

CONTURA ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)

	Year Ended December 31, 2018	Year Ended December 31, 2017
Operating activities:		
Net income	\$ 299,165	\$ 154,522
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, depletion and amortization	77,549	65,000
Amortization of acquired intangibles, net	(5,392)	59,007
Accretion of acquisition-related obligations discount	5,627	7,531
Amortization of debt issuance costs and accretion of debt discount	4,483	2,884
Mark-to-market adjustment for acquisition-related obligations	24	3,221
Gain on settlement of acquisition-related obligations	(580)	(38,886)
(Gain) loss on disposal of assets	(16,852)	(570)
Bargain purchase gain	—	(1,011)
Accretion on asset retirement obligations	9,966	21,275
Employee benefit plans, net	9,231	11,739
Deferred income taxes	(66,682)	(78,744)
Loss on sale of Powder River Basin	—	36,086
Loss on modification and extinguishment of debt	12,042	38,701
Stock-based compensation	13,354	20,372
Equity in loss of affiliates	6,112	3,325
Other, net	1,643	—
Changes in operating assets and liabilities		
Trade accounts receivable, net	(84,139)	34,840
Inventories, net	33,232	441
Prepaid expenses and other current assets	(44,266)	(40,425)
Deposits	(7,493)	38,447
Other non-current assets	(36,655)	24,498
Trade accounts payable	(7,075)	6,102
Accrued expenses and other current liabilities	(7,345)	(12,207)
Acquisition-related obligations	(14,500)	(22,800)
Asset retirement obligations	(3,175)	(2,567)
Other non-current liabilities	(19,893)	(16,521)
Net cash provided by operating activities	158,381	314,260
Investing activities:		
Capital expenditures	(81,881)	(83,121)
Payments on disposal of assets	(10,250)	—
Proceeds on disposal of assets	997	2,579
Capital contributions to equity affiliates	(5,253)	(5,691)
Cash, cash equivalents and restricted cash acquired in acquisition, net of amounts paid	198,506	—
Purchase of additional ownership interest in equity affiliate	—	(13,293)
Cash paid on sale of Powder River Basin	—	(21,375)
Purchase of investment securities - held to maturity	(3,280)	(406)
Maturity of investment securities - held to maturity	3,360	—

Other, net	(3)	—
Net cash provided by (used in) investing activities	102,196	(121,307)
Financing activities:		
Proceeds from borrowings on debt	537,750	396,000
Principal repayments of debt	(471,704)	(369,500)
Principal repayments of capital lease obligations	(533)	(1,009)
Form S-4 costs	(3,918)	—
Debt issuance costs	(14,931)	(14,385)
Debt extinguishment costs	—	(25,036)
Debt amendment costs	—	(4,520)
Common stock repurchases and related expenses	(20,270)	(49,932)
Special dividend paid	—	(100,735)
Principal repayments of notes payable	(3,844)	(1,517)
Other, net	159	352
Net cash provided by (used in) financing activities	22,709	(170,282)
Net increase in cash and cash equivalents and restricted cash	283,286	22,671
Cash and cash equivalents and restricted cash at beginning of period	193,960	171,289
Cash and cash equivalents and restricted cash at end of period	\$ 477,246	\$ 193,960
Supplemental cash flow information:		
Cash paid for interest	\$ 27,340	\$ 40,635
Cash paid for taxes	\$ 37	\$ 13,328
Cash received for income tax refunds	\$ 14,157	\$ —
Supplemental disclosure of non-cash investing and financing activities:		
Capital leases and capital financing - equipment	\$ 6,513	\$ 1,574
Accrued capital expenditures	\$ 6,879	\$ 9,408
Issuance of equity in connection with acquisition	\$ 664,460	\$ —
Net balance due to Alpha deemed effectively settled	\$ 47,048	\$ —

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the Consolidated Balance Sheets that sum to the total of the same such amounts shown in the Consolidated Statements of Cash Flows.

	Year Ended December 31, 2018	Year Ended December 31, 2017
Cash and cash equivalents	\$ 233,599	\$ 141,924
Short-term restricted cash (included in Prepaid expenses and other current assets)	16,474	11,615
Long-term restricted cash	227,173	40,421
Total cash and cash equivalents and restricted cash	\$ 477,246	\$ 193,960