
Section 1: 8-K (8-K)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 7, 2018 (August 4, 2018)



Hallador Energy Company

(Exact name of registrant as specified in its charter)

(Nasdaq: HNRG)

Colorado
(State or other jurisdiction
of incorporation)

001-34743
(Commission
File Number)

84-1014610
(IRS Employer
Identification No.)

1660 Lincoln Street, Suite 2700, Denver, Colorado
(Address of principal executive offices)

80264-2701
(Zip Code)

Registrant's telephone number, including area code: (303) 839-5504

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02, Results of Operations and Financial Condition

See Press Release dated August 6, 2018, Hallador Energy Reports Results for Second Quarter and First Six Months of 2018, attached hereto as Exhibit 99.1.

Item 5.02, Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

On August 4, 2018, Mr. Sheldon Lubar resigned as a member of Hallador Energy Company's Board of Directors (the "Board"). Since joining the Board in August 2008, he has been a member of Hallador's Audit, Nominating and Compensation Committees. "Sheldon Lubar is a very special person with tremendous wisdom and grace. He has been a wonderful advisor and friend. On behalf of myself and Hallador Energy, I thank Sheldon for his service" remarked Brent Bilsland, President and CEO of Hallador Energy.

The Board of Directors voted to increase its size from five to six members effective August 4 and appointed Mr. David Lubar to fill the vacancy created by the resignation of his father, Sheldon Lubar. Mr. Charles Wesley IV was appointed to fill the additional seat.

Mr. David Lubar was appointed to serve on the Audit, Nominating and Compensation Committees.

The Board considered the independence of Mr. Lubar and Mr. Wesley under the Nasdaq listing requirements and concluded that both gentlemen are independent directors under the applicable listing standards.

Mr. David Lubar (age 63) is President and CEO of Lubar & Co. He began his career in 1977 at Norwest Bank (n/k/a Wells Fargo Bank) in Minneapolis, where he spent six years in commercial and correspondent banking. Mr. Lubar joined Lubar & Co. in 1983 and has served as lead investor to over 20 companies in a wide range of industries and various stages of development. He currently serves as a director of each of the Lubar Companies as well as Northwestern Mutual Life Insurance Co., BMO Financial Corp., Milwaukee Brewers Baseball Team, and several other private companies. He also serves in many community leadership positions throughout the Milwaukee area. Mr. Lubar has a Bachelor of Arts degree from Bowdoin College and Master of Business Administration from the University of Minnesota.

Mr. Wesley (age 39) has served as President of Thoroughbred Resources L.P. since 2014 and CEO since 2016. Mr. Wesley served as Chief Planning and Commercial Officer of Ramaco Resources and, prior to joining Thoroughbred, Senior Counsel at Level 3 Communications, where he was also responsible for the operation and ultimate disposition of the company's coal mining operations. Prior to Level 3, he worked at the law firms of Arkin, Gump, Strauss, Hauer & Feld and Strasburger & Price, focusing on international energy transactions. He began his career with a coal company as a mining engineer. He is an active investor in natural resources and financial technology. Mr. Wesley is a board member across multiple industries and philanthropic organizations. Mr. Wesley holds a Juris Doctorate from the University of Kentucky College of Law and a Bachelor of Science in Mining Engineering from Virginia Polytechnic Institute.

"We are excited to work with both David and Charlie. Each bring a unique perspective that the shareholders of Hallador will ultimately benefit from in the years to come" concluded Brent Bilsland.

Item 9.01, Financial Statements and Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release Dated August 6, 2018

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

August 7, 2018

By: /s/LAWRENCE D. MARTIN
Lawrence D. Martin
CFO

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Section 2: EX-99.1 (EX-99.1)



EXHIBIT 99.1

HALLADOR ENERGY REPORTS RESULTS FOR SECOND QUARTER AND FIRST SIX MONTHS OF 2018

DENVER, August 6, 2018 - Hallador Energy Company (NASDAQ: HNRG) reports financial and operating results for the second quarter and first six months of 2018. Hallador filed its Form 10-Q after the markets closed today.

Brent Bilslund, President and Chief Executive Officer, commented, "Excellent production led to us beating our cost estimates by over \$4/ton during the quarter. We have worked to increase our inventory and add capacity with the reopening of the Carlisle Mine in order to meet our large contracted shipments and potential spot sales in the second half of the year."

Highlights include:

- Net loss of \$23,000, \$0.00 per share for the second quarter of 2018.
- Net income of \$2.1 million, \$0.07 per share for the first six months of 2018
- Coal inventory was increased by \$21.6 million (770,000 tons) since December 31, 2017 in preparation of contracted shipments (3.8MM tons) in the second half of 2018.
 - 2018 annualized sales forecast increased to 7.0MM tons from 6.8MM from December 31, 2017 guidance.

- The Carlisle Mine was reopened July 9, 2018 to assist with sales in the second half of the year.
 - The new Princeton Rail Loop became fully operational during the quarter and is expected to ship 625,000 tons during the last six months of 2018.

 - A new 4-year bank credit facility was completed on May 21, 2018 for \$267 million, including \$147 million term loan and \$120 million revolver, increasing our liquidity by \$6 million.
 - Hourglass Sands began producing raw sand in the second quarter of 2018 and is expected to begin shipping frac sand to customers in the DJ Basin in the fourth quarter of 2018.
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The table below represents some of our critical metrics (in thousands except for per ton data):

	Six Months Ended June 30,		Three Months Ended June 30,	
	2018	2017	2018	2017
Net Income (Loss)	\$ 2,109	\$ 7,803	\$ (23)	\$ 389
Total Revenues	\$ 124,107	\$ 127,865	\$ 57,243	\$ 64,312
Tons Sold	3,184	3,103	1,477	1,548
Average Price per Ton	\$ 38.85	\$ 40.41	\$ 38.54	\$ 40.59
Bank Debt	\$ 200,488	\$ 225,492	\$ 200,488	\$ 225,492
Operating Cash Flow	\$ 15,865	\$ 23,961	\$ 2,676	\$ 9,067
Adjusted EBITDA*	\$ 37,124	\$ 44,927	\$ 17,368	\$ 20,814
Adjusted Free Cash Flow **	\$ 18,934	\$ 28,419	\$ 8,212	\$ 10,682

*Defined as EBITDA plus stock-based compensation and ARO accretion, less the effects of our equity method investments and Hourglass Sands.

**Defined as net income plus deferred income taxes, DD&A, ARO accretion, and stock compensation, less maintenance capex and the effects of our equity method investments.

EBITDA, adjusted EBITDA, and adjusted free cash flow should not be considered alternatives to net income, income from operations, cash flows from operating activities or any other measure of financial performance presented in accordance with GAAP. Our method of computing EBITDA, adjusted EBITDA and adjusted free cash flow may not be the same method used to compute similar measures reported by other companies.

Management believes that the presentation of such additional financial measures provides useful information to investors regarding our performance and results of operations because these measures, when used in conjunction with related GAAP financial measures, (i) provide additional information about our core operating performance and ability to generate and distribute cash flow, (ii) provide investors with the financial and analytical framework upon which management bases financial, operation, compensation, and planning decisions, and (iii) present measurements that investors, rating agencies, and debt holders have indicated are useful in assessing our results.

Conference Call

As previously announced our earnings conference call for financial analysts and investors will be held on Tuesday, August 7, 2018, at 2:00 pm eastern time. Dial-in numbers for the live conference call are as follows:

Toll-free (888) 347-5317

Canadian Callers Toll-free (855) 669-9657

Conference ID #: Hallador Energy Company HNRG Call

An audio replay of the conference call will be available for one week. To access the audio replay, dial US Toll-Free (877) 344-7529; Canada Toll-Free (855) 669-9658 and request to be connected to replay access code 10121639.

Hallador is headquartered in Denver, Colorado and through its wholly owned subsidiary, Sunrise Coal, LLC, produces coal in the Illinois Basin for the electric power generation industry. To learn more about Hallador or Sunrise, visit our websites at www.halladorenergy.com.

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Investor Relations

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