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## **NTEC expands its conscientious energy development efforts by acquiring three coal mines in the Powder River Basin**

**FARMINGTON, N.M.** – Navajo Transitional Energy Company (NTEC) announces a significant acquisition and expansion of operations outside the Navajo Nation paving the way for others to follow in its conscientious energy development footsteps.

NTEC has purchased substantially all the assets of Cloud Peak Energy, a public company that has recently filed for bankruptcy. The primary assets are three coal mines located in the Powder River Basin of Wyoming and Montana: Antelope, Spring Creek, and Cordero Rojo mines. The properties include surface and mineral rights to approximately 90,000 acres of land.

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. By making the purchase through the bankruptcy process, NTEC has acquired the assets free and clear of this debt burden. NTEC intends to re-focus operations on diligent mining and marketing fundamentals to achieve the same levels of operational and financial success it has accomplished at the Navajo Mine.

Each of the three mines acquired by NTEC have different markets based on the quality and nature of the coal produced and each mine has reliable access to the markets they serve. In 2018, Cloud Peak Energy sold approximately 50 million tons from its three mines to customers located throughout the U.S. and around the world. The Antelope Mine produces 23 million tons of low sulfur, 8800 Btu coal, Cordero Rojo mine 12.6 million tons of low sulfur, 8400 Btu coal, and Spring Creek mine 13.8 million tons of low sulfur, 9350 Btu coal each year. In 2018, Cloud Peak Energy supplied fuel to over 58 power plants generating revenue of \$832 million.

In his announcement of the acquisition, NTEC Management Committee Chair Tim McLaughlin stated. “This purchase is both exciting and historic. Indian tribes have long had a deep connection to the earth, and for the first time, a tribal company will now lead thoughtful and diligent energy development on a national level. Since NTEC was created, we have shown that we can not only improve operations, become financially successful and support job growth but also balance economic development and environmental



protection. NTEC is able to do this because our decisions are based on more than just our bottom line. They are based on the people and land that we are connected to.”

“With this purchase, NTEC becomes the third largest coal producer in the United States. This growth will allow NTEC to support the Navajo Nation and its members as well as other local economies throughout the West. NTEC will continue its efforts to lead conscientious energy development while striving to balance job growth and protecting the environment for future generations.” said Clark Moseley, NTEC CEO. “We have proven by our extremely successful management of the Navajo Mine that we know the business and are capable of returning the Cloud Peak mines to, safe, stable and profitable operations while maintaining their excellent safety performance and reclamation efforts.”

NTEC’s annual revenue from all four mines (including Navajo) is projected to increase to over \$1 billion dollars, providing more financial resources to the Navajo Nation and its members through increased tax revenue. “With the acquisition, NTEC will be much better positioned for transitioning to and investing in other forms of energy and thoughtful development of energy resources,” said Moseley.

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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 by the Navajo Nation. For more information about NTEC, visit [www.navajo-tec.com](http://www.navajo-tec.com).