

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Contura Energy, Inc.		81-3015061	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Jeremy Spitzer	423-573-0392	jeremy.spitzer@conturaenergy.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
P.O. Box 848		Bristol, TN 37621-0848	
8 Date of action		9 Classification and description	
July 5, 2017		Series A Warrants: Adjustments to Exercise Price and Warrant Share Number	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
21241B118	N/A	CNTWW (OTC)	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶

Organizational action: Special cash dividend on Contura common stock in the amount of \$8.997 per share. Under the terms of the outstanding Series A common stock warrants, the special dividend results in a decrease to the exercise price per share of each warrant and an increase to the number of shares of common stock received per warrant exercise (i.e., the warrant share number).

Date of action: Record date July 5, 2017.

The terms of the warrants may be viewed on the Securities and Exchange Commission's website at:
<https://www.sec.gov/Archives/edgar/data/1704715/000162828017005140/exhibit1028.htm>

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

Section 305(c) dividend: The organizational action results in a Section 305(c) taxable deemed dividend to warrant holders to the extent of Contura Energy Inc.'s earnings and profits.

Amount of deemed distribution: Approximately \$8.78 per warrant.

Effect on basis: To the extent the deemed distribution is made out of the earnings and profits of Contura Energy, Inc., the deemed distribution is taxed as a dividend and increases holders' basis in the warrants. To the extent the deemed distribution is not out of earnings and profits of Contura Energy, Inc., the deemed distribution has no net effect on holders' basis in the warrants.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The valuation reference date is July 5, 2017, the record date of the cash dividend distribution.

Calculation: Excess of (A) over (B):

(A) The fair market value of the warrants immediately after the adjustment to exercise price and warrant share number is calculated using a Black-Scholes style option pricing model with pricing inputs including: value of the common stock, exercise price of the warrants, the remaining term of the warrants, an annual risk-free interest rate, and an annualized volatility index percentage.

(B) The fair market value, determined immediately after the adjustment to exercise price and warrant share number using all of the pricing inputs described in (A) above, of the warrants as if no adjustment to exercise price and warrant share number had occurred.

Effect on Basis: see the response to #15 above.

Part II Organizational Action (continued)


17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC Section 305(c).
The valuation standard under section 305(c) is "...the excess of (A) the fair market value of the right to acquire stock held by the deemed shareholder immediately after the applicable adjustment, over (B) the fair market value, determined immediately after the applicable adjustment, of such right to acquire stock as if no applicable adjustment had occurred." See section 1.305-7(c)(4) of the proposed Treasury Regulations.

18 Can any resulting loss be recognized? ▶ No

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ _____
Reportable tax year: The warrant adjustment has a July 5, 2017 record date and impacts 2017 tax year reporting.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶  Date ▶ 8/18/17

Print your name ▶ Andrew Eidson Title ▶ EVP - Chief Financial Officer

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.