



Metallurgical Coal Miner Ramaco Development, LLC Closes \$90 Million Investment Led By Energy Capital Partners and Yorktown Energy

LEXINGTON, KY. - August 31, 2016 - Ramaco Development, LLC, (together with its affiliated companies, “**Ramaco**”) announced today that it has completed a \$90 million convertible preferred equity investment with Energy Capital Partners Mezzanine, LLC (together with its affiliated funds “**ECP**”) and Yorktown Energy Partners XI, L.P. (together with its affiliated funds “**Yorktown**”). ECP and Yorktown join current owners, Yorktown Energy Partners Fund IX and X and the founders Randall Atkins and Michael Bauersachs.

Ramaco, formed in 2011, focuses solely on metallurgical mining opportunities in the Eastern United States. It plans to utilize the investment in its metallurgical platform to commence infrastructure development and mining at its properties, which will reach an anticipated production level of almost 4 million tons over the next several years. This year the United States will produce roughly 50 million tons of metallurgical coal. Ramaco controls approximately 200 million tons of recoverable coal reserves on its four primary metallurgical properties in the East. Elk Creek, Ramaco’s flagship property in southern West Virginia, features high volatile coal and expects to be among the lowest cost producers of metallurgical coal in the United States.

Randall Atkins, Chairman and Chief Executive of Ramaco, commented, “We are excited about the formation of a partnership with two of the country’s most respected energy private equity investors in Energy Capital Partners, as well as Yorktown our founding sponsor. We believe this investment to be very well timed. As other metallurgical coal companies have financially struggled, we have capitalized a pure play metallurgical coal producer, with substantial low cost advantages and no debt. Our mines will be perhaps the newest in the country. Recent market strength, especially in the metallurgical markets, bodes well for our planned production beginning in 2017.”

Mike Bauersachs, President of Ramaco, who will provide the executive operational management of the properties, added that, “The key to success in the coal space begins with geology. Ramaco’s properties have both quality and geological advantages that should rank them among the most productive mines in the metallurgical coal space. By adding new infrastructure and equipment, we are creating the ability to be a long term reliable supplier to coke and steel customers worldwide.”

“We are thrilled to announce a partnership both with Ramaco management and Yorktown, one of the leading energy private equity investors,” said Trent Kososki, a Principal at ECP. “Ramaco’s advantaged cost structure and lack of leverage uniquely positions it favorably for success. After a prolonged downturn, we believe that today is an excellent time to be backing a high caliber management team to invest in the metallurgical coal industry.”

Thompson & Knight LLP and Steptoe & Johnson LLP acted as legal advisors to Ramaco and Yorktown. Energy Capital Partners was advised by Kirkland & Ellis LLP.

About Ramaco

Ramaco was created five years ago by Randall Atkins and Michael Bauersachs, two long time energy and coal executives, in partnership with Yorktown. To date, Ramaco has acquired or controls over 1.3 billion tons of coal reserves across the country. In the East, it owns four metallurgical properties and infrastructure assets in West Virginia, Virginia and Pennsylvania. In the West, Ramaco owns over 1 billion tons of reserves in the northeastern Powder River Basin of Wyoming. Ramaco has executive offices in both Lexington, Kentucky, as well as Sheridan, Wyoming.

About Yorktown Energy Partners

Yorktown has raised eleven private equity funds over the past three decades totaling \$8 billion in capital commitments. Yorktown's investors include university endowments, foundations, families, insurance companies, and other institutional investors. Yorktown has primarily invested in oil and gas production and mid stream properties.

About Energy Capital Partners

Energy Capital Partners is an energy-focused private equity firm with over \$13 billion in capital commitments, and offices in Short Hills, New Jersey, Houston and San Diego. The firm is focused on investing in the power generation, midstream oil and gas, environmental infrastructure, renewable energy, electric transmission, and energy services sectors of North America's energy industry.