

**A&M Development, LLC**  
**INITIAL RESERVE CALCULATIONS**  
**EAST TRACTS**  
**Mineable Tonnage**

<i>Seam</i>	<i>Area (Acres)</i>	<i>Coal Thickness</i>	<i>Ash</i>	<i>Sulfur</i>	<i>BTU (as rcvd)</i>	<i>BTU (amf)</i>	<i>Strip Ratio</i>	<i>Tons</i>
Seam 1	7.87	12"	10.93%	0.56%	9,687	14,097	19.0 to 1	13,713
Seam 2	7.87	7"	26.43%	0.94%	9,103	14,087	19.0 to 1	7,999
Seam 3	9.10	36"	18.37%	2.24%	11,034	14,643	14.7 to 1	47,568
Seam 4	13.56	17"	11.66%	0.64%	11,132	14,487	18.1 to 1	33,472
Seam 5	29.53	13"	9.61%	0.88%	11,221	14,318	17.1 to 1	55,741
Seam 6	24.48	9"	38.29%	1.86%	7,614	13,739	21.0 to 1	31,990
Seam 7	18.44	31"	24.77%	1.14%	9,021	14,214	12.5 to 1	83,002
Seam 8	25.20	29"	18.37%	4.68%	11,150	14,676	18.5 to 1	106,112
Seam 9	22.26	12"	45.85%	0.83%	6,623	13,999	0 to 1	38,786
Seam 10	15.72	24"	10.46%	0.74%	11,683	14,580	12.6 to 1	54,781
Seam 11	5.25	18"	21.53%	0.35%	8,048	13,589	21.6 to 1	13,721
<b>TOTAL</b>								<b>486,885</b>

NOTES:

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| <p>1. The strip ratios used for contour mined seams are shown.</p> <p>2. Where 0 acres are shown it has been determined that the seam in question is not economically mineable at the current market and configuration of the property/seam boundary</p> | <p>5. Seam 9 to be mined as part of Seam 8 cut. No additional cut taken.</p> |
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