

CONTURA ENERGY, INC. AND SUBSIDIARIES
ADJUSTED EBITDA RECONCILIATION
(Amounts in thousands)

	Three Months Ended		
	March 30, 2020	March 31, 2019	December 31, 2019
Net (loss) income from continuing operations	\$ (39,808)	\$ 7,990	\$ (191,871)
Interest expense	17,605	15,155	16,719
Interest income	(978)	(1,936)	(1,712)
Income tax benefit	(2,188)	(4,778)	(48,677)
Depreciation, depletion and amortization	54,465	61,271	43,865
Merger-related costs	—	831	35
Management restructuring costs ⁽¹⁾	947	—	7,720
Non-cash stock compensation expense	2,078	5,271	4,885
Mark-to-market adjustment - acquisition-related obligations	(14,997)	1,936	(3,276)
Accretion on asset retirement obligations	7,375	6,232	7,873
Asset impairment ⁽²⁾	33,709	—	60,466
Goodwill impairment ⁽³⁾	—	—	124,353
Cost impact of coal inventory fair value adjustment ⁽⁴⁾	—	7,176	—
Gain on assets acquired in an exchange transaction ⁽⁵⁾	—	(9,083)	—
Loss on partial settlement of benefit obligations	1,167	—	6,446
Amortization of acquired intangibles, net	865	(6,683)	4,624
Adjusted EBITDA	<u>\$ 60,240</u>	<u>\$ 83,382</u>	<u>\$ 31,450</u>

⁽¹⁾ Management restructuring costs are related to severance expense associated with senior management changes.

⁽²⁾ Asset impairment for the three months ended March 31, 2020 includes a long-lived asset impairment related to asset groups recorded within the CAPP - Met and CAPP - Thermal reporting segments. Asset impairment for the three months ended December 31, 2019 primarily relates to a long-lived asset impairment of \$60,169 related to asset groups recorded within the CAPP - Met and CAPP - Thermal reporting segments.

⁽³⁾ The goodwill impairment testing as of December 31, 2019 resulted in a goodwill impairment of \$124,353 to write down the full carrying value of goodwill.

⁽⁴⁾ The cost impact of the coal inventory fair value adjustment as a result of the Alpha Merger was completed during the three months ended June 30, 2019.

⁽⁵⁾ During the three months ended March 31, 2019, the Company entered into an exchange transaction which primarily included the release of the PRB overriding royalty interest owed to the Company in exchange for met coal reserves which resulted in a gain of \$9,083.