

## **Westmoreland Rosebud Mining LLC announces new Coal Supply Agreement for Colstrip Units 3&4**

COLSTRIP – Westmoreland Rosebud Mining LLC (“Westmoreland”) is delighted to announce the finalization of a new, six-year Coal Supply Agreement (“CSA”) to supply fuel to Colstrip Generating Station’s (“Colstrip’s”) Units 3&4.

The new CSA aligns with the needs of the regulated ownership group and will continue to enable Units 3&4 to operate reliably, as they have since 1983. The new CSA will take effect on January 1, 2020 and continue through to at least the end of 2025.

Commenting on the news, Martin Purvis, Chief Executive Officer of Westmoreland said, “We are proud of the fact that together, Rosebud and Colstrip have served for decades to facilitate a reliable source of affordable energy to the people, communities and industries of Montana and the Pacific Northwest. This new agreement extends that commitment and provides certainty to the employees and suppliers who have dedicated large parts of their careers and resources to this essential public service.”

Speaking about the operational extension, Mr. Purvis added, “Negotiating a new supply arrangement, after the last CSA had been in place for close to 40 years, proved to be a challenging and rigorous task. This was especially the case against the backdrop of the recently announced closure of the smaller and less efficient Units 1&2, for economic reasons. Fortunately, the parties engaged well in advance of the key milestones in a very constructive and collaborative manner and this ensured a relatively smooth transition from one contract to the next.”

Joe Micheletti, Westmoreland’s Chief Operating Officer, based in Billings, emphasized the future value that the supply agreement delivers to Montana. “On a standalone, direct and indirect basis, the Rosebud mine will contribute over \$100 million a year to the economy of Montana as a result of this new CSA. On behalf of our exceptional workforce and the local community, I’d like to say that we sincerely appreciate the opportunity that this agreement represents and for the steadfast support from the Colstrip Owners.”

### **About Westmoreland Rosebud Mining LLC**

*The Rosebud Mine located in Rosebud County Montana, is a highly efficient, low-cost surface mining operation, located in the Northern Powder River Basin, near the town of Colstrip and in close proximity to the Northern Cheyenne Indian Reservation. The Rosebud Mine opened in 1968 and since that time has employed a workforce of thousands, made continuous and significant contributions to Montana’s economy and been a reliable coal supplier to the adjacent Colstrip Generating Station that was specifically designed to burn Rosebud coal.*

*The Rosebud Mine, which is managed and operated by its General Manager Jack Standa and his talented team, have acquired a reputation for outstanding safety, best practice environmental standards and rehabilitation work as well as dependable production and industry leading mining performance.*

*Despite the closure of Colstrip’s 1&2 Units at the end of 2019, the output from the mine will continue to provide sufficient energy to power the energy needs of approximately 1 million typical U.S. homes.*