

# THIRD QUARTER 2014 EARNINGS CALL AND OPERATIONS UPDATE



**RHINO**  
RESOURCE PARTNERS LP



OCTOBER 30, 2014

# FORWARD LOOKING STATEMENTS

This presentation contains certain “forward-looking statements” within the meaning of the federal securities laws. Statements included in this presentation that are not historical facts, that address activities, events or developments that Rhino Resource Partners LP (“Rhino”) expects or anticipates will or may occur in the future, including things such as plans for growth of the business, future capital expenditures, competitive strengths, goals, references to future goals or intentions or other such references are forward-looking statements. These statements can be identified by the use of forward-looking terminology, including “may,” “believe,” “expect,” “anticipate,” “estimate,” “continue,” or similar words. These statements are made based on past experience and perception of historical trends, current conditions and expected future developments as well as other considerations Rhino believes are appropriate under the circumstances. Whether actual results and developments in the future will conform to such expectations is subject to numerous risks and uncertainties, many of which are beyond Rhino’s control. Therefore, actual outcomes and results could materially differ from what is expressed, implied or forecast in these statements.

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When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements set forth in Rhino’s annual report on Form 10-K for the year ended December 31, 2013, as well as other written and oral statements made or incorporated by reference from time to time in other reports and filings with the Securities and Exchange Commission. All forward-looking statements included in this presentation and all subsequent written or oral forward-looking statements attributable to Rhino or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. The forward-looking statements speak only as of the date made and, other than as required by law, Rhino undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.





# Q3 2014 RESULTS

# Q3 2014 SUMMARY

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- Q3 results continued to see the impact of soft market conditions
- Hopedale continued to encounter adverse geological conditions as it advances into the 7-seam expansion which resulted in higher costs
- Pennyrile mine located in the Illinois Basin sold its first shipments in early Q3 2014 and continues ramping up production and sales
- Q3 Expansion capital expenditures totaled \$6.1 million, primarily at the Pennyrile mine

(MM's \$)	Q3 2014	Q3 2013	Q2 2014
Coal Revenues	\$52.3	\$59.6	\$46.9
Total Revenues	\$61.4	\$69.5	\$55.9
Net Income (Loss) (from continuing ops)	(\$8.8)	\$2.2	(\$6.8)
Adjusted EBITDA <sup>(1)</sup> (from continuing ops)	\$1.9	\$14.5	\$3.1
Cash Flow from Operations	\$3.7	\$11.1	\$1.8

(1) Refer to "Reconciliations of Adjusted EBITDA" included in Q3 2014 Earning Release (October 30, 2014) available on our website.

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# Q3 2014 ILLINOIS BASIN EXPANSION

## DEVELOPED A LOW COST MINE FOR A HIGH DEMAND THERMAL PRODUCT

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- Production commenced on schedule in Q2 2014
- First coal sales occurred on July 1, 2014 with first full month of shipments exceeding original schedule
- Property located on navigable Green River provides a significant transportation advantage to a large customer base for high demand Illinois Basin steam coal
- Demonstrated strong demand with 800K tons per year sold 2015 thru 2020 with 150K development tons sold starting in mid 2014
- 93K tons in test burns have been scheduled with potential long term customers which could lead to additional term sales
- As additional term sales are secured a second unit could be added as soon as mid-2015, bringing production to 1.5 million tons per year rate
- Rhino expects Pennyrile to be a stable, long term source of cash flow with the ability to ramp up to a full run rate of more than 2 million tons per year



Pennyrile Energy Slope

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# Q3 2014 SALES UPDATE

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## STABLE LONG TERM COMMITTED SALES IN PLACE

- Hopedale remains fully contracted through the end of 2014 and is approximately 75% contracted for 2015
- Castle Valley is fully committed through 2016
- Sands Hills has secured additional long term sales which has increased its volume in Q4 2014 and through 2015
- Pennyrile shipped first sales in July 2014 and has sold 93K tons in test burns
- Rhino continues to engage in short term met and thermal sales in Central Appalachia and will continue the process to adjust production of steam and met coal based on market conditions

Committed Sales	
Period	Tons (in 000's)
Q4 2014	1,032
2015	2,833