Quarterly Investor Update

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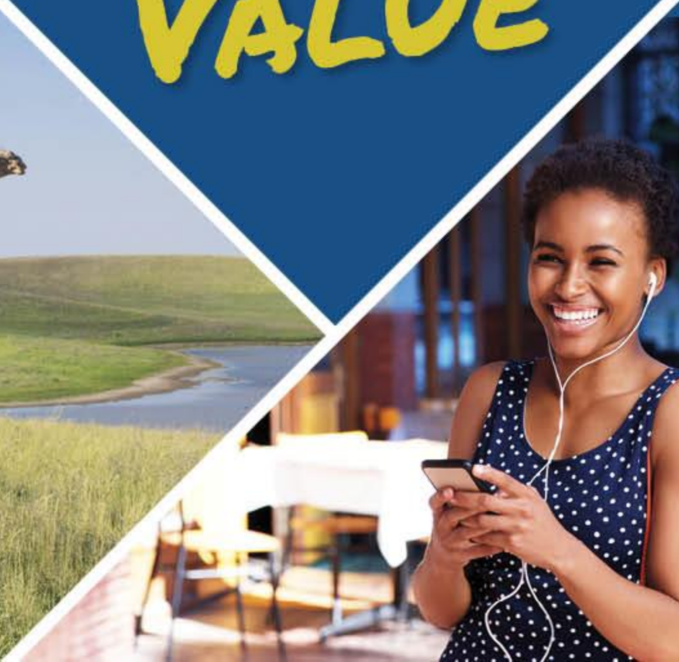
April 25, 2018

Peabody

DELIVERING RESULTS

GENERATING VALUE



Statement on Forward-Looking Information

This presentation contains forward-looking statements within the meaning of the securities laws. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words or variation of words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "projects," "forecasts," "targets," "would," "will," "should," "goal," "could" or "may" or other similar expressions. Forward-looking statements provide management's current expectations or predictions of future conditions, events or results. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. They may include estimates of revenues, income, earnings per share, cost savings, capital expenditures, dividends, share repurchases, liquidity, capital structure, market share, industry volume, or other financial items, descriptions of management's plans or objectives for future operations, or descriptions of assumptions underlying any of the above. All forward-looking statements speak only as of the date they are made and reflect the company's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance or events. Furthermore, the company disclaims any obligation to publicly update or revise any forward-looking statement, except as required by law. By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Factors that might cause such differences include, but are not limited to, a variety of economic, competitive and regulatory factors, many of which are beyond the company's control, that are described in our Annual Report on Form 10-K, as well as additional factors we may describe from time to time in other filings with the SEC. You may get such filings for free at our website at www.peabodyenergy.com. You should understand that it is not possible to predict or identify all such factors and, consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

First Quarter 2018 Reflects Multiple Achievements

- Increased volumes, revenues and Adjusted EBITDA over prior year
- Improved total liquidity $409 million to $1.65 billion at quarter end
- Generated record free cash flow of $573 million
- Released $254 million of collateral
- Simplified capital structure with conversion of preferred shares
- Accelerated share buyback activities
- Initiated quarterly dividend

PROGRESS CONTINUES IN APRIL

Expanded share repurchase program to $1.0 billion

Reduced interest rate and extended maturity of term loan

Achieved higher end of targeted long-term debt level

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Note: Adjusted EBITDA and free cash flow are non-GAAP metrics. Refer to the reconciliation to the nearest GAAP measures in the appendix.

First Quarter 2018 Financials in Review

Revenues

- $1.46 billion; 10% increase over Q1 2017

Income from Continuing Operations, Net of Income Taxes

- $208.3 million
- DD&A totals $169.6 million
- $30.6 million gains on non-core disposals

Net Income Attributable to Common Stockholders

- $106.6 million, includes $102.5 million non-cash dividend charge related to conversion of preferred shares

Diluted EPS – Income from Continuing Operations

- $0.83 per share

Adjusted EBITDA

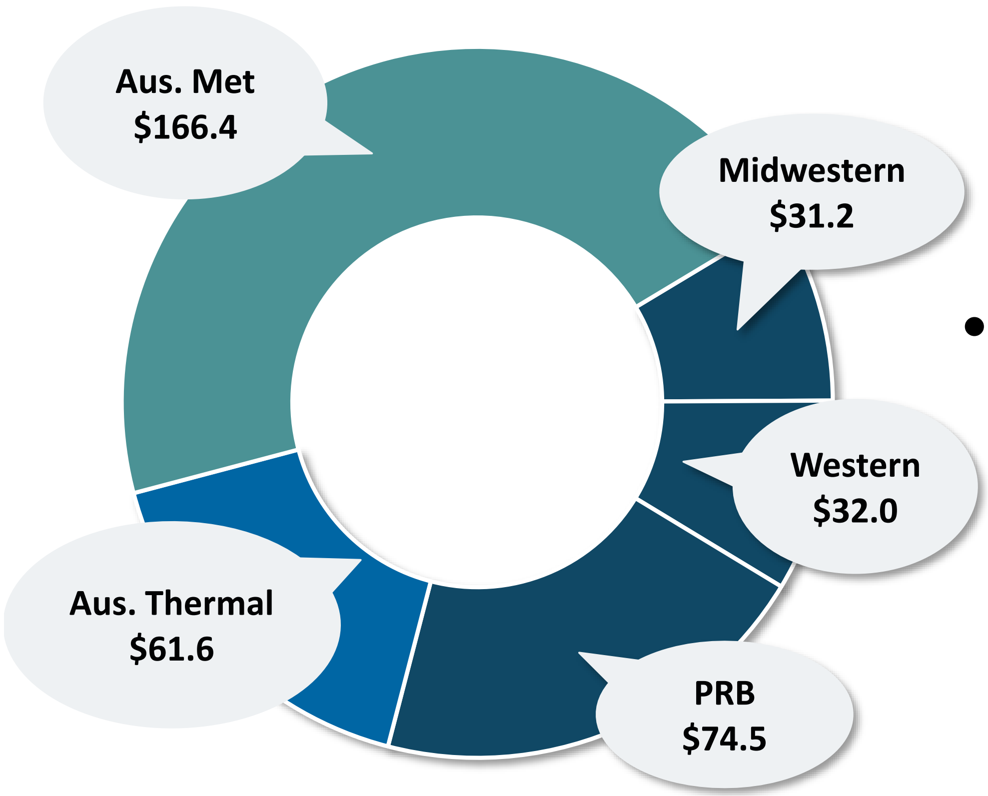
- $363.9 million, increases $22.6 million from Q1 2017

Note: Adjusted EBITDA is a non-GAAP metric. Refer to the reconciliation to the nearest GAAP measures in the appendix. Most first quarter 2017 income statement measures are not comparable to the current period due to the adoption of fresh-start reporting as of April 1, 2017.

First Quarter 2018 Adjusted EBITDA Increases 7% Over Prior Year to $364 Million Driven by Strong Seaborne Pricing

Q1 2018 Adjusted EBITDA by Mining Segment

($ in millions)

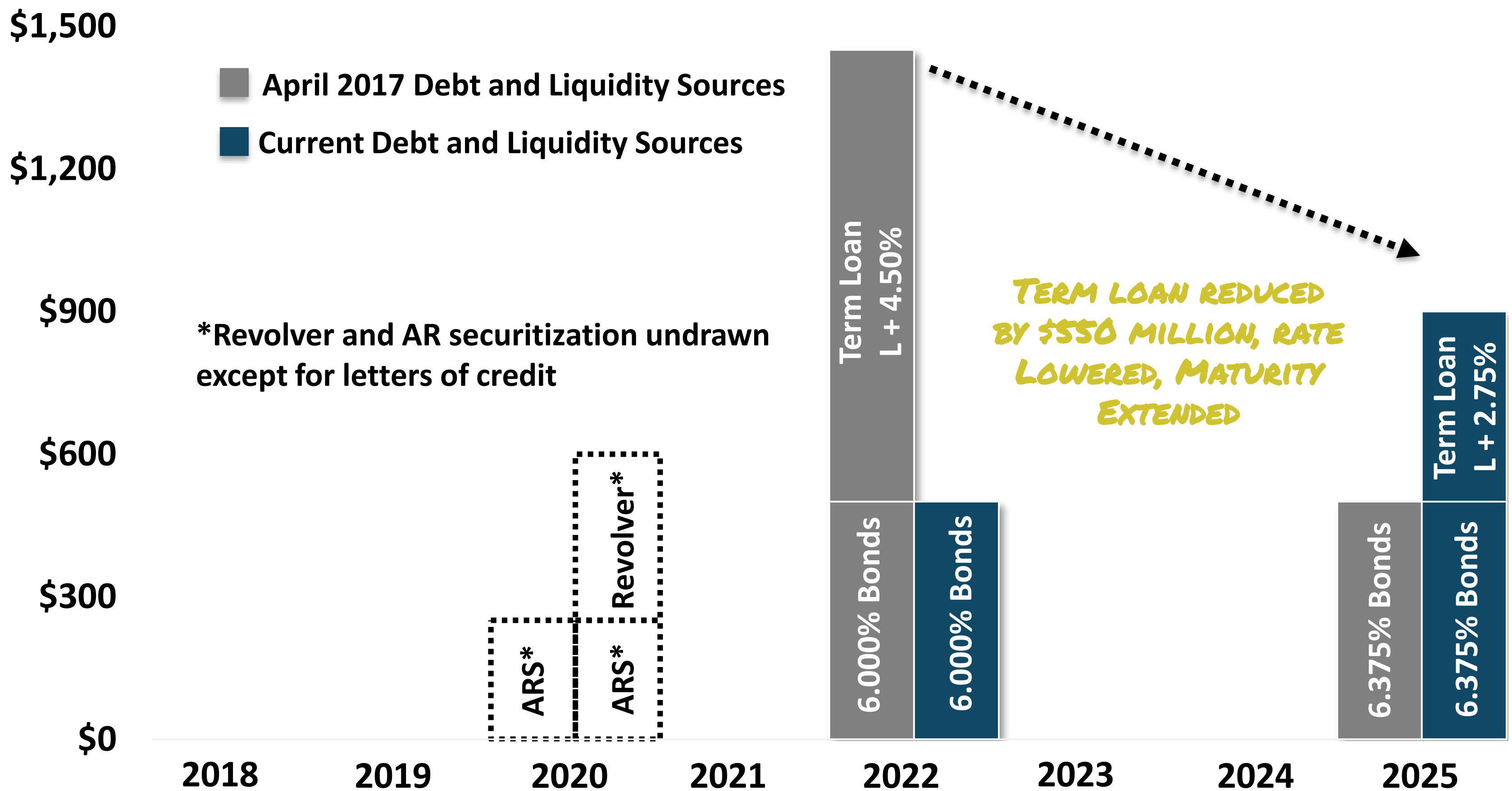


- Australia Adjusted EBITDA increases by 23%
  - Australian thermal segment Adjusted EBITDA margins of 31%
  - Australian met segment leads total contributions; Adjusted EBITDA margins of 36%
- U.S. Adjusted EBITDA declines 28% on lower realized pricing, temporary cost increases
  - Scheduled repairs, maintenance at some operations
  - Planned longwall move at Twentymile Mine
  - Wet weather in Midwest
  - Costs expected to improve on increased equipment availability

Note: Adjusted EBITDA and Adjusted EBITDA margins are non-GAAP metrics. Refer to the reconciliation to the nearest GAAP measures in the appendix. Adjusted EBITDA margin is equal to Adjusted EBITDA divided by segment revenue.

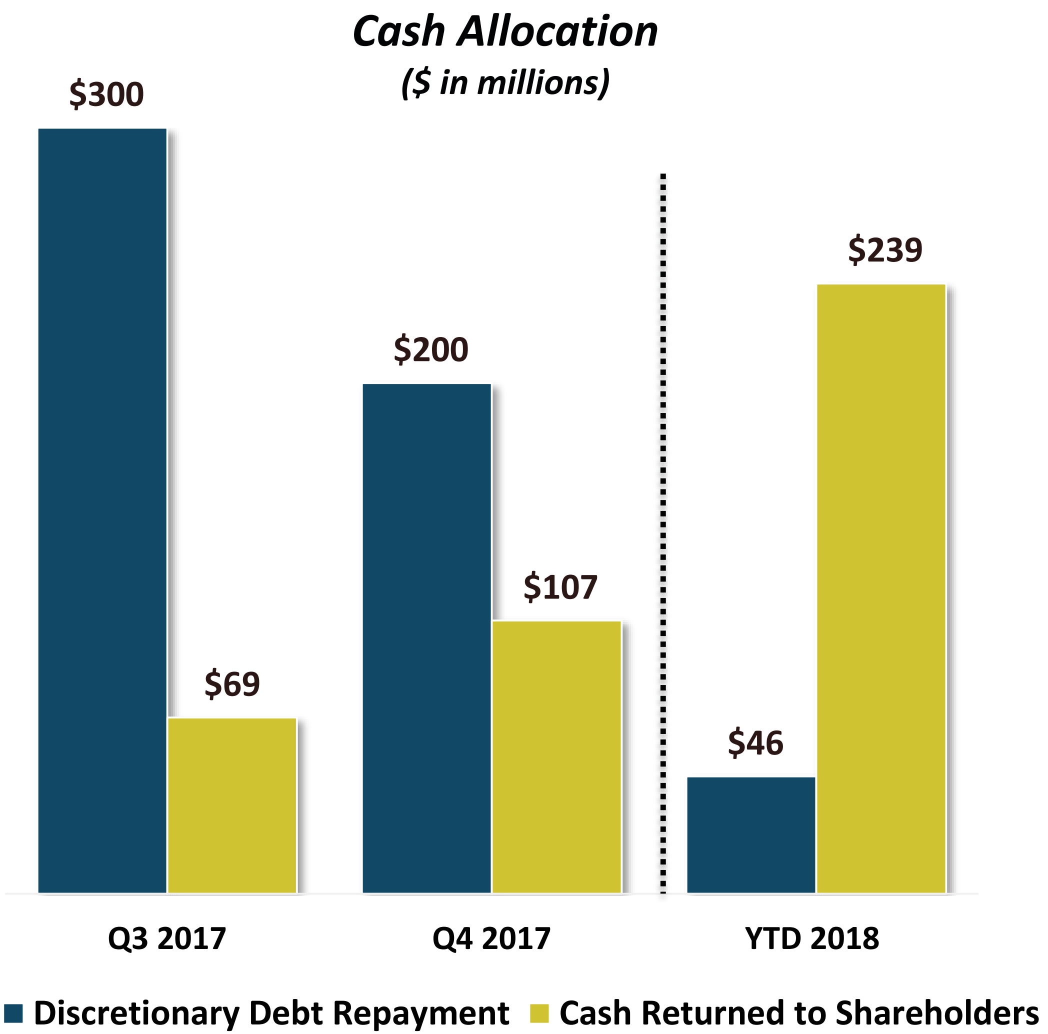
Peabody Achieves Higher End of Long-Term Debt Target of $1.2 to $1.4 Billion; $1.65 Billion in Liquidity at Quarter End

Current Debt Maturity and Liquidity Sources Represent Increased Financial Strength



Note: Current liquidity sources as of March 31, 2018. Current debt balances as of April 25, 2018.

Cash Allocation Shifts from Debt Repayment to Returning Cash to Shareholders in 2018



- Company repurchases 5.7 million shares in 2018
- Repurchases total $400 million, 8% of shares outstanding, since initiation of buyback program
  - Peabody now has approximately 125.8 million total shares outstanding
- Expanding share repurchase program to $1 billion

Note: Cash to shareholders includes cash dividends and share repurchases through April 25, 2018. Percent of shares repurchased based on 137.3 million shares outstanding as of relisting.

Execution of Financial Approach Fully Demonstrated in Early 2018

Generate Cash

- Generated record free cash flow of $573 million
- Released over $250 million of collateral
- Collected $61 million in cash tax refunds
- $35 million in contributions from Middlemount

Maintain Financial Strength

- Repaid $46 million of debt
- Lowered term loan interest rate by 75 basis points and extended maturity
- $31 million in non-core asset sale gains

Invest Wisely

- Maintaining low sustaining capex levels
- Utilizing filters for internal and external investment opportunities
- Pursuing investment in premier coal company through BTU share repurchases

Return Cash to Shareholders

- Expanding share repurchase program to $1.0 billion
- Accelerated current share buyback activity
- First quarterly cash dividend paid in Q1

Strong execution of initial three parts of financial approach drive shareholder return programs

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Note: Free cash flow is a non-GAAP metric. Refer to the reconciliation to the nearest GAAP measure in the appendix.

Industry Update: Seaborne Coal Pricing Remains Robust on Strong Global Coal Conditions During First Quarter

Seaborne Thermal Coal

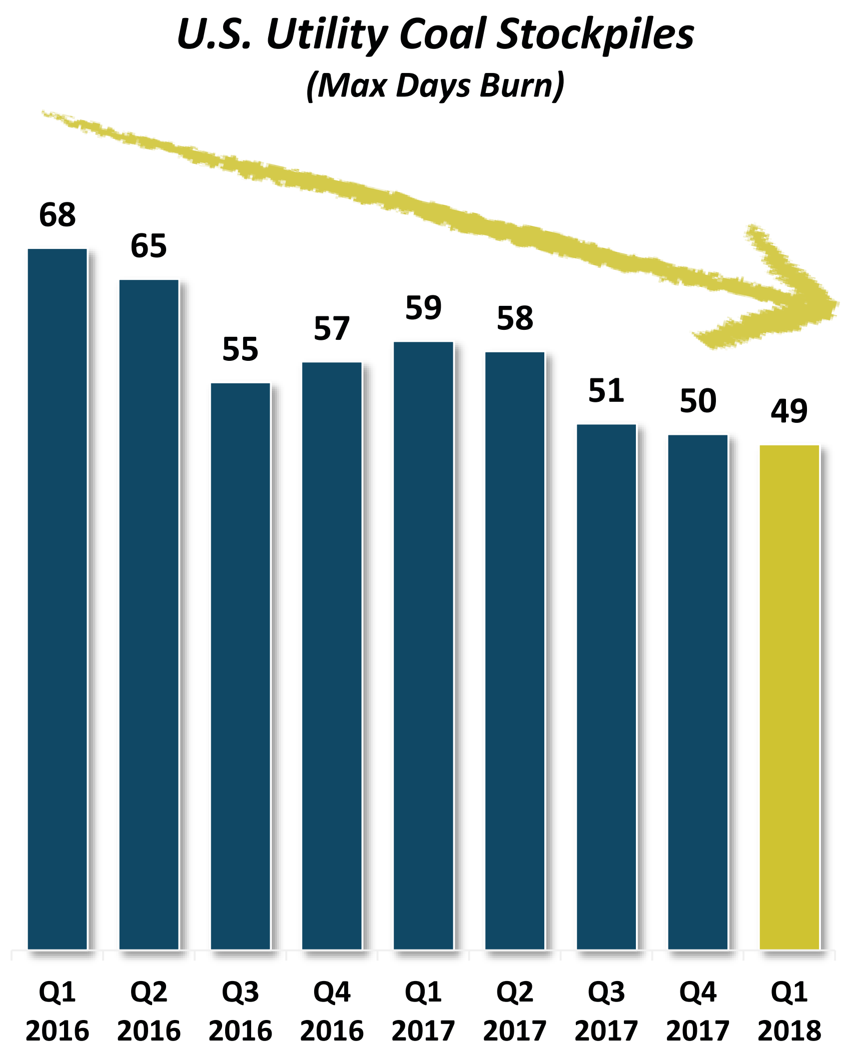
- India seaborne demand up 21% through March due to utility stockpiles restocking and weak domestic production
- China imports rise nearly 16 million tonnes through March on ~10% increase in power consumption
- ASEAN imports increase on strong economic growth and expanding coal generating capacity
- Australian exports stable with prior year

Seaborne Metallurgical Coal

- Global steel production up 4% through February
- India imports increase 21% through March on strong steel production
- China seaborne demand declines approximately 5 million tonnes through March
- Australian exports in line with prior year

Note: All stats are compared to prior-year period.

Industry Update: U.S. Coal Demand Declines From First Quarter 2017 on Increased Gas and Wind Generation



- Total load up 5% YTD through March; Coal generation down 3%
- PRB consumption flat through March compared to 6% decline in other coal producing regions
- U.S. exports robust; Coal production declines 3% in first quarter
- Total coal stockpiles decline 17% below prior-year levels on max days burn basis through March
  - SPRB stockpiles at 53 max days burn, down 7 days from 2017 levels

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Source: Industry reports and Peabody Global Analytics. U.S. utility coal stockpiles as of quarter end.

Second Quarter 2018 Expectations

- Increase Australian thermal volumes sequentially as year progresses, lower unit costs
- Reduce Australian metallurgical costs through improved operational performance
- Improve Midwest cost performance on greater equipment reliability; Expect seasonally lower Q2 PRB volumes
- Execute stated financial approach, including returning cash to shareholders through upsized share buyback program and dividends

Note: Peabody's board of directors will evaluate dividends on a quarterly basis, taking into consideration the company's cash flows and alternative means to create shareholder value.

Peabody Outperforms S&P MidCap 400 on Multiple Investor Comps

	Peabody	S&P 400	BTU vs. S&P 400
Operating Margin	17%	9%	84%
Adjusted EBITDA Margin	26%	14%	88%
Profit Margin	16%	6%	175%
Return on Common Equity	22%	10%	126%

Focused on Earning Improved Multiple With Strong Performance, Disciplined Capital Allocation, Healthy Returns Above Cost of Capital

Note: Operating Margin, Adjusted EBITDA Margin, Profit Margin and Return on Common Equity are non-GAAP metrics. As presented on this slide, these metrics reflect the successor company's average results for the period April 2, 2017 through March 31, 2018 and the 2017 average for S&P MidCap 400. Refer to the reconciliation to the nearest GAAP measures in the appendix. While the company believes BTU qualifies for the S&P MidCap 400, Peabody is not currently a member of the index. Source: Bloomberg.

2018 Guidance Targets

Sales Volumes (Short Tons in millions)	
PRB	115 – 125
ILB	18 – 19
Western	13 – 14
Total U.S.	146 – 158
Aus. Metallurgical[1]	11 – 12
Aus. Export Thermal[2]	11.5 – 12.5
Aus. Domestic Thermal	7 – 8
Total Australia	29.5 – 32.5

U.S. Operations - Revenue per Ton	
Total U.S.	$17.50 – $18.50

U.S. Operations - Costs Per Ton	
PRB	$9.25 – $9.75
ILB	$31.50 – $33.50
Total U.S.	$13.50 – $14.50

Australia Operations - Costs per Ton (USD)[3]	
Metallurgical	$85 – $95
Thermal	$32 – $36
Total Australia	$52 – $58

Capital Expenditures	$275 – $325 million
SG&A Expense	~$150 million
Interest Expense	$140 – $148 million

Cost Sensitivities[4]	
$0.05 Decrease in A$ FX Rate[5]	+ ~$75 million
$0.05 Increase in A$ FX Rate[5]	- ~$60 million
Fuel (+/- $10/barrel)	+/- ~$23 million

2018 Priced Position (Avg. Price per Short Ton)	
PRB	$11.93
ILB	~$42
Australia Export Thermal	~$76

~95% of Peabody's 2018 U.S. volumes are priced

~40% of Peabody's 2019 U.S. volumes are priced

~5.5 million short tons of Australia export thermal coal priced for 2018

2019 Priced Position (Avg. Price per Short Ton)	
Australia Export Thermal	~$75

~2 million short tons of Australia export thermal coal priced for 2019

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2018 Guidance Targets

[1] Metallurgical coal sales volumes may range from ~55%-65% PCI and ~35%-45% coking coal (including semi-hard and semi-soft coking coals). Approximately 30% of seaborne coking sales may be priced on a spot basis, with the remainder linked to an index. Approximately 30% of seaborne PCI sales may be priced on a spot basis, but the remainder linked to the quarterly LV PCI benchmark. The company also has exposure to approximately 2 million tons of metallurgical coal related to the Middlemount Mine, a 50/50 joint venture accounted for in (Income) Loss from Equity Affiliates.

Peabody's North Goonyella Mine receives the PHCC index quoted price and the Coppabella Mine typically sets the LV PCI benchmark, with the remainder of products sold at discounts to these values based on coal qualities and properties. On a weighted-average basis across all metallurgical products, Peabody typically realizes approximately 85% -90% of the PHCC index quoted price for its coking products, and 85%-90% of the LV PCI benchmark price for its PCI products.

[2] A portion of Peabody's seaborne thermal coal products sell at or above the Newcastle index, with the remainder sold at discounts relative to the Newcastle index based on coal qualities and properties. On a weighted-average basis across all seaborne thermal products, Peabody typically realizes approximately 90%-95% of the Newcastle index price.

[3] Assumes 2018 average A$ FX rate of $0.78. Cost ranges include sales-related cost, which will fluctuate based on realized prices.

[4] Sensitivities reflect approximate impacts of changes in variables on financial performance. When realized, actual impacts may differ significantly.

[5] As of March 31, 2018, Peabody had purchased average rate call options in aggregate notional amount of approximately AUD $1.1 billion to manage market price volatility associated with the Australian dollar with strike price levels ranging from $0.79 to $0.82 and settlement dates through December 2018. Sensitivities provided are relative to an assumed average A$ FX exchange rate of $0.78.

Note 1: Peabody classifies its Australian Metallurgical or Thermal Mining segments based on the primary customer base and reserve type. A small portion of the coal mined by the Australian Metallurgical Mining segment is of a thermal grade and vice versa. Peabody may market some of its metallurgical coal products as a thermal product from time to time depending on industry conditions. Per ton metrics presented are non-GAAP measures. Due to the volatility and variability of certain items needed to reconcile these measures to their nearest GAAP measure, no reconciliation can be provided without unreasonable cost or effort.

Note 2: A sensitivity to changes in seaborne pricing should consider Peabody's estimated split of PCI and coking coal products, the ratio of PLV PCI benchmark to PLV HCC index quoted price, the weighted average discounts across all products to the applicable PLV HCC index quoted price or PLV PCI benchmark or Newcastle index prices, in addition to impacts on sales-related costs in Australia, and applicable conversions between short tons and metric tonnes as necessary.

Note 3: As of April 25, 2018, on a fully diluted basis, Peabody has approximately 128.8 million shares of common stock outstanding, including approximately 3.0 million shares underlying unvested equity awards under Peabody's long-term incentive plan.

Historical Seaborne Pricing ($/Tonne)

Time Period	HCC – Settlement	HCC – Spot	LV PCI – Settlement	LV PCI – Spot	NEWC – Spot
Q1 2018	$237	$228	$156.50	$149	$103
Q4 2017	$192	$205	$127	$126	$98
Q3 2017	$170	$189	$115/$127	$117	$93
Q2 2017	$194	$190	$135	$124	$80
Q1 2017	$285	$169	$180	$110	$82
Q4 2016	$200	$266	$133	$159	$94
Q3 2016	$93	$135	$75	$88	$66
Q2 2016	$84	$91	$73	$72	$52
Q1 2016	$81	$77	$69	$69	$51

Source: HCC and LV PCI spot prices per Platts; NEWC spot price per ICE Futures; Settlement prices per HIS Markit benchmark history.

Reconciliation of Non-GAAP Measures

	2018	2017
	Successor	Predecessor
	Quarter Ended March 31 (In Millions)	
Tons Sold		
Powder River Basin Mining Operations	32.4	31.0
Midwestern U.S. Mining Operations	4.7	4.5
Western U.S. Mining Operations	3.7	3.4
Total U.S. Mining Operations	40.8	38.9
Australian Metallurgical Mining Operations	3.0	2.2
Australian Thermal Mining Operations	3.8	4.6
Total Australian Mining Operations	6.8	6.8
Trading and Brokerage Operations	0.7	0.4
Total	48.3	46.1
Revenue Summary		
Powder River Basin Mining Operations	$389.3	$394.3
Midwestern U.S. Mining Operations	201.7	193.2
Western U.S. Mining Operations	143.7	149.7
Total U.S. Mining Operations	734.7	737.2
Australian Metallurgical Mining Operations	466.2	328.9
Australian Thermal Mining Operations	201.4	224.8
Total Australian Mining Operations	667.6	553.7
Trading and Brokerage Operations	20.1	15.0
Other	40.3	20.3
Total	$1,462.7	$1,326.2

Reconciliation of Non-GAAP Measures

	2018 Successor	2017 Predecessor
	Quarter Ended March 31 (In Millions)	
Reconciliation of Non-GAAP Financial Measures		
Income from Continuing Operations, Net of Income Taxes	$208.3	$124.3
Depreciation, Depletion and Amortization	169.6	119.9
Asset Retirement Obligation Expenses	12.3	14.6
Asset Impairment	-	30.5
Changes in Deferred Tax Asset Valuation Allowance and Amortization of Basis Difference Related to Equity Affiliates	(7.6)	(5.2)
Interest Expense	36.3	32.9
Interest Income	(7.2)	(2.7)
Reorganization Items, Net	(12.8)	41.4
Unrealized Gains on Economic Hedges	(38.6)	(16.6)
Unrealized Losses on Non-Coal Trading Derivative Contracts	1.8	-
Take-or-Pay Contract-Based Intangible Recognition	(8.3)	-
Income Tax Provision	10.1	2.2
Adjusted EBITDA [1]	$363.9	$341.3
Net Cash Provided by Operating Activities	$579.7	$256.1
Net Cash (Used In) Provided By Investing Activities	(6.4)	15.1
Free Cash Flow [2]	$573.3	$271.2
Adjusted EBITDA [1]		
Powder River Basin Mining Operations	$74.5	$91.7
Midwestern U.S. Mining Operations	31.2	50.0
Western U.S. Mining Operations	32.0	50.0
Total U.S. Mining Operations	137.7	191.7
Australian Metallurgical Mining Operations	166.4	109.6
Australian Thermal Mining Operations	61.6	75.6
Total Australian Mining Operations	228.0	185.2
Trading and Brokerage	1.2	8.8
Resource Management	20.8	2.9
Selling and Administrative Expenses	(37.0)	(36.3)
Other Operating Costs, Net	15.6	16.6
Corporate Hedging Results	(2.4)	(27.6)
Adjusted EBITDA [1]	$363.9	$341.3

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Note: Refer to definitions of Adjusted EBITDA and Free Cash Flow on following slide.

Reconciliation of Non-GAAP Measures: Definitions

[1] Adjusted EBITDA is a non-GAAP measure defined as income (loss) from continuing operations before deducting net interest expense, income taxes, asset retirement obligation expenses, depreciation, depletion and amortization and reorganization items, net. Adjusted EBITDA is also adjusted for the discrete items that management excluded in analyzing the segments' operating performance as displayed in the reconciliation. Adjusted EBITDA is used by management as one of the primary metrics to measure our operating performance. Management also believes non-GAAP performance measures are used by investors to measure our operating performance and lenders to measure our ability to incur and service debt. Adjusted EBITDA is not intended to serve as an alternative to U.S. GAAP measures of performance and may not be comparable to similarly-titled measures presented by other companies.

[2] Free Cash Flow is a non-GAAP measure defined as net cash provided by operating activities less net cash (used in) provided by investing activities. Free Cash Flow is used by management as a measure of our financial performance and our ability to generate excess cash flow from our business operations. Free Cash Flow is not intended to serve as an alternative to U.S. GAAP measures of performance and may not be comparable to similarly-titled measures presented by other companies.

Reconciliation of Non-GAAP Measures

	Successor		
	April 2 through December 31, 2017	Quarter Ended March 31, 2018	April 2 through March 31, 2018
	(In Millions)		
Reconciliation of Non-GAAP Financial Measures			
Income from Continuing Operations, Net of Income Taxes	$713.1	$208.3	$921.4
Interest Expense	119.7	36.3	156.0
Loss on Early Debt Extinguishment	20.9	-	20.9
Interest Income	(5.6)	(7.2)	(12.8)
Net Periodic Benefit Costs, Excluding Service Cost	21.7	4.5	26.2
Reorganization Items, Net	-	(12.8)	(12.8)
Income Tax (Benefit) Provision	(161.0)	10.1	(150.9)
Operating Profit [1]	$708.8	$239.2	$948.0
Depreciation, Depletion and Amortization	521.6	169.6	691.2
Asset Retirement Obligation Expenses	41.2	12.3	53.5
Net Mark-to-Market Adjustment on Actuarially Determined Liabilities	(45.2)	-	(45.2)
Changes in Deferred Tax Asset Valuation Allowance and Amortization of Basis Difference Related to Equity Affiliates	(17.3)	(7.6)	(24.9)
Gain on Disposal of Reclamation Liability	(31.2)	-	(31.2)
Gain on Disposal of Burton Mine	(52.2)	-	(52.2)
Break Fees Related to Terminated Asset Sales	(28.0)	-	(28.0)
Unrealized Losses (Gains) on Economic Hedges	23.0	(38.6)	(15.6)
Unrealized Losses on Non-Coal Trading Derivative Contracts	1.5	1.8	3.3
Coal Inventory Revaluation	67.3	-	67.3
Take-or-Pay Contract-Based Intangible Recognition	(22.5)	(8.3)	(30.8)
Net Periodic Benefit Costs, Excluding Service Cost	(21.7)	(4.5)	(26.2)
Adjusted EBITDA [2]	$1,145.3	$363.9	$1,509.2

	April 2, 2017	March 31, 2018
	(In Millions)	
Reconciliation of Non-GAAP Financial Measures		
Peabody Energy Corporation Stockholders' Equity	$3,081.0	$3,609.8
Less: Series A Convertible Preferred Stock	1,305.4	-
Common Equity [3]	$1,775.6	$3,609.8

	Successor		
	April 2 through December 31, 2017	Quarter Ended March 31, 2018	April 2 through March 31, 2018
	(In Millions)		
Revenues	$4,252.6	$1,462.7	$5,715.3
Operating Profit [1]	708.8	239.2	948.0
Net Income	693.3	207.0	900.3
Net Income Attributable to Common Stockholders	498.6	106.6	605.2
Adjusted EBITDA [2]	1,145.3	363.9	1,509.2
Operating Margin [4]			17%
Adjusted EBITDA Margin [5]			26%
Profit Margin [6]			16%
Return on Common Equity [7]			22%

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Note: Refer to definition of metrics on the following slide.

Reconciliation of Non-GAAP Measures: Definitions

(1) Operating Profit is a non-GAAP measure defined as income (loss) from continuing operations before deducting net interest expense, income taxes, net periodic benefit costs, excluding service cost and reorganization items, net. Operating Profit is used by management as one of the primary metrics to measure our operating performance. Management also believes non-GAAP performance measures are used by investors to measure our operating performance and lenders to measure our ability to incur and service debt.

(2) Adjusted EBITDA is a non-GAAP measure defined as income (loss) from continuing operations before deducting net interest expense, income taxes, asset retirement obligation expenses, depreciation, depletion and amortization and reorganization items, net. Adjusted EBITDA is also adjusted for the discrete items that management excluded in analyzing the segments' operating performance as displayed in the reconciliation. Adjusted EBITDA is used by management as one of the primary metrics to measure our operating performance. Management also believes non-GAAP performance measures are used by investors to measure our operating performance and lenders to measure our ability to incur and service debt.

(3) Common Equity is a non-GAAP measure defined as total stockholders' equity less preferred stock.

(4) Operating Margin is a non-GAAP measure defined as Operating Profit divided by revenues. Operating Margin is used by management as one of the metrics to measure our operating performance.

(5) Adjusted EBITDA Margin is a non-GAAP measure defined as Adjusted EBITDA divided by revenues. Adjusted EBITDA Margin is used by management as one of the metrics to measure our operating performance.

(6) Profit Margin is a non-GAAP measure defined as net income divided by revenues. Profit Margin is used by management as one of the metrics to measure our operating performance.

(7) Return on Common Equity is a non-GAAP measure defined as net income attributable to common stockholders divided by average Common Equity. While management does not internally use Return on Common Equity as a means to measure performance, management believes it is comparable to return on invested capital, which management does use internally as a means to measure its ability to generate a return on invested capital.

Note: The above metrics are not intended to serve as an alternative to U.S. GAAP measures of performance and may not be comparable to similarly titled measures presented by other companies.