Peabody Analyst and Investor Day

February 22, 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, 2016, as amended on July 10, 2017 and Aug. 14, 2017, and in Exhibit 99.2 to the Company's Current Report on Form 8-K filed with the SEC on April 11, 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.

Peabody Analyst and Investor Day Agenda

8:00	Registration and Breakfast
9:00	Welcome and Safety Contact
9:10	Peabody Overview – Glenn Kellow, President and Chief Executive Officer
9:55	Industry Highlights – Bryan Galli, Group Executive and Chief Marketing Officer
10:30	Break
10:45	Australian Operations – George J. Schuller Jr., President - Australia
11:25	Americas Operations – Kemal Williamson, President - Americas
12:05	Lunch Break
12:35	Competitiveness – Charles Meintjes, Executive Vice President - Corporate Services and Chief Commercial Officer
1:15	Financial Approach – Amy Schwetz, Executive Vice President and Chief Financial Officer
1:50	Group Q&A and Closing Remarks

For more information regarding NYSE: BTU, visit PeabodyEnergy.com or contact IR@peabodyenergy.com

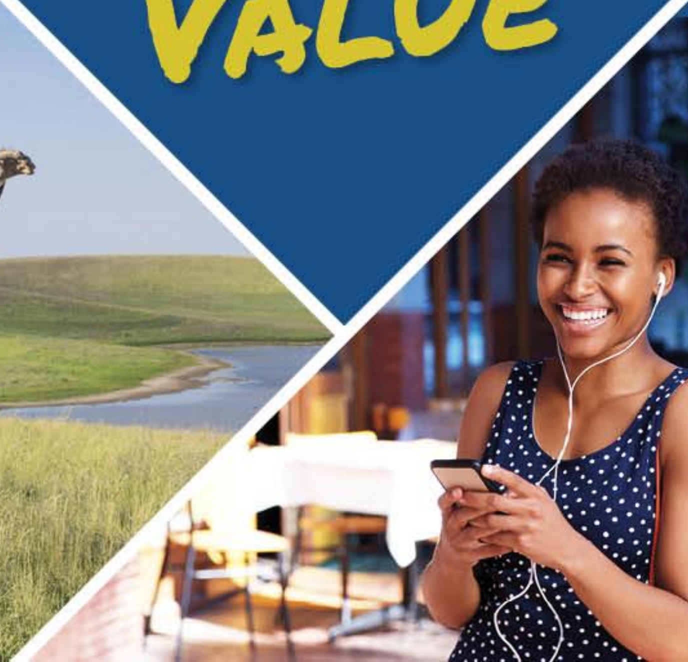
BTU Analyst and Investor Day: Delivering Results, Generating Value

Glenn Kellow
President and Chief Executive Officer

February 22, 2018

Peabody

DELIVERING RESULTS
GENERATING VALUE



BTU Analyst and Investor Day: Overview

- Peabody is the leading global pure-play coal investment, and we have significant scale, high-quality assets and people, and diversity in geography and products
- We are executing an integrated approach to delivering results and generating value across the cycle
- Today, we invite you to take a deeper look at Peabody "beneath the surface"

My discussion will center on: 1) Our Company Profile; 2) Industry Dynamics; and 3) Our Strategies to Create Value

Today's Presenters and Our Executive Leadership Team

Industry Fundamentals
Bryan Galli
Group Executive and Chief Marketing Officer

Australian Operations
George J. Schuller Jr.
President Australia

Americas Operations
Kemal Williamson
President Americas

Improving Competitiveness
Charles Meintjes
EVP Corporate Services and Chief Commercial Officer

Financial Approach
Amy Schwetz
EVP and Chief Financial Officer

From Left: Paul Richard [1], Verona Dorch [2], Kemal Williamson, Amy Schwetz, Glenn Kellow, George J. Schuller Jr., Charles Meintjes

Note: [1] SVP and Chief Human Resources Officer; [2] EVP, CLO, Government Affairs and Corporate Secretary

BTU Analyst and Investor Day:
Key Takeaways and Investment Thesis

- **Company:** Leveraging significant scale; extensive diversity of product and customers; high quality of assets
- **Industry:** Peabody capitalizing on attractive seaborne thermal and met coal conditions and highly competitive positioning in U.S.
- **Portfolio:** Continuing to shape the portfolio for maximum value with sharp sense of strategic fit, returns, payback period and synergies
- **Financial:** Further propelling "virtuous cycle" by generating cash, maintaining financial strength, investing wisely and returning cash to shareholders
- **People:** Highly aligned and engaged workforce, skilled international executive team and highly experienced board of directors
- **Focused Engagement:** Advancing our license to operate; mission and values; investment principles; and support for advanced coal technologies

Peabody

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

192

Million tons of coal sales

5.2

Billion tons of proven and probable reserves

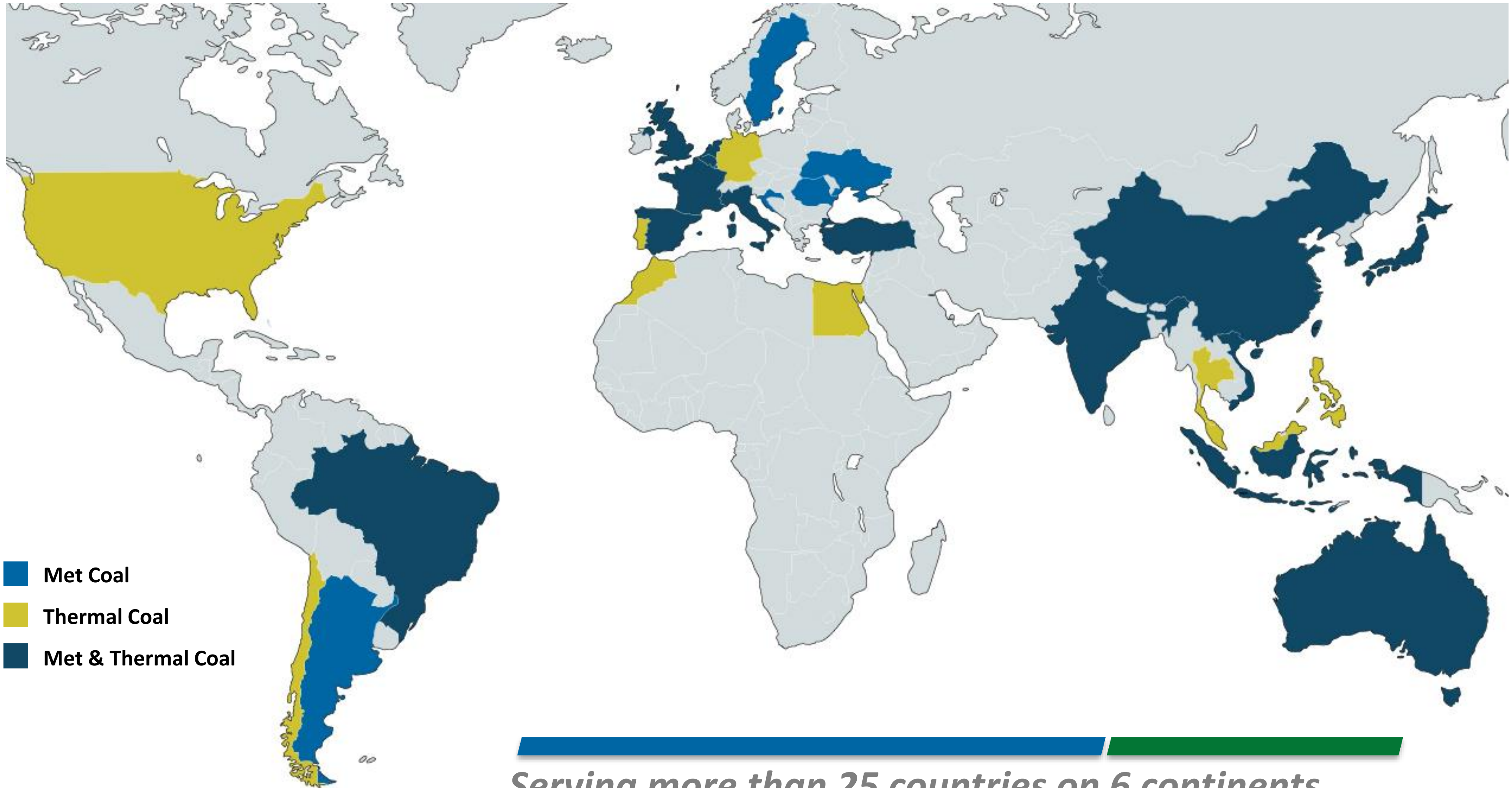
23

Operations in 8 states and 2 flagship countries

Peabody

Note: Coal sales and proven and probable reserves as of Dec. 31, 2017. 2017 proven and probable reserves reflect year-end estimates; Final Dec. 31, 2017 proven and probable reserve estimates to be included in our Annual Report on Form 10-K.

Company Offers Extensive Diversity of Geography, Customers and Products

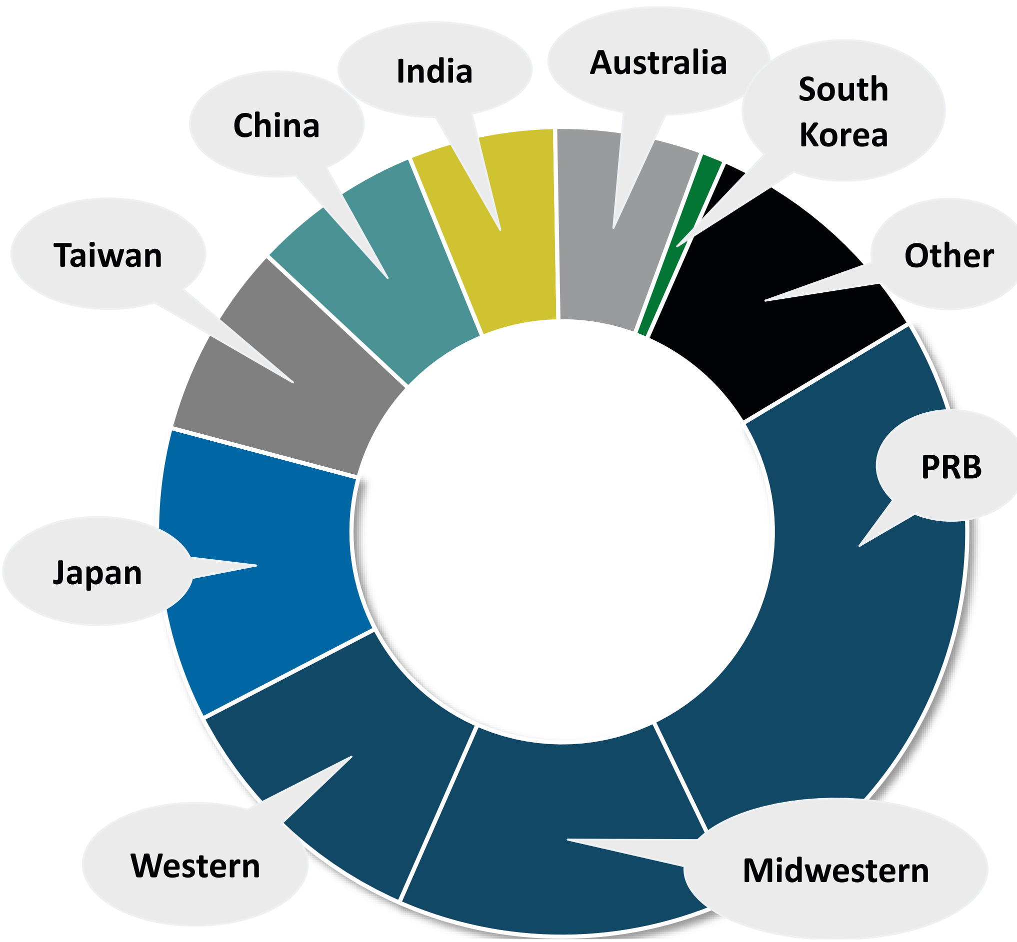


Serving more than 25 countries on 6 continents

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

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

Global 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

Peabody

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

Peabody View: Global Coal Industry Undergoing Several Long-Term Trends

- Global coal demand likely marked by modest overall growth
- Increases in Asia demand more than offset declines in U.S. and Europe as demand shifts to Pacific
- Small changes in supply-demand can lead to major shifts in pricing
- Australia expected to continue to drive majority of global seaborne supply growth for both met and thermal
- Coal expected to remain important component of U.S. energy mix

11

Million tons – increase in 2017 global seaborne met coal demand

~50

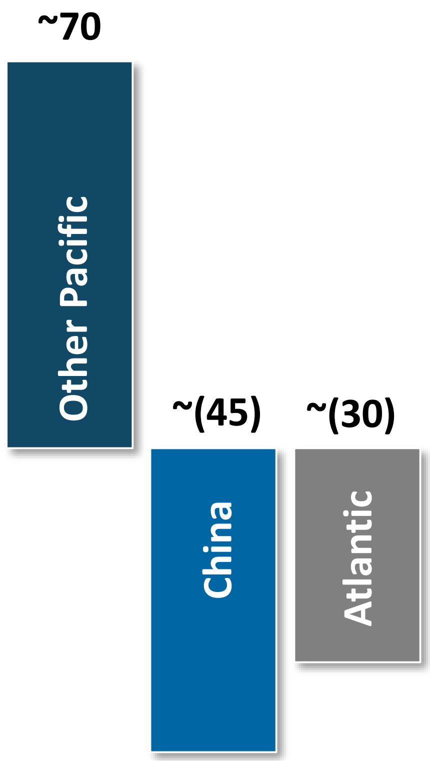
Million tons of U.S. demand difference between $2.80 and $3.20/mmBtu natural gas

Source: Industry reports and Peabody Global Analytics.

Seaborne Thermal Fundamentals: Asia-Pacific Demand Growth Expected as Atlantic Wanes

- Expecting 3 – 5% total growth in Pacific thermal coal imports over 5 years
  - Easing Chinese imports overcome by substantial growth from ASEAN, other Pacific nations
- Assumes 15 – 20% decline in Atlantic seaborne thermal demand
- Thermal coal supply expected to recover from tight 2017 –18 time period
  - Driven by Australia and Colombia increases
  - Declines expected from U.S. and Indonesia
- Peabody very well positioned to serve rising demand for Australian coals

Expected Change in Thermal Imports
(2017 – 2022)



Source: Industry reports and Peabody Global Analytics.

Seaborne Met: Asia-Pacific Demand Growth With Ongoing Tight Supplies Expected

- Expecting 8 – 10% total growth in met coal demand imports over 5 years
  - European and China imports stable
  - Growth in India, Japan and ASEAN
- Assumes 1 – 2% CAGR in global steel
- Supplies expected to remain tight with “standoff” from customers, suppliers
  - Australia expected to provide 80 – 90% of seaborne met coal supply growth
- Peabody very well positioned to serve rising demand for seaborne met coal

Expected Total Change in Global Met Coal Exports 2017 – 2022
(Tonnes in millions)

Australia	**26 – 30**
Mozambique	**6 – 8**
Russia	**4 – 6**
Canada	**2 – 4**
U.S.	**(10) – (14)**
Other	**0 – 2**
TOTAL	**28 – 38**

Peabody

Source: Industry reports 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

30%

U.S. share of generation in 2017

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

Peabody

Source: Industry reports and Peabody Global Analytics.

While Headlines and Opponents Can Challenge, Policies and Technologies Offer Case for Optimism

- While European policies remain challenged, current U.S. and Australia administrations and Asia strongly supportive of coal use and technology advancement
- Improved global GDP outlook provides support for electricity generation, steel production
- Countervailing forces between anti-fossil movement and pro-energy/technology governments
- Renewables heavily subsidized, pose many challenges from a cost and reliability standpoint
- Substantial deployment of HELE technology underway in fastest-growing demand centers
- CCUS identified as essential to meeting carbon targets

U.S. Announcements

- Repeal of "Stream Protection Rule"
- Office of Natural Resources Revenue proposes to rescind Coal Valuation Rule
- EPA files notice of intent to review and rescind "Waters of the U.S." act
- Review of Clean Power Plan and favorable D.C. circuit ruling
- Issuance of Energy Independence executive order
- DOI issues secretarial order ending coal leasing moratorium
- 45Q tax credits support development of CCUS

Peabody

Source: Industry reports and Peabody Global Analytics. HELE is an acronym for high-emissions, low-efficiency technology; CCUS is an acronym for carbon capture use and storage.

Peabody Guided by Core Mission and Values

Our mission is to create superior value for shareholders as the leading global supplier of coal, which enables economic prosperity and a better quality of life.

OUR VALUES

Safety: We commit to safety and health as a way of life.

Customer Focus: We provide customers with quality products and excellent service.

Leadership: We have the courage to lead, and do so through inspiration, innovation, collaboration and execution.

People: We offer an inclusive work environment and engage, recognize and develop employees.

Excellence: We are accountable for our own success. We operate cost-competitive mines by applying continuous improvement and technology-driven solutions.

Integrity: We act in an honest and ethical manner.

Sustainability: We take responsibility for the environment, benefit our communities and restore the land for generations that follow.

Peabody's Strategies: Strong Foundation for 2018 Priorities

- *A leading position in U.S. PRB and Illinois Basin*
- *Seaborne thermal and metallurgical coal platform to capture higher-growth Asian demand centers*

Operational Excellence
Drive safety, productivity, cost efficiency and reclamation performance.

Financial Strength
Maintain target capital structure that enables sustainable performance through all market cycles and maximize shareholder returns through disciplined capital allocation.

Portfolio Management
Continually enhance the value of our portfolio emphasizing high-quality assets targeting the most attractive demand centers.

Focused Engagement
Support our license to operate and advocate favorable energy policy and advances in generation technology including HELE and CCUS.

Best People
Employ the best people in the industry and align their talents to maximize their full potential.

Peabody

1) Peabody Strategy Begins With Operational Excellence

- Safe, productive operations allow for improved costs
- Peabody incident rate better than coal industry and most other sectors
- Reduced Australian costs 40% from peaks in 2012
- Maintained U.S. costs per ton despite lower volumes in recent years
- Reduced SG&A costs to lowest percent of revenue among U.S. coal producers

Note: SG&A peer comparisons include Alliance Resource Partners, Arch, Cloud Peak Energy, Consol Energy, Foresight Energy and Westmoreland Coal.

2) 2017 Operational Strength Drives Financial Successes

- Relists on New York Stock Exchange
- Increases liquidity to $1.24 billion
- Releases ~$220 million of restricted cash since 2016
- Secures $350 million revolving credit facility
- Refinances term loan on more favorable terms, reduces interest rate
- Repays $500 million of debt ahead of target
- Reduces net debt nearly 50% since emergence
- Repurchases ~$175 million in stock
- Achieves record production at North Goonyella
- Reclaims 1.4 acres for every acre disturbed globally
- Earns Best ESG – Global Responsible Mining Company by CFI

Actions in Early 2018

Simplifies capital structure as preferred shares convert to common stock

Issues Australian surety bonds

Targets release of nearly all remaining restricted cash in 2018

Declares quarterly cash dividend

STRENGTH ENABLING MORE

STRENGTH IN 2018

Peabody

Note: Information as of Dec. 31, 2017.

2) Revisiting Our Four-Pronged Financial Approach – Generate Cash

What's Changed

- Robust cash of $1.012 billion
- Revolver and surety capacity exceed target of liberating restricted cash
- New U.S. tax law further enhances our very low tax payment profile

Current Outlook

- Based on current conditions, we expect 2018 will be a strong year for earnings – and an exceptional year for converting those earnings into cash

Next Steps

- Maximize earnings potential of operations through mining/marketing/logistics chain
- Free up essentially all remaining restricted cash by year end
- Continue to monetize tax assets beginning with cash refunds in 2018

Note: Unrestricted cash balance as of Dec. 31, 2017.

2) Revisiting Our Four-Pronged Financial Approach – Maintain Financial Strength

What's Changed

- Achieved 2018 debt reduction target a year early
- Within $100 – $300 million of total debt target
- Over $100 million of obligations eliminated through liability management transactions

Current Outlook

- Strong cash levels and new revolver places liquidity at $1.24 billion against $800 million liquidity target *

Next Steps

- Continue to ensure corporate actions protect balance sheet throughout the cycle
- Continue to aggressively manage liabilities and ensure post-retirement costs and reclamation liabilities remain highly manageable
- Work to complete steps to achieve long-term debt targets

Note: Liquidity of $1.24 billion as of Dec. 31, 2017.

2) Revisiting Our Four-Pronged Financial Approach – Invest Wisely

What's Changed

- 2018 capex targets established at $275 – 325 million
- Selectively accelerating life extension projects at North Goonyella, Wilpinjong and Wambo

Current Outlook

- Returning cash to shareholders is our default position
- Capex allows us to underwrite double-digit met coal sales for foreseeable future
- Investments evaluated against strict investment criteria – balance sheet, strategy, returns, physical synergies, shareholder value

Next Steps

- Exercise capital discipline
- Continue to explore ways to upgrade our met coal platform
- Evaluate potential investments through strict filters we have outlined

2) Revisiting Our Four-Pronged Financial Approach – Return Cash to Shareholders

What's Changed

- Executed $214 million of share buybacks with added repurchases in 2018
- Dividend program approved in February; initiated at $0.115 per share

Current Outlook

- Whilst more than three-quarters of a billion dollars used for debt reduction and restructuring payments in 2017, emphasis more fully shifts to returning cash to shareholders in 2018

Next Steps

- Repetitive execution
- Complete share buyback program with $286 million now remaining against $500 million program in 2018
- Assess other uses of cash

Peabody

3) Peabody Continues to Shape the Portfolio to Create Value

Within Australia…

- Continues to provide favorable exposure to growing demand centers
- Benefits from significant reserve position from prior acquisition
- Year-over-year continuous improvement
- Continuing methodical steps to upgrade met coal platform:
  - Closing of Burton; Sale of reserves
  - North Goonyella longwall extends life through 2026
  - Life extension projects at North Goonyella, Moorvale, Wilpinjong and Wambo
- Approach:
  - Manage life extensions, Wambo JV
  - Continue to use strict investment filters
  - Optionality for out-of-the-money, organic met volume growth
  - Offer credible product brand alternatives

Peabody

3) Peabody Continues to Shape the Portfolio to Create Value

Within the United States…

- Serves as strong cash generator, offering meaningful returns
- Benefits from significant reserve position
- Recent actions include modest sales of non-strategic assets
- Offers embedded optionality if West Coast export and transportation economics evolve
- Approach:
  - Improve competitiveness with natural gas
  - Maximize returns from current assets
  - Continue to use strict investment filters
  - Likely avoid significant greenfield development
  - Continued trend towards operating complexes

Peabody

4) Focused Engagement: How We Behave as Important as What We Do

- Fundamental, consistent attention to social responsibility and "Coal Done Right" approach
- Recognition of ESG and Peabody's ability to attract best possible capital
  - "Investment Principles" serve as our own benchmark
  - Peabody honored through multiple ESG and Social Responsibility awards
- "Common Ground" approach toward engagement with government and NGOs
- Alignment with U.N. Sustainable Development Goals

Advanced coal technologies essential to meeting society's goals

4) Focused Engagement: Support for Highly Responsible Coal Mining and Use

Sustainable Mining

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

Energy Access

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

Clean Coal Technologies

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

'Coal Done Right'

4) Focused Engagement: Coal Helps Advance Most U.N. Sustainable Development Goals

- HELE can achieve 90 – 99.99% reduction in particulates, SO_2 and NO_X; up to 25% reduction in CO_2 emissions
- CCUS "recycles carbon" and can be used for:
  - Enhanced oil recovery
  - Enhanced coal bed methane recovery
  - Enhanced water recovery

Continue to use coal to meet energy needs of both developing and industrialized nations

Use today's high-efficiency, low-emissions (HELE) coal-fueled generation technologies to improve emissions

Advance policies and investments to commercialize next-generation carbon capture, use and storage (CCUS) technologies

Peabody

5) Best People: Strategies Implemented by Aligned and Engaged Employees, Management and Board

Employee Base	Management Team	Board of Directors
• 7,100 globally • Average tenure with company nearly 10 years • All granted shares of BTU as part of emergence • Incentives aligned with key business drivers	• Recent team combines over 150 years of industry experience • Senior posts held on multiple continents with new perspectives • Compensation based on safety, free cash flow per share, EBITDA, ROIC, TSR, environmental performance	• Board reconstituted in April 2017 • Eight of nine directors independent • Experience across mining, energy, equipment, finance and other industries • Focus on good governance, strategy and risk management

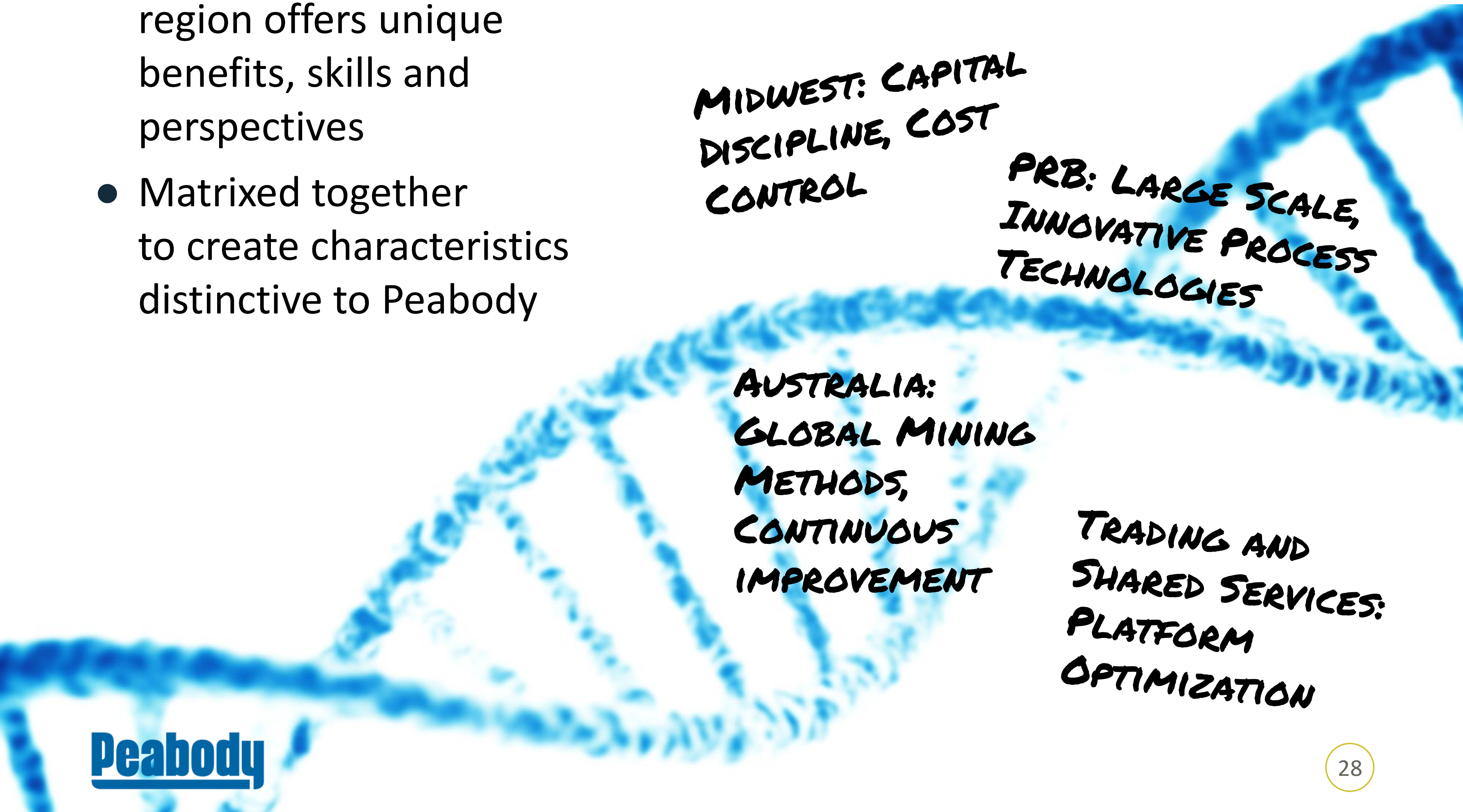
Peabody

Note: Employee count as of Dec. 31, 2017.

Individual Strengths of Diversified Platform Unite to Create Peabody's DNA

- Each operation and region offers unique benefits, skills and perspectives
- Matrixed together to create characteristics distinctive to Peabody

THE PEABODY WAY



Peabody: Integrated Approach Creates Maximum Value

- The Peabody team delivered powerful achievements in 2017, 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

Let's take you a bit further beneath the surface, exploring who we are, what we do and how we intend to create value

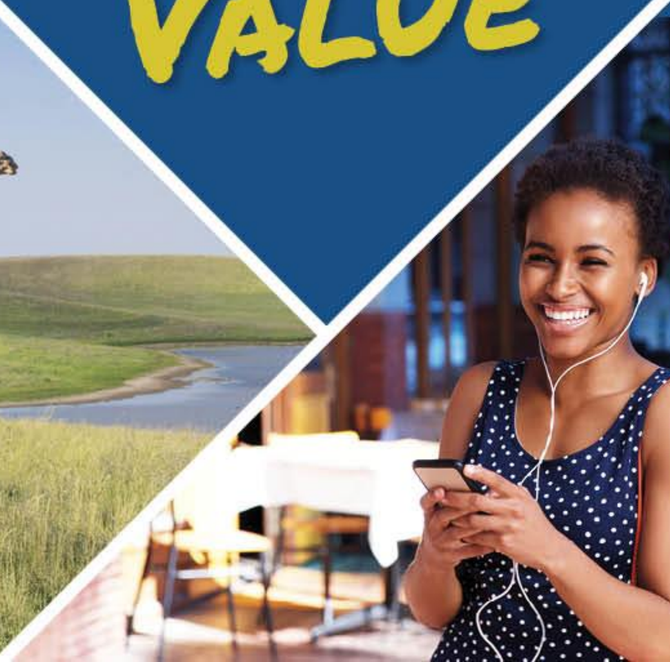
Peabody Positioned to Create Value in All Industry Conditions

Bryan Galli
Group Executive
and Chief Marketing Officer

February 22, 2018

Peabody

DELIVERING
RESULTS
GENERATING
VALUE



Key Takeaways: Industry Dynamics and Peabody Positioning

1. Seaborne coal demand growth in Asia-Pacific offsetting declines in Atlantic demand
2. Australia remains a key seaborne coal supplier
3. Coal represents significant part of U.S. electricity amid slow secular decline
4. PRB and Illinois Basin coals first to benefit from any rise in natural gas prices
5. Peabody leverages scale, quality, diversity, logistics and customer relationships to create value in all industry conditions

NCIG Coal Export Terminal

Peabody

Source: Industry reports and Peabody Global Analytics.

Seaborne Coal: Dynamics Largely Influenced by Pacific Demand, Australian Supply

Global Coal at a Glance…

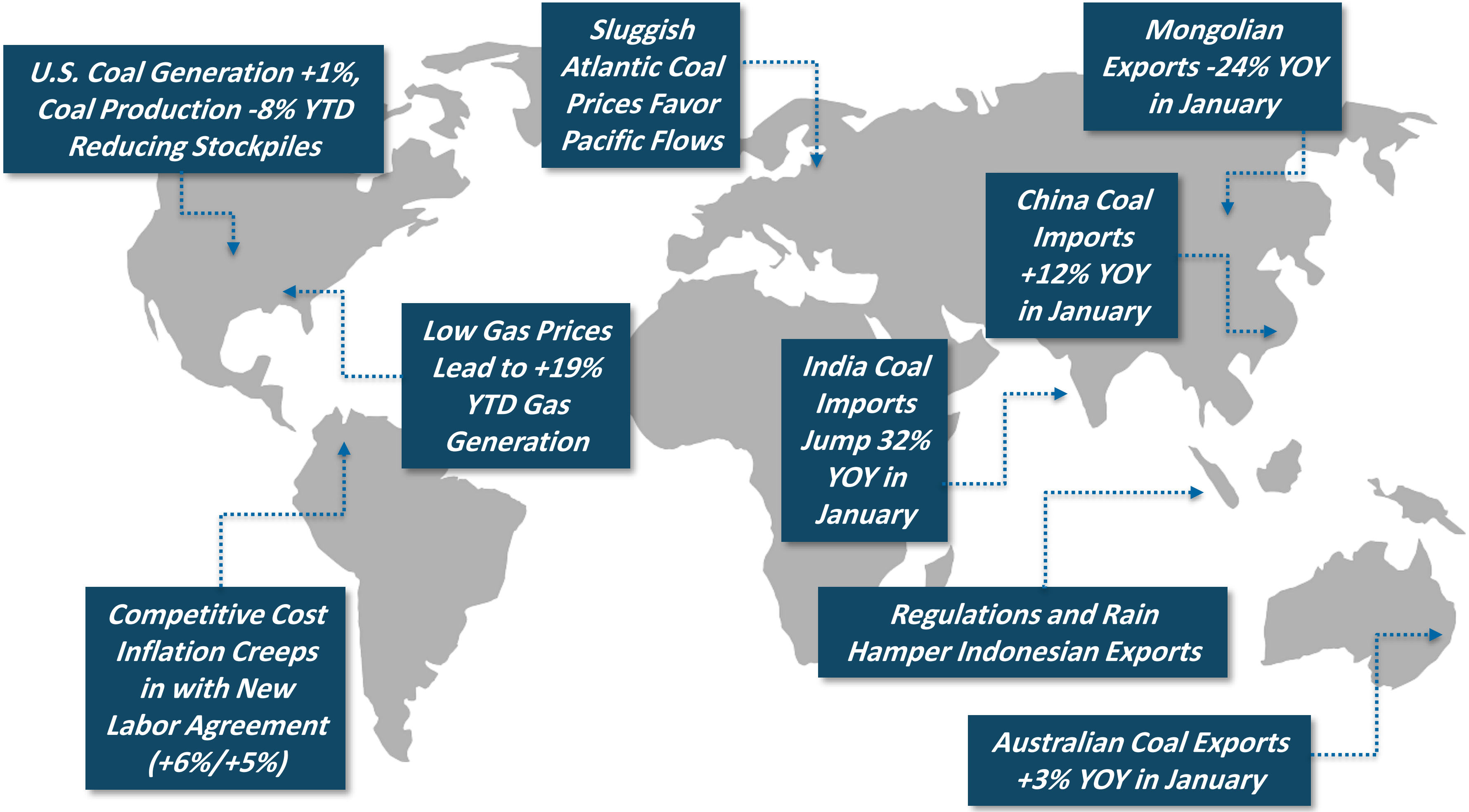
- *~8 billion tonne coal industry*
  - *~1 billion tonnes of seaborne thermal demand*
    - *~80% of seaborne thermal demand is in Pacific*
    - *~20% of export supply from Australia*
  - *~300 million tonnes of seaborne met demand*
    - *~80% of seaborne met demand is in Pacific*
    - *~60% of export supply from Australia*

China produces and consumes half the world's coal;
Accounts for only ~20% of total seaborne coal demand

Peabody

Source: Industry reports and Peabody Global Analytics.

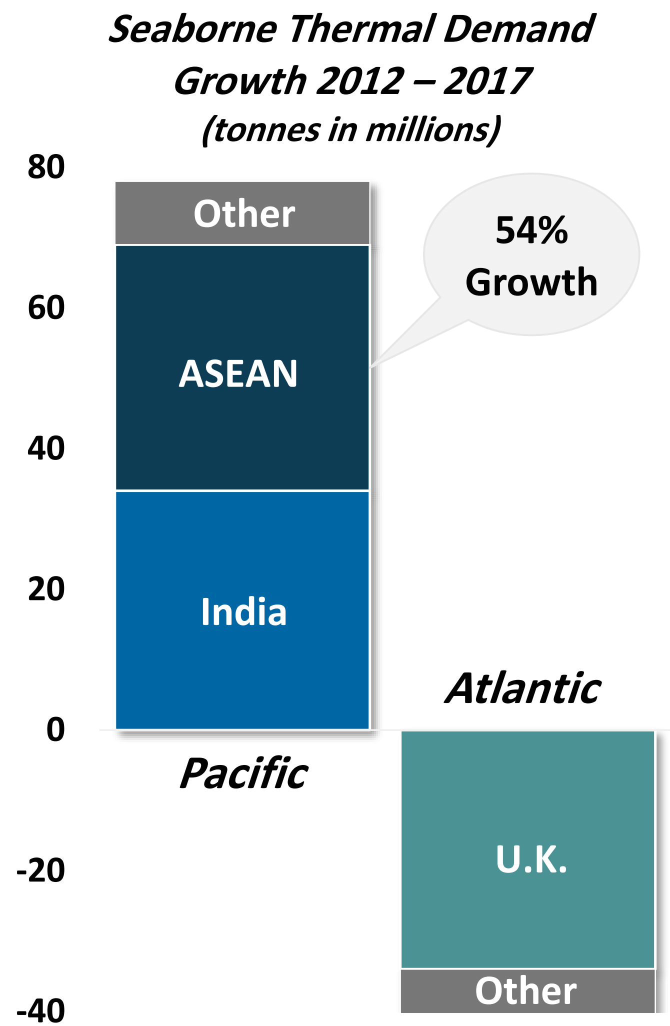
Spotlight: Quick Review of Industry Conditions With Lively Start to 2018



Source: NMA Weekly Statistical Summary Feb. 16, 2018; Industry reports and Peabody Global Analytics.

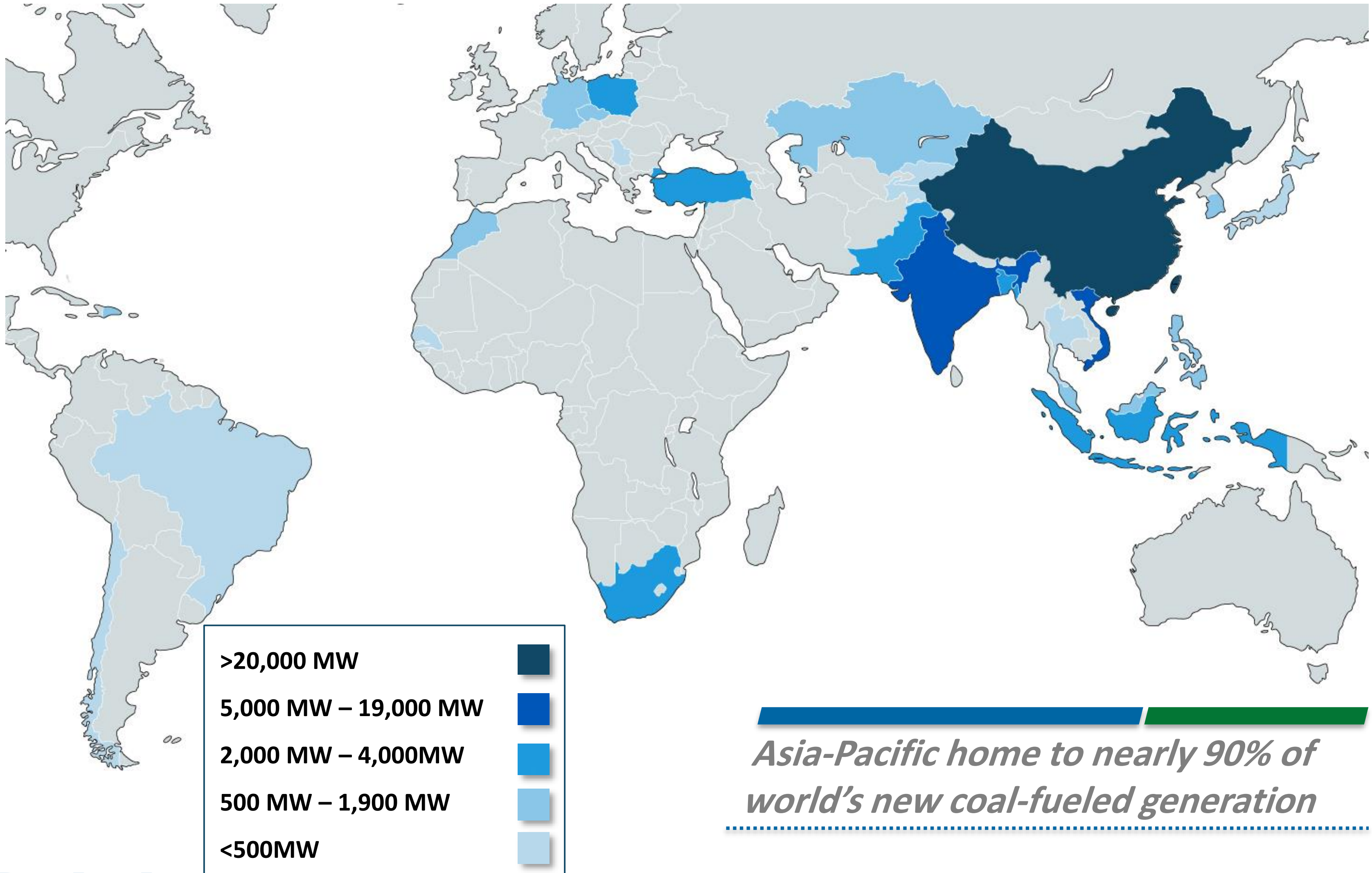
Seaborne Thermal: Pacific Demand Growth Overcomes Declines in Atlantic; Supply Growth Remains Tight

- Pacific demand increases ~10% over past 5 years led by India and ASEAN
  - China demand declined ~35 million tonnes overall during period
- Peabody expects Pacific demand growth to overcome declines in Atlantic through 2022
- Projects supply growth over 5-year period of less than 1%
  - Australia and Indonesia expected to remain ~60% of seaborne thermal supply



Source: Industry reports and Peabody Global Analytics.

New Coal-Fueled Generation Buildout Totals ~110 GW in 2018 and 2019; Spans More Than 25 Countries



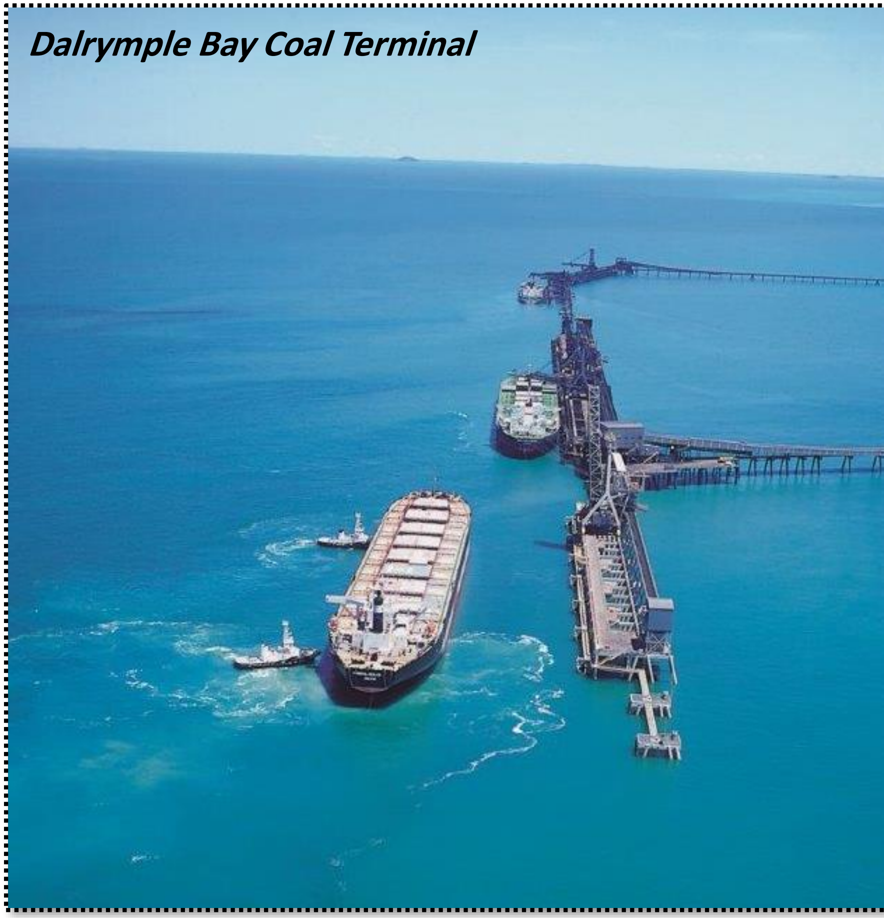
Asia-Pacific home to nearly 90% of world's new coal-fueled generation

Peabody

Source: Industry reports and Peabody Global Analytics.

IHS Markit: Total Global Coal Generation Capacity to Increase 15% by 2030

- Nearly 300 GW of coal-fueled capacity being built in Asia over next 5 years
- Total world coal-fueled capacity grows 15% by 2,030 to 2,389 GW
  - While ROW coal-fueled capacity declines 125 GW from 2017 – 2030, Asia capacity rises 439 GW
- World growth greater than entire U.S. fleet



Dalrymple Bay Coal Terminal

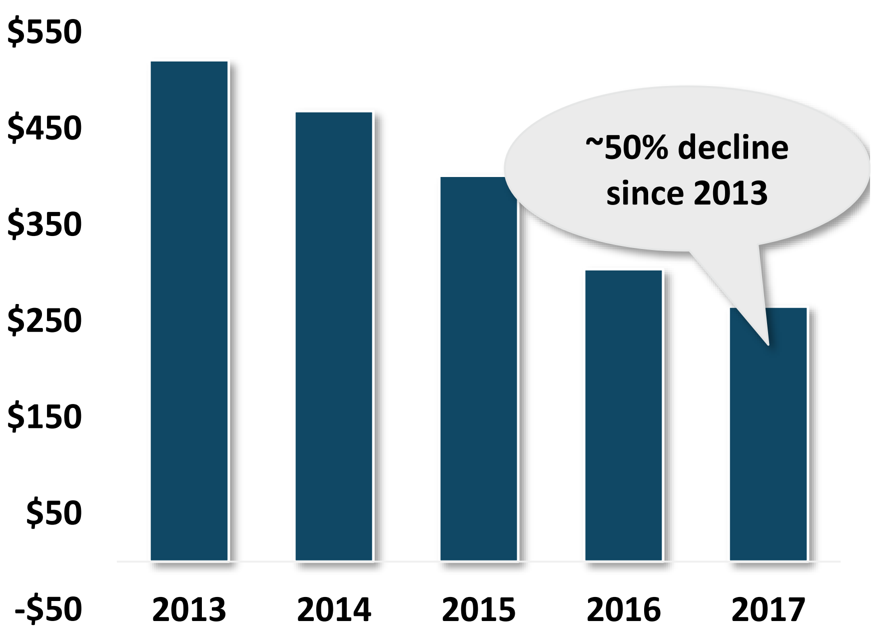
Peabody

Multiple Chinese Policies and Actions Impacting Coal Imports

Policies and actions include:

- Continued closure of unsafe mines
- Rationalizing excess capacity by shutting down inefficient mines
- Tightening restrictions into second-tier ports and lower quality and off-spec coals
- Currently targeting increased coal demand due to gas shortages, low coal stockpiles at coastal plants
- New cap established by NDRC for thermal coal equates to ~$112 per metric ton for NEWC 6000

Chinese Coal Mining Sector Average Fixed-Asset Investment
(RMB in billions)

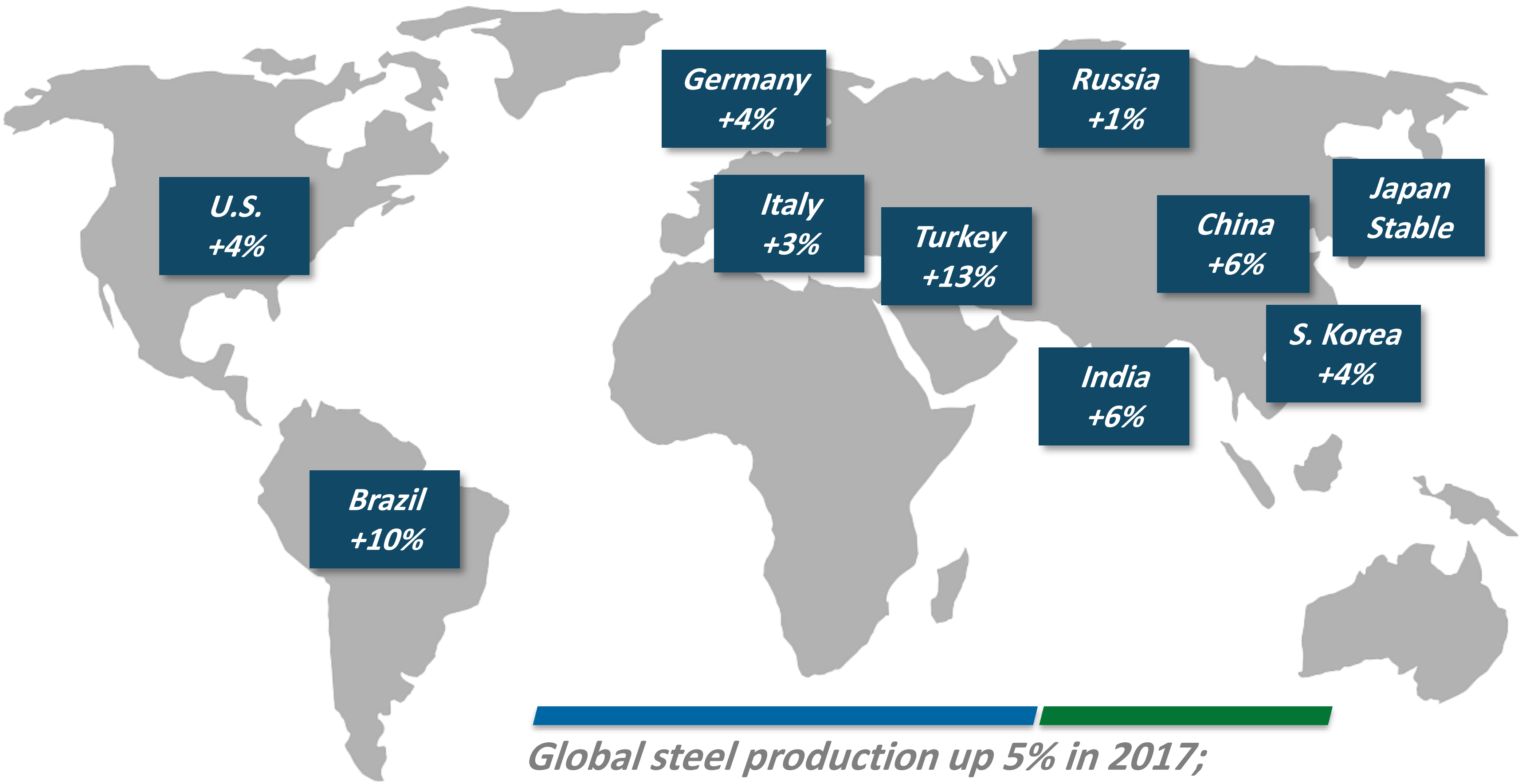


Large amount of investment needed for maintenance, equipment and facility upgrades.

Peabody

Source: IHS Markit, NBS and Peabody Global Analytics.

Seaborne Metallurgical: Global Steel Production Rises in Most Steel-Producing Countries in 2017



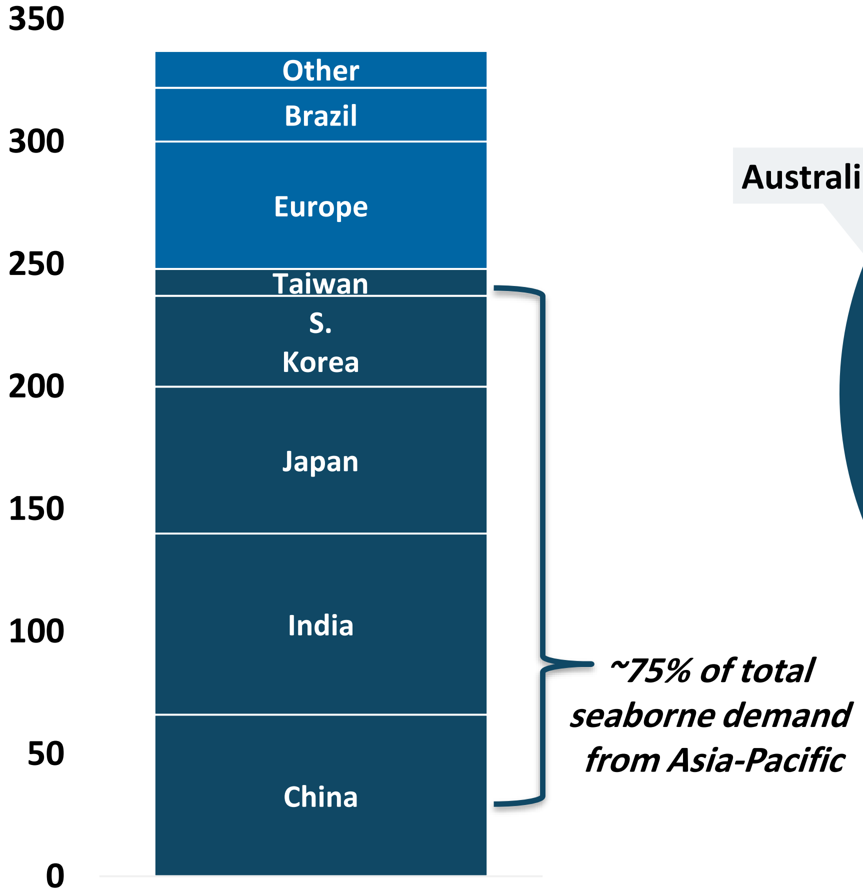
Global steel production up 5% in 2017; December marks 20th consecutive month of YOY steel production increases

Peabody

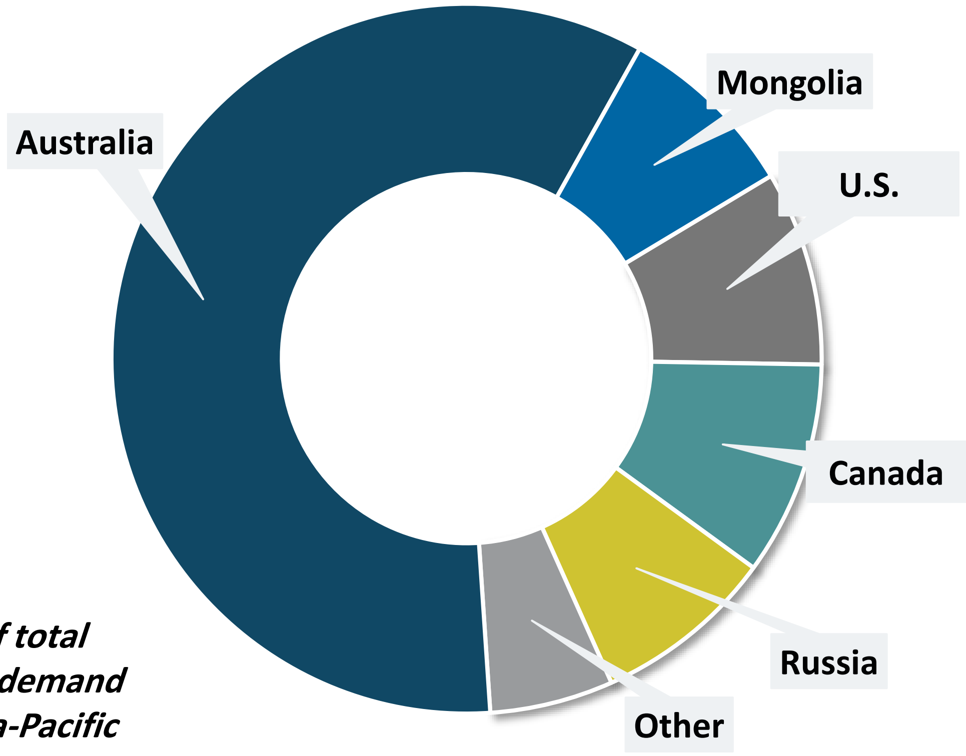
Source: Industry reports and Peabody Global Analytics.

Seaborne Metallurgical Demand Centered in Pacific; Australian Supply Eclipses All Other Producing Regions

Expected Seaborne Metallurgical Coal Demand in 2022
(tonnes in millions)

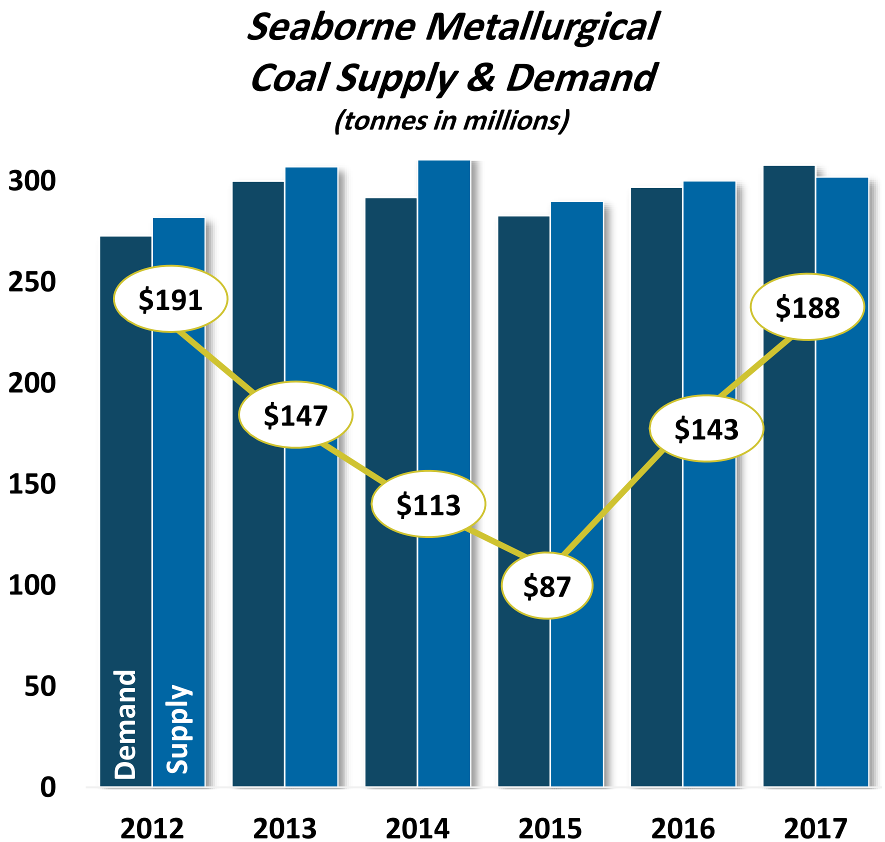


Australia Expected to Continue to Represent Vast Majority of Seaborne Met Coal Supply in 2022



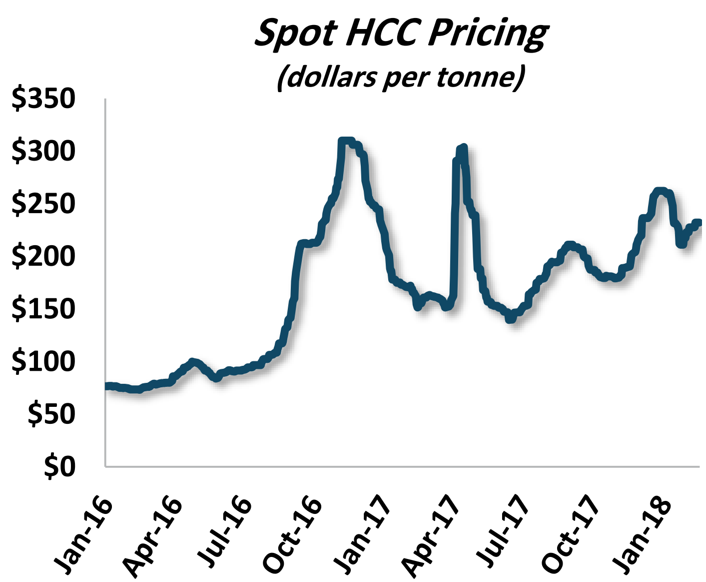
Source: Industry reports and Peabody Global Analytics.

Small Changes in Seaborne Metallurgical Supply and Demand Have Outsized Impact on Pricing



Pricing reaches highest level since 2012 on modest demand growth, supply constraints

- Chinese imports increase 10 million tonnes in 2017
  - Chinese net finished steel exports decline 35% in 2017
- Global demand increases 11 million tonnes in 2017; supply grows 4 million tonnes

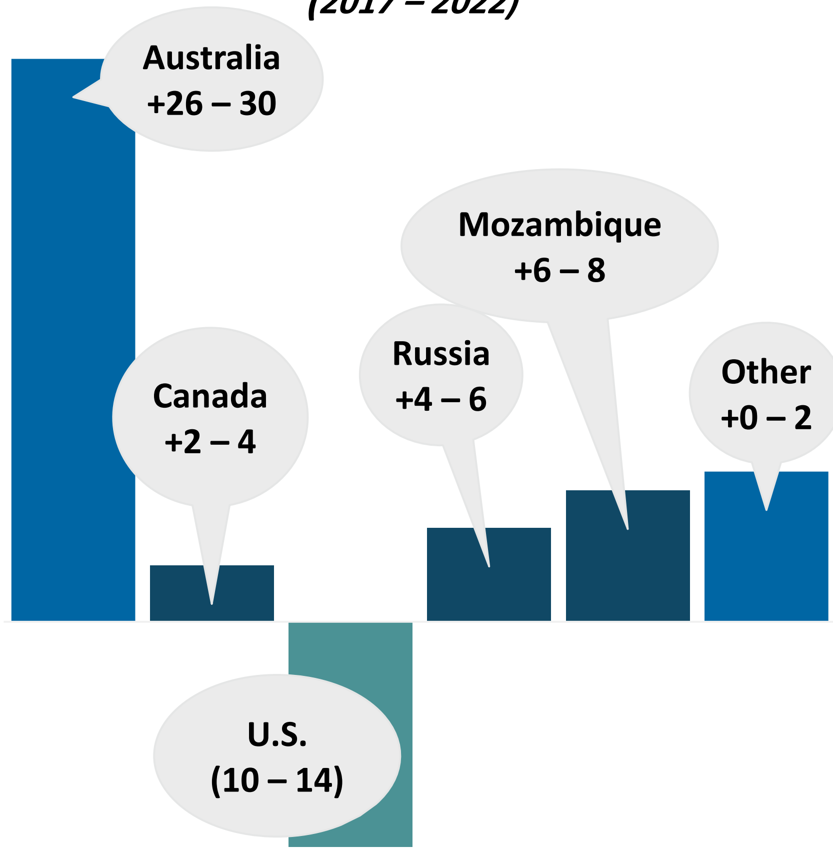


Peabody

Source: Industry reports and Peabody Global Analytics.

Australian Supply Growth Sluggish Due to Limited Returns in Prior Years

Expected Seaborne Metallurgical Supply Change (2017 – 2022)



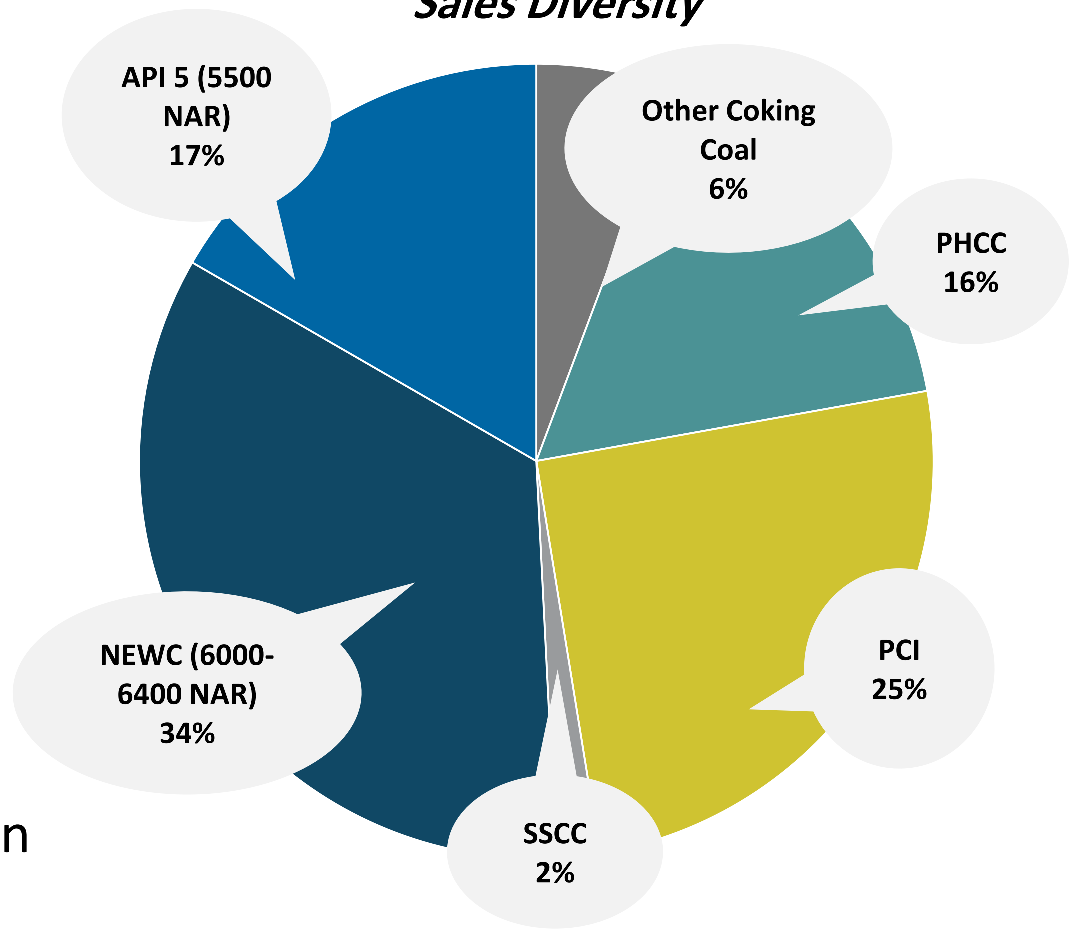
- Peabody expects 12% increase in global supply through 2022
  - Australia represents ~80 – 90% of seaborne met growth
  - U.S. export likely to decline as quality reserves deplete, costs suffer
- Significant decline in capital investment since 2012
- Index-based pricing mechanism and short-term contracts limit revenue visibility and appetite for new projects

Source: Industry reports and Peabody Global Analytics.

Spotlight: Peabody Leverages Broad Australian Quality Range to Cover Major Pacific Demand Centers

- Benchmark Newcastle, PCI and HCC brands
- Ability to change blends to meet customer requirements
  - Blending opportunities at mines and ports
- Optimize diverse quality to achieve highest margin along forward price curve
- Utilize country/customer buying behavior to balance portfolio fixed price position

Peabody 2017 Australian Seaborne Sales Diversity



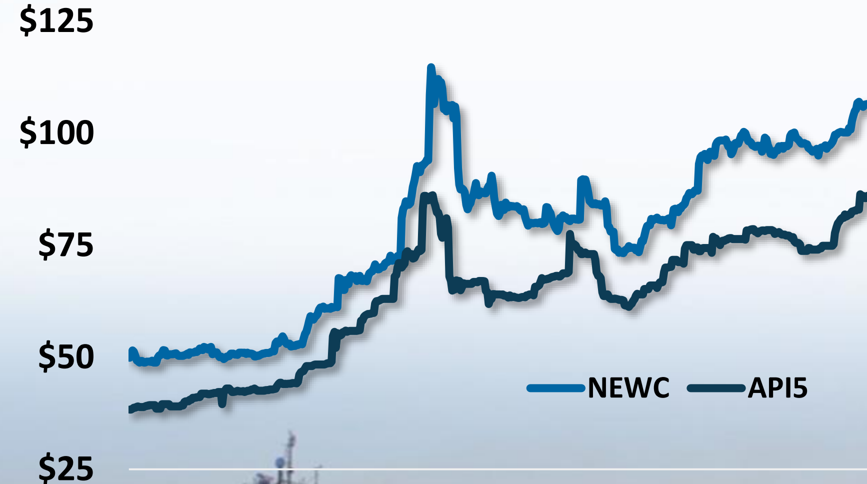
Peabody

Spotlight: Peabody Utilizes Extensive Commercial Expertise to Optimize Value Chain

- Scale to manage logistics chain, including ports and seaborne vessels
- Monitor pricing differentials to capture value arbitrage
- Global sales offices provide 24-hour industry coverage
  - China, Australia, U.S., UK
  - Ability to react to changes in real-time

Differential Between NEWC and API5 Pricing

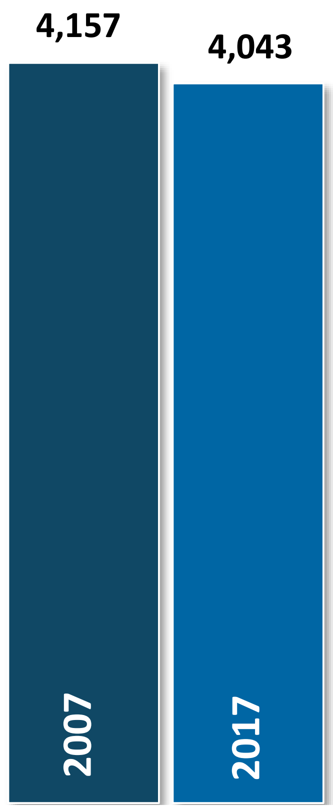
(Price Per Tonne)



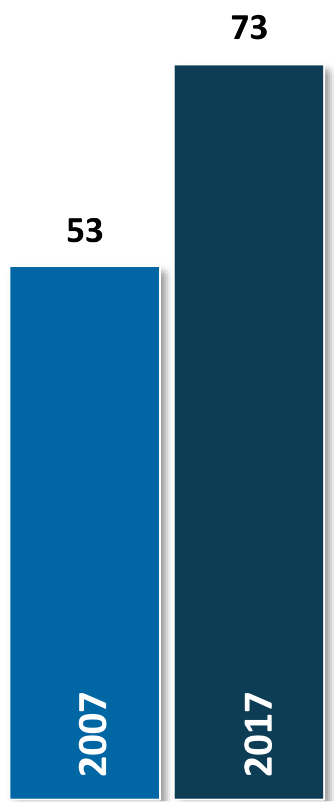
Source: Industry reports and Peabody Global Analytics.

U.S. Fundamentals: Coal Demand Impacted by Multiple Factors Over Last Decade

Electricity Generation
(Thousand GWh)



Natural Gas Production
(billion cubic feet per day)



- Increased energy efficiency and low growth rates result in slight decline in electricity demand
- Natural gas production and distribution rises substantially resulting in strong supply and lower pricing
- Intense regulation takes target at coal mining and use
- Wind and solar buildout heavily supported by subsidies

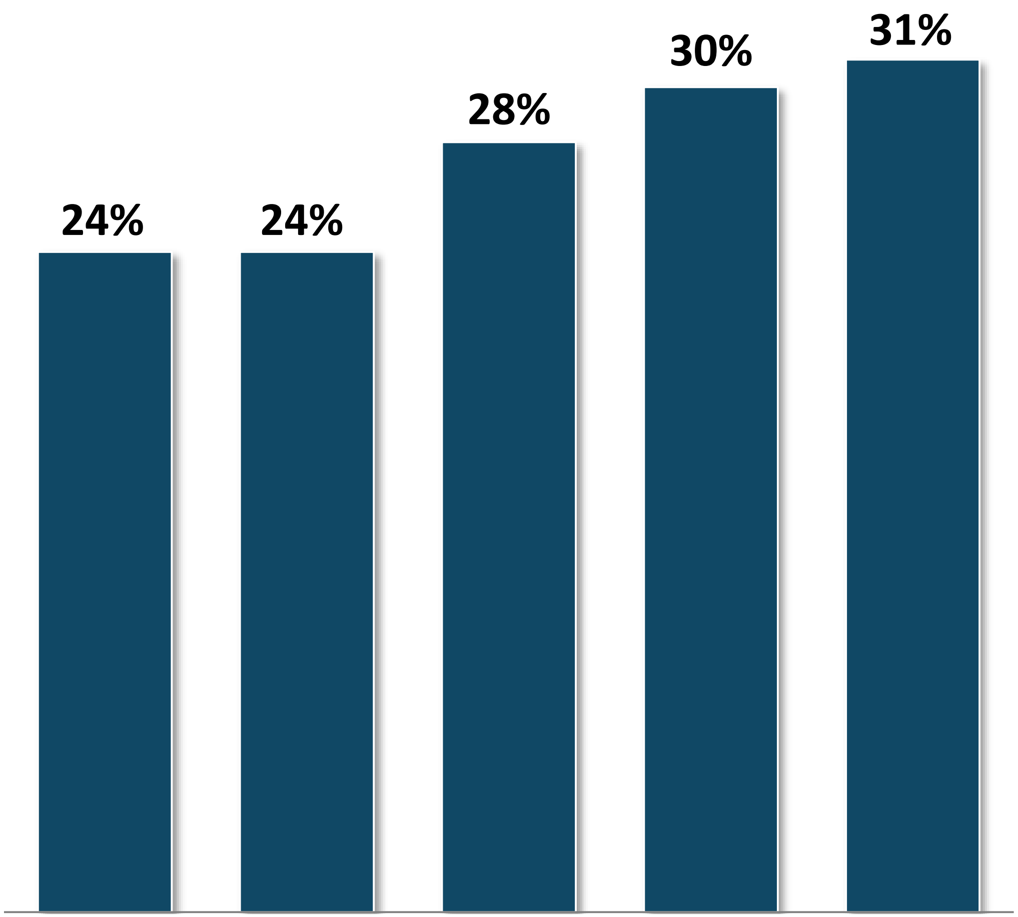
Peabody

Source: Industry reports and Peabody Global Analytics. 2017 natural gas production from EIA through October 2017.

Third-Parties Project Coal to Remain Essential Component of U.S. Energy Mix

- Coal expected to represent significant portion of U.S. electricity generation over next 5 years, despite coal plant retirements and low forward natural gas prices
- Average of industry estimates puts coal at 27% of U.S. electricity generation in 2022; compared to 30% in 2017

Third-Party Estimates of Coal's Share of Electricity Generation in 2022



Peabody

Note: Third-party estimates include: U.S. EIA, EVA, IHS, PIRA, Woodmac (listed in alphabetical order).

Natural Gas Pricing Greatest Determinant of Future U.S. Coal Demand

Competitiveness With Natural Gas

PRB	$2.50 - $2.75/mmBtu
ILB	$3.00 - $3.50/mmBtu
CAPP	$3.75 - $4.25/mmBtu

Natural Gas Hub	Average 2017 Basis Differential vs. Henry Hub
Chicago	-$0.08
Waha (Texas – West)	-$0.28
Katy (Texas – Houston)	-$0.02
NGPL Mid-Continent	-$0.27
Dominion South (PA)	-$0.85

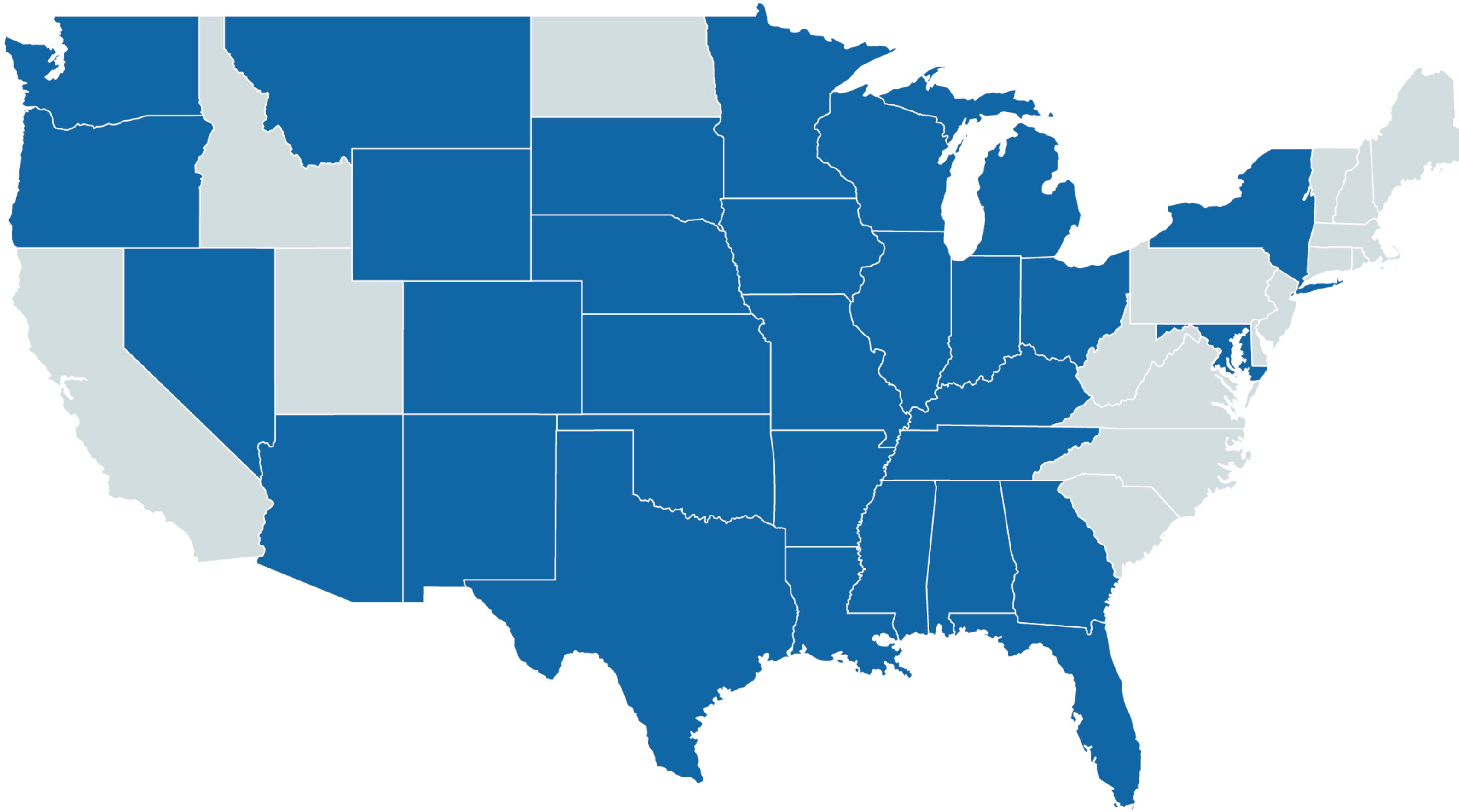
- PRB, Illinois Basin most competitive with natural gas
- Competitiveness varies depending on wind availability, basis differential compared to Henry Hub
- PRB coal demand increases 5% in 2017 as natural gas prices rise above $2.50/mmBtu

On average, every 20 cent movement in the price of natural gas equates to ~25 million ton change in U.S. coal demand

Peabody

Source: Industry reports and Peabody Global Analytics.

Spotlight: Peabody Benefits from Contracting Strategies and Broad Customer Base

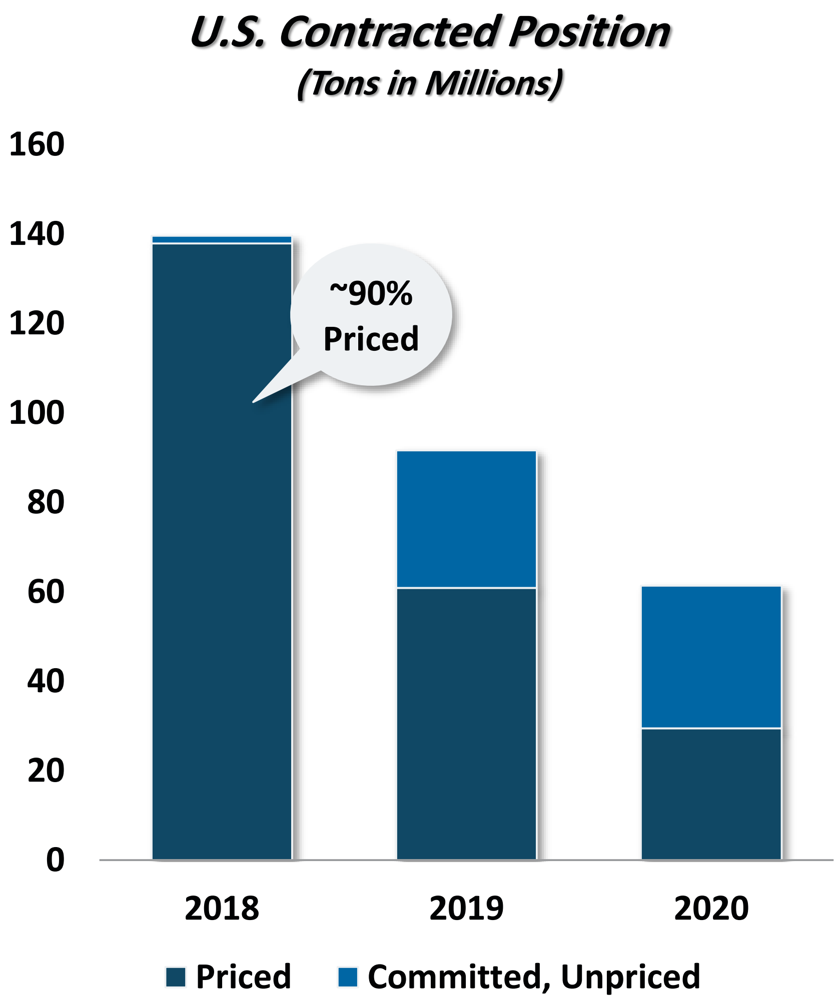


Peabody ships to more than 30 states, more than 80 customers and 145+ plants; utilizes multi-source, multi-destination agreements

Peabody

Note: Customers served in at least one year between 2015 and 2017.

Spotlight: Peabody's Contracting Strategy Provides Long-Term Revenue Visibility



- Multi-year contracting strategy engaged in U.S.
  - ~85% of 2017 volumes delivered under long-term contracts
- Ability to maximize lowest cost tons with customer specifications
  - Contracts structured to source coal from multiple mines, ensuring lowest-cost production matched to contracts

Note: Percentages priced and committed based on mid-point of 2018 volume guidance of 152 million tons. Long-term contracts defined as contracts with a term of one year or greater.

Closing Thoughts:

- Peabody has thoughtful, deliberate marketing strategy to take advantage of significant scale, geographic and product diversity
- Company has vast understanding of customer needs and provides products to meet their specific requirements
- Sophisticated blending capabilities and understanding of "value-in-use" allows Peabody to maximize returns

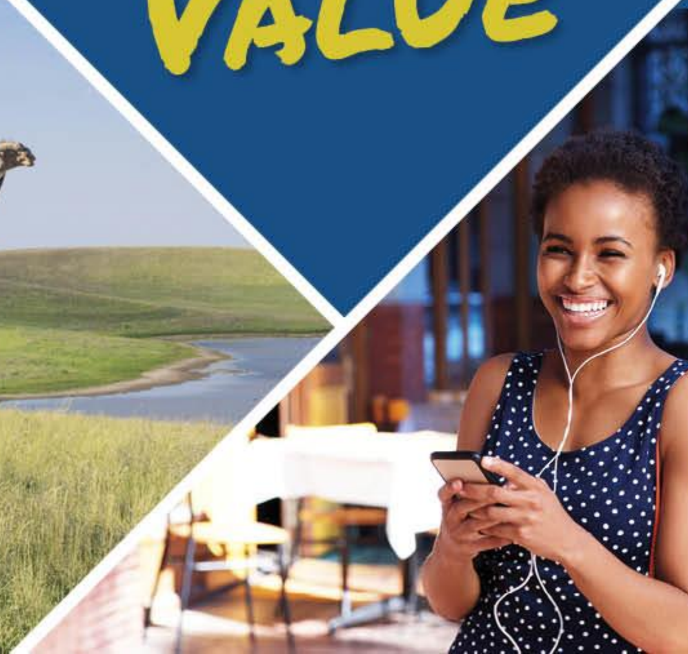
Peabody

Australia: Right Place, Right Products Generating Meaningful Returns

George J. Schuller Jr.
President Australia

February 22, 2018

Delivering **Results**
Generating **Value**



Peabody

Australian Operations: Key Takeaways

1. Operational Excellence: Drives safety, productivity, cost efficiency, reclamation
2. Australia strategically positioned to serve higher-growth Asia-Pacific demand centers
3. Strengthens and diversifies company's portfolio, offering substantial value for shareholders
4. Tier-One thermal segment delivers superior margins anchored by premier, low-cost Wilpinjong Mine
5. Double-digit met volumes for foreseeable future underwritten by near-term capex, significant reserve position
6. Continually evaluating ways to upgrade the platform, enhance margins

Peabody

Australia Well-Positioned to Serve Higher-Growth Demand Centers

Strategy

Operate safe and sustainable mines serving higher-growth Asian-Pacific demand centers, while exploring means to upgrade the platform and improve our cost position

Nine operations providing a range of met and thermal coal products to customers in multiple countries

Peabody Portfolio Significantly Strengthened by Australian Platform

- Offers product, geographic diversity that increases risk-adjusted returns
- Adds significant earnings strength to Peabody portfolio during times of robust pricing
- Higher-quality products located closer to ports, ports closer to higher-growth demand centers
- Benefits from customer base with inherently higher growth rate than Atlantic or U.S. domestic demand centers
- Significant Australian NOL position offering competitive advantage unique to Peabody

Operational Review: Tier-One International Thermal Business Offers Diversification of Products, Ports, Customers

- Open-cut and underground mines exporting 12.5 million tons
- Anchored by premier, low-cost Wilpinjong Mine
  - 3 to 1 strip ratio, comparable to some of the most productive mines in U.S.
  - Long-term domestic contract provides access to ~6 million tons of low-cost coal available for export annually
- Higher-quality Wambo mines typically sell at or above Newcastle benchmark before blending
  - Blending strategy provides access to multiple demand centers
  - Blended products typically realize 90% – 95% of Newcastle benchmark
- Led the company with 38% Adjusted EBITDA margins

Mine (in million tons)	2017 Sales Volume	2016 Sales Volume	Proven & Probable Reserves
Wilpinjong	13.4	14.1	133
Wambo Complex	5.8	7.2	158

Peabody

Note: 2017 proven and probable reserves reflect year-end estimates; final Dec. 31, 2017 proven and probable reserve estimates to be included in our Annual Report on Form 10-K.

Spotlight: Wilpinjong Semi-Autonomous Bulldozer Increases Safety, Productivity

- Pioneering semi-autonomous dozer technology to increase safety, reduce costs
  - Reduces stress, driver fatigue
- Ability to remotely operate up to three dozers at once, improving equipment productivity
  - Targeting increased scope to operate four dozers at a time
  - Reduces labor costs as single employee able to operate multiple dozers
  - Reduces operator error, ensuring less overloading and strain on equipment
  - Increases utilization of lower-cost dozer method
- Technology transferrable to other sites/equipment

Semi-Autonomous Dozer Technology

Operational Review: Metallurgical Segment Offers Significant Upside During Mid to Upper Parts of Cycle

- Ships to over 15 countries, delivering range of HCC and PCI products
- North Goonyella, Coppabella premium coals receiving and/or setting benchmark prices
  - Long-life assets with future brownfield expansion opportunities
- Delivered 2017 Adjusted EBITDA margins of 34% on record North Goonyella production, robust pricing, cost improvements

Mine (in million tons)	2017 Sales Volume	2016 Sales Volume	Proven & Probable Reserves
Coppabella	2.9	2.4	23
North Goonyella	2.9	1.6	71
Millennium	2.8	3.8	3
Middlemount	2.1	2.2	25
Moorvale	2.0	1.9	15
Metropolitan	1.1	2.0	25
Unassigned Reserves:	n/a	n/a	94

Note: Middlemount excluded from Australia metallurgical segment results; recorded as an equity method investment. Middlemount volumes and reserves reflect Peabody's ownership share. Table excludes 2016 sales from Burton of 1.7 million tons. 2017 proven and probable reserves reflect year-end estimates; final Dec. 31, 2017 proven and probable reserve estimates to be included in our Annual Report on Form 10-K.

Peabody

Spotlight: North Goonyella Delivers Peabody's Highest Quality Hard Coking Coal

- Record sales, production and development led to Peabody delivering 2.9 million tons in high-priced 2017 environment
- Record safety results reflect 80% improvement since 2013
- Sustainable, transferable productivity improvements
  - Retention, recruitment, training
  - Yield optimization
  - Longwall move execution, development rates
  - Automation
  - Improved belt availability (93% in 2017 vs. 80% in 2016)

North Goonyella Longwall

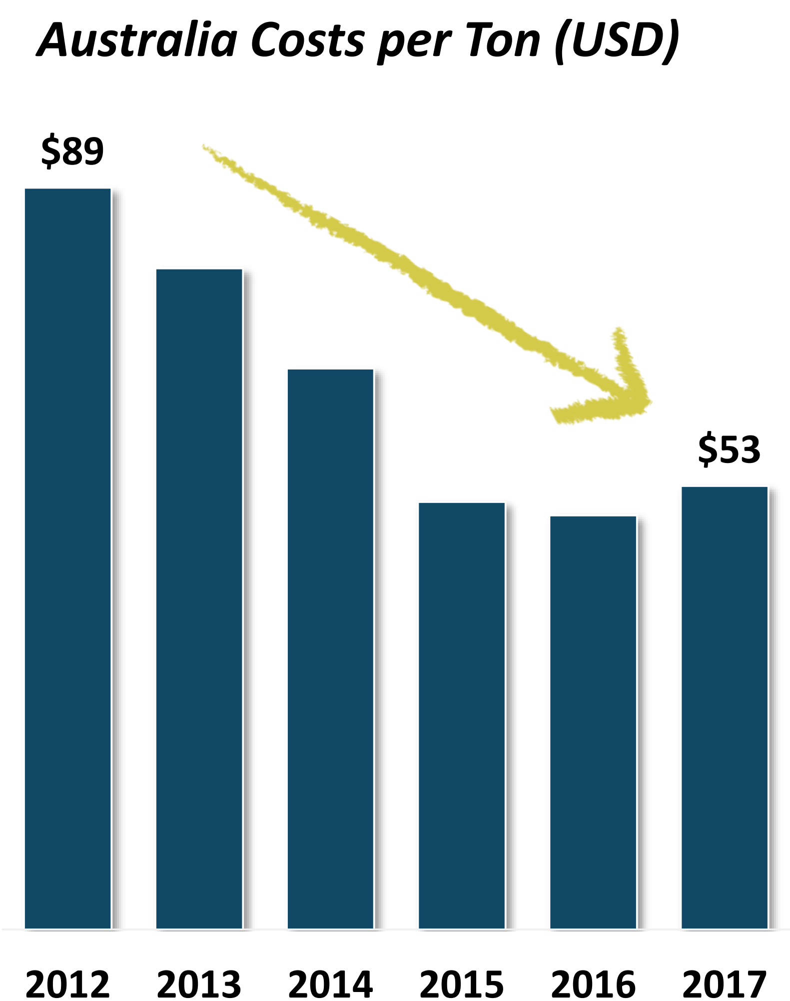
Spotlight: Middlemount Joint Venture Offers Economic Exposure to ~2 Million Met Tons Annually

- 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

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.

Focus on Continuous Improvement Reduces Costs 40%



- Completed owner-operator conversions
- Commenced formal continuous improvement culture, cost repositioning
- Maximizing asset, resource utilization
  - Production, organizational alignment with market conditions
  - Mine plan reviews, recoveries and product blends
- Utilizing technology to drive data-driven business focus on real-time decisions
- Moving innovation to frontline

Note: Costs per ton exclude hedging results for all periods presented.

Building on Over $900 Million in Cost Savings Since 2012 to Further Enhance Margins, Returns

	2013	2014 - 2015	2016 - 2017	2018
Initiatives	**Owner-Operator Transition**	**Cost Repositioning**	**Project Excellence**	**Project Excellence Continued**
Savings delivered	***$285 million***	***$165 million (2014) $150 million (2015)***	***$185 million (2016) $130 million (2017)***	***Target setting in progress (2018)***
Focus	• Reduce contractor margins, standardization of operational, supply chain and maintenance processes across the platform • Consolidate vendors and commence with rapid repricing exercise (challenge all vendor margins)	• Asset utilization introducing real-time machine health monitoring • Low-cost country sourcing • Improved contractor management process • Labor: Rightsizing and commencing transition to direct engagement labor agreements	• Resource utilization mine planning “white paper” peer reviews, dozer push • Automation in equipment health monitoring • Yield and productivity • Coal blending (RL) • Labor: Roster changes	• Keep momentum… • Expanding use of technology in maintenance, process plant and coal blending • Tenement optimization and monetization • Optimize mining rehabilitation and equipment relocations

Peabody

Targeting 2018 Volumes, Costs in Line with 2017; Focused on Further Improving Competitiveness

- Continued, deliberate focus on costs, productivity improvements mitigates external cost pressures of ~$5 to $7 per ton
  - Major A$ fluctuations, sales-related royalties, fuel costs
- Targeted total thermal volumes of 18.5 – 20.5 million tons in line with 2017
  - Export volumes of 11.5 – 12.5 million tons expected to be impacted by increased domestic sales to meet customer contract
  - Would look to move available capacity into export market to extent domestic volumes are lower
- Targeting met volumes of 11 – 12 million tons, even with North Goonyella longwall move, ramp down of Millennium *
- Operations tasked with further cost improvements to drive productivity, maximize margins

Peabody

Note: Middlemount volumes excluded from targeted 2018 met sales volume of 11 – 12 million tons. Middlemount provides Peabody with an additional 2 million tons of economic met coal exposure.

Extending Lives of Highest-Quality Met and Thermal Mines and Lowest-Cost Thermal Mine

- Targeting $170 million to $200 million of Australia capex in 2018
  - ~$85 million in project spend advances mine planning for North Goonyella, Wilpinjong and Wambo
  - ~$30 million of equipment lease buyouts lowers operating costs, reflects strategic, economic decision
- Capital investments evaluated against strict set of filters, ensuring returns are above cost of capital and provide near-term payback period

Peabody

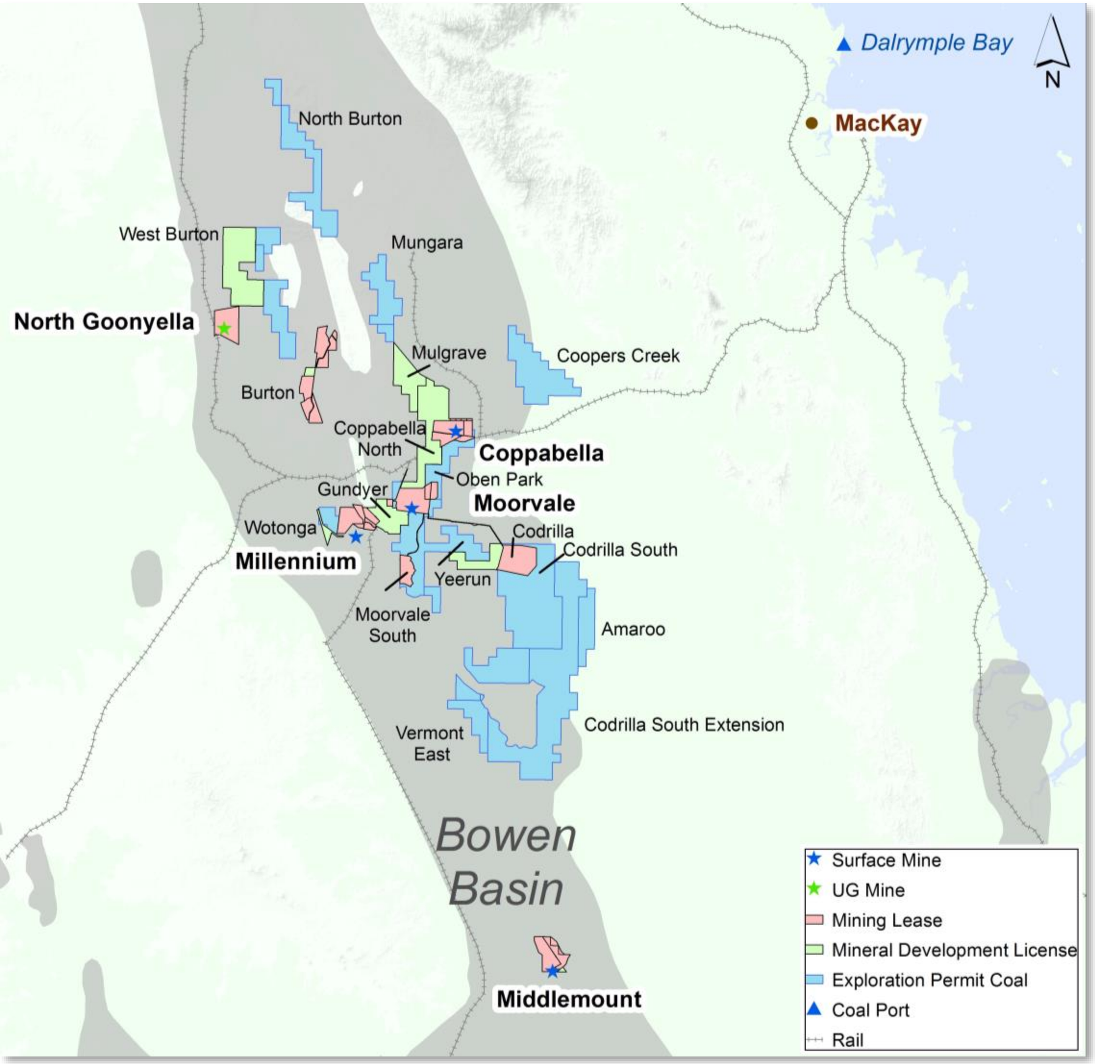
Exploring Means to Expand Quality Thermal and Met Production Over Five-Year Planning Horizon

- Strong reserve portfolio, with nearly 15 years of thermal reserves and over 20 years of met reserves
- Wilpinjong Extension Project extends life of low-cost, low strip-ratio mine
- Wambo Open-Cut / Glencore JV improves strip ratio over time, provides access to incremental reserves
- Evaluating longer-term options to extend life of Wambo complex
- Accelerating access of higher-quality reserves at North Goonyella
- Extending Moorvale Mine to 2025 through increased productivity, identification of additional coal areas, option to develop satellite pits utilizing existing infrastructure
- Continue to identify opportunistic investments for extensions or expansions to upgrade the met portfolio over time
  - Potential to extend North Goonyella through 2045
  - Option to expand Coppabella
  - Potential organic opportunities over time

Peabody

Note: Reserve life based on Dec. 31, 2017 proven and probable reserve position and current production levels; final Dec. 31, 2017 proven and probable reserve estimates to be included in our Annual Report on Form 10-K.

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



Peabody

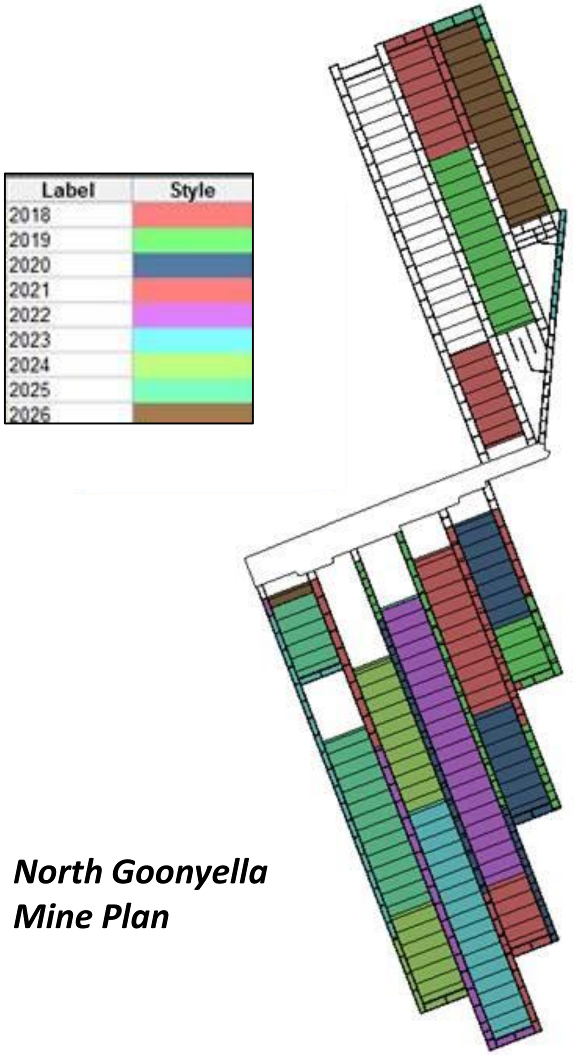
Spotlight: Advancing New Longwall at North Goonyella, Underwriting Double Digit Met Volumes

Payback begins in 2018, nearly a year in advance of commencement

- New longwall expected to replace current longwall system in 2019
- New longwall offers several benefits:
  - Avoids lease payments/buyout
  - Reduces longwall downtime in 2018, 2019 related to timing of repairs on shields, other components of longwall not required to maintain long-term life
  - Transitioning to higher-quality coal panels in 2019, in advance of LTCC mine plan
  - Limits timing, amount of repairs of new longwall once in commission

Peabody

Spotlight: Accessing New Reserves in Southern Area of Highest-Quality Met Coal Mine



North Goonyella Mine Plan

- Transitioning to southern area of North Goonyella with new longwall in second half of 2019
- Southern panels expected to have increased seam thickness and improved coal quality compared to the northern panels
  - Cost, production profile expected to be comparable to 2017
- Access of new reserves extends life of North Goonyella to 2026
  - Enables future opportunities for mine extension post-2026

Peabody Australia's Platform: Key Integrated Part of Peabody Value Proposition

- Location matters…Peabody is strategically positioned to serve higher-growth Asia-Pacific demand centers
- Products matter…Delivering high-quality products drives shareholder value
- Returns matter…Peabody focused on generating meaningful returns across the operations
  - Maximizing margins through blending strategies
  - Focusing on continuous improvement to reduce costs
  - Executing on projects, delivering returns in excess of cost of capital and with a reasonable payback period
- Safety, environment and our people matter…Key components in ensuring a successful business and culture

Americas: Tier-One Assets in a Competitive Environment

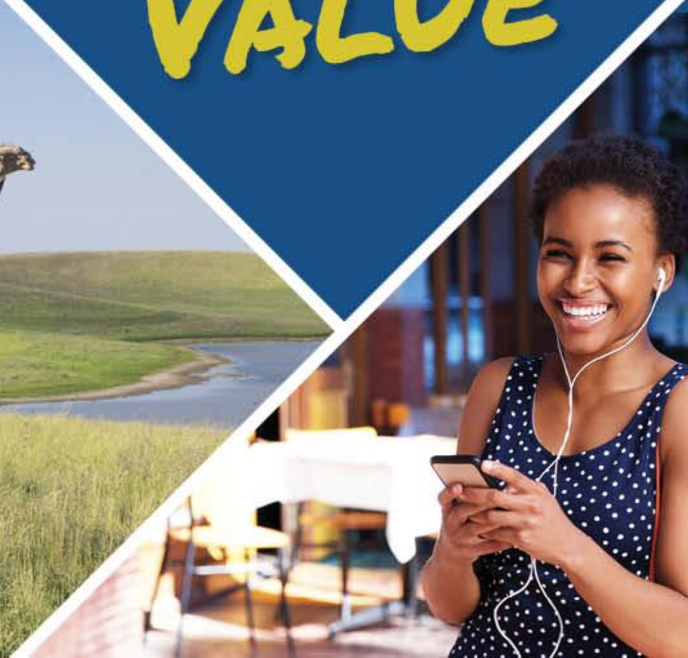
Kemal Williamson
President Americas

February 22, 2018

Peabody

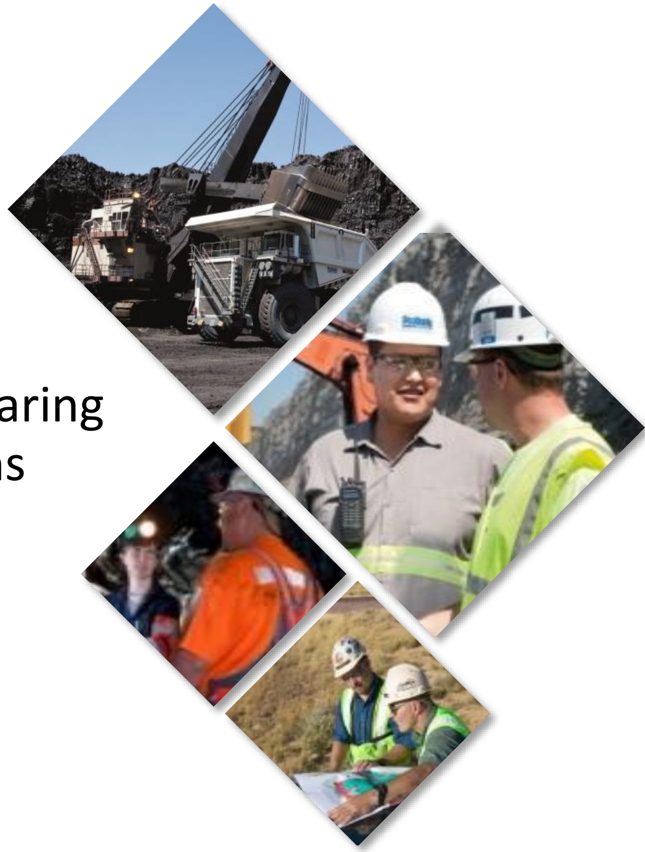
DELIVERING RESULTS

GENERATING VALUE



Key Takeaways: Peabody Americas Platform

1. Operational Excellence: Drives safety, productivity, cost efficiency, reclamation
2. Strategically positioned in best U.S. regions
3. Operates core regions as complexes, sharing resources, contracts to maximize returns
4. Utilizing technology to increase competitiveness, reduce costs
5. Contracting strategy provides long-term revenue visibility
6. Strong cash generator offering meaningful returns



U.S. Operations: Strategically Positioned, Providing Reliable Value

Strategy

Capitalize on highly productive operations and significant reserve position in most competitive U.S. coal regions to maximize returns and generate meaningful cash flows

Peabody

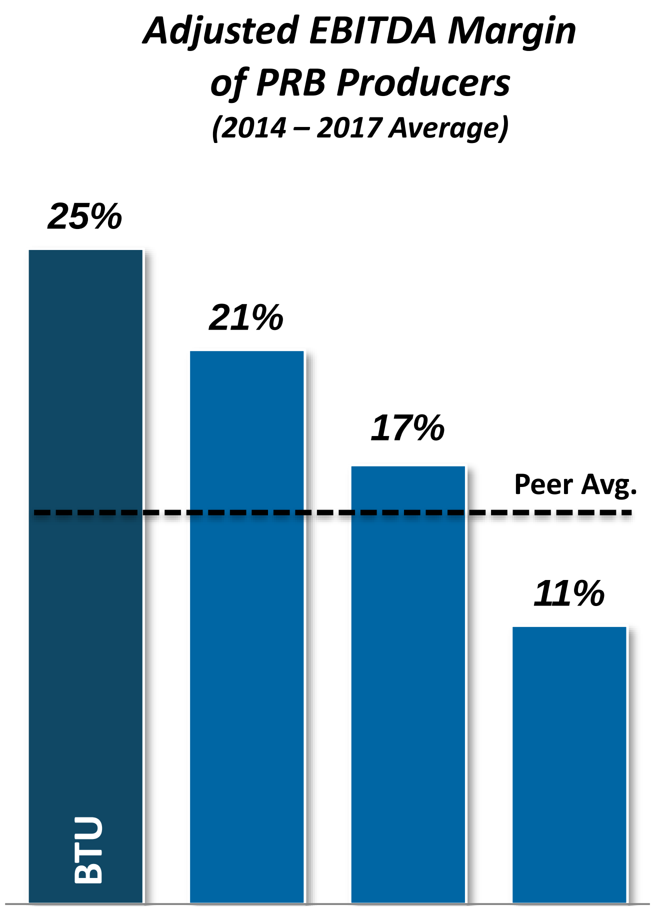
Operational Review: PRB Operates as a Complex; Sharing Resources, Technologies, Contracts to Maximize Returns

- Mines out of more than a dozen pits, offering significant blending opportunities
  - Costs per ton can vary up to $6 per ton per pit
- Focused on continuing to maximize margins, returns through contract optimization and cost reduction
- Most competitive region against natural gas prices above $2.50 to $2.75 per mmBtu
- Delivers coal cheaper than anywhere else in the world from the mine-gate

Mine (in million tons)	2017 Sales Volume	2016 Sales Volume	Proven & Probable Reserves
NARM	101.5	92.9	1,797
Caballo	11.1	11.2	477
Rawhide	10.3	8.1	294

Note: 2017 proven and probable reserves reflect year-end estimates; final Dec. 31, 2017 proven and probable reserve estimates to be included in our Annual Report on Form 10-K. Sales volume excludes third-party purchased coal used to satisfy coal-supply agreements.

PRB Labor Productivity, Adjusted EBITDA Margins Routinely Superior to Other PRB Coal Companies



- Consistently delivers Adjusted EBITDA margins superior to other PRB producers
  - 56% higher Adjusted EBITDA margins than average of other PRB coal producers
  - Lowest-cost producer
- Well-capitalized reserve position through prior reserve acquisitions
  - No new LBAs required for nearly a decade

Source: Public company reports. Other PRB producers include Alpha Natural Resources / Contura (through Sept. 30, 2017), Arch, and Cloud Peak (listed in alphabetical order). 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. Productivity defined as total production divided by employee hours based on 2017 data.

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

Peabody

Operational Review: Illinois Basin Mines Strategically Located to Serve Local Demand

- Well positioned to serve local demand, Indiana sub-region
- Trend towards aggregating large supply centers/complexes to lower costs and better compete
- Multi-source, multi-destination contracts maximize returns
- Optimizing export opportunities as economically available

Mine (in million tons)	2017 Sales Volume	2016 Sales Volume	Proven & Probable Reserves
Bear Run	7.3	7.4	233
Wild Boar	2.7	2.7	39
Gateway North	2.5	1.8	55
Somerville Central	2.2	2.4	11
Francisco UG	2.1	2.1	21
Arclar Complex	1.7	1.9	48

Peabody

Note: 2017 proven and probable reserves reflect year-end estimates; final Dec. 31, 2017 proven and probable reserve estimates to be included in our Annual Report on Form 10-K.

Spotlight: Bear Run Largest Surface Mine East of the Mississippi

- Significant location advantages, serving 14 customers in 4 states; closest customer only 20 miles away
- Using technology to increase competitiveness, reduce costs
- Pegasys dragline monitoring system optimizes dragline productivity through tracking GPS bucket positioning and comparing operator performance
  - Remotely monitors and manages performance, progress by dragline
  - Advanced data used to increase productivity, improve techniques


Dragline, Bear Run


Hoosier Energy's Merom Station

Peabody

Operational Review: Western Segment Capturing Export Opportunities While Providing Reliable Supply

- Locking in export opportunities in higher-priced seaborne thermal environment, with approximately 800,000 tons committed for 2018
- Establishing longer-term international demand for Colorado exports
- Meaningful cash flow contributors
- Advancing work on post-2019 Navajo Generating Station (NGS) strategy

Mine (in million tons)	2017 Sales Volume	2016 Sales Volume	Proven & Probable Reserves
Kayenta	6.2	5.8	196
El Segundo	5.1	4.9	80
Twentymile	3.4	2.6	30

Peabody

Note: 2017 proven and probable reserves reflect year-end estimates; final Dec. 31, 2017 proven and probable reserve estimates to be included in our Annual Report on Form 10-K. 2016 sales volumes exclude 0.4 million tons from Lee Ranch.

Spotlight: Peabody Advancing Post-2019 Kayenta Strategy

- Kayenta sole-provider to NGS, delivering approximately 5 – 6 million tons of coal per year
  - Captive mine operating on a closed-loop track
- Kayenta, NGS essential to economy, significant employers of Navajo Nation, major source of low-cost, reliable energy
- Peabody engaged in marketing process for NGS to continue operating post 2019
- Coalition launched highlighting key advantages of keeping plant open
- SRP, largest owner of NGS, responsible for majority of reclamation, post-retirement benefits associated with Kayenta

Spotlight: One-of-a-Kind Technology in Use at Flagship North Antelope Rochelle Mine

Unique, Customized Blending Process

- Next 17 – 20 trains monitored from dispatch center
- Dispatch center communicates individual customer specifications to loadout facility
- “Dial-a-blend” technology allows Peabody to match lowest-cost coal from over a dozen pits to customer contract
- Maximizes margins and returns without inventory

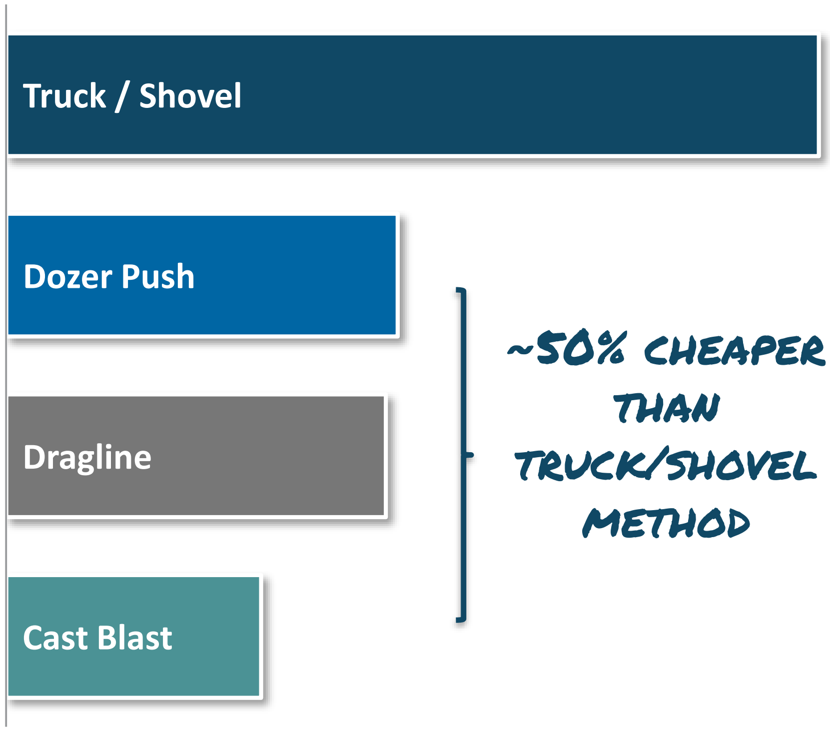
NARM dispatch and monitoring system

Ensures products are shipped at exact contract specifications for customers and optimal value for Peabody

Peabody

Increasing Productivity, Maximizing Margins

Relative Cost of Overburden Removal by Method



- Maximizing lowest-cost methods of moving overburden
  - ~60% of overburden removed through lower-cost methods
  - NARM dragline benchmarked as “best-in-class” against all other draglines in its class
- Minimizing highest-cost truck/shovel method
  - NARM operates electric shovels, providing lower operating costs
- Continually enhancing methods to increase utilization of cast blasting, draglines, dozer push

Spotlight: Lower-Cost Overburden Removal Methods

NARM cast blast, maximizing lowest-cost method of overburden removal

Best-in-class NARM Dragline

Large, efficient dozer push at Wild Boar

Spotlight: Keen Focus on Life-Cycle Costs Through Opportunistic Repurchases, Rebuilds

CAPITAL DILIGENCE SAVES PEABODY ~$62 MILLION

Bear Run:
5500 Shovel

Retail price of new equipment: ~$14 million

Peabody's cost: $2.5 million

NARM:
2800 Shovel

Retail price of new equipment: ~$24 million

Peabody's cost: $6 million

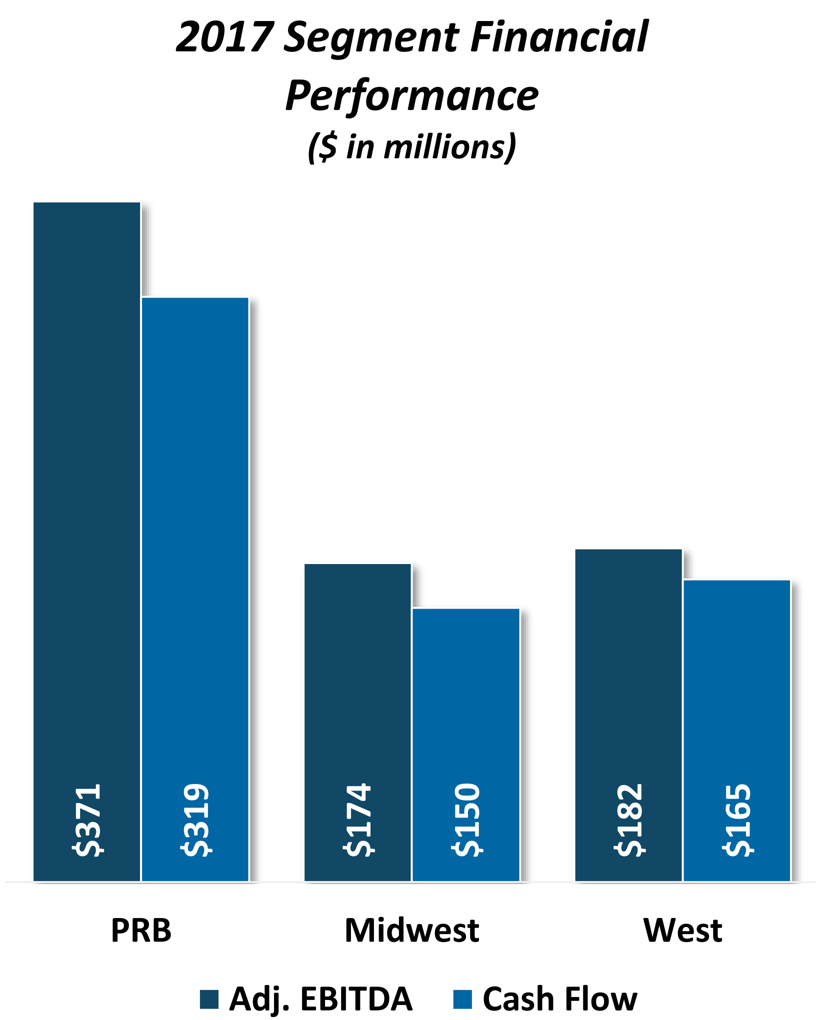
NARM:
10 930E Trucks

Retail price of new equipment: ~$46 million

Peabody's cost: $13 million

- Maximizing equipment utilization through rebuilds, condition-based monitoring
- Rebuilds run as well as rest of fleet
- Reduces total life-cycle cost
- Peabody's cost includes cost of equipment, disassembly, freight, repairs, and reassembly

Strong Cash Generator, Offering Meaningful Returns



- U.S. 2017 Adjusted EBITDA margins average 25%
- Excellent Adjusted EBITDA to cash conversion through low capex requirements
- Modest sustaining capital levels over planning horizon
  - Capex averages ~$115 million per year over next 3 years
- Persistent focus on reducing cost
- Lowering 2018 cost guidance for each segment, even with slightly lower volumes
- Reduced costs 13% since 2012, even with 18% decline in volumes

Peabody

Note: Cash Flow defined as Adjusted EBITDA less capital expenditures for each segment. Adjusted EBITDA is a non-GAAP metric. Refer to the reconciliations to the nearest GAAP measures in the appendix.

Peabody Americas Platform: Closing Thoughts

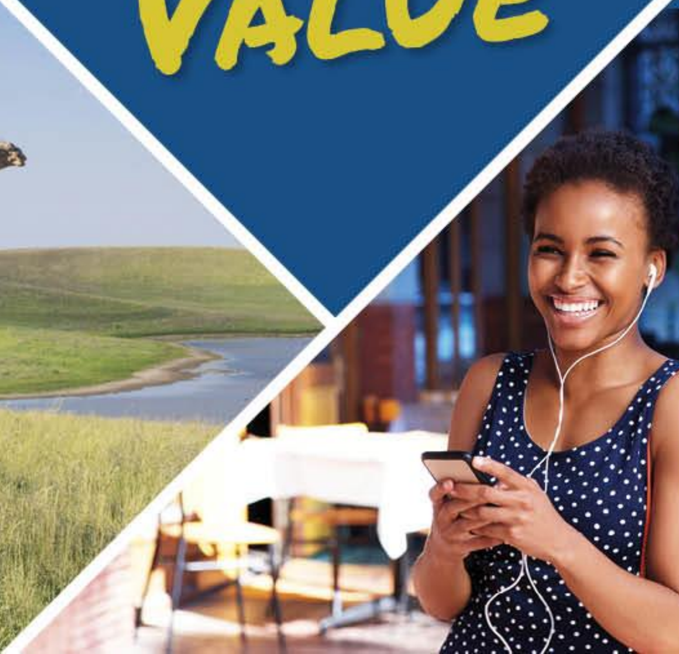
- Location matters… Peabody is well positioned in the best, lowest-cost U.S. basins of the PRB and Illinois Basin
- Returns matter… Peabody focused on generating meaningful returns across the operations
  - Maximizing revenues through contracting strategy, blending techniques
  - Optimizing how we move overburden, mine coal to deliver lowest unit costs
  - Managing capital to provide returns in excess of cost of capital within reasonable payback period
- Reliability matters… Peabody provides reliability of supply and serves as strong cash generator
- Safety, environment and our people matter… Key components in ensuring successful business and culture

Maximizing Competitiveness “The Peabody Way”

Charles Meintjes
Executive Vice President
Corporate Services and Chief Commercial Officer

February 22, 2018

DELIVERING
RESULTS
GENERATING
VALUE



Key Takeaways: Path Toward Improved Competitiveness

1 "The Peabody Way" is a critical component of our continuous improvement, allowing us to transfer skills, knowledge and processes across the organization

2 Our simple goal is to maximize our competitive advantage in a way we believe no other coal company can achieve

3 Our fully integrated approach to business is grounded in big data analytics, process enhancements and proven technologies

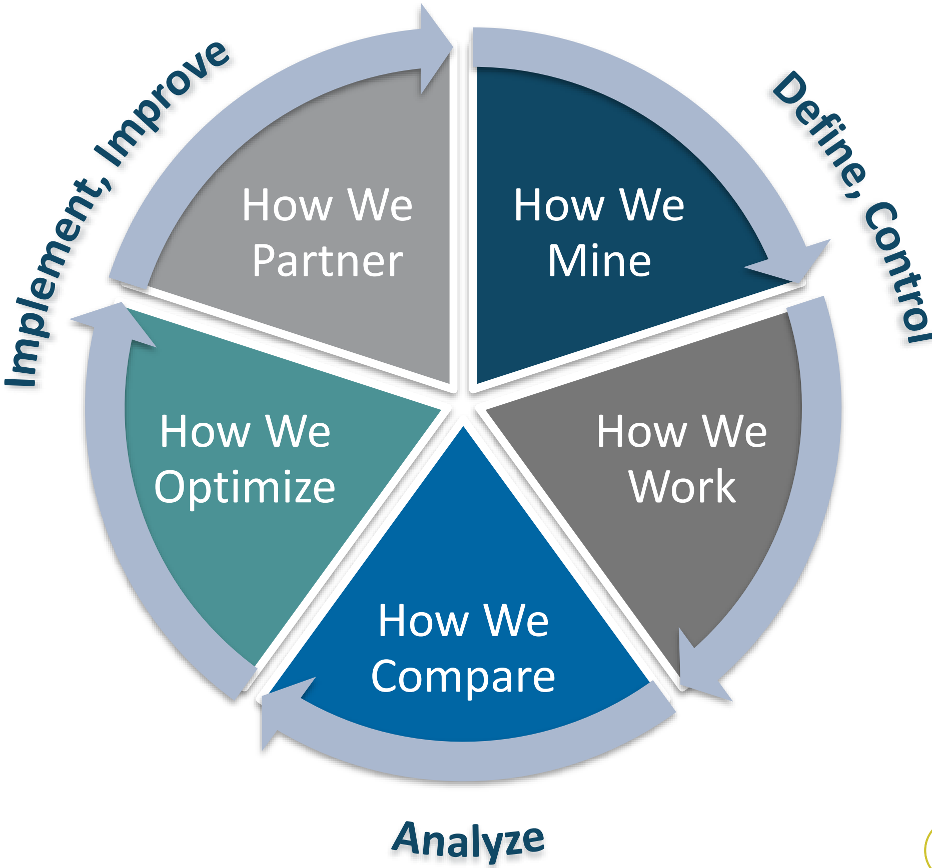
4 Today, we will focus on just a few examples in the areas of how we mine, how we work, how we compare, how we optimize and how we partner

The Peabody Way: Our Fully Integrated Approach to Improving Competitiveness

System designed to develop and transfer best practices and implement key standards across the platform as part of larger effort to connect, evolve and integrate organization

Key Benefits

- Increased consistency across operations
- Improved operating performance
- Capture of institutional knowledge
- Greater collaboration and best-practice sharing
- Enhanced competitive advantage



Peabody

The Coal Mining and Marketing Chain Has Hundreds of Steps… We Spotlight Five Ways We Create Added Value

How We Mine

How We Work

How We Compare

How We Optimize

How We Partner

SPOTLIGHT 1

Driving meaningful improvements to expand margins and returns with advanced methodologies adapted from variety of industries

SPOTLIGHT 2

Improving processes and reducing errors through simulators and sophisticated learning portal featuring standardized information and 24/7 access

SPOTLIGHT 3

Using robust benchmarking across Peabody and other sources to compare and foster continuous improvement among operations

SPOTLIGHT 4

Perfecting of condition-based monitoring to ensure lowest-cost solutions for equipment maintenance while maximizing equipment life

SPOTLIGHT 5

Serving as forceful advocates for continued improvements in advanced technologies including high-efficiency, low-emissions and carbon capture

Peabody

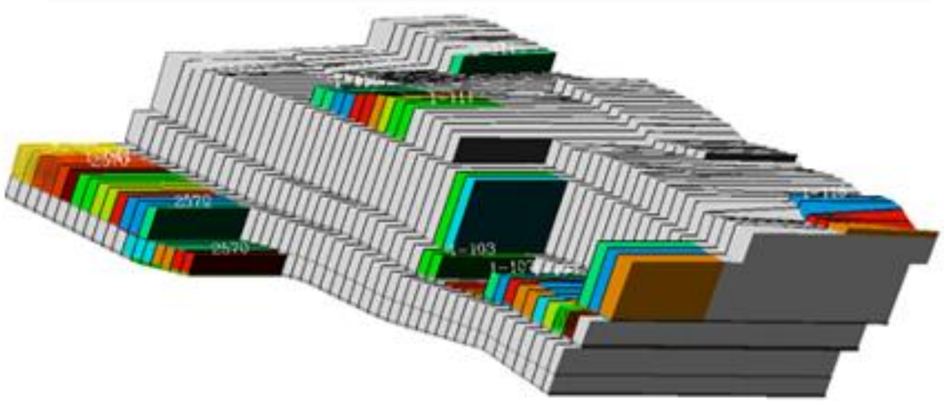
Spotlight 1: Margin Ranking Just One of Many Innovative Tools Used to Enhance Mine Planning

Sophisticated margin-ranking process used to determine best mine sequencing among wide range of options

- Exploration provides information to evaluate millions of data points
- Data captured in robust 3-D modeling
- Reserve blocks assigned a “value” based on quality, overburden and a host of other attributes
- Allows company to run multiple scenarios to maximize equipment, coal quality for blending activities
- Tool used in conjunction with longer-term NPV, helps determine efficient deployment of capital

Case Study: Optimizing Mine Plan

- Margin ranking unveils low-cost reserves positioned near natural gas pipeline; reserves previously assumed to be un-mineable
- Technical services team works to design a controlled, cost-effective blast that will minimize any impact to the gas line and allow access reserves
- Increased access to additional coal reserves, provides ~$12 million in added Adjusted EBITDA

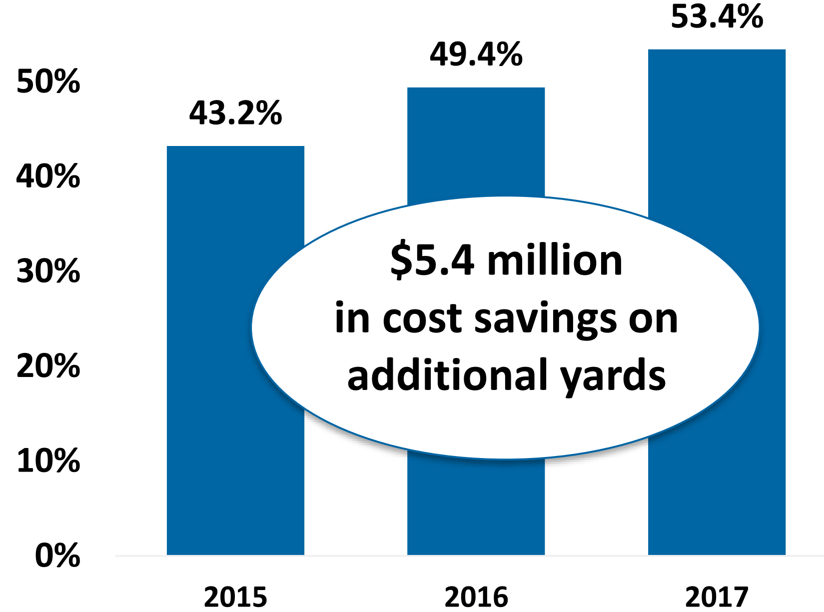


Spotlight 1: Peabody's Overburden Removal Methodology Combines Host of Established Technologies

Optimal Resource Recovery

- Strategic use of cast blasting, draglines and dozer push activities drives overburden removal efficiency
- Lowers costs and minimizes downtime in pit operations
- Cast blasting optimization program combines state-of-the-art technologies including drone 3-D mine face profiling, GPS drill navigation and programmable electronic initiation system

Improvement in Cast Blast Efficiency at NARM



Nearly 195 million cubic yards moved by cast blast at NARM in 2017

Peabody

Spotlight 2: Increasing Operator Proficiency Through Training Programs, Collaboration Networks

High-Tech Simulators

Utilize computer-based modeling of surface/underground mining functions

- Allows Peabody to train new employees and analyze techniques in a virtual setting
- Ensures employee safety, reduces time and cost requirements associated with physical equipment activities

eLearning Portal

Interactive training portal provides 24-hour access to standardized, self-paced programs that align skills with specific roles

- Speeds up onboarding by mitigating errors and variations in process
- Sites reporting improved safety, costs and accuracy

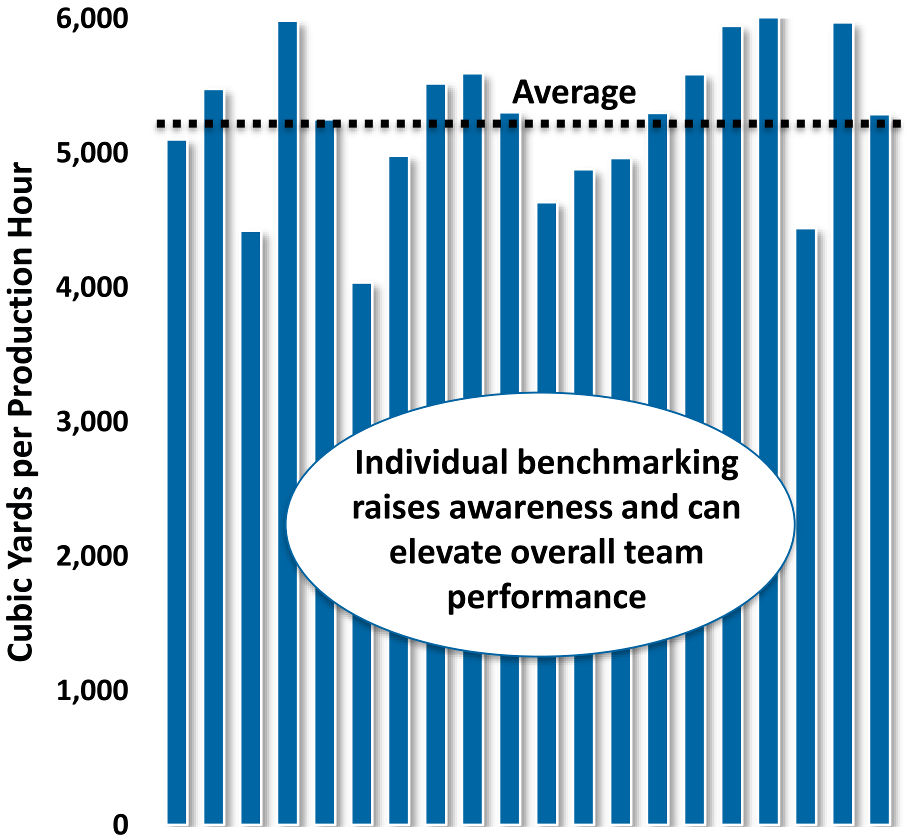
Peabody

Spotlight 2: Operator Proficiency Program Shows Promising Results in Test Groups

Operator-Proficiency Program

- Developed initial scorecard system at Peabody Australian mine
- System identifies issues, develops action plans and targeted training programs
- Scorecard tied directly to employee incentive compensation
- As a result, overburden removal rate improves 30% on primary machines at Australian mine since implementation
- Rollout to other mines continuing

Productivity of Shovel Operators at NARM



Note: Shovel operator productivity for January 2018.

Spotlight 3: Benchmarking Key to Uncovering Best Practices; Achieving Competitive Advantage

Benchmarking used to improve performance, productivity, returns

Internal Benchmarking

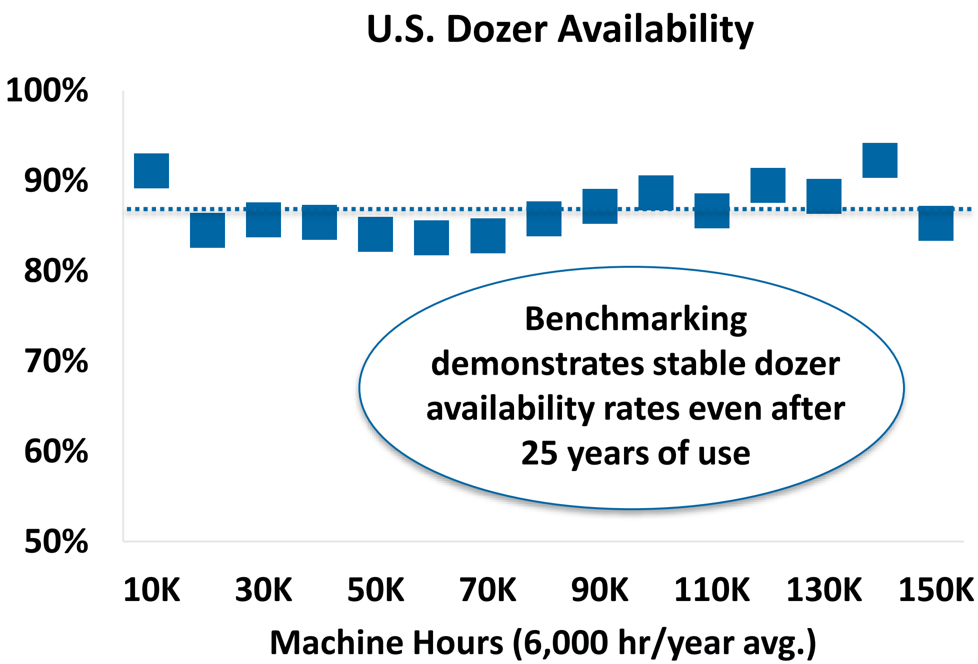
Establishes proven best practices within Peabody and cascades across company

Competitive Benchmarking

Evaluates our position within the coal industry; Peabody establishes its standards against the top quartile in the industry

Strategic Benchmarking

Identifies world-class performance and techniques beyond coal industry



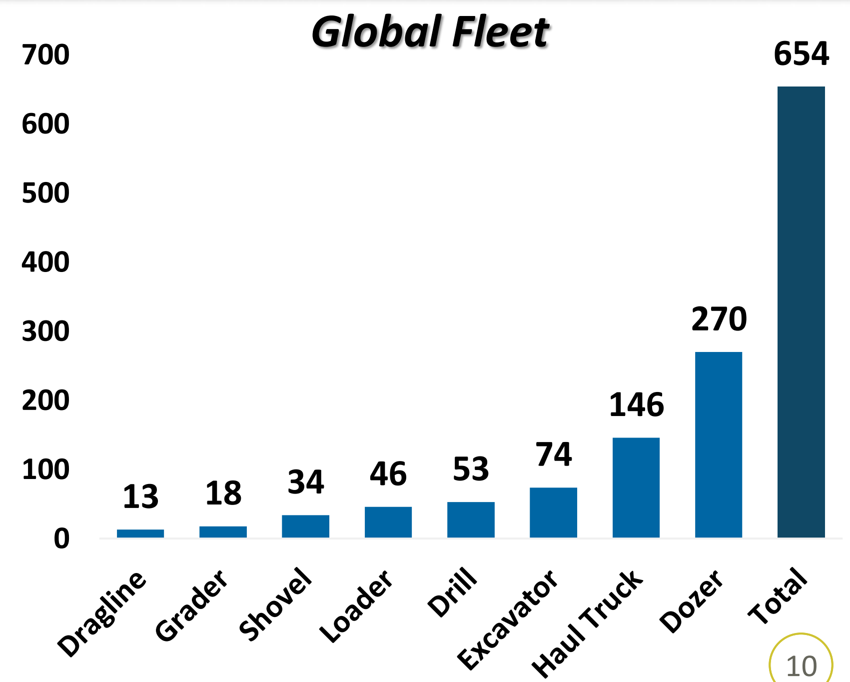
Peabody benchmarking of dozer availability, combined with core competencies around major rebuilds and superior maintenance, demonstrate sustained equipment availability across multiple years of use

Spotlight 4: Condition-Based Monitoring Uses Big Data as Part of Comprehensive Asset Management Strategy

Operations Technology Center

- Real-time visibility into mining operations and advanced analytics
- Standardized workflow processes increased planned and scheduled maintenance to minimize downtime
- Helps deliver consistently reliable equipment to meet production requirements
- Higher equipment utilization translates to capital-efficient solution to reduce repair costs and maximize asset life

Expected manufacturer engine life of haul truck	~20,000 hours
Engines operating above 40,000 hours	6 engines
Average replacement cost	$500,000
Savings for 6 Engines	**$3 million**



Spotlight 5: Peabody Also Advocates for Improved Competitiveness of Customer Base – HELE and CCUS

- Nearly 1,000 GW of HELE plants in use or under construction; most being built in Asia
- HELE technologies result in smaller environmental footprint achieving as much as a 25% reduction in CO_2 emissions
- Large HELE plant equivalent to taking 1 million cars off road
- 24 countries designated HELE as part of nationally determined contributions

Peabody Supports Advanced Coal Initiatives

- Consortium for Clean Coal Utilization
  - Founding member of research center at Washington University
- Coal21 Fund
  - Founding member of initiative in Australia
- GreenGen
  - Only non-Chinese equity partner in plant and carbon research in Tianjin, China

Note: Supercritical and ultrasupercritical plants in operation and under construction through 2018.
Sources: Platts World Electric Power Plant Database; World Coal Association.

Carbon Capture, Use and Storage Allows for "Carbon Recycling" By Returning CO_2 to the Earth

- CCS essential to achieve deep reductions in emissions in multiple industries
- Emissions reductions to meet global environmental goals without CCS would cost $3.5 trillion more by 2050 for power sector
- Current global portfolio includes 22 CCS projects
- 45Q tax credits in U.S. supportive of CCS development
- Peabody Global Clean Coal Leadership Awards honor achievements in high-efficiency, low-emissions generation and carbon capture technologies

NRG's Petra Nova Post-Combustion Carbon Capture Project in Thompsons, Texas

ENHANCED OIL RECOVERY REPRESENTS "LOW HANGING FRUIT" OF CCUS

Sources: Bloomberg New Energy Finance as shown in IEA presentation "Carbon Capture and Storage: Perspectives from the International Energy Agency," presented at National CCS week in Australia, September 2014; IEA, 20 Years of Carbon Capture and Storage, Accelerating Future Deployment., 2016.

Closing Thoughts…

- Peabody’s approach to continuous improvement is a deliberate, integrated and all-encompassing endeavor
- Team assesses available technologies and techniques within mining and other industries around the world to drive real improvements and meaningful returns
- Company benefits from access to multiple mining regions; Solutions to unique challenges are met and retrofitted to elevate entire platform
- The Peabody Way is designed to ensure that isolated advancements are shared, replicated, standardized and improved upon across our global operations

Peabody

Finance Strategies: Targeting Maximum Returns and Value

Amy Schwetz
Executive Vice President
and Chief Financial Officer

February 22, 2018

Peabody

Key Takeaways

1. Financial approach: generate cash, maintain financial strength, invest wisely, return cash to shareholders
2. Multiple means to drive cash flow generation
3. Aggressive liability management strengthens balance sheet
4. Strict investment filters lead to enhanced shareholder returns
5. Emphasis more fully shifts to returning cash to shareholders
6. Opportunities to earn higher multiple over time

Peabody

BTU Offers Unique Investment Opportunity

INVESTMENT THESIS:

We're the largest 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

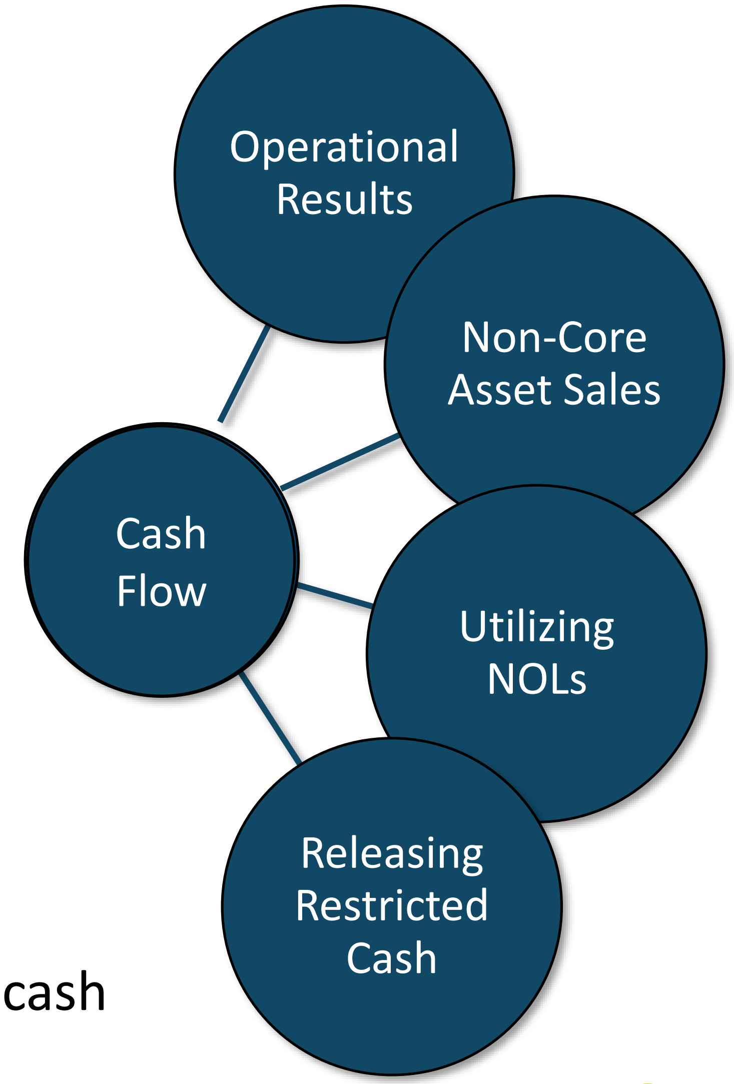
FINANCIAL APPROACH:

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

Peabody

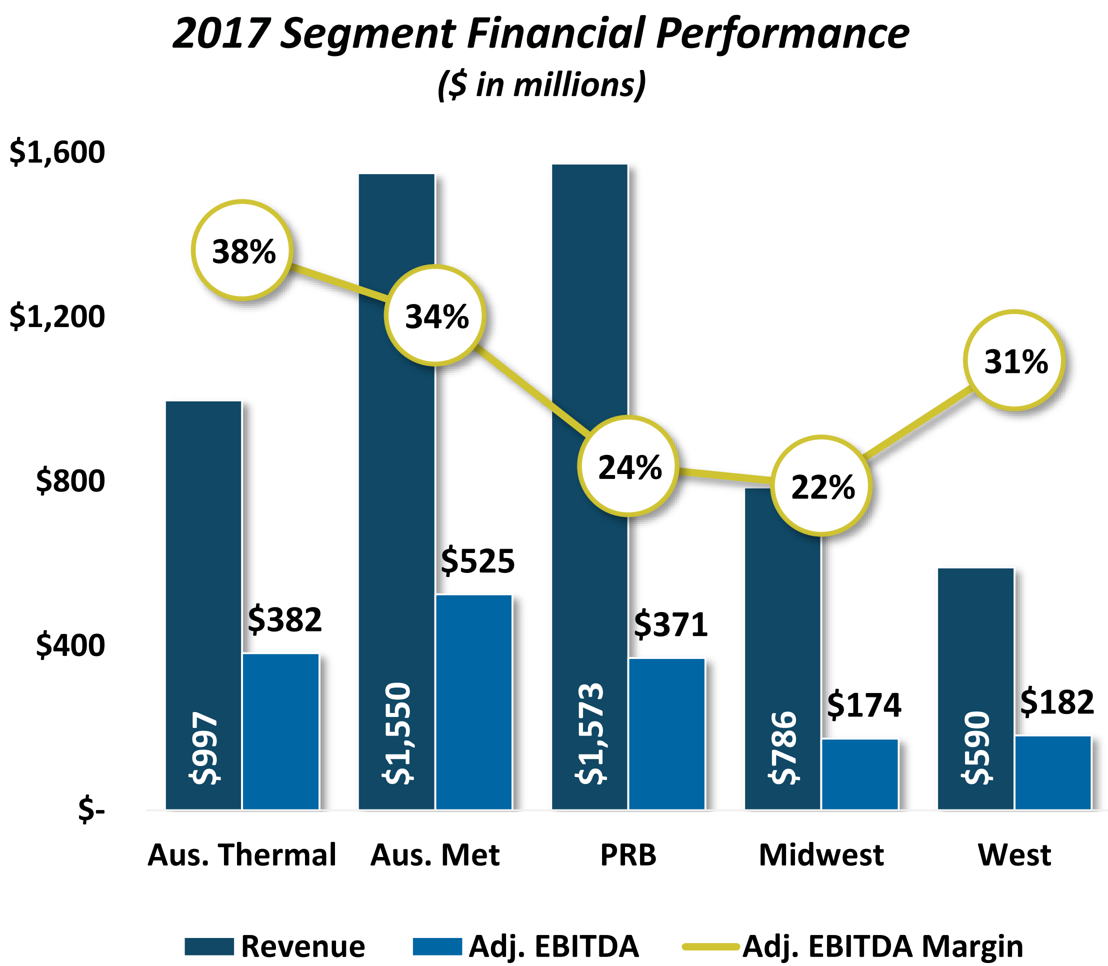
1) Multiple Means to Drive Cash Flow Generation

- Operational results paramount to strong cash generation
- Non-core asset sales provide incremental cash flows
  - $42 million in 2017
- Substantial global NOL positions significantly limit future cash taxes for extended time
  - ~$3.6 billion U.S. NOLs; ~70% unlimited by Section 382
  - ~A$3.9 billion Australian NOLs
  - $90 million cash tax refunds in 2018
  - $85 million AMT credits refunded in 2019 and beyond
- Focused on further releasing restricted cash



Peabody

Diversified Portfolio Provides Robust 2017 Earnings Cash Flow

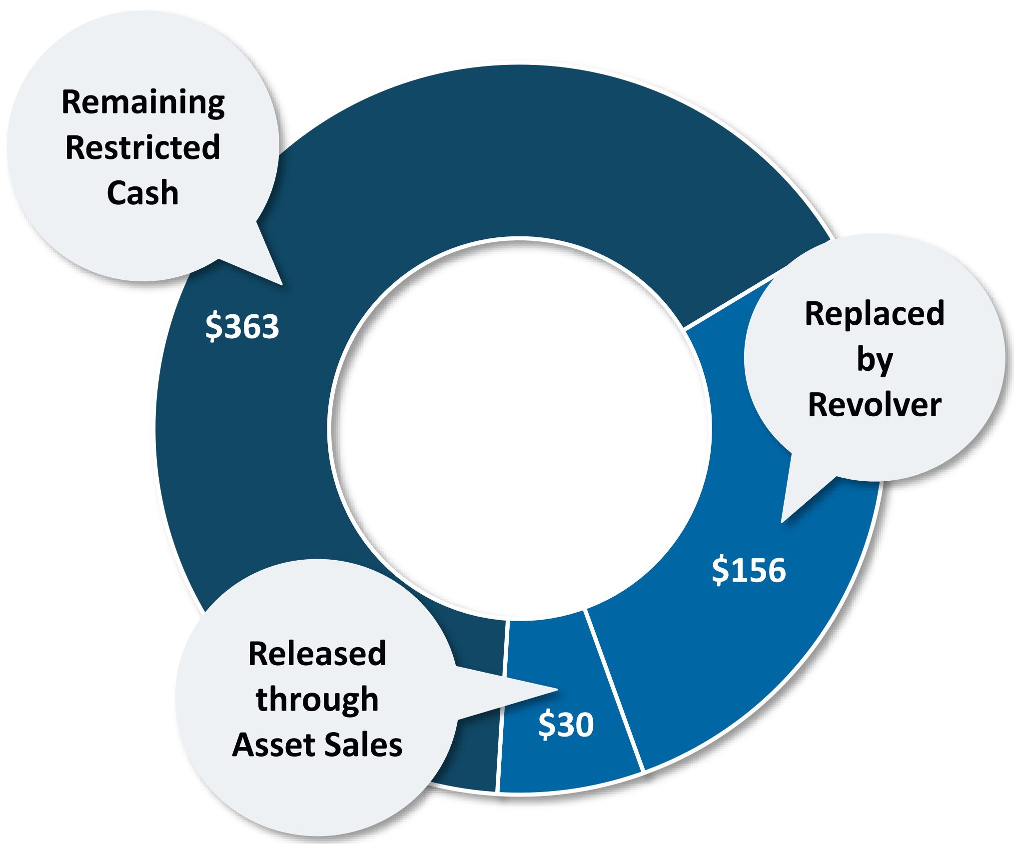


- Largest total Adjusted EBITDA contribution in 5 years
- Generated over $900 million in free cash flow
- Australia platform delivers superior margins; Met platform leads company in Adjusted EBITDA
- PRB margins top competition
- Lowering or largely maintaining costs in all segments in 2018

Note: Free cash flow and Adjusted EBITDA are a non-GAAP measures. Refer to the reconciliations to the nearest GAAP metrics in the appendix. PRB competition includes Arch, Cloud Peak.

Executing Multi-Pronged Approach to Release Nearly All Remaining Trapped Cash

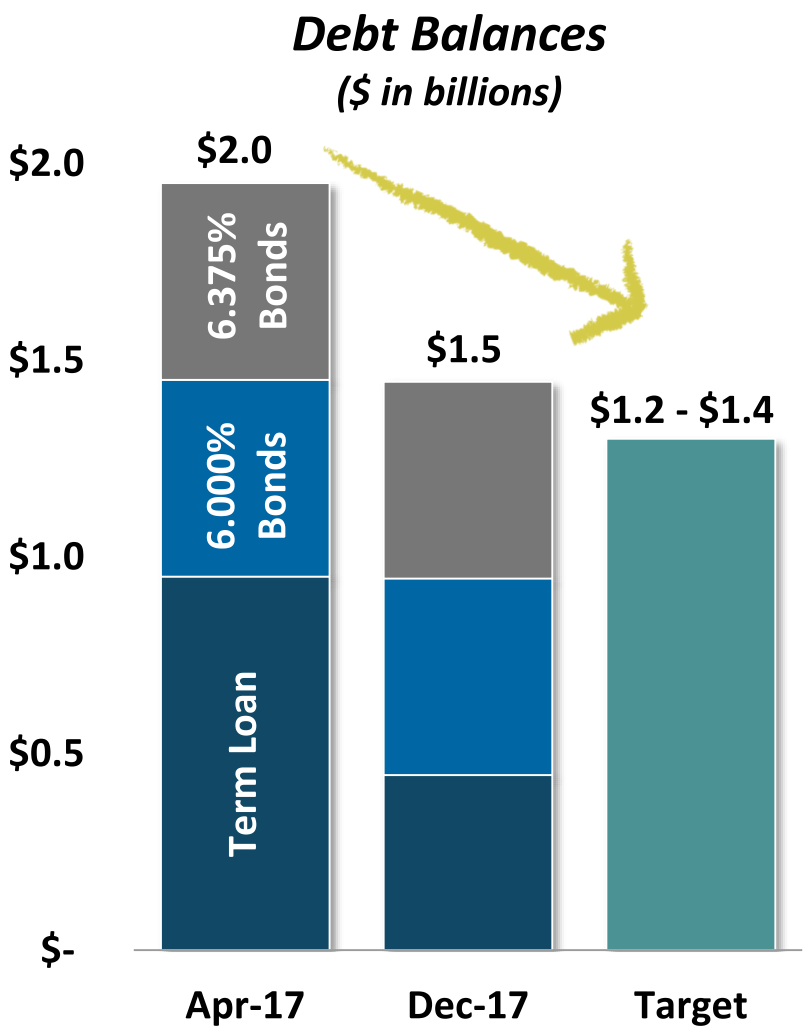
Progress Made on Releasing Restricted Cash



- Secured and upsized $350 million revolver
  - $194 million available capacity at Dec. 2017
- Working with insurers to develop Australian surety bond market
  - ~$115 million program initiated, with additional $111 million secured in recent weeks
- Continuing to add additional surety bonds in Australia

Note: Remaining restricted cash balance as of Dec. 31, 2017. Amounts replaced by revolver and released through asset sales reflect 2017 activity.

2) Maintaining Financial Strength Through Aggressive Liability Management

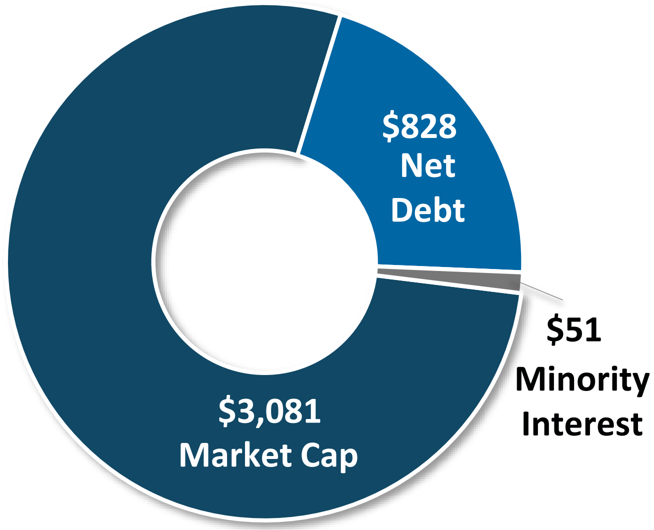


- Taking holistic view of balance sheet to maximize shareholder value
- 25% voluntary debt reduction since April
- Manageable maturity profile
  - Term Loan, 6.000% Bonds due 2022
  - 6.375% Bonds due 2025
- Reducing net pension liability, smoothing out funding requirements
  - $30 million pension funding payment
  - ~90% funded
- Non-core asset sales provide opportunity to reduce ARO, other obligations
  - Over $100 million of obligations eliminated in 2017

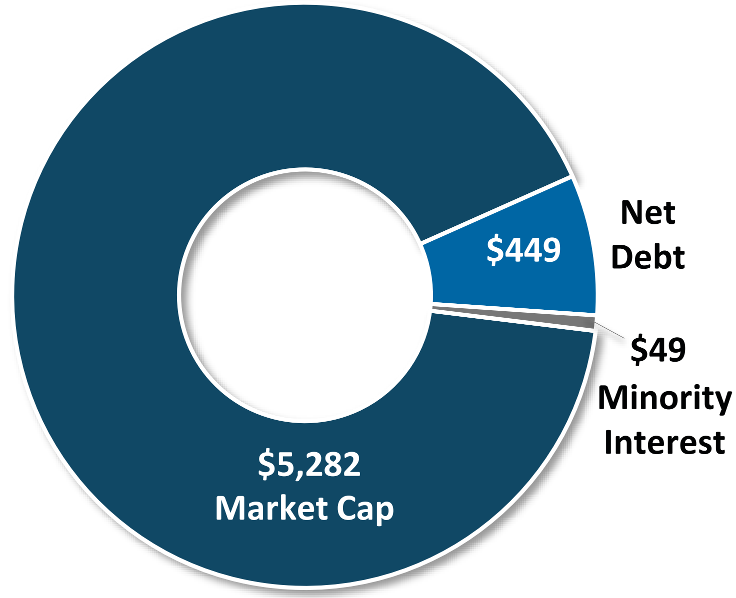
Peabody

Debt Reductions Transfer Enterprise Value to Shareholders

Emergence Enterprise Value
($ in millions)



Jan. 2018 Enterprise Value
($ in millions)



Shareholder value increased since emergence with 45% increase in enterprise value from $4.0 billion to $5.8 billion

Note: Emergence market cap reflects emergence balance sheet equity value; Jan. 2018 market cap reflects closing share price as of Jan. 31, 2018 ($40.41) and 130.7 million shares of common stock. Jan. 2018 enterprise value reflects debt and minority interest balances as of Dec. 2017.

By the Numbers: Establishing a Holistic Capital Structure

Debt & Liquidity ($ in millions)	Dec. 2017 Balance
Unrestricted Cash & Cash Equivalents	$1,012
Revolver Availability	$194
ARS Availability	$38
Total Liquidity	**$1,244**
Total Funded Debt	$1,461
Net Debt	**$449**

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
- Net debt balance reduced nearly 50% since emergence; 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

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

Investment Principles Designed to Advance Dialogue Around Key ESG Components

- Peabody recognizes that ESG disclosure and transparency is becoming a larger piece of investor dialogue
- Advancing principles as part of our overall approach to further engage with investors
- Provides portfolio managers, banks and governance committees a means to compare coal investments

The following questionnaire is intended to assist investors in assessing whether their target companies meet the vast majority of the following standards consistent with Investment Principles for Best-in-Class Coal Companies.

Sustainable Mining

Operate safe workplaces, commit to continuous improvement in incidence rates and establish safety as a top priority principle.
- Does the company have a statement in its Corporate and Social Responsibility Report committing to the goal of an incident-free workplace?
- Is the company a participant in the National Mining Association's CORESafety® program?
- Is the company's annual reportable injury frequency rate below the industry average?

Maximize resource recovery.
- Does the company have a statement in its Corporate and Social Responsibility Report committing to reasonable steps to maximize resource recovery?

Seek ongoing improvement in environmental performance.
- Does the company document its environmental activities in its Corporate and Social Responsibility Report?
- Does the company have water management and water recycling programs?
- Does the company have fuel efficiency and energy efficiency programs?
- Has the company continuously improved its greenhouse gas emissions intensity?
- Does the company define its position on climate change and carbon dioxide?
- Does the company have a comprehensive recycling program?
- ... the company been acknowledged by independent third parties for environmental performance?

...ntaintop-removal-free production.
- ...ction from its mines as mountaintop-removal-free in the U.S.?

...ewardship of mined lands through reclamation
...orate and Social
...olders on

Energy Access

Drive partnerships and policy to achieve universal access to modern electricity.
- Does the company publicly support the need for universal access to modern electricity in company statements, speeches and presentations, and written comments?
- Does the company engage with governments to promote policies to increase energy access?
- Does the company serve in leadership roles in associations that promote access to modern electricity?

Engage with government, academia and other stakeholders to address major energy challenges.
- Does the company engage with government officials and their staff to find solutions to energy challenges?
- Does the company disclose its political and lobbying activities?
- Does the company provide leadership to academic institutions and trade associations to address major energy challenges?

Clean Coal Technologies

Support greater deployment of advanced coal technologies and next-generation carbon capture, use and storage technologies.
- Does the company invest in advanced coal technologies and next-generation carbon capture, use and storage technologies?
- Does the company serve in a leadership capacity in associations that support advanced coal technologies?

Support and drive policies to achieve the goal of near-zero emissions in the world's next-generation coal-based electricity generation fleet.
- Does the company publicly support driving toward near-zero emissions in its Corporate and S... Report?
- Does the company engage with governments, indust... coal Technologies?

Peabody

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
  - $2.2 billion increase in market capitalization since April 3
- January / February 2018
  - $226 million Australian surety bond initiated with insurers

BANK LENDERS
BONDHOLDERS
EQUITY HOLDERS
INSURERS

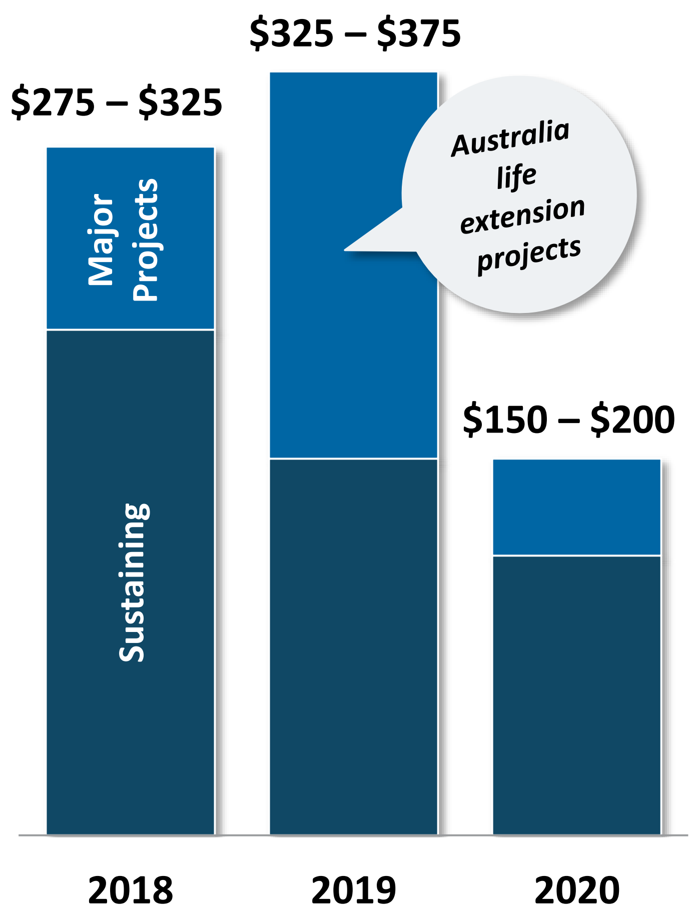
Peabody

3) Invest Wisely: Focused on Timing and Quantity of Returns

- Moderate maintenance capex required across 3-year plan
  - Includes lease buyouts that lowers opex
- Life extension projects offer multiple benefits:
  - Improves met production profile
  - Allows access to stratified thermal reserves through Wambo JV with Glencore
  - Extends life of lowest-cost, premier Australia thermal mine
- Anticipate spending ~$750 – $900 million of capex over next three years

Planned Capital Expenditures

($ in millions)



Peabody

Stringent M&A Criteria Applied to All Investments, Including Capex

- 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 - 11%

Spotlight: North Goonyella Longwall Purchase

- ✓ Returns above cost of capital
- ✓ Payback starts prior to installation, mining in new area
- ✓ Accessing higher-quality met coal in advance of previous estimates
- ✓ Limits extensive maintenance on existing longwall, resulting in cheaper and shorter move times

Maintain financial strength

Returns above cost of capital

Reasonable payback period

Core regions: PRB, ILB, seaborne met & thermal

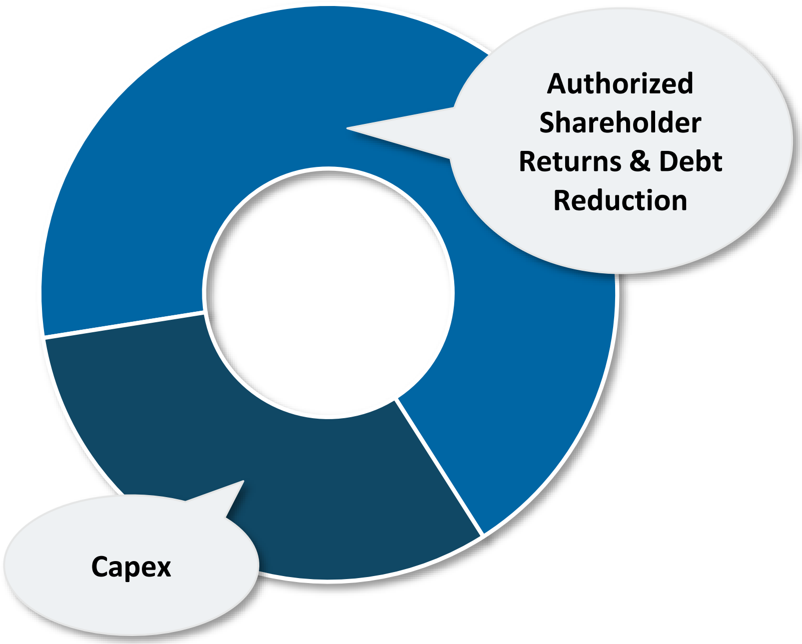
Tangible synergies

Significant value for <u>our</u> shareholders

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.

4) Building on Progress Already Made to Return Cash to Shareholders

Post-Emergence Cash Allocation



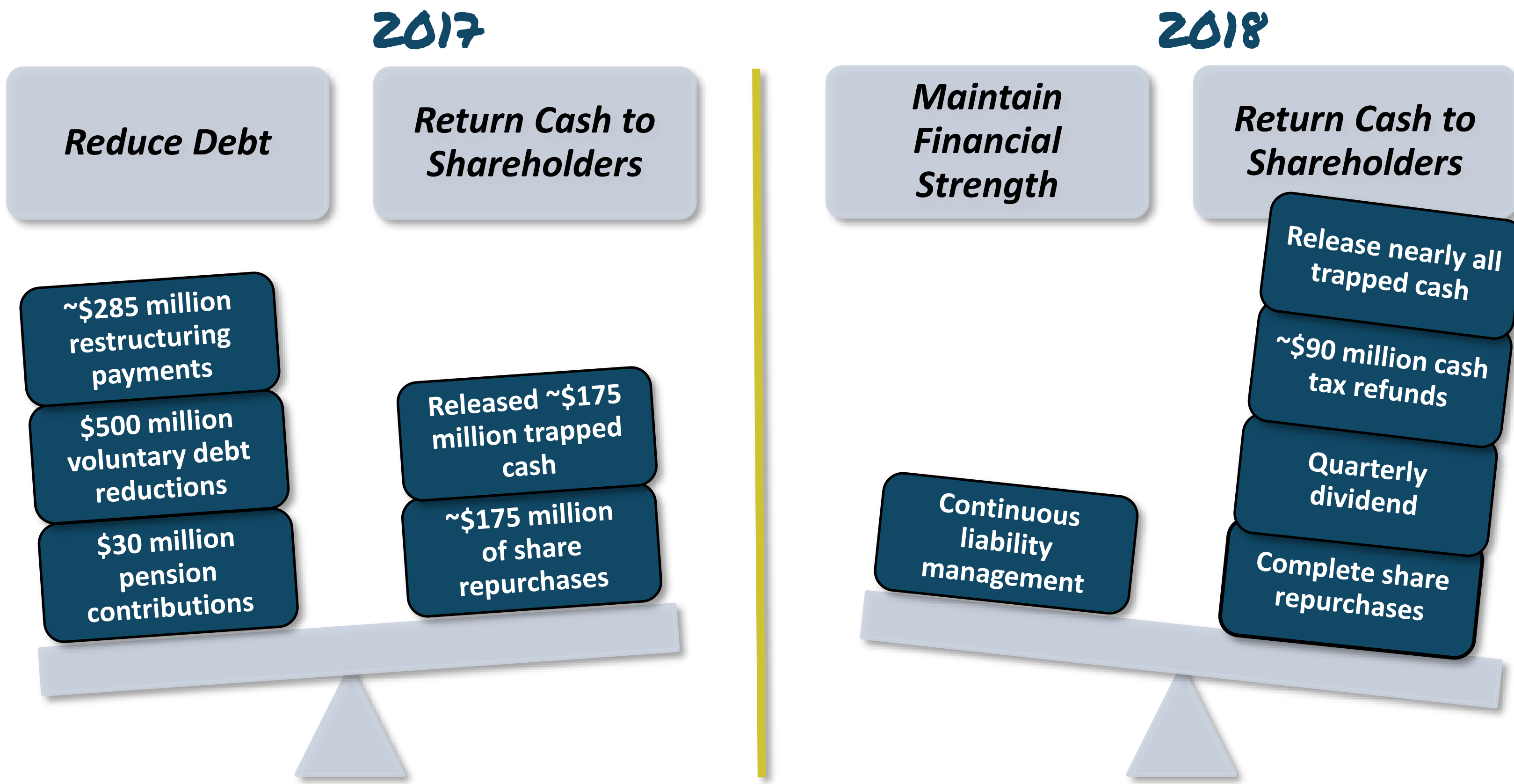
~70% of discretionary cash allocated to shareholder returns, debt repayments

- Already executed $214 million of share repurchase program
  - 43 percent of program completed
- Targeting completion of share repurchase program in 2018
  - Default position is returning cash to shareholders
  - Unrestricted by debt documents
- Initiated quarterly dividend of $0.115 per share
  - Equates to approximately $15 million a quarter
  - Board will evaluate dividend on a quarterly basis

Peabody

Note: Post-Emergence cash allocation reflects cash flows authorized for shareholder returns for 2017 - 2018 share repurchases and dividends, 2017 debt repayments, 2017 – 2018 capital expenditures.

2018 Emphasis on Returning Cash to Shareholders: Excellent Earnings to Cash Conversion



At current price levels, Peabody will generate free cash flow in excess of $1 billion in 2018

Peabody

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

BTU Actively Pursuing Multiple Paths to Boost Shareholder Value, Earn a Premium Multiple

- Diversified platform offers numerous benefits, including non-correlative demand drivers balancing divergence in industry fundamentals
- Management team dedicated to transparency and execution against guidance targets
- Committed to maximizing margins during all cycles
- Highly focused on return on investments, consistently applying tight set of filters to evaluate any potential investments, M&A
- Disciplined capital allocation strategy provides roadmap to continue to return cash to shareholders through dividends, buybacks

Earning a Higher Multiple Has Potential to Further Enhance Shareholder Value in 2018

Scenario	Implied Share Price	Percent Change
Recent Share Price	$41	
Price Target ("Hold") Analysts	$42	+2%
Price Target ("Buy") Analysts	$50	+22%
Applying Avg. Historical EV/EBITDA Multiple	$79	+93%
Applying Avg. Historical BTU Premium	$60	+46%
Applying Current DJIA P/E Multiple	$58	+41%

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

Note: Recent share price as of Feb. 14, 2018; Historical EV/EBITDA Multiple represents BTU's average one-year forward EV/EBITDA multiple from 2004-2014 of 8.2x times 2018 EBITDA consensus; Historical BTU Premium represents BTU's average premium over other U.S. coal companies from 2004-2014 of 1.8x compared to current U.S. coal company average EV/EBITDA multiple of 4.5x; Implied share prices calculated based on 2018 consensus EBITDA of $1,314 million as of Feb. 14, 2018. Current DJIA (Dow Jones Industrial Average) P/E multiple: 16.1.

Peabody

BTU: Generating Results, Delivering Value

- Targeting release of over $300 million of trapped cash
- Substantial NOL positions significantly limit cash taxes
- Expecting ~$90 million of cash tax refunds in 2018
- Completing $500 million share repurchase program
- Initiating quarterly dividend, signaling confidence in future
- Converted preferred shares, simplifying capital structure
- Superior PRB margins year after year
- U.S. volumes nearly fully priced providing longer-term revenue visibility
- Highly profitable seaborne thermal platform, 38% Adjusted EBITDA margins
- Double-digit met volumes for foreseeable future

Peabody

Note: Adjusted EBITDA margin is a non-GAAP measure. Refer to the reconciliation to the nearest GAAP metric in the appendix.

Peabody Analyst and Investor Day Appendix

February 22, 2018

Peabody

2018 Guidance Targets

Sales Volumes (Short Tons in millions)

PRB	115 - 125
ILB	18 - 19
Western	13 - 14
Total U.S.	146 - 158
Aus. Metallurgical[1]	11.0 - 12.0
Aus. Export Thermal[2]	11.5 - 12.5
Aus. Domestic Thermal	7 - 8
Total Australia	29.5 - 32.5

U.S. Operations - Revenue per Ton

Total U.S.	\$17.50 - \$18.50

U.S. Operations - Costs Per Ton

PRB	\$9.25 – \$9.75
ILB	\$31.50 – \$33.50
Total U.S.	\$13.50 – \$14.50

Australia Operations - Costs per Ton (USD)[3]

Metallurgical	\$85 – \$95
Thermal	\$32 – \$36
Total Australia	\$52 – \$58

Capital Expenditures	\$275 – \$325 million
SG&A Expense	~\$150 million
Interest Expense	\$143 – \$153 million

Cost Sensitivities[4]

\$0.05 Decrease in A\$ FX Rate[5]	+ ~\$100 million
\$0.05 Increase in A\$ FX Rate[5]	- ~\$70 million
Fuel (+/- \$10/barrel)	+/- ~\$30 million

2018 Priced Position (Avg. Price per Short Ton)

PRB	~\$12.00
ILB	~\$42.00
Australia Export Thermal	~\$74

~90% of Peabody's 2018 U.S. volumes are priced

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

~4 million short tons of Australia export thermal coal are priced for 2018

Peabody

2018 Guidance Targets

[1] Metallurgical coal sales volumes may range from approximately 55%-65% PCI and approximately 35%-45% coking coal (including semi-hard and semi-soft coking coals). Approximately 30% of seaborne coking coal 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.

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

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

[3] Assumes 2018 average A$ FX rate of $0.79. 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 Dec. 31, 2017, Peabody had purchased average rate call options in aggregate notional amount of approximately AUD $1.1 billion to manage market price volatility associated with the Australian dollar with strike price levels between $0.79 and $0.83 and settlement dates through September 2018. Sensitivities provided are relative to an assumed average A$ FX exchange rate of $0.79.

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 LV PCI benchmark to PHCC index quoted price, the weighted average discounts across all products to the applicable PHCC index quoted price or LV 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 Jan. 31, 2018, on a fully diluted basis, Peabody has approximately 134.2 million shares of common stock outstanding, including approximately 3.5 million shares underlying unvested equity awards under Peabody's long-term incentive plan.

Historical Seaborne Pricing ($/Tonne)

Time Period	HCC – Settlement	HCC – Spot	LV PCI – Settlement	LV PCI – Spot	NEWC – Spot
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

Peabody

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

	2017 Successor	2016 Predecessor	2017 Successor	2017 Predecessor	2017 Combined	2016 Predecessor
	Quarter Ended December 31		April 2 through December 31	January 1 through April 1	Year Ended December 31	
	(In Millions)					
Tons Sold						
Powder River Basin Mining Operations	31.8	33.1	94.0	31.0	125.0	113.1
Midwestern U.S. Mining Operations	4.5	4.5	14.0	4.5	18.5	18.3
Western U.S. Mining Operations	4.1	3.7	11.3	3.4	14.7	13.7
Total U.S. Mining Operations	40.4	41.3	119.3	38.9	158.2	145.1
Australian Metallurgical Mining Operations	4.0	3.3	9.5	2.2	11.7	13.4
Australian Thermal Mining Operations	4.8	5.5	14.6	4.6	19.2	21.3
Total Australian Mining Operations	8.8	8.8	24.1	6.8	30.9	34.7
Trading and Brokerage Operations	0.6	1.6	2.0	0.4	2.4	7.0
Total	49.8	51.7	145.4	46.1	191.5	186.8
Revenue Summary						
Powder River Basin Mining Operations	$ 392.4	$ 411.1	$ 1,178.7	$ 394.3	$ 1,573.0	$ 1,473.3
Midwestern U.S. Mining Operations	189.7	192.9	592.3	193.2	785.5	792.5
Western U.S. Mining Operations	159.6	139.0	440.7	149.7	590.4	526.0
Total U.S. Mining Operations	741.7	743.0	2,211.7	737.2	2,948.9	2,791.8
Australian Metallurgical Mining Operations	517.3	407.6	1,221.0	328.9	1,549.9	1,090.4
Australian Thermal Mining Operations	267.5	263.5	772.5	224.8	997.3	824.9
Total Australian Mining Operations	784.8	671.1	1,993.5	553.7	2,547.2	1,915.3
Trading and Brokerage Operations	9.0	12.4	33.6	15.0	48.6	28.9
Other	(18.4)	14.3	13.8	20.3	34.1	(20.7)
Total	$ 1,517.1	$ 1,440.8	$ 4,252.6	$ 1,326.2	$ 5,578.8	$ 4,715.3

Peabody

Reconciliation of Non-GAAP Measures

	2017 Successor	2016 Predecessor	2017 Successor	2017 Predecessor	2017 Combined	2016 Predecessor
	Quarter Ended December 31		April 2 through December 31	January 1 through April 1	Year Ended December 31	
	(In Millions, Except Per Ton Data)					
Reconciliation of Non-GAAP Financial Measures						
Income (Loss) from Continuing Operations, Net of Income Taxes	$ 378.0	$ (175.2)	$ 713.1	$ (195.5)	$ 517.6	$ (663.8)
Depreciation, Depletion and Amortization	178.8	119.9	521.6	119.9	641.5	465.4
Asset Retirement Obligation Expenses	18.9	4.5	41.2	14.6	55.8	41.8
Selling and Administrative Expenses Related to Debt Restructuring	-	-	-	-	-	21.5
Net Mark-to-Market Adjustment on Actuarially Determined Liabilities	(45.2)	-	(45.2)	-	(45.2)	-
Asset Impairment	-	230.7	-	30.5	30.5	247.9
Changes in Deferred Tax Asset Valuation Allowance and Amortization of Basis Difference Related to Equity Affiliates	(9.6)	(6.9)	(17.3)	(5.2)	(22.5)	(7.5)
Interest Expense	35.9	54.9	119.7	32.9	152.6	298.6
Loss on Early Debt Extinguishment	8.0	29.5	20.9	-	20.9	29.5
Interest Income	(2.1)	(1.7)	(5.6)	(2.7)	(8.3)	(5.7)
Reorganization Items, Net	-	33.9	-	627.2	627.2	159.0
Gain on Disposal of Reclamation Liability	(31.2)	-	(31.2)	-	(31.2)	-
Gain on Disposal of Burton Mine	(52.2)	-	(52.2)	-	(52.2)	-
Break Fees Related to Terminated Asset Sales	-	-	(28.0)	-	(28.0)	-
Unrealized Losses (Gains) on Economic Hedges	21.6	(9.3)	23.0	(16.6)	6.4	39.8
Unrealized Losses on Non-Coal Trading Derivative Contracts	3.0	-	1.5	-	1.5	-
Coal Inventory Revaluation	-	-	67.3	-	67.3	-
Take-or-Pay Contract-Based Intangible Recognition	(6.1)	-	(22.5)	-	(22.5)	-
Income Tax (Benefit) Provision	(81.6)	13.7	(161.0)	(263.8)	(424.8)	(94.5)
Adjusted EBITDA [1]	$ 416.2	$ 294.0	$ 1,145.3	$ 341.3	$ 1,486.6	$ 532.0
Net Cash Provided by (Used in) Operating Activities	$ 466.9	$ 224.0	$ 797.2	$ 214.0	$ 1,011.2	$ (52.8)
Net Cash (Used in) Provided by Investing Activities	(58.5)	(44.4)	(93.4)	15.1	(78.3)	(244.1)
Free Cash Flow [2]	$ 408.4	$ 179.6	$ 703.8	$ 229.1	$ 932.9	$ (296.9)
Adjusted EBITDA [1]						
Powder River Basin Mining Operations	$ 81.3	$ 101.6	$ 278.8	$ 91.7	$ 370.5	$ 379.9
Midwestern U.S. Mining Operations	28.4	44.9	124.4	50.0	174.4	217.3
Western U.S. Mining Operations	52.4	18.4	131.8	50.0	181.8	101.6
Total U.S. Mining Operations	162.1	164.9	535.0	191.7	726.7	698.8
Australian Metallurgical Mining Operations	199.9	104.7	414.9	109.6	524.5	(16.3)
Australian Thermal Mining Operations	102.9	80.4	306.6	75.6	382.2	217.6
Total Australian Mining Operations	302.8	185.1	721.5	185.2	906.7	201.3
Trading and Brokerage	(4.5)	8.9	(6.9)	8.8	1.9	(32.4)
Selling and Administrative Expenses (Excluding Debt Restructuring)	(37.6)	(38.8)	(105.4)	(37.2)	(142.6)	(131.9)
Other Operating Costs, Net	3.6	17.1	5.5	20.4	25.9	(15.4)
Restructuring Charges	(6.5)	-	(7.6)	-	(7.6)	(15.5)
Gain on UMWA VEBA Settlement	-	-	-	-	-	68.1
Corporate Hedging Results	(3.7)	(43.2)	3.2	(27.6)	(24.4)	(241.0)
Adjusted EBITDA [1]	$ 416.2	$ 294.0	$ 1,145.3	$ 341.3	$ 1,486.6	$ 532.0

Peabody

Note: Refer to definition of Adjusted EBITDA on following slide.

Reconciliation of Non-GAAP Measures: Definitions

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

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