

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): **September 3, 2014 (September 3, 2014)**

**Arch Coal, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation)

**1-13105**  
(Commission File Number)

**43-0921172**  
(I.R.S. Employer Identification No.)

**CityPlace One**  
**One CityPlace Drive, Suite 300**  
**St. Louis, Missouri 63141**  
(Address, including zip code, of principal executive offices)

Registrant's telephone number, including area code: **(314) 994-2700**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01 Regulation FD Disclosure.**

On September 4, 2014, John W. Eaves, President and Chief Executive Officer of Arch Coal, Inc. (the "Company"), will deliver a presentation at the Barclays Capital 2014 CEO Energy/Power Conference in New York, New York. The slides from the presentation are attached as Exhibit 99.1 hereto and are hereby incorporated by reference.

The information contained in Item 7.01 and the exhibits attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the "Securities Act") or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

The following exhibits are attached hereto and filed herewith.

Exhibit No.	Description
99.1	Slides from the Barclays Capital 2014 CEO Energy/Power Conference

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: September 3, 2014

Arch Coal, Inc.

By: /s/ Robert G. Jones

Robert G. Jones

Senior Vice President — Law, General Counsel and Secretary

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### Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Slides from the Barclays Capital 2014 CEO Energy/Power Conference

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## Forward-Looking Information

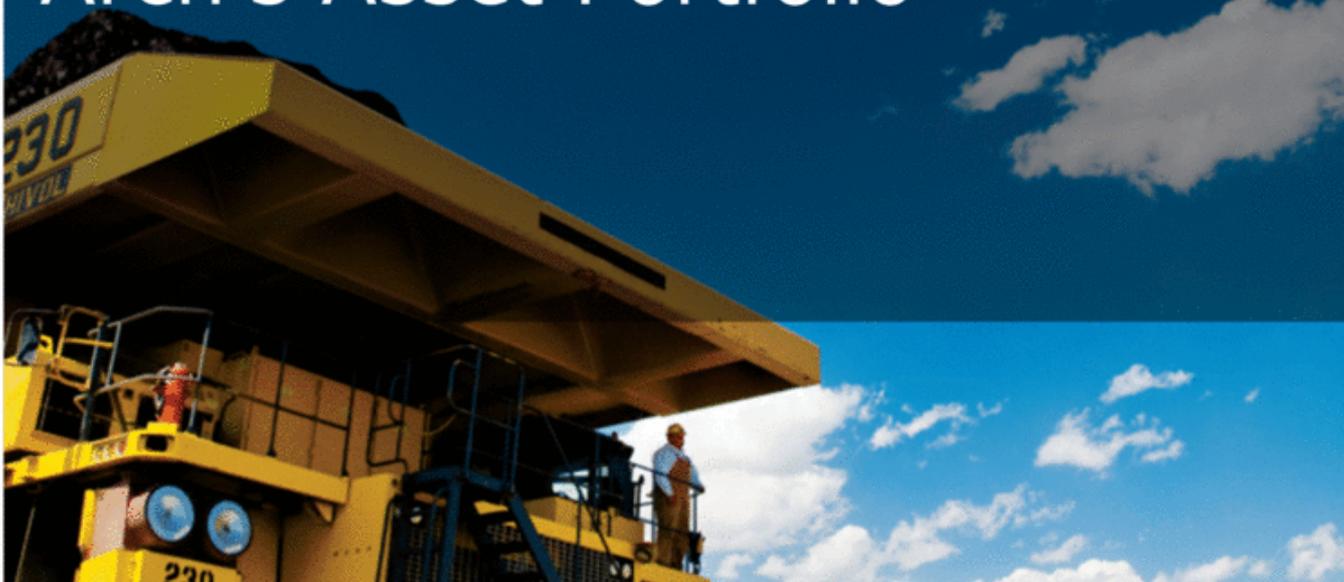
This presentation contains "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties arise from changes in the demand for our coal by the domestic electric generation industry; from legislation and regulations relating to the Clean Air Act and other environmental initiatives; from operational, geological, permit, labor and weather-related factors; from fluctuations in the amount of cash we generate from operations; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. For a description of some of the risks and uncertainties that may affect our future results, you should see the risk factors described from time to time in the reports we file with the Securities and Exchange Commission.

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Powering the Working World.

## Arch's Asset Portfolio





Arch is the most diversified U.S. coal producer, and the No. 2 reserve holder in the nation

# 5+ Billion

Ton Reserve Base

## Powder River Basin

**3,198**

million tons of reserves

## Appalachia

**430 Met/PCI**  
**590\* Thermal**

million tons of reserves

## Bituminous Thermal

**1,022**

million tons of reserves

Arch serves customers in more than 20 countries. Our power generation business serves 159 power plants in 36 states as well as coal-based power plants on five continents, while our international coking coal platform serves steel facilities around the world.

Based on 2013 10-K filing

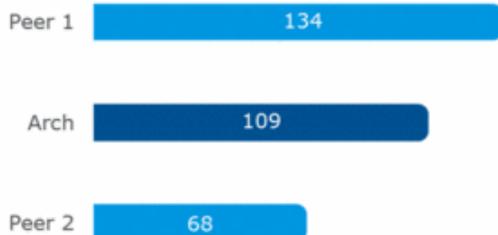
\*Pro forma for the sale of the Hazard complex on 3/5/14

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Arch's asset base includes a leading, low-cost Powder River Basin position with meaningful available capacity

### Southern Powder River Basin

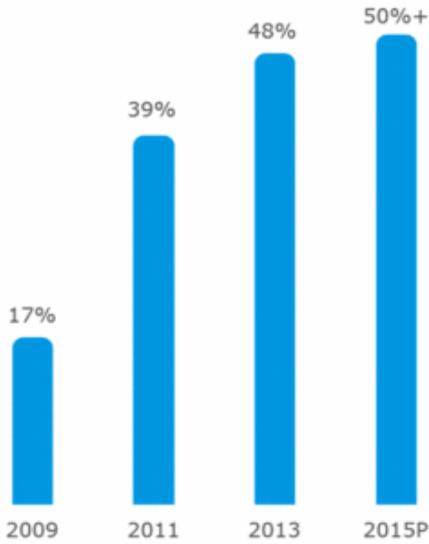
(2013 production, in millions of tons)



- Arch has a strong position in the PRB, the nation's largest coal supply basin
  - Primarily 8800-Btu, low-sulfur product
  - Available capacity to bring back volume as demand returns
  - Expect PRB to expand domestically
  - Pursuing export growth off West Coast

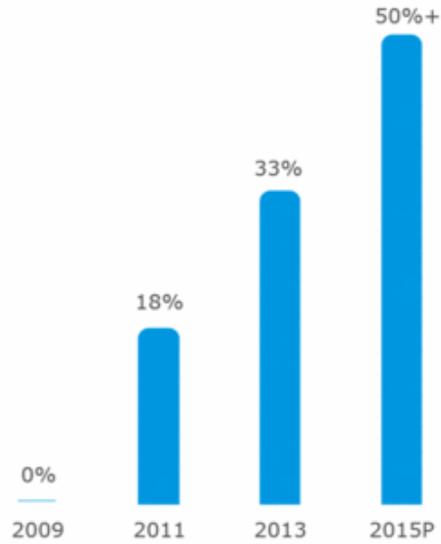
# Arch is expanding its metallurgical coal platform – and improving its coking coal quality

**Metallurgical Sales as a Percent of Appalachian Tons**



**Higher Quality Metallurgical Sales as a Percent of Total Metallurgical Tons**

(Higher quality is defined as Low-Vol/High-Vol A coal)



## Arch's metallurgical platform is anchored by two low-cost longwalls in Appalachia

- Arch is reshaping its met portfolio by idling higher-cost mines and concentrating production in its best-quality, lowest-cost assets
- New Leer mine is helping to lower Arch's costs and improve its met coal quality
- Mountain Laurel's productivity expected to improve as it transitions to a new panel in 2H14
- Ancillary production at other operations is scalable to market conditions while helping boost met quality and expanding customer base



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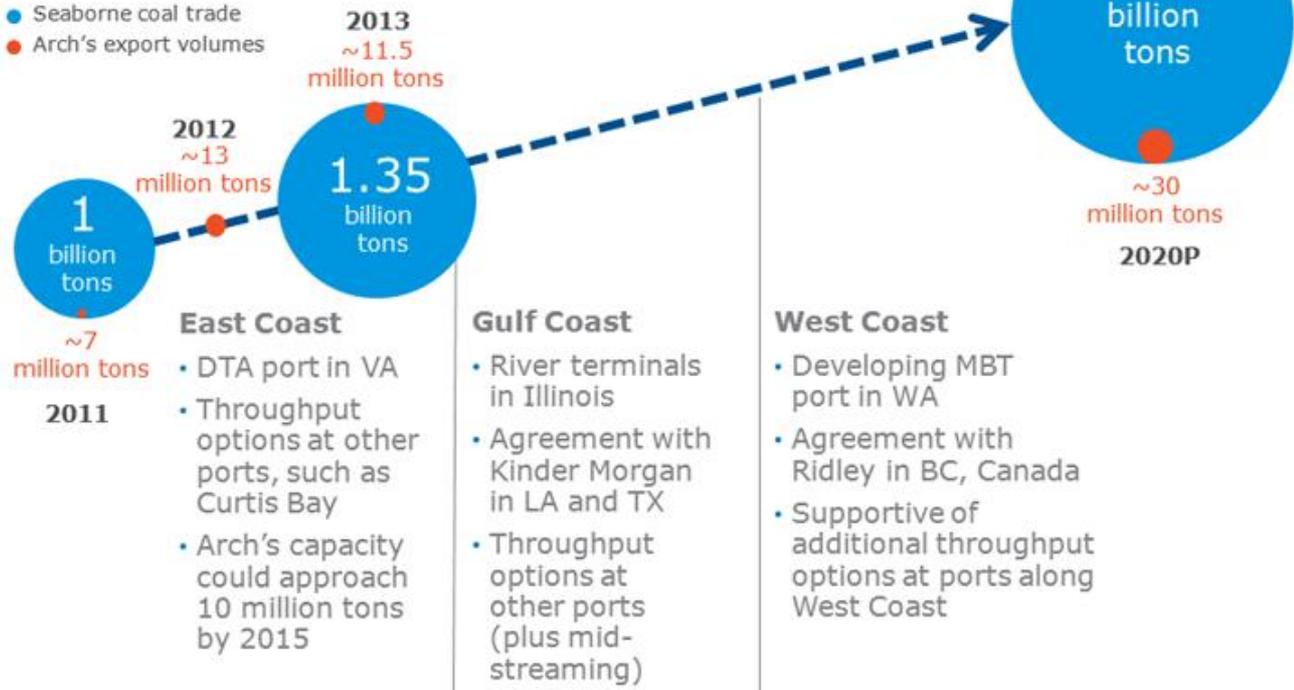
## Arch's Bituminous Thermal segment serves diverse domestic and seaborne coal markets

<h1 style="margin: 0;">1,022</h1> <p style="margin: 0;">million tons of reserves</p>
<p style="text-align: center;">West Elk in Colorado Viper in Illinois Knight Hawk*</p>
<p style="text-align: center;">Lost Prairie Reserves Macoupin Reserves Carbon Basin Reserves</p>

- West Elk is a low-cost, valuable asset with a broad domestic and international customer base
- Viper operation is a low-cost and highly competitive mine in Illinois
- Arch also owns a 49% equity stake in Knight Hawk Coal\*, an established producer of low-chlorine coal in the Illinois Basin
- Fully permitted Lost Prairie reserves represent a future organic growth opportunity in the Illinois Basin

\*Results not included in segment, reserves based on 2013 10-K filing

# Arch expects to play a larger role in the expanding seaborne coal trade



Sources: Wood Mackenzie, ACI

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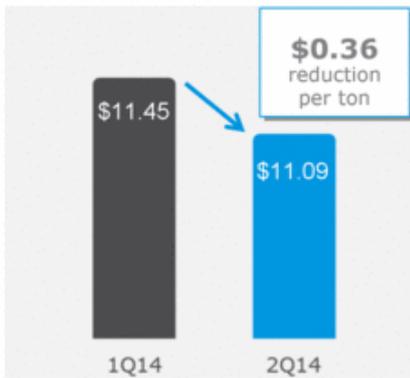


Powering the Working World.

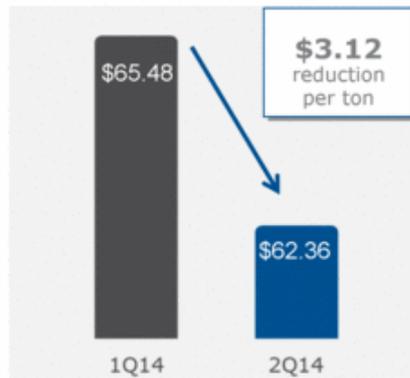


## Arch's cost containment and process improvement initiatives are yielding results

**Powder River Basin**  
(costs per ton)



**Appalachia**  
(costs per ton)

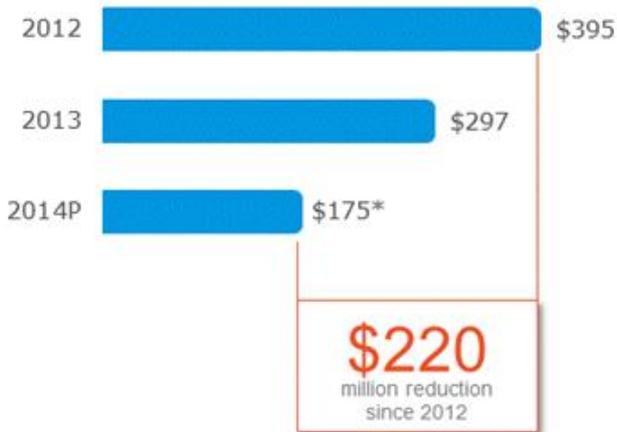


**Bituminous Thermal**  
(costs per ton)



## Arch is reducing its capital expenditures in line with evolving coal market conditions

### Total Capital Expenditures (in millions)



- Lowering capital spending by more than \$100 million in 2014 with completion of Leer mine development and divestiture of Canyon Fuel
- Process improvement initiatives are maximizing and extending the useful life of Arch's suite of equipment

\*As given on 7/29/14, inclusive of land payments

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## Arch is monetizing non-core assets that don't fit with the company's long-term strategic growth plans

- Divestitures, including ADDCAR Systems and the Hazard Mining Complex, in the first quarter of 2014 generated \$46 million for assets that were non-core to Arch's long-term growth plans
- The Canyon Fuel sale, representing active operations in Utah, in August 2013 generated \$423 million
  - Transaction pulled forward multiple years of cash flow
  - Sale saves \$200+ million in future capital/costs as well as \$10 million in annual administrative expense

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## Arch has built a strong liquidity position, primarily in cash, to withstand ongoing market challenges

- Refinancing transactions in 2012 and 2013 bolstered liquidity, extended maturities and transformed liquidity into primarily cash
- Arch successfully amended terms of its existing senior secured revolving credit facility
  - Provides additional covenant flexibility
  - Arch has expanded access to its revolver

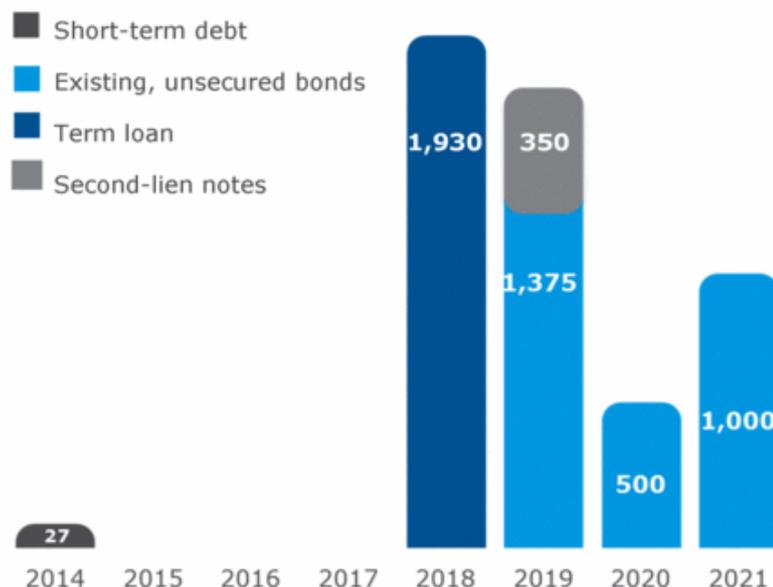
**Total Liquidity**  
(at 12/31, in millions)



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## Arch's funded debt maturity profile extends to 2018

**Debt Maturity Profile**  
(in \$ millions)



- No long-term debt maturities until 2018
- A significant portion of the company's debt is pre-payable\*

\*Term loan is pre-payable

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## Arch is successfully navigating current coal markets – and is well positioned for an eventual recovery

Arch's diversified operations, balanced product portfolio, competitive cost structure and enhanced liquidity position will allow it to emerge as an even stronger player as the market recovers

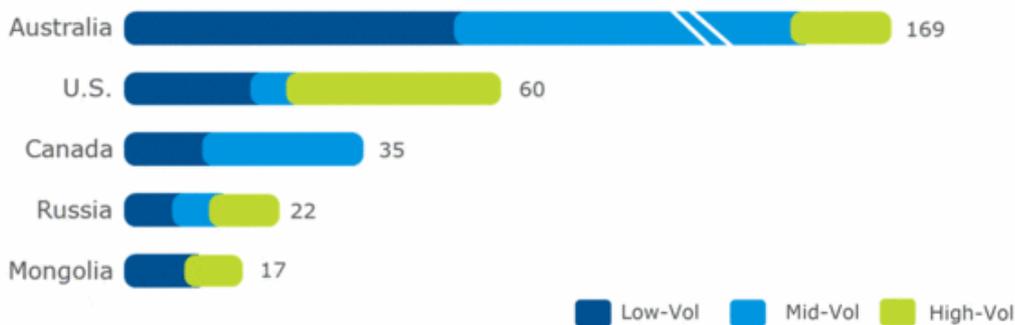


# Coal Market Update

## The U.S. plays a sizable and steady role in global metallurgical markets

### 2013 Metallurgical Export Coal Supply

(in millions of metric tonnes)

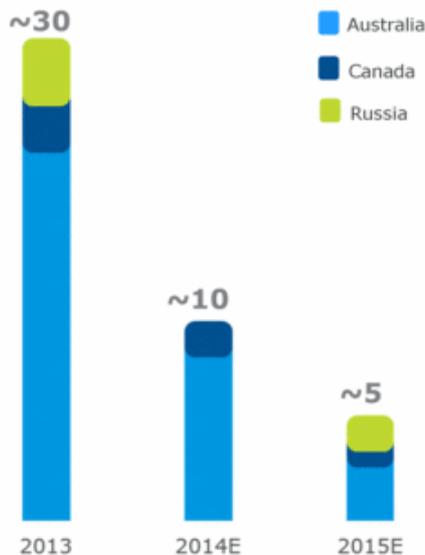


- Major Australian producers had record production levels in 2013, boosting metallurgical exports to levels not seen since 2010
- The U.S. is a steady source of seaborne metallurgical coal — second only to Australia

## Incremental metallurgical coal supply growth has outpaced demand growth...

### Additional Seaborne Metallurgical Coal Supply

(in millions of metric tonnes)



- New metallurgical coal supply coming online likely peaked in 2013
- Rationalization of higher-cost global metallurgical supply is under way ... but new, incremental supply must be absorbed by market
- Seaborne metallurgical prices have fallen to unsustainably low levels, making it difficult to justify ongoing and new capital investment

Sources: Macquarie, AME, CRU and ACI

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## ... but the extended fall-off in metallurgical coal prices is stimulating global supply rationalization

### Benchmark Hard Coking Coal Price

(in US \$ per metric tonne)



- Public and private production curtailment announcements in 2014 have reached 20+ million metric tonnes from Australia, Canada and the U.S.
- Global steel production is expected to grow 3% in 2014, which should help absorb additional incremental supply
- China steel production to grow 3% in 2014, a slower rate but on a larger base
- Growth in India and other emerging economies should help tighten markets

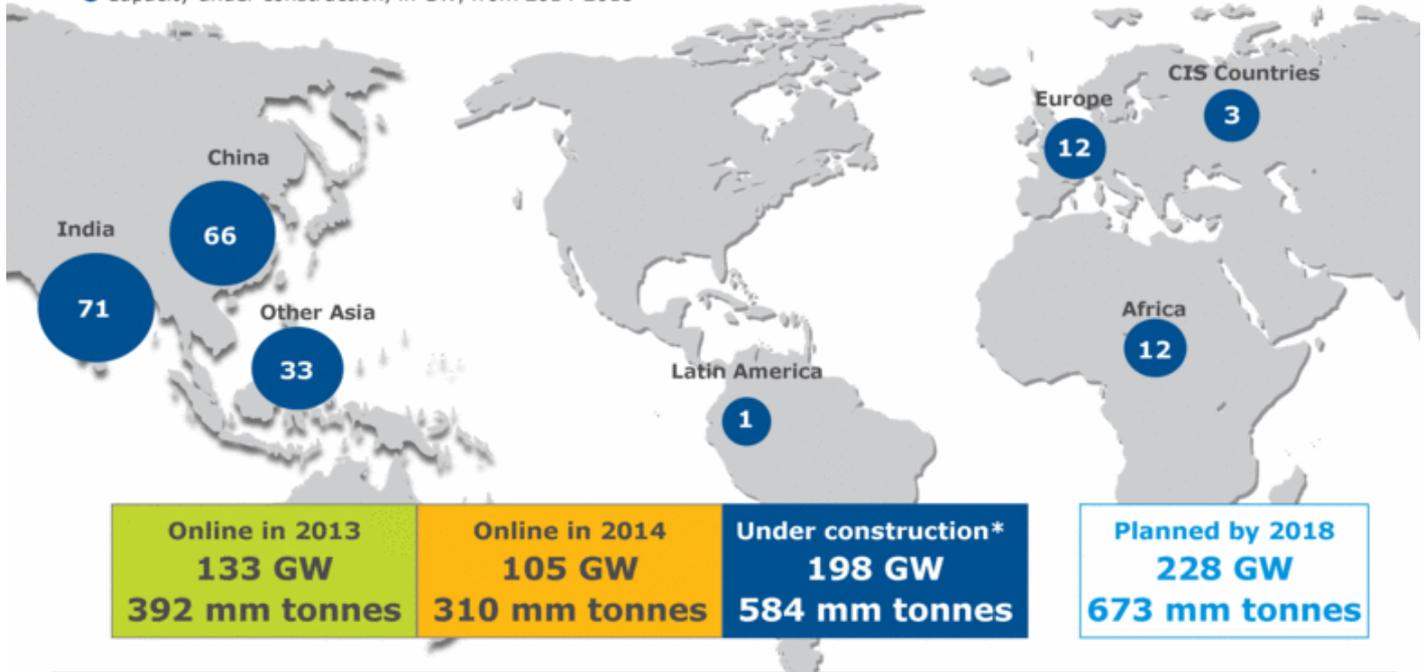
Sources: AME, World Steel Association and ACI

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# Nations around the world are building coal-based power plants to fuel electricity needs

## New Coal-Fueled Generation Coming Online by 2018

● Capacity under construction, in GW, from 2014-2018



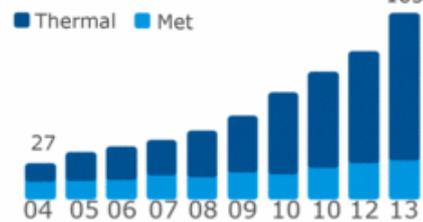
Sources: ACI and Platts International

\*Includes capacity expected to come online in 2014

## The trend of increased coal imports is unmistakable ... and not confined to India and China

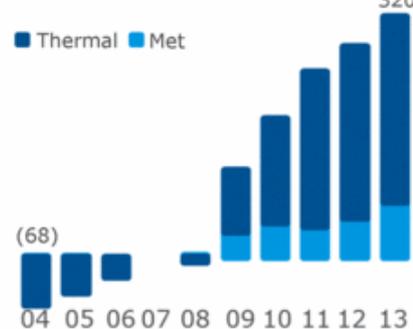
### India net imports

(in millions of metric tonnes)



### China net imports

(in millions of metric tonnes)



- Coal consumption in Southeast Asia is projected to grow by ~5% per year through 2035 – tripling to approximately 400 million tons over that time frame
- Various sources project that South Korea's thermal imports could increase by 60 million tonnes or more by 2022
- Japan's coal use continues to rise; two new coal plants came online in Dec. 2013; and coal is increasingly viewed as a strategic substitute for nukes
- The Pakistani government has announced plans to add nearly 10 GWs of new coal-based capacity

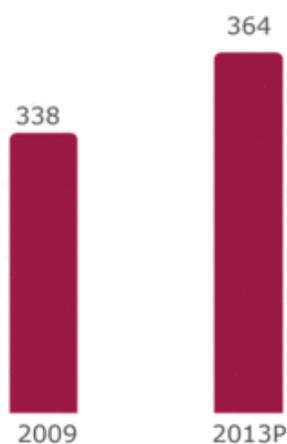
Sources: ACI, McCloskey, India Coal Market Watch Data, Bloomberg, KoVor, Associated Press of Pakistan, IEA

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## European coal consumption remains strong despite regulatory pressures

### Coal Burn in Europe

(in millions of metric tonnes)



- With natural gas prices significantly higher than in the U.S., Europe's coal consumption remains high
- Regulatory pressures are intensifying, but declining indigenous production is expected to more than offset the impact on import demand
- Germany's coal consumption reached a five-year high in 2013
- Mild winter weather and growth in renewables has tempered coal burn in the region thus far in 2014

Sources: IEA, IHS CERA, McCloskey and ACI

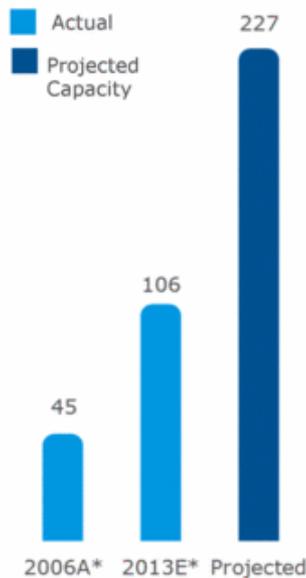
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# The U.S. is investing in new terminals to satisfy long-term global coal demand

## U.S. Exports

(in millions of tonnes)



<b>West Coast</b> <b>41</b>	Ridley***	4
	Westshore***	4
	CA	3
	Pacific Northwest**	30

<b>East Coast</b> <b>86</b>	NS/Lamberts	29
	DTA	18
	CNX Marine	14
	Pier IX	13
	CSX/Curtis Bay	12

<b>Southwest</b> <b>10</b>	Deepwater	10
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<b>Midwest</b> <b>6</b>	Great Lakes	6
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<b>Gulf Coast</b> <b>63</b>	IMT	15
	United	10
	Burnside	9
	Convent	7
	Mid-streaming	22

<b>Southeast</b> <b>21</b>	Mobile	16
	Other AL	5

Sources: ACI, NMA, Port Terminal Presentations

\*\*Total capacity expected to be ~100 million tons over time

\*Includes overland shipments to Canada/Mexico

\*\*\*Capacity available for U.S. sourced volumes

# Arch sees improving trends in U.S. coal markets during 2014

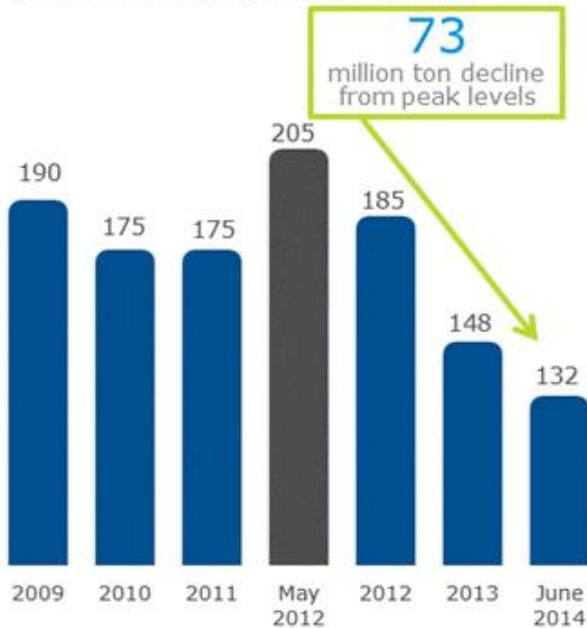


- Positive market trends are building in 2014:
  - Power generation was up 2% through June
  - U.S. coal consumption was up 4% through June
  - U.S. coal production through June was up marginally (<1%)
- Even with modest growth in U.S. coal supply during 2014, additional stockpile drawdown is occurring as demand continues to grow

Sources: EIA, IHS CERA and ACI

# U.S. coal stockpiles continue to decline in 2014, reaching levels not seen since 2006

**Estimated Coal Stockpile Levels at U.S. Power Generators**  
(in millions of tons, at December 31)

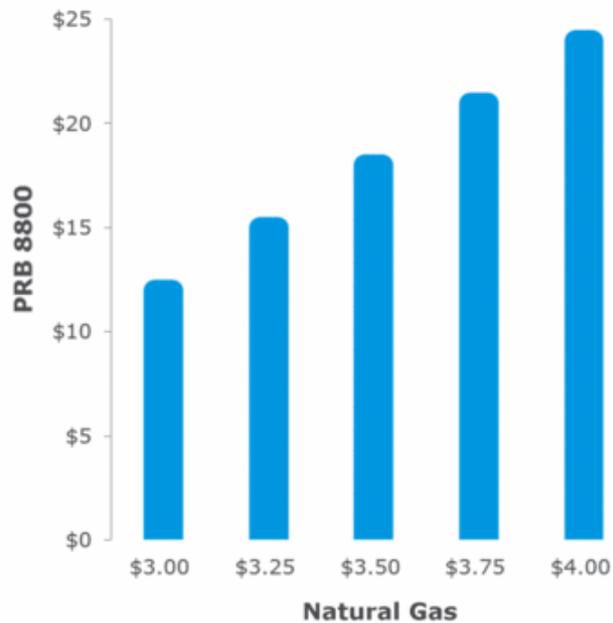


- We could see a further drop in stockpiles by the end of 2014, which would bring inventories down to levels not seen since 2005
- Currently projecting inventories nationwide to decline to ~50 days of supply, even with mild summer weather

# The economics of coal — particularly in the PRB — are compelling in today’s natural gas market

- Powder River Basin coal remains the most cost competitive fossil fuel source in the U.S.
  - PRB stocks could decline further due to ongoing disruptions in rail service
  - Even at current natural gas prices, Western coals, in particular, are economic on the dispatch curve

**PRB Parity with Natural Gas\***  
(coal = \$ per ton; gas = \$ per million Btu)

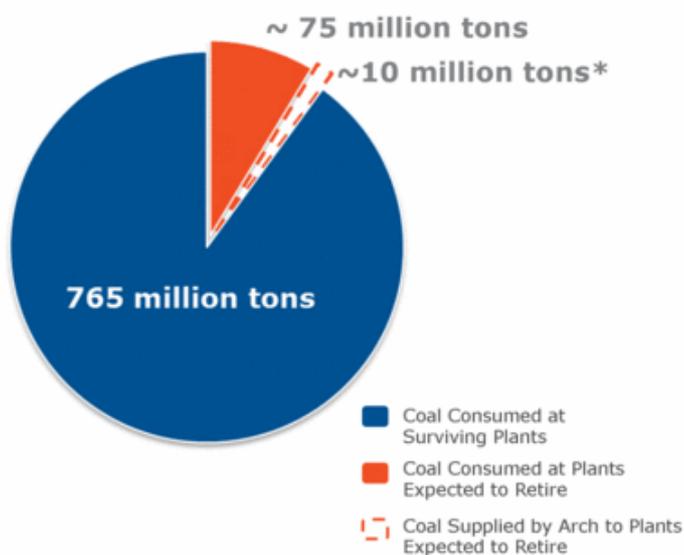


Sources: ACI, EIA, Ventyx

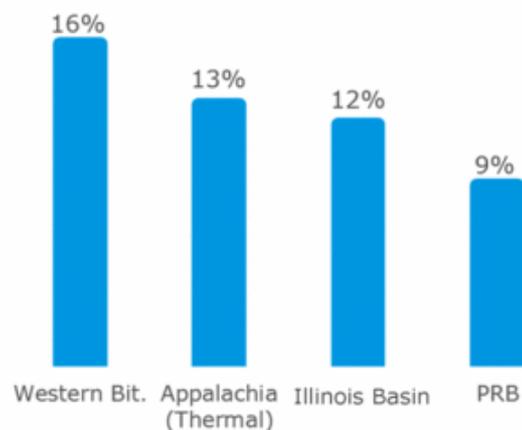
\*Assumes transportation charge of \$20 to \$25 per ton; incremental non-fuel costs; and appropriate heat rate differentials for NGCC plants and coal plants.

# Arch expects ~60 GW of coal-based generating capacity to retire by 2018 due to MATS, but the impact on coal consumption will not be as large

**Coal Consumption for Power Generation**  
(based on 2013 data)



**Supply Delivered to At-Risk Plants in 2013**  
(per coal basin, as percent of each basin’s supply)

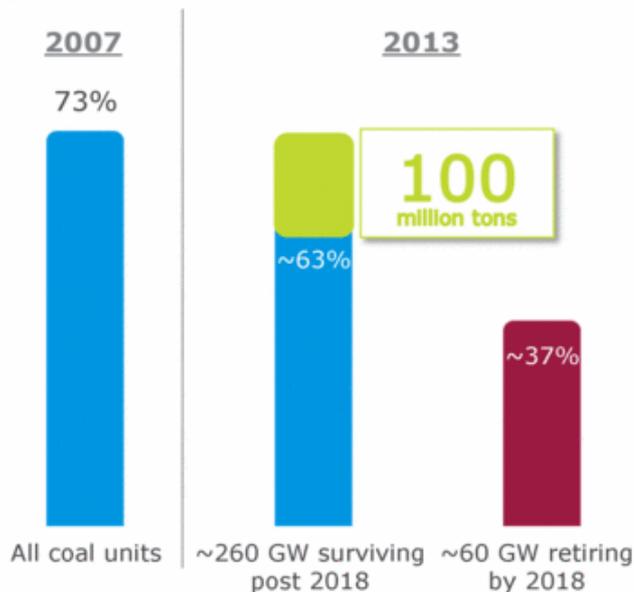


Sources: Wood Mackenzie, SNL and ACI

\*Excluding Canyon Fuel

## The potential offset to expected coal plant closures is the demonstrated ability to run the surviving coal fleet at higher utilization levels

**Average Coal Plant Utilization**  
(Capacity factors)



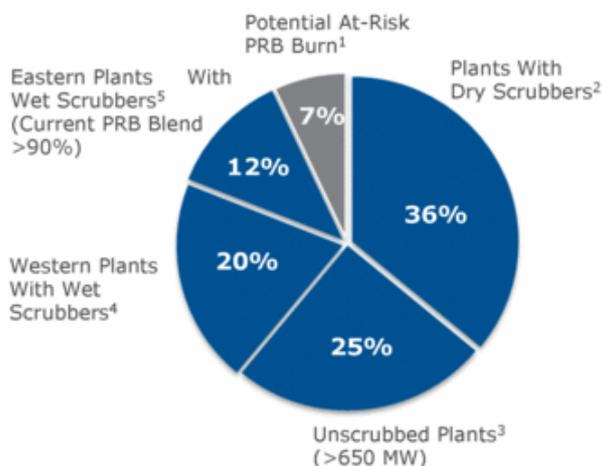
- The coal plants expected to retire are generally older, less efficient and less utilized
  - Once those plants retire, that generation will migrate elsewhere ... including to surviving coal plants
- Coal fleet has run at much higher utilization rates in the past – and larger, surviving plants retrofitted with modern control technologies should be able to operate at much higher capacity factors

Sources: Ventyx, ACI

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## PRB coal is consumed in large, baseload plants likely to survive even if proposed GHG regulations stand up

**Southern Powder River Basin Coal Burn in Power Plants By Type**  
(based on 2013 data)



- Over 90% of PRB coal burn should survive intact even if proposed GHG regulations are enacted
- PRB coal will continue to be advantaged by quality attributes that allow customers to achieve MATS/CSAPR compliance cost effectively
- Less than 10% of PRB burn could be at risk due to potential coal plant closures under MATS regulations or other fuel-switching strategies
- We continue to expect PRB coal to compete aggressively at surviving coal plants that have the capability to run at higher capacity factors
- With port development in the West, PRB demand could increase meaningfully as it gains access to the growing Pacific-Rim coal market

Sources: Ventyx, ACI <sup>1</sup> At risk due to potential coal plant closures; fuel switching; <sup>2</sup> Technology used in conjunction with consuming low-sulfur coal for compliance; <sup>3</sup> Likely to continue PRB coal use due to compliance needs and economics; <sup>4</sup> Likely to use PRB coal due to location, and <sup>5</sup> Likely to continue to use PRB coal due to economics or compliance needs



## Arch is well positioned in an evolving coal market landscape

- Arch is controlling costs, containing capital spending and proactively managing liquidity
- Arch is executing on its strategic plans to monetize non-core assets and increase financial flexibility
- Arch is poised to capture upside as global coal markets recover
- Arch's asset base is well positioned with a strategic focus on regions with high growth, good margins and stable cash flows:
  - A strong PRB franchise
  - An enhanced metallurgical coal platform
  - A bituminous thermal segment serving both the domestic and seaborne coal trade



Powering the Working World.

# Barclays Capital 2014 CEO Energy/Power Conference

**John Eaves**

President and CEO, Arch Coal, Inc.

New York City | September 4, 2014

