HALLADOR ENERGY

ALWAYS ON

INVESTOR PRESENTATION | March 2026

Power When You Need It

Nasdaq HNRG

Disclaimer

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This presentation includes references to Adjusted EBITDA, which is a financial measure that is not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, plus effects of certain subsidiary and equity method investment activity, less other amortization, plus certain operating activities including stock-based compensation, asset retirement obligations accretion, less gain on disposal or abandonment of assets, plus other reclassifications such as special non-recurring project expenses. Adjusted EBITDA should not be considered an alternative 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 Adjusted EBITDA may not be the same method used to compute similar measures reported by other companies. Management believes the non-GAAP financial measure, Adjusted EBITDA, is an important measure in analyzing our liquidity and is a key component of certain material covenants contained within our Credit Agreement, specifically a maximum leverage ratio and a debt service coverage ratio. Noncompliance with the leverage ratio or debt service coverage ratio covenants could result in our lenders requiring the Company to immediately repay all amounts borrowed. If we cannot satisfy these financial covenants, we would be prohibited under our Credit Agreement from engaging in certain activities, such as incurring additional indebtedness, making certain payments, and acquiring and disposing of assets. Consequently, Adjusted EBITDA is critical to the assessment of our liquidity. The required amount of Adjusted EBITDA is a variable based on our debt outstanding and/or required debt payments at the time of the quarterly calculation based on a rolling prior 12-month period. Reconciliation of the non-GAAP financial measure, Adjusted EBITDA, to net income (loss), the most comparable GAAP measure, can be found in Hallador's filings with the SEC, including our earnings release for the year ended December 31, 2025, included with the Form 8-K filed by Hallador with the SEC on March 12, 2026.

Company Overview

Vertically integrated independent power producer delivering reliable baseload power to the MISO region

At a Glance

- **Flagship Asset:** 1 GW Merom Power Plant on ~691 acres in Sullivan, Indiana with 100% owned interconnection, creating high barriers to entry and future renewable integration potential
- **Strategic fuel advantage** by owning Sunrise Coal, which produces ~3.6 million tons of coal annually and supplies Merom's fuel, ensuring cost control and supply security
- **Long-term visibility:** ~$1.3 billion forward contracted sales book with investment-grade counterparties
- **Active commercial pipeline:** negotiating multi-year PPAs with utilities and data center developers
- **Major growth catalyst:** MISO ERAS application accepted for 515 MW natural gas expansion (increasing current capacity by ~50%), accelerating diversification and margin expansion (1)

Longstanding Customer Relationships

Duke Energy · Santee Cooper · Hoosier Energy · CenterPoint Energy · AES Indiana · TVA Tennessee Valley Authority · NIPSCO · LG&E KU · Georgia Power · KyMEA · Wabash Valley Power Alliance · Alabama Power

40 Year History	**1 GW** Current Power Generation	**515 MW** Expansion Plans	**$470M** 2025 Revenue	**$56M** 2025 Adj. EBITDA	**~$1.3B** Forward Contracted Sales

Note: Financial data as of December 31, 2025.
1. Accepted ERAS application is currently under review by MISO.

Investment Highlights

Structural Reliability Crisis and Growing Demand Drive Multi-Year Pricing Tailwind

MISO faces 4.7 GW summer shortfalls beginning in 2026 through 2031 while data center demand surges, driving price escalation and long-term need for baseload power[1]

Robust Interest for Long-Term PPAs; Aiming to Close Significant Agreement in Early 2026

Active negotiations for multi-year agreements with investment-grade utilities and data center developers, locking in attractive pricing and predictable cash flows

High Barriers to Entry

Vertically integrated platform and 100% interconnection ownership create durable competitive advantage and future renewable integration potential

Leveraging MISO ERAS Program for Rapid Expansion

In December 2025, MISO accepted Hallador's ERAS application for 515 MW natural gas expansion (increasing current capacity by ~50%); ERAS timeline ~3 years vs. 7+ years for greenfield projects[2]

Attractive Margin Expansion Opportunity

Legacy low-priced contract with Hoosier Energy expired on 12/31/25 and renewed on 1/1/26 at current market rates, materially boosting margins

Experienced, Shareholder-Aligned Management Team

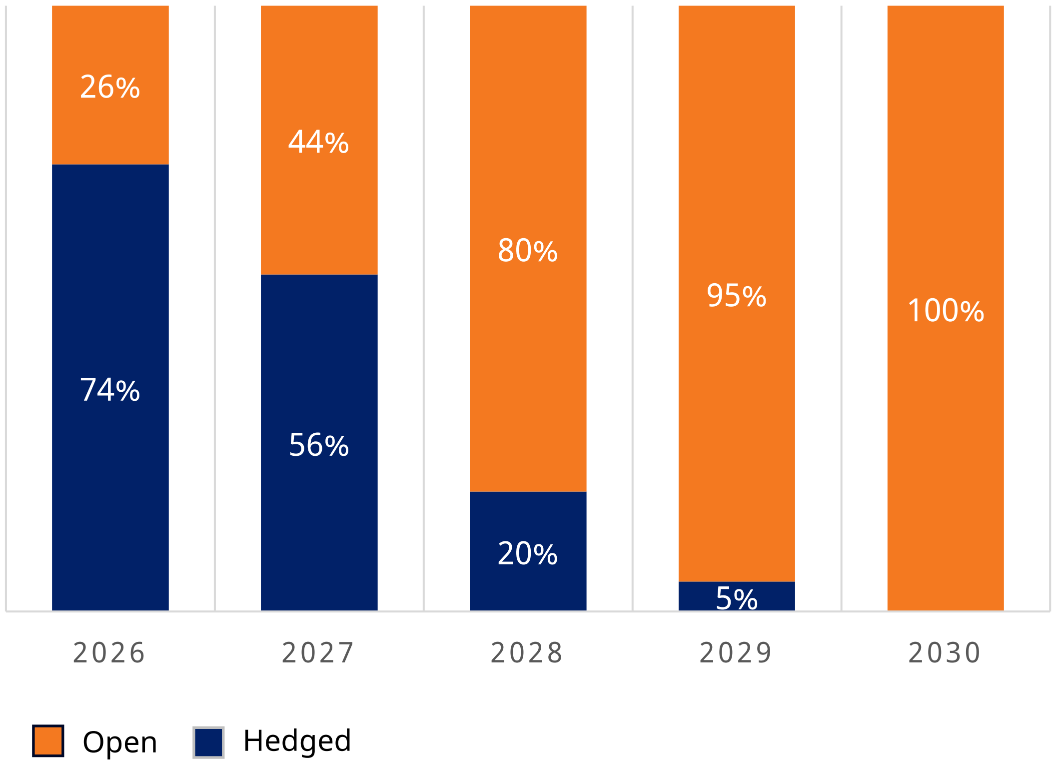
Proven track record; insiders own ~17% of the company, ensuring strong alignment with shareholders

1. *2025 OMS-MISO Survey Results dated June 6, 2025*
2. *Accepted ERAS application is currently under review by MISO.*

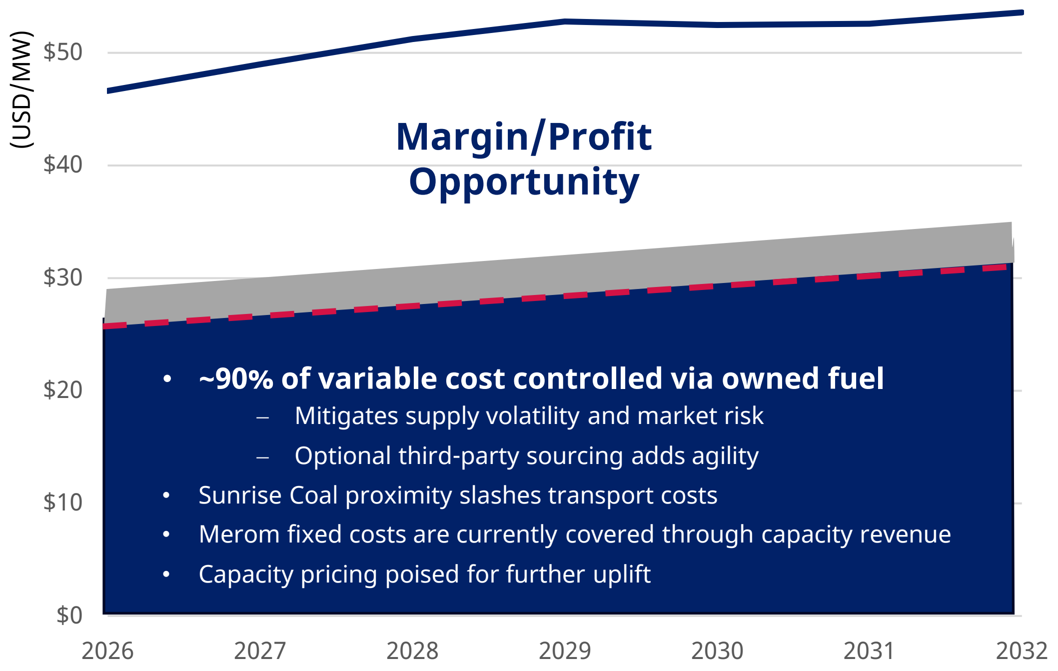
Merom's Strong Forward Pricing and Cost Control Drive Margin Opportunity

Market-based repricing and favorable forward curves provide a multi-year runway for margin expansion

Hallador Power's Estimated Open Energy Sales Positions (1)



Contracted Forward Sales & Forward Energy Curve (2)



Merom Margin/Profit Opportunity shown excludes potential long-term PPA currently under negotiation

1. *Assumes approximately 5.5 million MWhs of generation per year, which represents annualized average generator verification test capacity (GVTC) multiplied by HNRG's average equipment availability factor (EAF), less a ~15% allowance for sub-optimal conditions*
2. *2026 & 2027 energy pricing reflects Hallador's contracted forward sales book as of Dec 2025. Energy pricing for 2028-2032 reflects the forward curve as of Dec 2025. See Forward Looking Statements.*

Structural Supply Deficit + Growing Demand = Multi-Year Pricing Tailwind

MISO faces a shortfall while data center demand surges, driving price escalation and long-term need for baseload power

Reliability Crisis

NERC rates MISO as “Elevated Risk” in 2027 and “High Risk” in 2028; with shortfalls expected under normal peak conditions beginning in 2028 (1)

Capacity Shortfalls

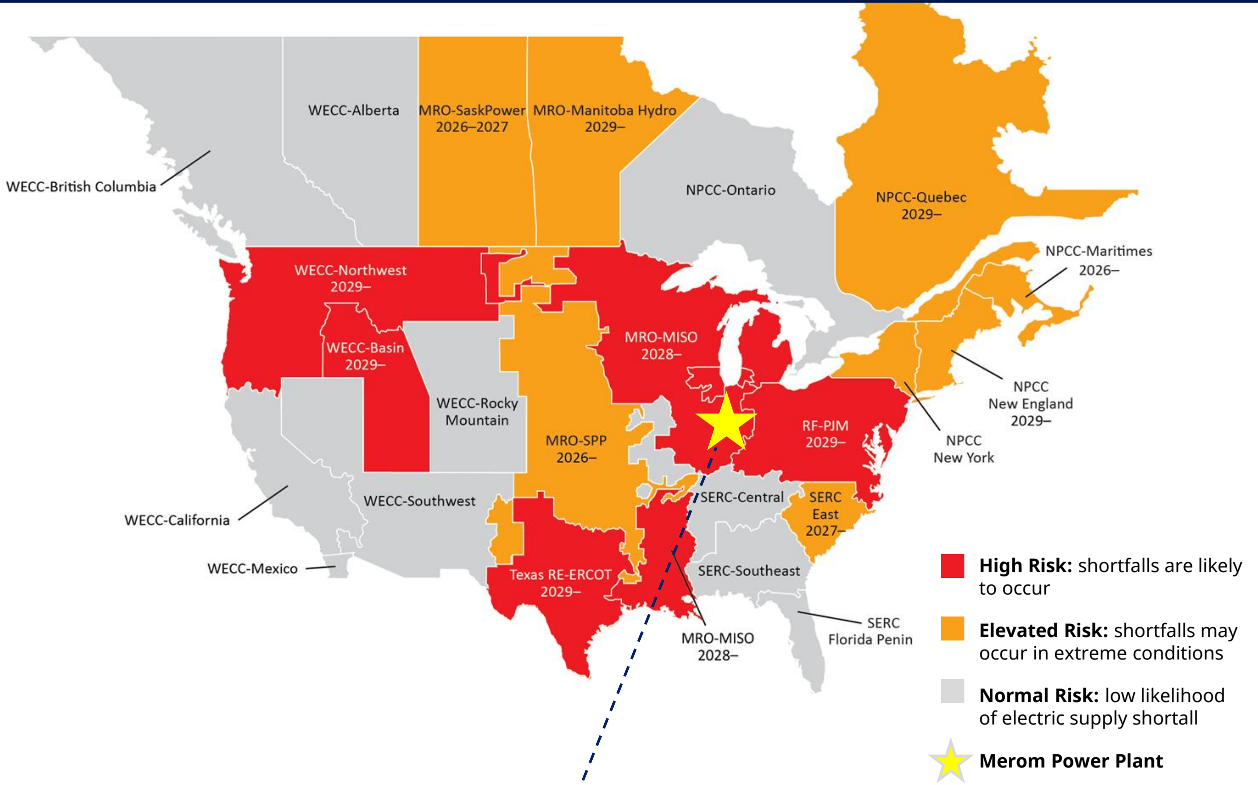
MISO projects an average 4.7 GW deficiency in generation resources during summer seasons from planning year ‘26/’27 through ‘30/’31 (2)

Indiana’s Data Center Expansion Accelerates

Amazon plans $15B investment for new campuses adding 2.4 GW of capacity; Amazon’s total investment in IN exceeds $31B since 2010 (3)

AI and Onshoring Tailwinds

Driving sustained demand growth



Merom Plant located in an area deemed to be “High Risk” by NERC as early as 2028

Map Source: RTO Insider / NERC.

1. *NERC 2025 Long-Term Reliability Assessment January 2026.*
2. *2025 OMS-MISO Survey results dated June 6, 2025.*
3. *Reuters – November 24, 2025, “Amazon to invest $15 billion in Indiana to boost data center infrastructure.”*

HALLADOR ENERGY COMPANY

Long-Term PPA Negotiations Strengthen Commercial Position

Active negotiations are underway with investment-grade utilities and data center developers

Current Status

- Multiple counterparties in advanced discussions
- Targeting multi-year agreements with investment-grade utilities and data center developers
- Aiming to close significant PPA in early 2026

Strategic Impact

- ✓ **Predictable Cash Flows:** Long-term PPAs
- ✓ **Premium Pricing:** Locks in accredited capacity at attractive rates
- ✓ **Supports Growth:** Underpins ERAS economics and margin uplift

Hallador has a ~$1.3 billion forward contracted sales book*

Investment grade customer relationships

Duke Energy · Santee Cooper · Hoosier Energy · CenterPoint Energy · AES Indiana · TVA Tennessee Valley Authority · NIPSCO · LG&E KU · Georgia Power · KYMEA · Wabash Valley Power Alliance · Alabama Power

*As of December 31, 2025

MISO ERAS Program Supports ~50% Capacity Expansion

December 2025: MISO accepted Hallador's final ERAS application for the 515 MW natural gas expansion at Merom [1]

Attractive Opportunity

- ✓ Positions Hallador to capture rising utility and data center demand with multi-year contracts
- ✓ Addresses structural reliability shortfall in MISO
- ✓ Diversifies fuel mix and enhances grid resilience
- ✓ Leverages existing infrastructure for speed and cost efficiency

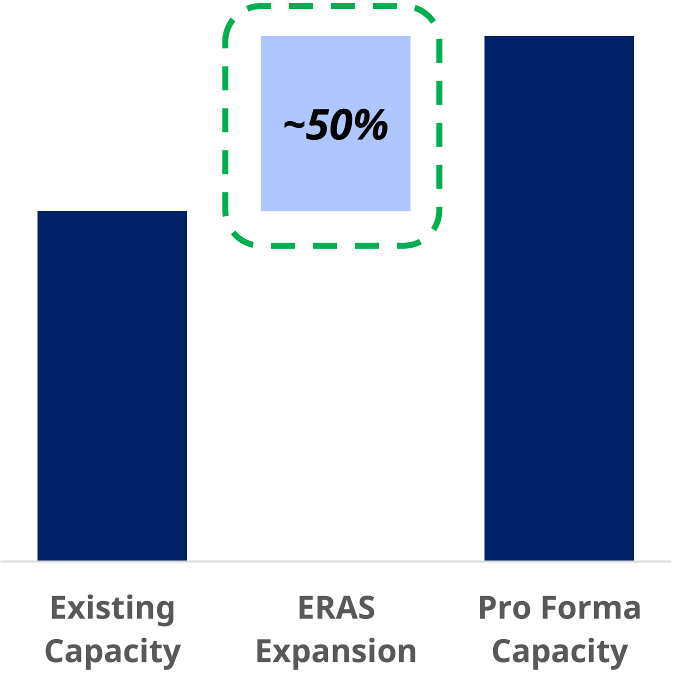
Accelerated Timeline

~3 Years
(Target Online: 3Q 2029)

VS.

7+ Years
for Greenfield Projects

515 MW Natural Gas Expansion

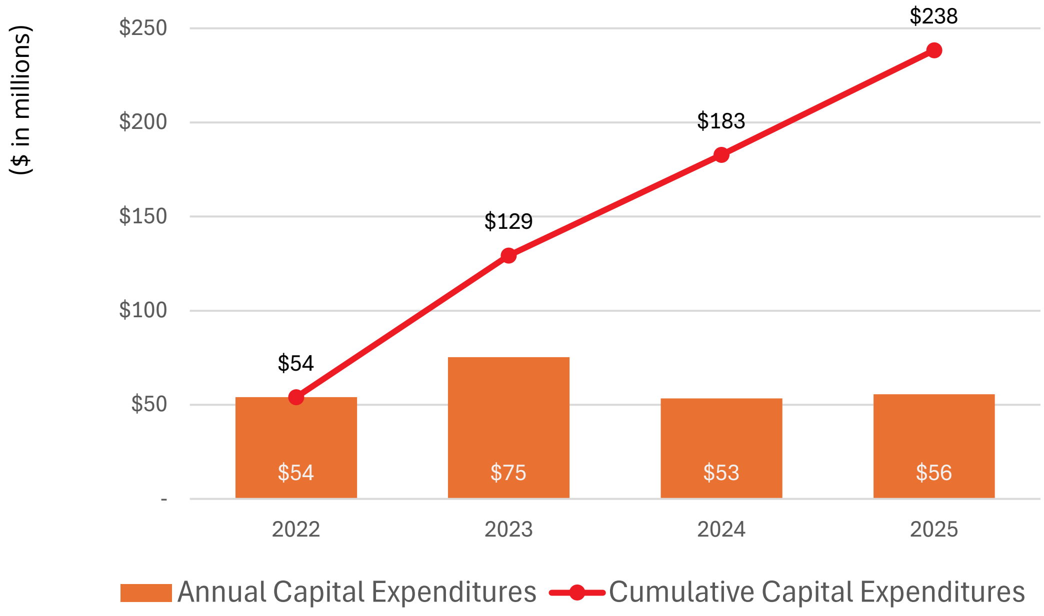


1. *Accepted ERAS application is currently under review by MISO.*

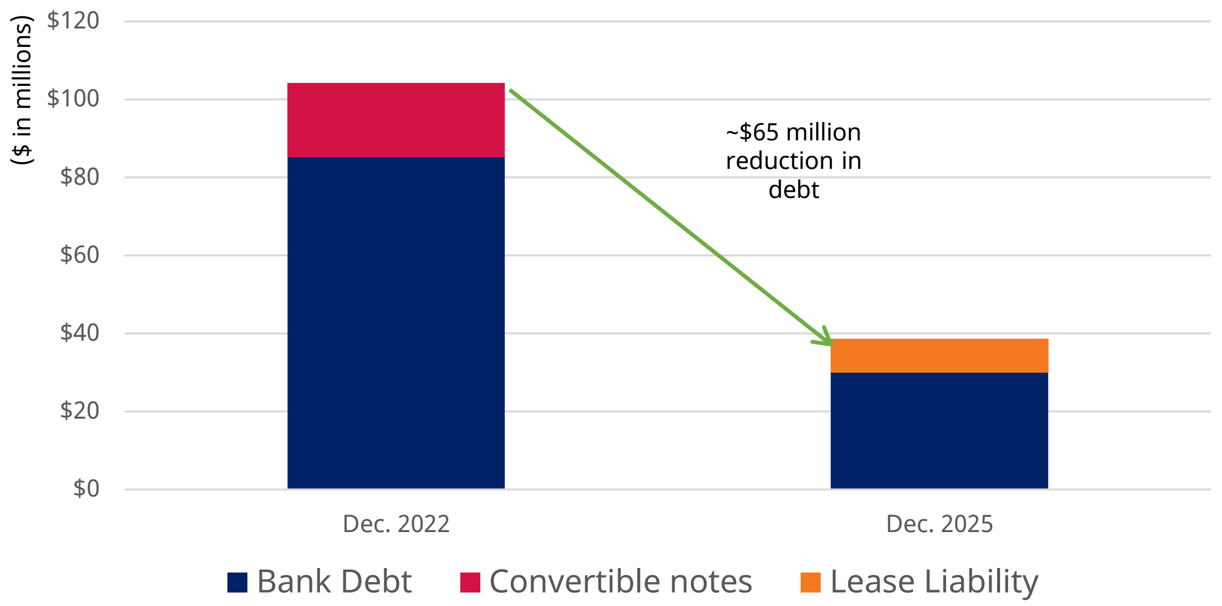
Financial Foundation for the Future

Over $230 million re-invested in the business since 2022, while reducing debt

Hallador Capital Expenditures(1)



Hallador Consolidated Debt



$470M
2025 Revenue

$56M
2025 Adj. EBITDA

$39M
2025 Total Liquidity

$15M
Cash & Restricted Cash

$38M
Bank Debt & Lease Finance

1. *Represents cumulative capital expenditures of Hallador Energy Company since January 1, 2022; Excluding ERAS related capex.*

Our Management Team is in Place to Deliver Long-Term Investor Value and Drive Results

Brent Bilsland
Chairman of the Board, President and CEO

- 21 years with Hallador Energy
- Previous Roles: Director of Halladoг, Founding Member and President of Sunrise Coal, Co-founder of Knapper Corporation
- Industry Leadership Roles: Reliable Energy Association, America's Power, National Mining Association, Indiana Coal Council

Elliott Batson
Chief Commercial Officer

- 9 years with Hallador Energy
- Previous Roles: 30 years as Director of Coal at Charlotte, North Carolina-based Duke Energy
- Board Roles: America's Coal Council

Todd Telesz
Chief Financial Officer

- Joined Halldor Energy in June 2025
- 30 years in the power & finance sectors
- Previous Roles: CFO of Tri-State Generation and Transmission Association Inc., CEO of Basin Electric Power Cooperative, SVP of CoBank's Power, Energy and Utilities Division

Heath Lovell
Chief Operating Officer & President of Hallador Power and Sunrise Coal

- 4 years with Hallador Energy
- 25 years in the mining industry
- Previous Roles: VP of Public Affairs at Alliance Coal, 16 years as VP of Operations at Alliance, VP and Partner at Dodge Hill Mining, General Manager of River View Coal and Webster County Coal
- Board Roles: Kentucky Coal Association, West Virginia Coal Association, Indiana Coal Association, Reliable Energy, American Coal Council, National Coal Council

Eric Van Deman
Chief Accounting Officer

- Joined Hallador Energy in December 2025
- Over 20 years in accounting, financial reporting, and audit leadership
- Previous Roles: Vice President of Accounting Policy at Liberty Global; Audit practice at KPMG LLP (Denver and Paris)

Cham Kong
Sr. VP of Power Origination & Risk

- 2 years with Hallador Energy
- 20 years in the wholesale power market
- Previous Roles: Sr. Originator at Constellation Energy Group. Vice President of Origination at ACES
- Board Roles: North American Energy Markets Association

Heather Tryon
Sr. VP of Hallador Energy Company

- 12 years with Hallador Energy
- Serves as the CFO for Hallador Power and Sunrise Coal subsidiaries, and joined the Company in 2014 as Controller
- Previous Roles: Controller at Speedco, Inc. and Audit Manager at CliftonLarsonAllen

Investor Relations Contact

Sean Mansouri, CFA

HNRG@elevate-ir.com

(720) 330-2829

Balance Sheet

$ in Thousands USD	**Dec 31, 2025**	**Dec 31, 2024**
Assets		
Cash, Cash Equivalents & Restricted Cash	$15,372	$12,153
Accounts Receivable	$13,989	$15,438
Inventory, Parts & Supplies	$88,388	$75,789
Total PP&E (net)	$277,778	$257,704
Other Assets	$12,526	$8,036
Total Assets	**$408,053**	**$369,120**
Liabilities		
Accounts Payable / Accrued Liabilities	$41,848	$44,298
Current Portion of Bank Debt (net)	—	$4,095
Long-Term Bank Debt (net)	$29,678	$37,394
Contract Liabilities	$149,057	$146,719
Other Liabilities	$27,637	$32,329
Total Liabilities	**$248,220**	**$264,835**
Total Shareholder Equity	**$159,833**	**$104,285**

At Dec 31, 2025, total bank debt was $30.0 million, compared to $44.0 million at both Sep 30, 2025 and Dec 31, 2024

At Dec 31, 2025, total liquidity was $38.8 million, compared to $46.4 million at Sep 30, 2025, and $37.8 million at Dec 31, 2024

Hallador further de-risked its financial profile through the closing of a new $120 million, 3-year sr secured credit facility in March 2026 that matures in 2029

Q4 2025 capital expenditures were $24.9 million, bringing FY 2025 CapEx to $69.2 million

Key Stats *(March 13, 2026)*

Revenue (FY'25)	Adj. EBITDA (FY'25)	Operating Cash Flow (FY'25)	Forward Sales (through 2029)
$469.5M	$56.0M	$81.1M	$1.3B
Stock Price	Market Cap	Enterprise Value	EV/Revenue (FY'25)
$17.10	$802.3M	$831.3M	1.8x

Source: Capital IQ