

CLOUD PEAK ENERGY INC.
CODE OF ETHICS FOR
PRINCIPAL EXECUTIVE AND SENIOR FINANCIAL OFFICERS

November 2009

I. Statement of Policy

Cloud Peak Energy Inc. (“Cloud Peak” or the “Company”) is committed to financial integrity and to full and accurate financial disclosure in compliance with applicable accounting policies, laws and regulations. This *Code of Ethics for Principal Executive and Senior Financial Officers* (the “Senior Officer Code of Ethics”) sets out specific principles to guide the Company’s principal executive officer, principal financial officer and the principal accounting officer or the Controller (collectively, “Senior Officers”), in the performance of their duties.

The Senior Officer Code of Ethics supplements the principles in the Company’s *Code of Conduct*. The Company’s Senior Officers are bound by the requirements of both documents.

II. Principles

In performing their duties, Senior Officers must:

1. act with honesty and integrity, avoiding actual or apparent conflicts between personal and professional relationships;
2. provide full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with the Securities and Exchange Commission and in other public communications made by the Company;
3. comply with applicable governmental, laws, rules and regulations;
4. act in good faith, responsibly, with due care, competence and diligence, without misrepresenting or omitting material facts or allowing independent judgment to be compromised;
5. respect the confidentiality of information acquired in the course of the performance of responsibilities except when authorized or otherwise legally obligated to disclose, which information must not be used for personal advantage;
6. share knowledge and maintain skills that are important and relevant to the performance of their work;
7. co-operate with internal and external auditors;

8. proactively promote ethical behavior among subordinates, peers and consultants;
9. accept accountability for adherence to the Senior Officer Code of Ethics; and
10. use corporate assets and resources in a responsible manner.

III. Compliance

Any waiver of the provisions of the Senior Officer Code of Ethics for the Senior Officers may be made only by the Board of Directors or an authorized Board committee and must be promptly disclosed to the Company's shareholders.

Senior Officers must promptly report to the Company's General Counsel or the Audit Committee of the Board any violation of securities and anti-fraud laws or any violation of this Code.

Any complaint of retaliation, discharge or other adverse employment action for acting as "whistleblowers" by providing information concerning any alleged violations of law will be investigated and followed up in accordance with Company policy.

Senior Officers will be advised of their status as such by the Chief Financial Officer and must acknowledge and certify annually that they have carried out their responsibilities in accordance with this Code.

Certification

I, [Name], [Title], certify that I carry out my responsibilities in accordance with Cloud Peak's *Code of Ethics for Principal Executive and Senior Financial Officers* and that I adhere to the principles set out in the Code.

Signature

Date