**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# Form 10-Q

(Mark One)

☐ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended September 30, 2024**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from to**

**Commission File Number: 001-38735**




# ALPHA METALLURGICAL RESOURCES, INC.

(Exact name of registrant as specified in its charter)

| **Delaware** | **81-3015061** |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |

**340 Martin Luther King Jr. Blvd.**
**Bristol, Tennessee 37620**
(Address of principal executive offices, zip code)
**(423) 573-0300**
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| **Title of each class** | **Trading Symbol(s)** | **Name of each exchange on which registered** |
|---|---|---|
| Common Stock | AMR | New York Stock Exchange |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Sec.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☐ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| | | Emerging growth company | ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

Number of shares of the registrant's Common Stock, $0.01 par value per share, outstanding as of October 31, 2024: 13,016,010

**TABLE OF CONTENTS**


| | | |
|---|---|---|
| | Cautionary Note Regarding Forward-Looking Statements | 4 |
| | Part I - Financial Information | |
| Item 1. | Financial Statements | |
| | Condensed Consolidated Statements of Operations for the Three and Nine Months Ended September 30, 2024 and 2023 (Unaudited) | 6 |
| | Condensed Consolidated Statements of Comprehensive Income for the Three and Nine Months Ended September 30, 2024 and 2023 (Unaudited) | 7 |
| | Condensed Consolidated Balance Sheets as of September 30, 2024 and December 31, 2023 (Unaudited) | 8 |
| | Condensed Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2024 and 2023 (Unaudited) | 9 |
| | Condensed Consolidated Statements of Stockholders' Equity for the Three and Nine Months Ended September 30, 2024 and 2023 (Unaudited) | 11 |
| | Notes to Condensed Consolidated Financial Statements (Unaudited) | 13 |
| | (1) Business and Basis of Presentation | 13 |
| | (2) Revenue | 13 |
| | (3) Accumulated Other Comprehensive Loss | 14 |
| | (4) Net Income Per Share | 15 |
| | (5) Inventories, net | 16 |
| | (6) Capital Stock | 16 |
| | (7) Accrued Expenses and Other Current Liabilities | 16 |
| | (8) Long-Term Debt | 16 |
| | (9) Asset Retirement Obligations | 17 |
| | (10) Fair Value of Financial Instruments and Fair Value Measurements | 17 |
| | (11) Income Taxes | 18 |
| | (12) Employee Benefit Plans | 18 |
| | (13) Related Party Transactions | 19 |
| | (14) Commitments and Contingencies | 19 |
| | (15) Segment Information | 22 |
| | Glossary | 25 |
| Item 2. | Management's Discussion and Analysis of Financial Condition and Results of Operations | 27 |
| | Results of Operations | 29 |
| | Liquidity and Capital Resources | 36 |
| | Critical Accounting Policies and Estimates | 41 |
| Item 3. | Quantitative and Qualitative Disclosures about Market Risk | 41 |
| Item 4. | Controls and Procedures | 42 |
| | Part II - Other Information | |
| Item 1. | Legal Proceedings | 42 |
| Item 1A. | Risk Factors | 42 |
| Item 2. | Unregistered Sales of Equity Securities and Use of Proceeds | 43 |
| Item 4. | Mine Safety Disclosures | 43 |
| Item 5. | Other Information | 43 |
| Item 6. | Exhibits | 43 |

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report includes statements of our expectations, intentions, plans and beliefs that constitute "forward-looking statements." These statements, which involve risks and uncertainties, relate to analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable and may also relate to our future prospects, developments and business strategies. We have used the words "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "should" and similar terms and phrases, including references to assumptions, in this report to identify forward-looking statements, but these terms and phrases are not the exclusive means of identifying such statements. These forward-looking statements are made based on expectations and beliefs concerning future events affecting us and are subject to uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control, that could cause our actual results to differ materially from those expressed in or implied by these forward-looking statements.

The following factors are among those that may cause actual results to differ materially from our forward-looking statements:

- depressed levels or declines in coal prices;
- the financial performance of the company;
- our liquidity, results of operations and financial condition;
- our ability to generate sufficient cash or obtain financing to fund our business operations;
- worldwide market demand for coal and steel, including demand for U.S. coal exports, and competition in coal markets;
- railroad, barge, truck, port and other transportation availability, performance and costs;
- changes in domestic or international environmental laws and regulations, and court decisions, including those directly affecting our coal mining and production and those affecting our customers' coal usage, including potential climate change initiatives;
- steel and coke producers switching to alternative energy sources such as natural gas, renewables and coal from basins where we do not operate;
- our ability to obtain or renew surety bonds on acceptable terms or maintain our current bonding status;
- attracting and retaining key personnel and other employee workforce factors, such as labor relations;
- our ability to self-insure certain of our black lung obligations without a significant increase in required collateral;
- our ability to meet collateral requirements for, and fund, employee benefit obligations;
- our costs of complying with health and safety regulations, including but not limited to MSHA's silica regulations;
- inflationary pressures on supplies and labor and significant or rapid increases in commodity prices;
- disruptions in delivery or changes in pricing from third-party vendors of key equipment and materials that are necessary for our operations, such as diesel fuel, steel products, explosives, tires and purchased coal;
- the imposition or continuation of barriers to trade, such as tariffs;
- our ability to consummate financing or refinancing transactions, and other services, and the form and degree of these services available to us, which may be significantly limited by the lending, investment and similar policies of financial institutions and insurance companies regarding carbon energy producers, the environmental impacts of coal combustion or other factors;
- our ability to execute our share repurchase program;
- failures in performance, or non-performance, of services by third-party contractors, including contract mining and reclamation contractors;
- cybersecurity attacks or failures, threats to physical security, extreme weather conditions or other natural disasters;
- increased volatility and uncertainty regarding worldwide markets, seaborne transportation and our customers as a result of developments in and around Ukraine and the Middle East;
- changes in, renewal or acquisition of, terms of and performance of customers under coal supply arrangements and the refusal by our customers to receive coal under agreed-upon contract terms;
- reductions or increases in customer coal inventories and the timing of those changes;
- our production capabilities and costs;
- our ability to obtain, maintain or renew any necessary permits or rights;
- inherent risks of coal mining, including those that are beyond our control;
- changes in, interpretations of, or implementations of domestic or international tax or other laws and regulations, including the Inflation Reduction Act of 2022 and its related regulations;
- our relationships with, and other conditions affecting, our customers, including the inability to collect payments from our customers if their creditworthiness declines;
- our indebtedness as we may incur it from time to time;
- reclamation and mine closure obligations;
- our assumptions concerning economically recoverable coal reserve estimates; and

- other factors, including the other factors discussed in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section included elsewhere in this Quarterly Report on Form 10-Q and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections included elsewhere in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2023.

The list of factors identified above is not exhaustive. We caution readers not to place undue reliance on any forward-looking statements, which are based on information currently available to us and speak only as of the dates on which they are made. When considering these forward-looking statements, you should keep in mind the cautionary statements in this report. We do not undertake any responsibility to publicly revise these forward-looking statements to take into account events or circumstances that occur after the date of this report. Additionally, except as expressly required by federal securities laws, we do not undertake any responsibility to update you on the occurrence of any unanticipated events, which may cause actual results to differ from those expressed or implied by the forward-looking statements contained in this report.

**Part I - Financial Information**

**Item 1.** ***Financial Statements***

**ALPHA METALLURGICAL RESOURCES, INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)**
**(Amounts in thousands, except share and per share data)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Revenues: | | | | |
| Coal revenues | $ 669,783 | $ 738,998 | $ 2,331,196 | $ 2,499,503 |
| Other revenues | 2,114 | 2,822 | 8,742 | 11,923 |
| Total revenues | 671,897 | 741,820 | 2,339,938 | 2,511,426 |
| Costs and expenses: | | | | |
| Cost of coal sales (exclusive of items shown separately below) | 598,725 | 564,608 | 1,910,847 | 1,687,259 |
| Depreciation, depletion and amortization | 42,414 | 32,582 | 126,495 | 94,231 |
| Accretion on asset retirement obligations | 6,326 | 6,376 | 18,726 | 19,129 |
| Amortization of acquired intangibles, net | 1,675 | 2,069 | 5,025 | 6,458 |
| Selling, general and administrative expenses (exclusive of depreciation, depletion and amortization shown separately above) | 15,987 | 18,053 | 57,169 | 56,251 |
| Other operating loss (income) | 1,461 | 973 | 3,813 | (1,665) |
| Total costs and expenses | 666,588 | 624,661 | 2,122,075 | 1,861,663 |
| Income from operations | 5,309 | 117,159 | 217,863 | 649,763 |
| Other (expense) income: | | | | |
| Interest expense | (1,041) | (1,746) | (3,228) | (5,322) |
| Interest income | 5,145 | 4,639 | 13,256 | 8,911 |
| Equity loss in affiliates | (7,011) | (6,660) | (14,568) | (11,582) |
| Miscellaneous expense, net | (2,685) | (614) | (8,259) | (857) |
| Total other expense, net | (5,592) | (4,381) | (12,799) | (8,850) |
| (Loss) income before income taxes | (283) | 112,778 | 205,064 | 640,913 |
| Income tax benefit (expense) | 4,087 | (18,964) | (15,356) | (94,973) |
| Net income | $ 3,804 | $ 93,814 | $ 189,708 | $ 545,940 |
| | | | | |
| Basic income per common share | $ 0.29 | $ 6.88 | $ 14.58 | $ 37.87 |
| Diluted income per common share | $ 0.29 | $ 6.65 | $ 14.43 | $ 36.46 |
| | | | | |
| Weighted average shares – basic | 13,017,820 | 13,633,640 | 13,011,234 | 14,416,289 |
| Weighted average shares – diluted | 13,092,019 | 14,110,488 | 13,146,566 | 14,973,168 |

**Refer to accompanying Notes to Condensed Consolidated Financial Statements.**

**ALPHA METALLURGICAL RESOURCES, INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)**
**(Amounts in thousands)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Net income | $ 3,804 | $ 93,814 | $ 189,708 | $ 545,940 |
| Other comprehensive income (loss), net of tax: | | | | |
| **Employee benefit plans:** | | | | |
| Amortization of and adjustments to employee benefit costs | 308 | (581) | (9,630) | (5,373) |
| Income tax (expense) benefit | (68) | 129 | 2,137 | 1,192 |
| Total other comprehensive income (loss), net of tax | 240 | (452) | (7,493) | (4,181) |
| Total comprehensive income | $ 4,044 | $ 93,362 | $ 182,215 | $ 541,759 |

**Refer to accompanying Notes to Condensed Consolidated Financial Statements.**

**ALPHA METALLURGICAL RESOURCES, INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)**
**(Amounts in thousands, except share and per share data)**

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 484,560 | $ 268,207 |
| Trade accounts receivable, net of allowance for credit losses of $1,287 and $234 as of September 30, 2024 and December 31, 2023, respectively | 375,869 | 509,682 |
| Inventories, net | 200,108 | 231,344 |
| Prepaid expenses and other current assets | 32,427 | 39,064 |
| Total current assets | 1,092,964 | 1,048,297 |
| Property, plant, and equipment, net of accumulated depreciation and amortization of $647,259 and $558,905 as of September 30, 2024 and December 31, 2023, respectively | 620,929 | 588,992 |
| Owned and leased mineral rights, net of accumulated depletion and amortization of $120,206 and $99,826 as of September 30, 2024 and December 31, 2023, respectively | 441,708 | 451,160 |
| Other acquired intangibles, net of accumulated amortization of $43,568 and $38,543 as of September 30, 2024 and December 31, 2023, respectively | 41,554 | 46,579 |
| Long-term restricted investments | 42,512 | 40,597 |
| Long-term restricted cash | 121,077 | 115,918 |
| Deferred income taxes | 8,857 | 8,028 |
| Other non-current assets | 109,818 | 106,486 |
| Total assets | $ 2,479,419 | $ 2,406,057 |
| **Liabilities and Stockholders' Equity** | | |
| Current liabilities: | | |
| Current portion of long-term debt | $ 3,101 | $ 3,582 |
| Trade accounts payable | 111,448 | 128,836 |
| Accrued expenses and other current liabilities | 190,085 | 177,512 |
| Total current liabilities | 304,634 | 309,930 |
| Long-term debt | 3,582 | 6,792 |
| Workers' compensation and black lung obligations | 182,062 | 189,226 |
| Pension obligations | 104,610 | 101,908 |
| Asset retirement obligations | 170,643 | 166,509 |
| Deferred income taxes | 41,088 | 39,142 |
| Other non-current liabilities | 22,173 | 18,622 |
| Total liabilities | 828,792 | 832,129 |
| Commitments and Contingencies (Note 14) | | |
| **Stockholders' Equity** | | |
| Preferred stock - par value $0.01, 5,000,000 shares authorized, none issued | — | — |
| Common stock - par value $0.01, 50,000,000 shares authorized, 22,382,945 issued and 13,016,010 outstanding at September 30, 2024 and 22,058,135 issued and 12,938,679 outstanding at December 31, 2023 | 224 | 221 |
| Additional paid-in capital | 836,803 | 834,482 |
| Accumulated other comprehensive loss | (48,080) | (40,587) |
| Treasury stock, at cost: 9,366,935 shares at September 30, 2024 and 9,119,456 shares at December 31, 2023 | (1,296,916) | (1,189,715) |
| Retained earnings | 2,158,596 | 1,969,527 |
| Total stockholders' equity | 1,650,627 | 1,573,928 |
| Total liabilities and stockholders' equity | $ 2,479,419 | $ 2,406,057 |

**Refer to accompanying Notes to Condensed Consolidated Financial Statements.**

**ALPHA METALLURGICAL RESOURCES, INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)**
**(Amounts in thousands)**

| | Nine Months Ended September 30, | |
|---|---|---|
| | **2024** | **2023** |
| **Operating activities:** | | |
| Net income | $ 189,708 | $ 545,940 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation, depletion and amortization | 126,495 | 94,231 |
| Amortization of acquired intangibles, net | 5,025 | 6,458 |
| Amortization of debt issuance costs and accretion of debt discount | 839 | 1,585 |
| Loss (gain) on disposal of assets | 31 | (6,089) |
| Accretion on asset retirement obligations | 18,726 | 19,129 |
| Employee benefit plans, net | 15,123 | 9,989 |
| Deferred income taxes | 3,254 | 27,898 |
| Stock-based compensation | 9,317 | 9,678 |
| Equity loss in affiliates | 14,568 | 11,582 |
| Other, net | (97) | (123) |
| Changes in operating assets and liabilities | 140,672 | (68,472) |
| **Net cash provided by operating activities** | 523,661 | 651,806 |
| **Investing activities:** | | |
| Capital expenditures | (156,167) | (183,836) |
| Proceeds on disposal of assets | 763 | 7,855 |
| Cash paid for business acquired | — | (11,919) |
| Purchases of investment securities | (37,015) | (166,515) |
| Sales and maturities of investment securities | 36,529 | 249,598 |
| Capital contributions to equity affiliates | (22,865) | (21,844) |
| Other, net | 24 | 24 |
| **Net cash used in investing activities** | (178,731) | (126,637) |
| **Financing activities:** | | |
| Principal repayments of long-term debt | (1,748) | (1,686) |
| Dividend and dividend equivalents paid | (3,077) | (99,731) |
| Common stock repurchases and related expenses | (117,648) | (403,385) |
| Other, net | (945) | 3,302 |
| **Net cash used in financing activities** | (123,418) | (501,500) |
| Net increase in cash and cash equivalents and restricted cash | 221,512 | 23,669 |
| Cash and cash equivalents and restricted cash at beginning of period | 384,125 | 355,394 |
| Cash and cash equivalents and restricted cash at end of period | $ 605,637 | $ 379,063 |
| | | |
| **Supplemental disclosure of noncash investing and financing activities:** | | |
| Financing leases and capital financing - equipment | $ 1 | $ 2,059 |
| Accrued capital expenditures | $ 6,845 | $ 11,618 |
| Accrued common stock repurchases and stock repurchase excise tax | $ 4,652 | $ 6,275 |
| Accrued dividend payable | $ 424 | $ 9,418 |

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the Condensed Consolidated Balance Sheets that sum to the total of the same such amounts shown in the Condensed Consolidated Statements of Cash Flows.

| | As of September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Cash and cash equivalents | $ 484,560 | $ 296,059 |
| Long-term restricted cash | 121,077 | 83,004 |
| Total cash and cash equivalents and restricted cash shown in the Condensed Consolidated Statements of Cash Flows | $ 605,637 | $ 379,063 |

**Refer to accompanying Notes to Condensed Consolidated Financial Statements.**

**ALPHA METALLURGICAL RESOURCES, INC. AND SUBSIDIARIES**
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Unaudited)**
**(Amounts in thousands)**

| | Common Stock | Additional Paid-in Capital | Accumulated Other Comprehensive (Loss) Income | Treasury Stock at Cost | Retained Earnings | Total Stockholders' Equi |
|---|---|---|---|---|---|---|
| Balances, December 31, 2022 | $ 217 | $ 815,442 | $ (12,162) | $ (649,061) | $ 1,275,319 | $ 1,429,75 |
| Net income | — | — | — | — | 270,771 | 270,77 |
| Other comprehensive loss, net | — | — | (488) | — | — | (48 |
| Stock-based compensation, issuance of common stock for share vesting, and common stock reissuances | 1 | (3,444) | — | 6,477 | — | 3,03 |
| Common stock repurchases and related expenses | — | — | — | (148,973) | — | (148,97 |
| Warrants exercises | — | 1,301 | — | — | — | 1,30 |
| Cash dividend and dividend equivalents declared ($0.44 per share) | — | — | — | — | (6,825) | (6,82 |
| Balances, March 31, 2023 | $ 218 | $ 813,299 | $ (12,650) | $ (791,557) | $ 1,539,265 | $ 1,548,57 |
| Net income | — | — | — | — | 181,355 | 181,35 |
| Other comprehensive loss, net | — | — | (3,241) | — | — | (3,24 |
| Stock-based compensation and issuance of common stock for share vesting | 1 | 3,644 | — | — | — | 3,64 |
| Common stock repurchases and related expenses | — | — | — | (157,645) | — | (157,64 |
| Warrants exercises | — | 1,278 | — | — | — | 1,27 |
| Cash dividend and dividend equivalents declared ($0.50 per share) | — | — | — | — | (7,233) | (7,23 |
| Balances, June 30, 2023 | $ 219 | $ 818,221 | $ (15,891) | $ (949,202) | $ 1,713,387 | $ 1,566,73 |
| Net income | — | — | — | — | 93,814 | 93,81 |
| Other comprehensive loss, net | — | — | (452) | — | — | (45 |
| Stock-based compensation and common stock reissuances | 1 | 2,587 | — | 411 | — | 2,99 |
| Exercise of stock options | — | 225 | — | — | — | 22 |
| Common stock repurchases and related expenses | — | — | — | (102,394) | — | (102,39 |
| Warrants exercises | — | 4,110 | — | — | — | 4,11 |
| Cash dividend and dividend equivalents declared ($0.50 per share) | — | — | — | — | (6,963) | (6,96 |
| Balances, September 30, 2023 | $ 220 | $ 825,143 | $ (16,343) | $ (1,051,185) | $ 1,800,238 | $ 1,558,07 |
| | | | | | | |
| Balances, December 31, 2023 | $ 221 | $ 834,482 | $ (40,587) | $ (1,189,715) | $ 1,969,527 | $ 1,573,92 |
| Net income | — | — | — | — | 126,995 | 126,99 |
| Other comprehensive income, net | — | — | 750 | — | — | 75 |
| Stock-based compensation, issuance of common stock for share vesting, and common stock reissuances | 3 | (3,946) | — | 6,712 | — | 2,76 |
| Common stock repurchases and related expenses | — | — | — | (112,636) | — | (112,63 |
| Dividend equivalents | — | — | — | — | (662) | (66 |
| Balances, March 31, 2024 | $ 224 | $ 830,536 | $ (39,837) | $ (1,295,639) | $ 2,095,860 | $ 1,591,14 |
| Net income | — | — | — | — | 58,909 | 58,90 |
| Other comprehensive loss, net | — | — | (8,483) | — | — | (8,48 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Stock-based compensation, issuance of common stock for share vesting, and common stock reissuances | — | 3,254 | — | 281 | — | 3,53 |
| Common stock repurchases and related expenses | — | — | — | (1,558) | — | (1,55 |
| Dividend equivalents | — | — | — | — | 23 | 2 |
| Balances, June 30, 2024 | $ 224 | $ 833,790 | $ (48,320) | $ (1,296,916) | $ 2,154,792 | $ 1,643,57 |
| Net income | — | — | — | — | 3,804 | 3,80 |
| Other comprehensive income, net | — | — | 240 | — | — | 24 |
| Stock-based compensation | — | 3,013 | — | — | — | 3,01 |
| Balances, September 30, 2024 | $ 224 | $ 836,803 | $ (48,080) | $ (1,296,916) | $ 2,158,596 | $ 1,650,62 |

**Refer to accompanying Notes to Condensed Consolidated Financial Statements.**

**ALPHA METALLURGICAL RESOURCES, INC. AND SUBSIDIARIES**
**Notes to Condensed Consolidated Financial Statements**
**(Unaudited, amounts in thousands except share and per share data)**

## (1) Business and Basis of Presentation

### *Business*

Alpha is a Tennessee-based mining company with operations in Virginia and West Virginia. With customers across the globe, high-quality reserves and significant port capacity, Alpha is a leading U.S. supplier of metallurgical coal products for the steel industry.

### *Basis of Presentation*

Together, the condensed consolidated statements of operations, comprehensive income, balance sheets, cash flows and stockholders' equity for the Company are referred to as the "Condensed Consolidated Financial Statements." The Condensed Consolidated Financial Statements are also referenced across periods as "Condensed Consolidated Statements of Operations," "Condensed Consolidated Statements of Comprehensive Income," "Condensed Consolidated Balance Sheets," "Condensed Consolidated Statements of Cash Flows," and "Condensed Consolidated Statements of Stockholders' Equity."

The Condensed Consolidated Financial Statements include all wholly-owned subsidiaries' results of operations for the three and nine months ended September 30, 2024 and 2023. All significant intercompany transactions have been eliminated in consolidation.

The accompanying interim Condensed Consolidated Financial Statements are unaudited and have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and in accordance with the rules and regulations of the United States Securities and Exchange Commission ("SEC") for Form 10-Q. Such rules and regulations allow the omission of certain information and footnote disclosures normally included in the financial statements prepared in accordance with U.S. GAAP as long as the financial statements are not misleading. In the opinion of management, these interim Condensed Consolidated Financial Statements reflect all normal and recurring adjustments necessary for a fair presentation of the results for the periods presented. Results of operations for the three and nine months ended September 30, 2024 are not necessarily indicative of the results to be expected for the year ending December 31, 2024 or any other period. These interim Condensed Consolidated Financial Statements should be read in conjunction with the Company's Consolidated Financial Statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

### *Reclassifications*

For comparability purposes, certain immaterial segment information for the three and nine months ended September 30, 2023 in the notes to the Condensed Consolidated Financials Statements has been recast to conform to the current year presentation. Refer to Note 15.

### *Recent Accounting Guidance*

Refer to the Recent Accounting Guidance section of Note 2 contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

## (2) Revenue

### *Disaggregation of Revenue from Contracts with Customers*

The Company earns revenues primarily through the sale of coal produced by Company operations and coal purchased from third parties. The Company extracts, processes and markets met and thermal coal from deep and surface mines for sale to steel and coke producers, industrial customers, and electric utilities.

The Company has disaggregated revenue between met coal and thermal coal and export and domestic revenues which depicts the pricing and contract differences between the two. Export revenue generally is derived by spot or short-term contracts with pricing determined at the time of shipment or based on a market index, whereas domestic revenue is characterized by contracts that typically have a term of one year or longer and with fixed pricing terms. The following tables disaggregate the

Company's coal revenues by product category and by market to depict how the nature, amount, timing, and uncertainty of the Company's coal revenues and cash flows are affected by economic factors:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Export met coal revenues | $ 501,173 | $ 485,955 | $ 1,808,088 | $ 1,714,215 |
| Export thermal coal revenues | 11,731 | 28,642 | 52,977 | 95,085 |
| Total export coal revenues | $ 512,904 | $ 514,597 | $ 1,861,065 | $ 1,809,300 |
| | | | | |
| Domestic met coal revenues | $ 149,653 | $ 213,389 | $ 448,763 | $ 649,094 |
| Domestic thermal coal revenues | 7,226 | 11,012 | 21,368 | 41,109 |
| Total domestic coal revenues | $ 156,879 | $ 224,401 | $ 470,131 | $ 690,203 |
| | | | | |
| Total met coal revenues | $ 650,826 | $ 699,344 | $ 2,256,851 | $ 2,363,309 |
| Total thermal coal revenues | 18,957 | 39,654 | 74,345 | 136,194 |
| Total coal revenues | $ 669,783 | $ 738,998 | $ 2,331,196 | $ 2,499,503 |

***Performance Obligations***

The following table includes estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied as of September 30, 2024:

| | Remainder of 2024 | 2025 | 2026 | 2027 | 2028 | Total |
|---|---|---|---|---|---|---|
| Estimated coal revenues [1] | $ 22,033 | $ 4,590 | $ 12,000 | $ — | $ — | $ 38,623 |

[1] Amounts only include estimated coal revenues associated with customer contracts with fixed pricing and original expected duration of more than one year. Refer to Note 3 in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

**(3) Accumulated Other Comprehensive Loss**

The following tables summarize the changes to accumulated other comprehensive loss during the nine months ended September 30, 2024 and 2023:

| | Balance January 1, 2024 | Other comprehensive loss before reclassifications | Amounts reclassified from accumulated other comprehensive loss | Balance September 30, 2024 |
|---|---|---|---|---|
| Employee benefit costs | $ (40,587) | $ (10,079) | $ 2,586 | $ (48,080) |

| | Balance January 1, 2023 | Other comprehensive loss before reclassifications | Amounts reclassified from accumulated other comprehensive loss | Balance September 30, 2023 |
|---|---|---|---|---|
| Employee benefit costs | $ (12,162) | $ (2,825) | $ (1,356) | $ (16,343) |

The following table summarizes the amounts reclassified from accumulated other comprehensive loss and the Condensed Consolidated Statements of Operations line items affected by reclassification during the three and nine months ended September 30, 2024 and 2023:

**ALPHA METALLURGICAL RESOURCES, INC. AND SUBSIDIARIES**
**Notes to Condensed Consolidated Financial Statements**
**(Unaudited, amounts in thousands except share and per share data)**

| Details about accumulated other comprehensive loss components | Amounts reclassified from accumulated other comprehensive loss | | | | Affected line item in the Condensed Consolidated Statements of Operations |
|---|---|---|---|---|---|
| | Three Months Ended September 30, | | Nine Months Ended September 30, | | |
| | 2024 | 2023 | 2024 | 2023 | |
| **Employee benefit costs:** | | | | | |
| Amortization of net actuarial loss (gain) [1] | $ 1,127 | $ (581) | $ 3,323 | $ (1,743) | Miscellaneous expense, net |
| Income tax (expense) benefit | (250) | 129 | (737) | 387 | Income tax benefit (expense) |
| Total, net of income tax | $ 877 | $ (452) | $ 2,586 | $ (1,356) | |

[1] These accumulated other comprehensive loss components are included in the computation of net periodic benefit costs for certain employee benefit plans. Refer to Note 12.

**(4) Net Income Per Share**

The number of shares of common stock used to calculate basic net income per common share is based on the weighted average number of the Company's outstanding common shares during the respective period. The number of shares of common stock used to calculate diluted net income per common share is based on the number of common shares used to calculate basic net income per common share plus the effect of potentially dilutive securities outstanding during the period, which is determined by the application of the treasury stock method.

When applying the treasury stock method, anti-dilution generally occurs when the exercise prices or unrecognized compensation cost per share of common stock are higher than the Company's average price per share of common stock during an applicable period. For the three and nine months ended September 30, 2024, 24,894 and 12,727 securities, respectively, were excluded from the computation of dilutive net income per common share because they would have been anti-dilutive. For the three and nine months ended September 30, 2023, 0 and 1,240 securities, respectively, were excluded from the computation of dilutive net income per common share because they would have been anti-dilutive.

The following table presents the net income per common share for the three and nine months ended September 30, 2024 and 2023:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Basic** | | | | |
| Net income | $ 3,804 | $ 93,814 | $ 189,708 | $ 545,9 |
| Weighted average common shares outstanding - basic | 13,017,820 | 13,633,640 | 13,011,234 | 14,416,2 |
| Net income per common share - basic | $ 0.29 | $ 6.88 | $ 14.58 | $ 37. |
| | | | | |
| **Diluted** | | | | |
| Weighted average common shares outstanding - basic | 13,017,820 | 13,633,640 | 13,011,234 | 14,416,2 |
| Dilutive effect of warrants | — | 31,667 | — | 108,4 |
| Dilutive effect of stock options | — | 1,666 | — | 1,8 |
| Dilutive effect of other stock-based instruments | 74,199 | 443,515 | 135,332 | 446,5 |
| Weighted average common shares outstanding - diluted | 13,092,019 | 14,110,488 | 13,146,566 | 14,973,1 |
| Net income per common share - diluted | $ 0.29 | $ 6.65 | $ 14.43 | $ 36. |

**(5) Inventories, net**

Inventories, net consisted of the following:

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Raw coal | $ 36,350 | $ 52,508 |
| Saleable coal | 99,158 | 120,000 |
| Materials, supplies and other, net | 64,600 | 58,836 |
| Total inventories, net | $ 200,108 | $ 231,344 |

**(6) Capital Stock**

***Share Repurchase Program***

The total authorization to repurchase the Company's stock under the existing common share repurchase program adopted by the Company's Board of Directors on March 4, 2022 is $1,500,000. As of September 30, 2024, the Company had repurchased an aggregate of 6,630,535 shares under the plan for an aggregate purchase price of approximately $1,098,916 (comprised of $1,098,717 of share repurchases and $199 of related fees). The Company has also accrued a stock repurchase excise tax of $4,652 related to the share repurchase program as of September 30, 2024, which is recorded in treasury stock at cost.

**(7) Accrued Expenses and Other Current Liabilities**

Accrued expenses and other current liabilities consisted of the following:

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Wages and benefits | $ 68,257 | $ 62,811 |
| Workers' compensation | 10,467 | 10,482 |
| Black lung | 10,687 | 10,687 |
| Taxes other than income taxes | 29,188 | 31,236 |
| Asset retirement obligations | 43,817 | 38,915 |
| Dividend payable | 334 | 2,342 |
| Freight accrual | 12,151 | 8,461 |
| Other | 15,184 | 12,578 |
| Total accrued expenses and other current liabilities | $ 190,085 | $ 177,512 |

**(8) Long-Term Debt**

Long-term debt consisted of the following:

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Notes payable and other | $ 2,353 | $ 5,097 |
| Financing leases | 4,330 | 5,277 |
| Total long-term debt | 6,683 | 10,374 |
| Less current portion | (3,101) | (3,582) |
| Long-term debt, net of current portion | $ 3,582 | $ 6,792 |

***ABL Agreement***

On October 27, 2023, the Company, along with certain of its directly and indirectly owned subsidiaries (the "Borrowers"), entered into a credit agreement (the "ABL Agreement") with Regions Bank, as lender, swingline lender, letter of credit ("LC") issuer, administrative agent, collateral agent, and lead arranger, along with ServisFirst Bank and Texas Capital Bank, as joint lead arrangers and the other lenders party thereto. The ABL Agreement includes an asset-based revolving credit facility (the "ABL Facility") which allows the Company to borrow cash or obtain LCs, on a revolving basis, in an aggregate amount of up to $155,000. Availability under the ABL Facility is calculated monthly and fluctuates based on qualifying amounts of coal inventory, trade accounts receivable, and in certain circumstances specified amounts of cash. The ABL Facility matures on October 27, 2027. As of September 30, 2024 and December 31, 2023, the Company had no amounts borrowed and $57,537 and $60,896 LCs outstanding under the ABL Facility, respectively.

The ABL Agreement contains negative and affirmative covenants and requires the Company to maintain minimum Liquidity, as defined in the ABL Agreement, of $75,000. The Company is in compliance with all covenants under the ABL Agreement as of September 30, 2024.

**(9) Asset Retirement Obligations**

The following table summarizes the changes in asset retirement obligations for the nine months ended September 30, 2024:

| | | |
|---|---|---|
| Total asset retirement obligations at December 31, 2023 | $ | 205,424 |
| Accretion for the period | | 18,726 |
| Sites added during the period | | 5,381 |
| Revisions in estimated cash flows [1] | | 6,445 |
| Expenditures for the period | | (21,516) |
| Total asset retirement obligations at September 30, 2024 | | 214,460 |
| Less current portion [2] | | (43,817) |
| Long-term portion | $ | 170,643 |

[1] The revisions in estimated cash flows resulted primarily from changes in mine plans and reclamation timing.
[2] Included within Accrued expenses and other current liabilities on the Company's Condensed Consolidated Balance Sheets. Refer to Note 7.

**(10) Fair Value of Financial Instruments and Fair Value Measurements**

The estimated fair values of financial instruments are determined based on relevant market information. These estimates involve uncertainty and cannot be determined with precision.

The carrying amounts for cash and cash equivalents, trade accounts receivable, net, prepaid expenses and other current assets, restricted cash, deposits, trade accounts payable, notes payable and other, financing leases, and accrued expenses and other current liabilities approximate fair value as of September 30, 2024 and December 31, 2023 due to the short maturity of these instruments.

The following tables set forth by level, within the fair value hierarchy, the Company's financial and non-financial assets and liabilities that were accounted for at fair value on a recurring basis as of September 30, 2024 and December 31, 2023. Financial and non-financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the determination of fair value for assets and liabilities and their placement within the fair value hierarchy levels.

**ALPHA METALLURGICAL RESOURCES, INC. AND SUBSIDIARIES**
**Notes to Condensed Consolidated Financial Statements**
**(Unaudited, amounts in thousands except share and per share data)**

| | September 30, 2024 | | | |
|---|---|---|---|---|
| | Total Fair Value | Quoted Prices in Active Markets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Trading securities | $ 42,512 | $ — | $ 42,512 | $ — |

| | December 31, 2023 | | | |
|---|---|---|---|---|
| | Total Fair Value | Quoted Prices in Active Markets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Trading securities | $ 40,597 | $ — | $ 40,597 | $ — |

The following methods and assumptions were used to estimate the fair values of the assets and liabilities in the tables above:

***Level 2 Fair Value Measurements***

*Trading Securities* - Typically includes U.S. government securities. The fair values are obtained from a third-party pricing service provider. The fair values provided by the pricing service provider are based on observable market inputs including credit spreads and broker-dealer quotes, among other inputs. The Company classifies the prices obtained from the pricing services within Level 2 of the fair value hierarchy because the underlying inputs are directly observable from active markets. However, the pricing models used entail a certain amount of subjectivity and therefore differing judgments in how the underlying inputs are modeled could result in different estimates of fair value.

**(11) Income Taxes**

For the nine months ended September 30, 2024, the Company recorded income tax expense of $15,356 on income before income taxes of $205,064. The income tax expense differs from the expected statutory amount primarily due to the permanent impact of stock compensation and percentage depletion, partially offset by the impact of non-deductible compensation. For the nine months ended September 30, 2023, the Company recorded income tax expense of $94,973 on income before income taxes of $640,913. The income tax expense differs from the expected statutory amount primarily due to the permanent impact of percentage depletion and foreign-derived intangible income deductions, partially offset by the impact of state income taxes, net of federal impact.

**(12) Employee Benefit Plans**

The components of net periodic benefit cost other than the service cost component for black lung are included in the line item Miscellaneous expense, net in the Condensed Consolidated Statements of Operations.

***Pension***

The following table details the components of the net periodic benefit cost for pension obligations:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Interest cost | $ 5,939 | $ 5,993 | $ 17,754 | $ 17,979 |
| Expected return on plan assets | (5,230) | (5,499) | (15,685) | (16,497) |
| Amortization of net actuarial loss | 459 | 183 | 1,323 | 548 |
| Net periodic benefit cost | $ 1,168 | $ 677 | $ 3,392 | $ 2,030 |

During the nine months ended September 30, 2024, an annual census data actuarial revaluation of pension obligations was performed, which resulted in an increase in the liability for pension obligations of approximately $12,953 with the offset to accumulated other comprehensive loss and an increase in net periodic benefit cost to be recognized subsequent to the

revaluation date. An annual census data actuarial revaluation of pension obligations was also performed during the nine months ended September 30, 2023, which resulted in an increase in the liability for pension obligations of approximately $3,630 with the offset to accumulated other comprehensive loss and a slight increase in net periodic benefit cost to be recognized subsequent to the revaluation date.

The expected long-term rate of return on assets of the pension plan is utilized for the determination of the net periodic benefit cost. During the three months ended June 30, 2024, the Company updated the expected long-term rate of return on plan assets from 6.20% to 5.70% based on a weighted basis of the beginning and more recently assumed rate as the pension plan's target allocation was updated to 50% equity securities and 50% fixed income funds in the interim period.

The Company paid $12,320 in minimum required contributions to the pension plan in 2024.

***Black Lung***

The following table details the components of the net periodic benefit cost for black lung obligations:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Service cost | $ 601 | $ 512 | $ 1,803 | $ 1,538 |
| Interest cost | 1,307 | 1,165 | 3,921 | 3,495 |
| Expected return on plan assets | (13) | (12) | (39) | (38) |
| Amortization of net actuarial loss (gain) | 721 | (708) | 2,163 | (2,124) |
| Net periodic benefit cost | $ 2,616 | $ 957 | $ 7,848 | $ 2,871 |

***Defined Contribution and Profit Sharing Plans***

The Company sponsors defined contribution plans to assist its eligible employees in providing for retirement. The Company's total contributions to these plans for the three months ended September 30, 2024 and 2023 were $136 and $3,489, respectively. The Company's total contributions to the plan for the nine months ended September 30, 2024 and 2023 were $6,268 and $11,856, respectively.

During the three months ended June 30, 2024, the Company's matching contributions under the Alpha Metallurgical Resources 401(k) Retirement Savings Plan were suspended due to weak market conditions.

***Self-insured Medical Plan***

The Company is self-insured for health benefit coverage for all of its active employees. During the three months ended September 30, 2024 and 2023 the Company incurred total expenses of $27,885 and $22,040, respectively. and during the nine months ended September 30, 2024 and 2023 the Company incurred total expenses of $73,438 and $61,866, respectively, which primarily include claims processed and an estimate for claims incurred but not paid.

**(13) Related Party Transactions**

There were no material related party transactions for the nine months ended September 30, 2024 or 2023.

**(14) Commitments and Contingencies**

***(a) General***

Estimated losses from loss contingencies are accrued by a charge to income when information available indicates that it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated.

If a loss contingency is not probable or reasonably estimable, disclosure of the loss contingency is made in the Condensed Consolidated Financial Statements when it is at least reasonably possible that a loss may be incurred and that the loss could be material.

***(b) Commitments and Contingencies***

***Commitments***

The Company leases coal mining and other equipment under long-term financing and operating leases with varying terms. In addition, the Company leases mineral interests and surface rights from landowners under various terms and royalty rates.

Coal royalty expense was $31,087 and $39,284 for the three months ended September 30, 2024 and 2023, respectively. Coal royalty expense was $112,319 and $136,308 for the nine months ended September 30, 2024 and 2023, respectively.

***Other Commitments***

Under the terms of its partnership related agreements with respect to its investment in Dominion Terminal Associates ("DTA"), the Company is required to fund its proportionate share of DTA's ongoing operating and capital costs. In November 2023, the Company, together with DTA management announced that DTA needs additional capital investment to maximize functionality and minimize downtime due to mechanical issues. Beyond the Company's share of routine operating costs, it expects to invest an average of approximately $28,000 per year for infrastructure and equipment upgrades at DTA over the next 5 years. In addition, to mitigate the risk of shipment delays during the upgrade period, in April 2024, the Company entered into a 3-year agreement which allows for the loading of 1,200 to 2,000 tons of coal annually at a third party terminal in Newport News, VA. The uses of the Company's 2024 funding of DTA include routine operating and capital costs and infrastructure and equipment upgrades.

***Contingencies***

Extensive regulation of the impacts of mining on the environment and of maintaining workplace safety has had, and is expected to continue to have, a significant effect on the Company's costs of production and results of operations. Further regulations, legislation or litigation in these areas may also cause the Company's sales or profitability to decline by increasing costs or by hindering the Company's ability to continue mining at existing operations or to permit new operations.

During the normal course of business, contract-related matters arise between the Company and its customers. When a loss related to such matters is considered probable and can reasonably be estimated, the Company records a liability.

***(c) Guarantees and Financial Instruments with Off-Balance Sheet Risk***

In the normal course of business, the Company is a party to certain guarantees and financial instruments with off-balance sheet risk, such as bank LCs, performance or surety bonds, and other guarantees and indemnities related to the obligations of affiliated entities which are not reflected in the Company's Condensed Consolidated Balance Sheets. However, the underlying liabilities that they secure, such as asset retirement obligations, workers' compensation liabilities, and royalty obligations, are reflected in the Company's Condensed Consolidated Balance Sheets.

The Company is required to provide financial assurance in order to perform the post-mining reclamation required by its mining permits, pay workers' compensation claims under workers' compensation laws in various states, pay federal black lung benefits, and perform certain other obligations. In order to provide the required financial assurance, the Company generally uses surety bonds for post-mining reclamation and workers' compensation obligations. The Company can also use bank LCs to collateralize certain obligations and commitments.

As of September 30, 2024, the Company had $57,537 LCs outstanding under the ABL Facility.

As of September 30, 2024, the Company had outstanding surety bonds with a total face amount of $180,944 to secure various obligations and commitments. To secure the Company's reclamation-related obligations, the Company has $34,793 of collateral in the form of restricted cash and restricted investments supporting these obligations as of September 30, 2024.

The Company meets frequently with its surety providers and has discussions with certain providers regarding the extent of and the terms of their participation in the program. These discussions may cause the Company to shift surety bonds between providers or to alter the terms of their participation in our program. To the extent that surety bonds become unavailable or the Company's surety bond providers require additional collateral, the Company would seek to secure its obligations with LCs,

cash deposits, or other suitable forms of collateral. The Company's failure to maintain, or inability to acquire, surety bonds or to provide a suitable alternative would have a material adverse effect on its liquidity. These failures could result from a variety of factors including the lack of availability, higher cost or unfavorable market terms of new surety bonds, and the exercise by third-party surety bond issuers of their right to refuse to renew the surety bonds.

Amounts included in restricted cash provide collateral to secure the following obligations:

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Workers' compensation and black lung obligations | $ 111,519 | $ 104,998 |
| Reclamation-related obligations | 1,023 | 685 |
| Financial payments and other performance obligations | 8,535 | 10,235 |
| Total restricted cash | $ 121,077 | $ 115,918 |

Amounts included in restricted investments provide collateral to secure the following obligations:

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Workers' compensation obligations | $ 3,288 | $ 2,514 |
| Reclamation-related obligations | 33,770 | 33,173 |
| Financial payments and other performance obligations | 5,454 | 4,910 |
| Total restricted investments [1] | $ 42,512 | $ 40,597 |

[1] Classified as long-term trading securities as of September 30, 2024 and December 31, 2023.

Amounts included in deposits provide collateral to secure the following obligations:

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Workers' compensation obligations | $ 4,108 | $ 4,500 |
| Financial payments and other performance obligations | — | 32 |
| Other operating agreements | 847 | 850 |
| Total deposits | 4,955 | 5,382 |
| Less current portion | — | (32) |
| Total deposits, net of current portion [1] | $ 4,955 | $ 5,350 |

[1] Included within Other non-current assets on the Company's Condensed Consolidated Balance Sheets.

***DCMWC Reauthorization Process***

In July 2019, the U.S. Department of Labor (Division of Coal Mine Workers' Compensation or "DCMWC") began implementing a new authorization process for all self-insured coal mine operators. As requested by the DCMWC, the Company filed an application and supporting documentation for reauthorization to self-insure certain of its black lung obligations in October 2019. As a result of this application, the DCMWC notified the Company in a letter dated February 21, 2020 that the Company was reauthorized to self-insure certain of its black lung obligations for a period of one-year from February 21, 2020. The DCMWC reauthorization was contingent, however, upon the Company's providing collateral of $65,700 to secure certain of its black lung obligations. This proposed collateral requirement would have been an increase from the approximate $2,600 in collateral that the Company currently provides to secure these self-insured black lung obligations. The reauthorization process provided the Company with the right to appeal the security determination in writing within 30 days of the date of the notification, which appeal period the DCMWC agreed to extend to May 22, 2020. The Company exercised this right of appeal in connection with the substantial increase in the amount of required collateral. In February 2021, the U.S. Department of Labor ("DOL") withdrew its Federal Register notice seeking comments on its bulletin describing its new method of calculating collateral requirements. The DOL removed the bulletin from its website in May 2021. On February 10, 2022, a telephone conference was held with DCMWC and DOL decision makers wherein the Company presented facts and arguments in support of its appeal. No ruling has been made on the appeal, but during the call the Company indicated that it would be willing to allocate an additional $10,000 in collateral. If the Company's appeal is unsuccessful, the Company may be required to provide additional LCs to receive the self-insurance reauthorization from the DCMWC or alternatively insure these black lung obligations through a third-party provider that would likely also require the Company to provide additional collateral. In

January 2023, the DOL proposed for public comment new regulations which, if adopted, would substantially increase the collateral required to secure self-insured federal black lung obligations (the "2023 Proposed Regulations"). Under the proposed 120% minimum collateral requirement, the Company estimates it could be required to provide approximately $80,000 to $100,000 of collateral to secure certain of its black lung obligations. In May 2024, the DOL submitted its final draft of the 2023 Proposed Regulations to the Office of Management and Budget for review. It is unclear when this regulation will become effective; however, the Company will continue to monitor developments. A significant increase in these collateral obligations could have a materially adverse effect on the Company's liquidity.

***Supreme Court's Decision on the Chevron Deference Standard***

The United States Supreme Court's decision in Loper Bright Enterprises v. Raimondo, issued on June 28, 2024, eliminated a 40-year old precedent of judicial deference to regulatory agencies' interpretation of federal laws. Federal agencies such as the DOL and EPA have relied on this now-overturned principle, known as "Chevron deference" in defense of various regulations. Although the Court's decision does not explicitly affect any prior agency decisions, regulations made final in the future, such as the DOL's 2023 Proposed Regulations, which have not yet been adopted, may be subject to more intense scrutiny by the courts if they are challenged by any affected party.

For example, on July 18, 2024, the Fifth Circuit Court of Appeals directed the lower District Court to reconsider its dismissal of a lawsuit challenging a DOL rule that permits retirement plan fiduciaries to consider environmental, social and governance factors when selecting investments. In the case of State of Utah v. Su, et al., the Court of Appeals stated that in order to determine whether the DOL exceeded its statutory authority, "given the upended legal landscape," the District Court needed to reassess the merits of the plaintiffs' challenge to the DOL rule. In view of this new "upended legal landscape," it is uncertain whether the 2023 Proposed Regulations will be challenged after it is finalized and enacted and if so, the extent, if any, the Supreme Court's decision in Loper may impact such a challenge.

***(d) Legal Proceedings***

Certain of our subsidiaries are involved in litigation in which the plaintiffs assert violations of the Fair Labor Standards Act of 1938, as amended, due to alleged failure to compensate for time required for "donning" and "doffing" equipment and claim consequent effects upon the calculation of overtime rates and pay. The plaintiffs seek collective action certification. We continue to evaluate the potential effects of this litigation upon the Company. Although we cannot reasonably estimate a range of potential exposure at this time, it is possible that the effects of this litigation upon our liquidity and results of operations could be materially adverse.

In addition, the Company is party to other legal proceedings from time to time. These proceedings, as well as governmental examinations, could involve various business units and a variety of claims including, but not limited to, contract disputes, personal injury claims, property damage claims (including those resulting from blasting, trucking and flooding), environmental and safety issues, securities-related matters and employment matters. While some legal matters may specify the damages claimed by the plaintiffs, many seek an unquantified amount of damages. Even when the amount of damages claimed against the Company or its subsidiaries is stated, (i) the claimed amount may be exaggerated or unsupported; (ii) the claim may be based on a novel legal theory or involve a large number of parties; (iii) there may be uncertainty as to the likelihood of a class being certified or the ultimate size of the class; (iv) there may be uncertainty as to the outcome of pending appeals or motions; and/or (v) there may be significant factual issues to be resolved. As a result, if such legal matters arise in the future, the Company may be unable to estimate a range of possible loss for matters that have not yet progressed sufficiently through discovery and the development of important factual information and legal issues. The Company records accruals based on an estimate of the ultimate outcome of these matters, but these estimates can be difficult to determine and involve significant judgment.

**(15) Segment Information**

As a result of the closure of Slabcamp, the Company's last remaining thermal mine, in August 2023, the Company changed its method of allocating certain corporate level income and expense items among its operating segments starting in 2024. Certain expenses not previously allocated to operating segments (e.g. selling, general and administrative expenses) began to be allocated. Certain other income or expense items previously allocated to operating segments began to be fully allocated to the Company's primary Met reportable segment. For comparability purposes, prior period segment information has been recast to conform to the current year presentation.

The Company's mining operations are located within the Central Appalachian coal basin in Virginia and West Virginia. The Company's strategic focus is on the production of metallurgical quality coal for sale to the steel industry. The Company's reportable segment, Met, is comprised of the Company's mining complexes which produce, as a primary product, metallurgical quality coal and thermal coal as a byproduct. The All Other category included the Company's former CAPP – Thermal operating segment which was comprised of the Company's mining complexes which produced, as a primary product, thermal quality coal. Segment operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM"), who is the Chief Executive Officer of the Company.

Segment information and reconciliations to consolidated amounts for the three and nine months ended September 30, 2024 and 2023 are as follows:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Coal revenues - Met | $ 669,783 | $ 731,481 | $ 2,331,196 | $ 2,452,462 |
| Other revenues - Met | 2,114 | 2,822 | 8,742 | 11,923 |
| Total revenues - Met | $ 671,897 | $ 734,303 | $ 2,339,938 | $ 2,464,385 |
| Coal revenues - All Other | — | 7,517 | — | 47,041 |
| Total revenues | $ 671,897 | $ 741,820 | $ 2,339,938 | $ 2,511,426 |

No asset information has been disclosed as the CODM does not regularly review asset information by segment.

A reconciliation of net income to Adjusted EBITDA for the three and nine months ended September 30, 2024 and 2023 is as follows:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Net income | $ 3,804 | $ 93,814 | $ 189,708 | $ 545,940 |
| Interest expense | 1,041 | 1,746 | 3,228 | 5,322 |
| Interest income | (5,145) | (4,639) | (13,256) | (8,911) |
| Income tax (benefit) expense | (4,087) | 18,964 | 15,356 | 94,973 |
| Depreciation, depletion, and amortization | 42,414 | 32,582 | 126,495 | 94,231 |
| Non-cash stock compensation expense | 3,013 | 2,999 | 9,317 | 9,678 |
| Accretion on asset retirement obligations | 6,326 | 6,376 | 18,726 | 19,129 |
| Amortization of acquired intangibles, net | 1,675 | 2,069 | 5,025 | 6,458 |
| Adjusted EBITDA | $ 49,041 | $ 153,911 | $ 354,599 | $ 766,820 |
| | | | | |
| Adjusted EBITDA - Met | $ 49,041 | $ 157,585 | $ 354,599 | $ 765,518 |
| Adjusted EBITDA - All Other | — | (3,674) | — | 1,302 |
| Total Adjusted EBITDA | $ 49,041 | $ 153,911 | $ 354,599 | $ 766,820 |

The Company markets produced, processed and purchased coal to customers in the United States and in international markets. Revenue is tracked within the Company's accounting records based on the product destination. The following tables present additional information on our revenues and top customers:

**ALPHA METALLURGICAL RESOURCES, INC. AND SUBSIDIARIES**
**Notes to Condensed Consolidated Financial Statements**
**(Unaudited, amounts in thousands except share and per share data)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Total coal revenues | $ 669,783 | $ 738,998 | $ 2,331,196 | $ 2,499,503 |
| Total revenues | $ 671,897 | $ 741,820 | $ 2,339,938 | $ 2,511,426 |
| Export coal revenues | $ 512,904 | $ 514,597 | $ 1,861,065 | $ 1,809,300 |
| Export coal revenues as % of total coal revenues | 77 % | 70 % | 80 % | 72 % |
| Countries with export coal revenue exceeding 10% of total revenues | India, Brazil | India | India, Brazil | India |
| Top customer as % of total revenues | 16 % | 13 % | 16 % | 12 % |
| Top 10 customers as % of total revenues | 74 % | 83 % | 75 % | 74 % |
| Number of customers exceeding 10% of total revenues | 1 | 4 | 3 | 3 |

| | As of September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Number of customers exceeding 10% of total trade accounts receivable, net | 2 | 4 |

## GLOSSARY

***Alpha.*** Alpha Metallurgical Resources, Inc. (the "Company") (previously named Contura Energy, Inc.).

***Ash.*** Impurities consisting of iron, alumina and other incombustible matter that are contained in coal. Since ash increases the weight of coal, it adds to the cost of handling and can affect the burning characteristics of coal.

***British Thermal Unit or BTU.*** A measure of the thermal energy required to raise the temperature of one pound of pure liquid water one degree Fahrenheit at the temperature at which water has its greatest density (39 degrees Fahrenheit).

***Central Appalachia or CAPP.*** Coal producing area in eastern Kentucky, Virginia, southern West Virginia and a portion of eastern Tennessee.

***Coal reserves.*** The economically mineable part of a measured or indicated coal resource, which includes diluting materials and allowances for losses that may occur when coal is mined or extracted.

***Coal resources.*** Coal deposits in such form, quality, and quantity that there are reasonable prospects for economic extraction.

***Coal seam.*** Coal deposits occur in layers. Each layer is called a "seam."

***Coke.*** A hard, dry carbon substance produced by heating coal to a very high temperature in the absence of air. Coke is used in the manufacture of iron and steel. Its production results in a number of useful byproducts.

***ESG.*** Environmental, social and governance sustainability criteria.

***Indicated coal resource.*** That part of a coal resource for which quantity and quality are estimated on the basis of adequate geological evidence and sampling sufficient to establish geological and quality continuity with reasonable certainty.

***Measured coal resource.*** That part of a coal resource for which quantity and quality are estimated on the basis of conclusive geological evidence and sampling sufficient to test and confirm geological and quality continuity.

***Merger.*** Merger with ANR, Inc. and Alpha Natural Resources Holdings, Inc. completed on November 9, 2018.

***Metallurgical coal.*** The various grades of coal suitable for carbonization to make coke for steel manufacture. Also known as "met" coal, its quality is primarily differentiated based on volatility or its percent of volatile matter. Met coal typically has a particularly high BTU but low ash and sulfur content.

***MSHA.*** The United States Mine Safety and Health Administration, which has responsibility for developing and enforcing safety and health rules for U.S. mines.

***Operating Margin.*** Coal revenues less cost of coal sales.

***Preparation plant.*** A preparation plant is a facility for crushing, sizing and washing coal to remove impurities and prepare it for use by a particular customer. The washing process has the added benefit of removing some of the coal's sulfur content. A preparation plant is usually located on a mine site, although one plant may serve several mines.

***Probable mineral reserve.*** The economically mineable part of an indicated and, in some cases, a measured coal resource.

***Productivity.*** As used in this report, refers to clean metric tons of coal produced per underground man hour worked, as published by the MSHA.

***Proven mineral reserve.*** The economically mineable part of a measured coal resource.

***Reclamation.*** The process of restoring land and the environment to their original state following mining activities. The process commonly includes "recontouring" or reshaping the land to its approximate original appearance, restoring topsoil and planting native grass and ground covers. Reclamation operations are usually underway before the mining of a particular site is completed. Reclamation is closely regulated by both state and federal law.

***Roof.*** The stratum of rock or other mineral above a coal seam; the overhead surface of a coal working place.

***Surface mine.*** A mine in which the coal lies near the surface and can be extracted by removing the covering layer of soil.

***Thermal coal.*** Coal used by power plants and industrial steam boilers to produce electricity, steam or both. It generally is lower in BTU heat content and higher in volatile matter than metallurgical coal.

***Tons.*** A "short" or net ton is equal to 2,000 pounds. A "long" or British ton is equal to 2,240 pounds; a "metric" ton (or "*tonne*") is approximately 2,205 pounds. Tonnage amounts in this report are stated in short tons, unless otherwise indicated.

***Underground mine.*** Also known as a "deep" mine. Usually located several hundred feet below the earth's surface, an underground mine's coal is removed mechanically and transferred by shuttle car and conveyor to the surface.

**Item 2.** ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

*The following discussion and analysis provides a narrative of our results of operations and financial condition for the three and nine months ended September 30, 2024 and 2023. The following discussion and analysis should be read in conjunction with our Condensed Consolidated Financial Statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and our Consolidated Financial Statements and related notes and risk factors included elsewhere in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2023.*

*The following discussion includes forward-looking statements about our business, financial condition and results of operations, including discussions about management's expectations for our business. These statements represent projections, beliefs and expectations based on current circumstances and conditions and in light of recent events and trends, and you should not construe these statements either as assurances of performance or as promises of a given course of action. Instead, various known and unknown factors are likely to cause our actual performance and management's actions to vary, and the results of these variances may be both material and adverse. See "Cautionary Statement Regarding Forward-Looking Statements" and "Item 1A. Risk Factors."*

**Market Overview**

Lower coal prices continued throughout the third quarter of 2024 as a result of sustained weakness in global steel demand. The World Steel Association's ("WSA") most recent Short-Range Outlook, published in mid-October, included significant downward revisions for steel demand in 2024, especially in China and other developed economies facing manufacturing weakness, economic headwinds, and geopolitical uncertainties. As evidenced by the Manufacturing Purchasing Managers' Index ("PMI") data from the last year, India is a notable exception, with robust steel demand expected to continue throughout 2024 and 2025; the WSA noted India as the strongest driver of steel demand growth since 2021. For the rest of the world, the WSA projected a moderate rebound in steel demand in 2025 and the potential for broad-based moderate growth in 2025 and 2026. Important factors that could fuel such growth were identified as the stabilization of China's real estate sector, monetary policy such as interest rate adjustments to spur economic activity, and the trajectory of infrastructure spending in major global economies.

While overall manufacturing data in recent months reflect depressed business conditions and lackluster demand, longer-range business confidence ratings are more positive in anticipation of interest rate adjustments and the conclusion of political elections that have created geopolitical uncertainty across the globe. Unrest and political violence continue to pose geopolitical threats which may influence steel demand moving forward, as well as the health and resiliency of national and regional economies.

Metallurgical coal prices have continued to decline during the third quarter of 2024. All four indices that Alpha closely monitors fell 10% or more throughout the quarter, with the Australian Premium Low Volatile index representing the most significant drop of 16.5%. The Australian Premium Low Volatile index decreased from $245.20 per metric ton on July 1, 2024, to $204.75 per metric ton on September 30, 2024. The U.S. East Coast Low Volatile index fell from $218.00 per metric ton at the beginning of the quarter to $189.00 per metric ton at quarter close. The U.S. East Coast High Volatile A index decreased from $212.00 per metric ton in July to $184.00 per metric ton at the end of September, and the U.S. East Coast High Volatile B index moved from $190.00 per metric ton to $171.00 per metric ton at quarter end. Following the quarter close, all four indices have remained relatively stable, with modest upward movements. As of October 21, 2024, the U.S. East Coast Low Volatile, High Volatile A, and High Volatile B indices measured $190.00, $185.00, and $172.00 per ton, respectively. The Australian Premium Low Volatile decreased slightly from quarter-close levels to $202.00 per metric ton as of the same date.

PMI data for September 2024 showed deteriorating conditions across much of the world, including several regional economies where Alpha customer companies reside. The world manufacturing PMI declined for the third month in a row, with September's PMI of 48.8 marking a drop from August's level of 49.6. The United States' September PMI also decreased further into contractionary territory to 47.3 from 47.9 in August. Europe's manufacturing sector continues to face weak conditions, with its overall September PMI of 45.0 marking a nine-month low, down from August's PMI of 45.8. China's PMI of 49.3 in September moved down into contraction from its August level of 50.4. Data for two of Alpha's key markets signal healthier manufacturing activity, with Brazil's manufacturing sector PMI of 53.2 in September marking a solid move upward from 50.4 in August and India's September PMI of 56.5 in September representing a drop from 57.5 in August but still firmly in expansionary territory.

The September 2024 global crude steel production of 143.6 million metric tons from 71 countries, as reported by the World Steel Association, represented a decrease of 4.7% compared to September 2023. China, the largest steel-producing country, produced 77.1 million metric tons in September, a 6.1% drop from its year-ago production level. India's September 2024 steel

production was 11.7 million metric tons, a decrease of 0.2%, or roughly flat year-over-year. Japan's 6.6 million metric tons of steel produced in September 2024 was down 5.8% compared to September 2023, and the United States produced 6.7 million metric tons of crude steel in September, up 1.2% from the year-ago period. Among the top ten steel-producing countries, Brazil recorded the largest year-over-year percentage increase in September production, with its 2.8 million metric tons being 9.9% higher than its September 2023 output levels, while Iran posted the most significant percentage drop of the group, as its 1.5 million metric tons of September production represented a 41.2% decrease from its year-ago figure. Regionally, the Asia and Oceania region, which contains both India and China, produced 105.3 million metric tons of crude steel in September 2024, a decrease of 5.0% compared to its September 2023 mark. The European Union's September 2024 crude steel production of 10.5 million metric tons represented a slight increase of 0.3% from its year-ago period. North America produced 8.6 million metric tons in September, 3.4% less than its September 2023 level.

The American Iron and Steel Institute's capacity utilization rate for U.S. steel mills was 73.4% for the week ending October 19, 2024. This is up from the year-ago period when the capacity utilization rate was 72.4%.

In the seaborne thermal market, the API2 index was $105.85 per metric ton on July 1, 2024, and increased to $119.40 per metric ton on September 30, 2024.

**Business Overview**

We are a Tennessee-based mining company with operations in Virginia and West Virginia. With customers across the globe, high-quality reserves and significant port capacity, we are a leading supplier of metallurgical coal products to the steel industry. We operate high-quality, cost-competitive coal mines across the CAPP coal basin. As of September 30, 2024, our operations consisted of twenty-one active mines and nine coal preparation and load-out facilities, with approximately 4,110 employees. We produce, process, and sell met coal and thermal coal as a byproduct. We also sell coal produced by others, some of which is processed and/or blended with coal produced from our mines prior to resale, with the remainder purchased for resale. As of December 31, 2023, we had 316.0 million tons of reserves, which included 303.0 million tons of proven and probable metallurgical reserves and 12.9 million tons of proven and probable thermal reserves.

For the three months ended September 30, 2024 and 2023, sales of met coal were 3.9 million tons and 3.8 million tons, respectively, and accounted for approximately 94% and 89%, respectively, of our coal sales volume in each period. Sales of thermal coal were 0.2 million tons and 0.4 million tons, respectively, and accounted for approximately 6% and 11%, respectively, of our coal sales volume. For the nine months ended September 30, 2024 and 2023, sales of met coal were 12.1 million tons and 11.2 million tons, respectively, and accounted for approximately 93% and 90%, respectively, of our coal sales volume. Sales of thermal coal were 0.9 million tons and 1.2 million tons, respectively, and accounted for approximately 7% and 10%, respectively, of our coal sales volume.

Our sales of met coal were made primarily in several countries in Asia, Europe, and the Americas and to steel companies in the northeastern and midwestern regions of the United States. Our sales of thermal coal were made primarily to large utilities and industrial customers both in the United States and across the world. For the three months ended September 30, 2024 and 2023 approximately 77% and 70%, respectively, of our coal revenues were derived from coal sales made to customers outside the United States. For the nine months ended September 30, 2024 and 2023 approximately 80% and 72%, respectively, of our coal revenues were derived from coal sales made to customers outside the United States.

In addition, we generate other revenues from equipment sales, rentals, terminal and processing fees, coal and environmental analysis fees, royalties and the sale of natural gas. We also record freight and handling fulfillment revenue within coal revenues for freight and handling services provided in delivering coal to certain customers, which are a component of the contractual selling price.

As of September 30, 2024, we have one reportable segment: Met. Our Met segment operations consist of high-quality met coal mines, including Deep Mine 41, Road Fork 52, Black Eagle, and Lynn Branch. The coal produced by our Met segment operations is predominantly met coal with small amounts of thermal coal being produced as a byproduct of mining. The All Other category included our former CAPP – Thermal operating segment which was comprised of our mining complexes which produced, as a primary product, thermal quality coal. Refer to Note 15 to our Condensed Consolidated Financial Statements for additional disclosures on reportable segments, geographic areas, and export coal revenue information.

As discussed in the "Market Overview" presented above, metallurgical coal prices remain at lower levels than in recent years due to weak global steel demand which has been influenced by a slowdown in manufacturing activity, economic pressures, and geopolitical uncertainty. Our results of operations for the three and nine months ended September 30, 2024 were impacted by these factors. On October 7, 2024, our subsidiary Elk Run Coal Company, LLC issued a 60-day notice to

employees, under the Worker Adjustment and Retraining Notification ("WARN") Act, of plans to idle the Checkmate Powellton mine as of December 6, 2024, or within the 14-day period starting on that date. This decision was driven by the recent decreases in coal prices, discussed above, and the current economic characteristics of the mine. From its idled state the mine could promptly be returned to production if circumstances warrant. We will continue to evaluate market conditions and expect to adjust our operations accordingly.

**Factors Affecting Our Results of Operations**

*Sales Agreements.* We manage our commodity price risk for coal sales through the use of coal supply agreements. As of October 23, 2024, we had sales commitments for 2024 as follows:

| | Tons | % Priced | Average Realized Price per Ton |
|---|---|---|---|
| Met - Domestic | | | $160.73 |
| Met - Export | | | $149.28 |
| Met Total | 16.0 million | 86 % | $152.42 |
| Thermal | 1.1 million | 100 % | $75.97 |
| Met Segment | 17.1 million | 88 % | $145.90 |

*Realized Pricing.* Our realized price per ton of coal is influenced by many factors that vary by region, including (i) coal quality, which includes energy (heat content), sulfur, ash, volatile matter and moisture content; (ii) differences in market conventions concerning transportation costs and volume measurement; and (iii) regional supply and demand.

*Costs.* Our results of operations are dependent upon our ability to maximize productivity and control costs. Our primary expenses are for operating supply costs, repair and maintenance expenditures, costs of purchased coal, royalties, wages and benefits, freight and handling costs and taxes incurred in selling our coal. The principal goods and services we use in our operations include maintenance and repair parts and services, electricity, fuel, roof control and support items, explosives, tires, conveyance structures, ventilation supplies and lubricants. Our management strives to aggressively control costs and improve operating performance to mitigate external cost pressures. We experience volatility in operating costs related to fuel, explosives, steel, tires, contract services and healthcare, among others, and take measures to mitigate the increases in these costs at all operations. We have a centralized sourcing group for major supplier contract negotiation and administration, for the negotiation and purchase of major capital goods, and to support the business units. We promote competition between suppliers and seek to develop relationships with suppliers that focus on lowering our costs. We seek suppliers who identify and concentrate on implementing continuous improvement opportunities within their area of expertise. To the extent upward pressure on costs exceeds our ability to realize sales increases, or if we experience unanticipated operating or transportation difficulties, our operating margins would be negatively impacted. We may also experience difficult geologic conditions, delays in obtaining permits, labor shortages, unforeseen equipment problems, and unexpected shortages of critical materials such as tires, fuel and explosives that may result in adverse cost increases and limit our ability to produce at forecasted levels.

**Results of Operations**

Our results of operations for the three and nine months ended September 30, 2024 and 2023 are discussed below. For comparability purposes, certain immaterial segment information for the three and nine months ended September 30, 2023 has been recast to conform to the current year presentation. Refer to Note 15.

***Three Months Ended September 30, 2024 Compared to the Three Months Ended September 30, 2023***

**Revenues**

The following table summarizes information about our revenues during the three months ended September 30, 2024 and 2023:

| (In thousands, except for per ton data) | Three Months Ended September 30, 2024 | 2023 | Increase (Decrease) $ or Tons | % |
|---|---|---|---|---|
| Coal revenues | $ 669,783 | $ 738,998 | $ (69,215) | (9.4) % |
| Other revenues | 2,114 | 2,822 | (708) | (25.1) % |
| Total revenues | $ 671,897 | $ 741,820 | $ (69,923) | (9.4) % |
| Tons sold | 4,148 | 4,225 | (77) | (1.8) % |

*Coal revenues.* Coal revenues decreased $69.2 million, or 9.4%, for the three months ended September 30, 2024 compared to the prior year period. The decrease was due to a $61.7 million, or 8.4%, reduction in coal revenues within our Met segment coupled with a $7.5 million reduction in All Other coal revenues due to the cessation of mining at our last thermal coal mine in August of 2023. The reduction in Met segment coal revenues was primarily attributable to a 9.2% decrease in coal sales realization per ton as pricing decreased from the prior year period. Refer to the "Non-GAAP Coal revenues" section below for further detail on coal revenues for the three months ended September 30, 2024 compared to the prior year period.

**Cost and Expenses**

The following table summarizes information about our costs and expenses during the three months ended September 30, 2024 and 2023:

| ı thousands) | Three Months Ended September 30, 2024 | 2023 | Increase (Decrease) $ | % |
|---|---|---|---|---|
| Cost of coal sales (exclusive of items shown separately below) | $ 598,725 | 564,608 | 34,117 | 6.0% |
| Depreciation, depletion and amortization | 42,414 | 32,582 | 9,832 | 30.2% |
| Accretion on asset retirement obligations | 6,326 | 6,376 | (50) | (0.8)% |
| Amortization of acquired intangibles, net | 1,675 | 2,069 | (394) | (19.0)% |
| Selling, general and administrative expenses (exclusive of depreciation, depletion and amortization shown separately above) | 15,987 | 18,053 | (2,066) | (11.4)% |
| Other operating income | 1,461 | 973 | 488 | 50.2% |
| ɔtal costs and expenses | $ 666,588 | 624,661 | 41,927 | 6.7% |

*Cost of coal sales.* Cost of coal sales increased $34.1 million, or 6.0%, for the three months ended September 30, 2024 compared to the prior year period, primarily related to an increase in the average cost of coal sales per ton of 8.0%, partially offset by a 1.8% reduction in coal sales volumes. The increase in average cost of coal sales per ton was primarily related to an increase in freight and handling costs due to a relatively higher percentage of export sales resulting in higher rail, transloading, and ocean vessel freight, coupled with inflationary pressure and start-up related costs associated with our new Checkmate Powellton mine, partially offset by reductions in royalties and taxes as a result of a lower coal pricing environment.

*Depreciation, depletion and amortization.* Depreciation, depletion and amortization increased $9.8 million, or 30.2%, for the three months ended September 30, 2024 compared to the prior year period. The increase was primarily due to an increase in assets placed in service during 2023 and 2024.

*Selling, general and administrative.* Selling, general and administrative expenses decreased $2.1 million, or 11.4%, for the three months ended September 30, 2024 compared to the prior year period. This decrease was primarily related to a $1.7 million decrease in incentive pay.

**Total Other Expense, Net**

The following table summarizes information about our total other expense, net during the three months ended September 30, 2024 and 2023:

| (In thousands) | Three Months Ended September 30, 2024 | 2023 | Increase (Decrease) $ | % |
|---|---|---|---|---|
| Total other expense, net | $ 5,593 | $ 4,382 | 1,211 | 27.6% |

**Income Tax (Benefit) Expense**

The following table summarizes information about our income tax (benefit) expense during the three months ended September 30, 2024 and 2023:

| | Three Months Ended September 30, | | Increase (Decrease) | |
|---|---|---|---|---|
| *(In thousands)* | 2024 | 2023 | $ | % |
| Income tax (benefit) expense | $ (4,088) | $ 18,963 | (23,051) | (121.6)% |

Income tax benefit of $4.1 million was recorded for the three months ended September 30, 2024 on a loss before income taxes of $0.3 million. The effective tax rate of 1,444.2% differs from the federal statutory rate of 21% primarily due to the permanent impact of percentage depletion deductions, partially offset by a decrease in foreign-derived intangible income deductions. The current quarter's effective tax rate is also explained by a decrease in projected full year pre-tax book income resulting in a lower estimated annual effective tax rate than estimated in the prior quarter.

Income tax expense of $19.0 million was recorded for the three months ended September 30, 2023 on income before income taxes of $112.8 million. The effective tax rate of 16.8% differs from the federal statutory rate of 21% primarily due to the permanent impact of percentage depletion and foreign-derived intangible income deductions, partially offset by the impact of state income taxes, net of federal impact. Refer to Note 11 for additional information.

**Non-GAAP Financial Measures**

The discussion below contains "non-GAAP financial measures." These are financial measures that either exclude or include amounts that are not excluded or included in the most directly comparable measures calculated and presented in accordance with generally accepted accounting principles in the United States ("U.S. GAAP" or "GAAP"). Specifically, we make use of the non-GAAP financial measures "Adjusted EBITDA," "non-GAAP coal revenues," "non-GAAP cost of coal sales," and "non-GAAP coal margin." We use Adjusted EBITDA to measure the operating performance of our segments and allocate resources to the segments. Adjusted EBITDA does not purport to be an alternative to net income as a measure of operating performance or any other measure of operating results, financial performance, or liquidity presented in accordance with GAAP. Moreover, this measure is not calculated identically by all companies and therefore may not be comparable to similarly titled measures used by other companies. Adjusted EBITDA is presented because management believes it is a useful indicator of the financial performance of our coal operations. We use non-GAAP coal revenues to present coal revenues generated, excluding freight and handling fulfillment revenues. Non-GAAP coal sales realization per ton for our operations is calculated as non-GAAP coal revenues divided by tons sold. We use non-GAAP cost of coal sales to adjust cost of coal sales to remove freight and handling costs, depreciation, depletion and amortization - production (excluding the depreciation, depletion and amortization related to selling, general and administrative functions), accretion on asset retirement obligations, amortization of acquired intangibles, net, and idled and closed mine costs. Non-GAAP cost of coal sales per ton for our operations is calculated as non-GAAP cost of coal sales divided by tons sold. Non-GAAP coal margin per ton for our coal operations is calculated as non-GAAP coal sales realization per ton for our coal operations less non-GAAP cost of coal sales per ton for our coal operations. The presentation of these measures should not be considered in isolation, or as a substitute for analysis of our results as reported under GAAP.

Management uses non-GAAP financial measures to supplement GAAP results to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone. The definition of these non-GAAP measures may be changed periodically by management to adjust for significant items important to an understanding of operating trends and to adjust for items that may not reflect the trend of future results by excluding transactions that are not indicative of our core operating performance. Furthermore, analogous measures are used by industry analysts to evaluate the Company's operating performance. Because not all companies use identical calculations, the presentations of these measures may not be comparable to other similarly titled measures of other companies and can differ significantly from company to company depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which companies operate, capital investments and other factors.

Included below are reconciliations of non-GAAP financial measures to GAAP financial measures.

The following tables summarizes certain financial information relating to our coal operations for the three months ended September 30, 2024 and 2023:

| *(In thousands, except for per ton data)* | Three Months Ended September 30, 2024 | 2023 | Increase (Decrease) $ or Tons | % |
|---|---|---|---|---|
| Coal revenues | $ 669,783 | $ 738,998 | $ (69,215) | (9.4)% |
| Coal revenues - All Other | — | (7,517) | 7,517 | 100.0 % |
| Coal revenues - Met | 669,783 | 731,481 | (61,698) | (8.4)% |
| Less: Freight and handling fulfillment revenues | (119,093) | (94,770) | (24,323) | (25.7)% |
| Non-GAAP Coal revenues - Met | $ 550,690 | $ 636,711 | $ (86,021) | (13.5)% |
| Non-GAAP Coal sales realization per ton - Met | $ 132.76 | $ 154.73 | $ (21.97) | (14.2)% |
| | | | | |
| Cost of coal sales (exclusive of items shown separately below) | $ 598,725 | $ 564,608 | $ 34,117 | 6.0 % |
| Depreciation, depletion and amortization - production [1] | 42,108 | 32,270 | 9,838 | 30.5 % |
| Accretion on asset retirement obligations | 6,326 | 6,376 | (50) | (0.8)% |
| Amortization of acquired intangibles, net | 1,675 | 2,069 | (394) | (19.0)% |
| Total Cost of coal sales | 648,834 | 605,323 | 43,511 | 7.2 % |
| Total Cost of coal sales - All Other | — | (14,056) | 14,056 | 100.0 % |
| Total Cost of coal sales - Met | 648,834 | 591,267 | 57,567 | 9.7 % |
| Less: Freight and handling costs - Met | (119,093) | (94,770) | (24,323) | (25.7)% |
| Less: Depreciation, depletion and amortization - production - Met [1] | (42,108) | (31,893) | (10,215) | (32.0)% |
| Less: Accretion on asset retirement obligations - Met | (6,326) | (3,722) | (2,604) | (70.0)% |
| Less: Amortization of acquired intangibles, net - Met | (1,675) | (2,069) | 394 | 19.0 % |
| Less: Idled and closed mine costs - Met | (5,625) | (6,353) | 728 | 11.5 % |
| Non-GAAP Cost of coal sales - Met | $ 474,007 | $ 452,460 | $ 21,547 | 4.8 % |
| Non-GAAP Cost of coal sales per ton - Met | $ 114.27 | $ 109.95 | $ 4.32 | 3.9 % |
| | | | | |
| GAAP Coal margin - Met | $ 20,949 | $ 140,214 | $ (119,265) | (85.1)% |
| GAAP Coal margin per ton - Met | $ 5.05 | $ 34.07 | $ (29.02) | (85.2)% |
| | | | | |
| Non GAAP Coal margin - Met | $ 76,683 | $ 184,251 | $ (107,568) | (58.4)% |
| Non GAAP Coal margin per ton - Met | $ 18.49 | $ 44.78 | $ (26.29) | (58.7)% |
| | | | | |
| Tons sold - Met | 4,148 | 4,115 | 33 | 0.8 % |

[1] Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

*Non-GAAP Coal revenues.* Non-GAAP coal revenues decreased $86.0 million, or 13.5%, for the three months ended September 30, 2024 compared to the prior year period. The decrease was primarily due to a $21.97 per ton, or 14.2%, reduction in non-GAAP coal sales realization per ton as pricing decreased from the prior year period.

*Non-GAAP Cost of coal sales.* Non-GAAP cost of coal sales increased $21.5 million, or 4.8%, for the three months ended September 30, 2024 compared to the prior year period, primarily related to a 3.9% increase in average cost of coal sales per ton. The increase in average cost of coal sales per ton was primarily related to inflationary pressure, including increased labor costs as a result of a competitive labor market, coupled with start-up related costs associated with our new Checkmate Powellton mine, partially offset by reductions in royalties and taxes as a result of a lower coal pricing environment.

**Adjusted EBITDA**

The following table presents a reconciliation of net income to Adjusted EBITDA for the three months ended September 30, 2024 and 2023:

| | Three Months Ended September 30, | |
|---|---|---|
| *(In thousands)* | 2024 | 2023 |
| Net income | $ 3,804 | $ 93,814 |
| Interest expense | 1,041 | 1,746 |
| Interest income | (5,145) | (4,639) |
| Income tax (benefit) expense | (4,087) | 18,964 |
| Depreciation, depletion, and amortization | 42,414 | 32,582 |
| Non-cash stock compensation expense | 3,013 | 2,999 |
| Accretion on asset retirement obligations | 6,326 | 6,376 |
| Amortization of acquired intangibles, net | 1,675 | 2,069 |
| Adjusted EBITDA | $ 49,041 | $ 153,911 |

The following table summarizes Adjusted EBITDA:

| | Three Months Ended September 30, | | Increase (Decrease) | |
|---|---|---|---|---|
| *(In thousands)* | 2024 | 2023 | $ | % |
| Adjusted EBITDA | $ 49,041 | $ 153,911 | $ (104,870) | (68.1)% |

Adjusted EBITDA decreased $104.9 million, or 68.1%, for the three months ended September 30, 2024 compared to the prior year period, primarily driven by decreased coal margin and lower non-GAAP coal sales realization per ton in the current period.

***Nine Months Ended September 30, 2024 Compared to the Nine Months Ended September 30, 2023***

**Revenues**

The following table summarizes information about our revenues during the nine months ended September 30, 2024 and 2023:

| | Nine Months Ended September 30, | | Increase (Decrease) | |
|---|---|---|---|---|
| *(In thousands, except for per ton data)* | 2024 | 2023 | $ or Tons | % |
| Coal revenues | $ 2,331,196 | $ 2,499,503 | $ (168,307) | (6.7) % |
| Other revenues | 8,742 | 11,923 | (3,181) | (26.7) % |
| Total revenues | $ 2,339,938 | $ 2,511,426 | $ (171,488) | (6.8) % |
| | | | | |
| Tons sold | 13,065 | 12,488 | 577 | 4.6 % |

*Coal revenues.* Coal revenues decreased $168.3 million, or 6.7%, for the nine months ended September 30, 2024 compared to the prior year period. The decrease was due to a $121.3 million, or 4.9%, reduction in coal revenues within our Met segment coupled with a $47.0 million reduction in All Other coal revenues due to the cessation of mining at our last thermal coal mine in August of 2023. The reduction in Met segment coal revenues was attributable to a 12.7% decrease in coal sales realization per ton as pricing decreased from the prior year period, partially offset by an 8.9% increase in coal sales volumes. Refer to the "Non-GAAP Coal revenues" section below for further detail on coal revenues for the nine months ended September 30, 2024 compared to the prior year period.

**Cost and Expenses**

The following table summarizes information about our costs and expenses during the nine months ended September 30, 2024 and 2023:

| ı thousands) | Nine Months Ended September 30, 2024 | 2023 | Increase (Decrease) $ | % |
|---|---|---|---|---|
| Cost of coal sales (exclusive of items shown separately below) | $ 1,910,847 | 1,687,259 | 223,588 | 13.3% |
| Depreciation, depletion and amortization | 126,495 | 94,231 | 32,264 | 34.2% |
| Accretion on asset retirement obligations | 18,726 | 19,129 | (403) | (2.1)% |
| Amortization of acquired intangibles, net | 5,025 | 6,458 | (1,433) | (22.2)% |
| Selling, general and administrative expenses (exclusive of depreciation, depletion and amortization shown separately above) | 57,169 | 56,251 | 918 | 1.6% |
| Other operating loss (income) | 3,813 | (1,665) | 5,478 | 329.0% |
| ɔtal costs and expenses | $ 2,122,075 | 1,861,663 | 260,412 | 14.0% |

*Cost of coal sales.* Cost of coal sales increased $223.6 million, or 13.3%, for the nine months ended September 30, 2024 compared to the prior year period due to a 4.6% increase in coal sales volumes and an increase in the average cost of coal sales per ton of 8.2%. The increase in average cost of coal sales per ton was primarily related to an increase in freight and handling costs due to a relatively higher percentage of export sales resulting in higher rail, transloading, and ocean vessel freight costs, coupled with inflationary pressure, start-up related costs associated with our new Checkmate Powellton mine, and an increased level of coal purchases, partially offset by reductions in royalties and taxes as a result of a lower coal pricing environment.

*Depreciation, depletion and amortization.* Depreciation, depletion and amortization increased $32.3 million, or 34.2%, for the nine months ended September 30, 2024 compared to the prior year period. The increase was primarily due to an increase in assets placed in service during 2023 and 2024.

*Other operating loss (income).* Other operating loss increased $5.5 million, or 329.0%, for the nine months ended September 30, 2024 compared to the prior year period, primarily due to a decrease in income on sale of assets in the current period.

**Total Other Expense, Net**

The following table summarizes information about our total other expense, net during the nine months ended September 30, 2024 and 2023:

| (In thousands) | Nine Months Ended September 30, 2024 | 2023 | Increase (Decrease) $ | % |
|---|---|---|---|---|
| Total other expense, net | $ 12,799 | 8,850 | 3,949 | 44.6% |

Total other expense, net increased $3.9 million, or 44.6%, for the nine months ended September 30, 2024 compared to the prior year period. This increase was primarily due to increases in equity loss in affiliates and net periodic benefit cost for black lung obligations (refer to Note 12), partially offset by an increase in interest income due to higher levels of cash and restricted cash invested in interest bearing accounts and cash equivalent investments.

**Income Tax Expense**

The following table summarizes information about our income tax expense during the nine months ended September 30, 2024 and 2023:

| (In thousands) | Nine Months Ended September 30, 2024 | 2023 | Increase (Decrease) $ | % |
|---|---|---|---|---|
| Income tax expense | $ 15,356 | 94,973 | (79,617) | (83.8)% |

Income tax expense of $15.4 million was recorded for the nine months ended September 30, 2024 on income before income taxes of $205.1 million. The effective tax rate of 7.5% differs from the federal statutory rate of 21% primarily due to the permanent impact of stock compensation and percentage depletion, partially offset by the impact of non-deductible compensation.

Income tax expense of $95.0 million was recorded for the nine months ended September 30, 2023 on income before income taxes of $640.9 million. The effective tax rate of 14.8% differs from the federal statutory rate of 21% primarily due to the permanent impact of percentage depletion and foreign-derived intangible income deductions, partially offset by the impact of state income taxes, net of federal impact. Refer to Note 11 for additional information.

**Non-GAAP Financial Measures**

Included below are reconciliations of non-GAAP financial measures to GAAP financial measures.

The following tables summarizes certain financial information relating to our coal operations for the nine months ended September 30, 2023 and 2023:

| | Nine Months Ended September 30, | | Increase (Decrease) | |
|---|---|---|---|---|
| | 2024 | 2023 | $ or Tons | % |
| Coal revenues | $ 2,331,196 | $ 2,499,503 | $ (168,307) | (6.7)% |
| Coal revenues - All Other | — | (47,041) | 47,041 | 100.0 % |
| Coal revenues - Met | 2,331,196 | 2,452,462 | (121,266) | (4.9)% |
| Less: Freight and handling fulfillment revenues | (407,219) | (319,244) | (87,975) | (27.6)% |
| Non-GAAP Coal revenues - Met | $ 1,923,977 | $ 2,133,218 | $ (209,241) | (9.8)% |
| Non-GAAP Coal sales realization per ton - Met | $ 147.26 | $ 177.75 | $ (30.49) | (17.2)% |
| | | | | |
| Cost of coal sales (exclusive of items shown separately below) | $ 1,910,847 | $ 1,687,259 | $ 223,588 | 13.3 % |
| Depreciation, depletion and amortization - production [1] | 125,580 | 93,343 | 32,237 | 34.5 % |
| Accretion on asset retirement obligations | 18,726 | 19,129 | (403) | (2.1)% |
| Amortization of acquired intangibles, net | 5,025 | 6,458 | (1,433) | (22.2)% |
| Total Cost of coal sales | 2,060,178 | 1,806,189 | 253,989 | 14.1 % |
| Total Cost of coal sales - All Other | — | (53,877) | 53,877 | 100.0 % |
| Total Cost of coal sales - Met | 2,060,178 | 1,752,312 | 307,866 | 17.6 % |
| Less: Freight and handling costs - Met | (407,219) | (319,244) | (87,975) | (27.6)% |
| Less: Depreciation, depletion and amortization - production - Met [1] | (125,580) | (92,421) | (33,159) | (35.9)% |
| Less: Accretion on asset retirement obligations - Met | (18,726) | (11,165) | (7,561) | (67.7)% |
| Less: Amortization of acquired intangibles, net - Met | (5,025) | (6,458) | 1,433 | 22.2 % |
| Less: Idled and closed mine costs - Met | (27,218) | (16,145) | (11,073) | (68.6)% |
| Non-GAAP Cost of coal sales - Met | $ 1,476,410 | $ 1,306,879 | $ 169,531 | 13.0 % |
| Non-GAAP Cost of coal sales per ton - Met | $ 113.00 | $ 108.90 | $ 4.10 | 3.8 % |
| | | | | |
| GAAP Coal margin - Met | $ 271,018 | $ 700,150 | $ (429,132) | (61.3)% |
| GAAP Coal margin per ton - Met | $ 20.74 | $ 58.34 | $ (37.60) | (64.4)% |
| | | | | |
| Non GAAP Coal margin - Met | $ 447,567 | $ 826,339 | $ (378,772) | (45.8)% |
| Non GAAP Coal margin per ton - Met | $ 34.26 | $ 68.86 | $ (34.60) | (50.2)% |
| | | | | |
| Tons sold - Met | 13,065 | 12,001 | 1,064 | 8.9 % |

[1] Depreciation, depletion and amortization - production excludes the depreciation, depletion and amortization related to selling, general and administrative functions.

*Non-GAAP Coal revenues.* Non-GAAP coal revenues decreased $209.2 million, or 9.8%, for the nine months ended September 30, 2024 compared to the prior year period. The decrease was primarily due to a $30.49 per ton, or 17.2%, reduction in non-GAAP coal sales realization per ton as pricing decreased from the prior year period, partially offset by a 8.9% increase in coal sales volumes.

*Non-GAAP Cost of coal sales.* Non-GAAP cost of coal sales increased $169.5 million, or 13.0%, for the nine months ended September 30, 2024 compared to the prior year period, primarily related to an 8.9% increase in coal sales volumes. In addition, average non-GAAP cost of coal sales per ton increased 3.8% due to inflationary pressure, including increased labor costs as a result of a competitive labor market, coupled with start-up related costs associated with our new Checkmate Powellton mine and an increased level of coal purchases, partially offset by reductions in royalties and taxes as a result of a lower coal pricing environment.

**Adjusted EBITDA**

The following table presents a reconciliation of net income to Adjusted EBITDA for the nine months ended September 30, 2024 and 2023:

| | Nine Months Ended September 30, | |
|---|---|---|
| *(In thousands)* | **2024** | **2023** |
| Net income | $ 189,708 | $ 545,940 |
| Interest expense | 3,228 | 5,322 |
| Interest income | (13,256) | (8,911) |
| Income tax expense | 15,356 | 94,973 |
| Depreciation, depletion, and amortization | 126,495 | 94,231 |
| Non-cash stock compensation expense | 9,317 | 9,678 |
| Accretion on asset retirement obligations | 18,726 | 19,129 |
| Amortization of acquired intangibles, net | 5,025 | 6,458 |
| Adjusted EBITDA | $ 354,599 | $ 766,820 |

The following table summarizes Adjusted EBITDA:

| | Nine Months Ended September 30, | | Increase (Decrease) | |
|---|---|---|---|---|
| *(In thousands)* | **2024** | **2023** | **$** | **%** |
| Adjusted EBITDA | $ 354,599 | $ 766,820 | $ (412,221) | (53.8)% |

Adjusted EBITDA decreased $412.2 million, or 53.8%, for the nine months ended September 30, 2024 compared to the prior year period, primarily driven by decreased coal margin and lower non-GAAP coal sales realization per ton in the current period.

**Liquidity and Capital Resources**

***Overview***

Our primary sources of liquidity are derived from existing unrestricted cash balances, proceeds from future coal sales, and amounts available under our revolving credit agreement. Our primary capital resource requirements stem from the cost of our coal production and purchases, selling and administrative expenses, taxes, capital expenditures, debt service obligations, reclamation obligations, and collateral requirements. As of September 30, 2024, we had $3.6 million of long-term indebtedness outstanding, net of current portion, and no indebtedness and $57.5 million letters of credit ("LCs") outstanding under our ABL Facility (as defined below).

We believe that cash on hand and cash generated from our operations will be sufficient to meet our working capital, anticipated capital expenditure, income tax, debt service, collateral and reclamation obligations requirements for the next 12 months and the reasonably foreseeable future. We may also use cash in accordance with our share repurchase program. We rely on a number of assumptions in budgeting for our future activities. These include the costs for mine development to sustain capacity of our operating mines, our cash flows from operations, effects of regulation and taxes by governmental agencies, mining technology improvements and reclamation costs. These assumptions are inherently subject to significant business, political, economic, regulatory, environmental and competitive uncertainties, pending and existing climate-related initiatives, contingencies and risks, all of which are difficult to predict and many of which are beyond our control. For example, if the new authorization process for all self-insured coal mine operators is adopted, it would substantially increase the collateral required to

secure our self-insured federal black lung obligations. Refer to the DCMWC Reauthorization Process section below for more information. Increased scrutiny of ESG matters specific to the coal sector could negatively influence our ability to raise capital in the future and result in a reduced number of surety and insurance providers. We may need to raise additional funds if market conditions deteriorate, if one or more of our assumptions prove to be incorrect or if we choose to expand our acquisition or development efforts or any other activity more rapidly than we presently anticipate and we may not be able to do so in a timely fashion, on terms acceptable to us, or at all. Additionally, we may elect to raise additional funds before we need them if the conditions for raising capital are favorable. We may seek to sell equity or debt securities or obtain additional bank credit facilities. The sale of equity securities could result in dilution to our stockholders. The incurrence of additional indebtedness could result in increased fixed obligations and additional covenants that could restrict our operations.

***Liquidity***

The following table summarizes our total liquidity as of September 30, 2024:

| *(in thousands)* | | **September 30, 2024** |
|---|---|---|
| Cash and cash equivalents | $ | 484,560 |
| Credit facility availability [(1)] | | 97,463 |
| Minimum liquidity requirement | | (75,000) |
| Total liquidity | $ | 507,023 |

[(1)] Comprised of our unused commitments available under our credit agreement entered into on October 27, 2023 (the "ABL Agreement") after considering $57.5 million of outstanding LCs, subject to limitations described therein.

***Cash Collateral***

We are required to provide cash collateral to secure our obligations under certain workers' compensation, black lung, reclamation-related obligations, financial payments and other performance obligations, and other operating agreements. Future regulatory changes relating to these obligations could result in increased obligations, additional costs, or additional collateral requirements which could require greater use of alternative sources of funding for this purpose, which would reduce our liquidity. Refer to the DCMWC Reauthorization Process section below for information related to the new authorization process for self-insured coal mine operators being implemented by the U.S. Department of Labor (Division of Coal Mine Workers' Compensation). As of September 30, 2024, we had the following cash collateral on our Condensed Consolidated Balance Sheets:

| *(in thousands)* | | **September 30, 2024** |
|---|---|---|
| Long-term restricted cash | $ | 121,077 |
| Long-term restricted investments | | 42,512 |
| Long-term deposits | | 4,955 |
| Total cash collateral | $ | 168,544 |

***Off-Balance Sheet Arrangements***

We are required to provide financial assurance in order to perform the post-mining reclamation required by our mining permits, pay workers' compensation claims under workers' compensation laws in various states, pay federal black lung benefits, and perform certain other obligations. In order to provide the required financial assurance, we generally use surety bonds for post-mining reclamation and workers' compensation obligations. We also use bank LCs to collateralize certain obligations. As of September 30, 2024, we had the following outstanding surety bonds and LCs:

| *(in thousands)* | | **September 30, 2024** |
|---|---|---|
| Surety bonds | $ | 180,944 |
| Letters of credit [(1)] | $ | 57,537 |

[(1)] The LCs outstanding are under the ABL Agreement.

Refer to Note 14, part (c) for further disclosures on off-balance sheet arrangements.

***Debt Financing***

The ABL Agreement includes an asset-based revolving credit facility (the "ABL Facility"). Under the ABL Facility, we may borrow cash or obtain LCs, on a revolving basis, in an aggregate amount of up to $155.0 million. We may request an increase to the capacity of the facility of up to $75.0 million provided that $25.0 million may be solely for the purpose of providing additional availability to obtain cash collateralized LCs. Availability under the ABL Facility is calculated monthly and fluctuates based on qualifying amounts of coal inventory and trade accounts receivable (the "Borrowing Base"). Generally, under the terms of the ABL Facility, to the extent outstanding borrowings and LC's exceed the Borrowing Base, the specified amount of cash would be restricted and used to collateralize any excess outstanding amounts. The ABL Facility matures on October 27, 2027.

Refer to Note 8 for additional disclosures on long-term debt.

***Capital Requirements***

Our capital expenditures for the nine months ended September 30, 2024 were $156.2 million. We expect to spend between $210.0 million and $240.0 million on capital expenditures during 2024. At the midpoint of guidance, this total includes approximately $171.0 million in sustaining maintenance capital, approximately $33.0 million in planned projects to invest in mine development, and approximately $21.0 million in carryover from 2023 due to timing and availability of supplies and contract labor.

***Contractual Obligations***

Our contractual obligations are discussed in the "Liquidity and Capital Resources—Contractual Obligations" section contained in our Annual Report on Form 10-K for the year ended December 31, 2023. There have been no material changes to our contractual obligations during the nine months ended September 30, 2024.

Refer to Note 8 and Note 14 for additional disclosures on long-term debt and other commitments, respectively.

***Business Updates***

We own a 65.0% interest in DTA, a coal export terminal in Newport News, Virginia. DTA provides us with the ability to fulfill a broad range of customer coal quality requirements through coal blending, while also providing storage capacity and transportation flexibility. DTA needs capital investment to maximize functionality and minimize downtime due to mechanical issues. Under the terms of our partnership related agreements with respect to our investment in DTA, we are required to fund our proportionate share of DTA's ongoing operating and capital costs. Beyond our share of routine operating costs, we expect we will invest an average of approximately $28.0 million per year for infrastructure and equipment upgrades at DTA over the next 5 years. In addition, to mitigate the risk of shipment delays during the upgrade period, in April 2024, we entered into a 3-year agreement which would allow for the loading of 1.2 to 2.0 million tons of coal annually at a third party terminal in Newport News, VA.

We continually strive to enhance our capital structure and financial flexibility. We may refinance or repay outstanding debt, seek to amend our credit facility, undertake additional borrowings, sell assets or businesses or take other measures as we believe circumstances warrant. We may decide to pursue or not pursue these opportunities at any time. Access to additional funds from liquidity-generating transactions or other sources of external financing is subject to market conditions and certain limitations, including our credit rating and covenant restrictions in our credit facilities.

As a regular part of our business, we review opportunities for, and engage in discussions and negotiations concerning, the acquisition or disposition of coal mining and related infrastructure assets and interests in coal mining companies, and acquisitions or dispositions of, or combinations or other strategic transactions involving companies with coal mining or other energy assets. When we believe that these opportunities are consistent with our strategic plans and our acquisition or disposition criteria, we may make bids or proposals and/or enter into letters of intent and other similar agreements. These bids or proposals, which may be binding or non-binding, are customarily subject to a variety of conditions and usually permit us to terminate the discussions and any related agreement if, among other things, we are not satisfied with the results of due diligence. Any acquisition opportunities we pursue could materially affect our liquidity and capital resources and may require us to incur indebtedness, seek equity capital or both. There can be no assurance that additional financing will be available on terms acceptable to us, or at all.

*Income Taxes*

As of September 30, 2024, the Company has recorded federal income taxes receivable of $6.5 million. Refer to Note 11 for further disclosures related to income taxes.

*Pension Plan*

We paid $12.3 million in minimum required contributions to the pension plan in 2024. Refer to Note 12 for further disclosures related to this obligation.

*DCMWC Reauthorization Process*

In July 2019, the U.S. Department of Labor (Division of Coal Mine Workers' Compensation or "DCMWC") began implementing a new authorization process for all self-insured coal mine operators. As requested by DCMWC, we filed an application and supporting documentation for reauthorization to self-insure certain of our black lung obligations in October 2019. As a result of this application, the DCMWC notified us in a letter dated February 21, 2020 that we were reauthorized to self-insure certain of our black lung obligations for a period of one-year from February 21, 2020. The DCMWC reauthorization was contingent, however, upon us providing collateral of $65.7 million to secure certain of our black lung obligations. This collateral requirement, which the DCMWC advises represents 70% of our estimated future liability according to the DCMWC's estimation methodology, would have been an increase of approximately 2,400% from the approximately $2.6 million in collateral which we (previously by Alpha Natural Resources Inc. prior to the Merger) have provided since 2016 to secure these self-insured black lung obligations. Future liability has not previously been estimated by the DCMWC in connection with the reauthorization process but is now being considered as part of its new collateral-setting methodology.

The reauthorization process provided us with the right to appeal the security determination in writing within 30 days of the date of the notification, which appeal period the DCMWC agreed to extend to May 22, 2020, and we exercised this right of appeal. We strongly disagree with the DCMWC's substantially higher collateral determination and the methodology through which the calculation was derived. In February 2021, the U.S. Department of Labor ("DOL") withdrew its Federal Register notice seeking comments on its bulletin describing its new method of calculating collateral requirements. The DOL removed the bulletin from its website in May 2021. On February 10, 2022, a telephone conference was held with DCMWC and DOL decision makers wherein we presented facts and arguments in support of our appeal. No ruling has been made on the appeal, but during the call we indicated that we would be willing to allocate an additional $10.0 million in collateral. If our appeal is unsuccessful, we may be required to provide additional LCs in order to receive self-insurance reauthorization from the DCMWC or insure these black lung obligations through a third-party provider, which would likely also require us to provide additional collateral. In January 2023, the DOL proposed for public comment new regulations which, if adopted, would substantially increase the collateral required to secure self-insured federal black lung obligations (the "2023 Proposed Regulations"). Under the proposed 120% minimum collateral requirement, we estimate we could be required to provide approximately $80.0 million to $100.0 million of collateral to secure certain of our black lung obligations. In May 2024, the DOL submitted its final draft of the 2023 Proposed Regulations to the Office of Management and Budget for review. It is unclear when this regulation will become effective; however, we will continue to monitor developments. A significant increase in these collateral obligations could have a materially adverse effect on our liquidity.

*Supreme Court's Decision on the Chevron Deference Standard*

The United States Supreme Court's decision in Loper Bright Enterprises v. Raimondo, issued on June 28, 2024, eliminated a 40-year old precedent of judicial deference to regulatory agencies' interpretation of federal laws. Federal agencies such as the DOL and EPA have relied on this now-overturned principle, known as "Chevron deference" in defense of various regulations. Although the Court's decision does not explicitly affect any prior agency decisions, regulations made final in the future, such as the DOL's 2023 Proposed Regulations, which have not yet been adopted, may be subject to more intense scrutiny by the courts if they are challenged by any affected party.

For example, on July 18, 2024, the Fifth Circuit Court of Appeals directed the lower District Court to reconsider its dismissal of a lawsuit challenging a DOL rule that permits retirement plan fiduciaries to consider environmental, social and governance factors when selecting investments. In the case of State of Utah v. Su, et al., the Court of Appeals stated that in order to determine whether the DOL exceeded its statutory authority, "given the upended legal landscape," the District Court needed to reassess the merits of the plaintiffs' challenge to the DOL rule. In view of this new "upended legal landscape," it is uncertain whether the 2023 Proposed Regulations will be challenged after it is finalized and enacted and if so, the extent, if any, the Supreme Court's decision in Loper may impact such a challenge.

*Respirable Crystalline Silica Final Rule*

In April 2024, MSHA issued its final rule, Lowering Miners' Exposure to Respirable Crystalline Silica and Improving Respiratory Protection, to reduce miner exposures to respirable crystalline silica and improve respiratory protection for all airborne hazards. The final rule lowers the permissible exposure limit of respirable crystalline silica at 50 micrograms per cubic meter of air (µg/m3) for a full shift exposure, calculated as an 8-hour time weighted average, for all miners. The final rule also includes other requirements to protect miner health and update existing respiratory protection requirements. For coal mine operators, the deadline for compliance with the new rule is April 14, 2025. Our compliance with these or any other new health and safety regulations could increase our mining costs substantially. Further, if we were ever found to be in violation of these regulations, we could face penalties or restrictions that may materially and adversely affect our operations, financial results and liquidity.

*Climate Effect Disclosures*

In March 2024, the Securities and Exchange Commission ("SEC") adopted new rules requiring issuers to disclose certain climate-related information beginning in 2025. Shortly following their release, the rules were stayed by a federal court. The SEC subsequently stayed the rules pending resolution of ongoing litigation. We cannot be certain whether or when these rules will take effect or what form they may ultimately take. It is therefore not presently possible to estimate the cost to the company of complying with the rules.

*Share Repurchase Program*

Refer to Note 6 and "Unregistered Sales of Equity Securities and Use of Proceeds" for information on the share repurchase program and the shares repurchased during the current period.

***Cash Flows***

Cash, cash equivalents, and restricted cash increased by $221.5 million and $23.7 million over the nine months ended September 30, 2024 and 2023, respectively. The net change in cash, cash equivalents, and restricted cash was attributable to the following:

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| *Cash flows (in thousands):* | | |
| Net cash provided by operating activities | $ 523,661 | $ 651,806 |
| Net cash used in investing activities | (178,731) | (126,637) |
| Net cash used in financing activities | (123,418) | (501,500) |
| Net increase in cash and cash equivalents and restricted cash | $ 221,512 | $ 23,669 |

*Operating Activities.* Net cash provided by operating activities for the nine months ended September 30, 2024 decreased compared to the prior year due to a reduction in Met segment non-GAAP coal margin as discussed above in "Results of Operations," partially offset by changes in operating assets and liabilities as the prior year period was negatively impacted by significant increases in accounts receivable and inventory and the final payment of our contingent revenue obligation, partially offset by a reduction in amounts held on deposit for the payment of dividends.

*Investing Activities.* Net cash used in investing activities for the nine months ended September 30, 2024 increased compared to the prior year period despite a decrease in capital expenditures as the prior year period benefited from a higher level of net proceeds from investment security activity. The increased level of net proceeds from investment security activity in the prior period was primarily due to the liquidation of certain marketable securities to facilitate the transfer of funds to another financial institution.

*Financing Activities.* The decrease in net cash used in financing activities for the nine months ended September 30, 2024 compared to the prior year period was driven by decreases in common stock repurchases and dividends paid due to the payment of a one-time special dividend in the prior year period as well as the cessation of our fixed dividend program in the fourth quarter of 2023.

***Analysis of Material Debt Covenants***

We were in compliance with all covenants under the ABL Agreement as of September 30, 2024, including the requirement that we maintain minimum liquidity, as defined in the ABL Agreement, of $75.0 million. A breach of the covenants in the ABL Agreement could result in a default under the terms of the agreement, and the respective lenders could then elect to declare any amounts borrowed due and payable and require outstanding LCs to be cash collateralized. In addition, a default under the terms of the agreement would inhibit our ability to make certain restricted payments, as defined in the ABL Agreement, including the Company's ability to repurchase shares of the Company's common stock.

**Critical Accounting Policies and Estimates**

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. We base our estimates on historical experience and on various other factors and assumptions, including the current economic environment, that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis and adjust such estimates and assumptions as facts and circumstances require. Foreign currency and energy markets, and fluctuations in demand for steel products, have combined to increase the uncertainty inherent in such estimates and assumptions. As future events and their effects cannot be determined with precision, actual results may differ significantly from these estimates. Changes in these estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

Our critical accounting policies are discussed in the "Critical Accounting Policies and Estimates" section contained in our Annual Report on Form 10-K for the year ended December 31, 2023. Our critical accounting policies remain unchanged at September 30, 2024. Refer to the Recent Accounting Guidance section in Note 1 for further information.

**Item 3. *Quantitative and Qualitative Disclosures about Market Risk***

**Commodity Price Risk**

We manage our commodity price risk for coal sales through the use of coal supply agreements. Refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting Our Results of Operations" for information on our sales commitments for 2024.

We have exposure to commodity price risk for supplies that are used directly or indirectly in the normal course of production such as diesel fuel, steel and other items such as explosives. We manage our risk for these items through strategic sourcing contracts in normal quantities with our suppliers.

The market price of diesel fuel fluctuates due to changes in production, seasonality, and other market factors generally outside of our control. Increased fuel costs may have a negative impact on our results of operations and financial condition. As of September 30, 2024, our forecasted diesel fuel usage and fixed price diesel fuel purchase commitments for 2024 are as follows:

| | Budgeted Usage in Gallons | % Priced | Average Realized Price per Gallon |
|---|---|---|---|
| Diesel fuel | 23.2 million | 94.9 % | $3.23 |

**Interest Rate Risk**

As of September 30, 2024, we maintain a senior secured asset-based revolving credit facility, under which we may borrow up to $155.0 million (less amounts outstanding for LCs). Any cash borrowings under the facility would bear a floating rate of interest. No cash borrowings were outstanding under the facility as of September 30, 2024 or December 31, 2023. Refer to Note 8 for additional information. Also refer to the "Financial Statements and Supplementary Data—Note 13" section contained in our Annual Report on Form 10-K for the year ended December 31, 2023 for discussion on the terms of our long-term debt.

As of September 30, 2024 and December 31, 2023, we had investments in trading securities of $42.5 million and $40.6 million, respectively, primarily consisting of U.S. government securities. While the fair value of these investments is exposed to risk with respect to changes in market rates of interest, we do not believe exposure to changes in interest rates is material to our

Condensed Consolidated Financial Statements. We manage risk by investing in shorter term highly rated debt obligations (primarily U.S. government securities). As of September 30, 2024 and December 31, 2023, the remaining maturities of our acquired debt securities was less than 12 months.

**Foreign Currency Risk**

Our transactions are denominated in U.S. dollars, and, as a result, we do not have material exposure to currency exchange-rate risks. However, our coal is sold internationally in U.S. dollars and, as a result, general economic conditions in foreign markets and changes in foreign currency exchange rates may provide our foreign competitors with a competitive advantage. If our competitors' currencies decline against the U.S. dollar or against our foreign customers' local currencies, those competitors may be able to offer lower prices for coal to customers. Furthermore, if the currencies of our overseas customers were to significantly decline in value in comparison to the U.S. dollar, those customers may seek decreased prices for the coal we sell to them. Consequently, currency fluctuations could adversely affect the competitiveness of our coal in international markets, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

**Item 4.** ***Controls and Procedures***

**Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer ("CEO") and our Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In accordance with Rule 13a-15(b) of the Exchange Act, we have evaluated, under the supervision of our CEO and our CFO, the effectiveness of disclosure controls and procedures as of September 30, 2024. Based on this evaluation, our CEO and our CFO concluded that our disclosure controls and procedures were effective as of September 30, 2024.

**Changes in Internal Control Over Financial Reporting**

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Inherent Limitations on Effectiveness of Disclosure Controls and Procedures**

Our CEO, our CFO and other members of management do not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Part II - Other Information**

**Item 1.** ***Legal Proceedings***

For a description of the Company's legal proceedings, refer to Note 14, part (d), to the unaudited Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q, which is incorporated herein by reference.

**Item 1A.** ***Risk Factors***

In addition to the other information set forth in this report, you should carefully consider the factors discussed in the "Risk Factors" section contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, together with the cautionary statement under the caption "Cautionary Note Regarding Forward-Looking Statements" included elsewhere

in this Quarterly Report on Form 10-Q. These described risks are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

**Item 2.** ***Unregistered Sales of Equity Securities and Use of Proceeds***

**Repurchase of Common Stock**

The Company did not repurchase any shares of common stock during the third quarter of 2024. The following table reflects the remaining amount available for repurchases pursuant to the Company's common share repurchase programs:

| | Total Number of Shares Purchased | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [1] | Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (In thousands) [1][2][3] |
|---|---|---|---|---|
| July 1, 2024 through July 31, 2024 | — | $ — | — | $ 468,835 |
| August 1, 2024 through August 31, 2024 | — | $ — | — | $ 468,835 |
| September 1, 2024 through September 30, 2024 | — | $ — | — | $ 468,835 |
| | — | | — | |

[1] The total authorization to repurchase the Company's stock under the existing common share repurchase program adopted by the Company's Board of Directors on March 4, 2022 is $1.5 billion. Refer to Note 6 for additional information.
[2] The Company adopted a capital return program in 2019, including a stock repurchase plan with no expiration date that permitted the Company to repurchase up to an aggregate amount of $100 million of the Company's common stock. The Company suspended this stock repurchase plan on October 1, 2019 and does not currently intend to make further repurchases under it.
[3] The Company cannot estimate the number of shares that will be repurchased because decisions to purchase are subject to market and business conditions, levels of available liquidity, our cash needs, restrictions under agreements or obligations, legal or regulatory requirements or restrictions, and other relevant factors. This amount does not include stock repurchase related fees and excise taxes.

**Item 4.** ***Mine Safety Disclosures***

Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95 to this Quarterly Report on Form 10-Q.

**Item 5.** ***Other Information***

**(a)** None**.**

**(b)** None.

**(c) Trading Plans**

During the quarter ended September 30, 2024, no director or officer adopted or terminated:

(i) Any contract, instruction or written plan for the purchase or sale of securities of the Company intended to satisfy the affirmative defense conditions of Rule 10b5-1(c); or

(ii) Any "non-Rule 10b5-1 trading arrangement" as defined in paragraph (c) of item 408(a) of Regulation S-K.

**Item 6.** ***Exhibits***

Refer to the Exhibit Index.

**Exhibit Index**

| Exhibit No. | Description of Exhibit |
|---|---|
| 3.1 | Third Amended and Restated Certificate of Incorporation of Alpha Metallurgical Resources, Inc. (Incorporated by reference to Exhibit 3.1 on Form 8-K of Alpha Metallurgical Resources, Inc. filed on May 23, 2024) |
| 3.2 | Fourth Amended and Restated Bylaws of Alpha Metallurgical Resources, Inc. (Incorporated by reference to Exhibit 3.1 on Form 8-K of Alpha Metallurgical Resources, Inc. filed on December 2, 2022) |
| 31* | Certifications Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002 |
| 32** | Certifications Pursuant to 18 U.S.C. §1350, As Adopted Pursuant to §906 of the Sarbanes-Oxley Act of 2002 |
| 95* | Mine Safety Disclosure Exhibit |
| 101* | The following financial information from Alpha Metallurgical Resources, Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) Condensed Consolidated Statements of Operations, (ii) Condensed Consolidated Statements of Comprehensive Income, (iii) Condensed Consolidated Balance Sheets, (iv) Condensed Consolidated Statements of Cash Flows, (v) Condensed Consolidated Statements of Stockholders' Equity, and (vi) Notes to the Condensed Consolidated Financial Statements. |
| 104* | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) |

* Filed herewith

** Furnished herewith

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the duly authorized undersigned.

**ALPHA METALLURGICAL RESOURCES, INC.**

Date: November 1, 2024

By: */s/ J. Todd Munsey*

Name: J. Todd Munsey

Title: Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)