UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

X **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2020

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-38003

RAMACO RESOURCES, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**38-4018838** (I.R.S. Employer Identification No.)
250 West Main Street, Suite 1800 **Lexington, Kentucky** (Address of principal executive offices)	**40507** (Zip code)

(859) 244-7455
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value	**METC**	**NASDAQ Global Select Market**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes X No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	X
Emerging growth company	X		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. X

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No X

As of May 12, 2020, the registrant had 42,713,347 shares of common stock outstanding.

TABLE OF CONTENTS

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (the "Quarterly Report") includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements, other than statements of historical fact included in this report, regarding our strategy, future operations, financial position, estimated revenue, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this Quarterly Report, the words "could," "believe," "anticipate," "intend," "estimate," "expect," "project" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on management's current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements described under, but not limited to, the heading "Item 1A. Risk Factors" included in this report and elsewhere in the Annual Report of Ramaco Resources, Inc. (the "Company") on Form 10-K for the year ended December 31, 2019 (the "Annual Report") and other filings with the Securities and Exchange Commission ("SEC").

Forward-looking statements may include statements about:

- risks related to the impact of the COVID-19 global pandemic, such as the scope and duration of the outbreak, the health and safety of our employees, government actions and restrictive measures implemented in response, delays and cancellations of customer sales, supply chain disruptions and other impacts to the business, or our ability to execute our business continuity plans;
- anticipated production levels, costs, sales volumes and revenue;
- timing for completion of major capital projects;
- economic conditions in the metallurgical coal and steel industries generally, including any near-term or long-term downturn in these industries as a result of the COVID-19 pandemic and related actions;
- expected costs to develop planned and future mining operations, including the costs to construct necessary processing and transport facilities;
- estimated quantities or quality of our metallurgical coal reserves;
- our ability to obtain additional financing on favorable terms, if required, to complete the acquisition of additional metallurgical coal reserves as currently contemplated or to fund the operations and growth of our business;
- maintenance, operating or other expenses or changes in the timing thereof;
- financial condition and liquidity of our customers;
- competition in coal markets;
- the price of metallurgical coal and/or thermal coal;
- compliance with stringent domestic and foreign laws and regulations, including environmental, climate change and health and safety regulations, and permitting requirements, as well as changes in the regulatory environment, the adoption of new or revised laws, regulations and permitting requirements;
- potential legal proceedings and regulatory inquiries against us;
- the impact of weather and natural disasters on demand, production and transportation;
- purchases by major customers and our ability to renew sales contracts;
- credit and performance risks associated with customers, suppliers, contract miners, co-shippers and trading, banks and other financial counterparties;
- geologic, equipment, permitting, site access and operational risks and new technologies related to mining;
- transportation availability, performance and costs;
- availability, timing of delivery and costs of key supplies, capital equipment or commodities such as diesel fuel, steel, explosives and tires;
- timely review and approval of permits, permit renewals, extensions and amendments by regulatory authorities;
- our expectations relating to dividend payments and our ability to make such payments; and
- other risks identified in this Quarterly Report that are not historical.

We caution you that these forward-looking statements are subject to a number of risks, uncertainties and assumptions, which are difficult to predict and many of which are beyond our control, incident to the development, production, gathering and sale of coal. Moreover, we operate in a very competitive and rapidly changing environment and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this Quarterly Report are reasonable, we can give no assurance that these plans, intentions or expectations will be achieved or occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

All forward-looking statements, expressed or implied, included in this report are expressly qualified in their entirety by this cautionary statement and speak only as of the date of this Quarterly Report. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue.

Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this report.

PART I - FINANCIAL INFORMATION

Item 1. ***Financial Statements***

Ramaco Resources, Inc.
Unaudited Condensed Consolidated Balance Sheets

In thousands, except share and per share amounts	March 31, 2020	December 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 15,319	$ 5,532
Accounts receivable	14,420	19,256
Inventories	23,458	15,261
Prepaid expenses and other	4,943	4,274
Total current assets	58,140	44,323
Property, plant and equipment – net	181,896	178,202
Advanced coal royalties	3,640	3,271
Other	983	1,017
Total Assets	$ 244,659	$ 226,813
Liabilities and Stockholders' Equity		
Liabilities		
Current liabilities		
Accounts payable	$ 13,099	$ 10,663
Accrued expenses	11,484	11,740
Asset retirement obligations	361	19
Current portion of long-term debt	3,333	3,333
Other	375	656
Total current liabilities	28,652	26,411
Asset retirement obligations	14,394	14,586
Long-term debt, net	22,295	9,614
Deferred tax liability	5,375	5,265
Other long-term liabilities	975	854
Total liabilities	71,691	56,730
Commitments and contingencies	—	—
Stockholders' Equity		
Preferred stock, $0.01 par value, 50,000,000 shares authorized, none issued and outstanding	—	—
Common stock, $0.01 par value, 260,000,000 shares authorized, 42,664,327 and 40,933,831 shares issued and outstanding, respectively	427	410
Additional paid-in capital	155,863	154,957
Retained earnings	16,678	14,716
Total stockholders' equity	172,968	170,083
Total Liabilities and Stockholders' Equity	$ 244,659	$ 226,813

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Ramaco Resources, Inc.
Unaudited Condensed Consolidated Statements of Operations

In thousands, except per share amounts	Three months ended March 31, 2020		2019	
Revenue	$	41,935	$	57,460
Costs and expenses				
Cost of sales (exclusive of items shown separately below)		30,934		41,006
Asset retirement obligation accretion		141		128
Depreciation and amortization		5,002		4,116
Selling, general and administrative		4,717		3,960
Total costs and expenses		40,794		49,210
Operating income		1,141		8,250
Other income		1,210		298
Interest expense, net		(279)		(307)
Income before tax		2,072		8,241
Income tax expense		110		1,358
Net income	$	1,962	$	6,883
Earnings per common share				
Basic	$	0.05	$	0.17
Diluted	$	0.05	$	0.17
Basic weighted average shares outstanding		41,760		40,604
Diluted weighted average shares outstanding		41,760		40,652

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Ramaco Resources, Inc.
Unaudited Condensed Consolidated Statements of Stockholders' Equity

In thousands	Common Stock	Additional Paid-in Capital	Retained Earnings (Deficit)	Total Stockholders' Equity
Balance at January 1, 2020	$ 410	$ 154,957	$ 14,716	$ 170,083
Stock-based compensation	17	906	—	923
Net income	—	—	1,962	1,962
Balance at March 31, 2020	$ 427	$ 155,863	$ 16,678	$ 172,968
Balance at January 1, 2019	$ 401	$ 150,926	$ (10,218)	$ 141,109
Stock-based compensation	7	887	—	894
Net income	—	—	6,883	6,883
Balance at March 31, 2019	$ 408	$ 151,813	$ (3,335)	$ 148,886

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Ramaco Resources, Inc.
Unaudited Condensed Consolidated Statements of Cash Flows

In thousands	Three months ended March 31, 2020	2019
Cash flows from operating activities		
Net income	$ 1,962	$ 6,883
Adjustments to reconcile net income to net cash from operating activities:		
Accretion of asset retirement obligations	141	128
Depreciation and amortization	5,002	4,116
Amortization of debt issuance costs	14	14
Stock-based compensation	923	894
Deferred income taxes	110	1,341
Changes in operating assets and liabilities:		
Accounts receivable	4,836	(16,556)
Prepaid expenses and other current assets	(554)	1,010
Inventories	(8,197)	(842)
Other assets and liabilities	(214)	63
Accounts payable	2,649	(4,159)
Accrued expenses	(256)	1,031
Net cash from operating activities	6,416	(6,077)
Cash flow from investing activities:		
Purchases of property, plant and equipment	(8,900)	(8,199)
Cash flows from financing activities		
Proceeds from borrowings	22,200	26,500
Repayment of borrowings	(9,533)	(17,251)
Repayments of financed insurance payable	(281)	(171)
Net cash from financing activities	12,386	9,078
Net change in cash and cash equivalents and restricted cash	9,902	(5,198)
Cash and cash equivalents and restricted cash, beginning of period	6,865	7,380
Cash and cash equivalents and restricted cash, end of period	$ 16,767	$ 2,182
Supplemental cash flow information:		
Cash paid for interest	$ 242	$ 249
Cash paid for taxes	—	—
Non-cash investing and financing activities:		
Capital expenditures included in accounts payable and accrued expenses	2,689	4,332
Additional asset retirement obligations incurred	9	43

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Ramaco Resources, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

NOTE 1—DESCRIPTION OF BUSINESS

Ramaco Resources, Inc. ("the Company," "we," "us," "our,") is a Delaware corporation formed in October 2016. Our principal corporate offices are located in Lexington, Kentucky. We are an operator and developer of high-quality, low-cost metallurgical coal in southern West Virginia, southwestern Virginia, and southwestern Pennsylvania.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation—These interim financial statements are unaudited and have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Certain disclosures have been condensed or omitted from these financial statements. Accordingly, they do not include all the information and notes required by accounting principles generally accepted in the United States of America ("GAAP") for complete consolidated financial statements, and should be read in conjunction with the audited consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2019.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all adjustments, consisting of normal recurring adjustments, necessary to fairly present the financial position as of, and the results of operations for, all periods presented. In preparing the accompanying financial statements, management has made certain estimates and assumptions that affect reported amounts in the condensed consolidated financial statements and disclosures of contingencies. Actual results may differ from those estimates. The results for interim periods are not necessarily indicative of annual results. Certain reclassifications have been made to the prior period's consolidated financial statements and related footnotes to conform them to the current period presentation. Intercompany balances and transactions between consolidated entities are eliminated.

Cash and Cash Equivalents—We classify all highly-liquid instruments with an original maturity of three months or less to be cash equivalents. Restricted cash balances were $1.4 million at March 31, 2020 and $1.3 million at December 31, 2019, consisted of funds held in escrow for potential future workers' compensation claims and were classified in other current assets in the consolidated balance sheets.

Self-Insurance—We are self-insured for certain losses relating to workers' compensation claims. We purchase insurance coverage to reduce our exposure to significant levels of these claims. Self-insured losses are accrued based upon estimates of the aggregate liability for uninsured claims incurred as of the balance sheet date using current and historical claims experience and certain actuarial assumptions. At March 31, 2020, the estimated aggregate liability for uninsured claims totaled $1.2 million. Of this, $0.9 million is included in other long-term liabilities within the consolidated balance sheets. At December 31, 2019, the estimated aggregate liability for uninsured claims totaled $1.0 million including $0.7 included in other long-term liabilities. These estimates are subject to uncertainty due to a variety of factors, including extended lag times in the reporting and resolution of claims, and trends or changes in claim settlement patterns, insurance industry practices and legal interpretations. As a result, actual costs could differ significantly from the estimated amounts. Adjustments to estimated liabilities are recorded in the period in which the change in estimate occurs.

Financial Instruments—Our financial assets and liabilities consist of cash, accounts receivable, accounts payable and notes payable. The fair values of these instruments approximate their carrying amounts at each reporting date.

Nonrecurring fair value measurements include asset retirement obligations, the estimated fair value of which is calculated as the present value of estimated cash flows related to its reclamation liabilities using Level 3 inputs. The significant inputs used to calculate such liabilities include estimates of costs to be incurred, our credit adjusted discount rate, inflation rates and estimated date of reclamation.

Concentrations—During the three months ended March 31, 2020, sales to three customers accounted for approximately 39%, 18% and 16% of our total revenue, respectively, aggregating approximately 73% of our total revenue. The balance due from these three customers at March 31, 2020 was approximately 69% of total accounts receivable. During the three months ended March 31, 2019 sales to three customers accounted for approximately 55% of total revenue.

Recent Accounting Pronouncements—In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses*, which replaces the existing incurred loss impairment model with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. We adopted this standard effective January 1, 2020. The adoption of this ASU did not have a material impact on our consolidated financial statements.

In August 2018, the FASB issued ASU 2018-15, *Internal-Use Software*, which addresses the accounting for implementation costs associated with a hosted service. The standard provides that implementation costs be evaluated for capitalization using the same criteria as that used for internal-use software development costs, with amortization expense being recorded in the same income statement expense line as the hosted service costs and over the expected term of the hosting arrangement. We adopted this standard as of January 1, 2020 on a prospective basis. The adoption of this ASU did not have a material impact on our consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, *Income Taxes*, which enhances and simplifies various aspects of the income tax accounting guidance, including requirements such as tax basis step-up in goodwill obtained in a transaction that is not a business combination, ownership changes in investments, and interim-period accounting for enacted changes in tax law. The standard will be effective for us in the first quarter of our fiscal year 2021. We do not expect that the adoption of this ASU will have a significant impact on our consolidated financial statements.

NOTE 3—PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following:

(In thousands)	March 31, 2020	December 31, 2019
Plant and equipment	$ 145,347	$ 142,773
Construction in process	14,144	11,986
Capitalized mine development cost	62,737	58,773
Less: accumulated depreciation and amortization	(40,332)	(35,330)
Total property, plant and equipment, net	$ 181,896	$ 178,202

Capitalized amounts related to coal reserves at properties where we are not currently engaged in mining operations totaled $14.6 million as of March 31, 2020 and $12.7 million as of December 31, 2019.

Depreciation and amortization included:

	Three months ended March 31,	
(In thousands)	2020	2019
Depreciation of plant and equipment	$ 4,175	$ 3,019
Amortization of capitalized mine development costs	827	1,097
Total depreciation and amortization	$ 5,002	$ 4,116

NOTE 4—DEBT

On November 2, 2018, we entered into a Credit and Security Agreement (as amended, the "Revolving Credit Facility") with KeyBank National Association ("KeyBank"). The Revolving Credit Facility was amended on February 20, 2020 and consists of a $10.0 million term loan (the "Term Loan") and up to $30.0 million revolving line of credit, including $3.0 million letter of credit availability. All personal property assets, including, but not limited to accounts receivable, coal inventory and certain surface mining equipment are pledged to secure the Revolving Credit Facility.

The Revolving Credit Facility has a maturity date of December 31, 2023 and bears interest based on LIBOR + 2.0% or Base Rate + 1.5%. Base Rate is the highest of (i) KeyBank's prime rate, (ii) Federal Funds Effective Rate + 0.5%, or (iii) LIBOR + 2.0%. Advances under the Revolving Credit Facility are made initially as base rate loans, but may be converted to LIBOR rate loans at certain times at our discretion. As of March 31, 2020, $16.5 million was outstanding on the Revolving Credit Facility and we had remaining availability of $13.5 million.

The Term Loan is secured under a Master Security Agreement with a pledge of certain underground and surface mining equipment, bears interest at LIBOR + 5.15% and is required to be repaid in monthly installments of $278 thousand including accrued interest. The outstanding principal balance of the Term Loan was $9.1 million at March 31, 2020.

The Revolving Credit Facility contains usual and customary covenants including limitations on liens, additional indebtedness, investments, restricted payments, asset sales, mergers, affiliate transactions and other customary limitations, as well as financial covenants. As of March 31, 2020, we were in compliance with all debt covenants.

NOTE 5—EQUITY

Stock-Based Compensation

We have a stock-based compensation plan under which stock options, restricted stock, performance shares and other stock-based awards may be granted. At March 31, 2020, 3.3 million shares were available under the current plan for future awards.

Stock Options—Options for the purchase of a total of 937,424 shares of our common stock for $5.34 per share were granted to two executives on August 31, 2016. The options have a ten-year term from the grant date and are fully vested. The options remain outstanding and unexercised and were not in-the-money at March 31, 2020.

Restricted Stock—We grant shares of restricted stock to certain senior executives, key employees and directors. The shares vest over up to four years from the date of grant. During the vesting period, the participants have voting rights and may receive dividends, but the shares may not be sold, assigned, transferred, pledged or otherwise encumbered. Additionally, granted but unvested shares are forfeited upon termination of employment, unless an employee enters into another written arrangement. The fair value of the restricted shares on the date of the grant is amortized ratably over the service period. Compensation expense related to these awards totaled $0.9 million for the three months ended March 31, 2020. As of March 31, 2020, there was $8.8 million of total unrecognized compensation cost related to unvested restricted stock to be recognized over a weighted-average period of 2.3 years.

The following table summarizes restricted awards outstanding, as well as activity for the period:

	Shares	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2019	1,628,241	$ 6.32
Granted	1,714,152	3.06
Vested	—	—
Forfeited	—	—
Outstanding at March 31, 2020	3,342,393	$ 4.65

NOTE 6—COMMITMENTS AND CONTINGENCIES

Surety Bonds—As of March 31, 2020, we had total reclamation bonding requirements of $13.3 million which were supported by surety bonds. Additionally, we had $0.3 million of surety bonds that secured performance obligations.

Purchase Commitments—We secure the ability to transport coal through rail contracts and export terminals that are sometimes funded through take-or-pay arrangements. As of March 31, 2020, commitments under take-or-pay arrangements totaled $5.1 million through March 31, 2021.

Litigation—From time to time, the Company may be subject to various litigation and other claims in the normal course of business. No amounts have been accrued in the consolidated financial statements with respect to any matters.

On November 5, 2018, one of three raw coal storage silos that fed our Elk Creek plant experienced a partial structural failure. A temporary conveying system completed in late-November 2018 restored approximately 80% of the plant capacity. We completed a permanent belt workaround and restored the preparation plant to its full processing capacity in mid-2019. Our insurance carrier, Federal Insurance Company, disputed our claim for coverage based on certain exclusions to the applicable policy and therefore on August 21, 2019 we filed suit against Federal Insurance Company and Chubb INA Holdings, Inc. in Logan County Circuit Court in West Virginia seeking a declaratory judgment that the partial silo collapse was an insurable event and to require coverage under our policy. Defendants removed the case to the United States District Court for the Southern District of West Virginia, and upon removal, we substituted ACE American Insurance Company as a defendant in place of Chubb INA Holdings, Inc. Currently, the case is in the discovery phase and is scheduled for trial beginning December 8, 2020, in Charleston, WV.

NOTE 7—REVENUE

Our revenue is derived from contracts for the sale of coal which is recognized at the point in time control is transferred to our customer. Generally, domestic sales contracts have terms of about one year and the pricing is typically fixed. Export sales have spot or term contracts and pricing can either be by fixed-price or a price derived against index-based pricing mechanisms. Sales completed with delivery to an export terminal are reported as export revenue. Disaggregated information about our revenue is presented below:

	Three months ended March 31,	
(In thousands)	**2020**	**2019**
Coal Sales		
Domestic revenues	$ 30,532	$ 36,571
Export revenues	11,403	20,889
Total revenues	$ 41,935	$ 57,460

As of March 31, 2020, we had outstanding performance obligations for the remainder of 2020 of approximately 1.1 million tons for contracts with fixed sales prices. As further discussed in Note 11, volumes under these contracts may be delayed or curtailed due to COVID-19.

NOTE 8—INCOME TAXES

Income tax provisions for interim quarterly periods are generally based on an estimated annual effective income tax rate calculated separately from the effect of significant, infrequent or unusual items related specifically to interim periods. We used a discrete effective tax rate to calculate taxes for the three months ended March 31, 2020 since small changes in estimated income would result in significant changes in the estimated annual effective income tax rate.

The effective tax rate for the three months ended March 31, 2020 was 5%, compared to 16% for the three months ended March 31, 2019. The primary difference from the federal statutory rate of 21% is related to state taxes, permanent differences for non-deductible expenses and the difference in depletion expense between U.S. GAAP and federal income tax purposes.

NOTE 9—EARNINGS PER SHARE

The following is the computation of basic and diluted EPS:

(In thousands, except per share amounts)	Three months ended March 31, 2020	2019
Numerator		
Net income	$ 1,962	$ 6,883
Denominator		
Weighted average shares used to compute basic EPS	41,760	40,604
Dilutive effect of share-based awards	—	48
Weighted average shares used to compute diluted EPS	41,760	40,652
Earnings per share		
Basic	$ 0.05	$ 0.17
Diluted	$ 0.05	$ 0.17

Diluted EPS for the three months ended March 31, 2020 excludes 937,424 options to purchase our common stock because their effect would be anti-dilutive.

NOTE 10—RELATED PARTY TRANSACTIONS

Mineral Lease and Surface Rights Agreements—Much of the coal reserves and surface rights that we control were acquired through a series of mineral leases and surface rights agreements with Ramaco Coal, LLC, a related party. Production royalty payables totaling $0.4 million and $0.5 million at March 31, 2020 and December 31, 2019, respectively, were included in accounts payable in the condensed consolidated balance sheet. Royalties paid to Ramaco Coal, LLC in the three months ended March 31, 2020 and 2019 totaled $1.2 million and $1.3 million, respectively.

NOTE 11—SUBSEQUENT EVENTS

Response to the Coronavirus Disease 2019 (COVID-19) Pandemic on Our Business—On March 11, 2020, the World Health Organization declared the current COVID-19 outbreak to be a global pandemic, and on March 13, 2020, the United States declared a national emergency. The impact of COVID-19 on our business is currently unknown. In an effort to contain COVID-19 or slow its spread, governments around the world have enacted various measures, including orders to close all businesses not deemed "essential," isolate residents to their homes or places of residence and practice social distancing when engaging in essential activities. These actions and the global health crisis caused by COVID-19 have created significant volatility, uncertainty and economic disruption.

We have observed declining demand and spot price reductions for metallurgical coal as business and consumer activity decelerates across the globe. This weakness limited our ability to complete spot sales in the first quarter, leading to an increase in our inventories. We are not able to estimate the impact that lower demand or spot pricing may have on our business but expect that spot pricing and demand will remain weak through at least the second quarter of 2020.

Two customers have notified us that their contractual obligations for purchases of metallurgical coal from us may be delayed or curtailed because of COVID-19. These two customers accounted for approximately 56% of our total revenue during the three months ended March 31, 2020. Based on the current environment, we estimate that a portion of our contractual commitments for the remainder of the year could be delayed or curtailed.

In response, we have taken steps to limit our production in the near-term. Effective April 1, 2020, out of an abundance of caution and to minimize the economic impact to our business, we took the following actions:

- We implemented a roughly two-week operational furlough of 182 employees at the Elk Creek mining complex in West Virginia. The Elk Creek prep plant remained fully operational to process coal. Our Berwind mine and the Knox Creek prep plant remained open;

- We temporarily reduced the salaries of certain executives, including our named executive officers, by 30% beginning April 1, 2020, and we deferred payment of cash bonuses for these individuals for an indefinite period; and
- We reduced or deferred non-essential capital expenditures to adapt to the current market conditions.

We began to partially reopen the furloughed Elk Creek complex operations and recalled approximately one-third of our furloughed workforce during the week of April 20, 2020. We recalled all furloughed employees by May 1, 2020.

To date we have not had any significant issues with critical suppliers, but we continue to communicate with them and closely monitor their developments to ensure we have access to the goods and services required to maintain our operations.

We will continue to actively monitor the situation and may take further actions altering our business operations that we determine are in the best interests of our employees, customers, suppliers, and stakeholders, or as required by federal, state, or local authorities. Additional measures we may take could include extensions of operational furloughs and temporary salary reductions for certain executives, staffing reductions and idling or realignment of additional mines as conditions might dictate. It is not clear what the potential effects any such alterations or modifications may have on our business. The effects on our results in our second quarter and other future periods could be much more significant and cannot currently be quantified.

SBA Paycheck Protection Program Loan—On April 20, 2020, we received proceeds from a loan in the amount of approximately $8.4 million (the "PPP Loan") from KeyBank, as lender, pursuant to the Paycheck Protection Program ("PPP") of the *Coronavirus Aid, Relief, and Economic Security Act* (the "CARES Act"). The purpose of the PPP is to encourage the continued employment of workers. Based upon receipt of this funding, we elected to recall our furloughed workers at our Elk Creek complex. We intend to use all proceeds from the PPP Loan to retain employees, maintain payroll and make lease and utility payments.

The PPP Loan matures on April 16, 2022 and bears interest at a rate of 1% per annum. Beginning November 17, 2020, we are required to pay the lender equal monthly payments of principal and interest as required to fully amortize by April 17, 2022 the principal amount outstanding on the PPP Loan as of October 17, 2020. The PPP Loan is evidenced by a promissory note dated April 17, 2020, which contains customary events of default relating to, among other things, payment defaults and breaches of representations and warranties. The PPP Loan may be prepaid by the Company at any time prior to maturity with no prepayment penalties.

All or a portion of the PPP Loan and accrued interest thereon may be forgiven by the U.S. Small Business Administration ("SBA") upon application by the Company beginning 60 days but not later than 120 days after loan approval and upon documentation of expenditures in accordance with the SBA requirements. Under the CARES Act, loan forgiveness is available for the sum of documented payroll costs, covered rent payments, covered mortgage interest and covered utilities during the eight week period beginning on the date of loan funding. For purposes of the CARES Act, payroll costs exclude cash compensation of an individual employee in excess of $100 thousand, prorated annually. Not more than 25% of the forgiven amount may be for non-payroll costs. Forgiveness is reduced if full-time headcount declines, or if salaries and wages for employees with salaries of $100 thousand or less annually are reduced by more than 25%.

Equipment Financing Loan—On April 16, 2020, we entered into an equipment loan with Key Equipment Finance, a division of KeyBank, as lender, in the principal amount of approximately $4.7 million for the financing of existing underground and surface equipment. The equipment loan bears interest at 7.45% per annum and is payable in 36 monthly installments of $147 thousand. There is a 3% premium for prepayment of the note within the first 12 months. This premium declines by 1% during each successive 12-month period. We intend to use the proceeds from this loan for general corporate purposes including the financing of anticipated future capital expenditures.

* * * * *

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained in our Annual Report, as well as the financial statements and related notes appearing elsewhere in this Quarterly Report. The following discussion contains forward-looking statements that reflect our future plans, estimates, beliefs and expected performance. The forward-looking statements are dependent upon events, risks and uncertainties that may be outside our control. We caution you that our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences are discussed elsewhere in this Quarterly Report, particularly in the "Cautionary Note Regarding Forward-Looking Statements" and in our Annual Report under the heading "Item 1A. Risk Factors," all of which are difficult to predict. In light of these risks, uncertainties and assumptions, the forward-looking events discussed may not occur. We do not undertake any obligation to publicly update any forward-looking statements except as otherwise required by applicable law.

Overview

Our primary source of revenue is the sale of metallurgical coal. As of December 31, 2019, we had a 265-million-ton reserve base of high-quality metallurgical coal and a development portfolio including four primary properties. We are currently mining in four underground mines, one surface mine and with one highwall miner at our two complexes. Our plan is to complete development of our existing properties and grow production to more than 4-4.5 million clean tons of metallurgical coal, subject to market conditions, permitting and additional capital deployment. We may make acquisitions of reserves or infrastructure that continue our focus on advantaged geology and lower costs.

The overall outlook of the metallurgical coal business is dependent on a variety of factors such as pricing, regulatory uncertainties and global economic conditions. Coal consumption and production in the U.S. have been driven in recent periods by several market dynamics and trends, such as the global economy, a strong U.S. dollar and accelerating production cuts.

Our results for the first quarter of 2020 were impacted by continued weakness in the metallurgical industry that began in the second half of 2019. This weakness continued into the first quarter of 2020 as global economic growth was increasingly impacted by the COVID-19 outbreak as the quarter progressed.

As of March 31, 2020, we had forward sales contracts for the remainder of 2020 of approximately 1.1 million tons for contracts with fixed sales prices averaging $93/ton (FOB mine).

Impact of the Coronavirus Disease 2019 (COVID-19) Pandemic on Our Business

On March 11, 2020, the World Health Organization declared the novel coronavirus disease 2019 ("COVID-19") outbreak to be a global pandemic, and on March 13, 2020, the United States declared a national emergency. The impact of COVID-19 on our business is currently unknown. In an effort to contain COVID-19 or slow its spread, governments around the world have enacted various measures, including orders to close all businesses not deemed "essential," isolate residents to their homes or places of residence and practice social distancing when engaging in essential activities. These actions and the global health crisis caused by COVID-19 have created significant volatility, uncertainty and economic disruption.

We have observed declining demand and spot price reductions for metallurgical coal as business and consumer activity decelerates across the globe. This weakness limited our ability to complete spot sales in the first quarter, leading to an increase in our inventories. We are not able to estimate the impact that lower demand or spot pricing may have on our business but expect that spot pricing and demand will remain weak through at least the second quarter of 2020.

Two customers have notified us that their contractual obligations for purchases of metallurgical coal from us may be delayed or curtailed because of COVID-19. These two customers accounted for approximately 56% of our total revenue during the three months ended March 31, 2020. Based on the current environment, we estimate that a portion of our contractual commitments for the remainder of the year could be delayed or curtailed.

In response, we have taken steps to limit our production in the near-term. Effective April 1, 2020, out of an abundance of caution and to minimize the economic impact to our business, we took the following actions:

- We implemented a roughly two-week operational furlough of 182 employees at the Elk Creek mining complex in West Virginia. The Elk Creek prep plant remained fully operational to process coal. Our Berwind mine and the Knox Creek prep plant remained open;
- We temporarily reduced the salaries of certain executives, including our named executive officers, by 30% beginning April 1, 2020, and we deferred payment of cash bonuses for these individuals for an indefinite period; and
- We reduced or deferred non-essential capital expenditures to adapt to the current market conditions.

We began to partially reopen the furloughed Elk Creek complex operations and recalled approximately one-third of our furloughed workforce during the week of April 20, 2020. We recalled all furloughed employees by May 1, 2020.

To date we have not had any significant issues with critical suppliers, but we continue to communicate with them and closely monitor their developments to ensure we have access to the goods and services required to maintain our operations.

We will continue to actively monitor the situation and may take further actions altering our business operations that we determine are in the best interests of our employees, customers, suppliers, and stakeholders, or as required by federal, state, or local authorities. Additional measures we may take could include extensions of operational furloughs and temporary salary reductions for certain executives, staffing reductions and idling or realignment of additional mines as conditions might dictate. It is not clear what the potential effects any such alterations or modifications may have on our business. The effects on our results in our second quarter and other future periods could be much more significant and cannot currently be quantified.

Results of Operations

	Three months ended March 31,	
(In thousands)	**2020**	**2019**
Consolidated statement of operations data		
Revenue	$ 41,935	$ 57,460
Costs and expenses		
Cost of sales (exclusive of items shown separately below)	30,934	41,006
Asset retirement obligation accretion	141	128
Depreciation and amortization	5,002	4,116
Selling, general and administrative	4,717	3,960
Total costs and expenses	40,794	49,210
Operating income	1,141	8,250
Other income	1,210	298
Interest expense, net	(279)	(307)
Income before tax	2,072	8,241
Income tax expense	110	1,358
Net income	$ 1,962	$ 6,883
Adjusted EBITDA	$ 8,417	$ 13,686

Net income was $2.0 million and Adjusted EBITDA was $8.4 million in the first quarter of 2020, which were respectively 71% and 38% lower than that for the first quarter of 2019. We experienced both lower realized pricing and volumes in the 2020 period as compared with that for 2019. Negotiations for contracted volumes with North American steel producers for 2020 were substantially completed in the fall of last year. At that time, there was significant weakness in both customer demand and pricing for metallurgical coal which impacted our reported revenues for the first quarter of 2020. We experienced favorable improvements in our cash cost of sales in the first quarter of 2020 as compared with the same period of 2019 which partially offset the decline in our revenues and Adjusted EBITDA.

Development of our Berwind mining complex began in late 2017. These development efforts contributed to higher cash costs of production and higher capital expenditures during each of the periods presented above. While we expect the Berwind mine to achieve full commercial production in 2021 from two deep mine sections, these development efforts could be delayed as a result of COVID-19.

Three Months Ended March 31, 2020 Compared to Three Months Ended March 31, 2019

Revenue. Our revenue includes sales to customers of Company produced coal and coal purchased from third parties. We include amounts billed by us for transportation to our customers within revenue and transportation costs incurred within cost of sales. Coal sales information is summarized as follows:

	Three months ended March 31,		
(In thousands)	**2020**	**2019**	**Increase (Decrease)**
Company Produced			
Coal sales revenue	$ 41,935	$ 52,700	$ (10,765)
Tons sold	416	443	(27)
Purchased from Third Parties			
Coal sales revenue	$ —	$ 4,760	$ (4,760)
Tons sold	—	35	(35)

Coal sales revenue in the first quarter of 2020 was $10.8 million or 27% lower than in the first quarter of 2019 principally due to lower sales volumes and lower realized pricing. Overall, our revenue per ton sold (FOB mine) declined 11% from $105/ton in the three months ended March 31, 2019 to $93/ton in the three months ended March 31, 2020. We sold 416 thousand tons of metallurgical coal in the first quarter of 2020, a 13% decrease as compared with the same period of 2019.

The lower sales volumes and realized pricing in 2020 are due to reduced overall demand worldwide. The spot sales market has been affected by reduced economic activity attributable to the COVID-19 pandemic. We previously purchased coal volumes from third-parties for resale. We made no such purchases in the 2020 period as smaller producers exited local markets.

Cost of sales. Our cost of sales totaled $30.9 million for the three months ended March 31, 2020 as compared with $41.0 million for the same period in 2019. This decrease was primarily driven by lower sales volumes and lower overall cash cost per ton sold. The cash cost per ton sold (FOB mine) for the first quarter of 2020 was $67 for our Company produced coal, compared with $68 in the first quarter of 2019.

Asset retirement obligation accretion. Asset retirement obligation accretion was $0.1 million in each of the three-month periods ended March 31, 2020 and 2019.

Depreciation and amortization. Depreciation and amortization expense for the first quarter of 2020 was $5.0 million as compared with $4.1 million for the first quarter of 2019. Increased depreciation and amortization expense resulted from our growth and expanded operations over the past year.

Selling, general and administrative. Selling, general and administrative expenses were $5.0 million for the three months ended March 31, 2020 as compared with $4.0 million for the same period in 2019. We recognized $0.5 million in the first quarter of 2020 for obligations under take-or-pay arrangements with export terminals that were unused.

Other income. Other income was $1.2 million for the first quarter of 2020, as compared with $0.3 million for the first quarter of 2019. This increase was primarily due to fees for the processing of coal for a third party. We commenced processing of third party coal at our Knox Creek facility in late-fourth quarter of 2019. This processing contract was extended and expires in the third quarter of 2020.

Interest expense, net. Interest expense, net was $0.3 million in each of the three-month periods ended March 31, 2020 and 2019.

Income tax expense. The effective tax rate for the three months ended March 31, 2020 was 5%, compared to 16% for the three months ended March 31, 2019. The primary difference from the federal statutory rate of 21% is related to state taxes, permanent differences for non-deductible expenses and the difference in depletion expense between U.S. GAAP and federal income tax purposes.

Cash taxes paid for 2020 are expected to be less than $10 thousand.

Liquidity and Capital Resources

At March 31, 2020, we had $15.3 million of cash and cash equivalents and $13.5 million available under our existing credit agreements for future borrowings.

Significant sources and uses of cash during the first three months of 2020

Sources of cash:

- Cash flows from operating activities were $6.4 million. This included a negative impact from the primary components of our working capital (receivables, inventories and accounts payable) of a net $1.7 million, primarily associated with a build-up of inventories.
- We made net borrowings of $12.4 million principally to increase our cash position during the highly volatile and uncertain period of the first quarter caused by the COVID-19 pandemic.

Uses of cash:

- Capital expenditures were $8.9 million for development of the Berwind mine and for infrastructure at our Elk Creek mining complex.

At March 31, 2020, we also had $1.4 million of restricted cash balances, classified in other current assets in the consolidated balance sheets, for potential future workers' compensation claims.

Future sources and uses of cash

Our primary use of cash includes capital expenditures for mine development and for ongoing operating expenses. We expect to fund our capital and liquidity requirements with cash on hand, anticipated cash flows from operations and borrowings discussed in more detail below. We believe that current cash on hand, cash flow from operations and available liquidity under our existing credit agreements will be sufficient to meet our capital expenditure and operating plans.

Although there is uncertainty related to the anticipated impact of the recent COVID-19 outbreak on our future results, we believe the recent actions we have taken position us well to manage our business through this crisis. We are taking further actions to manage our cash flow and improve our liquidity, including review and consideration of opportunities and strategies for further capital expenditure reductions and deferrals, additional operating expense reductions and consideration of alternative non-dilutive financing sources in addition to our existing credit facilities.

Additional factors that could adversely impact our future liquidity and ability to carry out our capital expenditure program include:

- Timely delivery of our product by rail and other transportation carriers;
- Timely payment of accounts receivable by our customers;
- Cost overruns in our purchases of equipment needed to complete our mine development plans;
- Delays in completion of development of our various mines which would reduce the coal we would have available to sell and our cash flow from operations; and
- Adverse changes in the metallurgical coal markets that would reduce the expected cash flow from operations.

If future cash flows are insufficient to meet our liquidity needs or capital requirements, we may reduce our expected level of capital expenditures and/or fund a portion of our capital expenditures through the issuance of debt or equity securities, the entry into debt arrangements or from other sources, such as asset sales.

Indebtedness

KeyBank Credit and Security Agreement—On November 2, 2018, we entered into a Credit and Security Agreement (as amended, the "Revolving Credit Facility") with KeyBank National Association ("KeyBank"). The Revolving Credit Facility was amended on February 20, 2020 and consists of a $10.0 million term loan (the "Term Loan") and up to $30.0 million revolving line of credit, including $3.0 million letter of credit availability. All personal property assets, including, but not limited to accounts receivable, coal inventory and certain surface mining equipment are pledged to secure the Revolving Credit Facility.

The Revolving Credit Facility has a maturity date of December 31, 2023 and bears interest based on LIBOR + 2.0% or Base Rate + 1.5%. Base Rate is the highest of (i) KeyBank's prime rate, (ii) Federal Funds Effective Rate + 0.5%, or (iii) LIBOR + 2.0%. Advances under the Revolving Credit Facility are made initially as base rate loans, but may be converted to LIBOR rate loans at certain times at our discretion. As of March 31, 2020, $16.5 million was outstanding on the Revolving Credit Facility and we had remaining availability of $13.5 million.

The Term Loan is secured under a Master Security Agreement with a pledge of certain underground and surface mining equipment, bears interest at LIBOR + 5.15% and is required to be repaid in monthly installments of $278 thousand including accrued interest. The outstanding principal balance of the Term Loan was $9.1 million at March 31, 2020.

The Revolving Credit Facility contains usual and customary covenants including limitations on liens, additional indebtedness, investments, restricted payments, asset sales, mergers, affiliate transactions and other customary limitations, as well as financial covenants. As of March 31, 2020, we were in compliance with all debt covenants.

SBA Paycheck Protection Program Loan—On April 20, 2020, we received proceeds from a loan in the amount of approximately $8.4 million (the "PPP Loan") from KeyBank, as lender, pursuant to the Paycheck Protection Program ("PPP") of the *Coronavirus Aid, Relief, and Economic Security Act* (the "CARES Act"). The purpose of the PPP is to encourage the continued employment of workers. Based upon receipt of this funding, we elected to recall our furloughed workers at our Elk Creek complex. We intend to use all proceeds from the PPP Loan to retain employees, maintain payroll and make lease and utility payments.

The PPP Loan matures on April 16, 2022 and bears interest at a rate of 1% per annum. Beginning November 17, 2020, we are required to pay the lender equal monthly payments of principal and interest as required to fully amortize by April 17, 2022 the principal amount outstanding on the PPP Loan as of October 17, 2020. The PPP Loan is evidenced by a promissory note dated April 17, 2020, which contains customary events of default relating to, among other things, payment defaults and breaches of representations and warranties. The PPP Loan may be prepaid by the Company at any time prior to maturity with no prepayment penalties.

All or a portion of the PPP Loan and accrued interest thereon may be forgiven by the U.S. Small Business Administration ("SBA") upon application by the Company beginning 60 days but not later than 120 days after loan approval and upon documentation of expenditures in accordance with the SBA requirements. Under the CARES Act, loan forgiveness is available for the sum of documented payroll costs, covered rent payments, covered mortgage interest and covered utilities during the eight week period beginning on the date of loan funding. For purposes of the CARES Act, payroll costs exclude cash compensation of an individual employee in excess of $100 thousand, prorated annually. Not more than 25% of the forgiven amount may be for non-payroll costs. Forgiveness is reduced if full-time headcount declines, or if salaries and wages for employees with salaries of $100 thousand or less annually are reduced by more than 25%. See "Risk Factors— We have incurred debt under the Paycheck Protection Program in response to the COVID-19 pandemic. The federal government or private plaintiffs may challenge our determination that we meet the requirements for loans under the Paycheck Protection Program."

Equipment Financing Loan—On April 16, 2020, we entered into an equipment loan with Key Equipment Finance, a division of KeyBank, as lender, in the principal amount of approximately $4.7 million for the financing of existing underground and surface equipment. The equipment loan bears interest at 7.45% per annum and is payable in 36 monthly installments of $147 thousand. There is a 3% premium for prepayment of the note within the first 12 months. This premium declines by 1% during each successive 12-month period. We intend to use the proceeds from this loan for general corporate purposes including the financing of anticipated future capital expenditures.

Off-Balance Sheet Arrangements

As of March 31, 2020, we had no material off-balance sheet arrangements.

Non-GAAP Financial Measures

Adjusted EBITDA

Adjusted EBITDA is used as a supplemental non-GAAP financial measure by management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies. We believe Adjusted EBITDA is useful because it allows us to more effectively evaluate our operating performance.

We define Adjusted EBITDA as net income plus net interest expense, stock-based compensation, depreciation and amortization expenses and any transaction related costs. A reconciliation of net income to Adjusted EBITDA is included below. Adjusted EBITDA is not intended to serve as an alternative to U.S. GAAP measures of performance and may not be comparable to similarly-titled measures presented by other companies.

	Three months ended March 31,	
(In thousands)	**2020**	**2019**
Reconciliation of Net Income to Adjusted EBITDA		
Net income	$ 1,962	$ 6,883
Depreciation and amortization	5,002	4,116
Interest expense, net	279	307
Income taxes	110	1,358
EBITDA	7,353	12,664
Stock-based compensation	923	894
Accretion of asset retirement obligation	141	128
Adjusted EBITDA	$ 8,417	$ 13,686

Non-GAAP revenue per ton

Non-GAAP revenue per ton (FOB mine) is calculated as coal sales revenue less transportation costs, divided by tons sold. We believe revenue per ton (FOB mine) provides useful information to investors as it enables investors to compare revenue per ton we generate against similar measures made by other publicly-traded coal companies and more effectively monitor changes in coal prices from period to period excluding the impact of transportation costs which are beyond our control. The adjustments made to arrive at these measures are significant in understanding and assessing our financial condition. Revenue per ton sold (FOB mine) is not a measure of financial performance in accordance with U.S. GAAP and therefore should not be considered as an alternative to revenue under U.S. GAAP.

	Three months ended March 31, 2020			Three months ended March 31, 2019		
(In thousands, except per ton amounts)	Company Produced	Purchased Coal	Total	Company Produced	Purchased Coal	Total
Revenue	$ 41,935	$ —	$ 41,935	$ 52,700	$ 4,760	$57,460
Less: Adjustments to reconcile to Non-GAAP revenue (FOB mine)						
Transportation costs	(3,186)	—	(3,186)	(7,020)	(330)	(7,350)
Non-GAAP revenue (FOB mine)	$ 38,749	$ —	$ 38,749	$ 45,680	$ 4,430	$50,110
Tons sold	416	—	416	443	35	478
Revenue per ton sold (FOB mine)	$ 93	$ —	$ 93	$ 103	$ 127	$ 105

Non-GAAP cash cost per ton sold

Non-GAAP cash cost per ton sold is calculated as cash cost of sales less transportation costs, divided by tons sold. We believe cash cost per ton sold provides useful information to investors as it enables investors to compare our cash cost per ton against similar measures made by other publicly-traded coal companies and more effectively monitor changes in coal cost from period to period excluding the impact of transportation costs which are beyond our control. The adjustments made to arrive at these measures are significant in understanding and assessing our financial condition. Cash cost per ton sold is not a measure of financial performance in accordance with U.S. GAAP and therefore should not be considered as an alternative to cost of sales under U.S. GAAP.

	Three months ended March 31, 2020			Three months ended March 31, 2019		
(In thousands, except per ton amounts)	Company Produced	Purchased Coal	Total	Company Produced	Purchased Coal	Total
Cost of sales	$ 30,934	$ —	$ 30,934	$ 36,911	$ 4,095	$41,006
Less: Adjustments to reconcile to Non-GAAP cash cost of sales						
Transportation costs	(3,186)	—	(3,186)	(6,952)	(330)	(7,282)
Non-GAAP cash cost of sales	$ 27,748	$ —	$ 27,748	$ 29,959	$ 3,765	$33,724
Tons sold	416	—	416	443	35	478
Cash cost per ton sold	$ 67	$ —	$ 67	$ 68	$ 108	$ 71

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Quantitative and qualitative disclosures about market risk are included in Item 7A, "Quantitative and Qualitative Disclosures about Market Risk," of our Annual Report on Form 10-K for the year ended December 31, 2019.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

As required by Rule 13a-15(b) of the Exchange Act, we have evaluated, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this quarterly report. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure, and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this quarterly report, at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

We regularly review our system of internal control over financial reporting and make changes to our processes and systems to improve controls and increase efficiency, while ensuring that we maintain an effective internal control environment. Changes may include such activities as implementing new, more efficient systems, consolidating activities and migrating processes.

There were no significant changes in our system of internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during the quarter ended March 31, 2020, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

Due to the nature of our business, we may become, from time to time, involved in routine litigation or subject to disputes or claims related to our business activities. While the outcome of these proceedings cannot be predicted with certainty, in the opinion of our management, there are no pending litigation, disputes or claims against us which, if decided adversely, individually or in the aggregate, will have a material adverse effect on our financial condition, cash flows or results of operations. For a description of our legal proceedings, see Note 6 to the Condensed Consolidated Financial Statements included in Part I of this Quarterly Report.

Item 1A. Risk Factors

In addition to the other information set forth in this Quarterly Report, you should carefully consider the risk factors and other cautionary statements described under the heading "Item 1A. Risk Factors" included in our Annual Report and the risk factors and other cautionary statements contained in our other SEC filings, which could materially affect our businesses, financial condition or future results.

Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or future results. There have been no material changes in our risk factors from those described in our Annual Report other than as described below.

The recent spread of COVID-19, or the novel coronavirus, and measures taken to mitigate the impact of the COVID-19 pandemic, are adversely affecting our business, operations and financial condition**.**

On December 31, 2019, a human infection originating in China was traced to a novel strain of coronavirus. The virus has subsequently spread to globally, including to the United States. On March 11, 2020, the World Health Organization declared the current COVID-19 outbreak to be a global pandemic, and on March 13, 2020, the United States declared a national emergency. Governments worldwide have placed significant restrictions on both domestic and international travel and have taken action to restrict the movement of people and suspend some business operations, ranging from targeted restrictions to full national lockdowns. The pandemic and resulting governmental responses have caused a significant slowdown in the global economy and financial markets, and the current and anticipated economic impact of these actions have caused declines in many commodity prices, including a decline in metallurgical coal prices, and significant decline in the demand for steel. If the impacts of the coronavirus outbreak, including the accompanying travel restrictions and business closures, continue for an extended period of time or worsen, it could reduce the demand for metallurgical coal, which would have a material adverse effect on our business, financial condition, cash flows and results of operations.

Like other coal companies, our business is being adversely affected by the COVID-19 pandemic and measures being taken to mitigate its impact. The pandemic has resulted in widespread adverse impacts on our employees, customers, suppliers and other parties with whom we have business relations. For example, during April 2020, we furloughed the employees at our Elk Creek mining complex and temporarily reduced the salaries of certain executives, including our named executive officers, by 30% beginning April 1, 2020 and we deferred payment of cash bonuses for these individuals for an indefinite period of time. Two customers have notified us that their contractual obligations for purchases of metallurgical coal from us may be delayed or curtailed because of COVID-19. These two customers accounted for approximately 56% of our total revenue during the three months ended March 31, 2020. Based on the current environment, we estimate that a portion of our contractual commitments for the remainder of the year could be delayed or curtailed. These actions by customers may result in some disputes and could strain our relations with customers and others. If and to the extent these actions result in material modifications or cancellations of the underlying contracts, or non-renewal of contracts, our business, financial condition, cash flows and results of operations could be materially adversely affected. While the operations and maintenance of our facilities is not covered by stay-at-home and similar orders because they constitute an essential business, we continue to closely monitor developments. As the COVID-19 pandemic and government responses are rapidly evolving, the extent of the impact on domestic coal companies remains unknown. There is considerable uncertainty regarding the extent to which COVID-19 will continue to spread and the extent and duration of governmental and other measures implemented to try to slow the spread of the virus, such as large-scale travel bans and restrictions, border closures, quarantines, shelter-in-place orders and business and government shutdowns. Restrictions of this nature have caused, and may continue to cause, us, our suppliers and other business counterparties to experience operational delays, delays in the delivery of materials and supplies that are sourced from around the globe, and have caused, and may continue to cause, milestones or deadlines relating to various projects to be missed.

We have modified certain business and workforce practices (including those related to employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences) to conform to government restrictions and best practices encouraged by governmental and regulatory authorities. However, the quarantine of personnel or the inability to access our facilities could adversely affect our operations.

We cannot predict the full impact that COVID-19 will have on our business, cash flows, liquidity, financial condition and results of operations at this time, due to numerous uncertainties. The ultimate impacts will depend on future developments, including, among others, the ultimate geographic spread of the virus, the consequences of governmental and other measures designed to prevent the spread of the virus, the development of effective treatments, the duration of the outbreak, actions taken by governmental authorities, customers, suppliers and other third parties, workforce availability, and the timing and extent to which normal economic and operating conditions resume.

We have customer concentration, so the loss of, or significant reduction in, purchases by our largest coal customers could adversely affect our business, financial condition, results of operations and cash flows.

We are exposed to risks associated with an increasingly concentrated customer base both domestically and globally. We derive a significant portion of our revenues from three customers, which accounted for approximately 39%, 18% and 16% of our total revenue, respectively, aggregating approximately 73% of our total revenue for the three months ended March 31, 2020. The balance due from these three customers at March 31, 2020 was approximately 69% of total accounts receivable. During the three months ended March 31, 2019 sales to three customers accounted for approximately 55% of total revenue.

Two of our three largest customers have notified us that their contractual obligations for purchases of metallurgical coal from us may be delayed or curtailed because of COVID-19. These two customers accounted for approximately 56% of our total revenue during the three months ended March 31, 2020. Based on the current environment, we estimate that a portion of our contractual commitments for the remainder of the year could be delayed or curtailed.

There are inherent risks whenever a significant percentage of total revenues are concentrated with a limited number of customers. Revenues from our largest customers may fluctuate from time to time based on numerous factors, including market conditions, which may be outside of our control. If any of our largest customers experience declining revenues due to market, economic or competitive conditions, we could be pressured to reduce the prices that we charge for our coal, which could have an adverse effect on our margins, profitability, cash flows and financial position. If any customers were to significantly reduce their purchases of coal from us, including by failing to buy and pay for coal they committed to purchase in sales contracts, our business, financial condition, results of operations, cash flows and ability to pay dividends to our stockholders could be adversely affected.

We have incurred debt under the Paycheck Protection Program in response to the COVID-19 pandemic. The federal government or private plaintiffs may challenge our determination that we meet the requirements for loans under the Paycheck Protection Program.

On April 20, 2020, we received loan proceeds in the amount of approximately $8.4 million under the Paycheck Protection Program ("PPP") from KeyBank, as lender. In order to obtain the loan, we made a certification to the SBA that the then-current economic uncertainty, including uncertainty in the capital markets, made the loan request necessary to support the ongoing operations of the Company. On April 23, 2020, the SBA issued additional guidance on eligibility for the PPP (the "FAQs"), expressing its view that a public company with substantial market value and access to capital markets will not likely be able to make the required certification in good faith. The SBA noted that such a company should be prepared to demonstrate to the SBA the basis for such company's certification. Further, on April 28, 2020, Treasury Secretary Mnuchin advised that all companies that have been extended PPP loans in excess of $2 million will be audited. We believe, in light of the FAQs, that we have met the required good faith certification requirements and continue to meet the eligibility requirements for a PPP loan. However, the federal government or a private plaintiff may disagree and assert otherwise. Any such contest with the federal government or third party action as a result of the PPP loan may require us to incur significant legal, accounting and related fees. In addition, if it was ultimately determined that the certifications we made in connection with the PPP loan were not in good faith, it may result in civil and criminal penalties, which could have a material adverse effect on our liquidity and financial condition.

Item 4. Mine Safety Disclosures

The information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95.1 to this Quarterly Report.

Item 6. Exhibits

10.1	Promissory Note dated April 20, 2020 by Ramaco Resources, Inc., Ramaco Development, LLC, RAM Mining, LLC, Ramaco Coal Sales, LLC, Ramaco Resources, LLC and Ramaco Resources Land Holdings, LLC, as borrowers, and Key Equipment Finance, a Division of KeyBank National Association, as lender (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K (File No. 001-38003) filed with the Commission on April 21, 2020)
10.2	Promissory Note dated April 17, 2020 by Ramaco Resources, Inc. in favor of KeyBank National Association (incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K (File No. 001-38003) filed with the Commission on April 21, 2020
10.3	Form of Restricted Stock Award Agreement (incorporated by reference to Exhibit 10.3 of the Company's Current Report on Form 8-K (File No. 001-38003) filed with the Commission on April 21, 2020
10.4	First Amendment to Credit and Security Agreement, dated February 20, 2020, by and among: Ramaco Resources, Inc., Ramaco Development, LLC, RAM Mining, LLC, Ramaco Coal Sales, LLC, Ramaco Resources, LLC and Ramaco Resources Land Holdings, LLC, as borrower, and lender partners and KeyBank National Association (incorporated by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K (File No. 001-38003) filed with the Commission on April 21, 2020)
10.5	Ramaco Resources, Inc. Change in Control and Severance Plan, effective as of April 27, 2020 (incorporated by reference to Exhibit 99.1 of the Company's Current Report on Form 8-K (File No. 001-38003) filed with the Commission on April 27, 2020
*31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
**32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
**32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
*95.1	Mine Safety Disclosure
*101.INS	XBRL Instance Document
*101.SCH	XBRL Taxonomy Extension Schema Document
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
*101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
*101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Exhibit filed herewith.

** Furnished herewith. Pursuant to SEC Release No. 33-8212, this certification will be treated as "accompanying" this Quarterly Report on Form 10-Q and not "filed" as part of such report for purposes of Section 18 of the Exchange

Act or otherwise subject to the liability under Section 18 of the Exchange Act, and this certification will not be deemed to be incorporated by reference into any filing under the Securities Act, except to the extent that the registrant specifically incorporates it by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RAMACO RESOURCES, INC.

May 12, 2020	By:	/s/ Michael D. Bauersachs Michael D. Bauersachs President and Chief Executive Officer and Director (Principal Executive Officer)
May 12, 2020	By:	/s/ Jeremy R. Sussman Jeremy R. Sussman Chief Financial Officer (Principal Financial Officer)

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Michael D. Bauersachs, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 of Ramaco Resources, Inc. (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 12, 2020

/s/ Michael D. Bauersachs
Michael D. Bauersachs
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Jeremy R. Sussman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 of Ramaco Resources, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 12, 2020

/s/ Jeremy R. Sussman
Jeremy R. Sussman
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION OF
CHIEF EXECUTIVE OFFICER
UNDER SECTION 906 OF THE
SARBANES OXLEY ACT OF 2002, 18 U.S.C. § 1350**

In connection with the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 of Ramaco Resources, Inc. (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael Bauersachs, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 12, 2020

/s/ Michael D. Bauersachs
Michael D. Bauersachs
President and Chief Executive Officer

Exhibit 32.2

**CERTIFICATION OF
CHIEF FINANCIAL OFFICER
UNDER SECTION 906 OF THE
SARBANES OXLEY ACT OF 2002, 18 U.S.C. § 1350**

In connection with the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2020 of Ramaco Resources, Inc. (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jeremy R. Sussman, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 12, 2020

/s/ Jeremy R. Sussman
Jeremy R. Sussman
Chief Financial Officer

Federal Mine Safety and Health Act Information

We work to prevent accidents and occupational illnesses. We have in place health and safety programs that include extensive employee training, safety incentives, drug and alcohol testing and safety audits. The objectives of our health and safety programs are to provide a safe work environment, provide employees with proper training and equipment and implement safety and health rules, policies and programs that foster safety excellence.

Our mining operations are subject to extensive and stringent compliance standards established pursuant to the Federal Mine Safety and Health Act of 1977 (the "Mine Act"). MSHA monitors and rigorously enforces compliance with these standards, and our mining operations are inspected frequently. Citations and orders are issued by MSHA under Section 104 of the Mine Act for violations of the Mine Act or any mandatory health or safety standard, rule, order or regulation promulgated under the Mine Act.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") requires issuers to include in periodic reports filed with the SEC certain information relating to citations or orders for violations of standards under the Mine Act. We present information below regarding certain mining safety and health violations, orders and citations, issued by MSHA and related assessments and legal actions and mine-related fatalities with respect to our coal mining operations. In evaluating this information, consideration should be given to factors such as: (i) the number of violations, orders and citations will vary depending on the size of the coal mine, (ii) the number of violations, orders and citations issued will vary from inspector to inspector and mine to mine, and (iii) violations, orders and citations can be contested and appealed, and in that process, are often reduced in severity and amount, and are sometimes dismissed.

The following tables include information required by the Dodd-Frank Act for the current quarter. The mine data retrieval system maintained by MSHA may show information that is different than what is provided herein. Any such difference may be attributed to the need to update that information on MSHA's system and/or other factors. The tables below do not include any orders or citations issued to independent contractors at our mines.

Mine or Operating Name / MSHA Identification Number	*Section 104(a) S&S Citations*[1]	*Section 104(b) Orders*[2]	*Section 104(d) Citations and Orders*[3]	*Section 110(b)(2) Violations*[4]	*Section 107(a) Orders*[5]	*Total Dollar Value of MSHA Assessments Proposed (in thousands)*[6]
Active Operations						
Eagle Seam Deep Mine 46-09495	9	0	0	0	0	$ 0
Coal Creek Prep Plant (VA) 44-05236	0	0	0	0	0	$ 0
Elk Creek Prep Plant 46-02444	0	0	0	0	0	$ 0
Stonecoal Branch Mine No. 2 46-08663	9	0	2	0	0	$ 0
Ram Surface Mine No. 1 46-09537	0	0	0	0	0	$ 0
Highwall Miner No. 1 46-09219	0	0	0	0	0	$ 0
Berwind Deep Mine 46-09533	8	0	0	0	0	$ 0
No. 2 Gas Deep Mine 46-09541	4	0	0	0	0	$ 0
Tiller No.1 44-06804	0	0	0	0	0	$ 0

Mine or Operating Name / MSHA Identification Number	*Total Number of Mining Related Fatalities*	*Received Notice of Pattern of Violations Under Section 104(e) (yes/no)*[7]	*Legal Actions Pending as of Last Day of Period*	*Legal Actions Initiated During Period*	*Legal Actions Resolved During Period*
Active Operations					
Eagle Seam Deep Mine 46-09495	0	No	43	43	17
Coal Creek Prep Plant (VA) 44-05236	0	No	0	0	0
Elk Creek Prep Plant 46-02444	0	No	0	0	0
Stonecoal Branch Mine No. 2 46-08663	0	No	59	59	27
Ram Surface Mine No. 1 46-09537	0	No	0	0	0
Highwall Miner No. 1 46-09219	0	No	0	0	0
Berwind Deep Mine 46-09533	0	No	0	0	0
No. 2 Gas 46-09541	0	No	18	18	0
Tiller No.1 44-06804	0	No	0	0	0

The number of legal actions pending before the Federal Mine Safety and Health Review Commission as of March 31, 2020 that fall into each of the following categories is as follows:

Mine or Operating Name / MSHA Identification Number	*Contests of Citations and Orders*	*Contests of Proposed Penalties*	*Complaints for Compensation*	*Complaints of Discharge / Discrimination / Interference*	*Applications for Temporary Relief*	*Appeals of Judge's Ruling*
Active Operations						
Eagle Seam Deep Mine 46-09495	0	43	0	0	0	0
Coal Creek Prep Plant (VA) 44-05236	0	0	0	0	0	0
Elk Creek Prep Plant 46-02444	0	0	0	0	0	0
Stonecoal Branch Mine No. 2 46-08663	0	59	0	0	0	0
Ram Surface Mine No. 1 46-09537	0	0	0	0	0	0
Highwall Miner No. 1 46-09219	0	0	0	0	0	0
Berwind Deep Mine 46-09533	0	0	0	0	0	0
No. 2 Gas 46-09541	0	18	0	0	0	0
Tiller No.1 44-06804	0	0	0	0	0	0

(1) Mine Act section 104(a) S&S citations shown above are for alleged violations of mandatory health or safety standards that could significantly and substantially contribute to a coal mine health and safety hazard. It should be noted that, for purposes of this table, S&S citations that are included in another column, such as Section 104(d) citations, are not also included as Section 104(a) S&S citations in this column.

(2) Mine Act section 104(b) orders are for alleged failures to totally abate a citation within the time period specified in the citation.

(3) Mine Act section 104(d) citations and orders are for an alleged unwarrantable failure (i.e., aggravated conduct constituting more than ordinary negligence) to comply with mandatory health or safety standards.

(4) Mine Act section 110(b)(2) violations are for an alleged "flagrant" failure (i.e., reckless or repeated) to make reasonable efforts to eliminate a known violation of a mandatory safety or health standard that substantially and proximately caused, or reasonably could have been expected to cause, death or serious bodily injury.

(5) Mine Act section 107(a) orders are for alleged conditions or practices which could reasonably be expected to cause death or serious physical harm before such condition or practice can be abated and result in orders of immediate withdrawal from the area of the mine affected by the condition.

(6) Amounts shown include assessments proposed by MSHA on all citations and orders, including those citations and orders that are not required to be included within the above chart.

(7) Mine Act section 104(e) written notices are for an alleged pattern of violations of mandatory health or safety standards that could significantly and substantially contribute to a coal mine safety or health hazard.