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Sunrise Coal Pledges \$350,000 in Personal Safety Incentives

Terre Haute, Indiana – In an effort to reinforce personal responsibility among miners, Sunrise Coal has pledged \$350,000 for cash incentives for safety education.

“Safety is our primary concern and we want to encourage our employees to take personal responsibility,” says Sunrise Vice President of Operations Jay Toney.

Sunrise has developed a cutting edge educational program that is designed to reinforce federal safety policies with miners. The miners take a series of tests and for each passing score, a miner receives \$200 cash. Over \$15,000 has already been awarded from a total budget of \$350,000 and the program has just begun. The incentive has been so well received that miners are creating after hours study groups to prepare for the test.

“I’m proud to be part of a company that would set aside so much money to train employees on safety” says Shad Montgomery, Safety Director for Sunrise Coal, “I think it shows we’re different than most mining companies.” The program was developed by Sunrise’s Jay Toney, with the goals of proactive education and personal responsibility that create habits for safe behavior underground and on surface operations.

Titled the “30 CFR Olympics”, the program creates a competitive game to encourage the miners to learn the material. “30 CFR” is the name of a US Department of Labor Mine Safety & Health Administration code. The tests reinforce this code so that miners will know exactly what to do to avoid dangerous scenarios. Montgomery goes on to say, “After the April disaster at Upper Big Branch, we brainstormed how we can get our people to know and live the code. This is a fun way to do it.”

Some mining companies provide cash incentives for coal production and avoiding injuries, Sunrise Coal is being proactive by getting miners excited about education

that will ultimately keep them safe. Montgomery explains, “We feel that by proper compliance training, we will accomplish a more knowledgeable workforce which will lead to an even safer environment and in turn increase production.”

Sunrise Coal, LLC is a wholly owned subsidiary of Hallador Energy Company (NASDAQ - HNRG). The Sunrise team has extensive experience in mining in the Indiana-Illinois region including the Riola Mine, under the name of Catlin Coal. Founded in 2002 by Ron and Steve Laswell, the company has focused on underground coal mining. In 2006, Hallador Energy purchased part of Sunrise Coal and began the development of the Carlisle Mine in Carlisle, IN. The Carlisle mine currently mines over 3 million tons annually and employs over 320 people. In 2010, Forbes Magazine named Hallador one of their Top 100 Most Trustworthy Companies.

More information on Sunrise can be found at www.sunrisecoal.com.