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Final Order Approved, Clearing the Way for Navajo Transitional Energy Company Purchase of Cloud Peak Mine Assets

NTEC will return the Montana and Wyoming mines to profitability while retaining employees and sustained taxes and royalties to the region

FARMINGTON, N.M. —Yesterday, the US District Court of Delaware approved the sale of substantially all of Cloud Peak Energy’s assets; marking the final approval needed to transfer the company’s Montana and Wyoming mines to the Navajo Transitional Energy Company (NTEC).

Cloud Peak Energy began searching for a buyer in late 2018 after entering bankruptcy proceedings. In August, NTEC was selected as the most qualified bidder. Since then, NTEC has been working with Cloud Peak to create a seamless transition upon closing. Yesterday’s final order approving the sale noted that NTEC “presents the best opportunity to realize the value of the Purchased Assets....and to avoid decline and devaluation of the related business.”

“We are pleased to have this final order approved and look forward to assuming operations in Montana and Wyoming in mid-October,” said Clark Moseley, Chief Executive Officer of NTEC. “As a company we have a solid record of returning mines to profitability and doing so as an industry leader in safety and reclamation.”

Together the Spring Creek Mine in Montana and the Antelope and Cordero Rojo Mines in Wyoming, support about 1200 jobs and families and provide \$230 million in taxes and royalties to their respective states. NTEC plans to retain the employees at the mines. The purchase of the mines will also provide an increased revenue base with which to support the Navajo Nation.

Cloud Peak Energy had suffered in recent years due to very high levels of debt created by borrowing to finance certain acquisitions. Despite solid performance at the mines themselves, the company was unable to sustain the finance costs associated with this debt. NTEC will focus on diligent mining and marketing fundamentals to achieve profitability, just as they have done at their Navajo Mine in New Mexico.

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About NTEC

NTEC is a single member limited liability company, organized under the laws of the Navajo Nation, that owns the Navajo Mine, located south of Fruitland, New Mexico. The mission of NTEC is to be a reliable, safe producer of coal, while diversifying the Navajo Nation’s energy resources to create economic sustainability for the Nation and the Navajo people. NTEC is 100 percent owned, but not controlled, by the Navajo Nation. For more information about NTEC, visit www.navajo-tec.com.