Arch Coal Comments on Ashland's Plans to Distribute Shares

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St. Louis, Missouri – February 24, 2000 - Earlier today Ashland Inc. (NYSE:ASH) announced that its management intends to recommend that 17.4 million of its 22.1 million shares of Arch Coal stock be distributed to Ashland shareholders in the form of a taxable dividend. The action is subject to approval by the Ashland board of directors in mid-March. Ashland said it plans to dispose of its remaining shares in a tax-efficient manner based on market conditions.

Ashland first announced its interest in exploring strategic alternatives for its investment in Arch Coal on June 22, 1999. Subsequently, Ashland announced its preferred course of action was a tax-free or taxable distribution to shareholders. Ashland Inc. currently owns approximately 58% of Arch's total shares outstanding.

"We fully support Ashland's efforts to unlock the value of its investment in Arch Coal," said Steven F. Leer, Arch Coal's president and chief executive officer. "We expect this move to prove beneficial to the shareholders of both companies."

Leer noted that the distribution would significantly increase the liquidity of Arch's shares. "At present, trading activity in Arch shares is very limited," Leer said. "That makes it difficult for large or even mid-sized funds to take a meaningful position in our company without affecting the stock price. The distribution of 17.4 million shares of Arch stock to more than 20,000 institutions and individuals should help remedy this situation and make Arch a substantially more attractive investment opportunity."

Leer also announced that Arch Coal would be taking steps to raise awareness about the company among potential investors. As part of these efforts, Arch plans to hold meetings with the investment community in a number of large cities before and after the Ashland shares are distributed.

"The fundamentals for increasing low-sulfur coal demand are excellent," Leer said. "As the economy expands and the digital revolution gains momentum, America's requirements for low-cost electricity should only grow. Coal provides more than half the nation's electricity and is the lowest cost source of electric generation, at less than half the cost of natural gas. With a huge base of low-sulfur coal reserves and low-cost operations in both the east and west, Arch is in an excellent position to capitalize on the growing demand for the cleanest and most environmentally friendly coal."

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including Arch Coal's expectations with respect to future value creation and the company's relative competitive position. Although Arch Coal, Inc. believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectations will be attained. Factors that could cause actual results to differ materially from expectations include, but are not limited to, changes in local or national economic conditions; changes in mining rates and costs for a variety of operational, geologic, permitting, labor and weather-related reasons, including equipment availability; and other risks detailed from time to time in the company's reports filed with the Securities and Exchange Commission, including quarterly reports on Form 10-Q, reports on Form 8-K, and annual reports on Form 10-K.

Arch Coal is the nation's second largest coal producer, with subsidiary operations in West Virginia, Kentucky, Virginia, Wyoming, Colorado and Utah. Through these operations, Arch provides the fuel for approximately 6% of the electricity generated in the United States.