

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 27, 2023

PEABODY ENERGY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware 1-16463 13-4004153  
(State or other jurisdiction of (Commission File Number) (I.R.S. Employer Identification No.)  
incorporation)

701 Market Street, St. Louis, Missouri 63101-1826  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (314) 342-3400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	BTU	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 7.01. Regulation FD Disclosure.**

James C. Grech, President and Chief Executive Officer of Peabody Energy Corporation (the “Company”), will be presenting at the BMO Global Metals, Mining & Critical Minerals Conference at 2:30 p.m. Eastern Time on Tuesday, February 28, 2023. Mr. Grech intends to present an overview of the Company’s strategic focus, business developments, and recent trends. A copy of the slides that will be discussed during the presentation is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference. These presentation materials should be read together with the information included in the Company’s other filings with the Securities and Exchange Commission, including the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

The information set forth in and incorporated into this Item 7.01 of this Current Report on Form 8-K is being furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any of the Company’s filings under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing. The filing of this Item 7.01 of this Current Report on Form 8-K shall not be deemed an admission as to the materiality of any information herein that is required to be disclosed solely by reason of Regulation FD.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	<a href="#">Investor Presentation dated February 28, 2023.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

February 27, 2023

### PEABODY ENERGY CORPORATION

By: /s/ Scott T. Jarboe

Name: Scott T. Jarboe

Title: Chief Administrative Officer and Corporate Secretary



BUILDING BRIGHTER FUTURES

## BMO Global Metals, Mining & Critical Minerals Conference

Jim Grech, President & CEO | February 28, 2023

**Peabody**

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## Disclosure Regarding Forward-Looking Statements

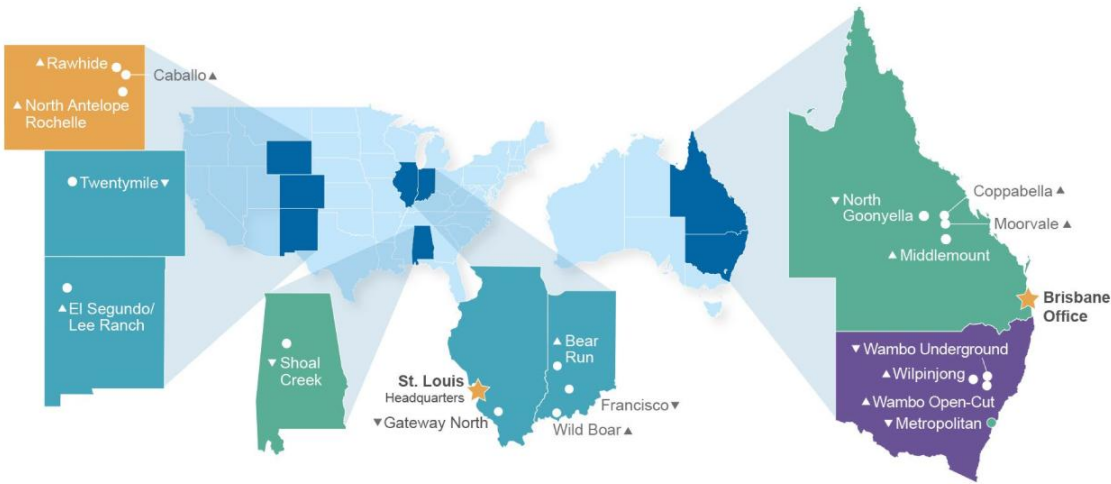


*This presentation contains forward-looking statements within the meaning of applicable securities laws. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words or variation of words such as "expects," "anticipates," "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 Peabody expects will occur in the future are forward-looking statements. They may include estimates of sales and other operating performance targets, cost savings, capital expenditures, other expense items, actions relating to strategic initiatives, demand for the company's products, liquidity, capital structure, market share, industry volume, other financial items, descriptions of management's plans or objectives for future operations and descriptions of assumptions underlying any of the above. All forward-looking statements speak only as of the date they are made and reflect Peabody's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance or events. Furthermore, Peabody 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 Peabody's control, including the ongoing impact of the COVID-19 pandemic and factors that are described in Peabody's Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2022, and other factors that Peabody may describe from time to time in other filings with the SEC. You may get such filings for free at Peabody's website at [www.peabodyenergy.com](http://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.*

# 2022 Peabody Quick Facts<sup>(1)</sup>



1. All statistics for the year ended December 31, 2022.  
2. Total Recordable Incident Frequency Rate ("TRIFR") equals recordable incidents per 200,000 hours worked; MSHA reported total U.S. TRIFR for 2022 of 2.77.  
3. Adjusted EBITDA is a non-GAAP financial measure. Refer to the definitions and reconciliations to the nearest GAAP measure in the appendix.



Mining Operations

- Seaborne Met
- PRB Thermal
- Surface Mine
- Seaborne Thermal
- Other US Thermal
- Underground Mine

### **SEABORNE**

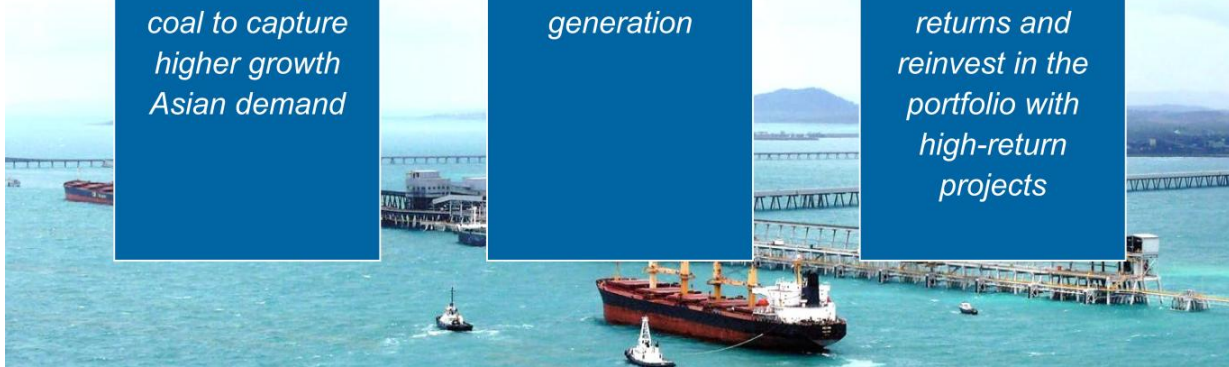
*Continuing to reweight investments toward greater seaborne thermal and metallurgical coal to capture higher growth Asian demand*

### **U.S. THERMAL**

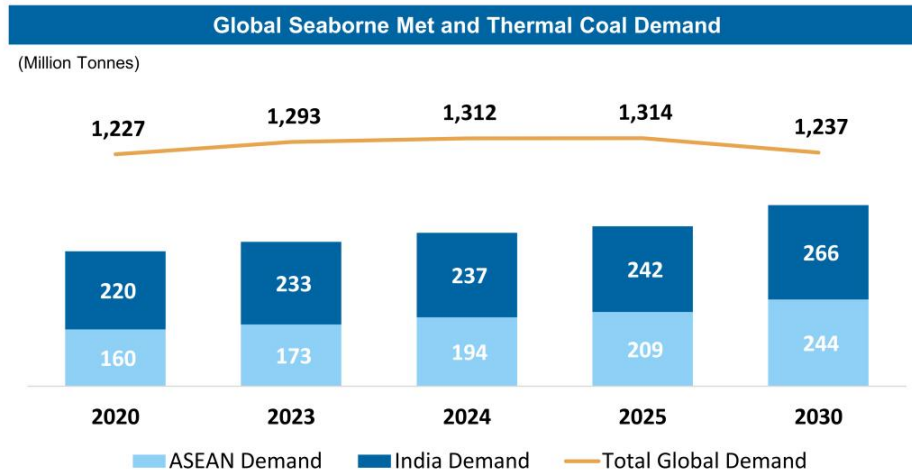
*Optimizing our lowest-cost and highest-margin U.S. thermal assets to maximize cash generation*

### **FINANCIAL**

*De-risking our balance sheet and maximizing cash generation to deliver shareholder returns and reinvest in the portfolio with high-return projects*



## Seaborne Coal Demand Growing in Key Countries



Source: Wood Mackenzie Long Term Outlook (Nov 2022)

- ASEAN and Indian coal markets expected to continue to grow in coming years for both seaborne met and thermal demand
- Peabody's existing coal portfolio positioned to capture value from demand growth

# Long Term – The World Needs Steel, Steel Needs Metallurgical Coal



- In 2020, the number of buildings in the world over 200 meters high was 1,725 – a 557% increase since 2000
- The higher the building, the higher the steel intensity required



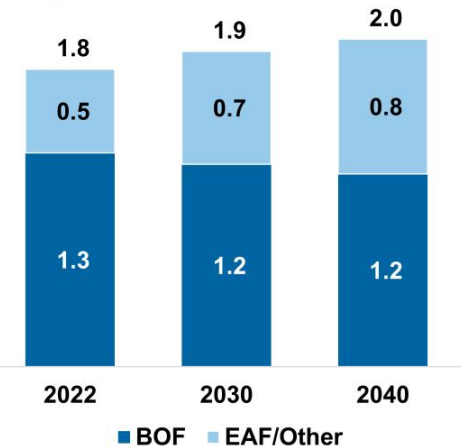
- Steel is crucial for rail transport



- A wind turbine is comprised of between 84% to 90% iron and steel materials

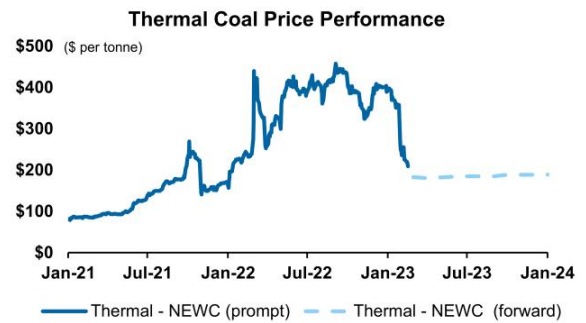
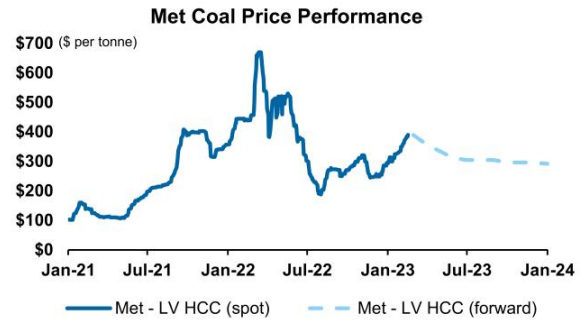
Total Global Crude Steel Production (Bt)

- *Developing world will be reliant on metallurgical coal and the blast furnace process for decades to come*
- *EAF process is often prohibitively expensive and requires an established large scrap base*



Source: World Steel Association; The graph was obtained from Wood Mackenzie Long Term Outlook (Nov 2022)

- Russia / Ukraine conflict has redefined trade flows
- Supply response challenged by lack of capital investment and ever-increasing barriers to entry
- Fundamental demand profile and supply constraints favor prices staying higher than historical levels
- Positioned to benefit from market with near-term price exposure to both seaborne and U.S. markets



Source: Platts and ICE Futures.

# Supply Side Response Limited Due to High Barriers to Entry









## Portfolio Diversity

**Peabody**

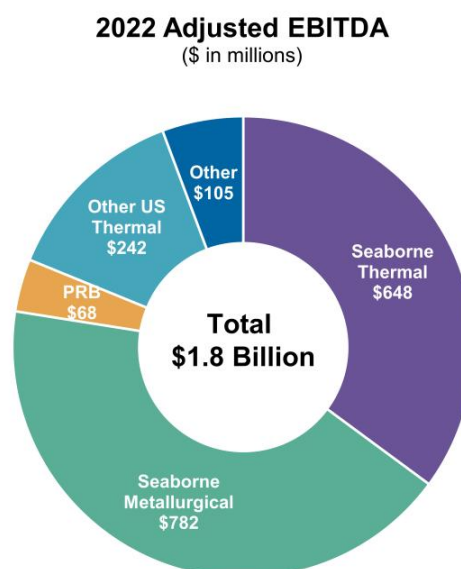
# Peabody's Business Segments



		Mines	Full Year 2022	
Seaborne Thermal		<ul style="list-style-type: none"> <li>• Wilpinjong</li> <li>• Wambo Underground</li> <li>• Wambo OC JV</li> </ul>	<ul style="list-style-type: none"> <li>• Tons Sold (millions)</li> <li>• Revenue per Ton</li> <li>• Costs per Ton</li> <li>• Adjusted EBITDA Margin per Ton</li> </ul>	<ul style="list-style-type: none"> <li>15.6</li> <li>\$86.07</li> <li>\$44.65</li> <li>\$41.42</li> </ul>
Seaborne Metallurgical		<ul style="list-style-type: none"> <li>• Shoal Creek</li> <li>• Metropolitan</li> <li>• Coppabella / Moorvale (CMJV)</li> </ul>	<ul style="list-style-type: none"> <li>• Tons Sold (millions)</li> <li>• Revenue per Ton</li> <li>• Costs per Ton</li> <li>• Adjusted EBITDA Margin per Ton</li> </ul>	<ul style="list-style-type: none"> <li>6.6</li> <li>\$243.78</li> <li>\$125.92</li> <li>\$117.86</li> </ul>
Powder River Basin		<ul style="list-style-type: none"> <li>• North Antelope Rochelle</li> <li>• Caballo</li> <li>• Rawhide</li> </ul>	<ul style="list-style-type: none"> <li>• Tons Sold (millions)</li> <li>• Revenue per Ton</li> <li>• Costs per Ton</li> <li>• Adjusted EBITDA Margin per Ton</li> </ul>	<ul style="list-style-type: none"> <li>82.6</li> <li>\$12.89</li> <li>\$12.06</li> <li>\$0.83</li> </ul>
Other U.S. Thermal		<ul style="list-style-type: none"> <li>• Bear Run</li> <li>• Francisco Underground</li> <li>• Wild Boar</li> <li>• Gateway North</li> <li>• Twentymile</li> <li>• El Segundo / Lee Ranch</li> </ul>	<ul style="list-style-type: none"> <li>• Tons Sold (millions)</li> <li>• Revenue per Ton</li> <li>• Costs per Ton</li> <li>• Adjusted EBITDA Margin per Ton</li> </ul>	<ul style="list-style-type: none"> <li>18.4</li> <li>\$51.82</li> <li>\$38.63</li> <li>\$13.19</li> </ul>

Note: Revenue per Ton, Costs per Ton and Adjusted EBITDA Margin per Ton are non-GAAP operating/statistical measures. Revenue per Ton and Adjusted EBITDA Margin per Ton are equal to revenue by segment and Adjusted EBITDA by segment, respectively, divided by segment tons sold. Costs per Ton is equal to Revenue per Ton less Adjusted EBITDA Margin per Ton.

- Adjusted EBITDA of \$1.8 billion in 2022 with \$501 million in the fourth quarter driven by strong seaborne market pricing
- Exposure to growing seaborne markets provides outsized margins in favorable market conditions
- U.S. operations consistently deliver positive cash flows
- Record Free Cash Flow of \$580 million in the fourth quarter



Note: Adjusted EBITDA and Free Cash Flow are non-GAAP financial measures. Refer to the definitions and reconciliations to the nearest GAAP measure in the appendix.

# Portfolio Diversity Makes Peabody Unique



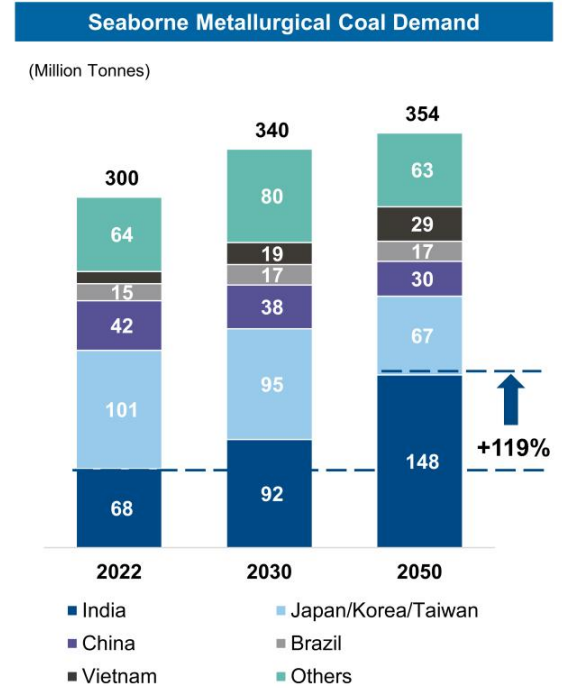
*Significant scale, offering diversity in markets, geography and products*

Seaborne Met	Seaborne Thermal	U.S. Thermal
Coal delivered to Asia Pacific and Atlantic markets	Coal delivered primarily to Asia Pacific market	Coal delivered to U.S. customers in 20+ states
Diversity of supply and sourcing from U.S. and Australia	Australian operations anchored by low cost Wilpinjong Mine	Lowest cost in PRB & Other U.S. mines serving large regions where coal leads power generation
Positioned to benefit across price cycles with sustainable cost structure	Consistently high margins throughout price cycle	Maximizing cash generation from baseload demand; consistent positive cash flows
Adjusted EBITDA of \$782 million in 2022	Adjusted EBITDA of \$648 million in 2022	Adjusted EBITDA of \$311 million in 2022

Note: Adjusted EBITDA is a non-GAAP financial measure. Refer to the definitions and reconciliations to the nearest GAAP measure in the appendix.

## Seaborne Met Coal Demand Growing – Supply Response Constrained – Portfolio Well-Positioned

- China's rapid urbanization drove met coal consumption growth the last 15-years, India is projected to drive the next ~25-years
- Australia projected to continue to dominate seaborne met coal supply
- Most new projected met coal supply is from restarts and expansions
- Peabody's existing met coal portfolio positioned to capture value from demand growth
- The planned restart of North Goonyella significantly increases Peabody's premium HCC value generation profile



Source: The graph was obtained from Wood Mackenzie Long Term Outlook (Nov 2022)

# Seaborne Met Business Segment Operations Overview



**Strategic Advantage:**  
Multiple locations and products, positioned to serve Asia Pacific and Atlantic market

### Metropolitan Mine

Production: 1.8 million tons  
Reserves: 10 million tons  
Type: Underground - Longwall  
Product: Semi-hard (65%), PCI (25%), Thermal (10%)  
Port: Port Kembla Coal Terminal (PKCT)  
Location: New South Wales, Australia



### CMJV (Coppabella Mine and Moorvale Mine)

Production: 3.9 million tons  
Reserves: 14 million tons  
Type: Surface - Dragline, Dozer/Cast, Truck/Shovel  
Product: Premium Low Volatile PCI  
Port: Dalrymple Bay Coal Terminal (DBCT)  
Location: Queensland, Australia

### Shoal Creek Mine

Production: 0.8 million tons  
Reserves: 17 million tons  
Type: Underground - LW  
Product: Coking – High Vol A  
Port: Barge coal to McDuffie Terminal (Mobile, AL)  
Location: Alabama



Note: Production is for full year 2022. Reserves are shown as of December 31, 2022.

## Unique Organic Growth Opportunity: North Goonyella Redevelopment Takeaways

**Peabody**



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Redevelopment utilizing existing infrastructure and equipment in place

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Premium grade hard coking coal, considered the cornerstone of coking coal feedstocks globally

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Proximity advantage to supply India and wider Asia. Regions with strong demand growth forecasts

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Staged redevelopment for initial 20 million tons delivers attractive financial returns of approximately 25 percent IRR

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## North Goonyella Redevelopment World-Class Infrastructure in Place

- Brownfield redevelopment benefits from significant infrastructure with replacement cost estimated at more than \$1 billion
- Infrastructure includes:



**Coal Handling Prep Plant (CHPP)** with successful history



New **CAT longwall** system on the surface



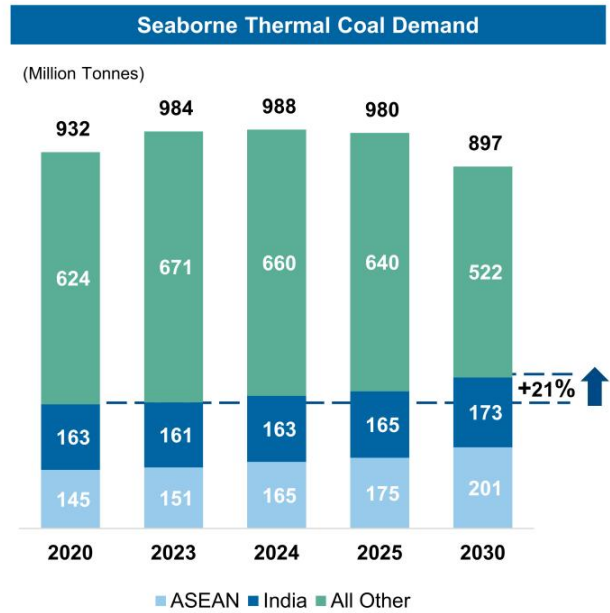
Dedicated **accommodation village** for over 400 workers



Dedicated **rail loop** connected to Goonyella rail system

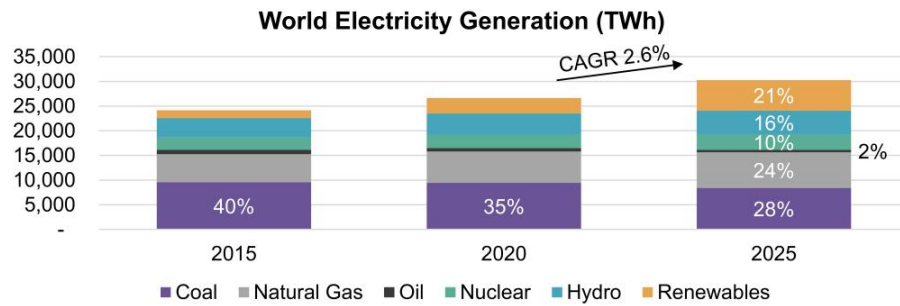
## Thermal Coal Demand

- ASEAN and Indian coal markets expected to continue to grow in coming years for seaborne thermal demand
- Drivers of market volatility are energy security issues driven by Russia / Ukraine conflict
- Peabody's existing coal portfolio well positioned to deliver into growth regions



Source: Wood Mackenzie Long Term Outlook (Nov 2022)

# Thermal Coal Lead all Generation Sources Global Electricity Demand Continues to Grow



- Global electricity demand expected to grow by 2.6% between 2020 and 2025
- Coal is forecasted to remain the largest source of electricity generation through 2025
- On average, ~70 GW of global coal generation capacity has been added annually between 2010 and 2020, and another ~140 GW of new coal generation capacity is currently under construction
- Seaborne thermal coal demand expected to hold steady over the next several years, coupled with potential supply reductions supports elevated price projections

Source: BP Energy Outlook, S&P Capital IQ World Electric Power Plants Sep 2022.

# Seaborne Thermal Business Segment Operations Overview



**Strategic Advantage:**  
High margin  
operations positioned  
to serve Asia Pacific  
market

## Wilpinjong Mine

Production: 12.1 million tons (export and domestic)  
Reserves: 67 million tons  
Type: Surface – Dozer/Cast, Truck/Shovel  
Product: Export (5,000-6,000 kcal/kg NAR)  
Port: Newcastle Coal Infrastructure Group (NCIG)  
and Port Waratah Coal Services (PWCS)  
Location: New South Wales, Australia



## Wambo Open-Cut

Production : 2.0 million tons  
Reserves: 31 million tons  
Type: Surface - Truck/Shovel  
Product: Premium Export (~6000 kcal/kg NAR)  
Port: NCIG and PWCS  
Location: New South Wales, Australia

## Wambo Underground

Production: 1.1 million tons  
Reserves: 5 million tons  
Type: Underground - Longwall  
Product: Premium Export (~6000 kcal/kg NAR)  
Port: NCIG and PWCS  
Location: New South Wales, Australia



Note: Production is for full year 2022. Reserves are shown as of December 31, 2022.

## Seaborne Thermal Life-Extension Opportunities

### *Wilpinjong*

- Targeting to prove up 50Mt+ of reserves in area immediately adjacent to Wilpinjong
- Extensive drilling program in progress throughout 2023
- Environmental baseline fieldwork surveys underway



### *Wambo Underground*

- Recently re-oriented mine plan extending current UG mine life to 2026
- Assessing development options for South Wambo UG with potential for 70Mt+ of reserves within existing approved mining lease

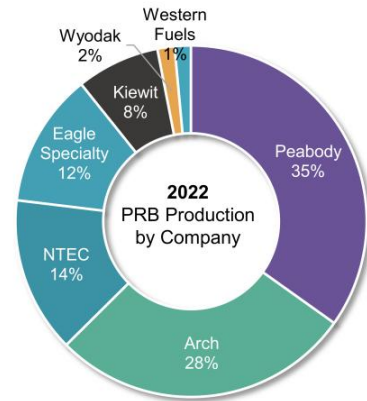


### *Wambo Open-Cut*

- Evaluating option for 14Mt+ of reserves through the mining of the lower coal seams within the existing mining area

## U.S. Thermal - Best and Most Diverse Assets in the Right Regions

- Peabody is the largest producer in the PRB and is committed to serve customers' long-term needs – a differentiator
- Peabody has a unique ability to supply low-cost products out of the PRB with various qualities ranging from 8,200 Btu up to >8,900 Btu with ultra low sulfur (<0.50 lbs SO<sub>2</sub>) and low ash
- Peabody's ILB mines have the ability to meet customer requests as they change quality needs
- Twentymile accepted in the Atlantic seaborne thermal market as quality is comparable to Russia, Colombia, and South Africa coals with less political / execution risk
- El Segundo/Lee Ranch signed a new, long-term coal supply agreement – extending the life of the mine





Source: MSHA

# PRB Business Segment Operations Overview



**Strategic Advantage:**  
Low-cost operations,  
largest producer,  
significant reserves,  
shared resources,  
technologies

<b>North Antelope Rochelle Mine (NARM)</b> Production: 60.4 million tons Reserves: 1,423 million tons Type: Surface - Dragline, Dozer/Cast, Truck/Shovel Product: Sub-Bit Thermal (~8,800 BTU/lb, <0.50 lbs SO2) Rail: BNSF and UP Location: Wyoming	
	<b>Caballo Mine</b> Production: 12.1 million tons Reserves: 342 million tons Type: Surface – Dozer/Cast, Truck/Shovel Product: Sub-Bit Thermal (~8,500 BTU/lb, 0.80 lbs. SO2) Rail: BNSF and UP Location: Wyoming
<b>Rawhide Mine</b> Production: 10.3 million tons Reserves: 117 million tons Type: Surface – Dozer/Cast, Truck/Shovel Product: Sub-Bit Thermal (~8,200-8,300 BTU/lb, 0.85 lbs. SO2) Rail: BNSF Location: Wyoming	

Note: Production is for full year 2022. Reserves are shown as of December 31, 2022.

# Other U.S. Thermal Business Segment Operations Overview



<b>Bear Run Mine</b> Production: 6.7 million tons Reserves: 136 million tons Type: Surface - Dragline, Dozer/Cast, Truck/Shovel Product: Thermal ~11,000 Btu/lb, 4.5 lbs. SO2 Rail: Indiana Railroad to Indiana Southern / NS and CSX Location: Indiana	
 <b>Wild Boar Mine</b> Production: 2.3 million tons Reserves: 15 million tons Type: Surface - Dragline, Dozer/Cast, Truck/Shovel Product: Thermal ~11,000 Btu/lb, 5.0 lbs. SO2 Rail: NS or Indiana Southern Location: Indiana	
<b>Francisco Underground</b> Production: 1.8 million tons Reserves: 7 million tons Type: Underground – Continuous Miner Product: Thermal ~11,500 Btu/lb, 6.0 lbs. SO2 Rail: NS Location: Indiana	

Note: Production is for full year 2022. Reserves are shown as of December 31, 2022.

# Other U.S. Thermal Business Segment Operations Overview (continued)



Note: Production is for full year 2022. Reserves are shown as of December 31, 2022.

### Opportunity to Create Additional Value with Our Existing Assets

- **Met Coal Resources:** *720 million tons* of resources<sup>(1)</sup>
  - Opportunity: reweight investments towards met coal developments such as North Goonyella
- **Land:** *175,000+ surface acres owned in U.S.*
  - Opportunity: develop solar energy and storage projects such as R3 Renewables
  - Potential for carbon capture and underground storage
- **Water:** *38 million gallons* managed per day
  - Opportunity: develop pumped hydro generation
  - Potential sale of water
- **Methane Gas:** *60,000+ tons* per year
  - Opportunity: capture methane from underground facilities
  - Potential sale for energy generation



Joint venture in collaboration with Riverstone Holdings and Summit Partners

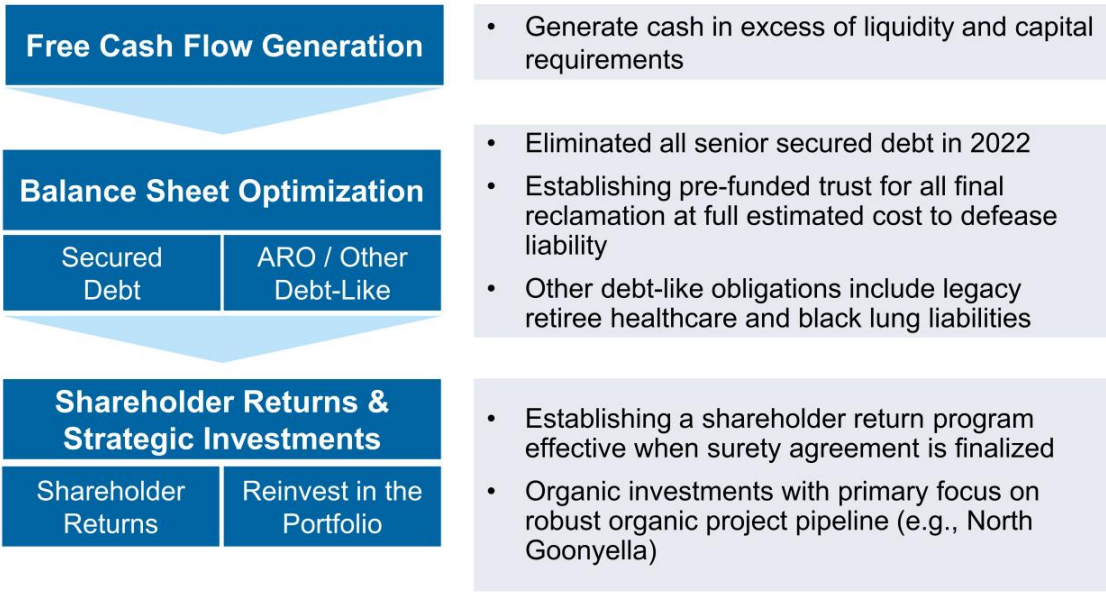
Pursue development of over 3.0 GW of utility-scale solar PV and 1.5 GW of battery storage

Six potential sites on large tracts of land on or near previous coal mining operations in Indiana and Illinois

1. Measured and Indicated Resources per Peabody 10-K for the year ended December 31, 2022.

- We support research and key initiatives in low emissions projects and partnerships such as:
  - Low Emission Technology Australia (LETA)
  - Carbon Capture Coalition
  - Carbon Utilization Research Council (CURC)
- University of Wyoming School of Energy Resources
  - Peabody Advanced Coal Technology
  - Carbon engineering
  - Carbon Capture, Use and Storage
  - Coal-derived products
- Washington University in St. Louis
  - Supports the Consortium for Clean Coal Utilization research on carbon capture and storage





- A de-risked balance sheet and strong cash flow projections allow us to deliver shareholder returns AND reinvest in the portfolio with high-return projects
- Developing shareholder return program
  - Proportionate to free cash flow generation
  - Flexible to include dividends and share buybacks
  - Variable based on prevailing market conditions
- Continue to invest in select high-return projects that create long-term shareholder value
  - Maintain asset portfolio
  - Reweight towards seaborne markets
  - Project pipeline of extensions/expansions at Wilpinjong, the CMJV, Metropolitan, and North Goonyella

## A Compelling Opportunity

Exposed to growing global demand through our met and thermal seaborne segments, while our low-cost US thermal segments produce strong cash flows at attractive margins throughout market cycles

Our global scale and diversification enable us to target the most attractive market segments

Diversified portfolio of operations in an industry with high barriers to entry

Best organic metallurgical coal growth project in the world – North Goonyella mine

Proven performance as a safe, regulatory compliant producer on two continents with a focus on using existing assets to develop renewable projects makes us a unique producer in the coal space

ESG initiatives support business and financial objectives

Clearly defined path to instituting a 2023 shareholder distribution program

Supported by a “bullet proof” balance sheet and funded sureties program – all in progress



Questions?

**Peabody**



## Appendix Materials

**Peabody**

# 2023 Guidance Table



## Segment Performance

	2023 Full Year			
	Total Volume (millions of short tons)	Priced Volume (millions of short tons)	Priced Volume Pricing per Short Ton	Average Cost per Short Ton
Seaborne Thermal	14.5 - 15.5	7	\$66.00	\$52.00 - \$57.00
Seaborne Thermal (Export)	9 - 10	1.5	\$206.00	NA
Seaborne Thermal (Domestic)	~5.5	5.5	\$28.50	NA
Seaborne Metallurgical	7 - 8	0.9	\$216.00	\$120.00 - \$130.00
PRB U.S. Thermal	85 - 95	92	\$13.60	\$11.25 - \$12.00
Other U.S. Thermal	18 - 19	18.6	\$50.50	\$38.00 - \$42.00

## Other Annual Financial Metrics (\$ in millions)

	2023 Full Year
SG&A	\$90
Cash Interest Payments	\$60
Major Project / Growth Capital Expenditures	\$200
Total Capital Expenditures	\$325
ARO Cash Spend	\$60 - \$70

## Supplemental Information

Seaborne Thermal	45% of unpriced export volumes are expected to price on average at Globalcoal "NEWC" levels and 55% are expected to have a higher ash content and price at 80-95% of API 5 price levels.
Seaborne Metallurgical	On average, Peabody's metallurgical sales are anticipated to price at 75-80% of the premium hard-coking coal index price (FOB Australia).
PRB and Other U.S. Thermal	PRB and Other U.S. Thermal volumes reflect volumes priced at December 31, 2022. Weighted average quality for the PRB segment 2023 volume is approximately 8650 BTU.

Certain forward-looking measures and metrics presented are non-GAAP financial and operating/statistical 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.

# Reconciliation of Non-GAAP Measures



	Quarter Ended Dec. 31, 2022	Year Ended Dec. 31, 2022
<b>Tons Sold (In Millions)</b>		
Seaborne Thermal Mining Operations	4.1	15.6
Seaborne Metallurgical Mining Operations	2.0	6.6
Powder River Basin Mining Operations	21.2	82.6
Other U.S. Thermal Mining Operations	5.0	18.4
<b>Total U.S. Thermal Mining Operations</b>	<b>26.2</b>	<b>101.0</b>
Corporate and Other	0.2	0.5
<b>Total</b>	<b>32.5</b>	<b>123.7</b>
<b>Revenue Summary (In Millions)</b>		
Seaborne Thermal Mining Operations	\$ 386.3	\$ 1,345.6
Seaborne Metallurgical Mining Operations	451.1	1,616.9
Powder River Basin Mining Operations	294.1	1,065.5
Other U.S. Thermal Mining Operations	262.8	952.2
<b>Total U.S. Thermal Mining Operations</b>	<b>556.9</b>	<b>2,017.7</b>
Corporate and Other <sup>(1)</sup>	231.8	1.7
<b>Total</b>	<b>\$ 1,626.1</b>	<b>\$ 4,981.9</b>
<b>Total Reporting Segment Costs Summary (In Millions) <sup>(2)</sup></b>		
Seaborne Thermal Mining Operations	\$ 177.2	\$ 698.0
Seaborne Metallurgical Mining Operations	263.3	835.2
Powder River Basin Mining Operations	269.4	997.3
Other U.S. Thermal Mining Operations	205.0	709.8
<b>Total U.S. Thermal Mining Operations</b>	<b>474.4</b>	<b>1,707.1</b>
Corporate and Other	3.3	2.0
<b>Total</b>	<b>\$ 918.2</b>	<b>\$ 3,242.3</b>
<b>Adjusted EBITDA (In Millions) <sup>(3)</sup></b>		
Seaborne Thermal Mining Operations	\$ 209.1	\$ 647.6
Seaborne Metallurgical Mining Operations	187.8	781.7
Powder River Basin Mining Operations	24.7	68.2
Other U.S. Thermal Mining Operations	57.8	242.4
<b>Total U.S. Thermal Mining Operations</b>	<b>82.5</b>	<b>310.6</b>
Middlemount <sup>(4)</sup>	10.9	132.8
Resource Management Results <sup>(5)</sup>	6.8	29.3
Selling and Administrative Expenses	(24.3)	(88.8)
Other Operating Costs, Net <sup>(6)</sup>	27.7	31.5
<b>Adjusted EBITDA <sup>(3)</sup></b>	<b>\$ 500.5</b>	<b>\$ 1,844.7</b>

Note: Refer to definitions and footnotes on slide 36.

# Reconciliation of Non-GAAP Measures



	Quarter Ended Dec. 31, 2022	Year Ended Dec. 31, 2022
<b>Reconciliation of Non-GAAP Financial Measures (In Millions)</b>		
Income from Continuing Operations, Net of Income Taxes	\$ 641.5	\$ 1,317.4
Depreciation, Depletion and Amortization	90.2	317.6
Asset Retirement Obligation Expenses	8.6	49.4
Restructuring Charges	0.1	2.9
Asset Impairment	9.5	11.2
Changes in Deferred Tax Asset Valuation Allowance and Reserves and Amortization of Basis Difference Related to Equity Affiliates	(0.6)	(2.3)
Interest Expense	29.5	140.3
Net Loss on Early Debt Extinguishment	23.4	57.9
Interest Income	(12.1)	(18.4)
Net Mark-to-Market Adjustment on Actuarially Determined Liabilities	(27.8)	(27.8)
Unrealized (Gains) Losses on Derivative Contracts Related to Forecasted Sales	(199.3)	35.8
Unrealized (Gains) Losses on Foreign Currency Option Contracts	(2.1)	2.3
Take-or-Pay Contract-Based Intangible Recognition	(0.6)	(2.8)
Income Tax Benefit	(59.8)	(38.8)
Adjusted EBITDA <sup>(3)</sup>	<u>\$ 500.5</u>	<u>\$ 1,844.7</u>
Operating Costs and Expenses	\$ 927.8	\$ 3,290.8
Unrealized Gains (Losses) on Foreign Currency Option Contracts	2.1	(2.3)
Take-or-Pay Contract-Based Intangible Recognition	0.6	2.8
Net Periodic Benefit Credit, Excluding Service Cost	(12.3)	(49.0)
Total Reporting Segment Costs <sup>(2)</sup>	<u>\$ 918.2</u>	<u>\$ 3,242.3</u>
Net Cash Provided By Operating Activities	\$ 669.5	\$ 1,173.6
Net Cash Used In Investing Activities	(89.8)	(28.7)
Free Cash Flow <sup>(7)</sup>	<u>\$ 579.7</u>	<u>\$ 1,144.9</u>

Note: Refer to definitions and footnotes on slide 36.

# Reconciliation of Non-GAAP Measures: Definitions



Note: Management believes that non-GAAP performance measures are used by investors to measure our operating performance. These measures are not intended to serve as alternatives to U.S. GAAP measures of performance and may not be comparable to similarly-titled measures presented by other companies.

- (1) Includes net gains (losses) related to unrealized mark-to-market adjustments on derivatives related to forecasted sales of:

	Quarter Ended Dec. 31, 2022	Year Ended Dec. 31, 2022
	(In Millions)	
Net unrealized gain (loss)	\$ 199.3	\$ (35.8)

- (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 component of a metric to measure each of our segment's operating performance.
- (3) Adjusted EBITDA is defined as income from continuing operations before deducting net interest expense, income taxes, asset retirement obligation expenses and depreciation, depletion and amortization. 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 and allocate resources.
- (4) We account for our 50% equity interest in Middlemount Coal Pty Ltd. (Middlemount), which owns the Middlemount Mine, under the equity method. Middlemount's standalone results exclude the impact of related changes in deferred tax asset valuation allowance and reserves and amortization of basis difference recorded by the Company in applying the equity method. Middlemount's standalone results include (on a 50% attributable basis) :

	Quarter Ended Dec. 31, 2022	Year Ended Dec. 31, 2022
	(In Millions)	
Tons sold	0.4	1.6
Depreciation, depletion and amortization and asset retirement obligation expenses	\$ 1.7	\$ 7.4
Net interest expense	(0.2)	-
Income tax provision	4.8	55.3

- (5) Includes gains (losses) on certain surplus coal reserve and surface land sales and property management costs and revenue.
- (6) Includes trading and brokerage activities; costs associated with post-mining activities; minimum charges on certain transportation-related contracts; and costs associated with suspended operations including the North Goonyella Mine.
- (7) Free Cash Flow is defined as net cash provided by operating activities less net cash used in investing activities and excludes cash outflows related to business combinations. 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.

