

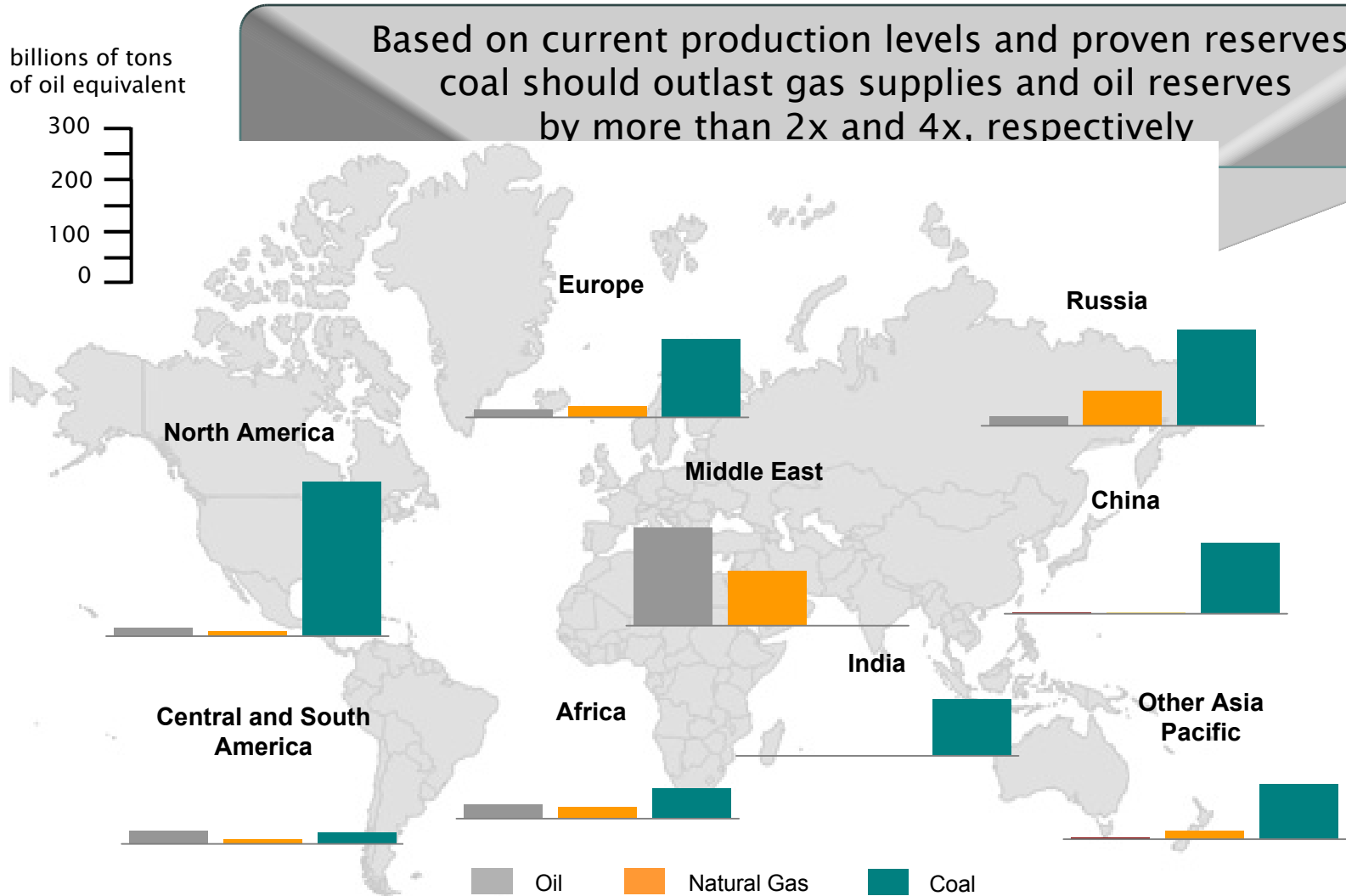
Coal to Liquids Coalition

Panel Discussion

Moderator – Jeff Addison, Arch Coal Inc.

August 2007

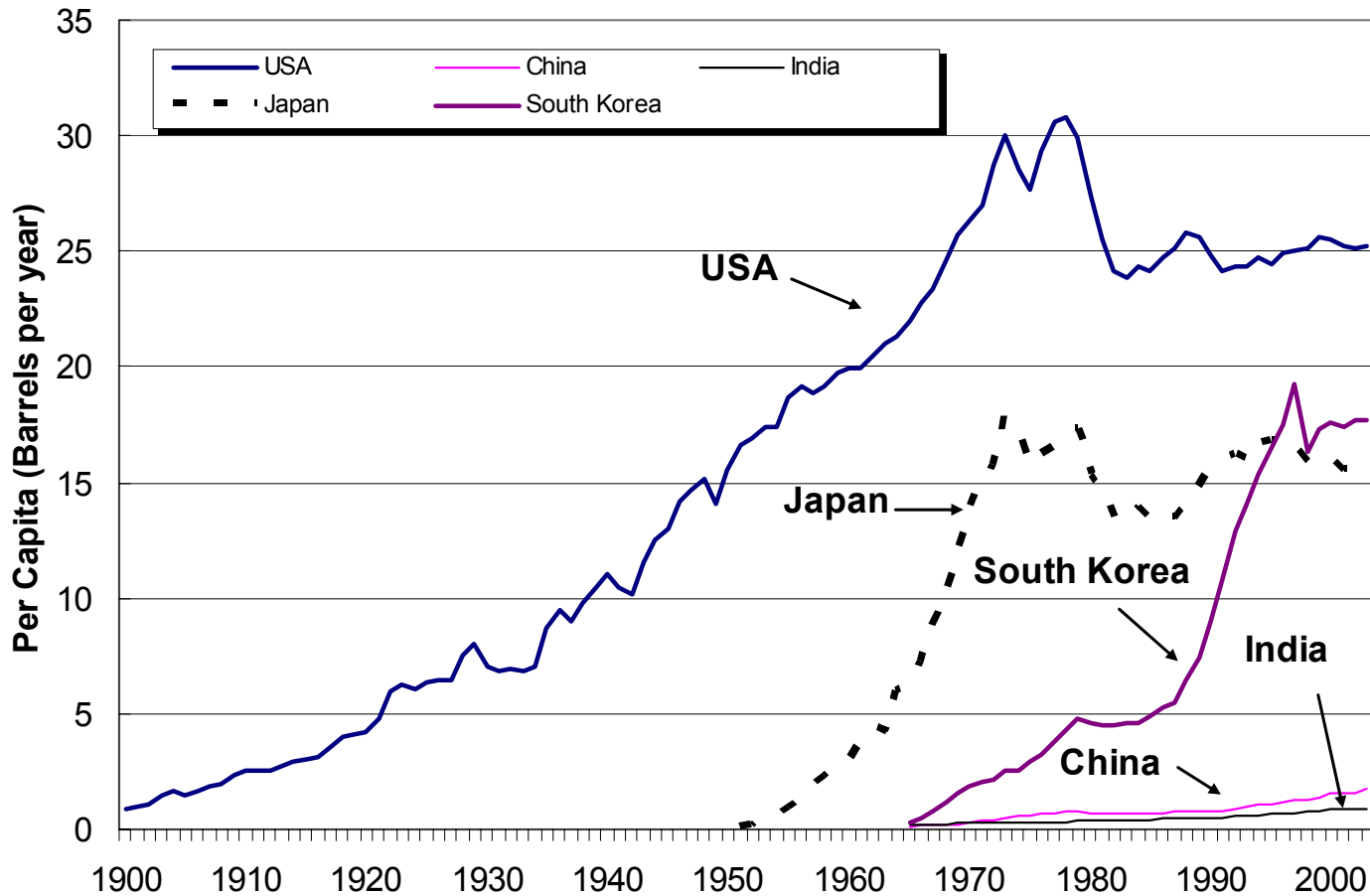
Coal's advantage worldwide: abundant, low cost and widely dispersed



Source: Bank of America, BP Statistical Review and Blackwell Energy Research

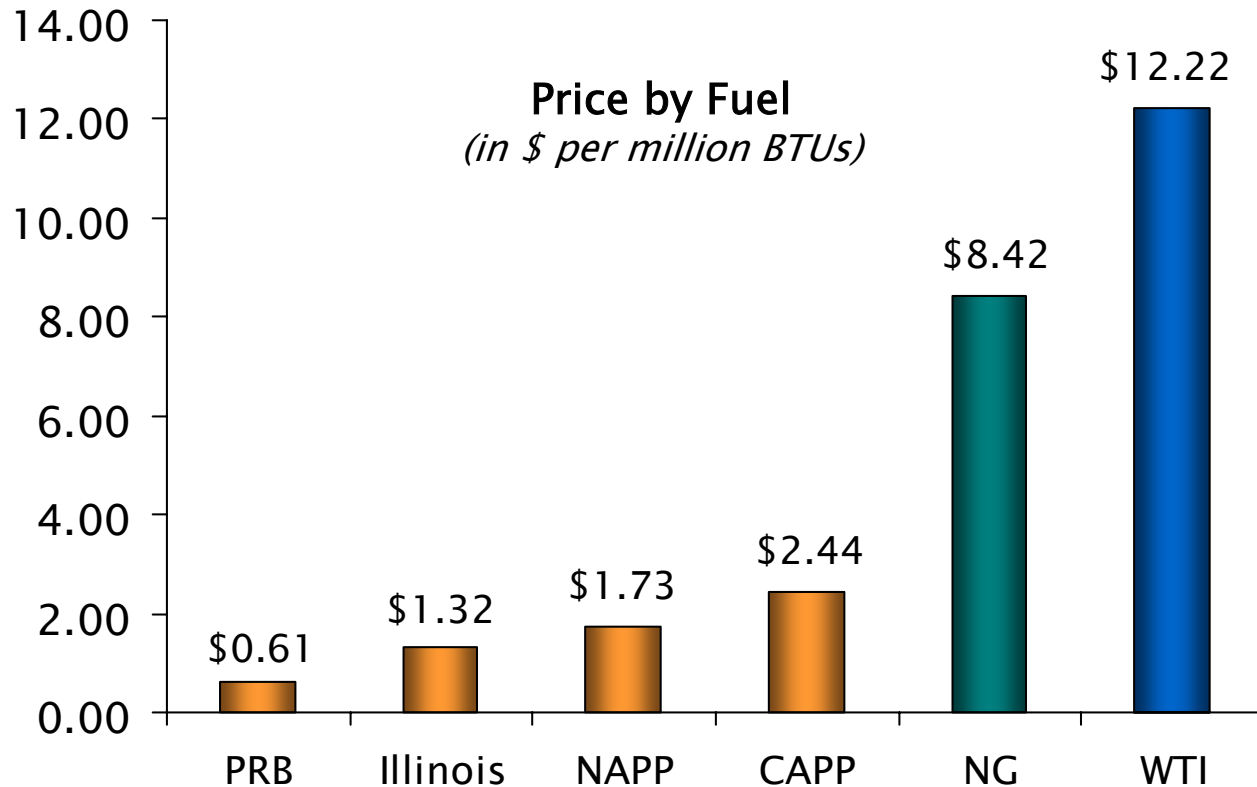
Future demand projections support CTL

Oil Consumption and Industrialization



Source: BP Statistical Review of World Energy, Respective Census Bureaus, Stifel Nicolaus, Marc Faber Limited, Raymond James

Coal conversion economics are compelling



Note: Coal prices as quoted in Coal Daily for delivery in Q4 2007 as of 8/3/07 for 8,800 BTU/0.8 lbs. SO₂ product in PRB; 13,000 BTU/3.0–4.0 lbs. SO₂ product in NAPP; 11,200 BTU/4.5 lbs. SO₂ product in Illinois; and 12,000 BTU/1.6 lbs. SO₂ in CAPP. Natural gas and WTI quotes are NYMEX at 8/10/07 for December delivery.

Source: Platts and ACI calculations

CTL Panel Participants

- William C. Anderson – Assistant Secretary of the Air Force
- Steve Dopuch – Baard Energy, LLC.
- Pat Esposito – Energy Advisor to Joe Manchin, Governor of West Virginia
- Michael Hayes – Sasol North America
- James Lucier – Financial Analyst
- Cecil Edward Roberts, Jr. – United Mine Workers of America