



December 13, 2017

Kristie Davis  
Division of Workforce Development  
Missouri Division of Economic Development  
421 East Dunklin  
Jefferson City, MO 65102

Dear Ms. Davis,

Armstrong Energy, Inc. ("Armstrong") maintains an office located at 7733 Forsyth Blvd., Suite 1600, Saint Louis, Missouri 63105 ("Saint Louis Office"). While this facility has less than fifty (50) employees and Armstrong, therefore, believes the provisions of the Federal Worker Adjustment and Retraining Notification Act ("WARN Act") are inapplicable, Armstrong is nonetheless providing this letter to advise you, as the designated recipient of notice for the Missouri Dislocated Worker Unit, of anticipated layoffs at the Saint Louis Office. Because these layoffs are related to a plant closing or mass layoff (as defined in the WARN Act) expected at other Armstrong-affiliated operations in Kentucky, we are providing you with this notice.

As you may know, Armstrong and certain of its affiliates filed for bankruptcy protection on November 1, 2017 in the Bankruptcy Court for the Eastern District of Missouri (the "Bankruptcy Court"), and in connection therewith has entered into an agreement to transfer substantially all of its assets (the "Transaction") to a newly created entity to be jointly owned by Knight Hawk Holdings, LLC ("Knight Hawk") and certain of Armstrong's creditors (the "New Company"). The Transaction is expected to close in February 2018, subject to the Bankruptcy Court's approval and the other closing conditions.

Beginning on February 14, 2018, Armstrong anticipates permanently laying off all employees at Armstrong's Saint Louis Office in connection with the Transaction. A list of job titles or positions to be affected and the number of affected employees in each job classification is attached. See Exhibit A. All layoffs are expected to be effective no later than February 28, 2018.

Because Armstrong's assets are anticipated to be acquired by another entity, which will ultimately decide whether to close Armstrong-owned operations, or whether operations will continue in substantially the same manner, in a diminished manner, or in another manner following the Transaction, Armstrong cannot state with certainty whether the transaction will result in a "plant closing" under the WARN Act, or whether a "mass layoff" under the WARN Act will occur for the various facilities located outside of the State of Missouri. However, Armstrong can state with certainty that all Armstrong employees at each of its locations, including the Saint Louis office, will no longer be employed by Armstrong upon or shortly after completion of the Transaction.

None of the employees of the Saint Louis Office are represented by a union, and bumping rights do not apply. However, employees may have an opportunity to apply for positions with the New Company, provided the Transaction is completed as expected. If the Transaction (or an alternative transaction) is not approved or consummated, given Armstrong's financial circumstances, a complete cessation of operations at the Saint Louis Office is expected to be necessary.

EXHIBIT A

**Saint Louis Office**

<b>Job Title Description</b>	<b>Number of Employees</b>
Corporate Accounting Manager	1
Vice President, General Counsel & Secretary	1
Executive Chairman	1
Vice President, Chief Financial Officer	1
Senior Director, Information Systems & Technology	1
President & CEO	1
Executive Assistant/Office Manager	1
Director of Financial Planning & Analysis	1
TOTAL	8