

## **CONSOL Energy Boosts Debt and Equity Repurchase Authorization**

**Board Authorization increased to total of \$100 million repurchases through June 30, 2019 with Current Availability of \$74 million**

**Potential Avenues: Common Stock of CEIX, Common Units of CCR and Senior Secured Notes**

CANONSBURG, Pa., Aug. 2, 2018 [/PRNewswire/](#) -- CONSOL Energy Inc. (NYSE: CEIX) (CONSOL), today announced that its Board of Directors ("Board") has increased its previously authorized repurchase program to an aggregate amount of up to \$100 million from \$50 million, through the period ending June 30, 2019 ("repurchase period"). Under the new authorization, CONSOL management may purchase, from time to time, CONSOL outstanding shares of common stock, CONSOL 11.00% Senior Secured Notes due 2025 or common units of CONSOL Coal Resources LP ("CCR units"). These securities may be purchased on the open market, through negotiated purchases or otherwise. The repurchase plan will be subject to limitations under CONSOL's debt covenant package and under the tax matters agreement entered into in connection with CONSOL's separation from CNX Resources Corporation into an independently traded coal company. Any repurchases will be at CONSOL's discretion, subject to general market conditions and other considerations, and CONSOL has no obligation to make any repurchases under the program. This new authorization provides CONSOL with a current availability of \$74 million and falls within the limits of the covenants in our credit agreement. Our credit agreement also allows CONSOL to purchase up to \$25 million of CCR units.

"During the past three quarters, we delivered on our commitment to meaningfully reduce our net leverage ratio before year-end 2018. With our balance sheet now in excellent shape, we are looking forward to drive higher sustainable returns for CONSOL stockholders and CCR unit holders. Our board has now granted us additional ability to deploy some of the approximately \$278 million of cash on our balance sheet and free cash flow we expect to generate in the coming quarters to drive the most value for our stockholders. With the inclusion of the ability to purchase up to \$25 million CCR units, management will continue to weigh and evaluate the allocation of capital among these choices (organic projects, debt and CEIX stock repurchases, and CCR investment) that will all compete on a risk adjusted rate of return. Our team is focused on growing our investment opportunity set and combined with being a disciplined capital allocator, will drive our return on capital employed higher over time while lowering our cost of capital," said David Khani, Executive Vice President and Chief Financial Officer of CONSOL Energy Inc.



### **About CONSOL Energy Inc.**

CONSOL Energy Inc. (NYSE: CEIX) is a Canonsburg, Pennsylvania-based producer and exporter of high-Btu bituminous thermal and crossover metallurgical coal. It owns and operates some of the most productive longwall mining operations in the Northern Appalachian Basin. Our flagship operation is the Pennsylvania Mining Complex, which has the capacity to produce approximately 28.5 million tons of coal per year and is comprised of 3 large-scale underground mines: Bailey, Enlow Fork, and Harvey. The company also owns and operates the CONSOL Marine Terminal, which is located in the port of Baltimore and has a throughput capacity of approximately 15 million tons per year. In addition to the ~736 million reserve tons associated with the Pennsylvania Mining Complex, the company also controls approximately 1.6 billion tons of greenfield thermal and metallurgical coal reserves located in the major coal-producing basins of the eastern United States. Additional information regarding CONSOL Energy may be found at [www.consolenergy.com](http://www.consolenergy.com).

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### **Cautionary Statement Regarding Forward-Looking Statements**

Certain statements in this press release are "forward-looking statements" within the meaning of the federal securities laws. With the exception of historical matters, the matters discussed in this press release are forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934, as amended) that involve risks and uncertainties that could cause actual results to differ materially from projected results. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. The forward-looking statements may include projections and estimates concerning the timing and success of specific projects and our future production, revenues, income and capital spending. When we use the words "anticipate," "believe," "could," "continue," "estimate," "expect," "intend," "may," "plan," "predict," "project," "should," "will," or their negatives, or other similar expressions, the statements which include those words are usually forward-looking statements. When we describe strategy that involves risks or uncertainties, we are making forward-looking statements. We have based these forward-looking statements on our current expectations and assumptions about future events. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. These risks, contingencies and uncertainties relate to, among other matters, the following: whether the operational, strategic and other benefits of the separation can be achieved; whether the costs and expenses of the separation can be controlled within expectations; deterioration in economic conditions in any of the industries in which our customers operate may decrease demand for our products, impair our ability to collect customer receivables and impair our ability to access capital; volatility and wide fluctuation in coal prices based upon a number of factors beyond our control including oversupply relative to the demand available for our products, weather and the price and availability of alternative fuels; an extended decline in the prices we receive for our coal affecting our operating results and cash flows; the risk of our debt agreements, our debt and changes in interest rates affecting our operating results and cash flows; the effect of our affiliated company credit agreement on our cash flows; foreign currency fluctuations that could adversely affect the competitiveness of our coal abroad; our customers extending existing contracts or entering into new long-term contracts for coal on favorable terms; our reliance on major customers; our inability to collect payments from customers if their creditworthiness declines or if they fail to honor their contracts; our inability to acquire additional coal reserves and other assets; our inability to control the timing of divestitures and whether they provide their anticipated benefits; the availability and reliability of transportation facilities and other systems, disruption of rail, barge, gathering, processing and transportation facilities and other systems that deliver our coal to market and fluctuations in transportation costs; a loss of our competitive position because of the competitive nature of coal industries, or a loss of our competitive position because of overcapacity in these industries impairing our profitability; coal users switching to other fuels in order to comply with various environmental standards related to coal combustion emissions; the impact of potential, as well as any adopted environmental regulations including any relating to greenhouse gas emissions on our operating costs as well as on the market for coal; the risks inherent in coal operations, including our reliance upon third party contractors, being subject to unexpected disruptions, including geological conditions, equipment failure, delays in moving out longwall equipment, railroad derailments, security breaches, cybersecurity threats or terroristic acts and other hazards, timing of completion of significant construction or repair of equipment, fires,

explosions, seismic activities, accidents and weather conditions which could impact financial results; decreases in the availability of, or increases in, the price of commodities or capital equipment used in our coal mining operations; obtaining, maintaining and renewing governmental permits and approvals for our coal operations; the effects of government regulation on the discharge into the water or air, and the disposal and clean-up of, hazardous substances and wastes generated during our coal operations; the effects of stringent federal and state employee health and safety regulations, including the ability of regulators to shut down our operations; the potential for liabilities arising from environmental contamination or alleged environmental contamination in connection with our past or current coal operations; the effects of mine closing, reclamation and certain other liabilities; defects in our chain of title for our undeveloped reserves or failure to acquire additional property to perfect our title to coal rights; uncertainties in estimating our economically recoverable coal reserves; the outcomes of various legal proceedings, including those which are more fully described herein; exposure to employee-related long-term liabilities; failure by Murray Energy to satisfy certain liabilities it acquired from CNX Resources Corporation ("ParentCo"), or failure to perform its obligations under various arrangements, which ParentCo guaranteed and for which we have indemnification obligations to ParentCo; information theft, data corruption, operational disruption and/or financial loss resulting from a terrorist attack or cyber incident; operating in a single geographic area; certain provisions in our multi-year coal sales contracts may provide limited protection during adverse economic conditions, and may result in economic penalties or permit the customer to terminate the contract; the majority of our common units in CONSOL Coal Resources LP are subordinated, and we may not receive distributions from CONSOL Coal Resources LP; the potential failure to retain and attract skilled personnel of CEIX; the impact of the separation and the distribution and risks relating to CEIX's ability to operate effectively as an independent, publicly traded company, including various costs associated with operation, and any difficulties associated with enhancing our accounting systems and internal controls and complying with financial reporting requirements; unfavorable terms in our separation from ParentCo, related agreements and other transactions and CEIX's agreement to provide certain indemnification to ParentCo following the separation; any failure of CEIX's customers, prospective customers, suppliers or other companies with whom CEIX conducts business to be satisfied with CEIX's financial stability, or CEIX's failure to obtain any consents that may be required under existing contracts and other arrangements with third parties; a determination by the IRS that the distribution or certain related transactions should be treated as a taxable transaction; CEIX's ability to engage in desirable strategic or capital-raising transactions after the separation; the existence of any actual or potential conflicts of interest of CEIX's directors or officers because of their equity ownership in ParentCo following the separation and distribution; exposure to potential liabilities arising out of state and federal fraudulent conveyance laws and legal dividend requirements as a result of the separation and related transactions; uncertainty with respect to CEIX's common stock, including as to whether an active trading market will develop for the CEIX's common stock, potential stock price volatility and future dilution; the existence of certain anti-takeover provisions in our governance documents, which could prevent or delay an acquisition of CEIX and negatively impact the trading price of CEIX's common stock; and other unforeseen factors.

The above list of factors is not exhaustive or necessarily in order of importance. Additional information concerning factors that could cause actual results to differ materially from those in forward-looking statements include those discussed under "Risk Factors" in our filings with the Securities and Exchange Commission. The forward-looking statements in this press release speak only as of the date of this press release and CEIX disclaims any intention or obligation to update publicly any forward-looking statements, whether in response to new information, future events, or otherwise, except as required by applicable law.

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## [Authorization](#)