UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 June 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: 1-13105

Arch Resources, Inc.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**43-0921172** (I.R.S. Employer Identification Number)
One CityPlace Drive **Suite 300** **St. Louis** **Missouri** (Address of principal executive offices)	**63141** (Zip code)

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

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading symbol	Name of each exchange on which registered
Common stock, $.01 par value	ARCH	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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit 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 ☒

At July 22, 2024 there were 18,084,477 shares of the registrant's common stock outstanding.

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Part I
FINANCIAL INFORMATION

Item 1. Financial Statements.

Arch Resources, Inc. and Subsidiaries
Condensed Consolidated Income Statements
(in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
Revenues	$ 608,751	$ 757,294	$ 1,288,941	$ 1,627,225
Costs, expenses and other operating				
Cost of sales (exclusive of items shown separately below)	528,684	606,127	1,096,407	1,177,864
Depreciation, depletion and amortization	38,439	36,077	77,259	71,556
Accretion on asset retirement obligations	5,870	5,293	11,739	10,585
Selling, general and administrative expenses	22,518	22,791	48,105	48,813
Other operating income, net	(2,410)	(2,010)	(18,393)	(7,179)
	593,101	668,278	1,215,117	1,301,639
Income from operations	15,650	89,016	73,824	325,586
Interest expense, net				
Interest expense	(3,933)	(3,537)	(8,249)	(7,663)
Interest and investment income	5,403	4,201	11,503	7,537
	1,470	664	3,254	(126)
Income before nonoperating expenses	17,120	89,680	77,078	325,460
Nonoperating expense				
Non-service related pension and postretirement benefit (costs) credits	(285)	593	(571)	1,185
Net loss resulting from early retirement of debt	—	—	—	(1,126)
	(285)	593	(571)	59
Income before income taxes	16,835	90,273	76,507	325,519
Provision for income taxes	2,002	12,920	5,721	50,058
Net income	$ 14,833	$ 77,353	$ 70,786	$ 275,461
Net income per common share				
Basic earnings per share	$ 0.82	$ 4.20	$ 3.88	$ 15.16
Diluted earnings per share	$ 0.81	$ 4.04	$ 3.82	$ 14.16
Weighted average shares outstanding				
Basic weighted average shares outstanding	18,097	18,406	18,222	18,165
Diluted weighted average shares outstanding	18,295	19,135	18,535	19,459
Dividends declared per common share	$ 1.11	$ 2.45	$ 2.76	$ 5.56

The accompanying notes are an integral part of the condensed consolidated financial statements.

Arch Resources, Inc. and Subsidiaries
Condensed Consolidated Statements of Comprehensive Income
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
Net income	$ 14,833	$ 77,353	$ 70,786	$ 275,461
Pension, postretirement and other post-employment benefits				
Comprehensive loss before tax	(2,006)	(2,895)	(4,012)	(5,790)
Provision for income taxes	427	636	854	1,272
	(1,579)	(2,259)	(3,158)	(4,518)
Available-for-sale securities				
Comprehensive income (loss) before tax	13	(24)	9	(39)
Provision for income taxes	(3)	5	(2)	8
	10	(19)	7	(31)
Total other comprehensive loss	(1,569)	(2,278)	(3,151)	(4,549)
Total comprehensive income	$ 13,264	$ 75,075	$ 67,635	$ 270,912

The accompanying notes are an integral part of the condensed consolidated financial statements.

Arch Resources, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(in thousands, except per share data)

	June 30, 2024	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	$ 243,707	$ 287,807
Short-term investments	35,583	32,724
Restricted cash	1,100	1,100
Trade accounts receivable (net of $0 allowance at June 30, 2024 and December 31, 2023)	241,910	273,522
Other receivables	6,005	13,700
Inventories	249,865	244,261
Other current assets	52,621	64,653
Total current assets	830,791	917,767
Property, plant and equipment, net	1,244,597	1,228,891
Other assets		
Deferred income taxes	119,310	124,024
Equity investments	22,861	22,815
Fund for asset retirement obligations	146,010	142,266
Other noncurrent assets	46,999	48,410
Total other assets	335,180	337,515
Total assets	$ 2,410,568	$ 2,484,173
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 186,549	$ 205,001
Accrued expenses and other current liabilities	111,062	127,617
Current maturities of debt	29,721	35,343
Total current liabilities	327,332	367,961
Long-term debt	101,661	105,252
Asset retirement obligations	263,098	255,740
Accrued pension benefits	832	878
Accrued postretirement benefits other than pension	46,800	47,494
Accrued workers’ compensation	157,663	154,650
Other noncurrent liabilities	62,617	72,742
Total liabilities	960,003	1,004,717
Stockholders' equity		
Common stock, $0.01 par value, authorized 300,000 shares, issued 30,786 and 30,557 shares at June 30, 2024 and December 31, 2023, respectively	308	306
Paid-in capital	758,880	720,029
Retained earnings	1,849,622	1,830,018
Treasury stock, 12,701 and 12,197 shares at June 30, 2024 and December 31, 2023, respectively, at cost	(1,193,876)	(1,109,679)
Accumulated other comprehensive income	35,631	38,782
Total stockholders’ equity	1,450,565	1,479,456
Total liabilities and stockholders’ equity	$ 2,410,568	$ 2,484,173

The accompanying notes are an integral part of the condensed consolidated financial statements.

Arch Resources, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(in thousands)

	Six Months Ended June 30,	
	2024	**2023**
Operating activities		
Net income	$ 70,786	$ 275,461
Adjustments to reconcile to cash from operating activities:		
Depreciation, depletion and amortization	77,259	71,556
Accretion on asset retirement obligations	11,739	10,585
Deferred income taxes	5,567	49,824
Employee stock-based compensation expense	10,445	13,206
Amortization relating to financing activities	1,441	884
Gain on disposals and divestitures, net	(150)	(393)
Reclamation work completed	(4,451)	(11,757)
Contribution to fund for asset retirement obligations	(3,745)	(2,664)
Changes in:		
Receivables	39,306	(13,057)
Inventories	(5,604)	(40,295)
Accounts payable, accrued expenses and other current liabilities	(29,223)	(53,729)
Income taxes, net	(45)	(828)
Other	14,121	24,093
Cash provided by operating activities	187,446	322,886
Investing activities		
Capital expenditures	(92,366)	(76,606)
Minimum royalty payments	(988)	(1,113)
Proceeds from disposals and divestitures	199	439
Purchases of short-term investments	(30,535)	(13,772)
Proceeds from sales of short-term investments	27,846	17,488
Investments in and advances to affiliates, net	(6,516)	(9,927)
Cash used in investing activities	(102,360)	(83,491)
Financing activities		
Proceeds from issuance of term loan due 2025	20,000	—
Payments on term loan due 2025	(3,333)	—
Payments on term loan due 2024	(3,502)	(1,500)
Payments on convertible debt	—	(58,430)
Net payments on other debt	(21,992)	(24,849)
Debt financing costs	(1,516)	—
Purchases of treasury stock	(30,747)	(93,803)
Dividends paid	(63,757)	(111,913)
Payments for taxes related to net share settlement of equity awards	(24,339)	(27,217)
Proceeds from warrants exercised	—	43,750
Cash used in financing activities	(129,186)	(273,962)
Decrease in cash and cash equivalents, including restricted cash	(44,100)	(34,567)
Cash and cash equivalents, including restricted cash, beginning of period	$ 288,907	$ 237,159
Cash and cash equivalents, including restricted cash, end of period	$ 244,807	$ 202,592
Cash and cash equivalents, including restricted cash, end of period		
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash and cash equivalents	$ 243,707	$ 201,492
Restricted Cash	1,100	1,100
Cash and cash equivalents, including restricted cash, end of period	$ 244,807	$ 202,592

The accompanying notes are an integral part of the condensed consolidated financial statements.

Arch Resources, Inc. and Subsidiaries
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)

	Common Stock	Paid-In Capital	Retained Earnings	Treasury Stock at Cost	Accumulated Other Comprehensive Income	Total
			(In thousands, except per share data)			
Balances at January 1, 2024	$ 306	$ 720,029	$ 1,830,018	$ (1,109,679)	$ 38,782	$ 1,479,456
Dividends on common shares	—	—	(30,671)	—	—	(30,671)
Dividend Equivalents earned on RSU grants	—	72	(679)	—	—	(607)
Purchase of 94,701 shares of common stock under share repurchase program	—	—	—	(16,432)	—	(16,432)
Receipt of 315,721 shares from the exercise of capped call	—	52,624	—	(52,624)	—	—
Employee stock-based compensation	—	5,588	—	—	—	5,588
Common stock withheld related to net share settlement of equity awards	—	(24,259)	—	—	—	(24,259)
Issuance of 227,981 shares of common stock under long-term incentive plan	2	—	—	—	—	2
Total comprehensive income (loss)	—	—	55,953	—	(1,582)	54,371
Balances at March 31, 2024	$ 308	$ 754,054	$ 1,854,621	$ (1,178,735)	$ 37,200	$ 1,467,448
Dividends on common shares	—	—	(20,072)	—	—	(20,072)
Dividend equivalents earned on RSU grants	—	49	240	—	—	289
Purchase of 94,367 shares of common stock under share repurchase program	—	—	—	(15,141)	—	(15,141)
Employee stock-based compensation	—	4,857	—	—	—	4,857
Common stock withheld related to net share settlement of equity awards	—	(80)	—	—	—	(80)
Total comprehensive income (loss)	—	—	14,833	—	(1,569)	13,264
Balances at June 30, 2024	$ 308	$ 758,880	$ 1,849,622	$ (1,193,876)	$ 35,631	$ 1,450,565

Arch Resources, Inc. and Subsidiaries
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)

	Common Stock	Paid-In Capital	Retained Earnings	Treasury Stock at Cost	Accumulated Other Comprehensive Income	Total
			(In thousands, except per share data)			
Balances at January 1, 2023	$ 288	$ 724,660	$ 1,565,374	$ (986,171)	$ 61,429	$ 1,365,580
Dividends on common shares	—	—	(55,140)	—	—	(55,140)
Dividend Equivalents earned on RSU grants	—	120	(2,354)	—	—	(2,234)
Purchase of 131,156 shares of common stock under share repurchase program	—	(13)	—	(18,994)	—	(19,007)
Employee stock-based compensation	—	6,767	—	—	—	6,767
Cash paid for convertible debt repurchased	—	(44,486)	—	—	—	(44,486)
Issuance of 275,053 shares of common stock under long-term incentive plan	3	—	—	—	—	3
Common stock withheld related to net share settlement of equity awards	—	(27,055)	—	—	—	(27,055)
Issuance of 1,037,679 shares of common stock for warrants exercised	10	43,719	—	—	—	43,729
Total comprehensive income	—	—	198,108	—	(2,271)	195,837
Balances at March 31, 2023	$ 301	$ 703,712	$ 1,705,988	$ (1,005,165)	$ 59,158	$ 1,463,994
Dividends on common shares	—	—	(45,011)	—	—	(45,011)
Dividend equivalents earned on RSU grants	—	98	(669)	—	—	(571)
Purchase of 623,304 shares of common stock under share repurchase program	—	—	—	(74,231)	—	(74,231)
Employee stock-based compensation	—	6,439	—	—	—	6,439
Common stock withheld related to net share settlement of equity awards	—	(162)	—	—	—	(162)
Issuance of 29,487 shares of common stock for warrants exercised	—	31	—	—	—	31
Total comprehensive income (loss)	—	—	77,353	—	(2,278)	75,075
Balances at June 30, 2023	$ 301	$ 710,118	$ 1,737,661	$ (1,079,396)	$ 56,880	$ 1,425,564

The accompanying notes are an integral part of the condensed consolidated financial statements.

Arch Resources, Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements
(unaudited)

1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Arch Resources, Inc. (“Arch Resources”) and its subsidiaries and controlled entities (“Arch” or the “Company”). Unless the context indicates otherwise, the terms “Arch” and the “Company” are used interchangeably in this Quarterly Report on Form 10-Q. The Company’s primary business is the production of metallurgical and thermal coal from underground and surface mines located throughout the United States, for sale to steel producers, utility companies, and industrial accounts both in the United States and around the world. The Company currently operates mining complexes in West Virginia, Wyoming and Colorado. All subsidiaries are wholly owned. Intercompany transactions and accounts have been eliminated in consolidation.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial reporting and U.S. Securities and Exchange Commission regulations. In the opinion of management, all adjustments, consisting of normal, recurring accruals considered necessary for a fair presentation, have been included. Results of operations for the three and six months ended June 30, 2024 are not necessarily indicative of results to be expected for the year ending December 31, 2024. These financial statements should be read in conjunction with the audited financial statements and related notes as of and for the year ended December 31, 2023 included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023 filed with the U.S. Securities and Exchange Commission.

2. Accounting Policies

Recently Adopted Accounting Guidance

There is no recently issued accounting guidance effective that is expected to have a material impact on the Company’s financial position, results of operations, or liquidity.

Recent Accounting Guidance Issued Not Yet Effective

In November 2023, the FASB issued ASU 2023-07 Segment Reporting – Improving Reportable Segment Disclosures (Topic 280). The update is intended to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant expenses. The ASU requires disclosure to include significant segment expenses that are regularly provided to the chief operating decision maker (CODM), a description of other segment items by reportable segment, and any additional measures of a segment’s profit or loss used by the CODM when deciding how to allocate resources. The ASU also requires all annual disclosures currently required by Topic 280 to be included in interim periods. The update is effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted and requires retrospective application to all prior periods presented in the financial statements. The Company is currently assessing the timing and impact of adopting the updated provisions.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which includes amendments that further enhance income tax disclosures, primarily through standardization and disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. The amendments are effective for the Company’s annual periods beginning June 1, 2025, with early adoption permitted, and should be applied either prospectively or retrospectively. The Company is currently evaluating the ASU to determine its impact on the Company’s disclosures.

3. Accumulated Other Comprehensive Income (Loss)

The following items are included in accumulated other comprehensive income (loss) ("AOCI"), net of tax:

	Pension, Postretirement and Other Post-Employment Benefits	Available-for-Sale Securities	Accumulated Other Comprehensive Income (loss)
Balances at December 31, 2023	$ 38,783	$ (1)	$ 38,782
Unrealized gains	—	17	17
Amounts reclassified from accumulated other comprehensive income	(4,012)	(8)	(4,020)
Tax effect	854	(2)	852
Balances at June 30, 2024	$ 35,625	$ 6	$ 35,631

The following amounts were reclassified out of AOCI:

Details About AOCI Components	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023	Line Item in the Condensed Consolidated Income Statements
	(In thousands)				
Pension, postretirement and other post-employment benefits					
Amortization of actuarial gains, net [1]	$ 2,006	$ 2,858	$ 4,012	$ 5,717	Non-service related pension and postretirement benefit credits
Amortization of prior service credits	—	37	—	73	Non-service related pension and postretirement benefit credits
	2,006	2,895	4,012	5,790	Total before tax
	(427)	(636)	(854)	(1,272)	Provision for income taxes
	$ 1,579	$ 2,259	$ 3,158	$ 4,518	Net of tax
Available-for-sale securities [2]	$ (1)	$ 1	$ 8	$ (21)	Interest and investment income
	3	3	2	8	Provision for income taxes
	$ 2	$ 4	$ 10	$ (13)	Net of tax

[1] Production-related benefits and workers' compensation costs are included in costs of sales.
[2] The gains and losses on sales of available-for-sale-securities are determined on a specific identification basis.

4. Inventories

Inventories consist of the following:

	June 30, 2024	December 31, 2023
	(In thousands)	
Coal	$ 99,776	$ 99,174
Repair parts and supplies	150,089	145,087
	$ 249,865	$ 244,261

The repair parts and supplies are stated net of an allowance for slow-moving and obsolete inventories of $1.6 million at June 30, 2024 and December 31, 2023, respectively.

5. Investments in Available-for-Sale Securities

The Company has invested in marketable debt securities, primarily highly liquid U.S. Treasury securities and investment grade corporate bonds. These investments are held in the custody of a major financial institution. These securities are classified as available-for-sale securities and, accordingly, the unrealized gains and losses are recorded through other comprehensive income.

The Company's investments in available-for-sale marketable securities are as follows:

	June 30, 2024				
		Gross Unrealized		Allowance for - Credit	Fair
	Cost Basis	Gains	Losses	Losses	Value
			(In thousands)		
Available-for-sale:					
U.S. government and agency securities	$ 17,326	$ 10	$ (8)	$ —	$ 17,328
Corporate notes and bonds	18,240	22	(7)	—	18,255
Total Investments	$ 35,566	$ 32	$ (15)	$ —	$ 35,583

	December 31, 2023				
		Gross Unrealized		Allowance for - Credit	Fair
	Cost Basis	Gains	Losses	Losses	Value
			(In thousands)		
Available-for-sale:					
U.S. government and agency securities	$ 28,764	$ 14	$ (5)	$ —	$ 28,773
Corporate notes and bonds	3,951	1	(1)	—	3,951
Total Investments	$ 32,715	$ 15	$ (6)	$ —	$ 32,724

The aggregate fair value of investments with unrealized losses that had been owned for less than a year was $10.6 million and $2.2 million at June 30, 2024 and December 31, 2023, respectively. The aggregate fair value of investments with unrealized losses that were owned for over a year was $1.2 million and $2.3 million at June 30, 2024 and December 31, 2023, respectively. The unrealized losses in the Company's portfolio at June 30, 2024 are the result of normal market fluctuations. The Company does not intend to sell these investments before recovery of their amortized cost base.

The debt securities outstanding at June 30, 2024 have maturity dates ranging from the third quarter of 2024 through the fourth quarter of 2025. The Company classifies its investments as current based on the nature of the investments and their availability to provide cash for use in current operations, if needed.

6. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following:

	June 30, 2024	December 31, 2023
	(In thousands)	
Payroll and employee benefits	$ 34,674	$ 37,259
Taxes other than income taxes	36,043	51,155
Interest	2,468	2,395
Workers' compensation	17,070	18,724
Asset retirement obligations	6,018	6,089
Other	14,789	11,995
	$ 111,062	$ 127,617

7. Debt and Financing Arrangements

	June 30, 2024	December 31, 2023
	(In thousands)	
Term loan due 2025 ($16.7 million face value)	$ 16,667	$ —
Term loan due 2024	—	3,502
Tax Exempt Bonds ($98.1 million face value)	98,075	98,075
Other	18,536	40,529
Debt issuance costs	(1,896)	(1,511)
	131,382	140,595
Less: current maturities of debt	29,721	35,343
Long-term debt	$ 101,661	$ 105,252

Term Loan Facility

On February 8, 2024, the Company entered into a new senior secured term loan credit agreement in the principal amount of $20.0 million (the “Term Loan”) with PNC Bank, National Association, as administrative and collateral agent. The Term Loan requires quarterly principal amortization payments of $3.3 million and matures on June 30, 2025. The interest rate on the facility is, at the option of Arch Resources, either (i) Secured Overnight Financing Rate (“SOFR”) plus a SOFR adjustment of .10% plus an applicable margin of 3.00%, subject to a SOFR floor of 0.00%, or (ii) a base rate plus an applicable margin of 2.00%.

The Term Loan is guaranteed by substantially all of the domestic subsidiaries of the Company. Additionally, the Term Loan is secured by substantially all the assets of the Company and the guarantors, subject to customary exceptions (including an exclusion for owned and leased real property).

The Term Loan contains the following financial maintenance covenants: (i) total net leverage not to exceed 2.00 to 1.00 for the trailing four fiscal quarters; (ii) the ratio of Consolidated EBITDA to Consolidated Interest Expense to be less than 3.50 to 1.00 for the trailing four fiscal quarters; and (iii) liquidity of not less than $100 million at any time.

The Term Loan is subject to certain usual and customary mandatory prepayment events, including 100% of net cash proceeds of debt issuances (other than debt permitted to be incurred under the terms of the Term Loan).

The Term Loan contains customary affirmative and negative covenants and representations; and customary events of default, subject to customary thresholds and exceptions. As of June 30, 2024, the Company was in compliance with the Term Loan debt covenants.

The proceeds from the Term Loan were used to pay off the $3.5 million balance of the term loan debt facility due 2024. Additionally, the Company incurred approximately $1.5 million in debt issuance costs related to the Term Loan.

Accounts Receivable Securitization Facility

On August 3, 2022, the Company amended and extended its existing trade accounts receivable securitization facility provided to Arch Receivable Company, LLC, a special-purpose entity that is a wholly owned subsidiary of Arch Resources (“Arch Receivable”) (the “Securitization Facility”), which supports the issuance of letters of credit and requests for cash advances. The amendment to the Securitization Facility increased the size of the facility from $110 million to $150 million of borrowing capacity and extended the maturity date to August 1, 2025.

Under the Securitization Facility, Arch Receivable, Arch Resources and certain of Arch Resources’ subsidiaries party to the Securitization Facility have granted to the administrator of the Securitization Facility a first priority security interest in eligible trade accounts receivable generated by such parties from the sale of coal and all proceeds thereof. As of June 30, 2024, letters of credit totaling $51.9 million were outstanding under the facility with $62.8 million available for borrowings.

Inventory-Based Revolving Credit Facility

On August 3, 2022, Arch Resources amended the senior secured inventory-based revolving credit facility in an aggregate principal amount of $50 million (the "Inventory Facility"). Availability under the Inventory Facility is subject to a borrowing base consisting of (i) 85% of the net orderly liquidation value of eligible coal inventory, plus (ii) the lesser of (x) 85% of the net orderly liquidation value of eligible parts and supplies inventory and (y) 35% of the amount determined pursuant to clause (i), plus (iii) 100% of Arch Resources' Eligible Cash (defined in the Inventory Facility), subject to reduction for reserves imposed by Regions.

The amendment of the Inventory Facility extended the maturity of the facility to August 3, 2025; maintained the minimum liquidity requirement of $100 million and included provisions that reduce the advance rates for coal inventory and parts and supplies, depending on liquidity, as defined in the agreement.

The Inventory Facility contains certain customary affirmative and negative covenants; events of default, subject to customary thresholds and exceptions; and representations, including certain cash management and reporting requirements that are customary for asset-based credit facilities. The Inventory Facility also includes a requirement to maintain liquidity equal to or exceeding $100 million at all times. As of June 30, 2024, letters of credit totaling $26.2 million were outstanding under the facility with $23.8 million available for borrowings.

Equipment Financing

On July 29, 2021, the Company entered into an equipment financing arrangement accounted for as debt. The Company received $23.5 million in exchange for conveying an interest in certain equipment in operation at its Powder River Basin operations and entered into a master lease arrangement for that equipment. The financing arrangement contains customary terms and events of default and provides for 42 monthly payments with an average implied interest rate of 7.35% maturing on February 1, 2025. Upon maturity, the Company will have the option to purchase the equipment.

Tax Exempt Bonds

On July 2, 2020, the West Virginia Economic Development Authority (the "Issuer") issued $53.1 million aggregate principal amount of Solid Waste Disposal Facility Revenue Bonds (Arch Resources Project), Series 2020 (the "Tax Exempt Bonds") pursuant to an Indenture of Trust dated as of June 1, 2020 (the "Indenture of Trust") between the Issuer and Citibank, N.A., as trustee (the "Trustee"). On March 4, 2021, the Issuer issued an additional $45.0 million of Series 2021 Tax Exempt Bonds. The proceeds of the Tax Exempt Bonds were loaned to the Company pursuant to a Loan Agreement dated as of June 1, as supplemented by a First Amendment to Loan Agreement dated as of March 1, 2021 (collectively, the "Loan Agreement"), each between the Issuer and the Company. The Tax Exempt Bonds are payable solely from payments to be made by the Company under the Loan Agreement as evidenced by a Note from the Company to the Trustee. The proceeds of the Tax Exempt Bonds have been used to finance certain costs of the acquisition, construction, reconstruction, and equipping of solid waste disposal facilities at the Company's Leer South development, and for capitalized interest and certain costs related to issuance of the Tax Exempt Bonds.

The Tax Exempt Bonds bear interest payable each January 1 and July 1, commencing January 1, 2021 for the Series 2020 and July 1, 2021 for the Series 2021, and have a final maturity of July 1, 2045; however, the Tax Exempt Bonds are subject to mandatory tender on July 1, 2025 at a purchase price equal to 100% of the principal amount of the Tax Exempt Bonds, plus accrued interest to July 1, 2025. The Series 2020 and Series 2021 Tax Exempt Bonds bear interest of 5% and 4.125%, respectively.

Convertible Debt

On November 3, 2020, the Company issued $155.3 million in aggregate principal amount of 5.25% convertible senior notes due 2025 ("Convertible Notes " or "Convertible Debt"). The net proceeds from the issuance of the

Convertible Notes, after deducting offering related costs of $5.1 million and cost of a “Capped Call Transaction” as defined below of $17.5 million, were approximately $132.7 million.

During the six months ended June 30, 2023, the Company repurchased the remaining Convertible Notes with a principal amount of $13.2 million for aggregate consideration consisting of $58.4 million in cash. In connection with the repurchase, the Company recognized a loss of $1.1 million. This amount is included as “Net loss resulting from early retirement of debt” in the accompanying Condensed Consolidated Income Statements.

Capped Call Transactions

On February 16, 2024, Arch Resources, Inc. (the “Company”) agreed with each of Bank of Montreal, Goldman Sachs & Co. LLC and Jefferies International Limited (each a “Counterparty” and collectively, the “Counterparties”) to terminate and unwind certain capped call transactions by and between the Company and each Counterparty (such transactions, the “Capped Calls”). The Company entered into the Capped Calls in connection with the offering of its now-retired Convertible Notes, in order to reduce the potential dilution upon conversion of the notes. During the six months ended June 30, 2024, the Company retired 315,721 of its outstanding shares via the termination and unwinding of the capped calls.

8. Income Taxes

The Company's effective tax rate for six months ended June 30, 2024 is based on its estimated full year effective tax rate, adjusted for discrete items. The effective tax rate for the three and six months ended June 30, 2024 was 12% and 7.5%, respectively. The effective tax rate for the three and six months ended June 30, 2024 differ from the U.S. federal statutory rate of 21%, primarily due to the income tax benefit for excess percentage depletion. The effective tax rate for six months ended June 30, 2024 also includes the impact of discrete tax benefits related to equity compensation.

For the three and six months ended June 30, 2023, the Company's effective tax rate was 14.3% and 15.4%, respectively. The effective tax rate for the three and six months ended June 30, 2023 differs from the U.S. federal statutory rate of 21%, primarily due to the income tax benefit for excess percentage depletion and discrete tax benefits related to equity compensation.

9. Fair Value Measurements

The hierarchy of fair value measurements assigns a level to fair value measurements based on the inputs used in the respective valuation techniques. The levels of the hierarchy, as defined below, give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

- Level 1 is defined as observable inputs such as quoted prices in active markets for identical assets. Level 1 assets include U.S. Treasury securities.

- Level 2 is defined as observable inputs other than Level 1 prices. These include quoted prices for similar assets or liabilities in an active market, quoted prices for identical assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. The Company’s Level 2 assets and liabilities include U.S. government agency securities, with fair values derived from quoted prices in over-the-counter markets or from prices received from direct broker quotes.

- Level 3 is defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

The table below sets forth, by level, the Company's financial assets and liabilities that are recorded at fair value in the accompanying Condensed Consolidated Balance Sheet:

	June 30, 2024			
	Total	Level 1	Level 2	Level 3
	(In thousands)			
Assets:				
Investments in marketable securities	$ 35,583	$ 17,328	$ 18,255	$ —
Fund for asset retirement obligations	146,010	146,010	—	—
Total assets	$ 181,593	$ 163,338	$ 18,255	$ —

	December 31, 2023			
	Total	Level 1	Level 2	Level 3
	(In thousands)			
Assets:				
Investments in marketable securities	$ 32,724	$ 28,773	$ 3,951	$ —
Fund for asset retirement obligations	142,266	142,266	—	—
Total assets	$ 174,990	$ 171,039	$ 3,951	$ —

Fair Value of Long-Term Debt

At June 30, 2024 and December 31, 2023, the fair value of the Company's debt, including amounts classified as current, was $133.3 million and $142.1 million, respectively. Fair values are based upon observed prices in an active market, when available, or from valuation models using market information, which fall into Level 2 in the fair value hierarchy.

10. Earnings per Common Share

The Company computes basic net income per share using the weighted average number of common shares outstanding during the period. Diluted net income per share is computed using the weighted average number of common shares and the effect of potentially dilutive securities outstanding during the period. Potentially dilutive securities may consist of warrants, restricted stock units, and convertible debt. The dilutive effect of outstanding warrants and restricted stock units is reflected in diluted earnings per share by application of the treasury stock method whereas the Convertible Debt uses the if converted method.

The following table provides the basic and diluted earnings per share by reconciling the numerators and denominators of the computations:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In Thousands)	**2024**	**2023**	**2024**	**2023**
Net income attributable to common shares	$ 14,833	$ 77,353	$ 70,786	$ 275,461
Adjustment of interest expense attributable to Convertible Notes	—	—	—	108
Diluted net income attributable to common stockholders	14,833	77,353	70,786	275,569
Basic weighted average shares outstanding	18,097	18,406	18,222	18,165
Effect of dilutive securities	198	729	313	1,126
Convertible Notes (a)	—	—	—	168
Diluted weighted average shares outstanding	18,295	19,135	18,535	19,459

(a) Diluted weighted average common shares outstanding includes the dilutive effect had the Company's Convertible Notes been converted at the beginning of the year ended December 31, 2023. If converted by the holder, the Company may settle in cash, shares of the Company's common stock or a combination thereof, at the Company's election. The Capped Call Transaction is anti-dilutive and is excluded from the calculation of diluted earnings per share.

11. Workers' Compensation Expense

The Company is liable under the Federal Mine Safety and Health Act of 1969, as subsequently amended, to provide for pneumoconiosis (occupational disease) benefits to eligible employees, former employees and dependents. The Company currently provides for federal claims principally through a self-insurance program. The Company is also liable under various state workers' compensation statutes for occupational disease benefits. The occupational disease benefit obligation represents the present value of the actuarially computed present and future liabilities for such benefits over the employees' applicable years of service.

In October 2019, the Company filed an application with the Office of Workers' Compensation Programs ("OWCP") within the Department of Labor for reauthorization to self-insure federal black lung benefits. In February 2020, the Company received a reply from the OWCP confirming its status to remain self-insured contingent upon posting additional collateral of $71.1 million within 30 days of receipt of the letter. The Company is currently appealing the ruling from the OWCP and has received an extension to self-insure during the appeal process.

On January 18, 2023, the OWCP proposed revisions to regulations under the Black Lung Benefits Act governing authorization of self-insurers. The revisions seek to codify the practice of basing a self-insured operator's security requirement on an actuarial assessment of its total present and future black lung liability. A material change to the regulations is the requirement that all self-insured operators must post security equal to 120% of their projected black lung liabilities.

The proposed regulations were posted to the Federal Register on January 19, 2023 with written comments to be accepted within 60 days of this date. A subsequent extended comment period expired on April 19, 2023. On May 10, 2024, the OWCP forwarded its final rule establishing requirements for Black Lung Benefits Act self-insurance to the Office of Management and Budget ("OMB") for review. OMB is charged by various executive orders to review significant regulations. OMB reviews are limited to 90 days and may be extended by an additional 30 days; however, OMB reviews often take longer. At this stage in the rulemaking process, no rule text is publicly available, and the final regulations have not yet been published.

If the above regulation is codified into law, the Company will be required to post additional collateral to maintain its self-insured status. The Company is evaluating alternatives to self-insurance, including the purchase of commercial insurance to cover these claims. Additionally, the Company is assessing additional sources of liquidity, and other items to satisfy the proposed regulations.

In addition, the Company is liable for workers' compensation benefits for traumatic injuries which are calculated using actuarially-based loss rates, loss development factors and discounted based on a risk free rate. Traumatic workers' compensation claims are insured with varying retentions/deductibles, or through state-sponsored workers' compensation programs.

Workers' compensation expense consists of the following components:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(In thousands)			
Self-insured occupational disease benefits:				
Service cost	$ 1,278	$ 994	$ 2,555	$ 1,987
Interest cost[1]	1,566	1,510	3,131	3,020
Net amortization[1]	(3)	(241)	(6)	(482)
Total occupational disease	$ 2,841	$ 2,263	$ 5,680	$ 4,525
Traumatic injury claims and assessments	2,592	2,741	5,076	4,431
Total workers' compensation expense	$ 5,433	$ 5,004	$ 10,756	$ 8,956

(1) In accordance with the adoption of ASU 2017-07, "Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost," these costs are recorded within Nonoperating expenses in the Condensed Consolidated Income Statements on the line item "Non-service related pension and postretirement benefit (costs) credits."

12. Employee Benefit Plans

The following table details the components of pension benefit credit:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
	(In thousands)			
Interest cost[1]	$ 11	$ 1,533	$ 22	$ 3,067
Expected return on plan assets[1]	—	(1,518)	—	(3,036)
Amortization of prior service credits [1]	—	(36)	—	(73)
Amortization of other actuarial (gains) [1]	(22)	(195)	(44)	(390)
Net benefit credit	$ (11)	$ (216)	$ (22)	$ (432)

The following table details the components of other postretirement benefit credit:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
	(In thousands)			
Service cost	$ 50	$ 57	$ 99	$ 115
Interest cost[1]	605	673	1,210	1,347
Amortization of other actuarial gains [1]	(1,981)	(2,423)	(3,962)	(4,845)
Net benefit credit	$ (1,326)	$ (1,693)	$ (2,653)	$ (3,383)

(1) In accordance with the adoption of ASU 2017-07, "Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost," these costs are recorded within Nonoperating expenses in the Condensed Consolidated Income Statements on the line item "Non-service related pension and postretirement benefit (costs) credits."

In February 2022, the Board of Directors approved the termination of the Company's Cash Balance Pension Plan. The Company has executed plan amendments regarding the termination and filed an Application for Determination for Terminating Pension Plan with the Internal Revenue Service ("IRS"), which was approved by the IRS during the first quarter of 2023. The Company also prepared and filed appropriate notices and documents related to the Pension Plan's termination and wind-down with the Pension Benefit Guaranty Corporation ("PBGC"). The Company no longer administers or pays the retirement benefits of the Cash Balance Pension Plan.

13. Commitments and Contingencies

The Company accrues for costs related to contingencies when a loss is probable and the amount is reasonably determinable. Disclosure of contingencies is included in the financial statements when it is at least reasonably possible that a material loss or an additional material loss in excess of amounts already accrued may be incurred.

The Company is a party to numerous claims and lawsuits with respect to various matters. The ultimate resolution of any such legal matter could result in outcomes that may be materially different from amounts the Company has accrued for such matters. The Company believes it has recorded adequate reserves for these matters.

In the normal course of business, the Company is a party to certain financial instruments with off-balance sheet risk, such as bank letters of credit, 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 other obligations, are reflected in the Company's Condensed Consolidated Balance Sheets.

As of June 30, 2024, the Company had outstanding surety bonds with a face amount of $488.8 million to secure various obligations and commitments and $78.1 million of letters of credit under its Securitization and Inventory

Facilities used to collateralize certain obligations. The Company posted $5.6 million in cash collateral related to various obligations; this amount is recorded within “Other noncurrent assets” on the Condensed Consolidated Balance Sheets.

As of June 30, 2024, the Company’s reclamation-related obligations of $269.1 million were supported by surety bonds of $402.7 million. The Company has posted $0.6 million in cash collateral related to reclamation surety bonds. Additionally, in the first half of 2024, the Company contributed an additional $3.7 million representing interest earned to a fund that will serve to defease the long-term asset retirement obligation for its thermal asset base bringing the total to $146.0 million as of June 30, 2024. This amount is recorded as “Fund for asset retirement obligations” on the Condensed Consolidated Balance Sheets.

14. Segment Information

The Company’s reportable business segments are based on two distinct lines of business, metallurgical and thermal, and may include a number of mine complexes. The Company manages its coal sales by market and coal quality, not by individual mining complex. Geology, coal transportation routes to customers, and regulatory environments also have a significant impact on the Company’s marketing and operations management. Mining operations are evaluated based on Adjusted EBITDA, per-ton cash operating costs (defined as including all mining costs except depreciation, depletion, amortization, accretion on asset retirement obligations, and pass-through transportation expenses, divided by segment tons sold), and on other non-financial measures, such as safety and environmental performance. Adjusted EBITDA is not a measure of financial performance in accordance with generally accepted accounting principles, and items excluded from Adjusted EBITDA are significant in understanding and assessing the Company’s financial condition. Therefore, Adjusted EBITDA should not be considered in isolation, nor as an alternative to net income, income from operations, cash flows from operations or as a measure of our profitability, liquidity or performance under generally accepted accounting principles. The Company uses Adjusted EBITDA to measure the operating performance of its segments and allocate resources to the segments. Furthermore, analogous measures are used by industry analysts and investors to evaluate the Company’s operating performance. Investors should be aware that the Company’s presentation of Adjusted EBITDA may not be comparable to similarly titled measures used by other companies. The Company reports its results of operations primarily through the following reportable segments: Metallurgical (MET) segment, containing the Company’s metallurgical operations in West Virginia, and the Thermal segment containing the Company’s thermal operations in Wyoming and Colorado.

Reporting segment results for the three and six months ended June 30, 2024 and 2023 are presented below. The Corporate, Other, and Eliminations grouping includes these charges: idle operations; equity investments; change in fair value of coal derivatives, net; corporate overhead; land management activities; certain miscellaneous revenue; and the elimination of intercompany transactions.

(In thousands)	MET	Thermal	Corporate, Other and Eliminations	Consolidated
Three Months Ended June 30, 2024				
Revenues	$ 375,958	$ 232,793	$ —	$ 608,751
Adjusted EBITDA	87,276	1,067	(28,384)	59,959
Depreciation, depletion and amortization	31,089	7,099	251	38,439
Accretion on asset retirement obligation	647	4,810	413	5,870
Capital expenditures	34,132	10,953	1,835	46,920
Three Months Ended June 30, 2023				
Revenues	$ 451,752	$ 305,542	$ —	$ 757,294
Adjusted EBITDA	132,839	29,179	(31,632)	130,386
Depreciation, depletion and amortization	28,228	7,648	201	36,077
Accretion on asset retirement obligation	615	4,314	364	5,293
Capital expenditures	35,639	10,042	325	46,006
Six Months Ended June 30, 2024				
Revenues	$ 793,023	$ 495,918	$ —	$ 1,288,941
Adjusted EBITDA	216,811	1,999	(55,988)	162,822
Depreciation, depletion and amortization	62,479	14,267	513	77,259
Accretion on asset retirement obligation	1,294	9,620	825	11,739
Capital expenditures	71,166	18,497	2,703	92,366
Six Months Ended June 30, 2023				
Revenues	$ 987,923	$ 639,302	$ —	$ 1,627,225
Adjusted EBITDA	395,896	75,434	(63,603)	407,727
Depreciation, depletion and amortization	56,082	15,056	418	71,556
Accretion on asset retirement obligation	1,229	8,628	728	10,585
Capital expenditures	60,459	15,535	612	76,606

A reconciliation of net income to Adjusted EBITDA and segment Adjusted EBITDA from coal operations follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2024	2023	2024	2023
Net income	$ 14,833	$ 77,353	$ 70,786	$ 275,461
Provision for income taxes	2,002	12,920	5,721	50,058
Interest expense, net	(1,470)	(664)	(3,254)	126
Depreciation, depletion and amortization	38,439	36,077	77,259	71,556
Accretion on asset retirement obligations	5,870	5,293	11,739	10,585
Non-service related pension and postretirement benefit costs (credits)	285	(593)	571	(1,185)
Net loss resulting from early retirement of debt	—	—	—	1,126
Adjusted EBITDA	$ 59,959	$ 130,386	$ 162,822	$ 407,727
EBITDA from idled or otherwise disposed operations	3,695	4,664	7,392	8,696
Selling, general and administrative expenses	22,518	22,791	48,105	48,813
Other	2,172	4,177	491	6,094
Segment Adjusted EBITDA from coal operations	$ 88,344	$ 162,018	$ 218,810	$ 471,330

15. Revenue Recognition

ASC 606-10-50-5 requires that entities disclose disaggregated revenue information in categories (such as type of goods or services, geography, market, type of contract, etc.) that depict how the nature, amount, timing, and uncertainty of revenue and cash flow are affected by economic factors. ASC 606-10-55-89 explains that the extent to which an entity's revenue is disaggregated depends on the facts and circumstances that pertain to the entity's contracts with customers and that some entities may need to use more than one type of category to meet the objective for disaggregating revenue.

In general, the Company's business segmentation is aligned according to the nature and economic characteristics of its coal and customer relationships and provides meaningful disaggregation of each segment's results. The Company has further disaggregated revenue between North America and Seaborne revenues which depicts the pricing and contract differences between the two. North America revenue is characterized by contracts with a term of one year or longer and typically the pricing is fixed; whereas Seaborne revenue generally is derived from spot or short-term contracts with an index-based pricing mechanism.

	MET	Thermal	Corporate, Other and Eliminations	Consolidated
		(in thousands)		
Three Months Ended June 30, 2024				
North America revenues	$ 67,213	$ 184,083	$ —	$ 251,296
Seaborne revenues	308,745	48,710	—	357,455
Total revenues	$ 375,958	$ 232,793	$ —	$ 608,751
Three Months Ended June 30, 2023				
North America revenues	$ 93,715	$ 247,092	$ —	$ 340,807
Seaborne revenues	358,037	58,450	—	416,487
Total revenues	$ 451,752	$ 305,542	$ —	$ 757,294
Six Months Ended June 30, 2024				
North America revenues	$ 102,797	$ 389,746	$ —	$ 492,543
Seaborne revenues	690,226	106,172	—	796,398
Total revenues	$ 793,023	$ 495,918	$ —	$ 1,288,941
Six Months Ended June 30, 2023				
North America revenues	$ 165,122	$ 534,352	$ —	$ 699,474
Seaborne revenues	822,801	104,950	—	927,751
Total revenues	$ 987,923	$ 639,302	$ —	$ 1,627,225

As of June 30, 2024, the Company has outstanding performance obligations for the remainder of 2024 of 29.1 million tons of fixed price contracts and 3.8 million tons of variable price contracts. Additionally, the Company has outstanding performance obligations beyond 2024 of approximately 78.6 million tons of fixed price contracts and 2.0 million tons of variable price contracts.

16. Leases

The Company has operating and financing leases for mining equipment, office equipment, office space and transloading terminals with remaining lease terms ranging from less than one year to approximately three years. Some of these leases include both lease and non-lease components which are accounted for as a single lease component as the Company has elected the practical expedient to combine these components for all leases. As most of the leases do not provide an implicit rate, the Company calculated the "right-of-use" ("ROU") assets and lease liabilities using its secured incremental borrowing rate at the lease commencement date.

As of June 30, 2024 and December 31, 2023, the Company had the following ROU assets and lease liabilities within its Condensed Consolidated Balance Sheets:

		June 30, 2024	December 31, 2023
Assets	**Balance Sheet Classification**		
Operating lease right-of-use assets	Other noncurrent assets	$ 8,303	$ 9,626
Financing lease right-of-use assets	Other noncurrent assets	973	1,621
Total Lease Assets		$ 9,276	$ 11,247
Liabilities	**Balance Sheet Classification**		
Financing lease liabilities - current	Accrued expenses and other current liabilities	$ 2,608	$ 1,041
Operating lease liabilities - current	Accrued expenses and other current liabilities	2,843	2,789
Financing lease liabilities - long-term	Other noncurrent liabilities	-	2,079
Operating lease liabilities - long-term	Other noncurrent liabilities	5,909	7,351
		$ 11,360	$ 13,260
Weighted average remaining lease term in years			
Operating leases		2.82	3.32
Finance leases		0.75	1.25
Weighted average discount rate			
Operating leases		5.5%	5.5%
Finance leases		6.4%	6.4%

Information related to leases was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
	(In thousands)		(In thousands)	
Operating lease information:				
Operating lease cost	$ 786	$ 831	$ 1,589	$ 1,661
Operating cash flows from operating leases	788	876	1,654	1,704
Financing lease information:				
Financing lease cost	$ 393	$ 393	$ 786	$ 786
Operating cash flows from financing leases	303	303	605	605

Future minimum lease payments under non-cancellable leases as of June 30, 2024 were as follows:

Year	Operating Leases	Finance Leases
	(In thousands)	
2024	$ 1,627	$ 605
2025	3,266	2,111
2026	3,080	—
2027	1,533	—
2028	—	—
Thereafter	—	—
Total minimum lease payments	$ 9,506	$ 2,716
Less imputed interest	(754)	(108)
Total lease liabilities	$ 8,752	$ 2,608

17. Subsequent Event

On July 25, 2024, the Company announced the board approval of a quarterly dividend of $0.25 per share for stockholders of record on August 30, 2024, with a payment date of September 13, 2024.

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

Unless the context otherwise requires, all references in this report to "Arch," the "Company," "we," "us," or "our" are to Arch Resources, Inc. and its subsidiaries.

Cautionary Notice Regarding Forward-Looking Statements

This report contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, such as our expected future business and financial performance, and intended to come within the safe harbor protections provided by those sections. The words "should," "could," "appears," "estimates," "expects," "anticipates," "intends," "may," "plans," "predicts," "projects," "believes," "seeks," or "will" or other comparable words and phrases identify forward-looking statements, which speak only as of the date of this report. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Actual results may vary significantly from those anticipated due to many factors, including: loss of availability, reliability and cost-effectiveness of transportation facilities and fluctuations in transportation costs; operating risks beyond our control, including risks related to mining conditions, mining, processing and plant equipment failures or maintenance problems, weather and natural disasters, the unavailability of raw materials, equipment or other critical supplies, mining accidents, and other inherent risks of coal mining that are beyond our control; inflationary pressures on and availability and price of mining and other industrial supplies; changes in coal prices, which may be caused by numerous factors beyond our control, including changes in the domestic and foreign supply of and demand for coal and the domestic and foreign demand for steel and electricity; volatile economic and market conditions; the effects of foreign and domestic trade policies, actions or disputes on the level of trade among the countries and regions in which we operate, the competitiveness of our exports, or our ability to export; the effects of significant foreign conflicts; the loss of, or significant reduction in, purchases by our largest customers; our relationships with, and other conditions affecting our customers and our ability to collect payments from our customers; risks related to our international growth; competition, both within our industry and with producers of competing energy sources, including the effects from any current or future legislation or regulations designed to support, promote or mandate renewable energy sources; alternative steel production technologies that may reduce demand for our coal; our ability to secure new coal supply arrangements or to renew existing coal supply arrangements; cyber-attacks or other security breaches that disrupt our operations, or that result in the unauthorized release of proprietary, confidential or personally identifiable information; our ability to acquire or develop coal reserves in an economically feasible manner; inaccuracies in our estimates of our coal reserves; defects in title or the loss of a leasehold interest; the availability and cost of surety bonds; including potential collateral requirements; we may not have adequate insurance coverage for some business risks; disruptions in the supply of coal from third parties; decreases in the coal consumption of electric power generators could result in less demand and lower prices for thermal coal; our ability to pay dividends or repurchase shares of our common stock according to our announced intent or at all; the loss of key personnel or the failure to attract additional qualified personnel and the availability of skilled employees and other workforce factors; public health emergencies, such as pandemics or epidemics, could have an adverse effect on our business; existing and future legislation and regulations affecting both our coal mining operations and our customers' coal usage, governmental policies and taxes, including those aimed at reducing emissions of elements such as mercury, sulfur dioxides, nitrogen oxides, particulate matter or greenhouse gases; increased pressure from political and regulatory authorities, along with environmental and climate change activist groups, and lending and investment policies adopted by financial institutions and insurance companies to address concerns about the environmental impacts of coal combustion; increased attention to environmental, social or governance matters; our ability to obtain or renew various permits necessary for our mining operations; risks related to regulatory agencies ordering certain of our mines to be temporarily or permanently closed under certain circumstances; risks related to extensive environmental regulations that impose significant costs on our mining operations, and could result in litigation or material liabilities; the accuracy of our estimates of reclamation and other mine closure obligations; the existence of hazardous substances or other environmental contamination on property owned or used by us; and risks related to tax legislation and our ability to use net operating losses and certain tax credits. All forward-looking statements in this report, as well as all other written and oral forward-looking statements attributable to us or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements contained in this section and elsewhere in this report. These factors are not necessarily all of the important factors that could affect us. These risks and uncertainties, as well as other risks of which we are not aware or which we currently do not believe to be material, may cause our actual future results to be materially different than those expressed in our forward-looking statements. These forward-looking statements speak only as of the date on which such statements were made, and 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 the federal securities laws. For a description of some of the risks and uncertainties that may affect our future results, you should see the "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023 and subsequent Quarterly Reports on Form 10-Q.

Overview

Our results for the three months ended June 30, 2024, were impacted by continued softness in the global metallurgical and thermal coal markets and oversupply in domestic thermal coal markets. Despite this continuing softness, coal markets, particularly high-quality coking coal markets, have remained above previous long-term average levels. Economic growth remains constrained, particularly in Europe and the Americas, due to stubborn inflationary pressure. Although some developed nations' central banks began easing monetary policy during the current quarter, the United States has maintained its tighter monetary policy. Slower economic growth negatively impacts end user demand for our products and has a negative impact on coal markets.

Over two years since the February 24, 2022, Russian invasion of Ukraine, the war continues with no indication any resolution is close. Major changes in energy trading patterns appear to be set while hostilities continue. Bans on the import of Russian coal by the European Union, the United Kingdom, Japan, and other nations continue to drive Russian coal into China, India, Turkey, and other Asian countries. These destinations have generally sourced Russian coals at discounts, sometimes significant discounts, from what similar quality coals from other origins would have required. We expect continued availability of discounted Russian coal into Asian markets. However, we believe most Russian coal is thermal and lower quality metallurgical and that the availability of high quality Russian coking coal is limited.

During the year ended December 31, 2023, China effectively lifted the ban on imports of coal from Australia. While Australian coal is once again flowing into China, their purchases of high-quality coking coal from Australia remain below pre-ban levels. Increased Chinese reliance on domestic production and increased imports of discounted Russian coal and Mongolian coal pressures import volumes from Australia. For the six months ended June 30, 2024, Australian coking coal exports appear to be on track to increase compared to the six months ended June 30, 2023. The increase in availability of Australian coking coal and relative softness in global demand resulted in a rapid decline in Pacific coking coal indices in the six months ended June 30, 2024. Atlantic coking coal indices declined and remain lower as well. We believe that some high cost coking coal sources are currently under economic pressure at current market levels.

On March 26, 2024, a large container vessel lost power and struck one of the main support piers of the Francis Scott Key Bridge, plunging most of the span into the water and effectively blocking shipping access to Baltimore Harbor. One of the primary coking coal loading ports we use for loading export coal, the Curtis Bay Terminal (CBT), was blocked until the debris was removed and the main shipping channel was reopened on June 10, 2024. We worked diligently with our logistics partners to effectively maximize available throughput at our other primary coking coal loading port, Dominion Terminals Associates (DTA), in which we have a 35% ownership interest. We also contracted with a mid-streaming service to utilize some CBT capacity through the use of shallower draft temporary shipping channels that were opened prior to the main channel reopening. This allowed us to minimize negative impacts to our coking coal shipment volumes and to our customers, however, did negatively impact our profits by more than $12 million during the three months ended June 30, 2024.

With respect to the global coking coal market, we believe that underinvestment in the sector in recent years underlies longer-term market dynamics. Overall, underinvestment in the sector appears likely to persist, as government policies and diminished access to traditional capital markets limits investment in the sector. Additionally, recent reports of new supply disruptions may also support these markets. The duration of specific supply disruptions is unknown. In the current macroeconomic environment, we expect coking coal prices to remain volatile. Longer term, we believe continued limited global capital investment in new coking coal production capacity, normal reserve depletion, and an eventual return to economic growth will provide support to coking coal markets.

During the six months ended June 30, 2024, domestic thermal coal consumption was pressured by a generally mild winter heating season in most of the heavily populated areas of the United States, low power demand, low natural gas prices, increased subsidized renewable generation, and high utility coal stockpiles. Currently, natural gas prices are at levels such that natural gas generation economically dispatches ahead of thermal coal generation in most instances. However, we believe that during the summer demand season most thermal generating facilities will operate at least some of the time to meet peak demand levels, regardless of economics. We have firm sales commitments for the current year for our thermal segment at volume levels that support economic mine operations, even though delivery of some of this volume is being deferred by agreement with some customers. Longer term, we continue to believe thermal coal demand in the United States will remain pressured by continuing increases in subsidized renewable generation sources, particularly wind and solar, competition from natural gas, and planned retirements of coal fueled generating facilities. Despite continuing moderation in the United States, international thermal coal markets remain strong, and the years ended December 31, 2022 and December 31, 2023 were record global production years, supporting continued export opportunities for our thermal operations.

Currently, planned production levels at our thermal operations correspond with existing sales commitments. We are concurrently shrinking our operational footprint at our Powder River Basin operations and putting in place funding to pay for the eventual closure and final reclamation of these operations. During the first six months of 2024, we contributed $3.7 million to our fund for asset retirement obligations, representing interest earned, bringing our total to $146.0 million. We plan to continue to grow the thermal mine reclamation fund through interest earnings. Longer term, we will maintain our focus on aligning our thermal production rates with the expected secular decline in domestic coal-fired power generation, while maximizing sales into export and industrial markets, and maintaining flexibility to react to short-term market fluctuations.

Results of Operations

Three Months Ended June 30, 2024 and 2023

Revenues. Our revenues include sales to customers of coal produced at our operations and coal purchased from third parties. Transportation costs are included in cost of coal sales and amounts billed by us to our customers for transportation are included in revenues.

Coal sales. The following table summarizes information about our coal sales during the three months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		
	2024	2023	(Decrease) / Increase
		(In thousands)	
Coal sales	$ 608,751	$ 757,294	$ (148,543)
Tons sold	13,241	18,713	(5,472)

On a consolidated basis, coal sales in the second quarter of 2024 were approximately $148.5 million, or 19.6%, less than in the second quarter of 2023, while tons sold decreased approximately 5.5 million tons, or 29.2%. Coal sales from Metallurgical sales decreased approximately $75.8 million, primarily due to decreased pricing and volume. Thermal coal sales decreased approximately $72.7 million due to decreased sales volume at our Powder River Basin operations partially offset by increased pricing from a higher percentage of West Elk in the sales mix. See the discussion in “Operational Performance” for further information about segment results.

Costs, expenses and other. The following table summarizes costs, expenses and other components of operating income during the three months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		
	2024	2023	Increase (Decrease) in Net Income
		(In thousands)	
Cost of sales (exclusive of items shown separately below)	$ 528,684	$ 606,127	$ 77,443
Depreciation, depletion and amortization	38,439	36,077	(2,362)
Accretion on asset retirement obligations	5,870	5,293	(577)
Selling, general and administrative expenses	22,518	22,791	273
Other operating income, net	(2,410)	(2,010)	400
Total costs, expenses and other	$ 593,101	$ 668,278	$ 75,177

Cost of sales. Our cost of sales for the second quarter of 2024 decreased approximately $77.4 million, or 12.8%, versus the second quarter of 2023. The decrease in cost of sales is due to decreased sales sensitive costs of approximately $43.4 million, which includes a $12.8 million West Virginia severance tax rebate received during the current quarter, reduced repairs and supplies costs of approximately $25.5 million, and lower transportation costs of approximately $11.3 million. This rebate is related to a law passed several years ago to encourage investment in the state and is based on capital improvement expenditures and employment and production levels. See discussion in “Operational Performance” for further information about segment results.

Depreciation, depletion and amortization. The increase in depreciation, depletion, and amortization in the second quarter of 2024 versus the second quarter of 2023 is primarily related to the additional capital investment in the metallurgical segment in recent years.

Accretion on asset retirement obligations. The increase in accretion expense in the second quarter of 2024 versus the second quarter of 2023 is primarily related to the results of our annual recosting exercise completed during the fourth quarter of 2023.

Selling, general and administrative expenses. The decrease in selling, general and administrative expenses in the second quarter of 2024 versus the second quarter of 2023 was due to a decrease in compensation related expenses.

Other operating income, net. The increase in other operating income, net in the quarter ended June 30, 2024 as compared to the quarter ended June 30, 2023 is due to an increase in transloading income of approximately $2.1 million, an increase of $1.3 million in miscellaneous income, and an increase of $0.5 million in heating oil settlements offset by a decrease in certain coal derivative settlements of approximately $3.6 million (immaterial income in 2024 compared to $3.6 million in income in 2023).

Nonoperating expenses. The following table summarizes our nonoperating expenses during the three months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		
	2024	2023	Increase (Decrease) in Net Income
		(In thousands)	
Non-service related pension and postretirement benefit (costs) credits	$ (285)	$ 593	$ (878)
Total nonoperating expenses	$ (285)	$ 593	$ (878)

Non-service related pension and postretirement benefit (costs) credits. See Note 12, "Employee Benefit Plans" to the Condensed Consolidated Financial Statements for additional information.

Provision for income taxes. The following table summarizes our provision for income taxes for the three months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		
	2024	2023	Increase (Decrease) in Net Income
		(In thousands)	
Provision for income taxes	$ 2,002	$ 12,920	$ 10,918

See Note 8, "Income Taxes," to the Condensed Consolidated Financial Statements for additional information regarding the comparison of the income tax provision at the statutory rate to the actual provision for taxes.

Six Months Ended June 30, 2024 and 2023

Revenues. Our revenues include sales to customers of coal produced at our operations and coal purchased from third parties. Transportation costs are included in cost of coal sales and amounts billed by us to our customers for transportation are included in revenues.

Coal sales. The following table summarizes information about our coal sales during the six months ended June 30, 2024 and 2023:

	Six Months Ended June 30,		
	2024	2023	(Decrease) / Increase
		(In thousands)	
Coal sales	$ 1,288,941	$ 1,627,225	$ (338,284)
Tons sold	28,215	37,890	(9,675)

On a consolidated basis, coal sales in the first half of 2024 were approximately $338.3 million, or 20.8%, less than in the first half of 2023, while tons sold decreased approximately 9.7 million tons, or 25.5%. Coal sales from Metallurgical operations decreased approximately $194.9 million primarily due to lower realized pricing. Thermal coal sales decreased approximately $143.4 million due to decreased sales volume in the Powder River Basin operations. See the discussion in "Operational Performance" for further information about segment results.

Costs, expenses and other. The following table summarizes costs, expenses and other components of operating income during the six months ended June 30, 2024 and 2023:

	Six Months Ended June 30,		
	2024	2023	Increase (Decrease) in Net Income
		(In thousands)	
Cost of sales (exclusive of items shown separately below)	$ 1,096,407	$ 1,177,864	$ 81,457
Depreciation, depletion and amortization	77,259	71,556	(5,703)
Accretion on asset retirement obligations	11,739	10,585	(1,154)
Selling, general and administrative expenses	48,105	48,813	708
Other operating income, net	(18,393)	(7,179)	11,214
Total costs, expenses and other	$ 1,215,117	$ 1,301,639	$ 86,522

Cost of sales. Our cost of sales for the first half of 2024 decreased approximately $81.5 million, or 6.9%, versus the first half of 2023. The decrease in cost of sales is directly attributable to decreased sales sensitive costs of approximately $73.5 million, which includes a $12.8 million West Virginia severance tax rebate recorded during the current year, repairs and supplies costs of approximately $46.7 million offset by increased labor and benefits costs of approximately $26.7 million. This rebate is related to a law passed several years ago to encourage investment in the state and is based on capital improvement expenditures and employment and production levels. See discussion in "Operational Performance" for further information about segment results.

Depreciation, depletion, and amortization. The increase in depreciation, depletion, and amortization in the first half of 2024 versus the first half of 2023 primarily related to the additional capital investment in the metallurgical segment in the current year.

Accretion on asset retirement obligations. The increase in accretion expense in the first half of 2024 versus the first half of 2023 is primarily related to the results of our annual recosting exercise completed during the fourth quarter of 2023.

Selling, general and administrative expenses. Selling, general and administrative expenses in the first half of 2024 decreased versus the first half of 2023, primarily due to decreased compensation costs of approximately $3.2 million, partially offset by an increase in professional services of approximately $2.3 million.

Other operating income, net. The increase in other operating income, net in the first half of 2024 compared to the first half of 2023 is due to increased miscellaneous income of $12.6 million, which is primarily due to the net favorable impact of a $9.1 million gain during the first quarter related to coordinating the start-up of the Leer longwall to allow for relocation of power lines that were to be undermined, an increase of $5.1 million in transloading income, and an increase of $1.5 million in heating oil settlements offset by decreased income from certain coal derivative settlements of approximately $6.3 million (immaterial income in 2024 compared to $6.3 million in income in 2023).

Nonoperating expenses. The following table summarizes our nonoperating expenses during the six months ended June 30, 2024 and 2023:

	Six Months Ended June 30,		
	2024	2023	Increase (Decrease) in Net Income
		(In thousands)	
Non-service related pension and postretirement benefit (costs) credits	$ (571)	$ 1,185	$ (1,756)
Net loss resulting from early retirement of debt	—	(1,126)	1,126
Total non-operating expenses	$ (571)	$ 59	$ (630)

Non-service related pension and postretirement benefit (costs) credits. See Note 12, “Employee Benefit Plans” to the Condensed Consolidated Financial Statements for additional information.

Provision for income taxes. The following table summarizes our provision for income taxes during the six months ended June 30, 2024 and 2023:

	Six Months Ended June 30,		
	2024	2023	Increase (Decrease) in Net Income
		(In thousands)	
Provision for income taxes	$ 5,721	$ 50,058	$ 44,337

See Note 8, “Income Taxes” to the Condensed Consolidated Financial Statements for a reconciliation of the federal income tax provision at the statutory rate to the actual provision for income taxes.

Operational Performance

Three and Six Months Ended June 30, 2024 and 2023

Our mining operations are evaluated based on Adjusted EBITDA, per-ton cash operating costs (defined as including all mining costs except depreciation, depletion, amortization, accretion on asset retirements obligations, and pass-through transportation expenses, divided by segment tons sold), and on other non-financial measures, such as safety and environmental performance. Adjusted EBITDA is defined as net income attributable to us before the effect of net interest expense, income taxes, depreciation, depletion and amortization, the amortization of sales contracts, the accretion on asset retirement obligations and nonoperating income (expenses). Adjusted EBITDA may also be adjusted for items that may not reflect the trend of future results by excluding transactions that are not indicative of our core operating performance. Adjusted EBITDA is not a measure of financial performance in accordance with generally accepted accounting principles, and items excluded from Adjusted EBITDA are significant in understanding and assessing our financial condition. Therefore, Adjusted EBITDA should not be considered in isolation, nor as an alternative to net income, income from operations, cash flows from operations or as a measure of our profitability, liquidity or performance under generally accepted accounting principles. Furthermore, analogous measures are used by industry analysts and investors to evaluate our operating performance. Investors should be aware that our presentation of Adjusted EBITDA may not be comparable to similarly titled measures used by other companies.

The following table shows results by operating segment for the three and six months ended June 30, 2024 and 2023.

	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	Variance	2024	2023	Variance
Metallurgical						
Tons sold (in thousands)	2,168	2,461	(293)	4,321	4,616	(295)
Coal sales per ton sold	$ 131.97	$ 143.67	$ (11.70)	$ 140.93	$ 171.95	$ (31.02)
Cash cost per ton sold	$ 91.03	$ 89.94	$ (1.09)	$ 92.66	$ 86.54	$ (6.12)
Cash margin per ton sold	$ 40.94	$ 53.73	$ (12.79)	$ 48.27	$ 85.41	$ (37.14)
Adjusted EBITDA (in thousands)	$ 87,276	$ 132,839	$ (45,563)	$ 216,811	$ 395,896	$ (179,085)
Thermal						
Tons sold (in thousands)	11,073	16,252	(5,179)	23,894	33,274	(9,380)
Coal sales per ton sold	$ 18.03	$ 16.81	$ 1.22	$ 17.80	$ 17.67	$ 0.13
Cash cost per ton sold	$ 18.07	$ 15.04	$ (3.03)	$ 17.85	$ 15.42	$ (2.43)
Cash margin per ton sold	$ (0.04)	$ 1.77	$ (1.81)	$ (0.05)	$ 2.24	$ (2.29)
Adjusted EBITDA (in thousands)	$ 1,067	$ 29,179	$ (28,112)	$ 1,999	$ 75,434	$ (73,435)

This table reflects numbers reported under a basis that differs from U.S. GAAP. See “Reconciliation of Non-GAAP measures” below for explanation and reconciliation of these amounts to the nearest GAAP measures. Other companies may calculate these per ton amounts differently, and our calculation may not be comparable to other similarly titled measures.

Metallurgical — Adjusted EBITDA for the three and six months ended June 30, 2024, decreased from the three and six months ended June 30, 2023, due to decreased tons sold and coal sales per ton sold, as well as increased cash cost per ton sold. As discussed previously in the “Overview,” coal sales per ton sold declined from the prior year periods, as weak global economic growth muted demand for finished steel products and an increase in high quality coking coal supply in international markets exerted downward pressure on international coking coal prices. Also, tons sold were negatively impacted by the collapse of the Francis Scott Key Bridge, which effectively blocked our shipments of coking coal from one of our two main coking coal ports, the Curtis Bay Terminal (CBT), for most of the three months ending June 30, 2024. Furthermore, our profits were negatively impacted by more than $12 million related to our efforts to mitigate the impact of the collapse of the Francis Scott Key Bridge. Cash cost per ton sold increased primarily due to decreased shipment volume. Our cash cost per ton sold benefitted in the three and six months ended June 30, 2024 as compared to the three and six months ended June 30, 2023, from a severance tax rebate of $12.8 million from the state of

West Virginia received during the current quarter. This rebate is related to a law passed several years ago to encourage investment in the state and is based on capital investments that increase employment and production levels in the state.

Our Metallurgical segment sold 2.0 million tons of coking coal and 0.1 million tons of associated thermal coal in the three months ended June 30, 2024, compared to 2.3 million tons of coking coal and 0.2 million tons of associated thermal coal in the three months ended June 30, 2023. For the six months ended June 30, 2024, we sold 3.9 million tons of coking coal and 0.4 million tons of associated thermal coal, compared to 4.3 million tons of coking coal and 0.3 million tons of associated thermal coal in the six months ended June 30, 2023. Longwall operations accounted for approximately 75% of our shipment volume in the three months ended June 30, 2024, compared to approximately 72% of our shipment volume in the three months ended June 30, 2023, and approximately 75% of our shipment volume in the six months ended June 30, 2024, compared to approximately 76% in the six months ended June 30, 2023.

Thermal — Adjusted EBITDA for the three and six months ended June 30, 2024, decreased compared to the three and six months ended June 30, 2023, due to decreased tons sold and increased cash cost per ton sold. As discussed previously in the “Overview,” tons sold declined due to weakness in the domestic thermal market related to low power demand, low natural gas prices, and increased renewable generation. Cash cost per ton sold increased primarily due to the decrease in sales volumes. Coal sales per ton sold increased, particularly in the three months ended June 30, 2024, compared to the three months ended June 30, 2023, due to an increase in the percentage of higher value West Elk sales in the sales mix.

Reconciliation of Non-GAAP measures Segment coal sales per ton sold

Non-GAAP Segment coal sales per ton sold is calculated as segment coal sales revenues divided by segment tons sold. Segment coal sales revenues are adjusted for transportation costs, and may be adjusted for other items that, due to generally accepted accounting principles, are classified in "other income" on the Income Statements, but relate to price protection on the sale of coal. Segment coal sales per ton sold is not a measure of financial performance in accordance with generally accepted accounting principles. We believe segment coal sales per ton sold provides useful information to investors as it better reflects our revenue for the quality of coal sold and our operating results by including all income from coal sales. The adjustments made to arrive at these measures are significant in understanding and assessing our financial condition. Therefore, segment coal sales revenues should not be considered in isolation, nor as an alternative to coal sales revenues under generally accepted accounting principles.

Three Months Ended June 30, 2024 (In thousands)	**Metallurgical**	**Thermal**	**Idle and Other**	**Consolidated**
GAAP Revenues in the Condensed Consolidated Income Statements	$ 375,958	$ 232,793	$ —	$ 608,751
Less: Adjustments to reconcile to Non-GAAP Segment coal sales revenue				
Transportation costs	89,794	33,126	—	122,920
Non-GAAP Segment coal sales revenues	$ 286,164	$ 199,667	$ —	$ 485,831
Tons sold	2,168	11,073		
Coal sales per ton sold	$ 131.97	$ 18.03		

Three Months Ended June 30, 2023 (In thousands)	**Metallurgical**	**Thermal**	**Idle and Other**	**Consolidated**
GAAP Revenues in the Condensed Consolidated Income Statements	$ 451,752	$ 305,542	$ —	$ 757,294
Less: Adjustments to reconcile to Non-GAAP Segment coal sales revenue				
Coal risk management derivative settlements classified in "other income"	—	(3,587)	—	(3,587)
Transportation costs	98,221	36,004	—	134,225
Non-GAAP Segment coal sales revenues	$ 353,531	$ 273,125	$ —	$ 626,656
Tons sold	2,461	16,252		
Coal sales per ton sold	$ 143.67	$ 16.81		

Six Months Ended June 30, 2024 (In thousands)	**Metallurgical**	**Thermal**	**Idle and Other**	**Consolidated**
GAAP Revenues in the Condensed Consolidated Income Statements	$ 793,023	$ 495,918	$ —	$ 1,288,941
Less: Adjustments to reconcile to Non-GAAP Segment coal sales revenue				
Transportation costs	184,055	70,612	—	254,667
Non-GAAP Segment coal sales revenues	$ 608,968	$ 425,306	$ —	$ 1,034,274
Tons sold	4,321	23,894		
Coal sales per ton sold	$ 140.93	$ 17.80		

Six Months Ended June 30, 2023 (In thousands)	Metallurgical	Thermal	Idle and Other	Consolidated
GAAP Revenues in the Condensed Consolidated Income Statements	$ 987,923	$ 639,302	$ —	$ 1,627,225
Less: Adjustments to reconcile to Non-GAAP Segment coal sales revenue				
Coal risk management derivative settlements classified in "other income"	—	(6,254)	—	(6,254)
Transportation costs	194,275	57,725	—	252,000
Non-GAAP Segment coal sales revenues	$ 793,648	$ 587,831	$ —	$ 1,381,479
Tons sold	4,616	33,274		
Coal sales per ton sold	$ 171.95	$ 17.67		

Segment cash cost per ton sold

Non-GAAP Segment cash cost per ton sold is calculated as segment cash cost of coal sales divided by segment tons sold. Segment cash cost of coal sales is adjusted for transportation costs, and may be adjusted for other items that, due to generally accepted accounting principles, are classified in "other income" on the Condensed Consolidated Income Statements, but relate directly to the costs incurred to produce coal. Segment cash cost per ton sold is not a measure of financial performance in accordance with generally accepted accounting principles. We believe segment cash cost per ton sold better reflects our controllable costs and our operating results by including all costs incurred to produce coal. The adjustments made to arrive at these measures are significant in understanding and assessing our financial condition. Therefore, segment cash cost of coal sales should not be considered in isolation, nor as an alternative to cost of sales under generally accepted accounting principles.

Three Months Ended June 30, 2024 (In thousands)	**Metallurgical**	**Thermal**	**Idle and Other**	**Consolidated**
GAAP Cost of sales in the Condensed Consolidated Income Statements	$ 287,187	$ 232,298	$ 9,199	$ 528,684
Less: Adjustments to reconcile to Non-GAAP Segment cash cost of coal sales				
Diesel fuel risk management derivative settlements classified in "other income"	—	(900)	—	(900)
Transportation costs	89,794	33,126	—	122,920
Cost of coal sales from idled or otherwise disposed operations not included in segments	—	—	4,692	4,692
Other (operating overhead, certain actuarial, etc.)	—	—	4,507	4,507
Non-GAAP Segment cash cost of coal sales	$ 197,393	$ 200,072	$ —	$ 397,465
Tons sold	2,168	11,073		
Cash Cost Per Ton Sold	$ 91.03	$ 18.07		

Three Months Ended June 30, 2023 (In thousands)	**Metallurgical**	**Thermal**	**Idle and Other**	**Consolidated**
GAAP Cost of sales in the Condensed Consolidated Income Statements	$ 319,549	$ 279,028	$ 7,550	$ 606,127
Less: Adjustments to reconcile to Non-GAAP Segment cash cost of coal sales				
Diesel fuel risk management derivative settlements classified in "other income"	—	(1,425)	—	(1,425)
Transportation costs	98,221	36,004	—	134,225
Cost of coal sales from idled or otherwise disposed operations not included in segments	—	—	5,157	5,157
Other (operating overhead, certain actuarial, etc.)	—	—	2,393	2,393
Non-GAAP Segment cash cost of coal sales	$ 221,328	$ 244,449	$ —	$ 465,777
Tons sold	2,461	16,252		
Cash Cost Per Ton Sold	$ 89.94	$ 15.04		

Six Months Ended June 30, 2024 **(In thousands)**	**Metallurgical**	**Thermal**	**Idle and Other**	**Consolidated**
GAAP Cost of sales in the Condensed Consolidated Income Statements	$ 584,438	$ 495,226	$ 16,743	$ 1,096,407
Less: Adjustments to reconcile to Non-GAAP Segment cash cost of coal sales				
Diesel fuel risk management derivative settlements classified in "other income"		(1,800)	—	(1,800)
Transportation costs	184,055	70,612	—	254,667
Cost of coal sales from idled or otherwise disposed operations not included in segments	—	—	8,981	8,981
Other (operating overhead, certain actuarial, etc.)	—	—	7,762	7,762
Non-GAAP Segment cash cost of coal sales	$ 400,383	$ 426,414	$ —	$ 826,797
Tons sold	4,321	23,894		
Cash Cost Per Ton Sold	$ 92.66	$ 17.85		

Six Months Ended June 30, 2023 **(In thousands)**	**Metallurgical**	**Thermal**	**Idle and Other**	**Consolidated**
GAAP Cost of sales in the Condensed Consolidated Income Statements	$ 593,722	$ 568,534	$ 15,608	$ 1,177,864
Less: Adjustments to reconcile to Non-GAAP Segment cash cost of coal sales				
Diesel fuel risk management derivative settlements classified in "other income"	—	(2,433)	—	(2,433)
Transportation costs	194,275	57,725	(2)	251,998
Cost of coal sales from idled or otherwise disposed operations not included in segments	—	—	10,335	10,335
Other (operating overhead, certain actuarial, etc.)	—	—	5,275	5,275
Non-GAAP Segment cash cost of coal sales	$ 399,447	$ 513,242	$ —	$ 912,689
Tons sold	4,616	33,274		
Cash Cost Per Ton Sold	$ 86.54	$ 15.42		

Reconciliation of Net Income to Segment Adjusted EBITDA

The discussion in "Results of Operations" above includes references to our Adjusted EBITDA for each of our reportable segments. Adjusted EBITDA is defined as net income attributable to us before the effect of net interest expense, income taxes, depreciation, depletion and amortization, the accretion on asset retirement obligations and nonoperating (income) expenses. Adjusted EBITDA may also be adjusted for items that may not reflect the trend of future results by excluding transactions that are not indicative of our core operating performance. We use Adjusted EBITDA to measure the operating performance of our segments and allocate resources to our segments. Adjusted EBITDA is not a measure of financial performance in accordance with generally accepted accounting principles, and items excluded from Adjusted EBITDA are significant in understanding and assessing our financial condition. Therefore, Adjusted EBITDA should not be considered in isolation, nor as an alternative to net income, income from operations, cash flows from operations or as a measure of our profitability, liquidity or performance under generally accepted accounting principles. Investors should be aware that our presentation of Adjusted EBITDA may not be comparable to similarly titled measures used by other companies. The table below shows how we calculate Adjusted EBITDA.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income	$ 14,833	$ 77,353	$ 70,786	$ 275,461
Provision for income taxes	2,002	12,920	5,721	50,058
Interest expense, net	(1,470)	(664)	(3,254)	126
Depreciation, depletion and amortization	38,439	36,077	77,259	71,556
Accretion on asset retirement obligations	5,870	5,293	11,739	10,585
Non-service related pension and postretirement benefit costs (credits)	285	(593)	571	(1,185)
Net loss resulting from early retirement of debt	—	—	—	1,126
Adjusted EBITDA	59,959	130,386	162,822	407,727
EBITDA from idled or otherwise disposed operations	3,695	4,664	7,392	8,696
Selling, general and administrative expenses	22,518	22,791	48,105	48,813
Other	2,172	4,177	491	6,094
Segment Adjusted EBITDA from coal operations	$ 88,344	$ 162,018	$ 218,810	$ 471,330

Other includes primarily income or loss from our equity investment, changes in fair value of derivatives we use to manage our exposure to diesel fuel pricing, changes in the fair value of coal derivatives, EBITDA provided by our land company, and certain miscellaneous revenue.

Liquidity and Capital Resources

Our primary sources of liquidity are proceeds from coal sales to customers and certain financing arrangements. Excluding significant investing activity, we intend to satisfy our working capital requirements and fund capital expenditures and debt-service obligations with cash generated from operations and cash on hand. We remain focused on prudently managing costs, including capital expenditures, maintaining a strong balance sheet, and ensuring adequate liquidity.

Given the volatile nature of coal markets, we believe it remains important to take a prudent approach to managing our balance sheet and liquidity. Additionally, banks and other lenders have become increasingly hesitant to provide financing to coal producers, especially those with significant thermal coal exposure. Due to the nature of our business, we may be limited in accessing debt capital markets or obtaining additional bank financing, or the cost of accessing this financing could become more expensive.

Our priority is to maintain our strong financial position with substantial liquidity and low levels of debt and other liabilities, while returning significant value to our stockholders. We ended the first half of 2024 with cash, cash equivalents and short-term investments of $279.3 million and total liquidity of $366.3 million. During the first half of 2024, capital expenditures were approximately $92.4 million, and we expect our capital spending to remain at maintenance levels for the foreseeable future. We believe our current liquidity level is sufficient to fund our business and meet both our short-term (the next twelve months) and reasonably foreseeable long-term requirements and obligations including our capital return policy. We expect to maintain minimum liquidity levels of approximately $250 million to $300 million, with a substantial portion of that held in cash.

For the six months ended June 30, 2024, we paid approximately $63.8 million to our stockholders in the form of dividends and spent approximately $30.7 million to repurchase our common stock. We remain committed to returning 100% of our excess cash flow to shareholders through share repurchases and dividends. Any dividends (fixed or variable) actually paid will be determined by our Board of Directors considering the existing conditions and circumstances, including our earnings, financial condition, capital preservation, and other factors. In the second quarter of 2024, our discretionary cash flow was negatively impacted by the Francis Scott Key Bridge collapse, including direct impacts to pricing and transportation costs and indirect impacts resulting from changes in the timing of coal shipments. As a result, discretionary cash flows for the quarter do not support a variable dividend in excess of our fixed dividend and our Board has declared a fixed dividend of $0.25 per share that will be paid on September 13, 2024 to stockholders of record as of August 30, 2024.

During the second quarter of 2022, the Board of Directors increased the remaining outstanding authorization for share repurchases to $500 million. During the quarter ended June 30, 2024, we repurchased shares of our common stock for approximately $15.0 million bringing total repurchases to 12,385,695 shares for approximately $1.1 billion since the inception of the program in 2017. As of June 30, 2024, there is $187 million of remaining authorization under the program. The timing of any future share repurchases, and the ultimate number of shares to be purchased, will depend on a number of factors, including business and market conditions, our future financial performance, and other capital priorities. The shares will be acquired in the open market or through private transactions in accordance with Securities and Exchange Commission requirements. Our share repurchase program may be amended, suspended or discontinued at any time and does not commit us to repurchase shares of our common stock.

On January 18, 2023, the Office of Workers' Compensation Programs ("OWCP") proposed revisions to regulations under the Black Lung Benefits Act governing authorization of self-insurers. The revisions seek to codify the practice of basing a self-insured operator's security requirement on an actuarial assessment of its total present and future black lung liability. A material change to the regulations is the requirement that all self-insured operators must post security equal to 120% of their projected black lung liabilities. The proposed regulations were posted to the Federal Register on January 19, 2023 with written comments to be accepted within 60 days of this date. A subsequent extended comment period expired on April 19, 2023. On May 10, 2024 the OWCP forwarded its final rule establishing requirements for Black Lung Benefits Act self-insurance to the Office of Management and Budget ("OMB") for review. OMB is charged by various executive orders to review significant regulations. OMB reviews are limited to 90 days and may be extended by an additional 30 days; however, OMB reviews often take longer. At this stage in the rulemaking process, no rule text is publicly available, and the final regulations have not yet been published. If the above regulation is codified into law, the Company will be required to post additional collateral to maintain its self-insured status. The Company is evaluating alternatives to self-insurance, including the purchase of commercial insurance to cover these claims. Additionally, the Company is assessing additional sources of liquidity, and other items to satisfy the proposed regulations.

On February 8, 2024, the Company entered into a new senior secured term loan credit agreement in the principal amount of $20.0 million (the “Term Loan”) with PNC Bank, National Association, as administrative and collateral agent. The Term Loan requires quarterly principal amortization payments of $3.3 million and matures on June 30, 2025. The interest rate on the facility is, at the option of Arch Resources, either (i) the Secured Overnight Financing Rate (“SOFR”) plus a SOFR adjustment of 0.10% plus an applicable margin of 3.00%, subject to a SOFR floor of 0.00%, or (ii) a base rate plus an applicable margin of 2.00%.

The table below summarizes our availability under our credit facilities as of June 30, 2024:

	Face Amount	Borrowing Base	Letters of Credit Outstanding	Availability	Contractual Expiration
			(Dollars in thousands)		
Securitization Facility	$ 150,000	$ 114,700	$ 51,948	$ 62,752	August 1, 2025
Inventory Facility	50,000	50,000	26,200	23,800	August 3, 2025
Total	$ 200,000	$ 164,700	$ 78,148	$ 86,552	

The above standby letters of credit outstanding have primarily been issued to satisfy certain insurance-related collateral requirements. The amount of collateral required by counterparties is based on their assessment of our ability to satisfy our obligations and may change at the time of policy renewal or based on a change in their assessment. Future increases in the amount of collateral required by counterparties would reduce our available liquidity.

Contractual Obligations

Our contractual obligations include long-term debt and related interest, leases, coal lease rights, coal purchase obligations, and unconditional purchase obligations. As discussed above, we increased our long-term debt by a principal amount of $20 million under our Term Loan during the first three months of 2024. There have been no other material changes to our contractual obligations from our Annual Report on Form 10-K for the year ended December 31, 2023.

Off-Balance Sheet Arrangements

In the normal course of business, we are a party to certain off-balance sheet arrangements. These arrangements include guarantees, indemnifications and financial instruments with off-balance sheet risk, such as bank letters of credit and performance or surety bonds. Liabilities related to these arrangements are not reflected in our Condensed Consolidated Balance Sheets, and we do not expect any material adverse effects on our financial condition, results of operations or cash flows to result from these off-balance sheet arrangements. We use a combination of surety bonds and letters of credit to secure our financial obligations for reclamation, workers’ compensation, coal lease obligations and other obligations. There have been no material changes to our off-balance sheet arrangements from our Annual Report on Form 10-K for the year ended December 31, 2023. For further information regarding off-balance sheet arrangements, see Note 13, “Commitments and Contingencies” to the Condensed Consolidated Financial Statements.

Cash Flow

The following is a summary of cash provided by or used in each of the indicated types of activities during the six months ended June 30, 2024 and 2023:

	Six Months Ended June 30,	
(In thousands)	**2024**	**2023**
Cash provided by (used in):		
Operating activities	$ 187,446	$ 322,886
Investing activities	(102,360)	(83,491)
Financing activities	(129,186)	(273,962)

Cash provided by operating activities decreased approximately $135.4 million compared to the prior year, primarily due to a decrease in results from operations discussed in the "Overview" and "Operational Performance" sections above offset by a net favorable change in working capital of approximately $112.0 million when compared to prior year.

Cash used in investing activities increased in the six months ended June 30, 2024, compared to the six months ended June 30, 2023, primarily due to increased capital expenditures of approximately $15.8 million for maintenance capital and increase in net short-term investment activity of approximately $6.4 million.

Cash used in financing activities declined $144.8 million compared to the prior period due to a decrease of approximately $76.0 million in overall net debt payments compared to the prior year, reduction in dividends paid of approximately $48.2 million, a decrease in share repurchases of $63.1 million, and a decrease of $43.7 million of proceeds from warrants exercised in the prior year.

Critical Accounting Estimates

We prepare our financial statements in accordance with accounting principles that are generally accepted in the United States. The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses as well as the disclosure of contingent assets and liabilities. Management bases our estimates and judgments on historical experience and other factors that are believed to be reasonable under the circumstances. There have been no material changes to our critical accounting estimates as discussed in our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We manage our commodity price risk for our non-trading, thermal coal sales through the use of long-term coal supply agreements, and to a limited extent, through the use of derivative instruments. Sales commitments in the metallurgical coal market are typically not long term in nature, and we are therefore subject to fluctuations in market pricing.

Our sales commitments for 2024 were as follows as of June 30, 2024:

	2024	
	Tons	$ per ton
Metallurgical	(in millions)	
Committed, North America Priced Coking	1.5	$ 157.05
Committed, North America Unpriced Coking	—	
Committed, Seaborne Priced Coking	3.4	151.12
Committed, Seaborne Unpriced Coking	2.5	
Committed, Priced Thermal	0.6	32.00
Committed, Unpriced Thermal	0.1	
Thermal		
Committed, Priced	52.4	$ 17.26
Committed, Unpriced	0.6	

We have exposure to price risk for supplies that are used directly or indirectly in the normal course of production, such as diesel fuel, steel, explosives and other items. We manage our risk for these items through strategic sourcing contracts in normal quantities with our suppliers. We may sell or purchase forward contracts, swaps and options in the over-the-counter market in order to manage our exposure to price risk related to these items.

We are exposed to price risk with respect to diesel fuel purchased for use in our operations. We anticipate purchasing approximately 30 to 35 million gallons of diesel fuel for use in our operations annually. To protect our cash flows from increases in the price of diesel fuel for our operations, we use forward physical diesel purchase contracts, purchased heating oil call options and New York Mercantile Exchange (“NYMEX”) gulf coast diesel swaps and options. At June 30, 2024, the Company had protected the price of expected diesel fuel purchases for the remainder of 2024 with approximately 12 million gallons of heating oil call options with an average strike price of $3.06 per gallon. These positions are not designated as hedges for accounting purposes, and therefore, changes in the fair value are recorded immediately to earnings.

Item 4. Controls and Procedures

We performed an evaluation under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2024. Based on that evaluation, our management, including our chief executive officer and chief financial officer, concluded that the disclosure controls and procedures were effective as of such date. There were no changes in our internal control over financial reporting during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

OTHER INFORMATION

Item 1. Legal Proceedings

We are involved in various claims and legal actions arising in the ordinary course of business, including commercial and employee injury claims. After conferring with counsel, it is the opinion of management that the ultimate resolution of these claims, to the extent not previously provided for, will not have a material adverse effect on our consolidated financial condition, results of operations or liquidity.

Item 1A. Risk Factors

There have been no material changes to the “Risk Factors” disclosed in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023.

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

During the second quarter of 2022, the Board of Directors increased the remaining outstanding authorization for share repurchases to $500 million. The timing of any future share purchases, and the ultimate number of shares of our common stock to be purchased, will depend on a number of factors, including business and market conditions, our future financial performance, and other capital priorities. The shares will be acquired in the open market or through private transactions in accordance with Securities and Exchange Commission requirements. The share repurchase program has no termination date, but may be amended, suspended or discontinued at any time and does not commit us to repurchase shares of our common stock. The actual number and value of the shares to be purchased will depend on the performance of our stock price and other market conditions.

A summary of our common stock repurchases during the three months ended June 30, 2024 is set forth in the table below:

Date	Total Number Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plan (in thousands)
April 1 through April 30, 2024	94,367	$ 158.94	94,367	$ 186,955
May 1 through May 31, 2024	—	$ —	—	$ 186,955
June 1 through June 30, 2024	—	$ —	—	$ 186,955
Total	94,367	$ 158.94	94,367	

In the first half of 2024, we repurchased 189,068 shares at an average price of $162.62 per share for an aggregate purchase price of approximately $30.7 million. As of June 30, 2024, we had repurchased 12,385,695 shares at an average share price of $92.08 per share for an aggregate purchase price of approximately $1.1 billion since inception of the stock repurchase program in 2017, and the remaining authorized amount for stock repurchases under this program is approximately $187 million.

Item 4. Mine Safety Disclosures

The statement 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 for the quarterly period ended June 30, 2024.

Item 5. Other Information

During the three months ended June 30, 2024, no director or officer of the Company adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

Item 6. Exhibits

2.1	Debtors' Fourth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code (incorporated by reference to Exhibit 2.1 of Arch Resources' Current Report on Form 8-K filed on September 15, 2016).
2.2	Order Confirming Debtors' Fourth Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code on September 13, 2016 (incorporated by reference to Exhibit 2.2 of Arch Resources' Current Report on Form 8-K filed on September 15, 2016).
3.1	Restated Certificate of Incorporation of Arch Resources, Inc. (incorporated by reference to Exhibit 3.2 of Arch Resources' Current Report on Form 8-K filed on May 15, 2020).
3.2	Amended and Restated Bylaws of Arch Resources, Inc. (incorporated by reference to Exhibit 3.1 of Arch Resources' Current Report on Form 8-K filed on December 16, 2022).
4.1	Form of specimen Class A Common Stock certificate (incorporated by reference to Exhibit 4.1 of Arch Resources' Current Report on Form 8-K filed on October 11, 2016).
4.2	Form of specimen Class B Common Stock certificate (incorporated by reference to Exhibit 4.2 of Arch Resources' Current Report on Form 8-K filed on October 11, 2016).
4.3	Form of specimen Series A Warrant certificate (incorporated by reference to Exhibit A of Exhibit 10.5 of Arch Resources' Current Report on Form 8-K filed on October 11, 2016).
4.4	Description of Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (incorporated by reference to Exhibit 4.4 of Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2019).
4.5	Indenture, dated as of November 3, 2020, between Arch Resources, Inc. and UMB Bank, National Association, as trustee (incorporated by reference to Exhibit 4.1 of Arch Resources' Current Report on Form 8-K filed on November 4, 2020).
4.6	Form of certificate representing the 5.25% Convertible Senior Notes due 2025 (incorporated by reference to Exhibit A of Exhibit 4.1 of Arch Resources' Current Report on Form 8-K filed on November 4, 2020).
10.1	Credit Agreement, dated as of February 8, 2024, among Arch Resources, Inc. as borrower, the guarantors party thereto, the lenders from time to time party thereto and PNC Bank, National Association, in its capacity as administrative agent (incorporated by reference to Exhibit 10.1 of Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2023).
10.2	Credit Agreement, dated as of April 27, 2017, among Arch Resources, Inc. and certain of its subsidiaries, as borrowers, the lenders from time to time party thereto and Regions Bank, in its capacities as administrative agent and as collateral agent (incorporated by reference to Exhibit 10.1 of Arch Resources' Current Report on Form 8-K filed on May 2, 2017).
10.3	First Amendment to Credit Agreement dated November 19, 2018 by and among Arch Resources, Inc. and certain of its subsidiaries, as borrowers, the lenders from time to time party thereto and Regions Bank, in its capacities as administrative agent and as collateral agent (incorporated by reference to Exhibit 10.5 to Arch Resources' Annual Report on Form 10-K for the year ended 2018).
10.4	Waiver Letter Agreement and Second Amendment to Credit Agreement dated June 17, 2020 by and among Arch Resources, Inc. and certain of its subsidiaries, as borrowers, the lenders from time to time party thereto

	and Regions Bank, in its capacities as administrative agent and as collateral agent (incorporated by reference to Exhibit 10.6 of Arch Resources' Quarterly Report on Form 10-Q for the period ended September 30, 2020).
10.5	Third Amendment to Credit Agreement dated September 30, 2020, by and among Arch Resources, Inc. and certain of its subsidiaries, as borrowers, the lenders from time to time party thereto and Regions Bank, in its capacities as administrative agent and collateral agent (incorporated by reference to Exhibit 10.7 of Arch Resources' Quarterly Report on Form 10-Q for the period ended September 30, 2020).
10.6	Fourth Amendment to Credit Agreement dated May 27, 2021, by and among Arch Resources, Inc. and certain of its subsidiaries, as borrowers, the lenders from time to time party thereto and Regions Bank, in its capacities as administrative agent and as collateral agent (incorporated by reference to Exhibit 10.08 of Arch Resources' Quarterly Report on Form 10-Q for the period ended June 30, 2021).
10.7	Fifth Amendment to Credit Agreement dated August 3, 2022, by and among Arch Resources, Inc. and certain of its subsidiaries, as borrowers, the lenders from time to time party thereto and Regions Bank, in its capacities as administrative agent and as collateral agent (incorporated by reference to Exhibit 10.9 of Arch Resources' Quarterly Report on Form 10-Q for the period ended September 30, 2022).
10.8	Sixth Amendment to Credit Agreement dated February 8, 2024, by and among Arch Resources, Inc. and certain of its subsidiaries, as borrowers, the lenders from time to time party thereto and Regions Bank, in its capacities as administrative agent and as collateral agent (incorporated by reference to Exhibit 10.8 of Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2023).
10.9	Third Amended and Restated Receivables Purchase Agreement, dated October 5, 2016, among Arch Receivable Company, LLC, as seller, Arch Coal Sales Company, Inc., as initial servicer, PNC Bank, National Association as administrator and issuer of letters of credit thereunder and the other parties party thereto, as securitization purchasers (incorporated by reference to Exhibit 10.2 of Arch Resources' Current Report on Form 8-K filed on October 11, 2016).
10.10	First Amendment to Third Amended and Restated Receivables Purchase Agreement, dated as of April 27, 2017, among Arch Receivable Company, LLC, as seller, Arch Coal Sales Company, Inc., as servicer, PNC Bank, National Association as administrator and issuer of letters of credit thereunder and the other parties party thereto, as securitization purchasers (incorporated by reference to Exhibit 10.2 of Arch Resources' Current Report on Form 8-K filed on May 2, 2017).
10.11	Second Amendment to Third Amended and Restated Receivables Purchase Agreement, dated as of August 27, 2018, among Arch Receivable Company, LLC, as seller, Arch Coal Sales Company, Inc., as servicer, PNC Bank, National Association as administrator and issuer of letters of credit thereunder and the other parties party thereto, as securitization purchasers (incorporated by reference to Exhibit 10.7 of Arch Resources' Quarterly Report on Form 10-Q for the period ended September 30, 2018).
10.12	Third Amendment to Third Amended and Restated Receivables Purchase Agreement, dated as of May 14, 2019, among Arch Receivable Company, LLC, as seller, Arch Coal Sales Company, Inc., as servicer, PNC Bank, National Association as administrator and issuer of letters of credit thereunder and the other parties party thereto, as securitization purchasers (incorporated by reference to Exhibit 10.9 of Arch Resources' Quarterly Report on Form 10-Q for the period ended June 30, 2019).
10.13	Fourth Amendment to Third Amended and Restated Receivables Purchase Agreement, dated September 30, 2020, among Arch Receivable Company, LLC, as seller, Arch Coal Sales Company, Inc., as servicer, PNC Bank, National Association as administrator and issuer of letters of credit thereunder and the other parties party thereto, as securitization purchasers (incorporated by reference to Exhibit 10.12 of Arch Resources' Quarterly Report on Form 10-Q for the period ended September 30, 2020).

10.14	Fifth Amendment to Third Amended and Restated Receivables Purchase Agreement dated as of December 4, 2020 among Arch Receivable Company, LLC, as seller, Arch Coal Sales Company, Inc., as servicer, PNC Bank, National Association as administrator and issuer of letters of credit thereunder and the other parties party thereto, as securitization purchasers (incorporated by reference to Exhibit 10.13 of Arch Resources' Quarterly Report on Form 10-Q for the period ended March 31, 2021).
10.15	Sixth Amendment to Third Amended and Restated Receivables Purchase Agreement dated as of October 8, 2021 among Arch Receivable Company, LLC, as seller, Arch Coal Sales Company, Inc., as servicer, PNC Bank, National Association as administrator and issuer of letters of credit thereunder and the other parties party thereto, as securitization purchasers (incorporated by reference to Exhibit 10.15 of Arch Resources Quarterly Report on Form 10-Q for the period ended September 30, 2021).
10.16	Seventh Amendment to Third Amended and Restated Receivables Purchase Agreement dated August 3, 2022 among Arch Receivable Company, LLC, as seller, Arch Coal Sales Company, Inc., as servicer, PNC Bank, National Association as administrator and issuer of letters of credit thereunder and the other parties party thereto, as securitization purchasers (incorporated by reference to Exhibit 10.17 of Arch Resources' Quarterly Report on Form 10-Q for the period ended September 30, 2022).
10.17	Eighth Amendment to Third Amended and Restated Receivables Purchase Agreement dated February 8, 2024 among Arch Receivable Company, LLC, as seller, Arch Coal Sales Company, Inc., as servicer, PNC Bank, National Association as administrator and issuer of letters of credit thereunder and the other parties party thereto, as securitization purchasers (incorporated by reference to Exhibit 10.17 of Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2023).
10.18	Second Amended and Restated Purchase and Sale Agreement among Arch Resources, Inc. and certain subsidiaries of Arch Resources, Inc., as originators (incorporated by reference to Exhibit 10.3 of Arch Resources' Current Report on Form 8-K filed on October 11, 2016).
10.19	First Amendment to the Second Amended and Restated Purchase and Sale Agreement, dated as of December 21, 2016, among Arch Resources, Inc. and certain subsidiaries of Arch Resources, Inc., as originators (incorporated by reference to Exhibit 10.7 of Arch Resources' Quarterly Report on Form 10-Q filed for the period ended September 30, 2017).
10.20	Second Amendment to the Second Amended and Restated Purchase and Sale Agreement, dated as of April 27, 2017, among Arch Resources, Inc. and certain subsidiaries of Arch Resources, Inc., as originators (incorporated by reference to Exhibit 10.3 of Arch Resources' Current Report on Form 8-K filed on May 2, 2017).
10.21	Third Amendment to Second Amended and Restated Purchase and Sale Agreement, dated as of September 14, 2017, among Arch Resources, Inc. and certain subsidiaries of Arch Resources, Inc., as originators (incorporated by reference to Exhibit 10.16 of Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2020).
10.22	Fourth Amendment to Second Amended and Restated Purchase and Sale Agreement, dated as of December 13, 2019, among Arch Resources, Inc. and certain subsidiaries of Arch Resources, Inc., as originators (incorporated by reference to Exhibit 10.17 of Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2020).
10.23	Fifth Amendment and Waiver to Second Amended and Restated Purchase and Sale Agreement dated June 17, 2020, among Arch Resources, Inc. and certain subsidiaries of Arch Resources, Inc., as originators (incorporated by reference to Exhibit 10.18 of Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2020).

10.24	Sixth Amendment to Second Amended and Restated Purchase and Sale Agreement dated December 31, 2020, among Arch Resources, Inc. and certain subsidiaries of Arch Resources, Inc., as originators (incorporated by reference to Exhibit 10.19 of Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2020).
10.25	Seventh Amendment to Second Amended and Restated Purchase and Sale Agreement dated March 13, 2023, among Arch Resources, Inc. and certain subsidiaries of Arch Resources, Inc., as originators (incorporated by reference to Exhibit 10.25 of Arch Resources' Quarterly Report on Form 10-Q for the period ended on March 31, 2023).
10.26	Second Amended and Restated Sale and Contribution Agreement between Arch Resources, Inc., as the transferor, and Arch Receivable Company, LLC (incorporated by reference to Exhibit 10.4 of Arch Resources' Current Report on Form 8-K filed on October 11, 2016).
10.27	First Amendment to the Second Amended and Restated Sale and Contribution Agreement, dated as of April 27, 2017, between Arch Resources, Inc., as the transferor, and Arch Receivable Company, LLC (incorporated by reference to Exhibit 10.4 of Arch Resources' Current Report on Form 8-K filed on May 2, 2017).
10.28	Warrant Agreement, dated as of October 5, 2016, between Arch Resources, Inc. and American Stock Transfer & Trust Company, LLC, as Warrant Agent (incorporated by reference to Exhibit 10.5 of Arch Resources' Current Report on Form 8-K filed on October 11, 2016).
10.29	Indemnification Agreement between Arch Resources, Inc. and the directors and officers of Arch Resources, Inc. and its subsidiaries (form incorporated by reference to Exhibit 10.28 of Arch Resources' Annual Report on Form 10-K for the year ended 2022).
10.30	Registration Rights Agreement between Arch Resources, Inc. and Monarch Alternative Capital LP and certain other affiliated funds (incorporated by reference to Exhibit 10.1 of Arch Resources' Current Report on Form 8-K filed on November 21, 2016).
10.31	Coal Lease Agreement dated as of March 31, 1992, among Allegheny Land Company, as lessee, and UAC and Phoenix Coal Corporation, as lessors, and related guarantee (incorporated by reference to the Current Report on Form 8-K filed by Ashland Coal, Inc. on April 6, 1992).
10.32	Federal Coal Lease dated as of January 24, 1996 between the U.S. Department of the Interior and the Thunder Basin Coal Company (incorporated by reference to Exhibit 10.20 to Arch Resources' Annual Report on Form 10-K for the year ended December 31, 1998).
10.33	Federal Coal Lease dated as of November 1, 1967 between the U.S. Department of the Interior and the Thunder Basin Coal Company (incorporated by reference to Exhibit 10.21 to Arch Resources' Annual Report on Form 10-K for the year ended December 31, 1998).
10.34	Federal Coal Lease effective as of May 1, 1995 between the U.S. Department of the Interior and Mountain Coal Company (incorporated by reference to Exhibit 10.22 to Arch Resources' Annual Report on Form 10-K for the year ended December 31, 1998).
10.35	Federal Coal Lease dated as of January 1, 1999 between the Department of the Interior and Ark Land Company (incorporated by reference to Exhibit 10.23 to Arch Resources' Annual Report on Form 10-K for the year ended December 31, 1998).
10.36	Federal Coal Lease effective as of March 1, 2005 by and between the United States of America and Ark Land LT, Inc. covering the tract of land known as "Little Thunder" in Campbell County, Wyoming (incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed by Arch Resources on February 10, 2005).

10.37	Modified Coal Lease (WYW71692) executed January 1, 2003 by and between the United States of America, through the Bureau of Land Management, as lessor, and Triton Coal Company, LLC, as lessee, covering a tract of land known as "North Rochelle" in Campbell County, Wyoming (incorporated by reference to Exhibit 10.24 to Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2004).
10.38	Coal Lease (WYW127221) executed January 1, 1998 by and between the United States of America, through the Bureau of Land Management, as lessor, and Triton Coal Company, LLC, as lessee, covering a tract of land known as "North Roundup" in Campbell County, Wyoming (incorporated by reference to Exhibit 10.25 to Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2004).
10.39*	Letter Agreement dated October 25, 2023 by and between Arch Resources, Inc. and John W. Eaves (incorporated by reference to Exhibit 10.39 of Arch Resources' Quarterly Report on Form 10-Q for the period ended September 30, 2023).
10.40*	Form of Employment Agreement for Executive Officers of Arch Resources, Inc. (incorporated by reference to Exhibit 10.4 of Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2011).
10.41*	Arch Resources, Inc. Deferred Compensation Plan (incorporated by reference to Exhibit 10.26 to Arch Resources' Annual Report on Form 10-K for the year ended December 31, 2014).
10.42	Arch Resources, Inc. Outside Directors' Deferred Compensation Plan (incorporated by reference to Exhibit 10.4 of Arch Resources' Current Report on Form 8-K filed on December 12, 2008).
10.43*	Arch Resources, Inc. Supplemental Retirement Plan (as amended on December 5, 2008) (incorporated by reference to Exhibit 10.2 to Arch Resources' Current Report on Form 8-K filed on December 12, 2008).
10.44*	Arch Resources, Inc. 2016 Omnibus Incentive Plan (incorporated by reference to Exhibit 99.1 to Arch Resources' Registration Statement on Form S-8 filed on November 1, 2016).
10.45*	Form of Restricted Stock Unit Contract (Time-Based Vesting) (incorporated by reference to Exhibit 10.1 to Arch Resources' Current Report on Form 8-K filed on November 30, 2016).
10.46*	Form of Restricted Stock Unit Contract (Performance-Based Vesting) (incorporated by reference to Exhibit 10.2 to Arch Resources' Current Report on Form 8-K filed on November 30, 2016).
10.47	Stock Repurchase Agreement dated September 13, 2017, among Arch Resources, Inc. and Monarch Alternative Solutions Master Fund Ltd, Monarch Capital Master Partners III LP, MCP Holdings Master LP, Monarch Debt Recovery Master Fund Ltd and P Monarch Recovery Ltd. (incorporated by reference to Exhibit 10.1 of Arch Resources' Current Report on Form 8-K filed on September 19, 2017).
10.48	Stock Repurchase Agreement dated December 8, 2017, among Arch Resources, Inc. and Monarch Alternative Solutions Master Fund Ltd, Monarch Capital Master Partners III LP, MCP Holdings Master LP, and Monarch Debt Recovery Master Fund Ltd (incorporated by reference to Exhibit 10.1 of Arch Resources' Current Report on Form 8-K filed on December 11, 2017).
10.49	Form of Confirmation of Base Capped Call Transaction (incorporated by reference to Exhibit 10.1 of Arch Resources' Current Report on Form 8-K filed on November 4, 2020).
10.50	Form of Exchange Agreement (incorporated by reference to Exhibit 10.1 of Arch Resources' Current Report on Form 8-K filed on May 23, 2022).
31.1**	Rule 13a-14(a)/15d-14(a) Certification of Paul A. Lang.

31.2**	Rule 13a-14(a)/15d-14(a) Certification of Matthew C. Giljum.
32.1	Section 1350 Certification of Paul A. Lang.
32.2	Section 1350 Certification of Matthew C. Giljum.
95	Mine Safety Disclosure Exhibit.
101	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, formatted in Inline XBRL: (1) Condensed Consolidated Income Statements, (2) Condensed Consolidated Statements of Comprehensive Income, (3) Condensed Consolidated Balance Sheets, (4) Condensed Consolidated Statements of Cash Flows, (5) Condensed Consolidated Statements of Stockholders' Equity and (6) Notes to Condensed Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Denotes a management contract or compensatory plan or arrangement.

**Furnished herein

Signatures

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, thereunto duly authorized.

Arch Resources, Inc.

By: /s/ Matthew C. Giljum
Matthew C. Giljum
Senior Vice President and Chief Financial Officer (On behalf of the registrant and as Principal Financial Officer)

July 25, 2024

EXHIBIT 31.1

Certification

I, Paul A. Lang, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Arch Resources, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Paul A. Lang
Paul A. Lang
Chief Executive Officer, Director
Date: July 25, 2024

Certification

I, Matthew C. Giljum, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Arch Resources, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Matthew C. Giljum
Matthew C. Giljum
Senior Vice President and Chief Financial Officer
Date: July 25, 2024

EXHIBIT 32.1

Certification of Periodic Financial Reports

I, Paul A. Lang, Chief Executive Officer, Director of Arch Resources, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024 (the “Periodic Report”) which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of Arch Resources, Inc.

/s/ Paul A. Lang

Paul A. Lang
Chief Executive Officer, Director
Date: July 25, 2024

EXHIBIT 32.2

Certification of Periodic Financial Reports

I, Matthew C. Giljum, Senior Vice President and Chief Financial Officer of Arch Resources, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024 (the “Periodic Report”) which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of Arch Resources, Inc.

/s/ Matthew C. Giljum

Matthew C. Giljum
Senior Vice President and Chief Financial Officer
Date: July 25, 2024

Mine Safety and Health Administration Safety Data

We believe that Arch Resources, Inc. (“Arch Resources”) is one of the safest coal mining companies in the world. Safety is a core value at Arch Resources and at our subsidiary operations. We have in place a comprehensive safety program that includes extensive health & safety training for all employees, site inspections, emergency response preparedness, crisis communications training, incident investigation, regulatory compliance training and process auditing, as well as an open dialogue between all levels of employees. The goals of our processes are to eliminate exposure to hazards in the workplace, ensure that we comply with all mine safety regulations, and support regulatory and industry efforts to improve the health and safety of our employees along with the industry as a whole.

The operation of our mines is subject to regulation by the Federal Mine Safety and Health Administration (MSHA) under the Federal Mine Safety and Health Act of 1977 (Mine Act). MSHA inspects our mines on a regular basis and issues various citations, orders and violations when it believes a violation has occurred under the Mine Act. We present information below regarding certain mining safety and health violations, orders and citations, issued by MSHA and related assessments and legal actions and mine-related fatalities with respect to our coal mining operations. In evaluating the above information regarding mine safety and health, investors should take into account factors such as: (i) the number of citations and orders will vary depending on the size of a coal mine, (ii) the number of citations issued will vary from inspector to inspector and mine to mine, and (iii) citations and orders can be contested and appealed, and in that process are often reduced in severity and amount, and are sometimes dismissed or vacated.

The table below sets forth for the three months ended June 30, 2024 for each active MSHA identification number of Arch Resources and its subsidiaries, the total number of: (i) violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a coal or other mine safety or health hazard under section 104 of the Mine Act for which the operator received a citation from MSHA; (ii) orders issued under section 104(b) of the Mine Act; (iii) citations and orders for unwarrantable failure of the mine operator to comply with mandatory health or safety standards under section 104(d) of the Mine Act; (iv) flagrant violations under section 110(b)(2) of the Mine Act; (v) imminent danger orders issued under section 107(a) of the Mine Act; (vi) proposed assessments from MHSA (regardless of whether Arch Coal has challenged or appealed the assessment); (vii) mining-related fatalities; (viii) notices from MSHA of a pattern of violations of mandatory health or safety standards that are of such nature as could have significantly and substantially contributed to the cause and effect of coal or other mine health or safety hazards under section 104(e) of the Mine Act; (ix) notices from MSHA regarding the potential to have a pattern of violations as referenced in (viii) above; and (x) pending legal actions before the Federal Mine Safety and Health Review Commission (as of June 30, 2024) involving such coal or other mine, as well as the aggregate number of legal actions instituted and the aggregate number of legal actions resolved during the reporting period.

Mine or Operating Name / MSHA Identification Number	Section 104 S&S Citations (#)	Section 104(b) Orders (#)	Section 104(d) Citations and Orders (#)	Section 110(b)(2) Violations (#)	Section 107(a) Orders (#)	Total Dollar Value of MSHA Assessments Proposed (in thousands) ($)	Total Number of Mining Related Fatalities (#)	Received Notice of Pattern of Violations Under Section 104(e) (Yes/No)	Received Notice of Potential to Have Pattern of Violations Under Section 104(e) (Yes/No)	Legal Actions Initiated During Period (#)	Legal Actions Resolved During Period (#)	Legal Actions Pending as of Last Day of Period(1) (#)
Active Operations												
Vindex Cabin Run / 18-00133	—	—	—	—	—	—	—	No	No	—	—	—
Vindex Bismarck / 46-09369	—	—	—	—	—	—	—	No	No	—	—	—
Vindex Jackson Mt. / 18-00170	—	—	—	—	—	—	—	No	No	—	—	—
Vindex Wolf Den Run / 18-00790	—	—	—	—	—	—	—	No	No	—	—	—
Vindex Energy / Vindex / 46-02151	—	—	—	—	—	—	—	No	No	—	—	—
Vidnex Energy / Carlos Surface / 18-00769	—	—	—	—	—	—	—	No	No	—	—	—
Vindex Energy / Douglas Island / 18-00749	—	—	—	—	—	—	—	No	No	—	—	—
Vindex Energy / Dobbin Ridge Prep Plant / 46-07837	—	—	—	—	—	—	—	No	No	—	—	—
Vindex Energy / Frostburg Blend Yard / 18-00709	—	—	—	—	—	—	—	No	No	—	—	—
Beckley Pocahontas Mine / 46-05252	7	—	—	—	—	129.2	—	No	No	3	2	6
Beckley Pocahontas Plant / 46-09216	—	—	—	—	—	—	—	No	No	—	—	—
Eastern Birch River Mine / 46-07945	—	—	—	—	—	—	—	No	No	—	—	—
Leer South Mine / 46-04168	15	—	—	—	—	52.9	—	No	No	—	—	—
Leer South Prep Plant / 46-08777	—	—	—	—	—	0.4	—	No	No	—	—	—
Mingo Logan Mountaineer II / 46-09029	16	—	—	—	—	118.1	—	No	No	3	3	10
Mingo Logan Cardinal Prep Plant / 46-09046	7	—	—	—	—	—	—	No	No	—	—	1
Mingo Logan Daniel Hollow / 46-09047	—	—	—	—	—	—	—	No	No	—	—	—

Leer #1 Mine / 46-09192	10	—	—	—	—	34.0	—	No	No	—	—	—
Arch of Wyoming Elk Mountain / 48-01694	—	—	—	—	—	—	—	No	No	—	—	—
Black Thunder / 48-00977	1	—	—	—	—	4.0	—	No	No	—	—	—
Coal Creek / 48-01215	2	—	—	—	—	2.7	—	No	No	—	—	—
West Elk Mine / 05-03672	10	—	—	—	—	28.3	—	No	No	—	—	—
Leer #1 Prep Plant / 46-09191	1	—	—	—	—	0.5	—	No	No	—	—	—
Wolf Run Mining – Sawmill Run Prep Plant / 46-05544	—	—	—	—	—	—	—	No	No	—	—	—
Wolf Run Mining / Imperial / 46-09115	—	—	—	—	—	—	—	No	No	—	—	—
Wolf Run Mining / Upshur / 46-05823	—	—	—	—	—	0.1	—	No	No	—	—	—

(1) See table below for additional details regarding Legal Actions Pending as of June 30, 2024.

Mine or Operating Name/MSHA Identification Number	**Contests of Citations, Orders (as of June 30, 2024)**	**Contests of Proposed Penalties (as of June 30, 2024)**	**Complaints for Compensation (as of June 30, 2024)**	**Complaints of Discharge, Discrimination or Interference (as of June 30, 2024)**	**Applications for Temporary Relief (as of June 30, 2024)**	**Appeals of Judges' Decisions or Orders (as of June 30, 2024)**
Beckley Pocahontas Mine / 46-05252	—	6	—	—	—	—
Mingo Logan Mountaineer II / 46-09029	2	8	—	—	—	—
Mingo Logan/Cardinal Prep/49-09046	—	1	—	—	—	—