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**ALABAMA STATE PORT AUTHORITY ACQUIRES WALTER ENERGY ASSETS
AT THE PORT OF MOBILE
McDuffie Terminal to Handle Blue Creek Mine Coal**

MOBILE, AL – AUGUST 25, 2014 – The Alabama State Port Authority finalized today its purchase of two industrial properties owned by Walter Energy, Inc. (NYSE:WLT). The total consideration paid by the Port Authority for the properties was \$25,000,000. The purchase includes a 35.28± ac. tract fronting the seaport's 45-ft. draft channel and a 63± ac. industrial tract within one-half mile of the harbor. Both properties are adjacent to the Port Authority's Choctaw Point Complex at the Port of Mobile, Alabama.

In addition, the Port Authority and Walter Energy agreed to amended terms in its Coal Handling Agreement pursuant to which the Port Authority currently handles the company's coal exports through the McDuffie Coal Terminal. The Port Authority extended the existing coal handling agreement and agreed to certain improvements at its coal facility to accommodate future export coal production at Walter Energy's Alabama mines.

James K. Lyons, chief executive officer of the Alabama State Port Authority, praised the deal as "representing a good opportunity for both companies to further our respective long-term business strategies." Lyons noted the land purchases as essential to the Authority's intermodal investment strategies geared toward expanding its container business. The riverfront tract would support much needed expansion land for its rapidly growing container terminal, while the industrial tract provides additional acreage to support warehousing, distribution and light manufacturing applications.

The Alabama State Port Authority owns and operates the State of Alabama's public, deep-water port facilities at the Port of Mobile handling over 25 million tons of cargo annually. The Authority's container, general cargo and bulk facilities have immediate access to two interstate systems, five Class 1 railroads, and nearly 15,000 miles of inland waterway connections. Learn more at www.asdd.com.

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