Pic Au Holdings Llc And Pic Au Holdings Announce Offer To Purchase Up To $27.204 Million In Aggregate Principal Amount Of Their 10.000% Senior Secured Notes Due 2024

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ST. LOUIS, July 29, 2022 - Wholly-owned subsidiaries of Peabody (NYSE: BTU), PIC AU Holdings LLC, a Delaware limited liability company (the "Main Issuer"), and PIC AU Holdings Corporation, a Delaware corporation (together with the Main Issuer, the "Co-Issuers"), today announced their offer to purchase (the "Offer") for cash up to $27.204 million (the "Excess Cash Flow Amount") in aggregate principal amount of their 10.000% Senior Secured Notes due 2024 (the "Notes") at a purchase price equal to 103.91% of the principal amount of the Notes to be repurchased, plus accrued and unpaid interest as set forth in the Indenture (as defined below), to, but excluding, the settlement date, on the terms and subject to the conditions set forth in the Offer to Purchase, dated July 29, 2022 (the "Offer to Purchase"). The Offer is being made to satisfy the requirements of the Indenture. The Excess Cash Flow Amount for the Offer represents the pro rata portion of the Excess Cash Flow (as defined in the Indenture) to be applied to an offer to purchase the Notes pursuant to the Indenture, with the remainder to be applied to a concurrent debt repurchase offer of Priority Lien Debt (as defined in the Indenture) under the Credit Agreement, dated as of January 29, 2021, among the Co-Issuers, as co-borrowers, the lenders party thereto from time to time and Wilmington Trust, National Association (as successor to JPMorgan Chase Bank, N.A.), as administrative agent.

The Offer will expire at 5:00 p.m., New York City time, on August 29, 2022, unless extended or earlier terminated by the Co-Issuers (the "Expiration Time"). Subject to the Excess Cash Flow Amount, for each $1,000 principal amount of Notes validly tendered (and not validly withdrawn) prior to the Expiration Time and accepted by the Co-Issuers, holders of Notes will receive $1,039.10 in cash (the "Offer Price"), plus accrued and unpaid interest as set forth in the Indenture, to, but excluding, the settlement date. Tendered Notes may be validly withdrawn at any time prior to the Expiration Time, unless extended or earlier terminated by the Co-Issuers. The settlement date is currently expected to be the second business day following the Expiration Time.

If the aggregate principal amount of the Notes tendered in the Offer exceeds the Excess Cash Flow Amount of $27.204 million, the Co-Issuers will purchase Notes having an aggregate principal amount equal to the Excess Cash Flow Amount on a pro rata basis (subject to the applicable procedures of The Depository Trust Company), with adjustments so that only Notes in multiples of $1,000 principal amount (and in a minimum principal amount of $2,000) will be purchased.

The Notes are governed by an indenture, dated as of January 29, 2021, by and among the Co-Issuers, Wilmington Trust, National Association, as trustee (the "Trustee"), and Peabody (on a limited basis, to the extent of its obligations specifically set forth in the Indenture) (as amended and restated by the First Supplemental Indenture dated as of February 3, 2021, and as further amended, supplemented, restated or otherwise modified to the date hereof, the "Indenture"). Under the terms of the Indenture, no later than 10 Business Days (as defined in the Indenture) after August 14, 2022, the date on which the unaudited quarterly consolidated financial statements for the preceding fiscal quarter are required to be delivered pursuant to clause (1) of Section 4.03 of the Indenture, the Co-Issuers are obligated to offer to purchase for cash an aggregate principal amount of up to the Excess Cash Flow Amount of their outstanding Notes at the price described above. The Offer is intended to satisfy this requirement.

The Excess Cash Flow Amount for the Offer is equal to (i) $65.063 million, an amount equal to 100% of Excess Cash Flow (as defined in the Indenture) of the Main Issuer and its Subsidiaries (as defined in the Indenture) for the Excess Cash Flow Period, which for purposes of this Offer is the six-month period ended June 30, 2022 of the Main Issuer, then ended; multiplied by (ii) a fraction (x) the numerator of which is equal to the outstanding aggregate principal amount of the Notes and (y) the denominator of which is equal to the outstanding aggregate principal amount of the Notes and all other Priority Lien Debt (as defined in the

Indenture) required to be repaid with such Excess Cash Flow, rounded down to the nearest $1,000.

None of the Co-Issuers, Peabody, its board of directors (or any committee thereof), Wilmington Trust, National Association, the depositary for the Offer, or the Trustee or their respective affiliates is making any recommendation as to whether or not holders should tender all or any portion of their Notes in the Offer.

This announcement is not an offer to purchase or sell, or a solicitation of an offer to purchase or sell any securities. The Offer is being made solely by the Offer to Purchase. The Offer is not being made to holders of Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction.

Peabody (NYSE: BTU) is a leading coal producer, providing essential products for the production of affordable, reliable energy and steel. Our commitment to sustainability underpins everything we do and shapes our strategy for the future. For further information, visit PeabodyEnergy.com.

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Forward-looking Statements

This press release 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 forward-looking statements speak only as of the date they are made and reflect our good faith beliefs, assumptions and expectations, but they are not guarantees of future performance or events. Furthermore, we disclaim 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 our control, including the ongoing impact of the COVID-19 pandemic. 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.

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