



Audit Committee Charter

Purpose

The Audit Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Arch Resources, Inc. (the “Company”) to, among other things, assist the Board in fulfilling its oversight over (1) the integrity of the financial statements, internal accounting, and effectiveness of financial controls, disclosure controls and financial reporting processes of the Company, (2) the independent auditors’ qualifications, independence and performance, (3) the performance of the Company’s internal audit function, and (4) the compliance by the Company with legal and regulatory requirements. The Committee shall also prepare, or cause to be prepared, the Committee report that the Securities and Exchange Commission (the “SEC”) rules require to be included in the Company’s annual proxy statement.

Committee Membership

Size. The Committee shall consist of three or more members of the Board.

Selection. The Board shall appoint the members of the Committee and the Chair of the Committee on the recommendation of the Environmental, Social, Governance and Nominating Committee of the Board. Each Committee member shall serve at the pleasure of the Board for such term as the Board may decide or until such Committee member is no longer a Board member.

Qualifications. The Committee shall consist of members of the Board, all of whom the Board has determined are independent in accordance with the New York Stock Exchange listing standards and meet such other standards and requirements as the Board may determine in accordance with the strategic needs of the Company.

All Committee members shall be financially literate, as determined by the Board, and at least one member of the Committee shall have a background in financial reporting, accounting and auditing. All members of the Committee shall meet all other independence, experience and expertise requirements of the New York Stock Exchange. The Committee shall at all times have at least one member who is an “audit committee financial expert,” as defined by SEC rules and regulations.

No member of the Committee may serve on more than two other public company audit committees unless the Board determines that such simultaneous service will not impair the ability of the member to serve effectively on the Committee.

Compensation. Compensation shall be limited to director fees and committee fees (including committee chairmanship fees).

Duties and Responsibilities

The Committee, to the extent it deems necessary or appropriate, shall:

Financial Statement and Disclosure Matters.

1. Discuss with management and the independent auditors the annual audited financial statements, including (a) disclosures made in Management’s Discussion and Analysis of Financial Condition and Results of Operations, (b) their judgment about the application, not just the acceptability, of accounting principles, (c) the reasonableness of significant judgments, (d) the clarity of the disclosures in the financial statements and (e) the results of the audit, and recommend to the Board whether the audited financial statements should be included in the Company’s Form 10-K.

2. Discuss with management and the independent auditors the Company’s quarterly financial statements and disclosures under Management’s Discussion and Analysis of Financial Condition and Results of Operations, including the results of the independent auditors’ reviews of the quarterly financial statements, prior to the filing of such financial statements.

3. Discuss with management and the independent auditors, at the conclusion of the annual audit, significant financial reporting issues and judgments made in connection with the preparation of the Company’s financial statements, including any significant changes in the Company’s selection or application of accounting principles, any major issues as to the adequacy of the Company’s internal controls, the development, selection and disclosure of critical accounting estimates, and analyses of the effect of alternative assumptions, estimates or generally accepted accounting principles (“GAAP”) methods on the Company’s financial statements. To further this goal, the Committee shall receive and review reports at least quarterly from the independent auditors, and prior to the filing of its report with the SEC, on all critical accounting policies and practices of the Company, all alternative treatments of financial information within GAAP that have been discussed with management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the independent auditors, and other material written communications between the independent auditors and management.

4. Prepare the Committee report that the SEC rules require to be included in the Company’s annual proxy statement.

5. Discuss with management the Company’s earnings press releases, including the use of “pro forma” or “adjusted” non-GAAP information, as well as financial information and earnings guidance provided to analysts or rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).

6. Discuss with management and the independent auditors the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company’s financial statements.

Oversight of the Company’s Relationship with the Independent Auditors.

7. Discuss with the independent auditors the matters required to be discussed by Auditing Standard 1301 relating to the conduct of the audit. In particular, discuss:

(a) The adoption of, or changes to, the Company’s significant auditing and accounting principles and practices as suggested by the independent auditors, internal auditors or management.

(b) Any significant findings and any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

8. Meet with the independent auditors prior to the audit to discuss the independent auditors' responsibilities under generally accepted auditing standards and the planned scope, timing and staffing of the audit.

9. Discuss the experience, qualifications and independence of the Company's independent auditors, including all relationships between the auditing firm and the Company and its Directors and officers. Discuss the experience, qualifications and independence of the lead partner as well as the senior members of the independent auditors' team.

10. Obtain and review a report from the independent auditors at least annually regarding (a) the independent auditors' internal quality-control procedures, (b) any material issues raised by the most recent quality-control review, peer review or Public Company Accounting Oversight Board ("PCAOB") review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditors and the Company consistent with the applicable requirements of PCAOB regarding the independent auditors' communications with the audit committee concerning independence.

11. At least annually, discuss the overall qualifications, independence and performance of the independent auditors, taking into account the opinions of management and the internal auditors.

12. At least annually, present the Committee's conclusions regarding the qualifications, independence and performance of the independent auditors to the Board and, if so determined by the Committee, recommend that the Board take additional action to satisfy itself as to the qualifications, performance and independence of the independent auditors.

13. Review and evaluate the lead partner of the independent auditors team, and confirm and evaluate the rotation of the audit partners on the audit engagement team as required by law. Discuss whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the lead partner more often than required by law, or even the independent auditing firm itself on a regular basis. Establish procedures for the phase in of new audit partners.

14. Set policies for the Company's hiring of employees or former employees of the independent auditors who were engaged on the Company's account.

15. Obtain and review a quarterly report on matters discussed by the independent auditors with its national office regarding the Company.

16. Review with the independent auditors any audit problems or difficulties and management's response, including the independent auditors' responses regarding accounting adjustments noted or proposed but passed (as immaterial or otherwise). Review with the independent auditors any management or internal control letter issued, or proposed to be issued, by the auditors.

Oversight of the Company's Internal Audit Function.

17. Discuss internal audit plan and review assistance to be provided to the independent auditors by internal audit staff.

18. Discuss the appointment, performance and replacement of the senior internal auditing executive.

19. Discuss the reports to management prepared by the internal audit department and management's responses.

20. Evaluate the performance, responsibilities, budget and staffing of the internal audit department, as well as the internal audit program. Such evaluation shall include a review of the responsibilities, budget and staffing of the Company's internal audit function with the independent auditors.

21. Discuss the Internal Audit Charter at least annually.

22. Discuss the Sarbanes-Oxley audit plan and review any assistance to be provided to the independent auditors by the internal audit staff.

23. Discuss with management, the internal auditors and the independent auditors the adequacy and effectiveness of accounting, financial reporting and information systems procedures and controls. The review of such internal controls shall include whether there are any significant deficiencies or material weaknesses in design or operation that are reasonably likely to affect the Company's ability to record, process, summarize and report financial information and any fraud involving management or other employees with a significant role in internal control over financial reporting, in addition to any special audit steps adopted in light of material control deficiencies.

Compliance and Financial Oversight.

24. Discuss with the Board the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct at least annually.

25. Establish procedures for (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, information systems procedures and controls, or auditing matters, and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting, internal accounting controls, information systems procedures and controls, or auditing matters. Review and address such complaints and submissions in accordance with the established procedures.

26. Discuss with management and the independent auditors any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

27. Discuss with the Company's counsel any legal matters that may have a significant impact on the financial statements or the Company's compliance policies and the disclosure of such matters.

28. At the Board's request, the Committee may, from time to time, evaluate and recommend to the Board appropriate action with respect to significant financial matters including, but not limited to, the following items: the Company's capital structure, dividend policies and payments, debt ratings, corporate borrowings (including self-bonding and third-party surety obligations) and securities offerings.

29. Review, and if appropriate, approve related party transactions in accordance with the Company's policies on related party transactions.

30. Discuss the Company's guidelines and policies on risk assessment and management. Discuss the Company's major risk exposures, including financial, cybersecurity and other information technology risks, and the steps management has taken to monitor and control such exposures.

Employee Benefit Plans and Investment Fiduciary Function.

31. The Committee shall appoint the members and monitor the performance of the Retirement Committee, which serves as fiduciary responsible for the control and management of the assets of each employee pension or other qualified employee benefit plan sponsored by the Company or any of its subsidiaries.

Other Duties and Responsibilities.

32. Charter Review and Committee Self-Evaluations. The Committee shall annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval. Such review shall include input from counsel as to current best practices with respect to the Committee's duties and responsibilities. The Committee shall annually review the Committee's own performance and report to the Board on such review.

33. Board Reports. The Committee shall regularly report its activities to the Board in such manner and at such times as the Committee and the Board deem appropriate. Such reports shall include a review of any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the independence and performance of the Company's independent auditors, the performance of the internal audit function and any other matters that the Committee deems appropriate or is requested to include by the Board.

34. Other Delegated Duties and Responsibilities. The Committee shall perform any other duties or responsibilities delegated to the Committee by the Board from time to time.

Delegation of Authority

The Committee may, in its discretion, make delegations of authority and responsibilities as it deems appropriate, including to the Chair of the Committee and/or a subcommittee of the Committee, including, without limitation, any and all actions necessary or incidental to the Company's annual, quarterly or other periodic filings with the SEC, unless the authority so delegated or designated is required by law, regulation, listing standard or the Company's bylaws to be exercised by the Committee as a whole.

Meetings

This Committee shall meet as frequently as necessary to carry out its responsibilities under the Charter, but not less frequently than quarterly. The Committee Chair shall, in consultation with the other members of the Committee and/or appropriate officers of the Company, establish the agenda for each Committee meeting. Each Committee member may submit items to be included on the agenda. Committee members may also raise subjects that are not on the agenda at any meeting. The Committee Chair or a majority of the Committee members may call a meeting of the Committee at any time. At any meeting of the Committee, the presence of a majority of Committee members shall constitute a quorum for the transaction of business and the act of the majority of the Committee members present may determine its action. The Committee Chair shall supervise the conduct of the meetings and shall have other responsibilities which the Committee may designate from time to time. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Committee shall meet with the independent auditors and the internal audit leader in separate executive sessions at least quarterly and with senior management as the Committee deems appropriate. The Committee will otherwise meet in executive session as the Committee deems appropriate. The Committee may also, to the extent it deems necessary or appropriate, meet with the Company's investment bankers or financial analysts who follow the Company. Minutes will record the substance of each meeting.

Resources and Authority

The independent auditors shall report directly to the Committee. In that regard, the Committee is directly responsible for engagement of the independent auditors and has the sole authority to appoint or replace the independent auditors (subject to shareholder ratification). The Committee shall pre-approve all audit engagements and all non-audit engagements, including the fees and terms thereof, to be provided by the independent auditors pursuant to policies for approval of such engagements established by the Committee and disclosed in the Company's periodic reports filed with the SEC. In addition, it is a direct responsibility of the Committee for resolution of disagreements between management and the independent auditors regarding accounting and financial matters.

The Committee shall have appropriate resources and authority to discharge its responsibilities, including appropriate funding in such amount as the Committee deems necessary to compensate the independent auditors and any legal, accounting or other advisors retained by the Committee. The Committee shall have the sole authority to retain and terminate any such advisor.

Limitation of Audit Committee's Role

While the Committee has the responsibilities and authority set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with GAAP and applicable rules and regulations. These are the responsibilities of management and the independent auditors.

Additionally, the Board and the Committee recognize that management (including the internal audit staff), as well as the independent auditors, have more time, knowledge and more detailed information on the Company than do Committee members; consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurances as to the Company's financial statements or any professional certification as to the independent auditors' work.