\$ 5,049	\$ 1,851	\$ 7,590	\$ 14,490
Tons sold	3,210	536	—	3,746
GAAP Coal margin per ton	\$ 1.57	\$ 3.45	\$ —	\$ 3.87
GAAP Coal margin	\$ 5,049	\$ 1,851	\$ 7,590	\$ 14,490
Add: Depreciation, depletion and amortization - production ⁽¹⁾	2,381	1,031	(7,680)	(4,268)
Add: Accretion on asset retirement obligations	3,328	2,259	972	6,559
Add: Amortization of acquired intangibles, net	5,014	(291)	25	4,748
Add: Idled and closed mine costs	3,445	3,543	(845)	6,143
Non-GAAP Coal margin	\$ 19,217	\$ 8,393	\$ 62	\$ 27,672
Tons sold	3,210	536	—	3,746
Non-GAAP Coal margin per ton	\$ 5.99	\$ 15.66	\$ —	\$ 7.39

⁽¹⁾ Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

	Three Months Ended December 31, 2019			
	Met	CAPP - Thermal	All Other	Consolidated
<i>(In thousands, except for per ton data)</i>				
Coal revenues	\$ 370,200	\$ 60,576	\$ 681	\$ 431,457
Less: Freight and handling fulfillment revenues	(59,320)	(10,450)	—	(69,770)
Non-GAAP Coal revenues	\$ 310,880	\$ 50,126	\$ 681	\$ 361,687
Tons sold	3,273	893	8	4,174
Non-GAAP Coal sales realization per ton	\$ 94.98	\$ 56.13	\$ 85.13	\$ 86.65
Cost of coal sales (exclusive of items shown separately below)	\$ 331,395	\$ 55,653	\$ (48)	\$ 387,000
Depreciation, depletion and amortization - production ⁽¹⁾	39,122	12,897	(2,165)	49,854
Accretion on asset retirement obligations	2,613	3,528	849	6,990
Amortization of acquired intangibles, net	4,574	(1,437)	—	3,137
Total Cost of coal sales	\$ 377,704	\$ 70,641	\$ (1,364)	\$ 446,981
Less: Freight and handling costs	(59,320)	(10,450)	—	(69,770)
Less: Depreciation, depletion and amortization - production ⁽¹⁾	(39,122)	(12,897)	2,165	(49,854)
Less: Accretion on asset retirement obligations	(2,613)	(3,528)	(849)	(6,990)
Less: Amortization of acquired intangibles, net	(4,574)	1,437	—	(3,137)
Less: Idled and closed mine costs	(2,757)	(1,260)	713	(3,304)
Non-GAAP Cost of coal sales	\$ 269,318	\$ 43,943	\$ 665	\$ 313,926
Tons sold	3,273	893	8	4,174
Non-GAAP Cost of coal sales per ton	\$ 82.28	\$ 49.21	\$ 83.13	\$ 75.21

⁽¹⁾ Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

Three Months Ended December 31, 2019

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Coal revenues	\$ 370,200	\$ 60,576	\$ 681	\$ 431,457
Less: Total Cost of coal sales (per table above)	(377,704)	(70,641)	1,364	(446,981)
GAAP Coal margin	\$ (7,504)	\$ (10,065)	\$ 2,045	\$ (15,524)
Tons sold	3,273	893	8	4,174
GAAP Coal margin per ton	\$ (2.29)	\$ (11.27)	\$ 255.63	\$ (3.72)
GAAP Coal margin	\$ (7,504)	\$ (10,065)	\$ 2,045	\$ (15,524)
Add: Depreciation, depletion and amortization - production ⁽¹⁾	39,122	12,897	(2,165)	49,854
Add: Accretion on asset retirement obligations	2,613	3,528	849	6,990
Add: Amortization of acquired intangibles, net	4,574	(1,437)	—	3,137
Add: Idled and closed mine costs	2,757	1,260	(713)	3,304
Non-GAAP Coal margin	\$ 41,562	\$ 6,183	\$ 16	\$ 47,761
Tons sold	3,273	893	8	4,174
Non-GAAP Coal margin per ton	\$ 12.70	\$ 6.92	\$ 2.00	\$ 11.44

⁽¹⁾ Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

	Year Ended December 31, 2020			
	Met	CAPP - Thermal	All Other	Consolidated
<i>(In thousands, except for per ton data)</i>				
Coal revenues	\$ 1,263,855	\$ 148,880	\$ 389	\$ 1,413,124
Less: Freight and handling fulfillment revenues	(206,509)	(12,940)	—	(219,449)
Non-GAAP Coal revenues	\$ 1,057,346	\$ 135,940	\$ 389	\$ 1,193,675
Tons sold	13,070	2,437	6	15,513
Non-GAAP Coal sales realization per ton	\$ 80.90	\$ 55.78	\$ 64.83	\$ 76.95
Cost of coal sales (exclusive of items shown separately below)	\$ 1,140,556	\$ 136,944	\$ 3,511	\$ 1,281,011
Depreciation, depletion and amortization - production ⁽¹⁾	124,060	20,453	(5,885)	138,628
Accretion on asset retirement obligations	14,214	9,285	3,005	26,504
Amortization of acquired intangibles, net	12,889	(3,775)	100	9,214
Total Cost of coal sales	\$ 1,291,719	\$ 162,907	\$ 731	\$ 1,455,357
Less: Freight and handling costs	(206,509)	(12,940)	—	(219,449)
Less: Depreciation, depletion and amortization - production ⁽¹⁾	(124,060)	(20,453)	5,885	(138,628)
Less: Accretion on asset retirement obligations	(14,214)	(9,285)	(3,005)	(26,504)
Less: Amortization of acquired intangibles, net	(12,889)	3,775	(100)	(9,214)
Less: Idled and closed mine costs	(16,640)	(8,973)	(3,267)	(28,880)
Non-GAAP Cost of coal sales	\$ 917,407	\$ 115,031	\$ 244	\$ 1,032,682
Tons sold	13,070	2,437	6	15,513
Non-GAAP Cost of coal sales per ton	\$ 70.19	\$ 47.20	\$ 40.67	\$ 66.57

⁽¹⁾ Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

Year Ended December 31, 2020

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Coal revenues	\$ 1,263,855	\$ 148,880	\$ 389	\$ 1,413,124
Less: Total Cost of coal sales (per table above)	(1,291,719)	(162,907)	(731)	(1,455,357)
GAAP Coal margin	\$ (27,864)	\$ (14,027)	\$ (342)	\$ (42,233)
Tons sold	13,070	2,437	6	15,513
GAAP Coal margin per ton	\$ (2.13)	\$ (5.76)	\$ (57.00)	\$ (2.72)
GAAP Coal margin	\$ (27,864)	\$ (14,027)	\$ (342)	\$ (42,233)
Add: Depreciation, depletion and amortization - production ⁽¹⁾	124,060	20,453	(5,885)	138,628
Add: Accretion on asset retirement obligations	14,214	9,285	3,005	26,504
Add: Amortization of acquired intangibles, net	12,889	(3,775)	100	9,214
Add: Idled and closed mine costs	16,640	8,973	3,267	28,880
Non-GAAP Coal margin	\$ 139,939	\$ 20,909	\$ 145	\$ 160,993
Tons sold	13,070	2,437	6	15,513
Non-GAAP Coal margin per ton	\$ 10.71	\$ 8.58	\$ 24.17	\$ 10.38

⁽¹⁾ Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

Year Ended December 31, 2019

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Coal revenues	\$ 1,709,863	\$ 285,390	\$ 681	\$ 1,995,934
Less: Freight and handling fulfillment revenues	(242,049)	(34,133)	—	(276,182)
Non-GAAP Coal revenues	\$ 1,467,814	\$ 251,257	\$ 681	\$ 1,719,752
Tons sold	12,926	4,218	8	17,152
Non-GAAP Coal sales realization per ton	\$ 113.56	\$ 59.57	\$ 85.13	\$ 100.27
Cost of coal sales (exclusive of items shown separately below)	\$ 1,389,619	\$ 274,320	\$ 3,829	\$ 1,667,768
Depreciation, depletion and amortization - production ⁽¹⁾	152,835	57,483	4,025	214,343
Accretion on asset retirement obligations	9,599	10,929	3,337	23,865
Amortization of acquired intangibles, net	10,389	(13,578)	—	(3,189)
Total Cost of coal sales	\$ 1,562,442	\$ 329,154	\$ 11,191	\$ 1,902,787
Less: Freight and handling costs	(242,049)	(34,133)	—	(276,182)
Less: Depreciation, depletion and amortization - production ⁽¹⁾	(152,835)	(57,483)	(4,025)	(214,343)
Less: Accretion on asset retirement obligations	(9,599)	(10,929)	(3,337)	(23,865)
Less: Amortization of acquired intangibles, net	(10,389)	13,578	—	3,189
Less: Idled and closed mine costs	(8,699)	(2,702)	(3,164)	(14,565)
Less: Cost impact of coal inventory fair value adjustment ⁽²⁾	(4,751)	(3,458)	—	(8,209)
Non-GAAP Cost of coal sales	\$ 1,134,120	\$ 234,027	\$ 665	\$ 1,368,812
Tons sold	12,926	4,218	8	17,152
Non-GAAP Cost of coal sales per ton	\$ 87.74	\$ 55.48	\$ 83.13	\$ 79.80

⁽¹⁾ Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

⁽²⁾ The cost impact of the coal inventory fair value adjustment as a result of the Merger was completed during the three months ended June 30, 2019.

Year Ended December 31, 2019

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Coal revenues	\$ 1,709,863	\$ 285,390	\$ 681	\$ 1,995,934
Less: Total Cost of coal sales (per table above)	(1,562,442)	(329,154)	(11,191)	(1,902,787)
GAAP Coal margin	\$ 147,421	\$ (43,764)	\$ (10,510)	\$ 93,147
Tons sold	12,926	4,218	8	17,152
GAAP Coal margin per ton	\$ 11.40	\$ (10.38)	\$ (1,313.75)	\$ 5.43
GAAP Coal margin	\$ 147,421	\$ (43,764)	\$ (10,510)	\$ 93,147
Add: Depreciation, depletion and amortization - production ⁽¹⁾	152,835	57,483	4,025	214,343
Add: Accretion on asset retirement obligations	9,599	10,929	3,337	23,865
Add: Amortization of acquired intangibles, net	10,389	(13,578)	—	(3,189)
Add: Idled and closed mine costs	8,699	2,702	3,164	14,565
Add: Cost impact of coal inventory fair value adjustment ⁽²⁾	4,751	3,458	—	8,209
Non-GAAP Coal margin	\$ 333,694	\$ 17,230	\$ 16	\$ 350,940
Tons sold	12,926	4,218	8	17,152
Non-GAAP Coal margin per ton	\$ 25.82	\$ 4.08	\$ 2.00	\$ 20.46

⁽¹⁾ Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

⁽²⁾ The cost impact of the coal inventory fair value adjustment as a result of the Merger was completed during the three months ended June 30, 2019.

Three Months Ended September 30, 2020

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Non-GAAP Cost of coal sales	\$ 221,415	\$ 29,242	\$ (7)	\$ 250,650
Less: cost of purchased coal sold	(12,511)	70	—	(12,441)
Adjusted cost of produced coal sold	\$ 208,904	\$ 29,312	\$ (7)	\$ 238,209
Produced tons sold	3,142	636	—	3,778
Adjusted cost of produced coal sold per ton ⁽¹⁾	\$ 66.49	\$ 46.09	\$ —	\$ 63.05

⁽¹⁾ Cost of produced coal sold per ton for our operations is calculated as non-GAAP cost of produced coal sold divided by produced tons sold.

Three Months Ended December 31, 2020

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Non-GAAP Cost of coal sales	\$ 222,288	\$ 23,663	\$ (62)	\$ 245,889
Less: cost of purchased coal sold	(19,993)	(93)	—	(20,086)
Adjusted cost of produced coal sold	\$ 202,295	\$ 23,570	\$ (62)	\$ 225,803
Produced tons sold	2,939	535	—	3,474
Adjusted cost of produced coal sold per ton ⁽¹⁾	\$ 68.83	\$ 44.06	\$ —	\$ 65.00

⁽¹⁾ Cost of produced coal sold per ton for our operations is calculated as non-GAAP cost of produced coal sold divided by produced tons sold.

Three Months Ended December 31, 2019

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Non-GAAP Cost of coal sales	\$ 269,318	\$ 43,943	\$ 665	\$ 313,926
Less: cost of purchased coal sold	(43,091)	(598)	—	(43,689)
Adjusted cost of produced coal sold	\$ 226,227	\$ 43,345	\$ 665	\$ 270,237
Produced tons sold	2,779	876	8	3,663
Adjusted cost of produced coal sold per ton ⁽¹⁾	\$ 81.41	\$ 49.48	\$ 83.13	\$ 73.77

⁽¹⁾ Cost of produced coal sold per ton for our operations is calculated as non-GAAP cost of produced coal sold divided by produced tons sold.

Year Ended December 31, 2020

(In thousands, except for per ton data)

	Met	CAPP - Thermal	All Other	Consolidated
Non-GAAP Cost of coal sales	\$ 917,407	\$ 115,031	\$ 244	\$ 1,032,682
Less: cost of purchased coal sold	(85,769)	(925)	—	(86,694)
Adjusted cost of produced coal sold	\$ 831,638	\$ 114,106	\$ 244	\$ 945,988
Produced tons sold	11,941	2,423	6	14,370
Adjusted cost of produced coal sold per ton ⁽¹⁾	\$ 69.65	\$ 47.09	\$ 40.67	\$ 65.83

⁽¹⁾ Cost of produced coal sold per ton for our operations is calculated as non-GAAP cost of produced coal sold divided by produced tons sold.

<i>(In thousands, except for per ton data)</i>	Year Ended December 31, 2019			
	Met	CAPP - Thermal	All Other	Consolidated
Non-GAAP Cost of coal sales	\$ 1,134,120	\$ 234,027	\$ 665	\$ 1,368,812
Less: cost of purchased coal sold	(237,681)	(6,976)	—	(244,657)
Adjusted cost of produced coal sold	\$ 896,439	\$ 227,051	\$ 665	\$ 1,124,155
Produced tons sold	10,727	4,091	8	14,826
Adjusted cost of produced coal sold per ton ⁽¹⁾	\$ 83.57	\$ 55.50	\$ 83.13	\$ 75.82

⁽¹⁾ Cost of produced coal sold per ton for our operations is calculated as non-GAAP cost of produced coal sold divided by produced tons sold.