

CONFIRMATION AGREEMENT**Date: February 26, 2019****Seller :****Alliance Coal, LLC****1717 South Boulder Avenue, Suite 400
Tulsa, OK 74119****Attn: Jared Griffith – General Manager, Sales
Tel. 412-551-8394
Email: jared.griffith@arlp.com
Ref. #:****Buyer :****Duke Energy Kentucky, Inc.****526 South Church Street
Charlotte, NC 28202****Attn: Kim Hughes, Coal Originator
Tel. 980-373-2519
Email: Kimberly.hughes@duke-energy.com
Ref. #: PO 33335**

This letter constitutes an agreement for the sale and purchase of coal and constitutes a "Confirmation" under the Master Agreement (as defined below). This Confirmation shall be governed by the terms set forth herein and the parties hereby incorporate the provisions of that certain Master Agreement dated January 1, 2017 between the parties as it has been or may be amended and supplemented from time to time (the "Master Agreement") as terms and conditions to this Confirmation. All provisions contained in the Master Agreement shall govern this Confirmation to the extent not in conflict with the terms hereof. The terms of this Confirmation shall prevail in the event of an inconsistency between the terms of this Confirmation and the Master Agreement. The Confirmation shall be considered as a separate agreement between the parties effective on the date of execution of this Confirmation. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement.

Quote Date: February 12, 2018**Commodity:** Crushed coal, containing no synthetic fuels, and free from any extraneous materials, with no intermediate sizes added or removed and otherwise meeting the Specifications of this Confirmation.**Term:** April 1, 2019 through September 30, 2019**Contract Quantity** Approximately 12,000 Tons during the Term to be delivered in approximately equal monthly Shipments.**Contract Price:** \$52.00 per ton of Coal delivered at the Delivery Point.**Source:** Tunnel Ridge Mine (the "Mine")**Delivery Point:** F.O.B. Barge at Tunnel Ridge Dock MP 82.3 on the Ohio River**Scheduling:** Per Master Agreement

**Weighing/Sampling
and Analysis:** Per Master Agreement

Billing and Payment: Per Master Agreement

Buyers Actual Cost
To Scrub one ton of SO₂: Not applicable.

Coal Quality

Price Adjustments: BTU only per the Master Agreement. No other quality adjustment to apply.

Government Impositions: The provisions of Section 4.3 of the Master Agreement shall not apply to this Confirmation.

Coal Quality ("As-Received" basis):

Characteristic:	<u>Specifications</u> (Monthly Weighted Average)	<u>Rejection Limit</u> (Per Shipment)
Higher Heating Value (BTU/Lb)	12,600 minimum	12,300 minimum
Ash Content (%)	9.5% maximum	> 10.5% maximum
*SO ₂ (Lbs./MMBTU) Content	4.8 Lbs. maximum	> 5.50 Lbs. maximum
Moisture Content (%)	7.0% maximum	>9.25% maximum
Volatile Matter (%)	36% minimum	<34% minimum
Fusion Temp (Initial Deformation °F, Reducing Atmos.)	2145°F minimum	2125°F minimum
Grindability (HGI)	50 minimum	< 48 minimum
Top Size	2" maximum	N/A
Fines (% By Weight Passing 1/4" Screen)	55% maximum	N/A

*The pounds SO₂ per MMBtu shall be determined by the following formula:

$$(\text{As Received Percent Sulfur} \times 20,000) / \text{As Received Btu/Lb.} = \text{Pounds SO}_2 \text{ per MMBtu}$$

Payment Terms: Per the Master Agreement.

Other Terms and Conditions.

Seller represents and warrants that, on the Quote Date and throughout the Term of this

Transaction that:

- (a) Seller presently owns or otherwise controls, and shall continue to own and control, whether directly or through an affiliate, Coal reserves in an amount sufficient to fulfill the terms of this Confirmation, the Coal contained in such reserves is mineable and of the quality called for by this Confirmation and Seller presently has approved governmental mining permits to fulfill the terms of this Confirmation,
- (b) There are no existing contractual commitments with respect to Coal reserves that would prevent delivery of the quantities of Coal specified in this Confirmation and Seller will not enter into contractual commitments during the Term of this Confirmation that will prevent such delivery,
- (c) Seller owns and has in operation, and shall continue to own and operate, whether directly or through an affiliate, mining facilities and equipment sufficient to produce the quantities of Coal to be delivered under this Confirmation and has obtained all necessary governmental and other third party permits (excluding unforeseen events as set forth in Section 12 of the Master Agreement), approvals and licenses, and shall continue to retain or take all prudent and timely steps necessary for submission and application for renewal of governmental or third party permits, approvals and licenses, required in connection with the execution, delivery and performance of this Confirmation, and
- (d) Seller, directly or through an affiliate, will at all times conduct its mining operations in a prudent manner consistent with good and acceptable practice in the coal mining industry, and Buyer shall have the right, upon reasonable notice, at its own expense and risk, to have its representatives and/or qualified consultants observe and inspect Seller's facilities and operations, provided that such representatives and/or consultants shall comply with all applicable safety requirements and check-in procedures and shall not interfere with such operations.

No Precedent: The terms and conditions set forth in this Confirmation are for the purpose of the Transaction contemplated herein only and will not set or be construed or deemed to set a precedent for any future Transaction, if any, that may be entered into between Buyer and Seller.

[Remainder of page intentionally left blank; signatures to follow]

Please confirm that the foregoing correctly sets forth the terms of the agreement between Buyer and Seller as to this Transaction by timely returning an executed copy of this letter by facsimile or email at the fax number or email address specified in this Confirmation.

Seller:
Alliance Coal, LLC

By: Timothy J. Whelan

Name: Timothy J. Whelan

Title: SVP - Sales & Marketing

Date: 3/8/19

Buyer:
Duke Energy Kentucky, Inc.

By: Brett J. Phipps

Name: Brett J. Phipps

Title: Managing Director-Fuel Procurement

Date: 3/12/2019