

DEALER NETWORK FOR LONGWALL MINING

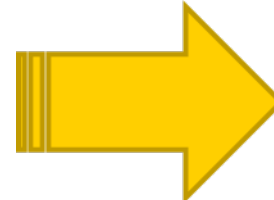
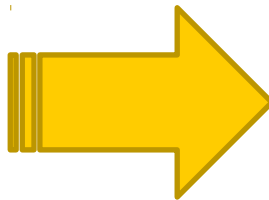
JUNE 14TH, 2017

LW USA

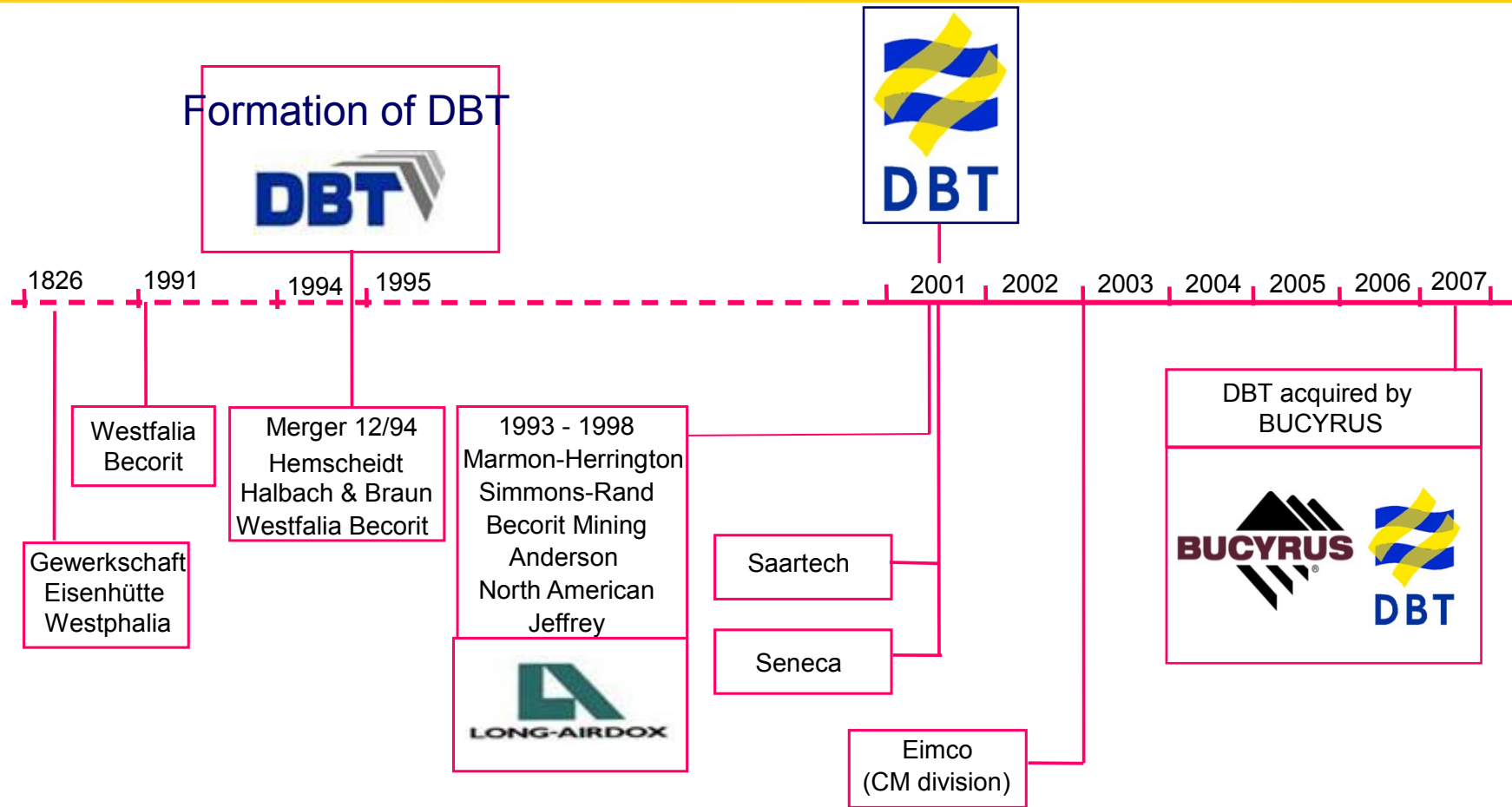


Acquisitions

- June 2007: Bucyrus acquires DBT
- July 2011: Caterpillar acquires Bucyrus
- 2012-2015: Cat divests Bucyrus business to dealerships



Nearly two centuries of underground mining equipment experience



US Longwall Bucyrus Locations

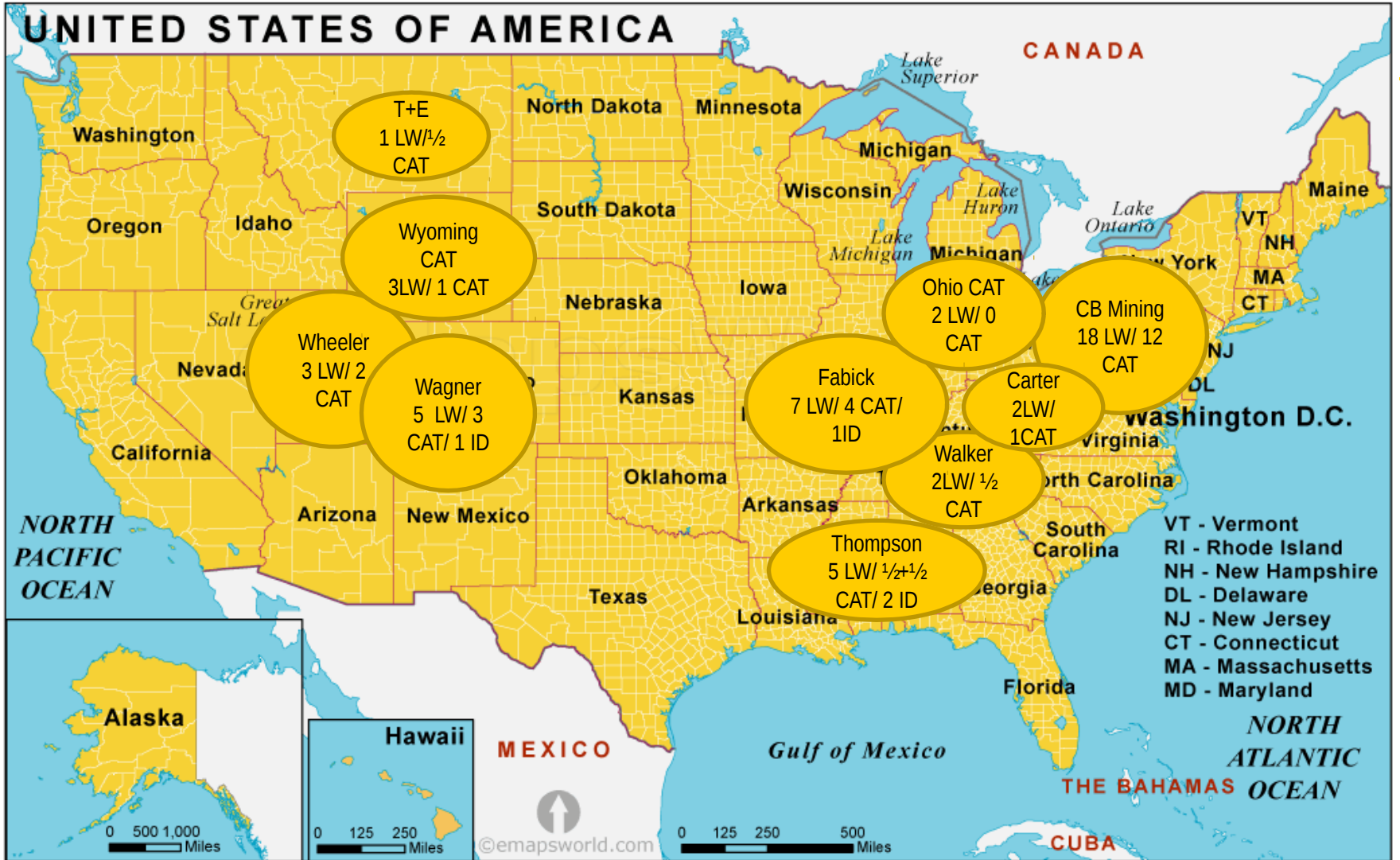


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Transition to Dealers

- Caterpillar divested the former Bucyrus / DBT aftermarket facilities to dealers.
 - Berry Rd : CB Mining
 - Carrier Mills : Fabick Mining
 - Huntington : Wheeler
- 7 other Cat Dealers with longwalls in territory to support US mines.
- Some dealers opt to operate as a stand alone business.

USA CAT Longwall Population by CAT Dealer 2016



2016 Longwall Population

Total Mining Companies with LW's in USA	19		
	CAT LW equip (1 major)	Non CAT equip	Total LW's
CB Mining	13	5	18
Fabick	4	3	7
Wyoming	2	1	3
Wagner	3	2	5
Carter	1	1	2
Walker	1	1	2
Wheeler	2	1	3
T_E	1	0	1
Thompson	5	0	5
Ohio CAT	0	2	2
Totals	32	16	48
66% of LW's have a major piece of CAT equipment			

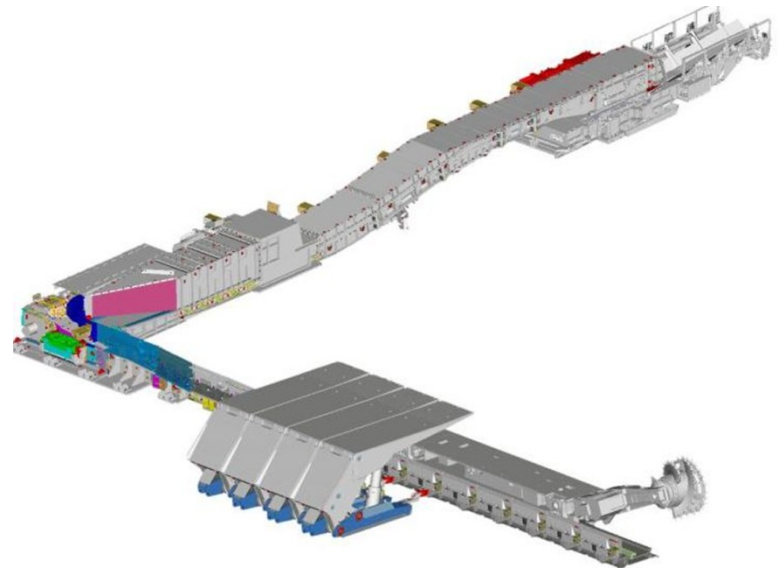
CB Mining

- Started September, 2013
- Separate legal entity, stand alone business, family owned
- Only serve underground coal
- Berry Rd rebuild facility
- 89 ex-Bucyrus employees
- 3 Cleveland Brothers employees contracted to lead
- Additional facility added November 2013

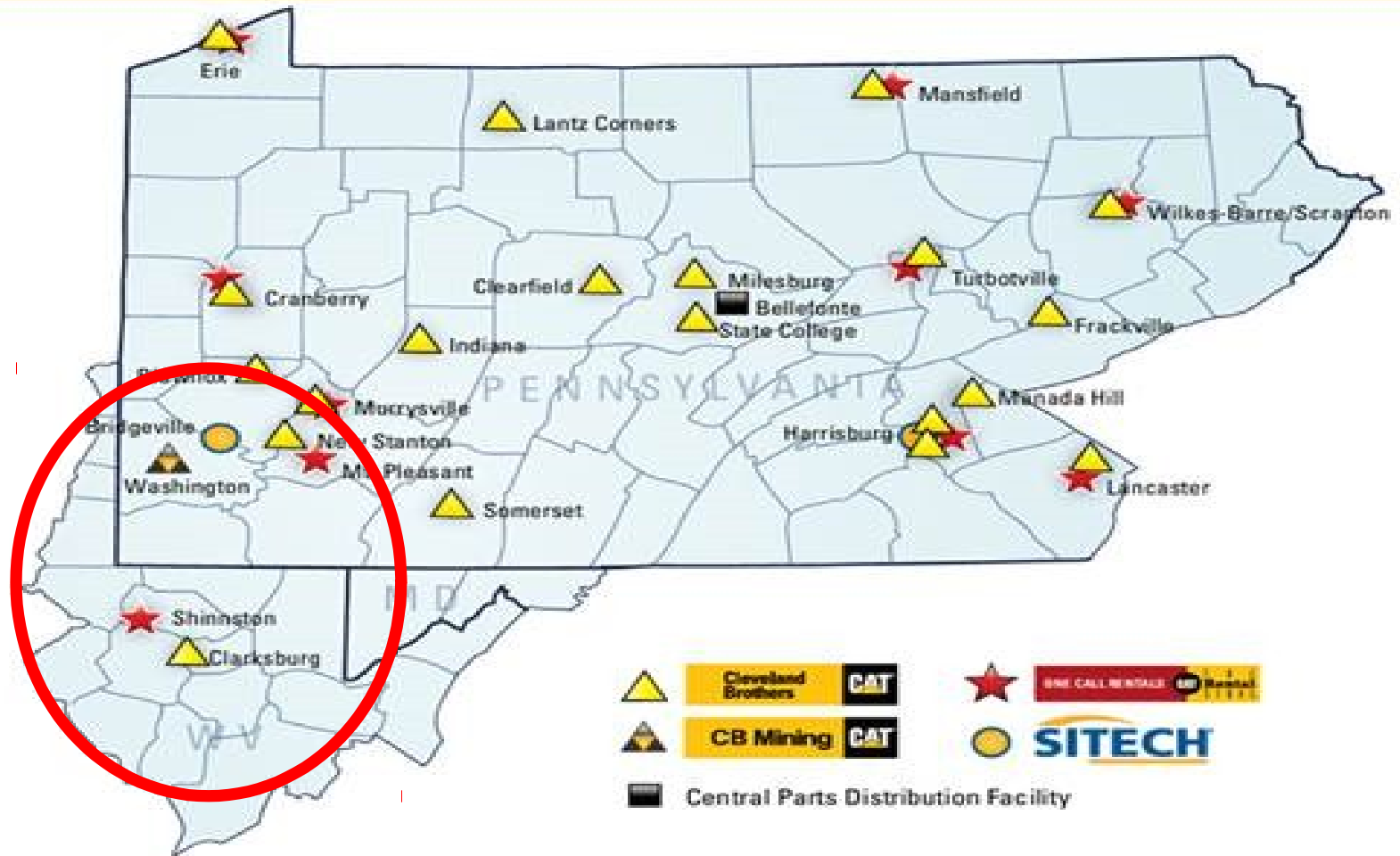


Why Separate Dealer ?

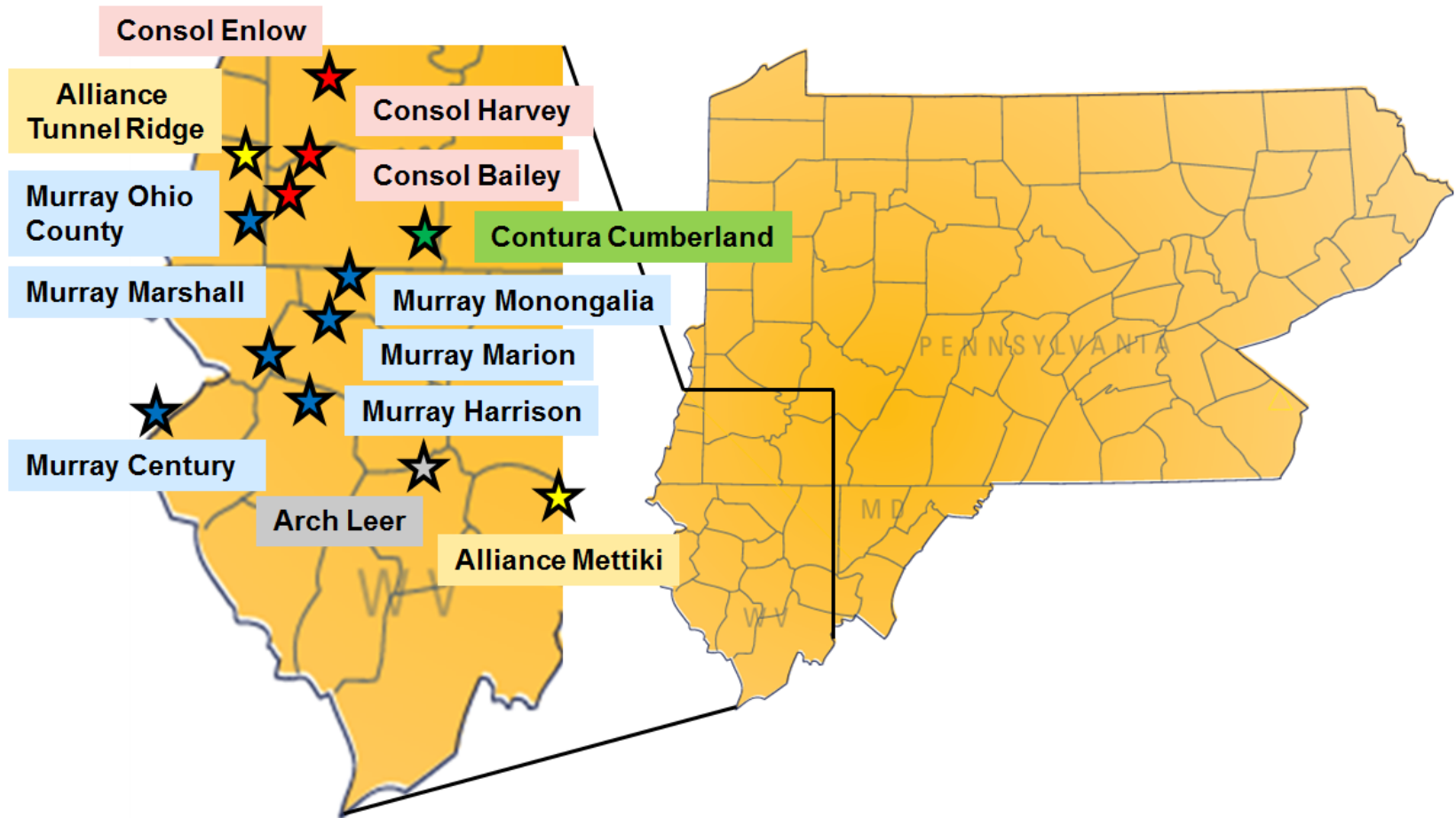
- Longwall equipment is unique and specific to each mine.
 - Requires specialized employees
 - Not like traditional Cat products
- One size doesn't fit all
 - Flexibility to use what works from traditional and not forced to use what doesn't.
- Business has to perform on its own
 - Focused employees



CB Mining Territory



Longwall Mines



CB Mining Longwall Install Base

No	Company	M					
1	Alliance	Mountai					
2	Alliance	Tunnel F					
3	Arch	Leer					
4	Consol Energy	Enlow E					
-	-	-					

17 of 45 US operating Longwalls → 38%



In Territory Market Share

- Roof support: 68%
 - 2824 Cat / 4180 Total
- AFC / BSL: 71%
 - 12 Cat / 17 Total
- Shearer: 0%
 - No Cat shearers at this time



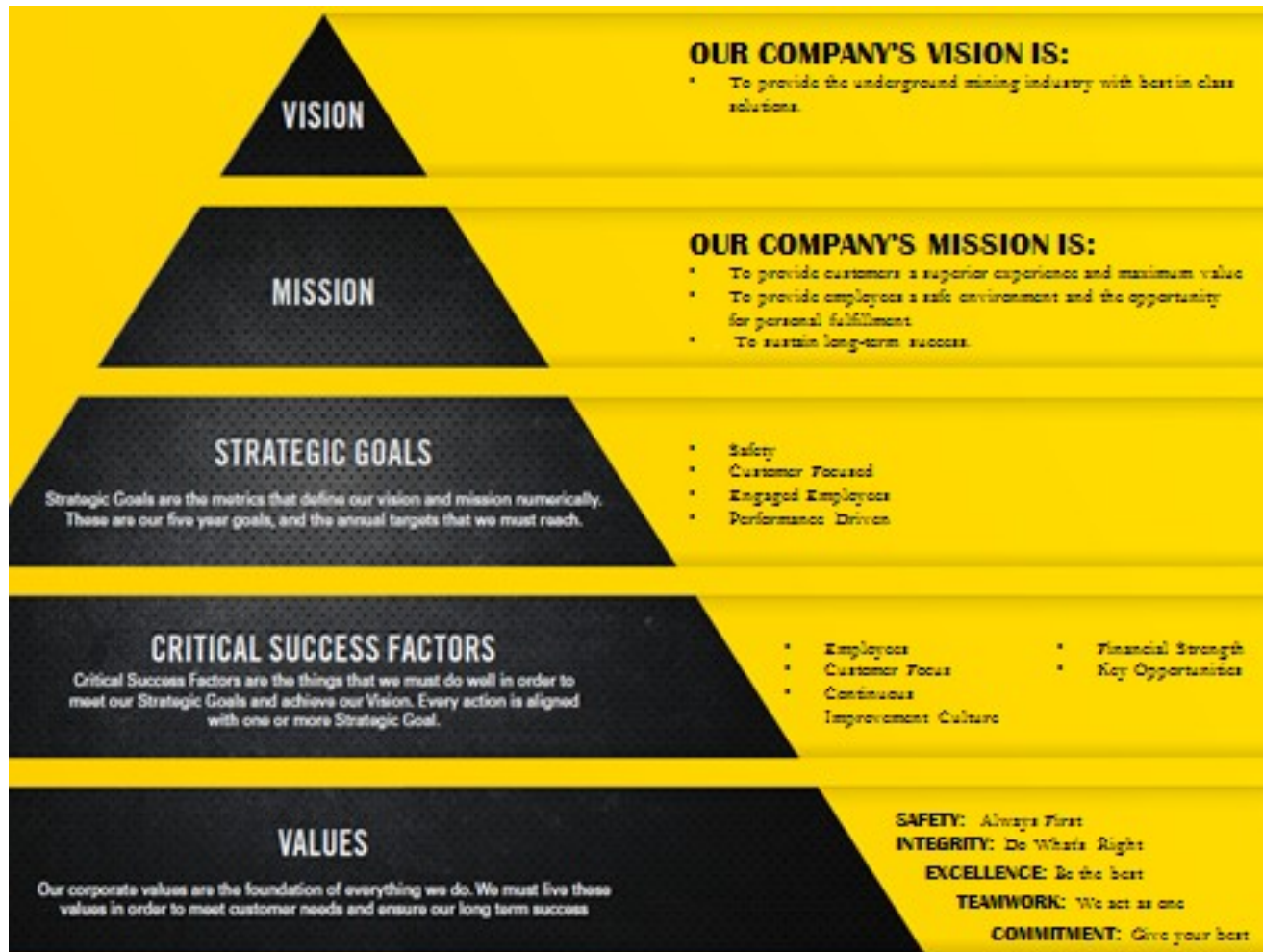
US LW Production by Mine

Mine	2016 Production	2015 Production	% Change
Bailey Mine - CNXC	12,056,165	10,185,898	18.4%
Sugar Camp – Foresight (IL)	11,443,835	10,587,790	8.1%
Marshall Co – Murray	10,523,671	10,294,865	2.2%
Enlow Fork – CNXC	9,638,245	8,999,294	7.1%
Cumberland – Contura	6,959,706	7,490,061	-7.1%
Tunnel Ridge – Alliance	6,593,227	5,893,600	11.9%
Harrison Co- Murray	6,586,715	7,106,441	-7.3%
Ohio Co – Murray	6,265,878	6,081,768	3.0%

- 7 out of the top 8 longwalls in CB Mining's territory
- All of top 8 have Cat as major system components

• Source Coal Age Feb 2017

Corporate Values are our foundation



Customer Focused

- Building relationships
 - What will it take for the customer to be successful?
 - What value will this add for the customer?
- Know the customers business
 - What areas can we help ?
 - Move schedules, inventory planning.
- Liaison for the customer
 - Cat owns the product, but the dealer owns the customer.



Small Business feel, Large Cap Strength

- Support is local
- Flexibility to meet needs
- Accountability
- Member of the community

- Knowledge share on global platform
- Cat Financial
- Cat Dealer Network Family



Capabilities

- Full 45,000 sq. ft. OEM rebuild center
- 75,000 sq. ft. warehouse dedicated to longwall inventory
- Life Cycle Management team
- In house vibration analysis specialists
- Electronic repair shop for IS and XP reconditioning
- Cable manufacturing, hydraulic shop with testing
- 13 technical service reps dedicated to longwall
- HYMAC: Laser Cladding, machining, LW hydraulic cylinder reconditioning.

Summary

- CB Mining has been successful as a Cat Dealer dedicated to longwall by:
 - Having the people in place that know the products.
 - Stand alone business, focused on underground coal only.
 - Using the dealership principals (Values, customer focus, Dealer Network) to build relationships by better serving the customer.
 - Expanding capabilities to satisfy the customers needs.
 - Being centered in the heart of longwall country, USA.

THANK YOU for your time !



QUESTIONS ?

