Investor Presentation

August 2018

Peabody

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.

BTU Offers Compelling Investment Opportunity

Investment Thesis

We're the leading global pure-play coal company, serving power and steel customers in more than 25 countries on 6 continents… We have significant scale, high-quality assets and diversity in geography and products

Financial Approach

1. *Generate Cash*
2. *Maintain Financial Strength*
3. *Invest Wisely*
4. *Return Cash to Shareholders*

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Peabody's Significant Scale Offers Numerous Benefits

- High reserve-to-production ratio allows for optimized mine planning, solid cost structure and expansion optionality
- Benefits customers by providing flexible production and sourcing, improved confidence in reliability of supply, "alternative brand name" for supplier diversification
- Enables sharing of skills, knowledge, equipment, contracts and best practices
- Scalable SG&A and shared trading, administrative and technical services
- Improves access to financial markets

'The Peabody Way'

192

Million tons of coal sales

5.2

Billion tons of proven and probable reserves

23

Operations in 8 states and 2 flagship countries

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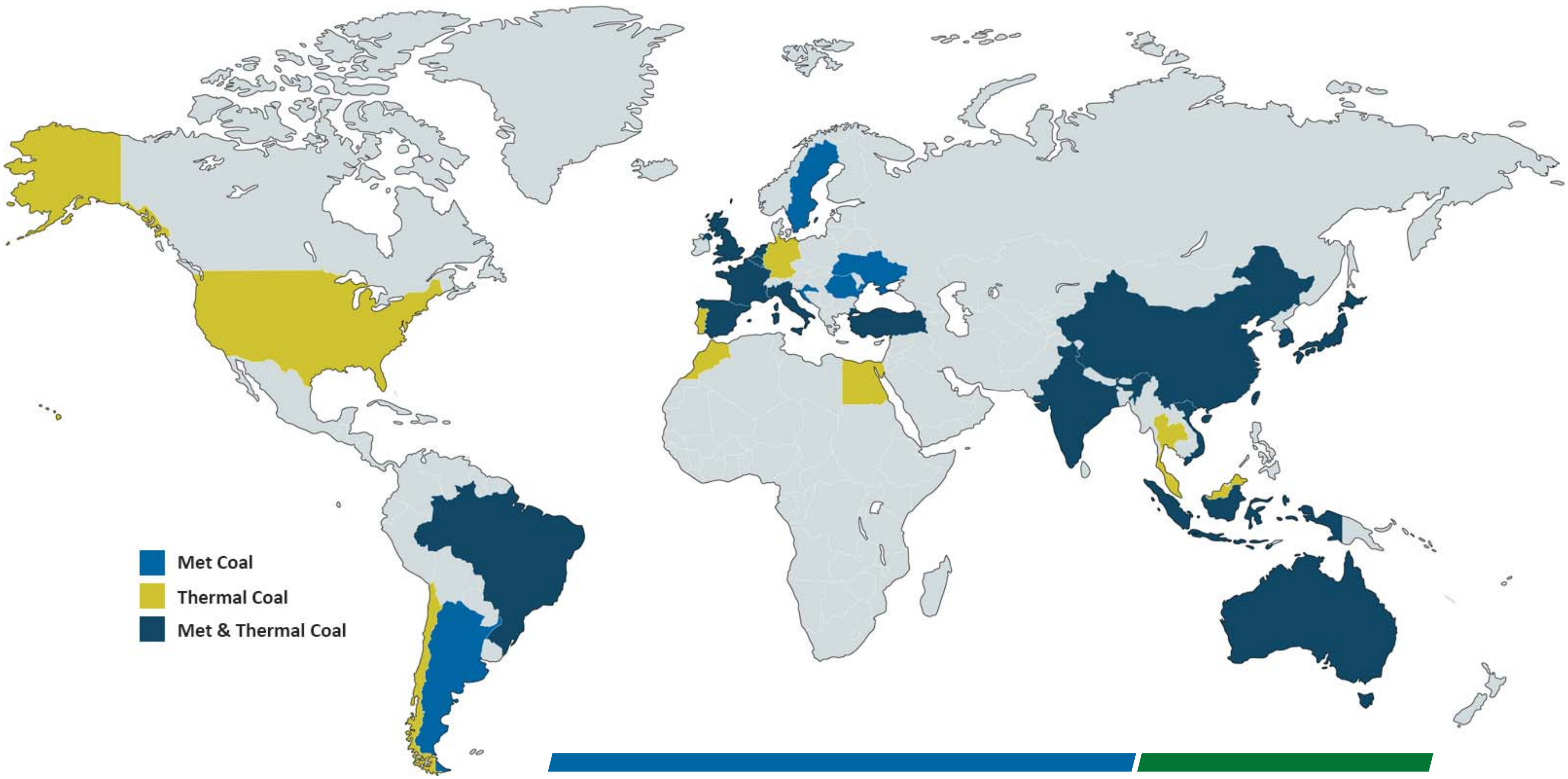
Note: Coal sales and proven and probable reserves as of Dec. 31, 2017.

Company Offers Extensive Diversity of Geography, Customers and Products

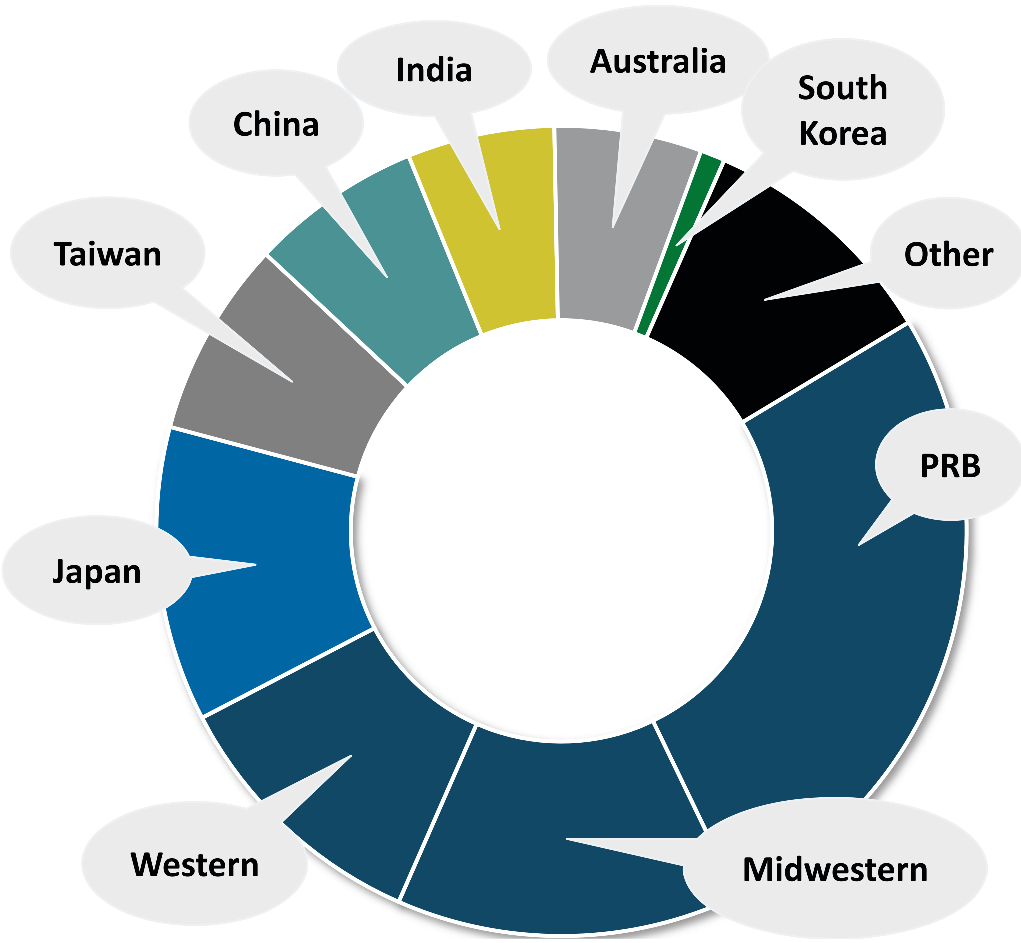


Serving more than 25 countries on 6 continents

Note: Highlighted countries represent customers served in at least one year between 2015 – 2017.

Diversity Offers Significant Competitive Advantage

Percentage of Total Revenue from Customer Geographic Region in 2017



- Large number of revenue streams
- Multi-regional exposure limits operating, logistics and demand risks
- Increased risk-adjusted returns; non-correlative demand drivers
- Movements in currency and economic fundamentals
- Regulatory, political diversification

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Note: The company attributes revenue to individual regions based on the location of the physical delivery of the coal. Revenue percentage for FY 2017.

Industry Overview

- Coal remains major part of global energy mix and essential ingredient in steelmaking
- 8 billion tonnes of coal fuels 37% of global electricity and enables continued growth in steel production
- Peabody strategically positioned with seaborne production to meet best demand centers and well-placed, low-cost U.S. assets

37%

Share of global electricity

30%

Share of U.S. electricity

1B

Billion tonne per year global met coal demand

Source: Industry reports and Peabody Global Analytics. Electricity generation from IEA World Energy Outlook 2017.

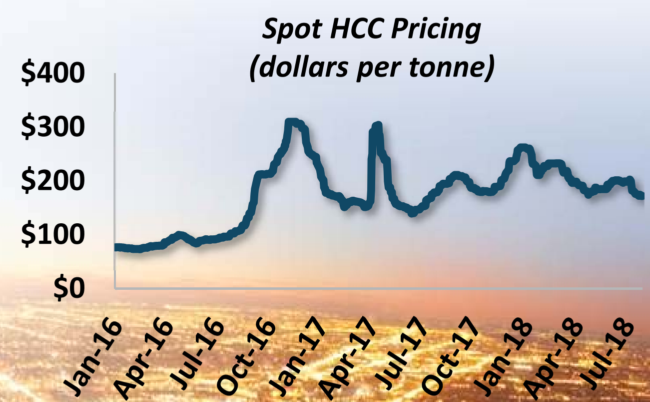
Robust Seaborne Conditions Continue on Solid Demand

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
- Australian exports largely in line with prior year
- IHS Markit predicts total global coal generation capacity to increase 15% by 2030
  - While ROW coal-fueled capacity expected to decline 125 GW from 2017 – 2030, Asia capacity to rise 439 GW

Seaborne Metallurgical Coal

- Record global steel production, up 5% through June
- 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



Note: All comparisons are to prior-year period. Source: Industry sources and Peabody Global Analytics.

U.S. Fundamentals: Secular Decline Expected to Moderate Over Next 5 Years

- Declines in coal use and share of electricity expected to slow as gas prices stabilize from last 5-year period
- Lowest-cost basins most competitive against natural gas
- Retirements expected to drive 15 – 20 million ton-per-year average decline over each of next five years
  - Declines likely front-loaded in period
- U.S. provides meaningful cash flows for Peabody with most operations competitive with natural gas

~50

Million ton demand change between $2.80 and $3.20/mmBtu natural gas

27.4%

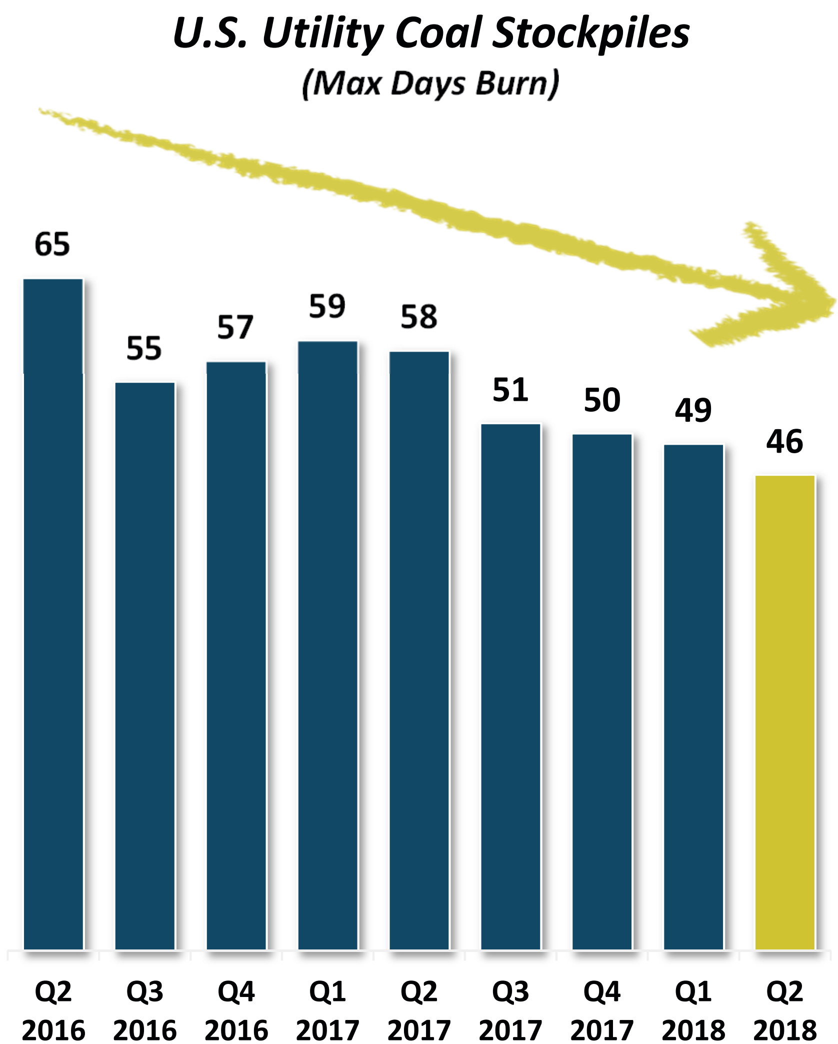
Third-party avg. of coal's share of U.S. generation in 2022

~40 GW

Expected U.S. coal plant retirements over next 5 years

Source: Industry reports and Peabody Global Analytics.

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.

Australian Operations: Multiple Benefits to Peabody

1 Australia strategically positioned to serve higher-growth Asia-Pacific demand centers

2 Australian segment strengthens and diversifies Peabody's portfolio

3 Nine mines offer quality export thermal and met coal products to multiple countries

4 Tier-one thermal segment with quality assets structure and strong margins

5 Double-digit met coal volumes for foreseeable future

6 Reserve position and lease development areas offer long-term optionality

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U.S. Operations:
Multiple Benefits for Peabody

1. Strategically positioned in best U.S. regions serving broad customer base
2. Operates regions as complexes, sharing resources for best value
3. PRB operations routinely deliver margins above other producers
4. Strong cash generator offering meaningful returns
5. Contracting strategy provides long-term revenue visibility
6. Substantial reserve position in the U.S. representing ~30 years of implied production

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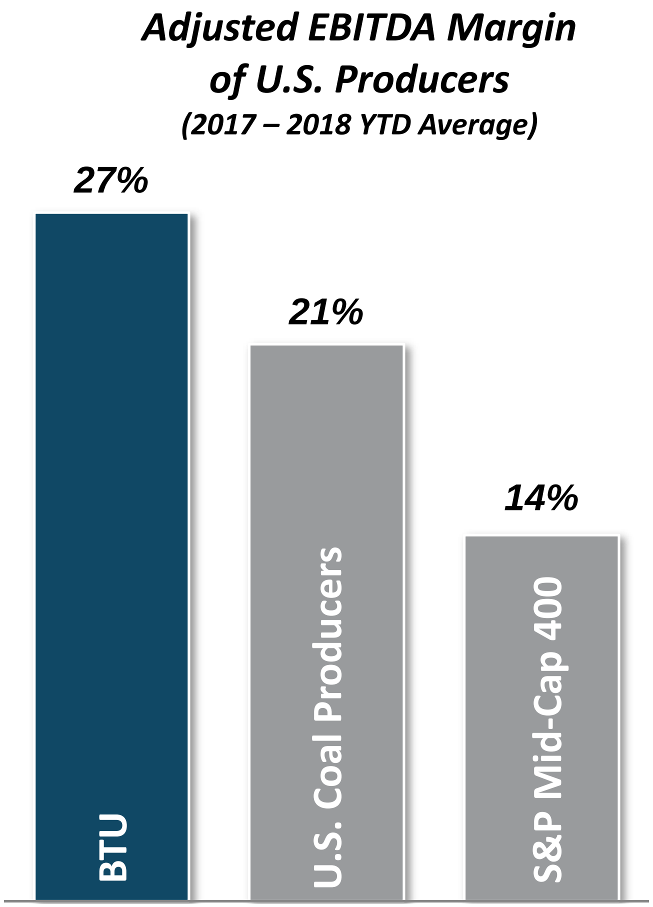
Note: Implied production based on 2017 U.S. proven and probable reserves divided by 2017 U.S. production.

Adjusted EBITDA Margins Superior To Other Coal Competitors, S&P Mid-Cap 400



- Diversified platform with access to higher growth demand centers leads to ~30% higher total Adjusted EBITDA margins than other U.S. coal producers
  - Strong operational contributions
  - Manageable SG&A
- BTU Adjusted EBITDA margins 93% better than S&P Mid-Cap 400 average

Source: Most-recent public company reports as of Aug. 2, 2018. Other U.S. producers include ARCH, CLD, CEIX, CNTE, HNRG, METC and HCC. Adjusted EBITDA margin is a non-GAAP measure and may not be calculated identically by all companies. Please refer to the appendix for information on this non-GAAP measure.

Peabody ESG Principles Embodied in Holistic Approach and Highlighted in New 2017 CSR Report

Environmental

- Commitment to sustainable mining practices
- Restored 1.4 acres for every acre disturbed
- Sponsor of Global Clean Coal Awards; Advocate for HELE/CCUS
- Recycled/reused about 72% of total waste
- Report 6 water/waste indicators in reference to GRI framework
- Earned 100 honors since 2000 for reclamation activities

Social

- Provided $10.6 billion in direct/indirect economic benefits
- Safety performance continues to outperform industry averages
- Support majority of U.N. Sustainable Development Goals
- Signatory to CEO Action for Diversity & Inclusion® pledge
- Named Employer of Year for sector by Corporate LiveWire
- Award-winning Corporate and Social Responsibility Report

Governance

- CEO and Chairman separate and 8 of 9 directors independent
- Strong focus on good governance, strategy and management
- Emergence grants to all employees to align with shareholders
- Management compensation based on safety, free cash flow per share, EBITDA, ROIC, TSR, environmental performance
- 2016 & 2017 best global responsible mining company CFI

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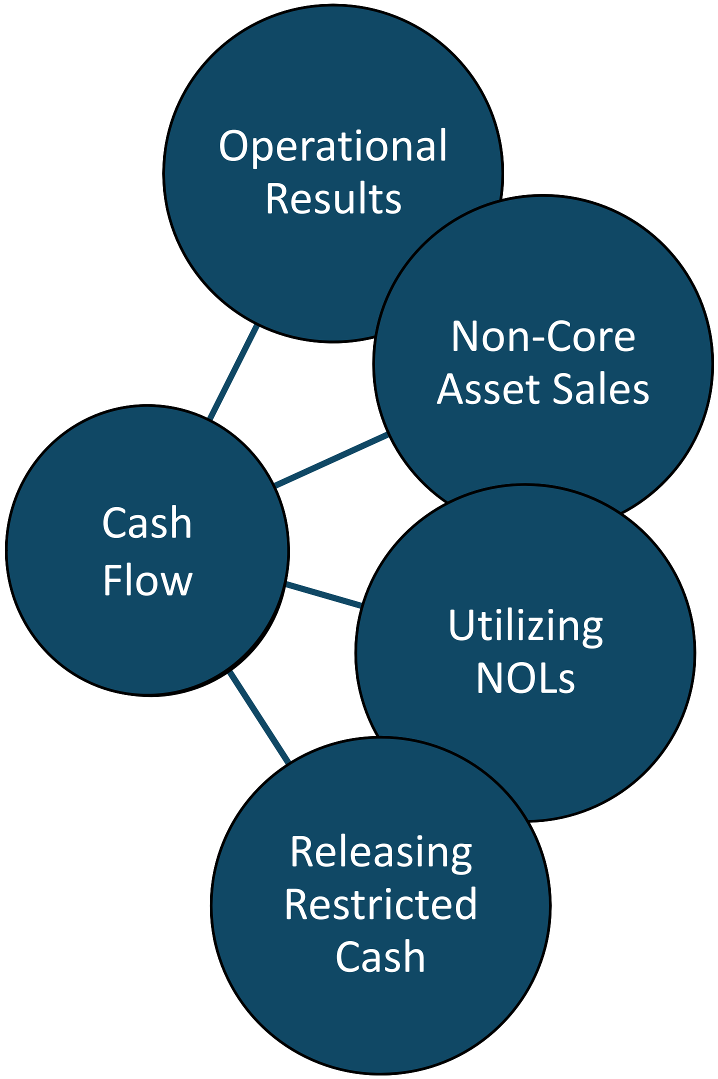
Note: Peabody's 2017 Corporate and Social Responsibility Report is available on PeabodyEnergy.com.

Generate Cash – First Component of Financial Approach

- Operational results paramount to strong cash generation
- Non-core asset sales provide incremental cash flows
- Substantial global NOL positions significantly limit future cash taxes for extended time
  - ~$3.4 billion U.S. NOLs; ~70% unlimited by Section 382
  - ~A$3.7 billion Australian NOLs
  - $104 million cash tax refunds in 2018
  - $85 million AMT credits refunded in 2019 and beyond
- Released all remaining restricted cash during the second quarter 2018



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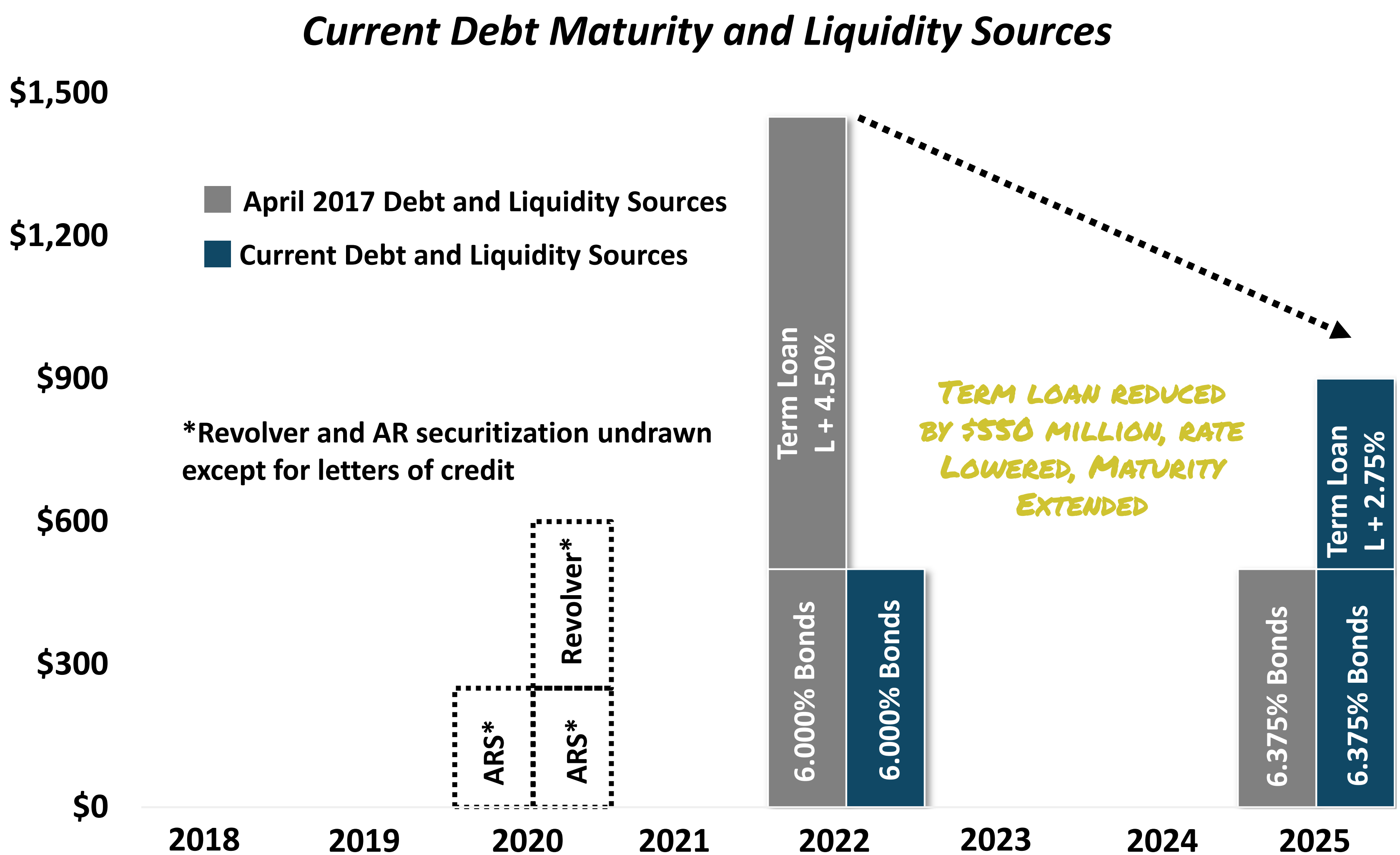
Maintain Financial Strength – Achieves Higher End of Long-Term Debt Target of $1.2 to $1.4 Billion



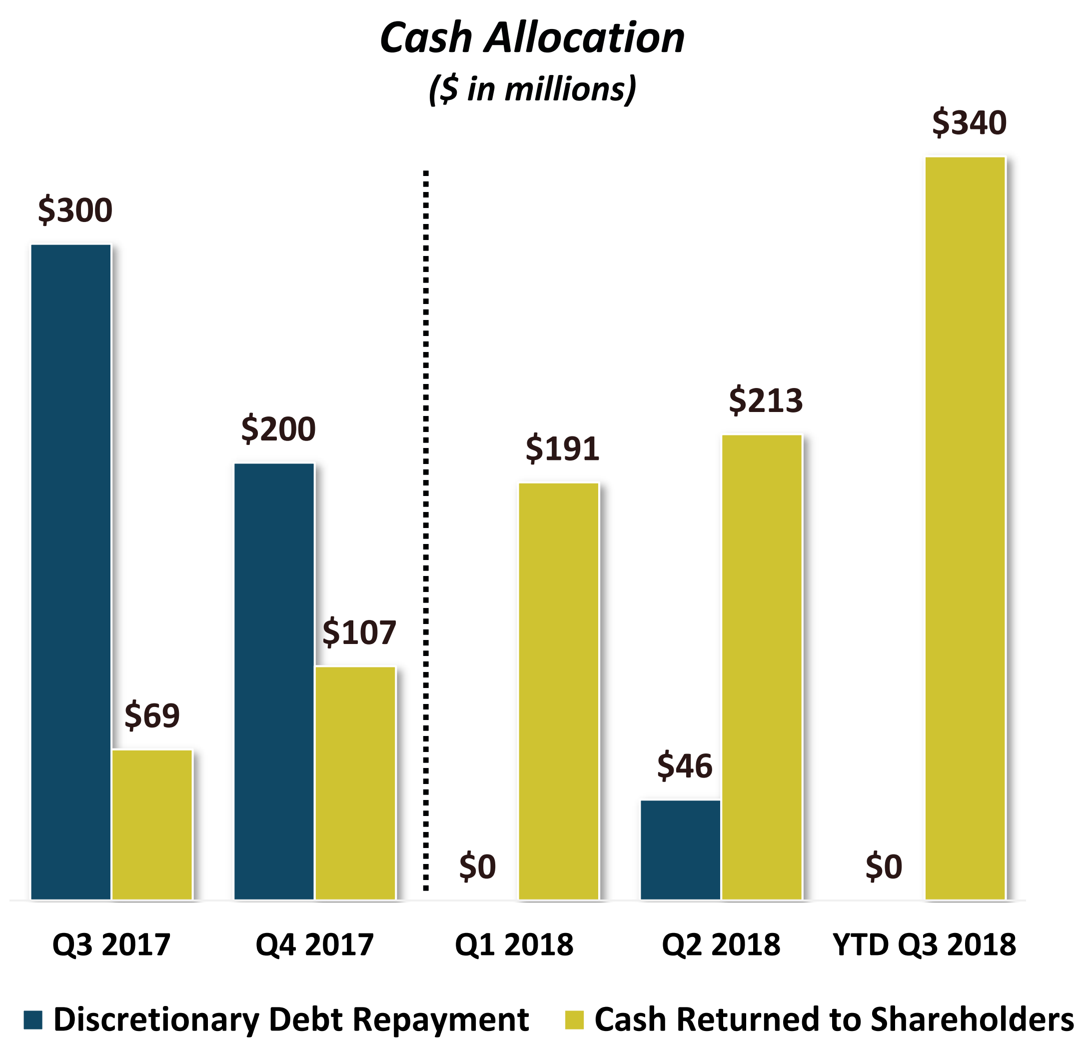
Note: Current liquidity sources as of June 30, 2018. Current debt balances as of June 30, 2018.

Invest Wisely – Default Position to Return Cash to Shareholders

- Particular emphasis on amount and timing of returns
  - Direct correlation between rate of return and shareholder value
- Earned 21% ROIC in 2017, well above WACC of ~10%
- Share repurchase program represents way for Peabody to invest in company we know – and like – the best

Note: ROIC of 21% reflects Peabody's ROIC post-emergence (2Q – 4Q 2017); ROIC equals Adjusted Net Operating Profit After Tax divided by Average Invested Capital Base.

Return Cash to Shareholders –
Share Repurchases, Dividends Accelerated



- Total share repurchases up to ~$875 million
  - ~$200 million bought back in Q2; $325 million Q3 YTD
- 22.8 million shares repurchased thus far
  - 17% of shares outstanding since initiation of buyback program
- Increasing Q3 dividend paid in Aug. in recognition of significant repurchase program
  - Dividend per share rose ~10% from Q2 to Q3

Note: Percent of shares repurchased based on 137.3 million shares outstanding on a fully converted basis as of relisting. Repurchases as of Aug. 22, 2018.

Peabody: Integrated Approach Creates Maximum Value

- The Peabody team delivered powerful achievements since relisting, and we're not about to stop
- We are committed to outlining approach and then delivering
- We have the right assets, financial strength, people and strategies to succeed
- We are continuing to progress actions that will drive continued valuation uplifts throughout the commodity cycles

NYSE: BTU PeabodyEnergy.com

Appendix

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

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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, 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 Aug. 22, 2018, Peabody has approximately 114.6 million shares of common stock outstanding. On a fully diluted basis, Peabody has approximately 117.6 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

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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

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.

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

By the Numbers: Establishing a Holistic Capital Structure

Debt & Liquidity ($ in millions)	June 2018 Balance
Unrestricted Cash & Cash Equivalents	$1,452
Revolver Availability	$220
ARS Availability	$104
Total Liquidity	**$1,776**
Total Funded Debt	$1,403
Net Debt	**($49)**

Other Liabilities ($ in millions)	Dec. 2017 Balance	2017 Cash
OPEB	$783	$42
ARO	$691	$27
Pension	$98	$30

- $800 million liquidity target
- Potential to increase available revolver liquidity over time, reducing required cash balance
- Total debt now at the higher end of long-term debt target; Manageable maturity profile
- Advancing reclamation activities particularly in Australia
  - Reduces footprint, required financial obligations in support of reclamation liabilities
  - Cash spending of ~$50 million expected per year
  - Includes final reclamation for Millennium, Burton

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Note: FY 2017 expense amounts include predecessor and successor results. Liability balances include current and non-current balances.

Middlemount Joint Venture Offers Economic Exposure to ~2 Million Met Tons Annually

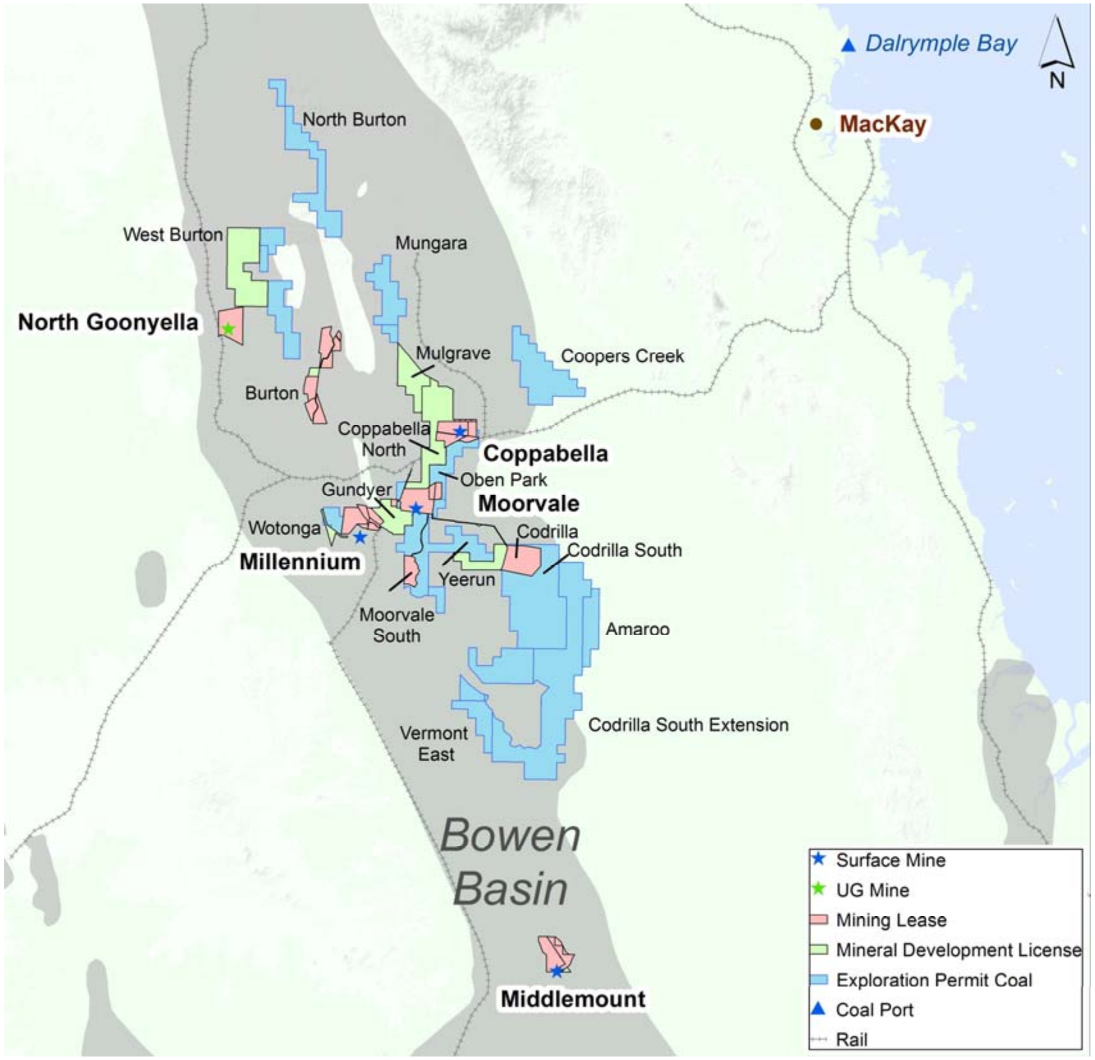
- Peabody owns 50% equity interest in Middlemount
- Share of operations delivered 2.1 million tons in 2017
  - Mix of semi-hard coking coal, LV PCI
  - Port capacity through Abbot Point, future capacity secured at DBCT
- Earned 2017 Adjusted EBITDA of $43 million, reflecting Peabody's share of Middlemount's net income
  - Peabody collected ~$80 million of loan and other cash repayments in 2017
- Over 10 years of reserves at current production profile

Middlemount Mine

Peabody

Note: Adjusted EBITDA is a non-GAAP metric. Refer to the reconciliation to the nearest GAAP measure in the appendix. All metrics reflect Peabody's 50% ownership share in Middlemount.

Potential Opportunities for Metallurgical Development and Organic Growth in Bowen Basin Over Time



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Spotlight: North Antelope Rochelle World's Largest Coal Mine

- Offers reliable source of supply to over 50 customers in 21 states, powering ~4.5% of total U.S. electricity generation
- Strategically positioned on rail joint line with multiple entry/exit points for simultaneous arrivals and departures
- Benefits from prior reserve acquisitions and fleet upgrades, resulting in modest sustaining capital levels
- Operates out of 7 – 10 pits of 60 – 80 feet thick coal seams, providing access to lowest-sulfur coal in North America
- Advanced technology reduces costs, drives higher margins

North Antelope Rochelle Mine

Focused Engagement: Support for Highly Responsible Coal Mining and Use

SUSTAINABLE

Strong attention to operational excellence by committing to safe workplaces, maximizing resource recovery, improving environmental performance and restoring mined lands

ESSENTIAL

Initiatives to promote expanded access to reliable, low-cost electricity through partnerships, policy and engagement with key stakeholders

ADVANCED

Support for greater deployment of advanced coal technologies and carbon capture, utilization and storage technologies to further reduce emissions

'COAL DONE RIGHT'

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Substantial Interest in BTU from Multiple Sectors of Capital Markets

- February 2017
  - Targeted $1.5 billion debt offering upsized and heavily oversubscribed
- April 2017
  - $1.3 billion in third-party U.S. bonding facilities on emergence
  - $250 million accounts receivable securitization program
  - $1.5 billion in new equity raised
- September 2017
  - Repriced term loan, lowering interest rate 100 basis points, providing ability to fully execute share buybacks
- November 2017
  - $270 million revolver put in place
- December 2017
  - $80 million upsize in revolver
- First Quarter 2018
  - $226 million Australian surety bonding initiated with insurers
- April 2018
  - Repriced term loan, lowering interest rate additional 75 basis points, extending maturity three years and modifying certain terms
- August 2018
  - Amended bond indentures, securing incremental flexibility for shareholder returns

BANK LENDERS
BONDHOLDERS
EQUITY HOLDERS
INSURERS

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.

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