

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2018 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here. ☒	
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>007</u>	
	1c Effective date of plan <u>12/06/1977</u>		
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>WESTMORELAND COAL COMPANY</u> <u>9540 SOUTH MAROON CIRCLE, SUITE 300</u> <u>ENGLEWOOD, CO 80112</u>	2b Employer Identification Number (EIN) <u>23-1128670</u>	2c Plan Sponsor's telephone number <u>303-922-6463</u>	2d Business code (see instructions) <u>212110</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2019	ELIZABETH MARTINEZ
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☐ Same as Plan Sponsor WESTMORELAND COAL COMPANY 9540 SOUTH MAROON CIRCLE, SUITE 300 ENGLEWOOD, CO 80112	3b Administrator's EIN 23-1128670 3c Administrator's telephone number 303-922-6463
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 500
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 154 6a(2) 131 6b 236 6c 68 6d 435 6e 57 6f 492 6g 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1B 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☒ 1 **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div><div>SCHEDULE A (Form 5500)</div><div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>	<div>Insurance Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div>	<div>OMB No. 1210-0110</div> <div>2018</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN	B Three-digit plan number (PN) ▶	007
C Plan sponsor's name as shown on line 2a of Form 5500 WESTMORELAND COAL COMPANY	D Employer Identification Number (EIN) 23-1128670	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	017368	492	01/01/2018	12/31/2018

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid 0	(b) Total amount of fees paid 0
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3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).
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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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	(c) Amount	(d) Purpose	

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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	2193952
5 Current value of plan's interest under this contract in separate accounts at year end	5	40029457

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier.....	6b	
c Premiums due but unpaid at the end of the year.....	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ **GUARANTEED GENERAL ACCOUNT CONTRACT**

b Balance at the end of the previous year.....	7b	2487815
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c Additions: (1) Contributions deposited during the year	7c(1)	89794
	7c(2)	
	7c(3)	34679
	7c(4)	1230000
	7c(5)	2255000

▶ **TRANSFER**

(6) Total additions.....	7c(6)	3609473
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d Total of balance and additions (add lines 7b and 7c(6))	7d	6097288
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	3537848
(2) Administration charge made by carrier	7e(2)	
(3) Transferred to separate account.....	7e(3)	
(4) Other (specify below)	7e(4)	365488

▶ **CONTRACT EXPENSE CHARGE ELECTIVE SERVICE CHARGE GPS FEE, PBGC FEE**

(5) Total deductions.....	7e(5)	3903336
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f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	2193952
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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount	10b	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>	
▶ Round off amounts to nearest dollar.	
▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.	
A Name of plan <u>WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>007</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>WESTMORELAND COAL COMPANY</u>	D Employer Identification Number (EIN) <u>23-1128670</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>	
2 Assets:	
a Market value.....	2a <u>52359293</u>
b Actuarial value	2b <u>52359293</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>280</u> (2) Vested Funding Target <u>33274970</u> (3) Total Funding Target <u>33274970</u>
b For terminated vested participants	<u>66</u> <u>2274787</u> <u>2274787</u>
c For active participants	<u>154</u> <u>13804460</u> <u>14212648</u>
d Total	<u>500</u> <u>49354217</u> <u>49762405</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>5.67 %</u>
6 Target normal cost	6 <u>1024556</u>

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	
<u>JOHN GERICKE</u>	<u>10/10/2019</u>
Signature of actuary	Date
<u>PRUDENTIAL RETIREMENT</u>	<u>17-05686</u>
Type or print name of actuary	Most recent enrollment number
<u>280 TRUMBULL STREET</u> <u>HARTFORD, CT 06103</u>	<u>856-889-5933</u>
Firm name	Telephone number (including area code)
<u></u>	
Address of the firm	

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>15.84</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		136375
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.88</u> %		8019
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		144394
d Portion of (c) to be added to prefunding balance		144394
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	144394

Part III Funding Percentages

14 Funding target attainment percentage	14	104.92%
15 Adjusted funding target attainment percentage	15	105.21%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	97.87%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 3.92%	2nd segment: 5.52%	3rd segment: 6.29%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute
	Current regulation:	☐ Prescribed - combined	☐ Prescribed - separate	☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	1024556	
b Excess assets, if applicable, but not greater than line 31a	31b	1024556	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	0		0
b Waiver amortization installment	0		0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018	
A Name of plan WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN	B Three-digit plan number (PN) ▶ 007
C Plan sponsor's name as shown on line 2a of Form 5500 WESTMORELAND COAL COMPANY	D Employer Identification Number (EIN) 23-1128670

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PRUDENTIAL RETIREMENT INS & ANNUITY
06-1050034

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

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06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	NONE	50250	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

GLOBAL PORTFOLIO STRATEGIES, INC.

06-1055669

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	16738	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	EKS&H LLLP	b EIN:	46-1497033
c Position:	AUDITOR		
d Address:	8181 E. TUFTS AVE, STE 600 DENVER, CO 80237	e Telephone:	303-740-9090

Explanation: AS A RESULT OF AN ASSET PURCHASE TRANSACTION, PARTNERS AND STAFF FROM EKS & H, LLLP JOINED PLANTE & MORAN, PLLLC EFFECTIVE 10/1/2018.

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>007</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>WESTMORELAND COAL COMPANY</u>	D Employer Identification Number (EIN) <u>23-1128670</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>QMA US BROAD MARKET INDEX</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-671</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>18172580</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>INTL BLD/PICTET ASSET MGMT</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-534</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>3052379</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>CORE BOND ENHANCED INDEX/PGIM</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-036</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>7242435</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LONG DURATION BOND/IR&M FUND</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-537</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>5841677</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU LONG CORPORATE BOND</u>			
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>			
c EIN-PN <u>06-1050034-714</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>5720386</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2018 This Form is Open to Public Inspection
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN	B Three-digit plan number (PN) ►	007
C Plan sponsor's name as shown on line 2a of Form 5500 WESTMORELAND COAL COMPANY	D Employer Identification Number (EIN) 23-1128670	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	1496574	
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	44588058	40029457
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	3819892	3254601
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	2487815	2193952
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	52392339 45478010
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	52392339 45478010

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	
	(B) Participants	2a(1)(B)	
	(C) Others (including rollovers)	2a(1)(C)	
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	0
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	
	(F) Other	2b(1)(F)	1039805
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	1039805
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	200987
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	200987
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	-5478567
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	-5478567

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		1207839
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		18943
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-3010993

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3537848	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		3537848
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	365488	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		365488
j Total expenses. Add all expense amounts in column (b) and enter total	2j		3903336

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-6914329
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PLANTE & MORAN, PLLC

(2) EIN: 38-1357951

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		15000000
4e	X		15000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X		
4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4170982. (See instructions.)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>007</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>WESTMORELAND COAL COMPANY</u>	D Employer Identification Number (EIN) <u>23-1128670</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>22-1211670</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	<u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2018
v. 171027

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****14c**

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year

b The corresponding number for the second preceding plan year

15a**15b**

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers

16a**16b**

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____ % Investment-Grade Debt: _____ % High-Yield Debt: _____ % Real Estate: _____ % Other: _____ %

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):



WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

**Financial Statements
and
Independent Auditor's Report
December 31, 2018 and 2017**

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

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Independent Auditor's Report

To the Plan Administrator
Westmoreland Elkol-Sorensen Mine
Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Westmoreland Elkol-Sorensen Mine Pension Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2018 and the related statement of changes in net assets available for benefits for the year then ended, and the statement of accumulated plan benefits as of January 1, 2018 and the statement of changes in accumulated benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2018 financial statements.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Retirement Insurance and Annuity Company (the "Trustee"), except for comparing such information with the related information included in the 2018 financial statements. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes related transactions. The plan administrator has obtained a certification from the Trustee as of and for the year ended December 31, 2018 that the information provided to the plan administrator is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2018 financial statements. Accordingly, we do not express an opinion on the 2018 financial statements.

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2018 and reportable transactions for the year ended December 31, 2018 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

To the Plan Administrator
Westmoreland Elkol-Sorensen Mine
Pension Plan

Report on Prior Year Financial Statements

The financial statements of Westmoreland Elkol-Sorensen Mine Pension Plan as of and for the year ended December 31, 2017 were audited by EKS&H LLP, whose report dated October 5, 2018 disclaimed an opinion, as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance with DOL Rules and Regulations for 2018 Financial Statements

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Plante & Moreau, PLLC

Denver, Colorado
October 9, 2019

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

		<u>December 31, 2018</u>	<u>December 31, 2017</u>
	Assets		
Investments, at fair value			
Pooled separate accounts		\$ 40,029,457	\$ 44,588,058
Registered investment companies		3,254,601	3,819,892
Guaranteed deposit fund		2,193,952	2,487,815
Total investments, at fair value		45,478,010	50,895,765
Receivables			
Employer contributions		—	1,496,574
Net assets available for benefits		<u>\$ 45,478,010</u>	<u>\$ 52,392,339</u>

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Years Ended December 31,	
	2018	2017
Contributions		
Employer	\$ —	\$ 1,496,574
Investment income		
Net appreciation/(depreciation) in fair value of investments	(4,251,785)	6,103,118
Interest and dividend income	1,240,792	1,174,866
Total investment income	(3,010,993)	7,277,984
Deductions from net assets		
Benefits paid to participants	3,537,848	3,185,218
Administrative expenses	365,488	383,100
Total deductions from net assets	3,903,336	3,568,318
Net increase in net assets available for benefits	(6,914,329)	5,206,240
Net assets available for benefits		
Beginning of year	52,392,339	47,186,099
End of year	<u>\$ 45,478,010</u>	<u>\$ 52,392,339</u>

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENT OF ACCUMULATED PLAN BENEFITS

	January 1, 2018
Actuarial present value of accumulated plan benefits	
Vested benefits	
Active participants	\$ 13,411,550
Retired participants and beneficiaries	33,458,717
Total vested benefits	46,870,267
Non-vested benefits	505,376
Total actuarial present value of accumulated plan benefits	<u>\$ 47,375,643</u>

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS

	Year Ended January 1, 2018
Actuarial present value of accumulated plan benefits at beginning of year	<u>\$ 45,569,016</u>
Increase (decrease) during the year attributable to	
Benefits paid	(3,185,218)
Benefits accumulated and actuarial gain	334,286
Interest	2,992,177
Change in actuarial assumptions	1,665,382
Net increase	<u>1,806,627</u>
Actuarial present value of accumulated plan benefits at end of year	<u><u>\$ 47,375,643</u></u>

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Basis of Financial Statement Presentation

The Westmoreland Elkol-Sorensen Mine Pension Plan, or the "Plan," established December 6, 1977, is a defined benefit plan covering all eligible employees of the Kemmerer coal mine who are represented by the International Union, United Mine Workers of America and who are or will become entitled to benefits under this Plan. This Plan does not provide benefits to any person who last worked for the employer before December 6, 1977, unless such person is subsequently re-employed by the employer after December 6, 1977 or unless such person's name is indicated in an appendix of the Plan document. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The accompanying financial statements have been prepared on the accrual basis of accounting and present the net assets available for benefits, changes in those net assets, accumulated plan benefits and changes in the accumulated plan benefits.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions in net assets available for benefits and accumulated plan benefits during the reporting period. Actual results could differ significantly from those estimates.

Investments

The Plan's investments are stated at fair value as reported by the Plan custodian.

Pooled separate accounts are valued at net asset value ("NAV"), as a practical expedient for fair value, of units held by the Plan at year-end, which is based on the quoted market prices of the securities underlying the investments. There are no unfunded commitments, and the units may be deemed on a daily basis.

Registered investment company mutual funds are recorded at quoted market values.

Guaranteed deposit fund, which is an unallocated contract, invests in the general assets of Prudential Retirement; however, since there are no specific securities in Prudential Retirement's general account related to this contract and due to the contract terms, including the frequency of the interest rate reset intervals, contract value approximates fair value. Contract value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees.

The preceding methods may produce a fair value calculation (or a net asset value calculation for pooled separate accounts) that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Purchases and sales of securities are recorded on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net realized and unrealized gains and losses are reflected in the accompanying statement of changes in net assets available for benefits as net appreciation (depreciation) of investments and is determined as the difference between fair value at the beginning of the year (or date purchased during the year) and selling price or year-end fair value. Changes in market values after the Plan year-end are not reflected in the accompanying financial statements. See Note 5 for a discussion of fair value measurements.

Going Concern

On October 9, 2018, the Company filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas. The Plan's management believe that the filing of the bankruptcy does not impact the Plan's ability to continue as a going concern.

2. Description of Plan

The following description of the Plan provides only general information. Participants and all others should refer to the Plan document for a more complete description of the Plan's provisions.

General

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

Effective February 1, 2012, Westmoreland Kemmerer Inc. ("WKI") acquired The Kemmerer Coal Company Elkol-Sorensen Mine Pension Plan as a result of an acquisition transaction with Chevron Mining Inc. The Company amended the Plan to reflect WKI as the Plan sponsor and to change the Plan name to Westmoreland Kemmerer, Inc. Elkol-Sorensen Mine Pension Plan. Effective January 1, 2015, the Plan was amended to exclude new and inexperienced miners from the Plan. New and inexperienced miners are individuals who enter the mining industry for the first time. Effective June 1, 2015, WKI was converted to a limited liability company, known as Westmoreland Kemmerer, LLC ("WKL"). On August 1, 2015, Westmoreland Coal Company (the "Company" or "Plan sponsor") contributed 100% of the membership interests in WKL to Westmoreland Resource Partners, LP. In connection with this contribution, the Company assumed sponsorship of the Plan and agreed to employ the employees who are eligible to participate in the Plan. At this time the Plan was renamed Westmoreland Elkol-Sorensen Mine Pension Plan.

The Westmoreland Coal Company Retirement Committee administers the Plan and manages the Plan's assets on behalf of Westmoreland Coal Company, Plan Sponsor. Prudential Retirement Insurance and Annuity Company ("Prudential Retirement") is the Plan's custodian, trustee and maintains the Plan's records. Benefits are recorded when paid on a cash basis of accounting.

The Plan has different benefits and eligibility requirements for these types of pension payments: normal retirement pension, age 55 retirement pension, disability pension, minimum disability retirement pension, deferred vested retirement pension, survivor benefit for death in service after retirement, special permanent layoff pension, pre-retirement survivor annuity, and joint and survivor annuity, as defined by the Plan.

Participation

Any person who was an employee of the employer on December 6, 1977 and was eligible to participate in the 1974 pension plan became a participant as of December 6, 1977. Any person who was not eligible to participate on December 6, 1977 becomes a participant after the completion of one year of vesting service or a 12-month period in which he or she completes 1,000 hours of service. Effective May 1, 2012, no new participants may enter the Plan.

Vesting

Vesting service is credited as follows:

May 19, 1946 - December 31, 1977	One year of vesting service for each year of service performed in a Classified Job with an Employer who, at the time such service was performed, was signatory to a Wage Agreement defined by the Plan.
January 1, 1978 and after	One year of vesting service for each year in which the participant worked 1,000 hours or more. If the participant worked more than 250 hours but less than 1,000 hours, then the participant is credited with 1/4 of year of credited service.
Reciprocal service	Vesting service shall be credited for all reciprocal service earned with another signatory employer within a Union bargaining unit covered by a Western Coal Wage Agreement as defined by the Plan.

In no event will more than one year of vesting service be credited for any calendar year.

Funding Policy

The Plan is non-contributory; all funding is provided by the Company. The Company has voluntarily agreed to make contributions to the Plan sufficient to provide the Plan with assets with which to pay pension benefits to Plan participants. For the Plan years ended December 31, 2018 and 2017, minimum funding requirements of the ERISA and the Internal Revenue Code (the "Code") were met.

Administrative Expenses

Fees incurred and paid directly (or through appreciation) by the Plan for administrative services were \$365,488 and \$383,100 for the years ended December 31, 2018 and 2017, respectively.

3. Actuarial Present Value of Accumulated Plan Benefits

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to employee service rendered prior to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's independent actuary using the unit credit actuarial cost method and is the amount that results from applying actuarial assumptions to the accumulated plan benefits to reflect the time value of money (through discounts and for interest) and the probability of the payment (by means of decrements such as death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. Actuarial assumptions for the Plan are made as of the beginning of the Plan year. The Statement of Accumulated Plan Benefits and the Statement of Changes in Accumulated Plan Benefits were prepared as of January 1, 2018 and for the year then ended. Had the reports been prepared as of and for the year ended December 31, 2017, no material changes would have been necessary. The significant actuarial assumptions used in the valuations as of January 1, 2018 are as follows:

- Accumulated plan benefits are calculated based on provisions of Accounting Standards Codification ("ASC") Topic 960
- For ASC 960, the effective interest rate and expected rate of return were 6.30%, 5.68% with Interest Rate Stabilization, and 4.02% without Interest Rate Stabilization
- Life expectancy of participants was obtained from the RP-2014 Blue Collar (adjusted to 2006) With Scale MP-2017
- Estimated administrative expenses expected to be paid from Plan assets are \$400,000 per year
- 50% of participants are assumed to be married at death and husbands are assumed to be three years older than their wives
- Optional payment forms: 100% of married active participants are assumed to elect a 75% Joint & Survivor annuity upon first eligibility after termination of employment, 100% of married deferred vested participants are assumed to elect either a 50% Joint & Survivor annuity or, if eligible, 75% of the participant's monthly pension upon attaining age 62
- Participants are assumed to retire based on rates of retirement varying by age:

Age	% Retiring
55	3%
56	4%
57	5%
58	5%
59	5%
60	5%
61	15%
62	30%
63	35%
64	65%
65	25%
66	50%
67	100%

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

- Participants are assumed to terminate based on rates of expected termination varying by age:

Age	< 5 Years	> 5 Years
20	11.3%	0.0%
25	9.3%	0.0%
30	7.8%	3.8%
35	6.5%	2.5%
40	5.6%	3.5%
45	5.2%	5.0%
50	5.0%	4.5%
55	4.8%	0.7%
60	4.7%	0.4%
64	0.0%	0.0%

- Participants are assumed to become disabled based on rates of disablement varying by age:

Age	% Disabled
25	0.06%
30	0.06%
35	0.06%
40	0.08%
45	0.16%
50	0.42%
55	0.90%

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The following changes in actuarial assumptions were made from the January 1, 2017 valuation to the January 1, 2018 valuation:

- For purpose of calculating the accumulated plan benefits, the ASC 960 mortality table was updated from the RP-2014 using MP-2016 projection scale, to RP-2014 using MP-2017
- The effective interest rate and expected rate of return on Plan assets was changed from 6.80% to 6.30% to better estimate future investment experience. The ASC 960 interest rate was also changed from 6.80% to 6.30%.
- The percentage married assumption was updated to assume that 50% of participants are married at death, a decrease from 80% assumed in prior years.

4. Certification of Investments

Prudential Retirement has certified in writing to the Plan administrator that the stated amounts for investments at fair value as of December 31, 2018 and 2017 and the income earned or losses incurred on the investments for the years ended December 31, 2018 and 2017, as reflected in the accompanying financial statements and the supplemental schedules, are complete and accurate.

The Plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator instructed the Plan's auditors not to perform any auditing procedures with respect to the investment information certified by the trustee, except for comparing the information contained therein to information included in the financial statements and the supplemental schedules.

5. Fair Value Accounting

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

The Plan classifies valuations into three levels based upon the observability of inputs to the valuation of the Plan's investments. The valuation levels are not necessarily an indication of the risk or liquidity associated with the investments. Classification is based on the lowest level of input significant to the fair value measurement. The three levels of the fair value hierarchy are described below:

- Level 1: Unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly. These may include quoted prices for similar assets or liabilities in active markets.
- Level 3: Unobservable inputs to the extent observable inputs are not available and may include prices obtained from single broker quotes. Unobservable inputs reflect the investment's own assumptions and would be based on the best information available under the circumstances.

There were no changes to the valuation techniques used during the period. The Plan had no Level 3 assets measured at fair value.

The following table sets forth the fair value of the Plan's investment assets by level within the fair value hierarchy as of December 31, 2018:

Description	Level 1	Level 2	Total
Investments measured at fair value			
Guaranteed deposit fund	\$ —	\$ 2,193,952	\$ 2,193,952
Registered investment companies	3,254,601	—	3,254,601
Total of investments at fair value	\$ 3,254,601	\$ 2,193,952	\$ 5,448,553
Investments measured at net asset value*			
Pooled separate accounts			\$ 40,029,457
Total fair value of investments held			\$ 45,478,010

* Investments measured at net asset value, as practical expedient for fair value, have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation to total investments at fair value.

The following table sets forth the fair value of the Plan's investment assets by level within the fair value hierarchy as of December 31, 2017:

Description	Level 1	Level 2	Total
Investments measured at fair value			
Guaranteed deposit fund	\$ —	\$ 2,487,815	\$ 2,487,815
Registered investment companies	3,819,892	—	3,819,892
Total of investments at fair value	\$ 3,819,892	\$ 2,487,815	\$ 6,307,707
Investments measured at net asset value*			
Pooled separate accounts			\$ 44,588,058
Total fair value of investments held			\$ 50,895,765

* Investments measured at net asset value, as practical expedient for fair value, have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation to total investments at fair value.

6. Income Taxes

The Plan has received a tax determination letter dated November 13, 2017 from the IRS covering changes made to comply with ERISA and indicating that the Plan qualifies under the provisions of Section 401(a) of the Code and is exempt from federal income taxes.

The Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the accompanying financial statements.

Generally accepted accounting principles require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that, as of December 31, 2018 and 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. Administration of the Plan

The Company provides, at no cost to the Plan, certain administrative, accounting, and legal services to the Plan and also pays the cost of certain outside services for the Plan.

8. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. If the Plan is terminated for any reason, the net assets of the Plan would be allocated, as prescribed by ERISA and its regulations, generally to provide the following benefits in the order indicated:

- Annuity benefits that former employees or their beneficiaries have been receiving for at least three years or that employees eligible to retire for the three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination;
- Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC"), a U.S. government agency, up to the applicable limitations (discussed below);
- All other vested benefits not insured by the PBGC; or
- All non-vested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivors' pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

9. Risks, Uncertainties and Concentrations

The Plan provides for various investments that, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

Additionally, some investments held by the Plan are invested in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies.

Plan contributions are made and the actuarial value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

in the near term would have a material impact on Plan contributions and the financial statements.

During the years ended December 31, 2018 and 2017, there were four investments that accounted for 81% and 80% of total investments, respectively.

10. Related Party and Party-in-Interest Transactions

Plan investments include pooled separate accounts and a guaranteed deposit fund managed by Prudential Retirement. Prudential Retirement is the custodian and trustee as defined by the Plan; therefore, these transactions qualify as party-in-interest. These transactions are exempt from prohibited transaction regulations.

11. Subsequent Events

The Company has evaluated subsequent events related to the Plan through the auditor's report date, which is the date the financial statements were available for issuance, and determined there were no subsequent events requiring disclosure.

The Company emerged from bankruptcy on March 15, 2019.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

Schedule 1

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

EIN: 23-1128670

Plan #007

December 31, 2018

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
Pooled separate accounts:				
*	Prudential Retirement	QMA U.S. Broad Market Index Fund	\$ 10,737,101	\$ 18,172,580
*	Prudential Retirement	Core Bond Enhanced Index/PGIM Fund	7,401,111	7,242,435
*	Prudential Retirement	Prudential Long Duration Corporate Bond Fund	5,798,890	5,720,386
*	Prudential Retirement	Long Duration Bond/IR&M Fund	5,967,823	5,841,677
*	Prudential Retirement	International Blend/Pictet Asset Management Fund	2,677,080	3,052,379
Registered investment companies				
	American Funds	American Europacific Growth Fund	3,137,308	3,254,601
Guaranteed deposit fund				
*	Prudential Retirement	Guaranteed Deposit Fund	2,193,952	2,193,952
Total investments			<u>\$ 37,913,265</u>	<u>\$ 45,478,010</u>

* Denotes party-in-interest.

Schedule 2

EIN: 23-1128670

Plan #007

Year ended December 31, 2018

[illegible]

SECTION VII DISTRIBUTION OF ACTIVE PARTICIPANTS BY AGE AND SERVICE

Number of Active Participants as of January 1, 2018 – Distribution by Age and Service

Active participant counts are shown below.

Attained Age	Years of Credited Service										
	<u>Under 1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30-34</u>	<u>35-39</u>	<u>40 +</u>	<u>Total</u>
Under 25											
25-29			5								5
30-34		1	6	4							11
35-39			7	17	1						25
40-44		1	8	9	2						20
45-49		3	3	6	2						14
50-54			2	8		1					11
55-59			2	3	2	5	5	5	5		27
60-64			2	2	4	4	1	3	3	13	32
65-69			1		1	1				6	9
70 +											
Total		5	36	49	12	11	6	8	8	19	154

SECTION VII

PLAN PROVISIONS

Plan Background

The Plan was established pursuant to The Kemmerer Coal Company - UMWA Western Coal Wage Agreements of 1977 between The Kemmerer Coal Company (the Employer) and the International Union, United Mine Workers of America (the Union). The plan covers employees represented by the Union and working for the Employer on or after December 6, 1977 and certain specified former employees. The Kemmerer Coal Company, as Employer, was succeeded by The Pittsburgh & Midway Coal Mining Company, subsequently renamed Chevron Mining, Inc. and succeeded by the Westmoreland Coal Company. The plan was last amended to reflect the provisions of the August, 2006 union agreement. This valuation reflects the union negotiated benefit improvements ratified May 1, 2012.

Definitions

"Employer" means Westmoreland Coal Company, hereinafter referred to as "Westmoreland."

"Classified job" means a job classified in a then existing Wage Agreement, with the Union, without regard to whether or not such job is with an employer signatory to any Wage Agreement.

"Western Coal Wage Agreement" means any collective bargaining agreement dated on or after December 6, 1977 between the Employer and the Union or between a Signatory Employer and the Union if such agreement provides for establishment or continuation of a retirement plan which provides for reciprocal service credits with this plan.

"1974 Pension Plan" means the United Mine Workers of America 1974 Pension Plan as in effect on December 5, 1977.

"1950 Pension Plan" means the United Mine Workers of America 1950 Pension Plan as in effect on December 5, 1977.

"Signatory Employer" means any business organization other than the Employer which has entered into a Western Coal Wage Agreement with the Union so long as such Signatory Employer maintains a retirement plan providing reciprocal service credits for Employer Future Service under this plan.

"Signatory Past Service" means service prior to January 1, 1978 in a classified job for an employer while it is signatory to a Wage Agreement (as defined in the plan) determined, (a) for the period prior to January 1, 1975, on the basis of 3 months of Signatory Past Service for each 1-1/2 months worked and (b) for the period after January 1, 1975 but prior to January 1, 1978, on the basis of 3 months of Signatory Past Service for each 250 hours worked (in both instances, a maximum of 12 months for any calendar year).

"Nonsignatory Past Service" means service prior to March 31, 1971 in a classified job for an employer in the coal industry while it was not signatory to a Wage Agreement (determined in the same manner as Signatory Past Service for the period prior to January 1, 1975).

SECTION VII

PLAN PROVISIONS

"Employer Future Service" means service on or after January 1, 1978 performed for the Employer as an employee in a classified job, determined on the basis of one year for each calendar year in which the participant performs at least 1,400 hours of service, with fractional recognition as follows:

Under 350 hours	No credit
350 hours to 699	3 months of service
700 hours to 1,049	6 months of service
1,050 hours to 1,399	9 months of service
1,400 or more hours	12 months of service

"Credited Service" means the sum of Signatory Past Service and Employer Future Service.

"Reciprocal Service" (as used for determining Vesting Service, eligibility for benefits and for determining the rate of accrual of benefits based on Credited Service, but not for calculating Credited Service and Nonsignatory Past Service) means credited service of a participant in the Union retirement plan of a signatory employer, excluding Nonsignatory Past Service as defined under such plan, if such plan is maintained pursuant to a Western Coal Wage Agreement and provides for Reciprocal Service for Credited Service under this plan.

"Vesting Service", in general, means (a) for service after May 18, 1946 and before January 1, 1978, one year of Vesting Service for each year of Signatory Past Service; (b) for service after December 31, 1977, one-quarter year of Vesting service for each 250 hours of service; and (c) Vesting Service for all Reciprocal Service earned with another Signatory Employer; provided, in no event will more than one year of Vesting Service be credited for any calendar year.

Participation

Any person who was an Employee of the Employer on the effective date and was eligible to participate in the 1974 Pension Plan became a participant as of the effective date.

Any person who is not eligible to participate on the effective date becomes a participant after the completion of (a) one year of Vesting Service or (b) a 12 month period in which he completes 1,000 hours of service.

New inexperienced miners hired after May 1, 2012 are not eligible to participate in the plan. New inexperienced miners are defined as any individual entering the coal mining industry for the first time after May 1, 2012.

Benefits

Normal Retirement Pension

Eligibility

A participant who attains Normal Retirement Age prior to termination of employment with the Employer or a Signatory Employer is, upon Retirement, eligible for a pension.

SECTION VII

PLAN PROVISIONS

Normal Retirement Age means the earlier of

- (a) attaining age 62 and completing either 10 years of Vesting Service or 20 total years of Credited Service, Reciprocal Service and Nonsignatory Past Service; or
- (b) the later of attaining age 65 or the 5th anniversary of the date the participant commenced participation in the plan or the 1974 Pension Plan.

Retirement means termination of employment with the Employer and all Signatory Employers after fulfilling the requirements for Age 62, Age 55, Disability or Minimum Disability Retirement.

Benefit Amount

For retirements on and after December 31, 2006, the monthly pension payable to a participant for his lifetime is equal to

- (1) \$7.50 multiplied by Nonsignatory Past Service

Plus

- (2) \$43.00 multiplied by Credited Service earned prior to January 1, 1994

Plus

- (3) \$53.50 multiplied by Credited Service completed from January 1, 1994 through December 31, 2006

Plus

- (4) \$59.00 multiplied by Credited Service completed after December 31, 2006 through December 31, 2012

The dollar amount specified in (4) will be increased by \$2.00 with regard to credited service completed after December 31, 2012 for any participant who terminates employment with the Employer on or after May 1, 2014, and by an additional \$2.00 with regard to Credited Service completed after December 31, 2012 for each Participant who terminates employment with the Employer on or after May 1, 2016.

The monthly accrued benefit as of December 31, 2006 is no less than or equal to

- (1) \$7.50 multiplied by Nonsignatory Past Service

Plus

- (2) \$34.50 multiplied by Credited Service included within his first 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

SECTION VII

PLAN PROVISIONS

(3) \$35.00 multiplied by Credited Service included within his second 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(4) \$35.50 multiplied by Credited Service included within his third 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(5) \$36.00 multiplied by Credited Service after his first 30 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(6) \$42.00 multiplied by Credited Service completed from January 1, 1989 through December 31, 1989

Plus

(7) \$46.50 multiplied by Credited Service completed from January 1, 1990 through December 31, 1993

Plus

(8) \$53.50 multiplied by Credited Service completed from January 1, 1994 through December 31, 2006.

Age 55 Retirement Pension

Eligibility	Age 55 and (a) 10 years of Vesting Service or (b) 20 total years of Credited Service, Reciprocal Service and Nonsignatory Past Service.
Benefit Amount	Accrued pension deferred to age 62 or reduced pension payable on or after the date of Age 55 Retirement; the reduced pension is equal to the amount payable at age 62 reduced by 1/4% for each full month by which the date payments commence precedes the participant's 62 nd birthday.

Disability Pension

Eligibility	10 years of Vesting Service and totally disabled on or after December 6, 1977 as a result of a mine accident while working for the Employer or a Signatory Employer.
Benefit Amount	Accrued monthly pension or, if greater, \$200 per month.

SECTION VII

PLAN PROVISIONS

Minimum Disability Retirement

Eligibility	Less than 10 years of Vesting Service and totally disabled as a result of a mine accident while working for the Employer.
Benefit Amount	Monthly pension - \$200.

Deferred Vested Retirement Pension

Eligibility	Termination of employment with the Employer and all Signatory Employers (a) with 5 years of Vesting Service or 20 total years of Credited Service, Reciprocal Service and Nonsignatory Service or (b) effective May 1, 1981, due to involuntary layoff or permanent and total disability, provided that upon attaining age 55, participant is not being credited with Credited or Reciprocal Service and has met the Age 55 service eligibility requirements.
Benefit Amount	<p>For (a), accrued pension deferred to age 62 or actuarially reduced pension payable on or after attainment of age 55, provided that if Credited Service plus Reciprocal Service is at least 20 years, such monthly pension is not to be reduced to less than \$150 multiplied by a fraction, the numerator of which is the participant's number of years of Credited Service and the denominator of which is the participant's total number of years of Credited Service and Reciprocal Service.</p> <p>For (b), an Age 55 Retirement Pension, determined on the basis of the benefit levels in effect at termination.</p>

Survivor Benefit for Death in Service After Retirement

Eligibility	<p>The eligible spouse of a participant is entitled to a surviving spouse benefit if, at the date of death, the participant:</p> <p>(a) had retired and was receiving a pension under the plan (except a participant receiving a Deferred Vested Retirement Pension whose Nonsignatory Past Service, Credited Service and Reciprocal Service did not total at least 20 years), or</p> <p>(b) was employed by the Employer or a Signatory Employer or had become totally disabled, and met the eligibility requirements for an immediate pension, or</p> <p>(c) was not employed by the Employer or a Signatory Employer but was entitled to elect an immediate pension, and was over age 55 with at least 20 total years of Nonsignatory Past Service, Credited Service and Reciprocal Service.</p>
Benefit Amount	75% of the participant's monthly pension payable at the time of the participant's death or, in the event the participant dies after age 55 at a time when eligible to elect a pension but prior to receipt of such pension, 75% of the amount of the pension the participant would have received if the participant had elected an immediate pension or retired and became entitled to a pension as of the date immediately preceding his date of death.

SECTION VII

PLAN PROVISIONS

Preretirement Survivor Annuity

Eligibility On and after August 23, 1984, provided the participant did not waive the coverage, the eligible spouse of a participant is entitled to a preretirement survivor annuity if the participant (a) dies while employed by the Employer after having at least 5 years of Vesting Service or (b) dies after termination of employment with the Employer and all Signatory Employers while eligible for a Deferred Vested Retirement pension and prior to being eligible for an immediate pension.

Benefit Amount The preretirement survivor annuity for the surviving spouse is 50% of the joint and survivor annuity that would have been payable if the participant had elected to have his Deferred Vested Retirement Pension commence upon his attainment of age 55 or his date of death, if later.

Joint and Survivor Annuity

- (a) If a participant is
- (i) eligible for a pension, but
 - (ii) the spouse is not eligible for a surviving spouse benefit,
- and
- (iii) if the participant is married on the first day of the month in which the pension first becomes payable, the pension payable is a reduced 50% joint and survivorship pension.
- (b) The participant and spouse can elect not to receive the pension in the joint and survivor annuity form, but instead to receive a single life annuity.
- (c) If a participant who is eligible to receive an immediate pension dies prior to requesting such pension or prior to receipt of the first pension payment, the joint and survivor annuity otherwise payable, based upon the pension which would have been payable to the participant had an election been made to have it commence on the date immediately prior to the participant's death, shall be paid to the surviving spouse.

Eligible Spouse An eligible spouse is one to whom the participant was married throughout the 9 month period ending on the participant's death.

Skull Point Pension

Plan Benefits Skull Point Mine employees who were formerly covered under the Skull Point Pension Plan will be entitled to a benefit based upon total service at the Skull Point Mine and total service at the Kemmerer Mine, in accordance with the provisions of the plan. The total benefit will be offset by the benefit payable from the Skull Point Pension Plan based on the provisions of that plan in effect at the time of Chevron's acquisition of the Skull Point Mine.

SECTION VII

PLAN PROVISIONS

Supplemental Payments to Certain Pensioners

Eligibility Participants and surviving spouses who receive a pension during the first month following the effective date of the agreement and on the contract anniversary date for the length of the contract.

Benefit Amount Single payment made each year of the six-year contract equal to:

- (1) \$550 for participants receiving a Disability Retirement Pension or Minimum Disability Retirement Pension, or
- (2) \$650 for surviving spouses, or
- (3) \$800 for other participants

Widow's Pension Eligible widows of those Participants who were former employees of the Employer, who were retired under the 1950 Pension Plan and who died on or after January 1, 1978 shall receive:

\$125.00 from and after June 1, 1987
\$155.00 from and after June 1, 1990
\$175.00 from and after June 1, 1992
\$185.00 from and after June 1, 1994

Continuation of Prior Plan's Benefits

Benefits payable to or on account of specified former employees of the Employer under the 1950 or the 1974 UMW Plan will be paid under this plan.

Contributions

All contributions to support the plan are made by the Employer.

SECTION VII

ACTUARIAL METHODS

Under the Actuarial Methods described below, if all current assumptions remain constant and are realized, funding at least the Minimum Required Contribution each year will eventually accumulate sufficient plan assets to cover the Funding Target. Future widening of the interest rate stabilization corridor may extend the time period for the plan to become fully funded.

Cost Method

Costs have been computed in accordance with the Unit Credit Actuarial Cost Method and reflect the actuarial assumptions described under "Actuarial Assumptions" of this report as provided under the applicable regulations of the Pension Protection Act of 2006.

Target Normal Cost

The Target Normal Cost is the present value of benefits expected to accrue during the plan year plus an estimate of the expenses to be paid from plan assets during the plan year.

Funding Target and Funding Shortfall

The Funding Target is the present value of benefits accrued as of the beginning of the plan year and the Funding Shortfall is the excess of the Funding Target over the Actuarial Value of Assets (reduced by the Credit Balance). The initial Funding Shortfall is amortized over seven years.

In subsequent years, the Funding Shortfall less the present value of prior year amortization installments is amortized over seven years, and added to any prior year amortization installments.

Segment rates are adjusted as necessary to fall within the specified corridor of the corresponding 25-year average of segment rates for the period ending September 30 of the calendar year preceding the first day of the plan year. The specified corridor is:

<u>Plan Year</u>	<u>Corridor</u>
Through 2020	90% - 110%
2021	85% - 115%
2022	80% - 120%
2023	75% - 125%
2024 and later	70% - 130%

The adjustments to fall within the specified corridor of the 25-year average of segment rates apply for determining the minimum required contribution and related funded percentages. They do not apply for determining the maximum tax deductible contribution or certain other situations.

Sponsor Elections

Discount Rate: Segment rates, with a 4-month lookback

Mortality Table: Prescribed IRS Static Mortality Table – Separate

SECTION VII

ACTUARIAL METHODS

At-Risk Determination

The At-Risk Funding Target is determined by assuming that participants eligible to retire in the current plan year and next 10 plan years retire at the earliest possible date, but not before the end of the plan year. All participants are assumed to elect the optional form resulting in the highest possible present value.

A load is added to the At-Risk Funding Target and At-Risk Target Normal Cost when a plan is At-Risk in at least two years during the preceding four years. The load increases the At-Risk Funding Target by 4% of the Not At-Risk Funding Target plus \$700 per participant, and increases the At-Risk Target Normal Cost by 4% of the Not At-Risk Target Normal Cost.

The Funding Target and Target Normal Cost are calculated by multiplying the Not At-Risk values by 100% minus the Phase-In Percentage, plus the At-Risk values multiplied by the Phase-In Percentage.

Credit Balance

The Credit Balance consists of the Carryover Balance from excess contributions prior to the Pension Protection Act (PPA) of 2006, plus the Prefunding Balance from elected excess contributions after the PPA. Balances accumulate with interest and are reduced for amounts applied towards the Minimum Required Contribution, voluntary waivers by the plan sponsor, and compelled waivers to avoid benefit restrictions. The Actuarial Value of Assets is reduced by the Credit Balance to determine certain funded percentages and to determine the Funding Shortfall.

Asset Valuation Method

The Actuarial Value of Assets is equal to the Fair Market Value of Assets.

The Actuarial Value of Assets for determining the Maximum Tax Deductible Contribution reflects interest rate stabilization rates for discounting contributions and limiting expected earnings.

The Fair Market Value of Assets used for funds invested in the General Account of an Insurance Company is the stated contract value with a market value adjustment factor. This value is an estimate only and not the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year. It does not constitute a final offer by Prudential or a final experience adjustment.

SECTION VII

ACTUARIAL ASSUMPTIONS

Actuarial Assumptions

Assumptions have been chosen to anticipate the long range experience of the Plan. Consistency among assumptions is important as each interacts with the others; equally important is the recognition of inflationary trends in the economy.

The actuarial assumptions used to compute Plan costs are:

Discount Rate	<u>With Interest Rate Stabilization</u>	<u>Without Interest Rate Stabilization</u>	<u>ASC 960</u>
Effective Rate	5.68%	4.02%	6.30%
First Segment – First 5 Years	3.92%	1.75%	n/a
Second Segment – Next 15 Years	5.52%	3.76%	n/a
Third Segment – After 20 Years	6.29%	4.66%	n/a
Mortality			
<i>Funding</i>	IRS 2018 Static Mortality Table (Old Basis)		
<i>Accounting</i>	RP 2014 Blue Collar (adjusted to 2006) with Scale MP-2017		
Expected Return on Plan Assets			
<i>January 1, 2018</i>	6.30% per annum, limited to the third segment rate for the applicable plan year.		
<i>January 1, 2017</i>	6.80% per annum, limited to the third segment rate for the applicable plan year.		
Estimated Expenses	Administrative expenses expected to be paid from Plan Assets are \$400,000 per annum.		
Spouse Assumptions	50% of participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.		
Termination	The probabilities that Participants at the ages indicated will terminate before reaching the assumed retirement age are based on years of service:		
	<u>Age</u>	<u><5 Years</u>	<u>>5 Years</u>
	20	11.3%	0.0%
	25	9.3%	0.0%
	30	7.8%	3.8%
	35	6.5%	2.5%
	40	5.6%	3.5%
	45	5.2%	5.0%
	50	5.0%	4.5%
	55	4.8%	0.7%
	60	4.7%	0.4%
	64	0.0%	0.0%

SECTION VII

ACTUARIAL ASSUMPTIONS

Retirement Age:

The probabilities that Participants at the ages indicated will retire are:

<u>Age</u>	<u>% Retiring</u>
55	3%
56	4%
57	5%
58	5%
59	5%
60	5%
61	15%
62	30%
63	35%
64	65%
65	25%
66	50%
67	100%

Optional Payment Forms:

Actives

100% of married active participants are assumed to take a 75% Joint & Survivor Annuity upon first eligibility after termination of employment.

Deferred Vested Members

100% of married deferred vested participants are assumed to take either a 50% Joint & Survivor annuity or, if eligible, a 75% of the participant's monthly pension upon attaining age 62.

Disability Rates:

The probabilities that Participants at the ages indicated will become disabled before reaching the assumed retirement age are:

<u>Age</u>	<u>Rate</u>
25	0.06%
30	0.06%
35	0.06%
40	0.08%
45	0.16%
50	0.42%
55	0.90%

SECTION I

CHANGES SINCE LAST YEAR'S VALUATION

Changes in Pension Plan Provisions

On April 30, 2018 the plan was amended effective May 1, 2018 to continue the Supplemental Payments to Certain Pensioners until a new contract is negotiated. Since the amendment was both signed and effective after the valuation date, it is not required to be reflected in this valuation report. As such, the amendment will be reflected in the January 1, 2019 funding valuation report.

Legislated Changes

The IRS issued final mortality table regulations on October 3, 2017. For the 2018 plan year, the mortality assumption reflects the option under 1.430(h)(3)-1(f)(2) of these regulations to use the mortality tables based on prior regulations.

Changes in Actuarial Assumptions

For minimum funding calculations, the mortality table and interest segment rates were updated in accordance with the requirements of IRC Section 430(h) and IRS regulations. The expected return on plan assets was lowered from 6.80% to 6.30% to better anticipate future investment experience.

For accounting calculations under ASC 960, the interest rate was reduced from 6.80% to 6.30% and the mortality table was updated from RP-2014 Blue Collar (adjusted to 2006) with Scale MP-2016 to RP-2014 Blue Collar (adjusted to 2006) with Scale MP-2017.

For both funding and accounting purposes, the assumption for the percentage of participants married at death was updated from 80% to 50% to better reflect actual experience.

Changes in Actuarial Methods

The method for determining the Actuarial Value of Assets was changed from using a smoothed 24 - month average to the Fair Market Value of Assets.

Westmoreland Elkol-Sorensen Mine Pension Plan
EIN/PN: 23-1128670/007
Attachment to 2018 Schedule SB (Form 5500)

Line 22 - Description of Weighted Average Retirement Age

<u>Age</u>	<u>Retirement Rates</u>	<u>Retirements</u>	<u>Remaining Lives</u>	<u>Average</u>
			1	
55	0.03	0.03	0.97	1.65
56	0.04	0.04	0.93	2.17
57	0.05	0.05	0.88	2.65
58	0.05	0.04	0.84	2.57
59	0.05	0.04	0.80	2.48
60	0.05	0.04	0.76	2.40
61	0.15	0.11	0.64	6.94
62	0.30	0.19	0.45	11.99
63	0.35	0.16	0.29	9.95
64	0.65	0.19	0.10	12.20
65	0.25	0.03	0.08	1.67
66	0.50	0.04	0.04	2.54
67	1.00	0.04	0.00	2.58

Weighted Average Retirement Age: 62

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2018**This Form is Open to Public
Inspection**For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Westmoreland Elkol-Sorensen Mine Pension Plan		B Three-digit plan number (PN) ▶ 007
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Westmoreland Coal Company		D Employer Identification Number (EIN) 23-1128670
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2018</u>			
2 Assets:			
a Market value.....		2a	52,359,293
b Actuarial value.....		2b	52,359,293
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	280	33,274,970	33,274,970
b For terminated vested participants.....	66	2,274,787	2,274,787
c For active participants.....	154	13,804,460	14,212,648
d Total.....	500	49,354,217	49,762,405
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions.....		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....		4b	
5 Effective interest rate.....	5	5.67 %	
6 Target normal cost.....	6	1,024,556	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	John Gericke <u>JJG</u>	10/10/2019
	Signature of actuary	Date
John Gericke	Type or print name of actuary	17-05686
Prudential Retirement	Firm name	Most recent enrollment number (856) 889-5933
280 Trumbull Street		Telephone number (including area code)
Hartford	CT 06103	
Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐**For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.****Schedule SB (Form 5500) 2018
v. 171027**

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8).....	0	0
10 Interest on line 9 using prior year's actual return of <u>15.84</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		136375
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.88</u> %.....		8019
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance.....		144394
d Portion of (c) to be added to prefunding balance.....		144394
12 Other reductions in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	144394

Part III Funding Percentages

14 Funding target attainment percentage	14	104.92%
15 Adjusted funding target attainment percentage.....	15	105.21%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	97.87%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year?..... ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?..... ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
3.92 %2nd segment:
5.52 %3rd segment:
6.29 %☐ N/A, full yield curve used**b** Applicable month (enter code).....**21b**

4

22 Weighted average retirement age**22**

62

23 Mortality table(s) (see instructions)

Prior regulation:

☐

Prescribed - combined

☒

Prescribed - separate

☐

Substitute

Current regulation:

☐

Prescribed - combined

☐

Prescribed - separate

☐

Substitute

Part VI Miscellaneous Items**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years**28**

0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)**29**

0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)**30**

0

Part VIII Minimum Required Contribution For Current Year**31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6)**31a**

1,024,556

b Excess assets, if applicable, but not greater than line 31a**31b**

1,024,556

32 Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment.....

0

0

b Waiver amortization installment

0

0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount**33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....**34**

0

Carryover balance

Prefunding balance

Total balance

35 Balances elected for use to offset funding requirement.....

0

0

0

36 Additional cash requirement (line 34 minus line 35).....**36**

0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....**37**

0

38 Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36)**38a**

0

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances**38b**

0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....**39**

0

40 Unpaid minimum required contributions for all years**40**

0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected☐ 2 plus 7 years☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made☐ 2008☐ 2009☐ 2010☐ 2011

Westmoreland Elkol-Sorensen Mine Pension Plan
EIN/PN: 23-1128670/007
Attachment to 2018 Schedule SB (Form 5500)

Line 22 - Description of Weighted Average Retirement Age

<u>Age</u>	<u>Retirement Rates</u>	<u>Retirements</u>	<u>Remaining Lives</u>	<u>Average</u>
			1	
55	0.03	0.03	0.97	1.65
56	0.04	0.04	0.93	2.17
57	0.05	0.05	0.88	2.65
58	0.05	0.04	0.84	2.57
59	0.05	0.04	0.80	2.48
60	0.05	0.04	0.76	2.40
61	0.15	0.11	0.64	6.94
62	0.30	0.19	0.45	11.99
63	0.35	0.16	0.29	9.95
64	0.65	0.19	0.10	12.20
65	0.25	0.03	0.08	1.67
66	0.50	0.04	0.04	2.54
67	1.00	0.04	0.00	2.58

Weighted Average Retirement Age: 62

SECTION VII

ACTUARIAL METHODS

Under the Actuarial Methods described below, if all current assumptions remain constant and are realized, funding at least the Minimum Required Contribution each year will eventually accumulate sufficient plan assets to cover the Funding Target. Future widening of the interest rate stabilization corridor may extend the time period for the plan to become fully funded.

Cost Method

Costs have been computed in accordance with the Unit Credit Actuarial Cost Method and reflect the actuarial assumptions described under "Actuarial Assumptions" of this report as provided under the applicable regulations of the Pension Protection Act of 2006.

Target Normal Cost

The Target Normal Cost is the present value of benefits expected to accrue during the plan year plus an estimate of the expenses to be paid from plan assets during the plan year.

Funding Target and Funding Shortfall

The Funding Target is the present value of benefits accrued as of the beginning of the plan year and the Funding Shortfall is the excess of the Funding Target over the Actuarial Value of Assets (reduced by the Credit Balance). The initial Funding Shortfall is amortized over seven years.

In subsequent years, the Funding Shortfall less the present value of prior year amortization installments is amortized over seven years, and added to any prior year amortization installments.

Segment rates are adjusted as necessary to fall within the specified corridor of the corresponding 25-year average of segment rates for the period ending September 30 of the calendar year preceding the first day of the plan year. The specified corridor is:

<u>Plan Year</u>	<u>Corridor</u>
Through 2020	90% - 110%
2021	85% - 115%
2022	80% - 120%
2023	75% - 125%
2024 and later	70% - 130%

The adjustments to fall within the specified corridor of the 25-year average of segment rates apply for determining the minimum required contribution and related funded percentages. They do not apply for determining the maximum tax deductible contribution or certain other situations.

Sponsor Elections

Discount Rate: Segment rates, with a 4-month lookback

Mortality Table: Prescribed IRS Static Mortality Table – Separate

SECTION VII

ACTUARIAL METHODS

At-Risk Determination

The At-Risk Funding Target is determined by assuming that participants eligible to retire in the current plan year and next 10 plan years retire at the earliest possible date, but not before the end of the plan year. All participants are assumed to elect the optional form resulting in the highest possible present value.

A load is added to the At-Risk Funding Target and At-Risk Target Normal Cost when a plan is At-Risk in at least two years during the preceding four years. The load increases the At-Risk Funding Target by 4% of the Not At-Risk Funding Target plus \$700 per participant, and increases the At-Risk Target Normal Cost by 4% of the Not At-Risk Target Normal Cost.

The Funding Target and Target Normal Cost are calculated by multiplying the Not At-Risk values by 100% minus the Phase-In Percentage, plus the At-Risk values multiplied by the Phase-In Percentage.

Credit Balance

The Credit Balance consists of the Carryover Balance from excess contributions prior to the Pension Protection Act (PPA) of 2006, plus the Prefunding Balance from elected excess contributions after the PPA. Balances accumulate with interest and are reduced for amounts applied towards the Minimum Required Contribution, voluntary waivers by the plan sponsor, and compelled waivers to avoid benefit restrictions. The Actuarial Value of Assets is reduced by the Credit Balance to determine certain funded percentages and to determine the Funding Shortfall.

Asset Valuation Method

The Actuarial Value of Assets is equal to the Fair Market Value of Assets.

The Actuarial Value of Assets for determining the Maximum Tax Deductible Contribution reflects interest rate stabilization rates for discounting contributions and limiting expected earnings.

The Fair Market Value of Assets used for funds invested in the General Account of an Insurance Company is the stated contract value with a market value adjustment factor. This value is an estimate only and not the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year. It does not constitute a final offer by Prudential or a final experience adjustment.

SECTION VII

ACTUARIAL ASSUMPTIONS

Actuarial Assumptions

Assumptions have been chosen to anticipate the long range experience of the Plan. Consistency among assumptions is important as each interacts with the others; equally important is the recognition of inflationary trends in the economy.

The actuarial assumptions used to compute Plan costs are:

Discount Rate	<u>With Interest Rate Stabilization</u>	<u>Without Interest Rate Stabilization</u>	<u>ASC 960</u>
Effective Rate	5.68%	4.02%	6.30%
First Segment – First 5 Years	3.92%	1.75%	n/a
Second Segment – Next 15 Years	5.52%	3.76%	n/a
Third Segment – After 20 Years	6.29%	4.66%	n/a
Mortality			
<i>Funding</i>	IRS 2018 Static Mortality Table (Old Basis)		
<i>Accounting</i>	RP 2014 Blue Collar (adjusted to 2006) with Scale MP-2017		
Expected Return on Plan Assets			
<i>January 1, 2018</i>	6.30% per annum, limited to the third segment rate for the applicable plan year.		
<i>January 1, 2017</i>	6.80% per annum, limited to the third segment rate for the applicable plan year.		
Estimated Expenses	Administrative expenses expected to be paid from Plan Assets are \$400,000 per annum.		
Spouse Assumptions	50% of participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.		
Termination	The probabilities that Participants at the ages indicated will terminate before reaching the assumed retirement age are based on years of service:		
	<u>Age</u>	<u><5 Years</u>	<u>>5 Years</u>
	20	11.3%	0.0%
	25	9.3%	0.0%
	30	7.8%	3.8%
	35	6.5%	2.5%
	40	5.6%	3.5%
	45	5.2%	5.0%
	50	5.0%	4.5%
	55	4.8%	0.7%
	60	4.7%	0.4%
	64	0.0%	0.0%

SECTION VII

ACTUARIAL ASSUMPTIONS

Retirement Age:

The probabilities that Participants at the ages indicated will retire are:

<u>Age</u>	<u>% Retiring</u>
55	3%
56	4%
57	5%
58	5%
59	5%
60	5%
61	15%
62	30%
63	35%
64	65%
65	25%
66	50%
67	100%

Optional Payment Forms:

Actives

100% of married active participants are assumed to take a 75% Joint & Survivor Annuity upon first eligibility after termination of employment.

Deferred Vested Members

100% of married deferred vested participants are assumed to take either a 50% Joint & Survivor annuity or, if eligible, a 75% of the participant's monthly pension upon attaining age 62.

Disability Rates:

The probabilities that Participants at the ages indicated will become disabled before reaching the assumed retirement age are:

<u>Age</u>	<u>Rate</u>
25	0.06%
30	0.06%
35	0.06%
40	0.08%
45	0.16%
50	0.42%
55	0.90%

SECTION VII

PLAN PROVISIONS

Plan Background

The Plan was established pursuant to The Kemmerer Coal Company - UMWA Western Coal Wage Agreements of 1977 between The Kemmerer Coal Company (the Employer) and the International Union, United Mine Workers of America (the Union). The plan covers employees represented by the Union and working for the Employer on or after December 6, 1977 and certain specified former employees. The Kemmerer Coal Company, as Employer, was succeeded by The Pittsburgh & Midway Coal Mining Company, subsequently renamed Chevron Mining, Inc. and succeeded by the Westmoreland Coal Company. The plan was last amended to reflect the provisions of the August, 2006 union agreement. This valuation reflects the union negotiated benefit improvements ratified May 1, 2012.

Definitions

"Employer" means Westmoreland Coal Company, hereinafter referred to as "Westmoreland."

"Classified job" means a job classified in a then existing Wage Agreement, with the Union, without regard to whether or not such job is with an employer signatory to any Wage Agreement.

"Western Coal Wage Agreement" means any collective bargaining agreement dated on or after December 6, 1977 between the Employer and the Union or between a Signatory Employer and the Union if such agreement provides for establishment or continuation of a retirement plan which provides for reciprocal service credits with this plan.

"1974 Pension Plan" means the United Mine Workers of America 1974 Pension Plan as in effect on December 5, 1977.

"1950 Pension Plan" means the United Mine Workers of America 1950 Pension Plan as in effect on December 5, 1977.

"Signatory Employer" means any business organization other than the Employer which has entered into a Western Coal Wage Agreement with the Union so long as such Signatory Employer maintains a retirement plan providing reciprocal service credits for Employer Future Service under this plan.

"Signatory Past Service" means service prior to January 1, 1978 in a classified job for an employer while it is signatory to a Wage Agreement (as defined in the plan) determined, (a) for the period prior to January 1, 1975, on the basis of 3 months of Signatory Past Service for each 1-1/2 months worked and (b) for the period after January 1, 1975 but prior to January 1, 1978, on the basis of 3 months of Signatory Past Service for each 250 hours worked (in both instances, a maximum of 12 months for any calendar year).

"Nonsignatory Past Service" means service prior to March 31, 1971 in a classified job for an employer in the coal industry while it was not signatory to a Wage Agreement (determined in the same manner as Signatory Past Service for the period prior to January 1, 1975).

SECTION VII

PLAN PROVISIONS

"Employer Future Service" means service on or after January 1, 1978 performed for the Employer as an employee in a classified job, determined on the basis of one year for each calendar year in which the participant performs at least 1,400 hours of service, with fractional recognition as follows:

Under 350 hours	No credit
350 hours to 699	3 months of service
700 hours to 1,049	6 months of service
1,050 hours to 1,399	9 months of service
1,400 or more hours	12 months of service

"Credited Service" means the sum of Signatory Past Service and Employer Future Service.

"Reciprocal Service" (as used for determining Vesting Service, eligibility for benefits and for determining the rate of accrual of benefits based on Credited Service, but not for calculating Credited Service and Nonsignatory Past Service) means credited service of a participant in the Union retirement plan of a signatory employer, excluding Nonsignatory Past Service as defined under such plan, if such plan is maintained pursuant to a Western Coal Wage Agreement and provides for Reciprocal Service for Credited Service under this plan.

"Vesting Service", in general, means (a) for service after May 18, 1946 and before January 1, 1978, one year of Vesting Service for each year of Signatory Past Service; (b) for service after December 31, 1977, one-quarter year of Vesting service for each 250 hours of service; and (c) Vesting Service for all Reciprocal Service earned with another Signatory Employer; provided, in no event will more than one year of Vesting Service be credited for any calendar year.

Participation

Any person who was an Employee of the Employer on the effective date and was eligible to participate in the 1974 Pension Plan became a participant as of the effective date.

Any person who is not eligible to participate on the effective date becomes a participant after the completion of (a) one year of Vesting Service or (b) a 12 month period in which he completes 1,000 hours of service.

New inexperienced miners hired after May 1, 2012 are not eligible to participate in the plan. New inexperienced miners are defined as any individual entering the coal mining industry for the first time after May 1, 2012.

Benefits

Normal Retirement Pension

Eligibility	A participant who attains Normal Retirement Age prior to termination of employment with the Employer or a Signatory Employer is, upon Retirement, eligible for a pension.
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SECTION VII

PLAN PROVISIONS

Normal Retirement Age means the earlier of

- (a) attaining age 62 and completing either 10 years of Vesting Service or 20 total years of Credited Service, Reciprocal Service and Nonsignatory Past Service; or
- (b) the later of attaining age 65 or the 5th anniversary of the date the participant commenced participation in the plan or the 1974 Pension Plan.

Retirement means termination of employment with the Employer and all Signatory Employers after fulfilling the requirements for Age 62, Age 55, Disability or Minimum Disability Retirement.

Benefit Amount

For retirements on and after December 31, 2006, the monthly pension payable to a participant for his lifetime is equal to

- (1) \$7.50 multiplied by Nonsignatory Past Service

Plus

- (2) \$43.00 multiplied by Credited Service earned prior to January 1, 1994

Plus

- (3) \$53.50 multiplied by Credited Service completed from January 1, 1994 through December 31, 2006

Plus

- (4) \$59.00 multiplied by Credited Service completed after December 31, 2006 through December 31, 2012

The dollar amount specified in (4) will be increased by \$2.00 with regard to credited service completed after December 31, 2012 for any participant who terminates employment with the Employer on or after May 1, 2014, and by an additional \$2.00 with regard to Credited Service completed after December 31, 2012 for each Participant who terminates employment with the Employer on or after May 1, 2016.

The monthly accrued benefit as of December 31, 2006 is no less than or equal to

- (1) \$7.50 multiplied by Nonsignatory Past Service

Plus

- (2) \$34.50 multiplied by Credited Service included within his first 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

SECTION VII

PLAN PROVISIONS

(3) \$35.00 multiplied by Credited Service included within his second 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(4) \$35.50 multiplied by Credited Service included within his third 10 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(5) \$36.00 multiplied by Credited Service after his first 30 total years of Credited Service and Reciprocal Service completed before January 1, 1989

Plus

(6) \$42.00 multiplied by Credited Service completed from January 1, 1989 through December 31, 1989

Plus

(7) \$46.50 multiplied by Credited Service completed from January 1, 1990 through December 31, 1993

Plus

(8) \$53.50 multiplied by Credited Service completed from January 1, 1994 through December 31, 2006.

Age 55 Retirement Pension

Eligibility	Age 55 and (a) 10 years of Vesting Service or (b) 20 total years of Credited Service, Reciprocal Service and Nonsignatory Past Service.
Benefit Amount	Accrued pension deferred to age 62 or reduced pension payable on or after the date of Age 55 Retirement; the reduced pension is equal to the amount payable at age 62 reduced by 1/4% for each full month by which the date payments commence precedes the participant's 62 nd birthday.

Disability Pension

Eligibility	10 years of Vesting Service and totally disabled on or after December 6, 1977 as a result of a mine accident while working for the Employer or a Signatory Employer.
Benefit Amount	Accrued monthly pension or, if greater, \$200 per month.

SECTION VII

PLAN PROVISIONS

Minimum Disability Retirement

Eligibility	Less than 10 years of Vesting Service and totally disabled as a result of a mine accident while working for the Employer.
Benefit Amount	Monthly pension - \$200.

Deferred Vested Retirement Pension

Eligibility	Termination of employment with the Employer and all Signatory Employers (a) with 5 years of Vesting Service or 20 total years of Credited Service, Reciprocal Service and Nonsignatory Service or (b) effective May 1, 1981, due to involuntary layoff or permanent and total disability, provided that upon attaining age 55, participant is not being credited with Credited or Reciprocal Service and has met the Age 55 service eligibility requirements.
Benefit Amount	<p>For (a), accrued pension deferred to age 62 or actuarially reduced pension payable on or after attainment of age 55, provided that if Credited Service plus Reciprocal Service is at least 20 years, such monthly pension is not to be reduced to less than \$150 multiplied by a fraction, the numerator of which is the participant's number of years of Credited Service and the denominator of which is the participant's total number of years of Credited Service and Reciprocal Service.</p> <p>For (b), an Age 55 Retirement Pension, determined on the basis of the benefit levels in effect at termination.</p>

Survivor Benefit for Death in Service After Retirement

Eligibility	<p>The eligible spouse of a participant is entitled to a surviving spouse benefit if, at the date of death, the participant:</p> <p>(a) had retired and was receiving a pension under the plan (except a participant receiving a Deferred Vested Retirement Pension whose Nonsignatory Past Service, Credited Service and Reciprocal Service did not total at least 20 years), or</p> <p>(b) was employed by the Employer or a Signatory Employer or had become totally disabled, and met the eligibility requirements for an immediate pension, or</p> <p>(c) was not employed by the Employer or a Signatory Employer but was entitled to elect an immediate pension, and was over age 55 with at least 20 total years of Nonsignatory Past Service, Credited Service and Reciprocal Service.</p>
Benefit Amount	75% of the participant's monthly pension payable at the time of the participant's death or, in the event the participant dies after age 55 at a time when eligible to elect a pension but prior to receipt of such pension, 75% of the amount of the pension the participant would have received if the participant had elected an immediate pension or retired and became entitled to a pension as of the date immediately preceding his date of death.

SECTION VII

PLAN PROVISIONS

Preretirement Survivor Annuity

Eligibility On and after August 23, 1984, provided the participant did not waive the coverage, the eligible spouse of a participant is entitled to a preretirement survivor annuity if the participant (a) dies while employed by the Employer after having at least 5 years of Vesting Service or (b) dies after termination of employment with the Employer and all Signatory Employers while eligible for a Deferred Vested Retirement pension and prior to being eligible for an immediate pension.

Benefit Amount The preretirement survivor annuity for the surviving spouse is 50% of the joint and survivor annuity that would have been payable if the participant had elected to have his Deferred Vested Retirement Pension commence upon his attainment of age 55 or his date of death, if later.

Joint and Survivor Annuity

- (a) If a participant is
- (i) eligible for a pension, but
 - (ii) the spouse is not eligible for a surviving spouse benefit,
- and
- (iii) if the participant is married on the first day of the month in which the pension first becomes payable, the pension payable is a reduced 50% joint and survivorship pension.
- (b) The participant and spouse can elect not to receive the pension in the joint and survivor annuity form, but instead to receive a single life annuity.
- (c) If a participant who is eligible to receive an immediate pension dies prior to requesting such pension or prior to receipt of the first pension payment, the joint and survivor annuity otherwise payable, based upon the pension which would have been payable to the participant had an election been made to have it commence on the date immediately prior to the participant's death, shall be paid to the surviving spouse.

Eligible Spouse An eligible spouse is one to whom the participant was married throughout the 9 month period ending on the participant's death.

Skull Point Pension

Plan Benefits Skull Point Mine employees who were formerly covered under the Skull Point Pension Plan will be entitled to a benefit based upon total service at the Skull Point Mine and total service at the Kemmerer Mine, in accordance with the provisions of the plan. The total benefit will be offset by the benefit payable from the Skull Point Pension Plan based on the provisions of that plan in effect at the time of Chevron's acquisition of the Skull Point Mine.

SECTION VII

PLAN PROVISIONS

Supplemental Payments to Certain Pensioners

Eligibility Participants and surviving spouses who receive a pension during the first month following the effective date of the agreement and on the contract anniversary date for the length of the contract.

Benefit Amount Single payment made each year of the six-year contract equal to:

- (1) \$550 for participants receiving a Disability Retirement Pension or Minimum Disability Retirement Pension, or
- (2) \$650 for surviving spouses, or
- (3) \$800 for other participants

Widow's Pension Eligible widows of those Participants who were former employees of the Employer, who were retired under the 1950 Pension Plan and who died on or after January 1, 1978 shall receive:

\$125.00 from and after June 1, 1987
\$155.00 from and after June 1, 1990
\$175.00 from and after June 1, 1992
\$185.00 from and after June 1, 1994

Continuation of Prior Plan's Benefits

Benefits payable to or on account of specified former employees of the Employer under the 1950 or the 1974 UMW Plan will be paid under this plan.

Contributions

All contributions to support the plan are made by the Employer.

SECTION I

CHANGES SINCE LAST YEAR'S VALUATION

Changes in Pension Plan Provisions

On April 30, 2018 the plan was amended effective May 1, 2018 to continue the Supplemental Payments to Certain Pensioners until a new contract is negotiated. Since the amendment was both signed and effective after the valuation date, it is not required to be reflected in this valuation report. As such, the amendment will be reflected in the January 1, 2019 funding valuation report.

Legislated Changes

The IRS issued final mortality table regulations on October 3, 2017. For the 2018 plan year, the mortality assumption reflects the option under 1.430(h)(3)-1(f)(2) of these regulations to use the mortality tables based on prior regulations.

Changes in Actuarial Assumptions

For minimum funding calculations, the mortality table and interest segment rates were updated in accordance with the requirements of IRC Section 430(h) and IRS regulations. The expected return on plan assets was lowered from 6.80% to 6.30% to better anticipate future investment experience.

For accounting calculations under ASC 960, the interest rate was reduced from 6.80% to 6.30% and the mortality table was updated from RP-2014 Blue Collar (adjusted to 2006) with Scale MP-2016 to RP-2014 Blue Collar (adjusted to 2006) with Scale MP-2017.

For both funding and accounting purposes, the assumption for the percentage of participants married at death was updated from 80% to 50% to better reflect actual experience.

Changes in Actuarial Methods

The method for determining the Actuarial Value of Assets was changed from using a smoothed 24 - month average to the Fair Market Value of Assets.

SECTION VII DISTRIBUTION OF ACTIVE PARTICIPANTS BY AGE AND SERVICE

Number of Active Participants as of January 1, 2018 – Distribution by Age and Service

Active participant counts are shown below.

Attained Age	Years of Credited Service										
	<u>Under 1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30-34</u>	<u>35-39</u>	<u>40 +</u>	<u>Total</u>
Under 25											
25-29			5								5
30-34		1	6	4							11
35-39			7	17	1						25
40-44		1	8	9	2						20
45-49		3	3	6	2						14
50-54			2	8		1					11
55-59			2	3	2	5	5	5	5		27
60-64			2	2	4	4	1	3	3	13	32
65-69			1		1	1				6	9
70 +											
Total		5	36	49	12	11	6	8	8	19	154

SECTION I

CHANGES SINCE LAST YEAR'S VALUATION

Changes in Pension Plan Provisions

On April 30, 2018 the plan was amended effective May 1, 2018 to continue the Supplemental Payments to Certain Pensioners until a new contract is negotiated. Since the amendment was both signed and effective after the valuation date, it is not required to be reflected in this valuation report. As such, the amendment will be reflected in the January 1, 2019 funding valuation report.

Legislated Changes

The IRS issued final mortality table regulations on October 3, 2017. For the 2018 plan year, the mortality assumption reflects the option under 1.430(h)(3)-1(f)(2) of these regulations to use the mortality tables based on prior regulations.

Changes in Actuarial Assumptions

For minimum funding calculations, the mortality table and interest segment rates were updated in accordance with the requirements of IRC Section 430(h) and IRS regulations. The expected return on plan assets was lowered from 6.80% to 6.30% to better anticipate future investment experience.

For accounting calculations under ASC 960, the interest rate was reduced from 6.80% to 6.30% and the mortality table was updated from RP-2014 Blue Collar (adjusted to 2006) with Scale MP-2016 to RP-2014 Blue Collar (adjusted to 2006) with Scale MP-2017.

For both funding and accounting purposes, the assumption for the percentage of participants married at death was updated from 80% to 50% to better reflect actual experience.

Changes in Actuarial Methods

The method for determining the Actuarial Value of Assets was changed from using a smoothed 24 - month average to the Fair Market Value of Assets.

SECTION I

CHANGES SINCE LAST YEAR'S VALUATION

Changes in Pension Plan Provisions

On April 30, 2018 the plan was amended effective May 1, 2018 to continue the Supplemental Payments to Certain Pensioners until a new contract is negotiated. Since the amendment was both signed and effective after the valuation date, it is not required to be reflected in this valuation report. As such, the amendment will be reflected in the January 1, 2019 funding valuation report.

Legislated Changes

The IRS issued final mortality table regulations on October 3, 2017. For the 2018 plan year, the mortality assumption reflects the option under 1.430(h)(3)-1(f)(2) of these regulations to use the mortality tables based on prior regulations.

Changes in Actuarial Assumptions

For minimum funding calculations, the mortality table and interest segment rates were updated in accordance with the requirements of IRC Section 430(h) and IRS regulations. The expected return on plan assets was lowered from 6.80% to 6.30% to better anticipate future investment experience.

For accounting calculations under ASC 960, the interest rate was reduced from 6.80% to 6.30% and the mortality table was updated from RP-2014 Blue Collar (adjusted to 2006) with Scale MP-2016 to RP-2014 Blue Collar (adjusted to 2006) with Scale MP-2017.

For both funding and accounting purposes, the assumption for the percentage of participants married at death was updated from 80% to 50% to better reflect actual experience.

Changes in Actuarial Methods

The method for determining the Actuarial Value of Assets was changed from using a smoothed 24 - month average to the Fair Market Value of Assets.



WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

**Financial Statements
and
Independent Auditor's Report
December 31, 2018 and 2017**

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

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Independent Auditor's Report

To the Plan Administrator
Westmoreland Elkol-Sorensen Mine
Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Westmoreland Elkol-Sorensen Mine Pension Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2018 and the related statement of changes in net assets available for benefits for the year then ended, and the statement of accumulated plan benefits as of January 1, 2018 and the statement of changes in accumulated benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2018 financial statements.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Retirement Insurance and Annuity Company (the "Trustee"), except for comparing such information with the related information included in the 2018 financial statements. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes related transactions. The plan administrator has obtained a certification from the Trustee as of and for the year ended December 31, 2018 that the information provided to the plan administrator is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2018 financial statements. Accordingly, we do not express an opinion on the 2018 financial statements.

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2018 and reportable transactions for the year ended December 31, 2018 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

To the Plan Administrator
Westmoreland Elkol-Sorensen Mine
Pension Plan

Report on Prior Year Financial Statements

The financial statements of Westmoreland Elkol-Sorensen Mine Pension Plan as of and for the year ended December 31, 2017 were audited by EKS&H LLP, whose report dated October 5, 2018 disclaimed an opinion, as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance with DOL Rules and Regulations for 2018 Financial Statements

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Plante & Moreau, PLLC

Denver, Colorado
October 9, 2019

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

		<u>December 31, 2018</u>	<u>December 31, 2017</u>
	Assets		
Investments, at fair value			
Pooled separate accounts		\$ 40,029,457	\$ 44,588,058
Registered investment companies		3,254,601	3,819,892
Guaranteed deposit fund		2,193,952	2,487,815
Total investments, at fair value		<u>45,478,010</u>	<u>50,895,765</u>
Receivables			
Employer contributions		—	1,496,574
Net assets available for benefits		<u>\$ 45,478,010</u>	<u>\$ 52,392,339</u>

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Years Ended December 31,	
	2018	2017
Contributions		
Employer	\$ —	\$ 1,496,574
Investment income		
Net appreciation/(depreciation) in fair value of investments	(4,251,785)	6,103,118
Interest and dividend income	1,240,792	1,174,866
Total investment income	(3,010,993)	7,277,984
Deductions from net assets		
Benefits paid to participants	3,537,848	3,185,218
Administrative expenses	365,488	383,100
Total deductions from net assets	3,903,336	3,568,318
Net increase in net assets available for benefits	(6,914,329)	5,206,240
Net assets available for benefits		
Beginning of year	52,392,339	47,186,099
End of year	<u>\$ 45,478,010</u>	<u>\$ 52,392,339</u>

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENT OF ACCUMULATED PLAN BENEFITS

	January 1, 2018
Actuarial present value of accumulated plan benefits	
Vested benefits	
Active participants	\$ 13,411,550
Retired participants and beneficiaries	33,458,717
Total vested benefits	46,870,267
Non-vested benefits	505,376
Total actuarial present value of accumulated plan benefits	\$ 47,375,643

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS

	Year Ended January 1, 2018
Actuarial present value of accumulated plan benefits at beginning of year	<u>\$ 45,569,016</u>
Increase (decrease) during the year attributable to	
Benefits paid	(3,185,218)
Benefits accumulated and actuarial gain	334,286
Interest	2,992,177
Change in actuarial assumptions	1,665,382
Net increase	<u>1,806,627</u>
Actuarial present value of accumulated plan benefits at end of year	<u><u>\$ 47,375,643</u></u>

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Basis of Financial Statement Presentation

The Westmoreland Elkol-Sorensen Mine Pension Plan, or the "Plan," established December 6, 1977, is a defined benefit plan covering all eligible employees of the Kemmerer coal mine who are represented by the International Union, United Mine Workers of America and who are or will become entitled to benefits under this Plan. This Plan does not provide benefits to any person who last worked for the employer before December 6, 1977, unless such person is subsequently re-employed by the employer after December 6, 1977 or unless such person's name is indicated in an appendix of the Plan document. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The accompanying financial statements have been prepared on the accrual basis of accounting and present the net assets available for benefits, changes in those net assets, accumulated plan benefits and changes in the accumulated plan benefits.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions in net assets available for benefits and accumulated plan benefits during the reporting period. Actual results could differ significantly from those estimates.

Investments

The Plan's investments are stated at fair value as reported by the Plan custodian.

Pooled separate accounts are valued at net asset value ("NAV"), as a practical expedient for fair value, of units held by the Plan at year-end, which is based on the quoted market prices of the securities underlying the investments. There are no unfunded commitments, and the units may be deemed on a daily basis.

Registered investment company mutual funds are recorded at quoted market values.

Guaranteed deposit fund, which is an unallocated contract, invests in the general assets of Prudential Retirement; however, since there are no specific securities in Prudential Retirement's general account related to this contract and due to the contract terms, including the frequency of the interest rate reset intervals, contract value approximates fair value. Contract value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees.

The preceding methods may produce a fair value calculation (or a net asset value calculation for pooled separate accounts) that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Purchases and sales of securities are recorded on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net realized and unrealized gains and losses are reflected in the accompanying statement of changes in net assets available for benefits as net appreciation (depreciation) of investments and is determined as the difference between fair value at the beginning of the year (or date purchased during the year) and selling price or year-end fair value. Changes in market values after the Plan year-end are not reflected in the accompanying financial statements. See Note 5 for a discussion of fair value measurements.

Going Concern

On October 9, 2018, the Company filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas. The Plan's management believe that the filing of the bankruptcy does not impact the Plan's ability to continue as a going concern.

2. Description of Plan

The following description of the Plan provides only general information. Participants and all others should refer to the Plan document for a more complete description of the Plan's provisions.

General

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

Effective February 1, 2012, Westmoreland Kemmerer Inc. ("WKI") acquired The Kemmerer Coal Company Elkol-Sorensen Mine Pension Plan as a result of an acquisition transaction with Chevron Mining Inc. The Company amended the Plan to reflect WKI as the Plan sponsor and to change the Plan name to Westmoreland Kemmerer, Inc. Elkol-Sorensen Mine Pension Plan. Effective January 1, 2015, the Plan was amended to exclude new and inexperienced miners from the Plan. New and inexperienced miners are individuals who enter the mining industry for the first time. Effective June 1, 2015, WKI was converted to a limited liability company, known as Westmoreland Kemmerer, LLC ("WKL"). On August 1, 2015, Westmoreland Coal Company (the "Company" or "Plan sponsor") contributed 100% of the membership interests in WKL to Westmoreland Resource Partners, LP. In connection with this contribution, the Company assumed sponsorship of the Plan and agreed to employ the employees who are eligible to participate in the Plan. At this time the Plan was renamed Westmoreland Elkol-Sorensen Mine Pension Plan.

The Westmoreland Coal Company Retirement Committee administers the Plan and manages the Plan's assets on behalf of Westmoreland Coal Company, Plan Sponsor. Prudential Retirement Insurance and Annuity Company ("Prudential Retirement") is the Plan's custodian, trustee and maintains the Plan's records. Benefits are recorded when paid on a cash basis of accounting.

The Plan has different benefits and eligibility requirements for these types of pension payments: normal retirement pension, age 55 retirement pension, disability pension, minimum disability retirement pension, deferred vested retirement pension, survivor benefit for death in service after retirement, special permanent layoff pension, pre-retirement survivor annuity, and joint and survivor annuity, as defined by the Plan.

Participation

Any person who was an employee of the employer on December 6, 1977 and was eligible to participate in the 1974 pension plan became a participant as of December 6, 1977. Any person who was not eligible to participate on December 6, 1977 becomes a participant after the completion of one year of vesting service or a 12-month period in which he or she completes 1,000 hours of service. Effective May 1, 2012, no new participants may enter the Plan.

Vesting

Vesting service is credited as follows:

May 19, 1946 - December 31, 1977	One year of vesting service for each year of service performed in a Classified Job with an Employer who, at the time such service was performed, was signatory to a Wage Agreement defined by the Plan.
January 1, 1978 and after	One year of vesting service for each year in which the participant worked 1,000 hours or more. If the participant worked more than 250 hours but less than 1,000 hours, then the participant is credited with 1/4 of year of credited service.
Reciprocal service	Vesting service shall be credited for all reciprocal service earned with another signatory employer within a Union bargaining unit covered by a Western Coal Wage Agreement as defined by the Plan.

In no event will more than one year of vesting service be credited for any calendar year.

Funding Policy

The Plan is non-contributory; all funding is provided by the Company. The Company has voluntarily agreed to make contributions to the Plan sufficient to provide the Plan with assets with which to pay pension benefits to Plan participants. For the Plan years ended December 31, 2018 and 2017, minimum funding requirements of the ERISA and the Internal Revenue Code (the "Code") were met.

Administrative Expenses

Fees incurred and paid directly (or through appreciation) by the Plan for administrative services were \$365,488 and \$383,100 for the years ended December 31, 2018 and 2017, respectively.

3. Actuarial Present Value of Accumulated Plan Benefits

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to employee service rendered prior to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's independent actuary using the unit credit actuarial cost method and is the amount that results from applying actuarial assumptions to the accumulated plan benefits to reflect the time value of money (through discounts and for interest) and the probability of the payment (by means of decrements such as death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. Actuarial assumptions for the Plan are made as of the beginning of the Plan year. The Statement of Accumulated Plan Benefits and the Statement of Changes in Accumulated Plan Benefits were prepared as of January 1, 2018 and for the year then ended. Had the reports been prepared as of and for the year ended December 31, 2017, no material changes would have been necessary. The significant actuarial assumptions used in the valuations as of January 1, 2018 are as follows:

- Accumulated plan benefits are calculated based on provisions of Accounting Standards Codification ("ASC") Topic 960
- For ASC 960, the effective interest rate and expected rate of return were 6.30%, 5.68% with Interest Rate Stabilization, and 4.02% without Interest Rate Stabilization
- Life expectancy of participants was obtained from the RP-2014 Blue Collar (adjusted to 2006) With Scale MP-2017
- Estimated administrative expenses expected to be paid from Plan assets are \$400,000 per year
- 50% of participants are assumed to be married at death and husbands are assumed to be three years older than their wives
- Optional payment forms: 100% of married active participants are assumed to elect a 75% Joint & Survivor annuity upon first eligibility after termination of employment, 100% of married deferred vested participants are assumed to elect either a 50% Joint & Survivor annuity or, if eligible, 75% of the participant's monthly pension upon attaining age 62
- Participants are assumed to retire based on rates of retirement varying by age:

Age	% Retiring
55	3%
56	4%
57	5%
58	5%
59	5%
60	5%
61	15%
62	30%
63	35%
64	65%
65	25%
66	50%
67	100%

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

- Participants are assumed to terminate based on rates of expected termination varying by age:

Age	< 5 Years	> 5 Years
20	11.3%	0.0%
25	9.3%	0.0%
30	7.8%	3.8%
35	6.5%	2.5%
40	5.6%	3.5%
45	5.2%	5.0%
50	5.0%	4.5%
55	4.8%	0.7%
60	4.7%	0.4%
64	0.0%	0.0%

- Participants are assumed to become disabled based on rates of disablement varying by age:

Age	% Disabled
25	0.06%
30	0.06%
35	0.06%
40	0.08%
45	0.16%
50	0.42%
55	0.90%

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The following changes in actuarial assumptions were made from the January 1, 2017 valuation to the January 1, 2018 valuation:

- For purpose of calculating the accumulated plan benefits, the ASC 960 mortality table was updated from the RP-2014 using MP-2016 projection scale, to RP-2014 using MP-2017
- The effective interest rate and expected rate of return on Plan assets was changed from 6.80% to 6.30% to better estimate future investment experience. The ASC 960 interest rate was also changed from 6.80% to 6.30%.
- The percentage married assumption was updated to assume that 50% of participants are married at death, a decrease from 80% assumed in prior years.

4. Certification of Investments

Prudential Retirement has certified in writing to the Plan administrator that the stated amounts for investments at fair value as of December 31, 2018 and 2017 and the income earned or losses incurred on the investments for the years ended December 31, 2018 and 2017, as reflected in the accompanying financial statements and the supplemental schedules, are complete and accurate.

The Plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator instructed the Plan's auditors not to perform any auditing procedures with respect to the investment information certified by the trustee, except for comparing the information contained therein to information included in the financial statements and the supplemental schedules.

5. Fair Value Accounting

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

The Plan classifies valuations into three levels based upon the observability of inputs to the valuation of the Plan's investments. The valuation levels are not necessarily an indication of the risk or liquidity associated with the investments. Classification is based on the lowest level of input significant to the fair value measurement. The three levels of the fair value hierarchy are described below:

- Level 1: Unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly. These may include quoted prices for similar assets or liabilities in active markets.
- Level 3: Unobservable inputs to the extent observable inputs are not available and may include prices obtained from single broker quotes. Unobservable inputs reflect the investment's own assumptions and would be based on the best information available under the circumstances.

There were no changes to the valuation techniques used during the period. The Plan had no Level 3 assets measured at fair value.

The following table sets forth the fair value of the Plan's investment assets by level within the fair value hierarchy as of December 31, 2018:

Description	Level 1	Level 2	Total
Investments measured at fair value			
Guaranteed deposit fund	\$ —	\$ 2,193,952	\$ 2,193,952
Registered investment companies	3,254,601	—	3,254,601
Total of investments at fair value	\$ 3,254,601	\$ 2,193,952	\$ 5,448,553
Investments measured at net asset value*			
Pooled separate accounts			\$ 40,029,457
Total fair value of investments held			\$ 45,478,010

* Investments measured at net asset value, as practical expedient for fair value, have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation to total investments at fair value.

The following table sets forth the fair value of the Plan's investment assets by level within the fair value hierarchy as of December 31, 2017:

Description	Level 1	Level 2	Total
Investments measured at fair value			
Guaranteed deposit fund	\$ —	\$ 2,487,815	\$ 2,487,815
Registered investment companies	3,819,892	—	3,819,892
Total of investments at fair value	\$ 3,819,892	\$ 2,487,815	\$ 6,307,707
Investments measured at net asset value*			
Pooled separate accounts			\$ 44,588,058
Total fair value of investments held			\$ 50,895,765

* Investments measured at net asset value, as practical expedient for fair value, have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation to total investments at fair value.

6. Income Taxes

The Plan has received a tax determination letter dated November 13, 2017 from the IRS covering changes made to comply with ERISA and indicating that the Plan qualifies under the provisions of Section 401(a) of the Code and is exempt from federal income taxes.

The Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the accompanying financial statements.

Generally accepted accounting principles require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that, as of December 31, 2018 and 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. Administration of the Plan

The Company provides, at no cost to the Plan, certain administrative, accounting, and legal services to the Plan and also pays the cost of certain outside services for the Plan.

8. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. If the Plan is terminated for any reason, the net assets of the Plan would be allocated, as prescribed by ERISA and its regulations, generally to provide the following benefits in the order indicated:

- Annuity benefits that former employees or their beneficiaries have been receiving for at least three years or that employees eligible to retire for the three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination;
- Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC"), a U.S. government agency, up to the applicable limitations (discussed below);
- All other vested benefits not insured by the PBGC; or
- All non-vested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivors' pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

9. Risks, Uncertainties and Concentrations

The Plan provides for various investments that, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

Additionally, some investments held by the Plan are invested in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies.

Plan contributions are made and the actuarial value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

in the near term would have a material impact on Plan contributions and the financial statements.

During the years ended December 31, 2018 and 2017, there were four investments that accounted for 81% and 80% of total investments, respectively.

10. Related Party and Party-in-Interest Transactions

Plan investments include pooled separate accounts and a guaranteed deposit fund managed by Prudential Retirement. Prudential Retirement is the custodian and trustee as defined by the Plan; therefore, these transactions qualify as party-in-interest. These transactions are exempt from prohibited transaction regulations.

11. Subsequent Events

The Company has evaluated subsequent events related to the Plan through the auditor's report date, which is the date the financial statements were available for issuance, and determined there were no subsequent events requiring disclosure.

The Company emerged from bankruptcy on March 15, 2019.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

Schedule 1

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

EIN: 23-1128670

Plan #007

December 31, 2018

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
Pooled separate accounts:				
*	Prudential Retirement	QMA U.S. Broad Market Index Fund	\$ 10,737,101	\$ 18,172,580
*	Prudential Retirement	Core Bond Enhanced Index/PGIM Fund	7,401,111	7,242,435
*	Prudential Retirement	Prudential Long Duration Corporate Bond Fund	5,798,890	5,720,386
*	Prudential Retirement	Long Duration Bond/IR&M Fund	5,967,823	5,841,677
*	Prudential Retirement	International Blend/Pictet Asset Management Fund	2,677,080	3,052,379
Registered investment companies				
	American Funds	American Europacific Growth Fund	3,137,308	3,254,601
Guaranteed deposit fund				
*	Prudential Retirement	Guaranteed Deposit Fund	2,193,952	2,193,952
Total investments			<u>\$ 37,913,265</u>	<u>\$ 45,478,010</u>

* Denotes party-in-interest.

Schedule 2

EIN: 23-1128670

Plan #007

Year ended December 31, 2018

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transaction	Cost of Asset Purchase / (Sales)	Current Value of Asset on Transaction Date Purchase / (Sales)	Net Gain or (Loss)
Individual transactions in excess of 5% of net assets available as of the beginning of the Plan year: None								
Series of non-securities transactions in excess of 5% of plan assets: None								
Series of securities transactions in excess of 5% of plan assets:								
Prudential Retirement	QMA U.S. Broad Market Index Fund	\$ 598,630	\$ —	\$ —	\$ —	\$ 598,630	\$ 598,630	—
Prudential Retirement	QMA U.S. Broad Market Index Fund	—	2,430,000	—	—	1,239,208	2,430,000	1,190,792
Prudential Retirement	Guaranteed Deposit	3,581,266	—	—	—	3,581,266	3,581,266	—
Prudential Retirement	Guaranteed Deposit	—	3,909,808	—	—	3,909,808	3,909,808	—
Securities transactions related to individual transactions in excess of 5% of plan assets: None								



WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

**Financial Statements
and
Independent Auditor's Report
December 31, 2018 and 2017**

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

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Independent Auditor's Report

To the Plan Administrator
Westmoreland Elkol-Sorensen Mine
Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Westmoreland Elkol-Sorensen Mine Pension Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2018 and the related statement of changes in net assets available for benefits for the year then ended, and the statement of accumulated plan benefits as of January 1, 2018 and the statement of changes in accumulated benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2018 financial statements.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Retirement Insurance and Annuity Company (the "Trustee"), except for comparing such information with the related information included in the 2018 financial statements. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes related transactions. The plan administrator has obtained a certification from the Trustee as of and for the year ended December 31, 2018 that the information provided to the plan administrator is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2018 financial statements. Accordingly, we do not express an opinion on the 2018 financial statements.

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2018 and reportable transactions for the year ended December 31, 2018 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

To the Plan Administrator
Westmoreland Elkol-Sorensen Mine
Pension Plan

Report on Prior Year Financial Statements

The financial statements of Westmoreland Elkol-Sorensen Mine Pension Plan as of and for the year ended December 31, 2017 were audited by EKS&H LLP, whose report dated October 5, 2018 disclaimed an opinion, as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Report on Form and Content in Compliance with DOL Rules and Regulations for 2018 Financial Statements

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Plante & Moreau, PLLC

Denver, Colorado
October 9, 2019

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Assets		
Investments, at fair value		
Pooled separate accounts	\$ 40,029,457	\$ 44,588,058
Registered investment companies	3,254,601	3,819,892
Guaranteed deposit fund	2,193,952	2,487,815
Total investments, at fair value	45,478,010	50,895,765
Receivables		
Employer contributions	—	1,496,574
Net assets available for benefits	<u>\$ 45,478,010</u>	<u>\$ 52,392,339</u>

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	Years Ended December 31,	
	2018	2017
Contributions		
Employer	\$ —	\$ 1,496,574
Investment income		
Net appreciation/(depreciation) in fair value of investments	(4,251,785)	6,103,118
Interest and dividend income	1,240,792	1,174,866
Total investment income	(3,010,993)	7,277,984
Deductions from net assets		
Benefits paid to participants	3,537,848	3,185,218
Administrative expenses	365,488	383,100
Total deductions from net assets	3,903,336	3,568,318
Net increase in net assets available for benefits	(6,914,329)	5,206,240
Net assets available for benefits		
Beginning of year	52,392,339	47,186,099
End of year	<u>\$ 45,478,010</u>	<u>\$ 52,392,339</u>

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENT OF ACCUMULATED PLAN BENEFITS

	January 1, 2018
Actuarial present value of accumulated plan benefits	
Vested benefits	
Active participants	\$ 13,411,550
Retired participants and beneficiaries	33,458,717
Total vested benefits	46,870,267
Non-vested benefits	505,376
Total actuarial present value of accumulated plan benefits	\$ 47,375,643

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS

	Year Ended January 1, 2018
Actuarial present value of accumulated plan benefits at beginning of year	<u>\$ 45,569,016</u>
Increase (decrease) during the year attributable to	
Benefits paid	(3,185,218)
Benefits accumulated and actuarial gain	334,286
Interest	2,992,177
Change in actuarial assumptions	1,665,382
Net increase	<u>1,806,627</u>
Actuarial present value of accumulated plan benefits at end of year	<u><u>\$ 47,375,643</u></u>

See accompanying Notes to Financial Statements.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Basis of Financial Statement Presentation

The Westmoreland Elkol-Sorensen Mine Pension Plan, or the "Plan," established December 6, 1977, is a defined benefit plan covering all eligible employees of the Kemmerer coal mine who are represented by the International Union, United Mine Workers of America and who are or will become entitled to benefits under this Plan. This Plan does not provide benefits to any person who last worked for the employer before December 6, 1977, unless such person is subsequently re-employed by the employer after December 6, 1977 or unless such person's name is indicated in an appendix of the Plan document. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The accompanying financial statements have been prepared on the accrual basis of accounting and present the net assets available for benefits, changes in those net assets, accumulated plan benefits and changes in the accumulated plan benefits.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions in net assets available for benefits and accumulated plan benefits during the reporting period. Actual results could differ significantly from those estimates.

Investments

The Plan's investments are stated at fair value as reported by the Plan custodian.

Pooled separate accounts are valued at net asset value ("NAV"), as a practical expedient for fair value, of units held by the Plan at year-end, which is based on the quoted market prices of the securities underlying the investments. There are no unfunded commitments, and the units may be deemed on a daily basis.

Registered investment company mutual funds are recorded at quoted market values.

Guaranteed deposit fund, which is an unallocated contract, invests in the general assets of Prudential Retirement; however, since there are no specific securities in Prudential Retirement's general account related to this contract and due to the contract terms, including the frequency of the interest rate reset intervals, contract value approximates fair value. Contract value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and fees.

The preceding methods may produce a fair value calculation (or a net asset value calculation for pooled separate accounts) that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Purchases and sales of securities are recorded on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net realized and unrealized gains and losses are reflected in the accompanying statement of changes in net assets available for benefits as net appreciation (depreciation) of investments and is determined as the difference between fair value at the beginning of the year (or date purchased during the year) and selling price or year-end fair value. Changes in market values after the Plan year-end are not reflected in the accompanying financial statements. See Note 5 for a discussion of fair value measurements.

Going Concern

On October 9, 2018, the Company filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of Texas. The Plan's management believe that the filing of the bankruptcy does not impact the Plan's ability to continue as a going concern.

2. Description of Plan

The following description of the Plan provides only general information. Participants and all others should refer to the Plan document for a more complete description of the Plan's provisions.

General

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

Effective February 1, 2012, Westmoreland Kemmerer Inc. ("WKI") acquired The Kemmerer Coal Company Elkol-Sorensen Mine Pension Plan as a result of an acquisition transaction with Chevron Mining Inc. The Company amended the Plan to reflect WKI as the Plan sponsor and to change the Plan name to Westmoreland Kemmerer, Inc. Elkol-Sorensen Mine Pension Plan. Effective January 1, 2015, the Plan was amended to exclude new and inexperienced miners from the Plan. New and inexperienced miners are individuals who enter the mining industry for the first time. Effective June 1, 2015, WKI was converted to a limited liability company, known as Westmoreland Kemmerer, LLC ("WKL"). On August 1, 2015, Westmoreland Coal Company (the "Company" or "Plan sponsor") contributed 100% of the membership interests in WKL to Westmoreland Resource Partners, LP. In connection with this contribution, the Company assumed sponsorship of the Plan and agreed to employ the employees who are eligible to participate in the Plan. At this time the Plan was renamed Westmoreland Elkol-Sorensen Mine Pension Plan.

The Westmoreland Coal Company Retirement Committee administers the Plan and manages the Plan's assets on behalf of Westmoreland Coal Company, Plan Sponsor. Prudential Retirement Insurance and Annuity Company ("Prudential Retirement") is the Plan's custodian, trustee and maintains the Plan's records. Benefits are recorded when paid on a cash basis of accounting.

The Plan has different benefits and eligibility requirements for these types of pension payments: normal retirement pension, age 55 retirement pension, disability pension, minimum disability retirement pension, deferred vested retirement pension, survivor benefit for death in service after retirement, special permanent layoff pension, pre-retirement survivor annuity, and joint and survivor annuity, as defined by the Plan.

Participation

Any person who was an employee of the employer on December 6, 1977 and was eligible to participate in the 1974 pension plan became a participant as of December 6, 1977. Any person who was not eligible to participate on December 6, 1977 becomes a participant after the completion of one year of vesting service or a 12-month period in which he or she completes 1,000 hours of service. Effective May 1, 2012, no new participants may enter the Plan.

Vesting

Vesting service is credited as follows:

May 19, 1946 - December 31, 1977	One year of vesting service for each year of service performed in a Classified Job with an Employer who, at the time such service was performed, was signatory to a Wage Agreement defined by the Plan.
January 1, 1978 and after	One year of vesting service for each year in which the participant worked 1,000 hours or more. If the participant worked more than 250 hours but less than 1,000 hours, then the participant is credited with 1/4 of year of credited service.
Reciprocal service	Vesting service shall be credited for all reciprocal service earned with another signatory employer within a Union bargaining unit covered by a Western Coal Wage Agreement as defined by the Plan.

In no event will more than one year of vesting service be credited for any calendar year.

Funding Policy

The Plan is non-contributory; all funding is provided by the Company. The Company has voluntarily agreed to make contributions to the Plan sufficient to provide the Plan with assets with which to pay pension benefits to Plan participants. For the Plan years ended December 31, 2018 and 2017, minimum funding requirements of the ERISA and the Internal Revenue Code (the "Code") were met.

Administrative Expenses

Fees incurred and paid directly (or through appreciation) by the Plan for administrative services were \$365,488 and \$383,100 for the years ended December 31, 2018 and 2017, respectively.

3. Actuarial Present Value of Accumulated Plan Benefits

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to employee service rendered prior to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Plan's independent actuary using the unit credit actuarial cost method and is the amount that results from applying actuarial assumptions to the accumulated plan benefits to reflect the time value of money (through discounts and for interest) and the probability of the payment (by means of decrements such as death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. Actuarial assumptions for the Plan are made as of the beginning of the Plan year. The Statement of Accumulated Plan Benefits and the Statement of Changes in Accumulated Plan Benefits were prepared as of January 1, 2018 and for the year then ended. Had the reports been prepared as of and for the year ended December 31, 2017, no material changes would have been necessary. The significant actuarial assumptions used in the valuations as of January 1, 2018 are as follows:

- Accumulated plan benefits are calculated based on provisions of Accounting Standards Codification ("ASC") Topic 960
- For ASC 960, the effective interest rate and expected rate of return were 6.30%, 5.68% with Interest Rate Stabilization, and 4.02% without Interest Rate Stabilization
- Life expectancy of participants was obtained from the RP-2014 Blue Collar (adjusted to 2006) With Scale MP-2017
- Estimated administrative expenses expected to be paid from Plan assets are \$400,000 per year
- 50% of participants are assumed to be married at death and husbands are assumed to be three years older than their wives
- Optional payment forms: 100% of married active participants are assumed to elect a 75% Joint & Survivor annuity upon first eligibility after termination of employment, 100% of married deferred vested participants are assumed to elect either a 50% Joint & Survivor annuity or, if eligible, 75% of the participant's monthly pension upon attaining age 62
- Participants are assumed to retire based on rates of retirement varying by age:

Age	% Retiring
55	3%
56	4%
57	5%
58	5%
59	5%
60	5%
61	15%
62	30%
63	35%
64	65%
65	25%
66	50%
67	100%

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

- Participants are assumed to terminate based on rates of expected termination varying by age:

Age	< 5 Years	> 5 Years
20	11.3%	0.0%
25	9.3%	0.0%
30	7.8%	3.8%
35	6.5%	2.5%
40	5.6%	3.5%
45	5.2%	5.0%
50	5.0%	4.5%
55	4.8%	0.7%
60	4.7%	0.4%
64	0.0%	0.0%

- Participants are assumed to become disabled based on rates of disablement varying by age:

Age	% Disabled
25	0.06%
30	0.06%
35	0.06%
40	0.08%
45	0.16%
50	0.42%
55	0.90%

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The following changes in actuarial assumptions were made from the January 1, 2017 valuation to the January 1, 2018 valuation:

- For purpose of calculating the accumulated plan benefits, the ASC 960 mortality table was updated from the RP-2014 using MP-2016 projection scale, to RP-2014 using MP-2017
- The effective interest rate and expected rate of return on Plan assets was changed from 6.80% to 6.30% to better estimate future investment experience. The ASC 960 interest rate was also changed from 6.80% to 6.30%.
- The percentage married assumption was updated to assume that 50% of participants are married at death, a decrease from 80% assumed in prior years.

4. Certification of Investments

Prudential Retirement has certified in writing to the Plan administrator that the stated amounts for investments at fair value as of December 31, 2018 and 2017 and the income earned or losses incurred on the investments for the years ended December 31, 2018 and 2017, as reflected in the accompanying financial statements and the supplemental schedules, are complete and accurate.

The Plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan administrator instructed the Plan's auditors not to perform any auditing procedures with respect to the investment information certified by the trustee, except for comparing the information contained therein to information included in the financial statements and the supplemental schedules.

5. Fair Value Accounting

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

The Plan classifies valuations into three levels based upon the observability of inputs to the valuation of the Plan's investments. The valuation levels are not necessarily an indication of the risk or liquidity associated with the investments. Classification is based on the lowest level of input significant to the fair value measurement. The three levels of the fair value hierarchy are described below:

- Level 1: Unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly. These may include quoted prices for similar assets or liabilities in active markets.
- Level 3: Unobservable inputs to the extent observable inputs are not available and may include prices obtained from single broker quotes. Unobservable inputs reflect the investment's own assumptions and would be based on the best information available under the circumstances.

There were no changes to the valuation techniques used during the period. The Plan had no Level 3 assets measured at fair value.

The following table sets forth the fair value of the Plan's investment assets by level within the fair value hierarchy as of December 31, 2018:

Description	Level 1	Level 2	Total
Investments measured at fair value			
Guaranteed deposit fund	\$ —	\$ 2,193,952	\$ 2,193,952
Registered investment companies	3,254,601	—	3,254,601
Total of investments at fair value	\$ 3,254,601	\$ 2,193,952	\$ 5,448,553
Investments measured at net asset value*			
Pooled separate accounts			\$ 40,029,457
Total fair value of investments held			\$ 45,478,010

* Investments measured at net asset value, as practical expedient for fair value, have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation to total investments at fair value.

The following table sets forth the fair value of the Plan's investment assets by level within the fair value hierarchy as of December 31, 2017:

Description	Level 1	Level 2	Total
Investments measured at fair value			
Guaranteed deposit fund	\$ —	\$ 2,487,815	\$ 2,487,815
Registered investment companies	3,819,892	—	3,819,892
Total of investments at fair value	\$ 3,819,892	\$ 2,487,815	\$ 6,307,707
Investments measured at net asset value*			
Pooled separate accounts			\$ 44,588,058
Total fair value of investments held			\$ 50,895,765

* Investments measured at net asset value, as practical expedient for fair value, have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation to total investments at fair value.

6. Income Taxes

The Plan has received a tax determination letter dated November 13, 2017 from the IRS covering changes made to comply with ERISA and indicating that the Plan qualifies under the provisions of Section 401(a) of the Code and is exempt from federal income taxes.

The Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the accompanying financial statements.

Generally accepted accounting principles require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that, as of December 31, 2018 and 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. Administration of the Plan

The Company provides, at no cost to the Plan, certain administrative, accounting, and legal services to the Plan and also pays the cost of certain outside services for the Plan.

8. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. If the Plan is terminated for any reason, the net assets of the Plan would be allocated, as prescribed by ERISA and its regulations, generally to provide the following benefits in the order indicated:

- Annuity benefits that former employees or their beneficiaries have been receiving for at least three years or that employees eligible to retire for the three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination;
- Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC"), a U.S. government agency, up to the applicable limitations (discussed below);
- All other vested benefits not insured by the PBGC; or
- All non-vested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivors' pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

9. Risks, Uncertainties and Concentrations

The Plan provides for various investments that, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

Additionally, some investments held by the Plan are invested in the securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies.

Plan contributions are made and the actuarial value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

NOTES TO FINANCIAL STATEMENTS (CONT.)

in the near term would have a material impact on Plan contributions and the financial statements.

During the years ended December 31, 2018 and 2017, there were four investments that accounted for 81% and 80% of total investments, respectively.

10. Related Party and Party-in-Interest Transactions

Plan investments include pooled separate accounts and a guaranteed deposit fund managed by Prudential Retirement. Prudential Retirement is the custodian and trustee as defined by the Plan; therefore, these transactions qualify as party-in-interest. These transactions are exempt from prohibited transaction regulations.

11. Subsequent Events

The Company has evaluated subsequent events related to the Plan through the auditor's report date, which is the date the financial statements were available for issuance, and determined there were no subsequent events requiring disclosure.

The Company emerged from bankruptcy on March 15, 2019.

WESTMORELAND ELKOL-SORENSEN MINE PENSION PLAN

Schedule 1

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

EIN: 23-1128670

Plan #007

December 31, 2018

(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
Pooled separate accounts:				
*	Prudential Retirement	QMA U.S. Broad Market Index Fund	\$ 10,737,101	\$ 18,172,580
*	Prudential Retirement	Core Bond Enhanced Index/PGIM Fund	7,401,111	7,242,435
*	Prudential Retirement	Prudential Long Duration Corporate Bond Fund	5,798,890	5,720,386
*	Prudential Retirement	Long Duration Bond/IR&M Fund	5,967,823	5,841,677
*	Prudential Retirement	International Blend/Pictet Asset Management Fund	2,677,080	3,052,379
Registered investment companies				
	American Funds	American Europacific Growth Fund	3,137,308	3,254,601
Guaranteed deposit fund				
*	Prudential Retirement	Guaranteed Deposit Fund	2,193,952	2,193,952
Total investments			<u>\$ 37,913,265</u>	<u>\$ 45,478,010</u>

* Denotes party-in-interest.

Schedule 2

EIN: 23-1128670

Plan #007

Year ended December 31, 2018

[illegible]