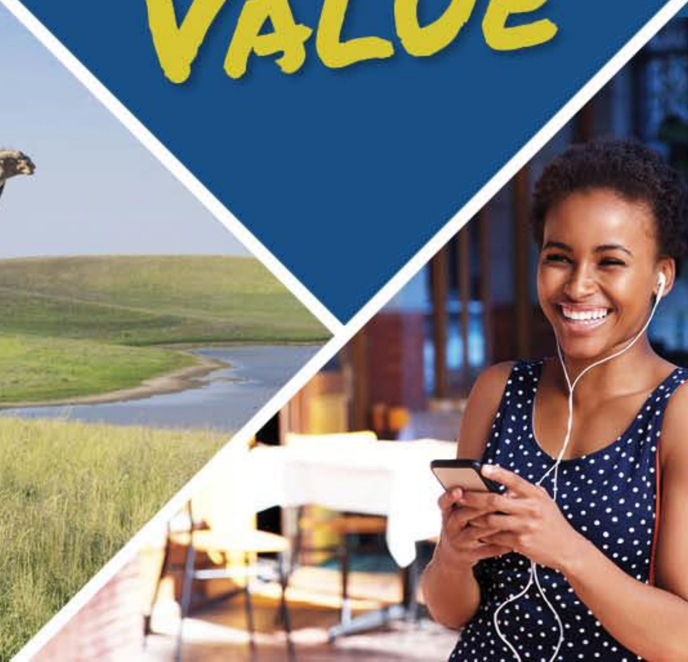
Quarterly Investor Update

Glenn Kellow – President and Chief Executive Officer
Amy Schwetz – EVP and Chief Financial Officer
Vic Svec – SVP Global Investor and Corporate Relations

July 24, 2018

Peabody

Delivering
Results
Generating
Value



Statement on Forward-Looking Information

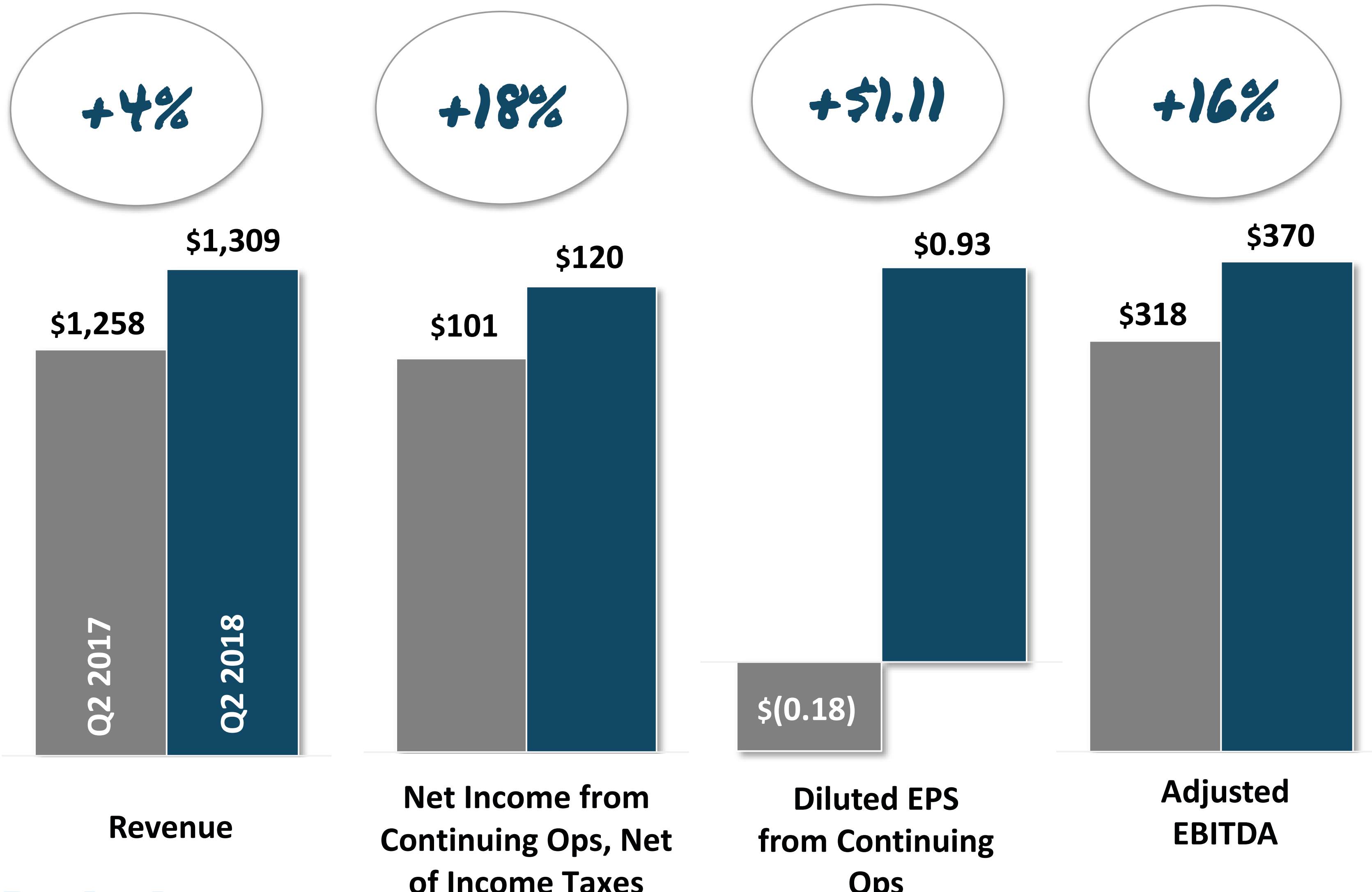
This presentation contains forward-looking statements within the meaning of the securities laws. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words or variation of words such as "expects," "anticipates," "intends," "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 for the fiscal year ended Dec. 31, 2017, 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.

Benefits of Peabody's Diversified Portfolio Demonstrated In Second Quarter 2018

- Capitalizing on high seaborne pricing, increasing revenues, net income and Adjusted EBITDA over prior year
- Generating substantial returns, led by 39% Australian Adjusted EBITDA margins
- Contributing robust operating cash flow and Free Cash Flow
- Releasing all remaining cash collateral
- Liquidity rises to $1.78 billion
- Accelerating return of cash to shareholders
- Improving net debt position nearly $900 million in past 5 quarters – even with $1.1 billion in debt reductions and cash returns to shareholders

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

Second Quarter 2018 Performance Generates Value for BTU Shareholders



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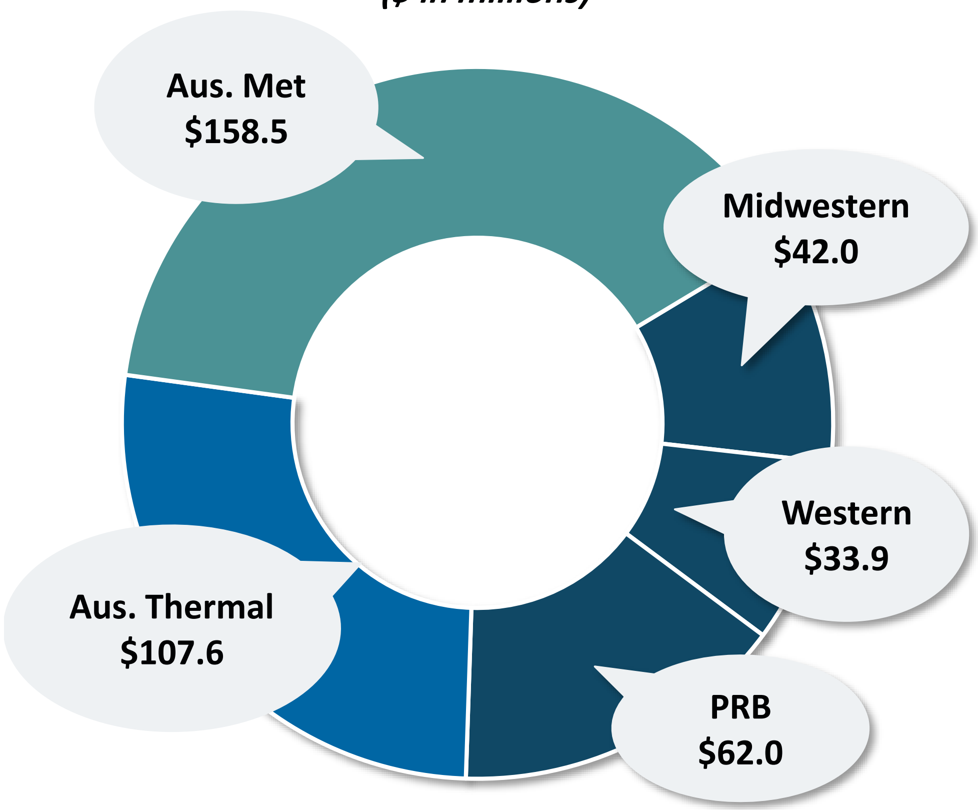
Note: Adjusted EBITDA is a non-GAAP metric. Refer to the reconciliation to the nearest GAAP measures in the appendix; Dollars in millions, except per share amounts. Q2 2017 refers to successor period from April 2, 2017 – June 30, 2017.

Second Quarter 2018 Adjusted EBITDA Rises 16% Over Prior Year to $370 Million on Higher Met Volumes, Seaborne Pricing

Q2 2018 Adjusted EBITDA by Mining Segment
($ in millions)



- Australia platform Adjusted EBITDA up ~50% over prior year
  - 40% Australian thermal segment Adjusted EBITDA margins
  - Met platform more than doubles prior year results, contributes Adjusted EBITDA margins of 38%
- U.S. Adjusted EBITDA impacted by challenging domestic demand, temporary cost increases, including from wet weather
- Strength of Peabody's diversified portfolio highlighted in Q2

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

Continues Focus on Financial Approach in Q2 2018

Generate Cash	*Maintain Financial Strength*	*Invest Wisely*	*Return Cash to Shareholders*
✓$336 million operating cash flow ✓$1.45 billion in cash at quarter-end ✓Freed up all remaining cash collateral ✓$43 million in cash tax refunds	✓Repaid $46 million of debt ✓At high-end of long-term gross debt target range ✓~$50 million negative net debt ✓$22 million gain expected in the third quarter for resource sale	✓$72 million capex invested in quarter ✓Accretive lease buyouts ✓North Goonyella life extension advances ✓Court ratifies Wilpinjong Extension Project approval	✓$575 million in share repurchases to-date under $1 billion program ✓~$30 million in year-to-date sustainable dividends ✓Increased sustainable dividend to $0.125 per share

Financial approach targets include liquidity of $800 million, gross debt of $1.2 - $1.4 billion over time; Investment filters include maintain financial strength, returns above cost of capital, reasonable payback period, core regions, tangible synergies and significant value for our shareholders; Cash returns: $1 billion authorized share repurchase program, sustainable dividend.

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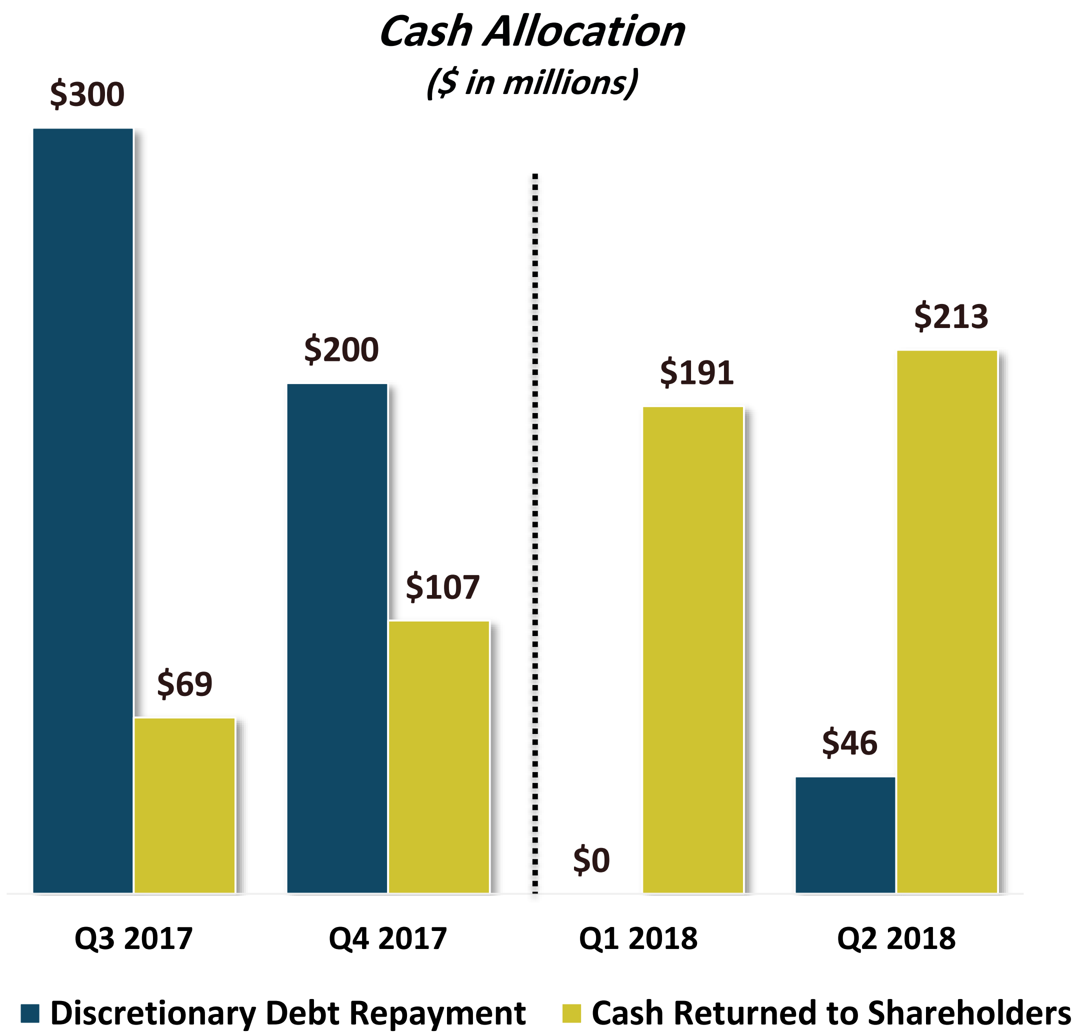
Acceleration of Cash Returns to Shareholders Continue



- Total share repurchases up to $575 million
  - ~$200 million bought back in Q2
  - Additional $25 million in July
- 15.6 million shares repurchased thus far
  - 11% of shares outstanding, since initiation of buyback program
- Increasing third quarter dividend in recognition of successful repurchase program

Note: Percent of shares repurchased based on 137.3 million shares outstanding on a fully converted basis as of relisting.

Robust Seaborne Conditions Continue on Solid Demand

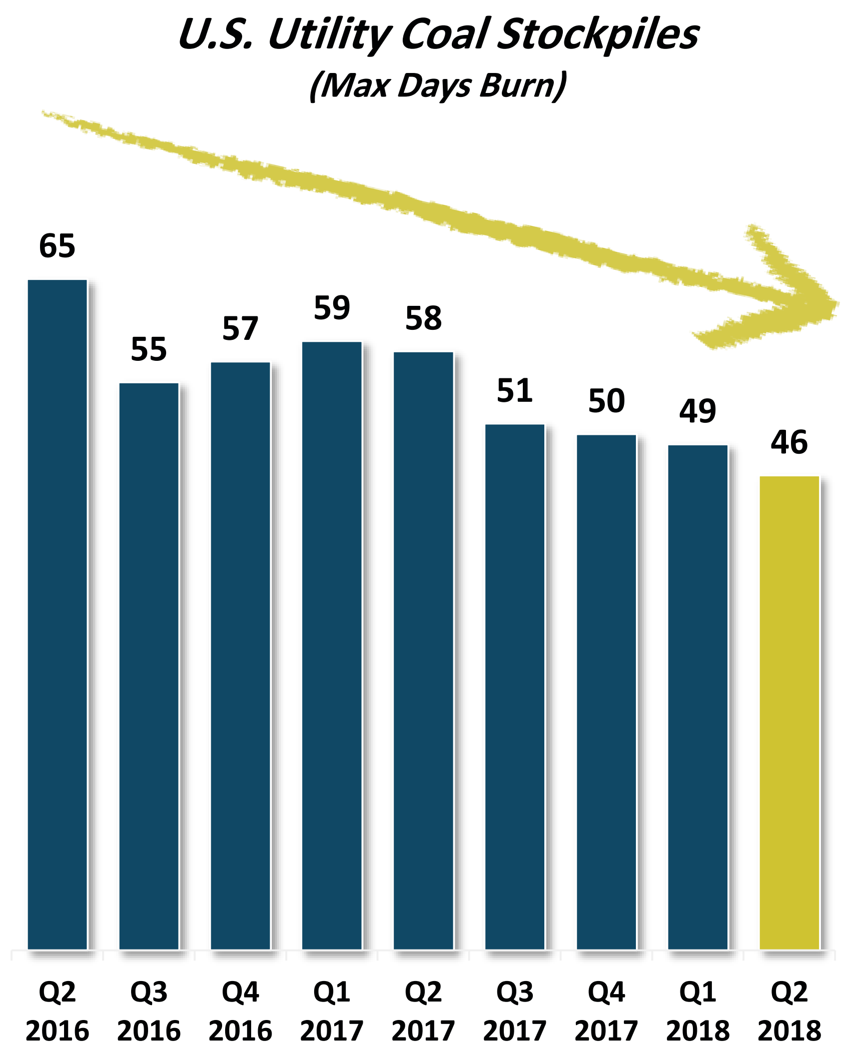
Seaborne Thermal Coal

- Chinese thermal imports rise ~20% June YTD on increased thermal generation, industrial activity
- India seaborne demand up 9 million tonnes through June as power plant stockpiles remain below targeted levels
- ASEAN imports increase on continued urbanization and strong economic growth
- Australian exports largely in line with prior year

Seaborne Metallurgical Coal

- Record global steel production, up 4% through May
- India imports rise 16% through June on 5% increase in steel production
- Chinese imports down on increased use of domestic supplies, scrap
- Australian exports rebound from prior year effects of Cyclone Debbie, increase 7 million tonnes through May

Industry Update: U.S. Coal Demand Remains Challenged by Retirements on Increased Gas and Wind Generation



- June year-to-date utility coal demand declines 5% despite 4.5% increase in total electricity generation
  - Majority of decline associated with concentration of plant retirements
  - Production declines 4%
- U.S. exports robust, up 32% through May
  - Thermal exports up 48%
- Stockpiles benefiting from exports, down ~34 million tons
  - SPRB stockpiles drawn down 13% since June 2017 on max days burn basis

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

Third Quarter 2018 Expectations Relative to Second Quarter 2018

- North Goonyella longwall move expected to impact Q3 met coal segment Adjusted EBITDA margins by ~$15 per ton on costs and sales mix; partly offset by increased thermal export coal sales, higher U.S. volumes and positive Resource Management results
  - Australian thermal volumes expected to continue to increase sequentially
  - North Goonyella longwall move commenced in third quarter
  - PRB volumes expected to improve as we have exited from the rain-affected second quarter shoulder season
- In recognition of focus on value over volume, tightened annual PRB guidance range to 115 to 120 million tons
- Continue to focus on stated financial approach of generating cash, maintaining financial strength, investing wisely and returning cash to shareholders

2018 Guidance Targets

Sales Volumes (Short Tons in millions)	
PRB	115 – 120
ILB	18 – 19
Western	13 – 14
Total U.S.	146 – 153
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
Quarterly SG&A Expense	~$40 million
Interest Expense	$140 – $148 million

Cost Sensitivities[4]	
$0.05 Decrease in A$ FX Rate[5]	+ ~$50 million
$0.05 Increase in A$ FX Rate[5]	- ~$50 million
Fuel (+/- $10/barrel)	+/- ~$15 million

2018 Priced Position (Avg. Price per Short Ton)	
PRB	$11.90
ILB	~$42
3Q – 4Q Australia Export Thermal Volumes[6]	~$85

Peabody's 2018 U.S. volumes are fully priced

~50% and ~65% of Peabody's 2019 U.S. volumes are priced and committed, respectively, based on the mid-point of 2018 volume guidance

~4.3 million short tons of Australia export thermal coal are priced for the second half of 2018

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

~2.9 million short tons of Australia export thermal coal priced for 2019

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, with 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.

The 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 expects to realize approximately 85%-95% of the Newcastle index price.

[3] Assumes 2018 average A$ FX rate of $0.76. 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 June 30, 2018, Peabody had purchased average rate call options to manage market price volatility associated with the Australian dollar in aggregate notional amount of approximately AUD $0.9 billion with strike price levels ranging from $0.79 to $0.82 and settlement dates through Dec. 31 2018, and AUD $0.2 billion aggregate notional amount with average strike price levels of $0.79 and settlement dates from Jan. 1, 2019 through March 31, 2019. Sensitivities provided are relative to an assumed average A$ FX exchange rate of $0.75 for the remainder of 2018.

[6] 3Q – 4Q 2018 seaborne thermal priced position assumes recently announced JFY settlement of $110 per tonne carries through to committed tons linked to the JFY settlement.

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 July 20, 2018, Peabody has approximately 121.7 million shares of common stock outstanding. On a fully diluted basis, Peabody has approximately 124.7 million shares of common stock.

Historical Seaborne Pricing ($/Tonne)

Time Period	HCC – Settlement	HCC – Spot	LV PCI – Settlement	LV PCI – Spot	NEWC – Spot
Q2 2018	~$197	$190	$155	$140	$104
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

	Successor		Successor		Predecessor	Combined
	Quarter Ended Jun. 30, 2018	Apr. 2 through Jun. 30, 2017	Six Months Ended Jun. 30, 2018	Apr. 2 through Jun. 30, 2017	Jan. 1 through Apr. 1, 2017	Six Months Ended Jun. 30, 2017
Tons Sold (In Millions)						
Powder River Basin Mining Operations	26.2	28.5	58.6	28.5	31.0	59.5
Midwestern U.S. Mining Operations	4.7	4.6	9.4	4.6	4.5	9.1
Western U.S. Mining Operations	3.5	3.2	7.2	3.2	3.4	6.6
Total U.S. Mining Operations	34.4	36.3	75.2	36.3	38.9	75.2
Australian Metallurgical Mining Operations	2.9	2.0	5.9	2.0	2.2	4.2
Australian Thermal Mining Operations	5.0	4.6	8.8	4.6	4.6	9.2
Total Australian Mining Operations	7.9	6.6	14.7	6.6	6.8	13.4
Trading and Brokerage Operations	0.8	0.7	1.5	0.7	0.4	1.1
Total	43.1	43.6	91.4	43.6	46.1	89.7
Revenue Summary (In Millions)						
Powder River Basin Mining Operations	$ 321.5	$ 365.4	$ 710.8	$ 365.4	$ 394.3	$ 759.7
Midwestern U.S. Mining Operations	197.5	194.9	399.2	194.9	193.2	388.1
Western U.S. Mining Operations	139.6	125.4	283.3	125.4	149.7	275.1
Total U.S. Mining Operations	658.6	685.7	1,393.3	685.7	737.2	1,422.9
Australian Metallurgical Mining Operations	417.5	287.8	883.7	287.8	328.9	616.7
Australian Thermal Mining Operations	267.4	239.2	468.8	239.2	224.8	464.0
Total Australian Mining Operations	684.9	527.0	1,352.5	527.0	553.7	1,080.7
Trading and Brokerage Operations	10.0	5.2	30.1	5.2	15.0	20.2
Other	(44.1)	40.4	(3.8)	40.4	20.3	60.7
Total	$ 1,309.4	$ 1,258.3	$ 2,772.1	$ 1,258.3	$ 1,326.2	$ 2,584.5

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Reconciliation of Non-GAAP Measures

Reconciliation of Non-GAAP Financial Measures (In Millions)	Successor		Predecessor	Combined	Successor		Predecessor	Combined
	Quarter Ended Jun. 30, 2018	Apr. 2 through Jun. 30, 2017	Apr. 1, 2017	Quarter Ended Jun. 30, 2017	Six Months Ended Jun. 30, 2018	Apr. 2 through Jun. 30, 2017	Jan. 1 through Apr. 1, 2017	Six Months Ended Jun. 30, 2017
Income (Loss) from Continuing Operations, Net of Income Taxes	$ 120.0	$ 101.4	$ (319.8)	$ (218.4)	$ 328.3	$ 101.4	$ (195.5)	$ (94.1)
Depreciation, Depletion and Amortization	163.9	148.3	-	148.3	333.5	148.3	119.9	268.2
Asset Retirement Obligation Expenses	13.2	11.0	-	11.0	25.5	11.0	14.6	25.6
Asset Impairment	-	-	-	-	-	-	30.5	30.5
Changes in Deferred Tax Asset Valuation Allowance and Amortization of Basis Difference Related to Equity Affiliates	(8.4)	(4.3)	-	(4.3)	(16.0)	(4.3)	(5.2)	(9.5)
Interest Expense	38.3	41.4	-	41.4	74.6	41.4	32.9	74.3
Loss on Early Debt Extinguishment	2.0	-	-	-	2.0	-	-	-
Interest Income	(7.0)	(1.5)	-	(1.5)	(14.2)	(1.5)	(2.7)	(4.2)
Reorganization Items, Net	-	-	585.8	585.8	(12.8)	-	627.2	627.2
Break Fees Related to Terminated Asset Sales	-	(28.0)	-	(28.0)	-	(28.0)	-	(28.0)
Unrealized Losses (Gains) on Economic Hedges	48.1	(9.4)	-	(9.4)	9.5	(9.4)	(16.6)	(26.0)
Unrealized (Gains) Losses on Non-Coal Trading Derivative Contracts	(0.1)	(3.2)	-	(3.2)	1.7	(3.2)	-	(3.2)
Coal Inventory Revaluation	-	67.3	-	67.3	-	67.3	-	67.3
Take-or-Pay Contract-Based Intangible Recognition	(7.8)	(9.9)	-	(9.9)	(16.1)	(9.9)	-	(9.9)
Income Tax Provision (Benefit)	7.4	4.7	(266.0)	(261.3)	17.5	4.7	(263.8)	(259.1)
Adjusted EBITDA [1]	$ 369.6	$ 317.8	$ -	$ 317.8	$ 733.5	$ 317.8	$ 341.3	$ 659.1
Operating Costs and Expenses	$ 946.5	$ 927.9	$ -	$ 927.9	$ 2,003.7	$ 927.9	$ 950.2	$ 1,878.1
Break Fees Related to Terminated Asset Sales	-	28.0	-	28.0	-	28.0	-	28.0
Unrealized Gains (Losses) on Non-Coal Trading Derivative Contracts	0.1	3.2	-	3.2	(1.7)	3.2	-	3.2
Coal Inventory Revaluation	-	(67.3)	-	(67.3)	-	(67.3)	-	(67.3)
Take-or-Pay Contract-Based Intangible Recognition	7.8	9.9	-	9.9	16.1	9.9	-	9.9
Net Periodic Benefit Costs, Excluding Service Cost	4.6	6.6	-	6.6	9.1	6.6	14.4	21.0
Total Reporting Segment Costs [2]	$ 959.0	$ 908.3	$ -	$ 908.3	$ 2,027.2	$ 908.3	$ 964.6	$ 1,872.9
Net Cash Provided By (Used In) Operating Activities	$ 335.7	$ 65.7	$ (1,069.1)	$ (1,003.4)	$ 915.4	$ 65.7	$ (813.0)	$ (747.3)
Net Cash (Used In) Provided By Investing Activities	(11.6)	(18.5)	-	(18.5)	(18.0)	(18.5)	15.1	(3.4)
Free Cash Flow [3]	$ 324.1	$ 47.2	$ (1,069.1)	$ (1,021.9)	$ 897.4	$ 47.2	$ (797.9)	$ (750.7)

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Note: Refer to definitions of Adjusted EBITDA, Total Reporting Segment Costs and Free Cash Flow on following slide.

Reconciliation of Non-GAAP Measures: Definitions

(1) Adjusted EBITDA is 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 each of our segment's operating performance as displayed in the reconciliation above. Adjusted EBITDA is used by management as the primary metric to measure each of our segment's operating performance.

(2) Total Reporting Segment Costs is defined as operating costs and expenses adjusted for the discrete items that management excluded in analyzing each of our segment's operating performance as displayed in the reconciliation above. Total Reporting Segment Costs is used by management as a metric to measure each of our segment's operating performance.

(3) Free Cash Flow is defined as net cash provided by (used in) 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.

Reconciliation of Non-GAAP Measures

	Successor		Successor		Predecessor	Combined
	Quarter Ended Jun. 30, 2018	Apr. 2 through Jun. 30, 2017	Six Months Ended Jun. 30, 2018	Apr. 2 through Jun. 30, 2017	Jan. 1 through Apr. 1, 2017	Six Months Ended Jun. 30, 2017
Adjusted EBITDA [1] (In Millions)						
Powder River Basin Mining Operations	$ 62.0	$ 84.8	$ 136.5	$ 84.8	$ 91.7	$ 176.5
Midwestern U.S. Mining Operations	42.0	46.5	73.2	46.5	50.0	96.5
Western U.S. Mining Operations	33.9	44.9	65.9	44.9	50.0	94.9
Total U.S. Mining Operations	137.9	176.2	275.6	176.2	191.7	367.9
Australian Metallurgical Mining Operations	158.5	71.9	324.9	71.9	109.6	181.5
Australian Thermal Mining Operations	107.6	105.9	169.2	105.9	75.6	181.5
Total Australian Mining Operations	266.1	177.8	494.1	177.8	185.2	363.0
Trading and Brokerage	3.1	(5.1)	4.3	(5.1)	8.8	3.7
Resource Management Results [2]	0.7	1.2	21.5	1.2	2.9	4.1
Selling and Administrative Expenses	(44.1)	(34.7)	(81.1)	(34.7)	(36.3)	(71.0)
Other Operating Costs, Net [3]	8.2	2.8	23.8	2.8	16.6	19.4
Corporate Hedging Results	(2.3)	(0.4)	(4.7)	(0.4)	(27.6)	(28.0)
Adjusted EBITDA [1]	$ 369.6	$ 317.8	$ 733.5	$ 317.8	$ 341.3	$ 659.1
Total Reporting Segment Costs [4] Summary (In Millions)						
Powder River Basin Mining Operations	$ 259.5	$ 280.6	$ 574.3	$ 280.6	$ 302.6	$ 583.2
Midwestern U.S. Mining Operations	155.5	148.4	326.0	148.4	143.2	291.6
Western U.S. Mining Operations	105.7	80.5	217.4	80.5	99.7	180.2
Total U.S. Mining Operations	520.7	509.5	1,117.7	509.5	545.5	1,055.0
Australian Metallurgical Mining Operations	259.0	215.9	558.8	215.9	219.3	435.2
Australian Thermal Mining Operations	159.8	133.3	299.6	133.3	149.2	282.5
Total Australian Mining Operations	418.8	349.2	858.4	349.2	368.5	717.7
Trading and Brokerage Operations	6.9	10.3	25.8	10.3	6.2	16.5
Corporate and Other	12.6	39.3	25.3	39.3	44.4	83.7
Total Reporting Segment Costs [4]	$ 959.0	$ 908.3	$ 2,027.2	$ 908.3	$ 964.6	$ 1,872.9

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Note: Refer to footnote explanations on the following slide.

Reconciliation of Non-GAAP Measures: Definitions

(1) Adjusted EBITDA is 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 each of our segment's operating performance as displayed in the reconciliation above. Adjusted EBITDA is used by management as the primary metric to measure each of our segment's operating performance.

(2) Includes gains (losses) on certain surplus coal reserve and surface land sales, property management costs and revenues and the Q1 2018 gain of $20.6 million on the sale of certain surplus land assets in Queensland's Bowen Basin.

(3) Includes income from equity affiliates (before the impact of related changes in deferred tax asset valuation allowance and amortization of basis difference), costs associated with post-mining activities, coal royalty expense, minimum charges on certain transportation-related contracts, the Q1 2018 gain of $7.1 million recognized on the sale of our interest in the Red Mountain Joint Venture and the Q1 2017 gain of $19.7 million recognized on the sale of Dominion Terminal Associates.

(4) Total Reporting Segment Costs is defined as operating costs and expenses adjusted for the discrete items that management excluded in analyzing each of our segment's operating performance as displayed in the reconciliation above. Total Reporting Segment Costs is used by management as a metric to measure each of our segment's operating performance.