

M-2025-3052793

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

KTRV LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10601 (MFW)

(Jointly Administered)

Re: Docket No. _____

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ORDER (I) APPROVING THE BIDDING PROCEDURES, (II) AUTHORIZING THE DEBTORS TO ENTER INTO ONE OR MORE STALKING HORSE AGREEMENTS AND PROVIDE BID PROTECTIONS, (III) APPROVING THE FORM AND MANNER OF SALE NOTICE, (IV) SCHEDULING AN AUCTION AND SALE HEARING, (V) APPROVING THE PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF CONTRACTS, (VI) APPROVING THE SALE OF THE DEBTORS' ASSETS FREE AND CLEAR, AND (VII) GRANTING RELATED RELIEF

Upon the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"), (a) authorizing and approving the Bidding Procedures, substantially in the form attached hereto as **Exhibit 1**, (b) approving the Debtors' ability to designate one or more Stalking Horse Bidder and offer Bid Protections relating thereto, (c) approving the form and manner of Sale Notice, substantially in the form attached hereto as **Exhibit 2**, (d) establishing certain dates and deadlines, including an auction and sale hearing, (e) approving the procedures for the assumption and assignment of certain executory contracts and unexpired leases (the "Assigned Contracts") and related notices, substantially in the form attached hereto at **Exhibit 3**, (f) approving the Successful Bidder Notice, substantially in the form attached hereto as **Exhibit 4**, and (g) granting related relief; and this Court having reviewed the Motion, the

¹ The Debtors in these chapter 11 cases, along with each the last four digits of each Debtor's tax identification number, are as follows: KTRV LLC (9993), Heritage Coal & Natural Resources, LLC (8326). The Debtors' service address is 1521 Concord Pike, Suite 201, Wilmington, DE 19803.

² Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Motion or in the Bidding Procedures (as defined herein), as applicable.

First Day Declaration, the Declaration of David Tradburks in Support Motion to Approve Bidding Procedures, all as more fully set forth in the Motion; and the United States District Court for the District of Delaware having jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to the Court under 28 U.S.C. § 157 and the Amended Standing Order of Reference from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY FOUND AND DETERMINED THAT:³

A. Jurisdiction and Venue. The United States Bankruptcy Court for the District of Delaware has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to the Court under 28 U.S.C. § 157 and the Amended Standing Order of Reference from the United States

³ The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

District Court for the District of Delaware, dated February 29, 2012. The Debtors confirm their consent, pursuant to Local Rule 9013-1(f), to the entry of a final order by the Court in connection with this motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. Statutory and Legal Predicates. The statutory and legal predicates for the relief requested in the Motion are sections 105(a), 363, 365, 503, and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, 9007, 9008, and 9014, and Local Rules 2002-1, 6004-1, and 9006-1.

C. Notice. Good and sufficient notice of the Motion, the Bidding Procedures, and the relief sought in the Motion has been given under the circumstances, and no other or further notice is required except as set forth herein. A reasonable opportunity to object or be heard regarding the relief provided herein has been afforded to parties in interest.

D. Bidding Procedures. The Debtors have articulated good and sufficient business reasons for the Court to approve the Bidding Procedures, substantially in the form attached hereto as **Exhibit 1**. The Bidding Procedures are fair, reasonable, and appropriate, and are designed to maximize the value of the proceeds of one or more sales (each, a "Sale Transaction") of some, all, or substantially all of the Debtors' assets (the "Assets"). The Bidding Procedures were negotiated in good faith and at arm's length and are reasonably designed to promote a competitive and robust bidding process to generate the greatest level of interest in the Debtors' Assets. The proposed process for potentially designating a Stalking Horse Bidder or Bidders is fair and appropriate under

the circumstances and in the best interests of the Debtors' estates. The Bidding Procedures comply with the requirements of Local Rule 6004-1(c).

E. Sound Business Judgment. The Debtors have demonstrated a compelling and sound business justification for the Court to enter this Order and grant the relief set forth herein. Such compelling and sound business justification, which was set forth in the Motion, the First Day Declaration, are incorporated herein by reference and, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

F. Sale Notice. The Sale Notice, substantially in the form attached hereto as **Exhibit 2**, is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the Auction, the Sale Hearing (as defined in the Bidding Procedures), the Bidding Procedures, the Sale Transaction(s), and all relevant and important dates and objection deadlines with respect to the foregoing, and no other or further notice of the Sale Hearing, the Sale Transaction(s), or the Auction shall be required.

G. Assumption and Assignment Provisions. The Debtors have articulated good and sufficient business reasons for the Court to approve the Assumption and Assignment Procedures, which are fair, reasonable, and appropriate. The Assumption and Assignment Procedures comply with the provisions of section 365 of the Bankruptcy Code and Bankruptcy Rule 6006.

H. Assigned Contracts Notice. The Assigned Contracts Notice, substantially in the form attached hereto as **Exhibit 3**, is appropriate and reasonably calculated to provide all interested parties with timely and proper notice of the intended assumption and assignment of their executory contracts or unexpired Leases, and any cure amounts ("Cure Amounts"), and no other or further notice shall be required for the Motion and the procedures described therein, except as expressly required herein.

I. Successful Bidder Notice. The Successful Bidder Notice, substantially in the form attached hereto as **Exhibit 4**, is reasonably calculated to provide interested parties with timely and proper notice of the proposed Sale Transaction(s), including, without limitation: (a) the Successful Bidder, (b) the Back-Up Bidder, if applicable, (c) the proposed Bid Protections provided to the Successful Bidder, if any, (d) the key terms of the proposed Sale Transaction(s), and (e) the date, time, and place of the Sale Hearing.

J. Auction. The Auction, if held, is necessary to determine whether any entity other than the Stalking Horse Bidder is willing to enter into a definitive agreement on terms and conditions more favorable to the Debtors than a Stalking Horse APA.

K. Notice. Notice of the Motion, the Bidding Procedures, the proposed process for designation of a Stalking Horse Bidder or Bidders, and the Hearing was (i) appropriate and reasonably calculated to provide all interested parties with timely and proper notice, (ii) in compliance with all applicable requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, and (iii) adequate and sufficient under the circumstances of the Debtors' chapter 11 cases, such that no other or further notice need be provided except as set forth in the Bidding Procedures and the Assumption and Assignment Procedures. A reasonable opportunity to object and be heard regarding the relief granted herein has been afforded to all parties in interest.

L. Cause. The legal and factual bases set forth in the Motion establish cause for the relief granted herein. Entry of this Order is in the best interests of the Debtors and their estates, creditors, interest holders, and all other parties in interest.

M. The Bidding Procedures comply with the requirements set forth by Local Rule 6004-(1)(c).

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. All objections to the relief granted in this Order that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are hereby overruled and denied on the merits with prejudice.
3. Pursuant to the Bidding Procedures, the Debtors are authorized, but not directed, to select one or more Qualified Bidders that submit a Qualified Bid for all or any portion of the Assets to act as a Stalking Horse Bidder and enter into a Stalking Horse APA with each such Stalking Horse Bidder no later than **May 19, 2025**. The Debtors are further authorized, but not directed, to offer the Bid Protections to such Stalking Horse Bidder(s) provided that the total Bid Protections offered to any Stalking Horse Bidder shall not exceed three percent (3.0%) of the total cash consideration payable under such Stalking Horse APA, if any, inclusive of any expense reimbursement, and subject to the objection process in paragraph 4 below. The Stalking Horse Bid and Stalking Horse APA, if any, shall be subject to higher or otherwise better offers consistent with the Bidding Procedures. No Bid Protections shall be provided to an insider or an affiliate of the Debtors.
4. If the Debtors, consistent with the Bidding Procedures, determine to offer Bid Protections to any Stalking Horse Bidder, the Debtors shall file with the Court and serve a notice (a "Stalking Horse Notice") seeking approval of the designation and the Bid Protections which shall include: (a) the identity of the Stalking Horse Bidder (and if the Stalking Horse Bidder is a newly formed entity, the identity of the Stalking Horse Bidder's parent company or sponsor); (b) the amount of the Stalking Horse Bid (and if the Stalking Horse Bidder is a Credit Bidder, what amount of the Stalking Horse Bid (if any) is cash); (c) a copy of the Stalking Horse APA; (d) the

proposed Bid Protections to be provided to the Stalking Horse Bidder; and (e) a declaration in support of the proposed Bid Protections, which includes whether the Stalking Horse Bidder has any connection with the Debtors other than that which arises from the Stalking Horse Bid. Any objection to (i) the Bid Protections set forth in a Stalking Horse Notice or (ii) the designation of the Stalking Horse Bidder (a “Stalking Horse Objection”), shall be filed and actually received by the appropriate notice parties no later than **May 24~~26~~, 2025 at 4:00 p.m.** (prevailing Eastern Time). If a timely Stalking Horse Objection is filed, the Debtors are authorized to seek an expedited hearing with respect to the Stalking Horse Objection on not less than three (3) calendar days’ notice. Absent any timely Stalking Horse Objection, the Bid Protections set forth in the Stalking Horse Notice and the designation of the Stalking Horse Bidder are approved.

5. Bid Deadline. **June 2, 2025, at 4:00 p.m.**, (prevailing Eastern Time), is the deadline by which all Bids for a Sale Transaction (as well as the Good Faith Deposit and other documentation required under the Bidding Procedures for a Bid to be considered a Qualified Bid) must be submitted and actually received in accordance with the terms of the Bidding Procedures. The Debtors may extend such deadline in accordance with the Bidding Procedures without any further motion in this Court; provided that the Debtors shall file a notice with the Court if the Debtors decide to extend the deadline by which Bids for a Sale Transaction must be submitted.

6. Auction. If at least two Qualified Bids (including any Bid by a Stalking Horse Bidder) are received by the Bid Deadline with regard to any particular Asset, the Debtors will conduct an auction no later than **June 5, 2025, at 10:00 a.m.**, (prevailing Eastern Time) in person at the office of Morris James LLP, 500 Delaware Avenue, Suite 1500, Wilmington DE 19801 and/or via remote video at the Debtors’ election. If held, the Auction proceedings will be transcribed. In the event the Debtors determine an Auction shall be held, the Debtors shall file

notice on the docket and send written notice (email sufficient) of the date, time, and place of the Auction to the Qualified Bidders no later than one (1) business day before such Auction, and will post notice of the date, time, and place of the Auction no later than one (1) business day before such Auction on their restructuring website, <https://cases.stretto.com/KTRV> (the "Case Website"). Only the following parties, and their respective professionals, principals, representatives, and counsel, may attend the Auction: (a) the Debtors; (b) the United States Trustee for the District of Delaware (the "U.S. Trustee"); (c) the Committee; (d) any Qualified Bidder; ~~and (e) any creditor;~~ and (f) any other parties that the Debtors deem, after consulting with the Consultation Parties, deem reasonably appropriate under the circumstances.

7. Following the Auction, the Debtors, after consultation with the Committee, will determine which Qualified Bid is the highest or otherwise best Bid(s) for the Assets or subsets thereof. ~~As soon as is reasonably practicable~~ No later than noon the next calendar day after the Auction, the Debtors will serve (a) the Successful Bidder Notice, substantially in the form attached hereto as **Exhibit 4**, or notice of cancellation, as applicable, on the following parties or their respective counsel, if known: (i) the U.S. Trustee; (ii) all parties who have expressed a written interest in some or all of the Assets; (iii) all parties who are known or reasonably be

~~believed~~ believed, after reasonable inquiry, to have asserted any lien, encumbrance, claim, or interest in the Assets; (iv) the Internal Revenue Service; (v) all applicable state and local taxing authorities; (vi) counsel to Bedrock Industries Investco 1 LLC; (vii) counsel to any statutory committee appointed under 11 U.S.C. § 1102 in the chapter 11 cases; (x) each governmental agency that is an interested party with respect to the proposed Sale Transaction, including the U.S. Environmental Protection Agency and any state and local environmental regulatory agency; and (xi) all parties that have requested or that are required to receive notice of the proposed Sale

Transaction pursuant to Bankruptcy Rule 2002, (collectively, the “Sale Notice Parties”) and (b) the Assigned Contracts Notice, substantially in the form attached hereto as **Exhibit 3**, (i) by overnight delivery service upon the applicable contract or lease counterparties (the “Contract Counterparties”) at the address set forth in the notice provision of the applicable contract (and their counsel, if known) and (ii) by first-class mail, email, or fax upon the Sale Notice Parties. The Debtors shall file the Successful Bidder Notice or notice of cancellation, as applicable, the Assigned Contracts Notice, and the final form of proposed order approving the Sale Transaction.

8. Good Faith Deposits. The Debtors may open one or more escrow accounts to hold the Good Faith Deposits of all Qualified Bidders. The Debtors shall hold and return the Good Faith Deposits of Qualified Bidders in accordance with the Bidding Procedures. If a Successful Bidder (or if the Sale Transaction is to be consummated with the applicable Back-Up Bidder, then such Back-Up Bidder) fails to consummate the Sale Transaction because of a breach or failure to perform on the part of such Bidder, then the Debtors and their estates shall be entitled to retain the Good Faith Deposit of such Successful Bidder (or, if the Sale Transaction is to be consummated with a Back-Up Bidder, then such Back-Up Bidder) as part of the damages resulting to the Debtors and their estates for such breach or failure to perform. Any such forfeited Good Faith Deposit shall become property of the Debtors’ estates.

9. Sale Objections. All objections to the conduct of the Auction, the particular terms of any proposed Sale Transaction in a Successful Bid, the identity of the Successful Bidder(s) or Back-up Bidder(s), or adequate assurance of future performance of the Successful Bidder(s), and the Sale Transaction and entry of any Sale Order must: (a) be in writing; (b) comply with the Bankruptcy Code, Bankruptcy Rules, Local Rules, and all orders of the Court; (c) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (d)

be filed with the Court and served so as to be actually received by no later than **June 10, 2025** (the “Sale and Contract Assignment Objection Deadline”) on the following parties (collectively, the “Objection Notice Parties”): (a) the Debtors, 1521 Concord Pike, Suite 201, Wilmington, DE 19803 (email: David Tradburks dtradburks@heritagecoal.com; and Brian Ryniker brian@rkc.llc); (b) proposed counsel for the Debtors, Morris James, LLP, 500 Delaware Ave. Wilmington, DE 19801, Attn.: Jeffrey R. Waxman, Esquire and Eric J. Monzo (email: jwaxman@morrisjames.com and emonzo@morrisjames.com); (c) counsel for Bedrock Industries Investco 1 LLC, ArentFox Schiff LLP, 1301 Avenue of the Americas, 42nd Floor, New York, New York 10019, attn: Andrew I. Silfen, Esq. and Beth M. Brownstein, Esq. (email: email: andrew.silfen@afslaw.com and beth.brownstein@afslaw.com) and Potter Anderson & Corroon LLP, 1313 N. Market Street, 6th Floor, Wilmington, Delaware 19801, Attn: Christopher M. Samis, Esq. (email: csamis@potteranderson.com); (d) proposed counsel for the official committee of unsecured creditors, Frost Brown Todd LLP, Union Trust Building, 501 Grant Street, Suite 800, Pittsburgh, PA 15219, Attn: Jordan S. Blask, Esq. (email: jblask@fblaw.com) and Landis Rath & Cobb LLP 919 Market Street, Suite 1800, Wilmington, Delaware 19801, Attn: Kimberly A. Brown, Esq. (Email: brown@lrclaw.com); (e) the U.S. Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, (Attn.: Malcolm M. Bates, Esquire (Malcolm.M.Bates@usdoj.gov)); (e) counsel for any relevant Successful Bidder(s); (f) counsel for any relevant Back-up Bidder(s); (g) other party that has requested notice pursuant to Bankruptcy Rule 2002.

I. Auction, Bidding Procedures, and Related Relief.

10. The Bidding Procedures, substantially in the form attached hereto as **Exhibit 1**, are incorporated herein and are hereby approved in their entirety. The Bidding Procedures shall govern

the submission, receipt, and analysis of all Bids relating to any Sale Transaction. Any party desiring to submit a Bid shall comply with the Bidding Procedures and this Order. The Debtors are authorized to take any and all actions necessary to implement the Bidding Procedures and the Debtors and their professionals shall direct and preside over the Auction.

11. Noticing Procedures. The noticing procedures as set forth in this Order and the Motion, including the Sale Notice, substantially in the form attached hereto as **Exhibit 2**, are hereby approved. As soon as reasonably practicable following entry of the Bidding Procedures Order, the Debtors shall serve the Sale Notice by first-class mail upon the Sale Notice Parties. On the same date, or as soon as reasonably practicable thereafter, the Debtors shall publish the Sale Notice on the Debtors' Case Website and publish. Further, the Debtors cause the publication of a notice substantially similar to the Sale Notice in The New York Times (national edition) and Daily American (the "Publication Notice") no later than May 13, 2025. Service of the Sale Notice and publication thereof in the manner described in this Order constitutes good and sufficient notice of the Auction and the Sale Hearing. No other or further notice is required.

12. Cancellation of Auction. If only one Qualified Bid (including any Stalking Horse Bid) or no Qualified Bid (or Bid that may be remedied into a Qualified Bid pursuant to the Bidding Procedures and is actually remedied into a Qualified Bid) is received by the Bid Deadline, the Debtors shall: (a) notify the Court in writing that the Auction is cancelled, (b) file a notice of cancellation of the Auction, and (c) if applicable, seek authority at the Sale Hearing to consummate the Sale Transaction with the Qualified Bidder (including any Stalking Horse Bidder). The Debtors may also cancel the Auction if they determine to implement the Sale Transaction through a chapter 11 plan of reorganization in advance of the Bid Deadline. For the avoidance of doubt and

notwithstanding anything else herein or in the Bidding Procedures, if there are no Qualified Bids, the Debtors shall terminate the sale process and cancel the Auction.

13. **Sale Hearing.** The Sale Hearing shall be held in the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 5th Floor, Courtroom No. 4, Wilmington, Delaware 19801, on **June 12, 2025, at 10:30 a.m.** (prevailing Eastern Time) or such other date and time that the Court may later direct; provided that the Sale Hearing may be adjourned, from time to time, in accordance with the Bidding Procedures without further notice to creditors or parties in interest other than by filing a notice on the Court's docket or indicating such adjournment in an agenda filed on the Court's docket. The parties must consummate the Sale Transaction no later than **June 19, 2025**.

II. Approval of the Assumption and Assignment Procedures.

14. The Assumption and Assignment Procedures as set forth in this Order, the Motion, and the Bidding Procedures, including the Assigned Contracts Notice and Successful Bidder Notice, substantially in the forms attached hereto as **Exhibit 3** and **Exhibit 4**, respectively, are hereby approved.

15. ~~As soon as is reasonably practicable after either the~~ Within three business days Bid Deadline or conclusion of the Auction (if any), as applicable, the Debtors shall file the notice of assumed and assigned executory contracts and unexpired leases (the "Assigned Contracts Notice"), substantially in the form attached hereto as **Exhibit 3**, with the Court and serve the Assigned Contracts Notice: (a) by overnight delivery service upon the applicable Contract Counterparties at the address set forth in the notice provision of the applicable contract or lease (and their counsel, if known) and (b) by first-class mail, email, or fax upon the Sale Notice Parties. The Assigned Contracts Notice shall notify the Contract Counterparties of the Assigned Contracts

proposed to be assumed and assigned by the Successful Bidder and of the Debtors' proposed cure amounts relating to such Assigned Contracts.

16. Upon request by any Contract Counterparty, the Debtors will send such party evidence by first-class mail and email (if known) that any Qualified Bidder that included such contract or lease in its Bid has the ability to perform thereunder and otherwise complies with requirements of adequate assurance of future performance under section 365(b)(1) of the Bankruptcy Code on a confidential basis for all nonpublic information.

17. All objections to the Sale Transaction and entry of any Sale Order must: (i) be in writing; (ii) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and all orders of the Court; (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (iv) be filed with the Court and timely served upon the Objection Notice Parties. Objections to the Sale Transaction and entry of the Sale Order, other than objections to the assumption and assignment of executory contracts and leases (including cure amounts) and with respect to conduct at the auction must be actually received by the Objection Notice Parties on **June 6, 2025, at 4:00 p.m.**, (prevailing Eastern Time). Objections to the Sale Transaction and entry of the Sale Order, related to objections to the assumption and assignment of executory contracts and leases (including cure amounts) and with respect to conduct at the auction must be actually received by the Objection Notice Parties on **June 10, 2025, at 4:00 p.m.**, (prevailing Eastern Time).

18. In the event that the Debtors later identify any Contract Counterparty which was not served with the Assigned Contracts Notice, the Debtors may subsequently serve such Contract Counterparty with an Assigned Contracts Notice substantially in the form attached hereto (each, a "Supplemental Assigned Contract Notice"), and the Assumption and Assignment Procedures will

nevertheless apply to such Contract Counterparty; provided that the objection deadline with respect to a Contract Counterparty listed on a Supplemental Assigned Contract Notice shall be seven (7) days following the date of service of a Supplemental Assigned Contract Notice.

19. If an objection to the Debtors' proposed cure amounts is timely filed and not withdrawn or resolved by the Sale Hearing, such cure objections will not be heard at the Sale Hearing. Any dispute regarding the cure amounts will either be resolved consensually, if possible, or, if the parties are unable to resolve, at a later date as set by the Court. The Debtors shall file and serve a notice for a hearing for the Court to consider the unresolved cure objection(s) at the next scheduled omnibus hearing after the Sale Hearing, unless the Debtors and the objecting parties agree to a different time and subject to the Court's schedule. The Debtors reserve the right to reject, and not assume and assign, any contract depending on the ultimate resolution of any cure amount in dispute; provided that, in the case of an Unexpired Lease, such determination shall be prior to the expiration of the applicable deadline to assume or reject Unexpired Leases under section 365(d)(4) of the Bankruptcy Code.

20. If no objection to the assumption of any contract or lease is timely filed or if an objection is filed and resolved, each contract or lease to be assumed and assigned to the Successful Bidder shall be assumed as of the effective date of the assumption and assignment of the contract or lease (the "Assignment Date") set forth in the applicable Successful Bidder Notice or such other date as the Debtors and the Contract Counterparty agree and the proposed cure amount shall be binding on all Contract Counterparties and the Contract Counterparties will be forever barred from asserting any other claims related to the contract or lease against the Debtors. Upon the Assignment Date, the Successful Bidder shall pay all applicable cure amounts.

21. The inclusion of a contract on the Successful Bidder Notice shall not: (a) obligate the Debtors to assume or assign any contracts or leases listed thereon; or (b) constitute any admission or agreement of the Debtors that such contract or lease is an executory contract. Only those contracts and leases that are included on a schedule of assumed and acquired contracts and leases attached to a final asset purchase agreement will be assumed and assigned, and shall only be assumed and assigned upon the Assignment Date.

22. In the event the Auction is cancelled pursuant to the Bidding Procedures, the Debtors may continue to utilize the Assumption and Assignment Procedures as set forth in this Order and the Motion to further assess the potential assumption, assumption and assignment, or rejection of any executory contracts and unexpired leases and to determine any applicable cure amounts.

III. Miscellaneous.

23. The failure to include or reference a particular provision of the Bidding Procedures specifically in this Order shall not diminish or impair the effectiveness or enforceability of such a provision.

24. All parties in interest reserve any right they may have to object to, or otherwise contest, any proposed sale of the Debtors' assets requiring Court approval (and the appropriate allocation of sale proceeds set forth in any order).

25. In the event of any inconsistencies between this Order, the Motion, and/or the Bidding Procedures, this Order shall govern in all respects.

26. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

27. To the extent the dates and deadlines herein are modified pursuant to the Bidding Procedures and such modification is inconsistent with the requirements of Local Rule 9006-1, such requirements shall be deemed satisfied.

28. Notwithstanding anything to the contrary in the Bankruptcy Code, the Bankruptcy Rules, or the Local Rules, the terms and conditions of this Order are immediately effective and enforceable upon its entry.

29. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

30. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order. This Court has the authority to fashion appropriate relief, on an emergency basis or otherwise, for any violations of this Order or the Bidding Procedures.

Exhibit 1

Bidding Procedures

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	Chapter 11
KTRV LLC, <i>et al.</i> , ¹	Case No. 25-10601 (MFW)
Debtors.	(Jointly Administered)

Qualifications to Submit Bids and Participate in Auction

A. Diligence Materials

To receive access to due diligence materials (the “Diligence Materials”), a party must submit to the Debtors (i) an executed confidentiality agreement, which must be based on the form confidentiality agreement supplied by the Debtors in a designated data room and in a form and substance satisfactory to the Debtors (the “Consultation Parties”).

A party who qualifies for access to Diligence Materials shall be a (“Preliminary Interested Bidder”). The Debtors will afford any Preliminary Interested Bidder the time and opportunity to conduct due diligence within the deadlines set forth in these Bidding Procedures. Until the Bid Deadline (as defined below), in addition to granting access to the Diligence Materials, the Debtors will provide Preliminary Interested Bidders with due diligence access and additional information, as may be requested by a Preliminary Interested Bidder, to the extent that the Debtors determine that such requests are reasonable and appropriate under the circumstances. All due diligence requests shall be directed to the Debtors (email: dtradburks@heritagecoal.com; and brian@rkc.llc). The Debtors will coordinate all reasonable requests for additional information and due diligence access from a Preliminary Interested Bidder.

The Debtors reserve the right to withhold or modify any Diligence Materials that the Debtors determine in good faith are business sensitive or otherwise not appropriate for disclosure to a Preliminary Interested Bidder who is a competitor, vendor, or customer of the Debtors or is directly or indirectly affiliated with any competitor, vendor, or customer of the Debtors. Neither the Debtors nor their representatives shall be obligated to furnish information of any kind whatsoever to any party that is not determined to be a Preliminary Interested Bidder.

B. Due Diligence from Bidders

Each Preliminary Interested Bidder (as defined below) shall comply with all reasonable requests with respect to information and due diligence access by the Debtors or their advisors regarding such Preliminary Interested Bidder, as applicable, and its contemplated Sale Transaction. Failure by a potential bidder (including any Qualified Bidder (as defined below)) to comply with such

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reasonable requests for additional information and due diligence access may be a basis for the Debtors to determine that such Bidder is no longer a Qualified Bidder or that a bid made by such Bidder is not a Qualified Bid (as defined below).

C. Bid Deadline and Auction Qualification Process

To be eligible to participate in the Auction, a party must submit a written offer for a Sale Transaction of some or all of the Debtors' Assets (each, a "Bid," and the Preliminary Interested Bidder that submits a Bid, a "Bidder") that must (i) be determined by the Debtors to satisfy each of the conditions set forth in this section and (ii) be actually received by the Bid Notice Parties, on or before **June 2, 2025 at 4:00 p.m. ET** (as may be extended by the Debtors, after consultation with the Committee and Bedrock, the "Bid Deadline").

A Bid will not be considered qualified for the Auction if such Bid does not satisfy each of the following conditions:

1. Executed Agreement: Each Bid must include (a) an offer letter, signed by an authorized representative of the Bidder, pursuant to which the Bidder offers to consummate the Sale Transaction contemplated by such Bid on the terms set forth in the Modified APA, together with (b) an asset purchase agreement, which must be based on the form asset purchase agreement (the "Form APA") supplied by the Debtors in a designated data room or, if applicable, the Stalking Horse APA (as defined below), signed by an authorized representative of the Bidder, pursuant to which the Bidder agrees to consummate such proposed Sale Transaction for the Assets referenced therein (together with all ancillary documents and schedules contemplated thereby, a "Modified APA"). A Bid must also include a redline of the Modified APA marked against the Form APA (and all applicable ancillary documents and schedules contemplated thereby) to show all changes requested by the Bidder with respect to the Form APA. Each Modified APA must provide a commitment to close the Sale Transaction contemplated by such Modified APA within a time frame acceptable to the Debtors after all closing conditions set forth in such Modified APA are met (other than those which are to be satisfied at the closing of the transactions contemplated by such Modified APA).

2. Purchase Price: Each Bid must clearly set forth the terms of any proposed Sale Transaction, including and identifying the proposed Sale Transaction consideration, which must be all cash.

3. Good Faith Deposit: Each Bid must be accompanied by a cash deposit in the amount of ten percent (10%) of the cash purchase price contained in the Modified APA, before any adjustments to the purchase price, to an escrow account to be identified and established by the Debtors (the "Good Faith Deposit"). To the extent a Qualified Bid is modified before, during, or after the Auction in any manner that increases the cash purchase price contemplated by such Qualified Bid, the Debtors reserve the right to require that such Qualified Bidder increase its Good Faith Deposit so that it equals ten percent (10%) of the increased purchase price.

4. Good Faith Offer: Each Bid must represent an irrevocable, binding, good faith, and bona fide offer to purchase some or all of the Assets identified in such Bid if that Bid is selected as the Successful Bid or the Back-Up Bid (each as defined below).

5. Joint Bids: The Debtors will be authorized to approve joint Bids in their reasonable discretion on a case-by-case basis.

6. Purchased Assets and Assumed Liabilities: Each Bid must clearly provide which of the Assets the Bidder seeks to acquire and which of the assumed liabilities the Bidder agrees to assume. With respect to any Bid for less than all or substantially all of the Debtors' Assets, the Debtors reserve the right to request an allocation of the purchase price among the Assets the Bidder seeks to acquire and the assumed liabilities the Bidder agrees to assume.

7. Designation of Assigned Contracts and Leases: Subject to the terms of the Modified APA, each Bid must identify any and all executory contracts and unexpired leases of the Debtors that the Bidder wishes to be assumed and assigned to the Bidder at the closing of the Sale Transaction contemplated by such Bid.

8. Equipment and Allocation: Each Bid must specifically identify all equipment to be purchased, and an allocation of the purchase price for each piece of equipment.

9. Corporate Authority: Each Bid must include written evidence reasonably acceptable to the Debtors demonstrating appropriate corporate or similar governance authorization of the Bidder to consummate the proposed Sale Transaction; provided that, if the Bidder is an entity specially formed for the purpose of effectuating the Sale Transaction, then the Bidder must furnish written evidence reasonably acceptable to the Debtors of the approval of the Sale Transaction by the equity holder(s) of such Bidder and any other governing body of the Bidder that is required to approve the Sale Transaction.

10. Disclosure of Identity of Bidder: Each Bid must fully disclose the identity of each entity (including any equity owners, sponsors, or co-investors) that will be bidding for or purchasing the Assets or otherwise directly or indirectly participating in connection with such Bid.

11. Proof of Financial Ability to Perform: Each Bid must include written evidence that the Debtors conclude demonstrates that the Bidder has the necessary financial ability to (a) timely close the Sale Transaction contemplated by such Bid within a time frame acceptable to the Debtors after all closing conditions set forth in the Modified APA are met and (b) provide adequate assurance of future performance under all contracts to be assumed and assigned in such Sale Transaction. Such information must include, inter alia, the following:

- a. Contact names and numbers for verification of financing sources, if any;
- b. Written evidence of the Bidder's internal financial resources and ability to finance its Bid with cash on hand, available lines of credit, uncalled capital commitments, or otherwise available funds (including through the posting of an irrevocable letter of credit or customary debt or equity financing commitment letters that comply with the requirements of this sub-paragraph 10.b or c below, as applicable, in each case, from reputable financial institutions) in an aggregate amount sufficient to pay the cash purchase price contemplated by such Bid, to pay for cure costs for contracts to be assumed and assigned in the Sale Transaction, and to satisfy all other obligations of the Bidder pursuant to the Modified APA ("Bidder's Obligations"); provided that, if the Bidder is an entity that is specially formed for the purpose of effectuating the Sale Transaction or if the Bidder intends to raise any equity financing to fund any portion of Bidder's Obligations, then the Bidder must furnish to the Debtors a fully executed and effective equity

commitment letter or guarantee (“Bidder Support”) (which Bidder Support shall remain outstanding until at least sixty (60) days after the date of entry of the Sale Order (or the “outside date” in the Modified APA, if later), subject to a potential further extension as set forth herein or therein) from its equity holders or other affiliated entities with respect to the portion of the Bidder’s Obligations that are not to be paid with cash on hand (which Bidder Support may not be subject to any conditions other than the satisfaction of the conditions set forth in the Modified APA and shall include third party beneficiary language in favor of the Debtors entitling the Debtors to enforce such Bidder Support directly against the counterparties) and provide written evidence that its equity holders or other affiliated entities providing the Bidder Support have the resources and ability to finance such portion of the Bidder’s Obligations;

c. Without limiting the requirements of sub-paragraph 10.b above, if the Bidder intends to raise any debt financing to fund any portion of the Bidder’s Obligations, the Bid must include fully executed and effective debt financing commitment letter(s), which letter(s) shall (i) not be subject to any internal approvals, credit committee approvals, or diligence conditions, (ii) be in customary form, and (iii) remain outstanding until sixty (60) days after the date of entry of the Sale Order (subject to a potential further extension as set forth herein); and

d. Any such other form of financial disclosure or credit-quality support information or enhancement reasonably requested by the Debtors demonstrating that such Bidder (or, if the Bidder is an entity formed for the purpose of making a Bid, its Bidder Support) has the ability to close the Sale Transaction on the terms set forth in the Modified APA.

1212. Adherence to Bidding Procedures: By submitting its Bid, each Bidder is agreeing to abide by and honor the terms of these Bidding Procedures and agrees not to submit a Bid or seek to reopen the Auction after conclusion of the Auction.

1213. Regulatory and Third-Party Approvals: Each Bid must set forth each government, licensing, regulatory, and other third-party approval or filing required to be obtained or made by the Bidder or its Bidder Support, and each waiting period required to have expired or terminated, for the Bidder to consummate the Sale Transaction, and the time period within which the Bidder expects to receive such approvals, to make such filings or such waiting periods to expire or terminate (and in the case that receipt of any such approval, the making of any such filing, or the expiration or termination of any such waiting period is expected to take more than thirty (30) days following execution and delivery of the Modified APA, those actions the Bidder will take to ensure receipt of such approval(s), the making of such filing(s), or the expiration or termination of such waiting period(s) as promptly as possible).

1314. Contact Information and Affiliates: Each Bid must provide the contact information for the Bidder and full disclosure of any affiliates of the Bidder.

1415. Contingencies and Other Provisions: Each Bid shall not contain any escrow arrangements, indemnities, or adjustments to the purchase price. Without limiting the immediately preceding sentence, each Bid shall not include any conditions or contingencies relating to financing (including, for the avoidance of doubt, any conditionality, or limitations on specific

performance, relating to any financing contemplated by sub-paragraph 10.c above), internal approvals, or the absence of any material adverse effect.

1516. Contingencies Regarding Due Diligence: Each Bid shall not include any conditions or contingencies relating to due diligence.

1617. Acknowledgement of Independent Review: Each Bid must include a written acknowledgement and representation that the Bidder: (a) has had an opportunity to conduct any and all due diligence prior to making its Bid; (b) has relied solely upon its own independent review, investigation, and/or inspection of any documents and/or the Assets in making its Bid; and (c) did not rely upon any written or oral statements, representations, promises, warranties, or guaranties, express, implied, statutory or otherwise, regarding the Assets, the financial performance of the Assets, or the physical condition of the Assets, or the accuracy or completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or the Modified APA.

1718. Irrevocable: Each Bid must be irrevocable unless and until the Debtors accept a higher Bid and such Bidder is not selected as the Back-Up Bidder (as defined below), provided that if a Bid is accepted as the Successful Bid or the Back-Up Bid, such Bid shall continue to remain irrevocable, subject to the terms and conditions of these Bidding Procedures.

1819. Compliance with Diligence Requests: The Bidder submitting the Bid must have complied with reasonable requests for additional information and due diligence access from the Debtors to the satisfaction of the Debtors.

1920. Back-Up Bid: Each Bid shall provide that the Bidder will serve as Back-Up Bidder if the Bidder's Bid is selected as the next highest and best bid after the Successful Bid (as defined below) and will remain irrevocable in accordance with the terms and conditions of these Bidding Procedures (the "Back-Up Bid").

2021. Consent to Jurisdiction: Each Bidder and its Bidder Support (if applicable) must (a) consent to the jurisdiction of the Court to enter an order or orders, which shall be binding in all respects, in any way related to the Debtors, these chapter 11 cases, the Bidding Procedures, the Auction, any Sale Transaction, any Modified APA, or the construction and enforcement of documents relating to any Sale Transaction; (b) waive any right to a jury trial in connection with any disputes relating to the Debtors, these Chapter 11 cases, the Bidding Procedures, the Auction, any Sale Transaction, any Modified APA, or the construction and enforcement of documents relating to any Sale Transaction; and (c) consent to the entry of a final order or judgment in any way related to the Debtors, these Chapter 11 cases, the Bidding Procedures, the Auction, any Modified APA, any Sale Transaction, or the construction and enforcement of documents relating to any Sale Transaction if it is determined that the Court would lack Article III jurisdiction to enter such a final order or judgment absent the consent of the parties.

2422. Disclaimer of Break-Up Fees and Expense Reimbursement: Except as otherwise provided below with respect to a potential Stalking Horse Bidder (as defined below), each Bid must not, and must acknowledge that such Bid shall not, entitle the Bidder to any break-up fee, termination fee or similar type of payment, compensation or expense reimbursement (including legal fees) and, by submitting the Bid, the Bidder waives the right to pursue any administrative expense claim (including under a theory of substantial contribution) under 11 U.S.C. § 503 related in any way to the submission of its Bid or participation in any Auction.

2223. Acknowledgement of Remedies: Each Bid shall include a written acknowledgement from the Bidder that, in the event of the Bidders' breach of, or failure to perform under, the Modified APA, the Debtors and their estates shall be entitled to retain the Good Faith Deposit as part of the damages resulting to the Debtors and their estates for such breach or failure to perform, and pursue all other available legal and equitable remedies.

2324. Acknowledgement of No Collusion: Each Bid shall include a written acknowledgement from the Bidder that it has not (a) engaged in any collusion with respect to the bidding or sale of any of the Assets described herein or (b) taken any other action to prevent a transparent and competitive auction process.

A Bid received from a Bidder before the Bid Deadline that meets the above requirements shall constitute a ("Qualified Bid"), as determined by the Debtors, in their reasonable business judgment, after consultation with the Consultation Parties, and such Bidder shall constitute a ("Qualified Bidder"); provided that, if the Debtors receive a Bid that is not a Qualified Bid, the Debtors may provide (but shall not be obligated to provide) the Bidder with the opportunity to remedy any deficiencies prior to the Auction; provided, further, that, if any Qualified Bidder fails to comply with reasonable requests for additional information and due diligence access from the Debtors to the satisfaction of the Debtors, then the Debtors may disqualify any such Qualified Bidder and Qualified Bid, and such Bidder shall not be entitled to attend or participate in the Auction. The Debtors may accept a single Qualified Bid or multiple Bids for non-overlapping material portions of the Assets such that, if taken together in the aggregate, would otherwise meet the standards for a single Qualified Bid (in which event those multiple bidders will be treated as a single Qualified Bidder for purposes of selecting the Successful Bid; provided that the Debtors also reserve the right to conduct more than one sale process or Auction with respect to non-overlapping material portions of the Assets). The Debtors shall determine whether (a) a Bid is or is not a Qualified Bid or (b) any Qualified Bid or Qualified Bidder should be disqualified. The Debtors shall have the right to deem a Bid a Qualified Bid even if such Bid does not conform to one or more of the requirements above. Any Bidder that does not submit a Bid before the Bid Deadline will not be permitted to submit a Bid after the Bid Deadline or to participate in the Auction unless otherwise agreed by the Debtors.

Potential Stalking Horse

The Debtors may, after consulting with the Consultation Parties, pursuant to these Bidding Procedures, (i) designate one or more Qualified Bidders that submit a Qualified Bid for all or any portion of the Assets a stalking horse bidder (each, a "Stalking Horse Bidder"), whose Qualified Bid shall serve as a stalking horse bid (a "Stalking Horse Bid"), and (ii) execute, subject to higher or otherwise better offers consistent with these Bidding Procedures, one or more purchase agreements memorializing the proposed transaction set forth in the Stalking Horse Bid (a "Stalking Horse APA"), which may include a break-up fee of or no more than 3.0% of the total cash consideration payable under such Stalking Horse APA, inclusive of any expense reimbursement (the "Bid Protections") on or before **May 19, 2025** (the "Stalking Horse Bidder Designation"). To the extent the Debtors designate more than one Stalking Horse Bidder pursuant to the Bidding Procedures, no two Stalking Horse Bidders will be designated with respect to any of the same Assets.

To the extent the Debtors, consistent with these Bidding Procedures, determine to offer Bid Protections to any Stalking Horse Bidder, the Debtors shall disclose such Bid Protections in a corresponding notice designating such Stalking Horse Bidder (the “Stalking Horse Notice”). A Stalking Horse Notice, if filed, shall also include: (a) the identity of the Stalking Horse Bidder (and if the Stalking Horse Bidder is a newly formed entity, the identity of the Stalking Horse Bidder’s parent company or sponsor); (b) the amount of the Stalking Horse Bid (and if the Stalking Horse Bidder is a Credit Bidder, what amount of the Stalking Horse Bid (if any) is cash); (c) a copy of the Stalking Horse APA; (d) the proposed Bid Protections to be provided to the Stalking Horse Bidder; and (e) a declaration in support of the proposed Bid Protections, which includes whether the Stalking Horse Bidder has any connection with the Debtors other than that which arises from the Stalking Horse Bid. Any objection to (i) the Bid Protections set forth in the Stalking Horse Notice or (ii) the designation of the Stalking Horse Bidder (a “Stalking Horse Objection”) shall be filed and actually received by the appropriate notice parties no later than **May 24~~26~~, 2025 at 4:00 p.m.** (prevailing Eastern Time)(the “Stalking Horse Objection Deadline”). If a timely Stalking Horse Objection is filed, the Debtors are authorized to seek an expedited hearing with respect to the Stalking Horse Objection on not less than three (3) calendar days’ notice. Absent any timely Stalking Horse Objection, the Court may approve the Bid Protections set forth in the Stalking Horse Notice and the designation of the Stalking Horse Bidder without further hearing.

If the designation of a Stalking Horse Bidder is approved, any Modified APA may be based on the Stalking Horse APA.

Auction

If one or more Qualified Bids are received by the Bid Deadline, the Debtors will conduct an Auction (the “Auction”) to determine the highest and best Qualified Bid. The determination of the highest and best Qualified Bid shall take into account any factors the Debtors in their reasonable business judgment, after consultation with the Consultation Parties, deem relevant to the value and certainty of the Qualified Bid to the Debtors’ estates and may include, but are not limited to, the following: (a) the amount and nature of the consideration, which must be all cash; (b) the number, type, and nature of any changes to the Form APA requested by each Bidder, including the Assets acquired; (c) the extent to which such modifications are likely to delay closing of the Sale Transaction contemplated by such Qualified Bid and the cost to the Debtors of such modifications or delay; (d) the total consideration to be received by the Debtors; (e) any contingencies or conditions to closing the Sale Transaction contemplated by such Qualified Bid; (f) the likelihood of the Bidder’s ability to close the Sale Transaction contemplated by such Qualified Bid and the timing thereof; (g) the tax consequences of such Qualified Bid; and (h) any other qualitative or quantitative factor that the Debtors after consulting with the Consultation Parties, deem reasonably appropriate under the circumstances (collectively, the “Bid Assessment Criteria”).

A. Location and Date of Auction

The Auction, if any, will commence on or before **June 5, 2025, at 10:00 a.m.** (prevailing Eastern Time) in person at the office of Morris James, 500 Delaware Ave., Suite 1500, Wilmington DE 19801 and/or via remote video at the Debtors’ election. If held, the Auction proceedings will be transcribed.

B. Attendees and Participants

Except as otherwise determined by the Debtors, only the following parties, and their respective and their respective professionals, principals, representatives, and counsel, may attend the Auction: (i) the Debtors; (ii) the U.S. Trustee; (iii) any Qualified Bidder, ~~and~~ (iv) any creditor, and (v) any other parties that the Debtors deem, after consultation with the Consultation Parties, deem reasonably appropriate. The Debtors shall provide all Qualified Bidders with notice of all participants attending the Auction at least one (1) calendar day prior to the Auction.

Bidders and their representatives may not communicate or coordinate with one another for purposes of submitting a Bid or Bids or participating in the Auction without the prior consent of the Debtors. All parties are prohibited from (i) engaging in any collusion with respect to the bidding or sale of any of the Assets described herein or (ii) taking any other action to prevent a transparent and competitive auction process.

Each Qualified Bidder participating in the Auction must confirm on the record at the commencement of the Auction that (i) it has not engaged in any of the prohibited actions set forth in the immediately preceding paragraph, (ii) its Qualified Bid is a good faith bona fide offer and it intends to consummate the Sale Transaction contemplated by such Qualified Bid if selected as the Successful Bidder or Back-Up Bidder, (iii) it has reviewed, understands, and accepts the Bidding Procedures, and (iv) it has consented to the core jurisdiction of the Court with respect to the Sale Transaction, including the Bidding Procedures, the Auction, any Sale Transaction, any Modified APA, or the construction and enforcement of documents relating to any Sale Transaction (as described more fully below).

All parties attending the Auction must comply with their applicable confidentiality agreements.

C. Conducting the Auction

The Debtors and their professionals shall direct and preside over the Auction and the Auction shall be transcribed and shall be conducted openly. Other than as expressly set forth herein, the Debtors may conduct the Auction in the manner they determine will result in the highest and best offer for the Assets so long as such conduct is not inconsistent in any material respect with the other terms and provisions of these Bidding Procedures.

D. Auction Baseline Bid

The Debtors will notify any other Qualified Bidder participating in the Auction of the highest and best Qualified Bid received before the Bid Deadline for purposes of constituting the opening Bid at the Auction (the "Auction Baseline Bid"), and shall provide copies of the Modified APA and the modified Sale Order (each, a "Modified Sale Order") associated with the Auction Baseline Bid as soon as practicable (together with the redline copies of such documents, as described in paragraph D.1 above) prior to the commencement of the Auction.

E. Terms of Overbids

An "Overbid" is any Bid made at the Auction subsequent to the Debtors' announcement of the Auction Baseline Bid. To submit an Overbid for the purposes of this Auction, a Bidder must comply with the following conditions:

1. Minimum Overbid Increments: Any Overbid for all or substantially all of the Debtors' Assets after and above the Auction Baseline Bid shall be made in increments valued at

not less than \$100,000. The Debtors shall determine the minimum bid increments for any particular Asset or subset of Assets if applicable.

2. Terms Are the Same as for Qualified Bids: Except as modified herein, an Overbid at the Auction must comply with the conditions for a Qualified Bid set forth above. Any Overbid must include, in addition to the amount and the form of consideration of the Overbid, a description of all changes requested by the Bidder to the Modified APA or the Modified Sale Order in connection therewith. Any Overbid must remain open and binding on the Bidder until (a) the Debtors announce that they have received a higher and better Overbid and (b) such Overbid is not selected as the Back-Up Bid. To the extent not previously provided, a Bidder submitting an Overbid at the Auction must submit, as part of its Overbid, written evidence (in the form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors) reasonably demonstrating such Bidder's ability to satisfy the Bidder's Obligations as set forth in the Qualified Bid requirements set forth above. Further, Bidders submitting Overbids may be required to promptly top up their Good Faith Deposits to equal ten percent (10%) of the cash purchase price contained in such Overbids.

F. Announcement and Consideration of Overbids

1. Announcement of Overbids: All Overbids shall be made and received on an open basis. The Debtors shall announce at the Auction the material terms of each Overbid, the total amount of consideration offered in each such Overbid, and the basis for calculating such total consideration. The Debtors shall, after submission of each Overbid, promptly inform each participant in the Auction which Overbid reflects the highest and best Bid, and the Debtors shall clarify any and all questions that any Qualified Bidder may have regarding such Overbid.

2. Consideration of Overbids: Subject to the deadlines set forth herein, the Debtors reserve the right, in their own reasonable business judgment, after consultation with the Consultation Parties, to make one or more continuances of the Auction to, among other things: facilitate discussions between the Debtors and individual Qualified Bidders; allow individual Qualified Bidders to consider how they wish to proceed; or give Qualified Bidders the opportunity to provide the Debtors with additional evidence that the Qualified Bidder has sufficient internal resources, or has received sufficient non contingent debt and/or equity funding commitments, to consummate the proposed Sale Transaction at the prevailing Overbid amount.

G. No Round-Skipping

To remain eligible to participate in the Auction, in each round of bidding, (i) each Qualified Bidder must submit an Overbid with respect to such round of bidding and, (ii) to the extent a Qualified Bidder fails to submit an Overbid with respect to such round of bidding, such Qualified Bidder shall be disqualified from continuing to participate in the Auction.

H. Closing the Auction

The Auction shall continue until there is only one (1) Qualified Bid for the Assets (or one or more Qualified Bids for discrete portions of the Assets) that the Debtors determine, in their reasonable business judgment, after consultation with the Consultation Parties, is (or are) the highest and best Qualified Bid (or Qualified Bids) at the Auction. Thereafter, the Debtors shall select such Qualified Bid(s) that is the best Qualified Bid (each such Qualified Bid, a "Successful Bid," and the Qualified Bidder submitting any such Successful Bid, the "Successful Bidder"), taking into account any factors the Debtors reasonably deem relevant to the value and certainty of the Qualified Bid(s) to

the Debtors' estates and may include, but are not limited to, the Bid Assessment Criteria, as the winner of the Auction and, at the time of such selection, shall announce the identity of each Successful Bidder and the amount and material terms of each Successful Bid to all attendees at the Auction.

The Auction shall not conclude until the Successful Bidder(s) submit(s) fully executed sale and transaction documents memorializing the terms of the Successful Bid(s), and the Debtors have selected of the Successful Bid(s) and Back-Up Bids, after consultation with the Consultation Parties,

~~Promptly following the Debtors' selection of the Successful Bid(s) and the conclusion of~~ No later than noon the next day after the Auction, the Debtors shall file with the Court the notice of the Successful Bid(s) and Successful Bidder(s), along with the Modified APA and the Modified Sale Order reflecting the Successful Bid(s). The Debtors shall not consider any Bids or Overbids submitted after the Auction has closed, and any and all Bids or Overbids submitted after the conclusion of the Auction shall be deemed untimely and shall under no circumstances constitute a Bid or Overbid.

I. Back-Up Bidder

Notwithstanding anything in these Bidding Procedures to the contrary, if an Auction is conducted, the Qualified Bidder(s) with the next highest and otherwise best Bid to the Successful Bid(s) at the Auction for the applicable Assets, as determined by the Debtors, in the exercise of their reasonable business judgment, after consultation with the Consultation Parties, will be designated as a back-up bidder (each, a "Back-Up Bidder"). The identity of the Back-Up Bidder(s) and the amount and material terms of the Back-Up Bid(s) shall be announced by the Debtors at the same time the Debtors announce the identity of the Successful Bidder(s).

The Back-Up Bidder(s) shall be required to keep its (or their) initial Qualified Bid(s) (or if a Back-Up Bidder submitted one or more Overbids at the Auction, such Back-Up Bidder's final Overbid) (each, a Back-Up Bid) open and irrevocable until the closing of the Sale Transaction contemplated by the applicable Successful Bid.

If a Successful Bid is terminated for any reason prior to consummation of the Sale Transaction contemplated thereby (a "Successful Bid Failure"), the Debtors will be authorized, without further order of the Court to consummate the Sale Transaction contemplated by the applicable Back-Up Bid with the applicable Back-Up Bidder; provided that the Debtors shall provide prompt notice of such Successful Bid Failure and the Debtors shall post a notice on the docket of the Chapter 11 cases regarding the Successful Bid Failure and the consummation of such Sale Transaction with the applicable Back-Up Bidder. In the case of a Successful Bid Failure, the Successful Bidder's deposit shall be forfeited to the Debtors or returned to the applicable Successful Bidder in accordance with the terms of the terminated Modified APA. The Debtors, on their behalf and on behalf of each of their respective estates, specifically reserve the right to seek all available damages, including specific performance, from any defaulting Successful Bidder (including any Back-Up Bidder following a Successful Bid Failure) in accordance with the terms of the Bidding Procedures, the Bidding Procedures Order, or the Modified APA, as applicable.

J. Notice of Bid Results

Absent further order or direction of the Court, the Debtors shall file copies of the following: (i) a notice designating each Successful Bid and the Back-Up Bid, if any, and the terms of each such bid (the “Successful Bidder Notice”); and (ii) final form(s) of order(s) approving the Sale Transaction(s) as agreed upon between the Debtors and the Successful Bidder(s) (the “Sale Order(s)”).

K. Assumption and Assignment Procedures

As soon as is reasonably practicable after either the Bid Deadline or conclusion of the Auction (if any), as applicable, the Debtors shall serve the Assigned Contracts Notice: (a) by overnight delivery service upon the applicable Contract Counterparties at the address set forth in the notice provision of the applicable contract or lease (and their counsel, if known) and (b) by first-class mail, email, or fax upon the Sale Notice Parties. The Assigned Contracts Notice shall notify the Contract Counterparties of the executory contracts and unexpired leases (the “Assigned Contracts”) proposed to be assumed and assigned to the Successful Bidder and of the Debtors’ proposed Cure Amounts relating to such Assigned Contracts.

A Contract Counterparty objecting to a proposed Cure Amount or assumption and assignment on any basis must file a written objection with the Court by **June 10, 2025** (the Sale and Contract Assignment Objection Deadline) and must serve such objection on the Objection Notice Parties.

In the event that the Debtors later identify any Contract Counterparty which was not served with the Assigned Contracts Notice, the Debtors may subsequently serve such Contract Counterparty with an Assigned Contracts Notice substantially in the form attached hereto (each, a “Supplemental Assigned Contract Notice”), and the Assumption and Assignment Procedures will nevertheless apply to such Contract Counterparty; provided that the objection deadline with respect to a Contract Counterparty listed on a Supplemental Assigned Contract Notice shall be seven (7) days following the date of service of a Supplemental Assigned Contract Notice.

If an objection to the Debtors’ proposed Cure Amounts is timely filed and not withdrawn or resolved by the Sale Hearing, such cure objections will not be heard at the Sale Hearing. Any dispute regarding the Cure Amounts will either be resolved consensually, if possible, or, if the parties are unable to resolve, at a later date as set by the Court. The Debtors shall file and serve a notice for a hearing for the Court to consider the unresolved cure objection(s) at the next scheduled omnibus hearing after the Sale Hearing unless the Debtors and the objecting parties agree to a different time and subject to the Court’s schedule.

If no objection to the assumption of any contract or lease is timely filed or if an objection is filed and resolved, each contract or lease to be assumed and assigned to the Successful Bidder shall be assumed and assigned as of the effective date of the assumption and assignment of the contract or lease (the “Assignment Date”) set forth in the applicable Successful Bidder Notice or such other date as the Debtors and the Contract Counterparty agree and the proposed cure amount shall be binding on all Contract Counterparties and the Contract Counterparties will be forever barred from

asserting any other claims related to the contract or lease against the Debtors. Upon the Assignment Date, the Successful Bidder shall pay all applicable cure amounts.

The inclusion of a contract on the Assigned Contracts Notice shall not: (a) obligate the Debtors to assume or assign any contracts or leases listed thereon; or (b) constitute any admission or agreement of the Debtors that such contract or lease is an executory contract. Only those contracts and leases that are included on a schedule of assumed and assigned contracts and leases attached to a final asset purchase agreement will be assumed and assigned, and shall only be assumed and assigned upon the Assignment Date.

In the event the Auction is cancelled pursuant to the Bidding Procedures, the Debtors may continue to utilize the Assumption and Assignment Procedures as set forth in the Order and the Motion to further assess the potential assumption, assumption and assignment, or rejection of any executory contracts and unexpired leases and to determine any applicable Cure Amounts.

L. Sale Hearing and Approval of the Sale Transaction

A hearing to consider the approval of the Sale Transaction (the "Sale Hearing") is currently scheduled to take place on **June 12, 2025, at 10:30 a.m.** before Honorable Mary F. Walrath, at the United States Bankruptcy Court for the District of Delaware, 824 N Market Street, 5th Floor, Courtroom No. 4, Wilmington, Delaware 19801 or conducted consistent with the procedures established pursuant to the Court.

At the Sale Hearing, certain findings will be sought from the Court, including, among other things, that: (i) the Auction was conducted (if held) and each Successful Bidder was selected, in each case in accordance with the Bidding Procedures; (ii) the Auction (if held) was fair in substance and procedure; (iii) the Successful Bid(s) and Back-Up Bid(s) were Qualified Bids as defined in the Bidding Procedures; and (iv) consummation of any Sale Transaction as contemplated by the Successful Bid(s) in the Auction will provide the highest and best offer for the Assets and is in the best interests of the Debtors and their estates. The Sale Hearing may be continued to a later date by the Debtors by sending notice prior to, or making an announcement at, the Sale Hearing (subject in all cases to approval of the Court).

All objections to the Sale Transaction and entry of any Sale Order must: (i) be in writing; (ii) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and all orders of the Court; (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (iv) be filed with the Court and timely served upon the Objection Notice Parties. Objections to the Sale Transaction and entry of the Sale Order, other than objections to the assumption and assignment of executory contracts and leases (including cure amounts) and with respect to conduct at the auction must be actually received by the Objection Notice Parties on **June 6, 2025, at 4:00 p.m.**, (prevailing Eastern Time). Objections to the Sale Transaction and entry of the Sale Order, related to objections to the assumption and assignment of executory contracts and leases (including cure amounts) and with respect to conduct at the auction must be actually received by the Objection Notice Parties on **June 10, 2025, at 4:00 p.m.**, (prevailing Eastern Time). The deadline to consummate the Sale Transaction shall be June 19, 2025 (the "Sale Closing").

K. Credit Bidding

Notwithstanding anything to the contrary in these Bidding Procedures or in the Order approving the Bidding Procedures, any party claiming that it is entitled to submit a credit bid on account of its allowed secured claim under 11 U.S.C. § 363(k) (each, a "Credit Bidder") shall be deemed a Qualified Bidder, and its Bid shall be deemed a Qualified Bid, if it submits to the Bid Notice Parties a written Bid by the Bid Deadline that is signed by an authorized representative of the Credit Bidder and contains the following:

- (a) copy/ies of the Credit Bidder's Proof(s) of Claim filed in these bankruptcy cases evidencing its secured claim, or in the case of Bedrock, any other evidence or documentary support of a secured claim;
- (b) a description of the Assets to be purchased under the Bid, including in the case of equipment a specific allocation for each piece of equipment;
- (c) the amount of the Credit Bidder's credit Bid for the Assets to be purchased;
- (d) a statement that the person signing the Credit Bid has all appropriate corporate or similar governance authorization to do so;
- (e) a statement that the Bid is an irrevocable, binding, good faith, and bona fide offer to purchase the Assets identified in the Bid if that Bid is selected as the Successful Bid or the Back-Up Bid;
- (f) contact information for the Credit Bidder or its counsel in these bankruptcy cases;
- (g) a statement that the Credit Bidder has had an opportunity to conduct any and all due diligence prior to making its Bid, has relied solely upon its independent review when making its Bid, and did not rely on any statements regarding the Assets except as expressly stated in the Bidding Procedures;
- (h) a statement that the Credit Bidder has not engaged in any collusion regarding the bidding or sale of any of the Assets or taken any other action to prevent a transparent and competitive auction process; and
- (i) a statement that the Credit Bidder agrees to abide by and honor the terms of the Bidding Procedures applicable to Credit Bidders.

Notwithstanding the foregoing, nothing herein shall compel the Debtors, after consultation with the Consultation Parties, to accept a Credit Bidder's Bid, and nothing herein shall adversely affect or impair any party's right to object to any attempt to credit bid at the hearing to consider approval of the sale. Further, nothing herein shall constitute a waiver of the right and/or ability of any party in interest to object to a secured claim that seeks to credit bid.

K-L Additional Procedures

The Debtors may announce at the Auction additional procedural rules that are reasonable under the circumstances for conducting the Auction so long as such rules are not inconsistent in any material respect with the Bidding Procedures; provided that any Qualified Bidder shall have the right to request a telephonic hearing before the Court in the event the Qualified Bidder disputes

that the proposed additional rule is reasonable or not inconsistent in any material respect with the Bidding Procedures.

Consent to Jurisdiction and Authority as Condition to Bidding

All Qualified Bidders shall be deemed to have (a) consented to the jurisdiction of the Court to enter an order or orders, which shall be binding in all respects, in any way related to the Debtors, these Chapter 11 cases, the Bidding Procedures, any Modified APA, the Auction, any Sale Transaction, or the construction and enforcement of documents relating to any Sale Transaction, (b) WAIVED ANY RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY DISPUTES RELATING TO THE DEBTORS, THESE CHAPTER 11 CASES, THE BIDDING PROCEDURES, THE AUCTION, ANY MODIFIED APA, ANY SALE TRANSACTION, OR THE CONSTRUCTION AND ENFORCEMENT OF DOCUMENTS RELATING TO ANY SALE TRANSACTION, and (c) consented to entry of a final order or judgment in any way related to the Debtors, these Chapter 11 cases, the Bidding Procedures, the Auction, any Modified APA, any Sale Transaction, or the construction and enforcement of documents relating to any Sale Transaction if it is determined that the Court would lack Article III jurisdiction to enter such a final order or judgment absent the consent of the parties.

Sale Is As Is/Where Is

Except as may be set forth in the Modified APA, the Assets sold pursuant to the Bidding Procedures shall be conveyed at the closing of such sale in their then present condition, "AS IS, WITH ALL FAULTS, AND WITHOUT ANY WARRANTY WHATSOEVER, EXPRESS OR IMPLIED."

Return of Good Faith Deposits

The Good Faith Deposits of all Qualified Bidders shall be held in one or more escrow accounts by the Debtors, but shall not become property of the Debtors' estates absent further order of the Court or as set forth below. The Good Faith Deposit of any Qualified Bidder that is neither a Successful Bidder nor a Back-Up Bidder shall be returned to such Qualified Bidder not later than five (5) Business Days after consummation of the Sale Transaction or upon the permanent withdrawal of the proposed Sale Transaction. The Good Faith Deposit of a Back-Up Bidder, if any, shall be returned to such Back-Up Bidder (or retained by the estates) upon the termination of such Back-Up Bidder's Bid in accordance with its terms. If a Successful Bidder timely closes the Sale Transaction contemplated in the Successful Bid, its Good Faith Deposit shall be credited towards the purchase price and become property of the estate. If a Successful Bidder (or, if the Sale Transaction is to be consummated with the applicable Back-Up Bidder, then such Back-Up Bidder) fails to consummate the Sale Transaction because of a breach or failure to perform on the part of such Bidder, then the Debtors and their estates shall be entitled to retain the Good Faith Deposit of such Successful Bidder (or, if the Sale Transaction is to be consummated with a Back-Up Bidder, then such Back-Up Bidder) as part of the damages resulting to the Debtors and their estates for such breach or failure to perform. For the avoidance of doubt, the Debtors' retention of a Good Faith Deposit shall not constitute a waiver of any of the Debtors' legal or equitable rights relating to a Successful Bidder's or a Back-Up Bidder's breach or failure to perform, and all such rights and remedies are preserved.

Reservation of Rights of the Debtors and Modifications

Except as otherwise provided in the Bidding Procedures Order, the Debtors further reserve the right as the Debtors may reasonably determine to be in the best interest of the Debtors' estates to: (a) determine which Bidders are Qualified Bidders; (b) determine which Bids are Qualified Bids; (c) determine which Qualified Bid (or Qualified Bids) is the highest and best bid and which is the next highest and best bid; (d) reject any Bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bidding Procedures or the requirements of the Bankruptcy Code, or (iii) contrary to the best interests of the Debtors and their estates; (e) impose additional terms and conditions with respect to all potential bidders; (f) make non-material modifications to the Bidding Procedures; and (g) implement additional procedural rules with respect to the conduct of the Auction that the Debtors determine (together with the Bidding Procedures, the "Auction Rules"), in their reasonable business judgment, after consultation with the Consultation Parties, will better promote the goals of the bidding process and are not inconsistent with any Court order or the Bankruptcy Code; provided that nothing herein shall limit any party in interest's right to file an objection with the Court with respect to any Auction Rules (other than the Bidding Procedures).

Notwithstanding anything to the contrary in these Bidding Procedures, nothing in these Bidding Procedures or the Bidding Procedures Order shall require the Debtors to take any action or to refrain from taking any action related to any Sale Transaction to the extent taking or failing to take such action would be inconsistent with applicable law or the Debtors' fiduciary obligations, if any, under applicable law; provided, however, that the Debtors shall promptly provide any Qualified Bidders with notice of such action or inaction and, to the extent any such action or inaction would constitute a material change from the Bidding Procedures, the Debtors shall seek approval from the Court for such action or inaction.

NOTICING

A. Sale Notice Parties

The "Sale Notice Parties" shall include the following persons and entities:

- the U.S. Trustee
- counsel to the Committee;
- counsel to the Bedrock Industries Investco 1 LLC;
- all parties who have expressed a written interest in some or all of the Assets;
- all parties who are known or reasonably believed, after reasonable inquiry, to have asserted any lien, encumbrance, claim, or interest in the Assets;
- the Internal Revenue Service;
- all applicable state and local taxing authorities;
- counsel to any other statutory committee appointed under 11 U.S.C. § 1102 in the Chapter 11 cases;
- each governmental agency that is an interested party with respect to the proposed Sale Transaction; and
- all parties that have requested or that are required to receive notice of the proposed Sale Transaction pursuant to Bankruptcy Rule 2002.

B. Sale Notice and Publication Notice

As soon as reasonably practicable following the entry of the Bidding Procedures Order, but in no event later than **May 9, 2025**, the Debtors shall file with the Court, served on the Sale Notice Parties and caused to be published on the Case Website a notice (the “Sale Notice”) setting forth (i) a description of the Assets available for sale in accordance with these Bidding Procedures, (ii) the date, time, and location of the Auction and Sale Hearing, and (iii) the Sale and Contract Assignment Objection Deadline (as defined below) and the procedures for filing such objections.

On the same date, or as soon as reasonably practicable thereafter, the Debtors shall ~~(i) provide notice of the Sale Hearing through the publication of the Sale Notice, on the Case Website, and (ii) provide notice of the Sale Hearing through publication of the Sale Notice, with any modifications necessary for ease of publication, once. Further, the Debtors cause the publication of a notice substantially similar to the Sale Notice in The New York Times (national edition), and once in the Daily American to provide notice to any other potential interested parties (the “Publication Notice”) no later than **May 13, 2025**.~~

C. Bid Notice Parties

Qualified Bids must be submitted in writing to the following parties (collectively, the “Bid Notice Parties”):

- the Debtors, 1521 Concord Pike, Suite 201, Wilmington, DE 19803 (email: David Tradburks dtradburks@heritagecoal.com; and Brian Ryniker brian@rkc.llc);
- proposed counsel for the Debtors, Morris James, LLP, 500 Delaware Ave. Wilmington, DE 19801, Attn.: Jeffrey R. Waxman, Esquire and Eric J. Monzo (email: jwaxman@morrisjames.com and emonzo@morrisjames.com);
- Counsel for Bedrock Industries Investco I LLC, ArentFox Schiff LLP, 1301 Avenue of the Americas, 42nd Floor, New York, New York 10019, attn: Andrew I. Silfen, Esq. and Beth M. Brownstein, Esq. (email: email: andrew.silfen@afslaw.com and beth.brownstein@afslaw.com) and Potter Anderson & Corroon LLP, 1313 N. Market Street, 6th Floor, Wilmington, Delaware 19801, Attn: Christopher M. Samis, Esq. (email: csamis@potteranderson.com)

~~D. Sale Objections~~

D. Service of Assumed Contract Notice

Within three business days Bid Deadline or conclusion of the Auction (if any), as applicable, the Debtors shall file the notice of assumed and assigned executory contracts and unexpired leases (the “Assigned Contracts Notice”), substantially in the form attached hereto as Exhibit 3, with the Court and serve the Assigned Contracts Notice: (a) by overnight delivery service upon the applicable Contract Counterparties at the address set forth in the notice provision of the applicable contract or lease (and their counsel, if known) and (b) by first-class mail, email, or fax upon the Sale Notice Parties. The Assigned Contracts Notice shall notify the Contract

Counterparties of the Assigned Contracts proposed to be assumed and assigned by the Successful Bidder and of the Debtors' proposed cure amounts relating to such Assigned Contracts.

E. Sale Objections

Objections to the Sale and entry of the Sale Order, other than objections to the assumption and assignment of executory contracts and leases (including cure amounts) and with respect to conduct at the auction must be actually received by the Objection Notice Parties on June 6, 2025, at 4:00 p.m., (prevailing Eastern Time). Objections to the Sale Transaction and entry of the Sale Order, related to objections to the assumption and assignment of executory contracts and leases (including cure amounts) and with respect to conduct at the auction must be actually received by the Objection Notice Parties on June 10, 2025, at 4:00 p.m., (prevailing Eastern Time).

~~Objections to a sale of the Assets, including (i) any objection to a sale of the Assets free and clear of all liens, claims, interests, and encumbrances pursuant to 11 U.S.C. § 363(f) of the Bankruptcy Code (ii) entry of any Sale Order, (iii) the conduct of the Auction, (iv) the particular terms of any proposed Sale Transaction in a Successful Bid, and/or (v) the proposed Assigned Contracts specified in the Assigned Contracts Notice and any applicable Cure Amounts shall, by no later than June 10, 2025, at 4:00 p.m., (prevailing Eastern Time) (the “Sale and Contract Assignment Objection Deadline”). All objections must be filed with the Court and served on the following parties (collectively, the “Objection Notice Parties”):~~

- the Debtors, 1521 Concord Pike, Suite 201, Wilmington, DE 19803 (email: David Tradburks dtradburks@heritagecoal.com; and Brian Ryniker brian@rkc.llc);
- Proposed counsel for the Debtors, Morris James, LLP, 500 Delaware Ave. Wilmington, DE 19801, Attn.: Jeffrey R. Waxman, Esquire and Eric J. Monzo (email: jwaxman@morrisjames.com and emonzo@morrisjames.com);
- Proposed counsel for the official committee of unsecured creditors, Frost Brown Todd LLP, Union Trust Building, 501 Grant Street, Suite 800, Pittsburgh, PA 15219, Attn: Jordan S. Blask, Esq. (email: jblask@fbtlaw.com) and Landis Rath & Cobb LLP 919 Market Street, Suite 1800, Wilmington, Delaware 19801, Attn: Kimberly A. Brown, Esq. (Email: brown@lrclaw.com);
- Counsel for Bedrock Industries Investco 1 LLC, ArentFox Schiff LLP, 1301 Avenue of the Americas, 42nd Floor, New York, New York 10019, attn: Andrew I. Silfen, Esq. and Beth M. Brownstein, Esq. (email: email: andrew.silfen@afslaw.com and beth.brownstein@afslaw.com) and Potter Anderson & Corroon LLP, 1313 N. Market Street, 6th Floor, Wilmington, Delaware 19801, Attn: Christopher M. Samis, Esq. (email: csamis@potteranderson.com);
- the U.S. Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, (Attn.: Malcolm M. Bates, Esquire (Malcolm.M.Bates@usdoj.gov);
- counsel for any relevant Successful Bidder(s);
- counsel for any relevant Back-up Bidder(s); and
- any other party that has requested notice pursuant to Bankruptcy Rule 2002.

Exhibit 2

Sale Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

KTRV LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 25-10601 (MFW)

(Jointly Administered)

NOTICE OF BIDDING PROCEDURES, AUCTION, AND SALE HEARING

PLEASE TAKE NOTICE that, on April 23, 2025, the above-captioned debtors and debtors in possession (collectively, the “Debtors”)² filed the Motion of Debtors for Entry of an Order (I) Approving the Bidding Procedures, (II) Authorizing the Debtors to Enter into One or More Stalking Horse Agreements and Provide Bid Protections, (III) Approving the Form and Manner of Sale Notice, (IV) Scheduling an Auction and Sale Hearing, (V) Approving the Procedures for the Assumption and Assignment of Contracts, (VI) Approving the Sale of the Debtors’ Assets Free and Clear, and (VII) Granting Related Relief (the “Sale Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Court”) seeking, among other things, entry of an order (the “Bidding Procedures Order”) authorizing and approving, among other things the Bidding Procedures for soliciting bids for, conducting an auction (the “Auction”) of, and consummating one or more Sale Transactions of, the Assets, as further described herein. On [●], 2025, the Court granted the Sale Motion, entered the Bidding Procedures Order, and granted the relief requested therein, including approval of the Bidding Procedures.

PLEASE TAKE FURTHER NOTICE that the Debtors are soliciting offers for the purchase of some, all, or substantially all of the Debtors’ Assets, consistent with the Bidding Procedures. **All interested bidders should carefully read the Bidding Procedures.**³

PLEASE TAKE FURTHER NOTICE that, if the Debtors so choose to designate a Stalking Horse Bidder, the deadline for designating such Stalking Horse Bidder is on or before **May 19, 2025**.

PLEASE TAKE FURTHER NOTICE that, if the Debtors so choose to designate a Stalking Horse Bidder, any objection to Bid Protections set forth in (a) the Stalking Horse Notice or (b) the form of Stalking Horse Order shall be filed and actually received by the appropriate notice parties no later than **May 24~~26~~, 2025** at 4:00 p.m. (prevailing Eastern Time).

PLEASE TAKE FURTHER NOTICE that, if the Debtors receive qualified competing bids within the requirements and time frame specified by the Bidding Procedures Order, the Debtors will conduct an auction (the “Auction”) of their Assets on **June 5, 2025, at 10:00 a.m.** (prevailing

¹ The Debtors in these chapter 11 cases, along with each the last four digits of each Debtor’s tax identification number, are as follows: KTRV LLC (9993), Heritage Coal & Natural Resources, LLC (8326). The Debtors’ service address is 1521 Concord Pike, Suite 201, Wilmington, DE 19803.

² Capitalized terms not herein defined shall have the meanings ascribed to them in the Motion, the Bidding Procedures Order, or the First Day Declaration.

³ To the extent that there are any inconsistencies between this notice and the Bidding Procedures Order, the Bidding Procedures Order shall govern in all respects.

Eastern Time) in person at the office of Morris James LLP, 500 Delaware Ave, Suite 1500, Wilmington, DE 19801 and/or via remote video at the Debtors' election. If held, the Auction proceedings will be transcribed.

PLEASE TAKE FURTHER NOTICE that, except as otherwise set forth in the Bidding Procedures Order, all general objections to the Sale Transaction, entry of any Sale Order, and the Assumed Contract Notice must: (i) be in writing; (ii) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and all orders of the Bankruptcy Court; (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (iv) be filed with the Court and served on the Notice Parties so as to actually received on or before **June 6, 2025, at 4:00 p.m.** (prevailing Eastern Time).

PLEASE TAKE FURTHER NOTICE that all objections to the Sale relating to the conduct of the Auction, the particular terms of any proposed Sale Transaction in a Successful Bid, the identity of the Successful Bidder(s) or Back-up Bidder(s), or adequate assurance of future performance of the Successful Bidder(s) must be filed with the bankruptcy Court and served so that they are received by **June 10, 2025 at 4:00 p.m.** (prevailing Eastern Time).

PLEASE TAKE FURTHER NOTICE that the Debtors will seek approval of any Sale at a hearing scheduled to commence on **June 12, 2025, at 10:30 a.m.** (prevailing Eastern Time) (the "Sale Hearing") before the Honorable Judge Mary F. Walrath, United States Bankruptcy Judge for the Bankruptcy Court for the District of Delaware, 824 North Market Street, 5th Floor, Courtroom No. 4, Wilmington, Delaware 19801.

CONSEQUENCES OF FAILING TO TIMELY MAKE AN OBJECTION ANY PARTY OR ENTITY WHO FAILS TO TIMELY MAKE AN OBJECTION TO THE SALE ON OR BEFORE THE SALE AND CONTRACT ASSIGNMENT OBJECTION DEADLINE IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS, EXCEPT AS SET FORTH IN THE APPLICABLE PURCHASE AGREEMENT.

PLEASE TAKE FURTHER NOTICE that you may obtain additional information concerning these chapter 11 cases at the website maintained in these Chapter 11 cases at <https://cases.stretto.com/KTRV>.

Exhibit 3

Assigned Contracts Notice

[to be filed]

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	Chapter 11
KTRV LLC, et al. ¹	Case No. 25-10601 (MFW)
_____ Debtors.	(Jointly Administered)

**NOTICE OF ASSUMPTION AND ASSIGNMENT
OF CERTAIN CONTRACTS OR LEASES**

YOU ARE RECEIVING THIS NOTICE BECAUSE YOU OR ONE OF YOUR AFFILIATES IS A COUNTERPARTY TO AN EXECUTORY CONTRACT OR UNEXPIRED LEASE WITH ONE OR MORE OF THE DEBTORS AS SET FORTH ON **EXHIBIT A** ATTACHED HERETO.

PLEASE TAKE NOTICE that, on May __, 2025, the United States Bankruptcy Court for the District of Delaware (the "Court")² entered the Order (I) Approving the Bidding Procedures, (II) Authorizing the Debtors to Enter into One or More Stalking Horse Agreements and Provide Bid Protections, (III) Approving the Form and Manner of Sale Notice, (IV) Scheduling an Auction and Sale Hearing, (V) Approving the Procedures for the Assumption and Assignment of Contracts, (VI) Approving the Sale of the Debtors' Assets Free and Clear, and (VII) Granting Related Relief [Docket No. __] (the "Bidding Procedures Order"), authorizing the Debtors to conduct an auction (the "Auction"), if necessary, or otherwise select a Successful Bidder to purchase the Debtors' assets, and approving certain Bidding Procedures (attached to the Bidding Procedures Order as Exhibit I, the "Bidding Procedures").

PLEASE TAKE FURTHER NOTICE that, pursuant to the Bidding Procedures and the terms of the Successful Bid, the Debtors hereby notify you that they have determined, in the exercise of their reasonable business judgment, that each of the executory contracts and unexpired leases set forth on Schedule I attached hereto (the "Assigned Contracts List") may be assumed and assigned to the Successful Bidder effective as of the date (the "Assumption and Assignment Date") set forth

¹ _____ The Debtors in these chapter 11 cases, along with each the last four digits of each Debtor's tax identification number, are as follows: KTRV LLC (9993), Heritage Coal & Natural Resources, LLC (8326). The Debtors' service address is 1521 Concord Pike, Suite 201, Wilmington, DE 19803.

² _____ All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Bidding Procedures Order or the Sale Motion (as defined in the Bidding Procedures Order).

in Schedule 1 or such other date as the Debtors and the counterparty or counterparties to such executory contracts or unexpired leases may agree. The Debtors have conducted a review of their books and records and have determined that the cure amount for unpaid monetary obligations under each such contract is as set forth on Schedule 1 attached hereto (the "Cure Amounts").

PLEASE TAKE FURTHER NOTICE that the Debtors believe that the party to which each applicable executory contract or unexpired lease may be assigned has the financial wherewithal to meet all future obligations under such contract or lease and the Debtors will, at the request of the applicable counterparty, use commercially reasonable efforts to provide evidence thereof to such applicable counterparty (and their counsel, if known) thereby demonstrating that the assignee of the contract or lease has the ability to comply with the requirements of adequate assurance of future performance.

PLEASE TAKE FURTHER NOTICE that, except as otherwise set forth in the Bidding Procedures Order, all general objections to the Sale Transaction(s), entry of any Sale Order, the Assigned Contracts List, the adequate future performance of the Successful Bidder, and the proposed Cure Amounts must: (i) be in writing; (ii) comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and all orders of the Bankruptcy Court; (iii) state with particularity the legal and factual basis for the objection, state the specific grounds therefor, and, if the objection pertains to the proposed Cure Amounts, state the correct cure amount alleged to be owed to the objecting Contract counterparty, together with any applicable and appropriate documentation in support thereof; and (iv) be filed with the Court and served so as to be actually received by no later than October 15, 2024 (the "Sale and Contract Assignment Objection Deadline") by the Court and the following parties: i) Debtors, (a) the Debtors, 1521 Concord Pike, Suite 201, Wilmington, DE 19803 (email: David Tradburks dtradburks@heritagecoal.com; and Brian Ryniker brian@rkc.llc); (b) proposed counsel for the Debtors, Morris James, LLP, 500 Delaware Ave. Wilmington, DE 19801 (Attn.: Jeffrey R. Waxman, Esquire and Eric J. Monzo (email: jwaxman@morrisjames.com and emonzo@morrisjames.com); (c) counsel for Bedrock Industries Investco I LLC, ArentFox Schiff LLP, 1301 Avenue of the Americas, 42nd Floor, New York, New York 10019, attn: Andrew I. Silfen, Esq. and Beth M. Brownstein, Esq. (email: andrew.silfen@afslaw.com and beth.brownstein@afslaw.com) and Potter Anderson & Corroon LLP, 1313 N. Market Street, 6th Floor, Wilmington, Delaware 19801, Attn: Christopher M. Samis, Esq. (email: csamis@potteranderson.com) (d) proposed counsel for the official committee of unsecured creditors, Frost Brown Todd LLP, Union Trust Building, 501 Grant Street, Suite 800, Pittsburgh, PA 15219, Attn: Jordan S. Blask, Esq. (email: jblask@fbtlaw.com) and Landis Rath & Cobb LLP 919 Market Street, Suite 1800, Wilmington, Delaware 19801, Attn: Kimberly A. Brown, Esq. (Email: brown@lrelaw.com); and (e) the U.S. Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, (Attn.: Malcolm M. Bates, Esquire (Malcolm.M.Bates@usdoj.gov)).

PLEASE TAKE FURTHER NOTICE that, if no objection to (a) the Cure Amount(s), (b) the Assigned Contracts List, or (c) adequate assurance of the Successful Bidder's ability to perform is filed by the Sale and Contract Assignment Objection Deadline, then (i) you will be deemed to have stipulated that the Cure Amounts as determined by the Debtors are correct, (ii) you will be forever barred, estopped, and enjoined from asserting any additional cure amount, and (iii) you will be forever barred, estopped, and enjoined from objecting to such proposed assignment to the

Successful Bidder on the grounds that the Successful Bidder has not provided adequate assurance of future performance as of the closing date of the Sale.

PLEASE TAKE FURTHER NOTICE that any objection to the Assigned Contracts List or related Cure Amounts in connection with the Successful Bid that otherwise complies with these procedures yet remains unresolved as of the commencement of the Sale Hearing shall be heard separately from the Sale Hearing at a later date as may be fixed by the Court.

PLEASE THAT FURTHER NOTICE that, notwithstanding anything herein, the mere listing of executory contracts and unexpired leases on the Assigned Contracts List does not require or guarantee that such contract will be assumed by the Debtors at any time or assumed and assigned, and all rights of the Debtors and any Successful Bidder with respect to such contract are reserved. Moreover, the Debtors explicitly reserve their rights, in their reasonable discretion, to seek to reject or assume each such contract pursuant to section 365(a) of the Bankruptcy Code.

PLEASE THAT FURTHER NOTICE that, absent an objection being timely filed, the assumption of each executory contract or unexpired lease may become effective on the Assumption Date set forth on the Assigned Contracts List, or such other date as the Debtors and the counterparty or counterparties to such executory contract or unexpired lease may agree.

PLEASE TAKE FURTHER NOTICE that, nothing herein (a) alters in any way the prepetition nature of the contracts listed on the Assigned Contracts List or the validity, priority, or amount of any claims of a counterparty to any such contract against the Debtors that may arise under such contract, (b) creates a postpetition contract or agreement, or (c) elevates to administrative expense priority any claims of a counterparty to any contract listed on the Assigned Contracts List against the Debtors that may arise under such contract.

PLEASE TAKE FURTHER NOTICE that you may obtain additional information concerning these Chapter 11 Cases at the website maintained in these Chapter 11 Cases at <https://cases.stretto.com/KTRV>.

Dated: _____, 2025
Wilmington, Delaware

MORRIS JAMES LLP

/s/

Jeffrey R. Waxman (DE Bar No. 4159)
Eric J. Monzo (DE Bar No. 5214)
Christopher M. Donnelly (DE Bar No. 7149)
500 Delaware Avenue, Suite 1500
Wilmington, DE 19801
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emonzo@morrisjames.com
cdonnelly@morrisjames.com

Proposed Counsel to the Debtors
and Debtor-in-Possession

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17280992/5
17280992/6

Schedule 1

Assigned Contracts List 1

Exhibit 4

Successful Bidder Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	Chapter 11
KTRV LLC, <i>et al.</i> , ⁴⁴¹	Case No. 25-10601 (MFW)
Debtors.	(Jointly Administered)

NOTICE OF SUCCESSFUL BIDDER

PLEASE TAKE NOTICE that, on March 30, 2025, each of the above-captioned debtors and debtors in possession (collectively, the “Debtors”)⁴⁴² filed a petition with the United States Bankruptcy Court for the District of Delaware (the “Court”) under title 11 of the United States Code (the “Bankruptcy Code”).

PLEASE TAKE NOTICE that, on April __, 2025, the Debtors filed the Motion for Entry of an Order (I) Approving the Bidding Procedures, (II) Authorizing the Debtors to Enter into One or More Stalking Horse Agreements and Provide Bid Protections, (III) Approving the Form and Manner of Sale Notice, (IV) Scheduling an Auction and Sale Hearing, (V) Approving the Procedures for the Assumption and Assignment of Contracts, (VI) Approving the Sale of the Debtors’ Assets Free and Clear, and (VII) Granting Related Relief [Docket No. [●]] (the “Motion”) with the Court seeking, among other things, entry of an order (the “Bidding Procedures Order”) authorizing and approving, among other things the Bidding Procedures for soliciting bids for, conducting an auction (the “Auction”) of, and consummating one or more Sale Transactions of, the Assets, as further described herein.

PLEASE TAKE FURTHER NOTICE that, on May [●], 2025, the Court entered the Order (I) Approving the Bidding Procedures, (II) Authorizing the Debtors to Enter into One or More Stalking Horse Agreements and Provide Bid Protections, (III) Approving the Form and Manner of Sale Notice, (IV) Scheduling an Auction and Sale Hearing, (V) Approving the Procedures for the Assumption and Assignment of Contracts, (VI) Approving the Sale of the Debtors’ Assets Free and Clear, and (VII) Granting Related Relief [Docket No. [●]] (the “Bidding Procedures Order”), authorizing the Debtors to solicit and select the highest or otherwise best offer(s) for a sale (or sales) (each, a “Sale Transaction”) of (a) all or substantially all of the assets or (b) one or more, or any combination of, assets of one or more Debtors (each, an “Asset,” and collectively, the “Assets”).

⁴⁴¹ The Debtors in these Chapter 11 cases, along with each the last four digits of each Debtor’s tax identification number, are as follows: KTRV LLC (9993), Heritage Coal & Natural Resources, LLC (8326). The Debtors’ service address is 1521 Concord Pike, Suite 201, Wilmington, DE 19803.

⁴⁴² Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Motion or the Bidding Procedures Order (as defined herein), as applicable.

PLEASE TAKE FURTHER NOTICE that, on [●], 2025, at 10:00 a.m. (prevailing Eastern Time), pursuant to the Bidding Procedures Order, the Debtors conducted the Auction with respect to the Assets

PLEASE TAKE FURTHER NOTICE that, upon the conclusion of the Auction, the Debtors, in the exercise of their reasonable and good-faith business judgment, after consultation with the Creditors Committee, have selected (a) [●] as the Successful Bidder (the "Purchaser"), and (b) [●] as a Back-Up Bidder.

PLEASE TAKE FURTHER NOTICE that, as set forth more fully in that certain purchase and sale agreement (the "Purchase Agreement") between the Debtors (the "Sellers") and [●] (as Purchaser), the Successful Bid provides a purchase price of \$[●] for the Assets. Further, the Back-Up Bid submitted by the Back-Up Bidder provides for a purchase price of \$[●] for the Assets.

PLEASE TAKE FURTHER NOTICE that the Debtors (as Sellers) and [●] (as Purchaser) entered into the Purchase Agreement to effectuate the Sale Transaction on the terms set forth in the Purchase Agreement, attached hereto as Exhibit A.

PLEASE TAKE FURTHER NOTICE that the Debtors have determined to effectuate the Sale Transaction.

PLEASE TAKE FURTHER NOTICE that the proposed forms of order that the Debtors will seek to have the Court enter to authorize the Sale Transaction under the Purchase Agreement is attached hereto as Exhibit B. The Debtors reserve the right to modify such proposed order prior to the Sale Hearing.

PLEASE TAKE FURTHER NOTICE that the Debtors will seek approval of the Sale Transaction of these Assets to the Purchaser at the Sale Hearing scheduled to commence on **June 12, 2025**, at 10:30 a.m. (prevailing Eastern Time) before the Honorable Judge Mary F. Walrath, United States Bankruptcy Judge for the Bankruptcy Court for the District of Delaware, at 824 North Market Street, 6th Floor, Courtroom No. 4, Wilmington, Delaware 19801. The Sale Hearing may be adjourned by announcement in open Court or on the Court's calendar without any further notice required.

PLEASE TAKE FURTHER NOTICE that all objections to the conduct of the Auction, the particular terms of any proposed Sale Transaction in a Successful Bid, the identity of the Successful Bidder(s) or Back up Bidder(s), and entry of any Sale Order must be made on or before **June 10, 2025 at 4:00 p.m.** (the "Sale and Contract Assignment Objection Deadline"). Objections must (i) be in writing; (ii) comply with the Bankruptcy Code, Bankruptcy Rules, Local Rules, and all orders of the Bankruptcy Court; (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor; and (iv) be filed with the Court and served so as to be actually received by the following parties: (i) Debtors, (a) the Debtors, 1521 Concord Pike, Suite 201, Wilmington, DE 19803 (email: David Tradburks dtradburks@heritagecoal.com; and Brian Ryniker brian@rkc.llc); (b) proposed counsel for the Debtors, Morris James, LLP, 500 Delaware Ave. Wilmington, DE 19801 (Attn.: Jeffrey R. Waxman, Esquire and Eric J. Monzo (email: jwaxman@morrisjames.com and emonzo@morrisjames.com); (c) counsel for Bedrock Industries

Investco 1 LLC, ArentFox Schiff LLP, 1301 Avenue of the Americas, 42nd Floor, New York, New York 10019, attn: Andrew I. Silfen, Esq. and Beth M. Brownstein, Esq. (email: andrew.silfen@afslaw.com and beth.brownstein@afslaw.com) and Potter Anderson & Corroon LLP, 1313 N. Market Street, 6th Floor, Wilmington, Delaware 19801, Attn: Christopher M. Samis, Esq. (email: csamis@potteranderson.com) (d) proposed counsel for the official committee of unsecured creditors, Frost Brown Todd LLP, Union Trust Building, 501 Grant Street, Suite 800, Pittsburgh, PA 15219, Attn: Jordan S. Blask, Esq. (email: jblask@fbtlaw.com) and Landis Rath & Cobb LLP 919 Market Street, Suite 1800, Wilmington, Delaware 19801, Attn: Kimberly A. Brown, Esq. (Email: brown@lrclaw.com); and (e) the U.S. Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, (Attn.: Malcolm M. Bates, Esquire (Malcolm.M.Bates@usdoj.gov)).

PLEASE TAKE FURTHER NOTICE that, at the Sale Hearing, the Debtors will seek the Court's approval of the Successful Bid by the Purchaser. Unless the Court orders otherwise, the Sale Hearing shall be an evidentiary hearing on matters relating to the Sale Transaction, and there will be no further bidding at the Sale Hearing.

PLEASE TAKE FURTHER NOTICE that, concurrently herewith, the Debtors will file and serve applicable Assigned Contracts Notices on Contract Counterparties with respect to Assigned Contracts. Unless an objection is timely filed regarding an Assigned Contracts Notice, such Assigned Contracts shall be assumed and assigned to the Successful Bidder, pursuant to the Assumption and Assignment Procedures contained in the Bidding Procedures Order.

PLEASE TAKE FURTHER NOTICE that this Successful Bidder Notice is subject to the terms and conditions of the Bidding Procedures Order, with such Bidding Procedures Order controlling in the event of any conflict, and the Debtors encourage parties in interest to review such documents in their entirety.

PLEASE TAKE FURTHER NOTICE that you may obtain additional information concerning these chapter 11 cases at the website maintained in these chapter 11 cases at <https://cases.stretto.com/KTRV>.