

## Arch Coal Commences \$500 Million Offering of Senior Notes Due 2016

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ST. LOUIS (July 27, 2009) - Arch Coal, Inc. (NYSE:ACI) today announced that it has commenced an offering in accordance with Rule 144A under the Securities Act of 1933, as amended, of \$500 million in aggregate principal amount of senior unsecured notes due 2016. The notes will be guaranteed by the company's subsidiaries that guarantee indebtedness under the company's existing senior secured credit facility.

The company plans to use the net proceeds of the offering to finance a portion of the \$761.0 million purchase price for the previously announced acquisition of the Jacobs Ranch mining complex in Wyoming. The acquisition is expected to close in the third quarter of 2009. If the acquisition is not completed, the company intends to use the net proceeds from this offering for general corporate purposes, which may include the financing of future acquisitions, including lease-by-applications, or strategic combinations, capital expenditures, additions to working capital, repurchases, repayment or refinancing of debt or stock repurchases.

This press release does not constitute an offer to sell or the solicitation of an offer to sell or a solicitation of an offer to buy any securities.

The offering of notes will not be registered under the Securities Act of 1933, as amended or the securities laws of any other jurisdictions and may not be offered or sold absent registration or an applicable exemption from registration requirements.

St. Louis-based Arch Coal is one of the nation's largest coal producers, with revenues of \$3.0 billion in 2008. The company's core business is providing U.S. power generators with cleaner-burning, low-sulfur coal for electric generation. Through its subsidiary operations, Arch provides the fuel for approximately 6 percent of the electricity generated in the United States.

*Forward-Looking Statements: This press release contains "forward-looking statements" - that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, particular uncertainties arise from changes in the demand for our coal by the domestic electric generation industry; from legislation and regulations relating to the Clean Air Act and other environmental initiatives; from operational, geological, permit, labor and weather-related factors; from fluctuations in the amount of cash we generate from operations; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. For a description of some of the risks and uncertainties that may affect our future results, you should see the risk factors contained in the prospectus and prospectus supplement related to the offering or otherwise described from time to time in the reports we file with the Securities and Exchange Commission.*