



PHONE: (740) 338-3100
FAX: (740) 338-3405
www.murrayenergycorp.com

FOR IMMEDIATE RELEASE

June 4, 2018

CONTACT:

media@coalsource.com

Murray Energy Corporation Announces Refinancing Transactions and Receipt of Support from More than a Majority of Lenders and Noteholders

Murray Energy Corporation (“Murray Energy”) announced today it has agreed with certain of its lenders and noteholders to complete a refinancing transaction that will beneficially impact Murray Energy’s balance sheet and extend upcoming debt maturities.

As part of the transaction, Murray Energy has entered into a Transaction Support Agreement (the “TSA”) with certain holders (the “Supporting Noteholders”) of its 11.25% Senior Secured Notes due 2021 (the “11.25% Notes”) and lenders (the “Supporting Lenders” and, together with the Supporting Noteholders, the “Supporting Parties”) of term loans (the “Existing Term Loans”) under Murray Energy’s Credit Agreement and Guaranty Agreement (as amended, the “Credit Agreement”) dated as of April 16, 2015. The Supporting Noteholders beneficially hold approximately 71% in aggregate principal amount of the outstanding 11.25% Notes and approximately 61% of the aggregate principal amount of the Existing Term Loans.

Pursuant to the transactions contemplated by the TSA, each of the Supporting Parties agreed to support and pursue, among other things: 1.) a private exchange in which the Supporting Noteholders will exchange approximately 71% of the 11.25% Notes for new 12.00% Senior Secured Notes due 2024 (the “New Notes”), at an exchange rate of \$740 in aggregate principal amount of New Notes for each \$1,000 in aggregate principal amount of 11.25% Notes exchanged; 2.) amendments to the indenture governing the 11.25% Notes (the “Indenture”) to, among other things, permit certain transactions contemplated by the TSA; 3.) purchase or other transfer to be offered to all lenders under the Credit Agreement of the Existing Term Loans for new term loans (“New Term Loans”) governed by a new Superpriority Credit Agreement; and 4.) certain amendments to the terms of the Credit Agreement and the Collateral Trust Agreement governing the existing indebtedness.

The New Notes will bear interest at a rate of 9% per annum in cash and 3% per annum in payment-in-kind (“PIK”) and be secured by a lien on the collateral that secures the 11.25% Notes that ranks senior to the lien securing the 11.25% Notes. The liens securing the New Notes will rank junior to the liens securing the New Term Loans and the Existing Term Loans.

The New Term Loans will mature in 2022 and be secured by a lien on the collateral securing the Existing Term Loans that ranks senior to the liens securing the Existing Term Loans, the New Notes and 11.25% Notes.

In addition, obligations under the New Notes and the New Term Loans will be guaranteed by Murray Kentucky Energy, Inc. and its subsidiaries and Murray South America, Inc. in addition to Murray Energy's subsidiaries that guarantee its obligations under the 11.25% Notes and Existing Term Loans. The obligations under the New Notes and the New Term Loans will be secured by, in addition to the liens described above, a pledge of 100% of the stock of Murray South America, Inc. and Murray Kentucky Energy, Inc., liens on assets of Murray Kentucky Energy, Inc., and its subsidiaries, certain of Murray Energy's indirect equity interests in entities with operations in Colombia and Murray Energy's indirect equity interests in Javelin Global Commodities Holdings LLP ("Javelin"). Javelin is a leading marketing and trading firm of thermal coal and other commodities, and remains the primary marketer of Murray Energy's coal in the global export marketplace. Javelin has been recognized as a major force in commodity markets and is expected to ship over 70 million tons of coal in 2018, from Murray Energy and other coal producers.

Under the terms of the TSA, the parties have the right, under specified circumstances, to amend or terminate their support of the transactions described therein. Completion of the transactions is also subject to the satisfaction of certain conditions contained in the TSA which may be waived. Accordingly, the transactions may not be completed as described herein or at all.

Further inquiries should be directed to media@coalsource.com.

For further information contact:

Murray Energy Corporation
media@coalsource.com
Gary M. Broadbent
Senior Corporate Counsel and
Director of Investor and Media Relations
(740) 338-3100
www.murrayenergycorp.com