

Warrior Met Coal enjoyed a record setting year in 2019 and is poised to create more jobs with the announcement of their Blue Creek reserves development in Tuscaloosa County.

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PUSHING PAST EXPECTATIONS





WARRIOR MET COAL CONTINUES TO BE AN INDUSTRY LEADER AS IT PREPARES TO GROW PRODUCTION

Modern mining operations are nothing like the old black-and-white photographs that often shape the public perception of the industry. Today, longwall mining

involves \$100 million high-tech automated equipment, skilled workers, and some of the most stringent safety standards in any sector. A successful local example is Warrior Met Coal (WMC), a mining operation in Tuscaloosa County that has a huge impact on the state of Alabama and the world.

Located in Brookwood, Alabama, WMC produces metallurgical (met) coal, which is used to make coke, a key component of steel production. Met coal production from underground mining has less of an environmental impact than surface mining. The high-quality met coal produced by

WMC is currently irreplaceable in the steel-making process. The steel produced is then used to build worldwide infrastructure, with some of the steel eventually being turned into automobile parts used by U.S. manufacturers.

WMC is the largest coal producer in Alabama, making it a key part of an industry that according to recent research has a tremendous positive impact on the state of Alabama economy. A study performed by M. Keivan Deravi, Ph. D., of Economic Research Services, Inc., illustrated that met coal drives the Alabama coal industry. The coal industry in Alabama employs more than 3,000 people and generates \$370 million in annual payroll for an average salary of more than \$100,000 a year. Underground mining jobs at WMC are among the highest-paid positions in the state, around 1.6 times the average annual salary for workers in Alabama. The industry generates approximately \$69 million in taxes.

Currently, WMC employs more than 1,400 people and is poised to create more jobs in the future. WMC recently announced it will develop its Blue Creek reserves into a new, world-class underground longwall

mine located in Tuscaloosa County near its existing mines. The Blue Creek development is expected to have the capacity to produce an average of 4.3 million short tons per year of premium met coal over the first 10 years of production. Blue Creek is one of the last remaining large-scale untapped premium met coal mines in the U.S. WMC expects to invest approximately \$550 to \$600 million over the next five years to develop Blue Creek and employ an additional 350 employees once the project reaches full capacity.

The company enjoyed a very successful year in 2019. It posted a solid safety performance coupled with record production levels, not just for WMC but in the history of the mine sites, which have been active in Brookwood for decades. WMC recently released its inaugural Corporate Sustainability Report, which highlights the company's safety record that is 33 percent better than the industry average, its near-perfect compliance rate with environmental water regulations, and the support the company provides the local community. The company is focused on longevity, sustainability, and creating shareholder value.

The met coal produced at WMC is shipped around the world to customers in Europe, South America, and Asia through the McDuffie Coal Terminal at the Port of Mobile. The Terminal generates approximately 50 percent of the total annual revenue earned by the Alabama State Port Authority.

A recent \$274 million project to deepen and widen the port, spearheaded by Sen. Richard Shelby, will provide enhanced opportunities for Port of Mobile customers and will also enhance WMC's shipping capability. Once the Blue Creek project comes online, the port improvements will allow a unique product offering of different premium coals for customers in one shipment from one supplier. This will benefit WMC and provide enhanced economic growth for the Gulf Coast region and the entire state. **BA**

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Left: Modern mining employs a skilled workforce and has stringent safety standards.

Right: WMC's high quality met coal leaves Tuscaloosa County by train en route to the Port of Mobile.

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The WMC met coal is also loaded onto barges on its way to the Port of Mobile, where it will be shipped around the world.

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