

ST. LOUIS, May 17, 2016 /PRNewswire/ -- [Peabody Energy Corp.](#) today announced that the company has received final approval from the U.S. Bankruptcy Court for the Eastern District of Missouri for its \$800 million Debtor-in-Possession (DIP) financing facility.

The approval, granted following a hearing before Judge Barry S. Schermer, provides Peabody with access to capital to ensure the company can continue operating its business in the ordinary course during the Chapter 11 process. The financing by a lender group that includes participation of a number of secured lenders and unsecured noteholders, includes a \$500 million term loan, a \$200 million bonding accommodation facility, and a cash-collateralized \$100 million letter of credit facility.

The court also granted final orders approving several other motions, including approval of the company's long-term incentive plan for non-insiders, and approval for the planned sale of the company's interest in the Prairie State Energy Campus.

"We are pleased with the outcome of today's hearing, including the court's final approval of our DIP financing," said Peabody President and Chief Executive Officer Glenn Kellow. "This marks another important step as we move through the Chapter 11 process and reposition the company for long-term success."

On April 13, 2016, Peabody voluntarily filed petitions under Chapter 11 for the majority of its U.S. entities[1] in the U.S. Bankruptcy Court for the Eastern District of Missouri. No Australian entities are included in the filings, and Australian operations are continuing as usual.

Additional information on the process can be found at [PeabodyEnergy.com](#). Information about the claims process is available at <http://www.kccilc.net/Peabody>. The company also has established a call center for questions: 866-967-1783 if calling from within the U.S. or 310-751-2683 if calling from outside the U.S. or Canada. If calling from Australia: 1300 386 742 and +61 3 9415 4613 if calling from outside of Australia. The court case number is 16-42529.

Related to these activities, Peabody has retained Jones Day as its legal advisor, Lazard as its investment banker and financial advisor and FTI Consulting Inc. as its restructuring advisor.

Peabody Energy (OTC: BTUUQ) is the world's largest private-sector coal company and a Fortune 500 company. The company serves metallurgical and thermal coal customers in 25 countries on six continents. For further information, visit [PeabodyEnergy.com](#).

Certain statements included on this release are forward-looking as defined in the Private Securities Litigation Reform Act of 1995. The company uses words such as "anticipate," "believe," "expect," "may," "forecast," "project," "should," "estimate," "plan," "outlook," "target," "likely," "will," "to be" or other similar words to identify forward-looking statements. These forward-looking statements are made as of the date the release was filed and are based on numerous assumptions that the company believes are reasonable, but these assumptions are open to a wide range of uncertainties and business risks that may cause actual results to differ materially from expectations. These factors are difficult to accurately predict and may be beyond the company's control. Factors that could affect the company's results include, but are not limited to: supply and demand for the company's coal products; sustained depressed levels or further declines in coal prices; competition in coal markets; price volatility, particularly in international seaborne products and in the company's trading and brokerage businesses; the company's ability to continue as a going concern, including the company's ability to confirm a plan of reorganization that restructures our debt obligations to address the company's liquidity issues and allow emergence from the Chapter 11 proceedings; the company's ability to access adequate debtor-in-possession financing or use cash collateral; the court's rulings in the Chapter 11 proceedings and the outcome of the Chapter 11 process in general; the effect of the Chapter 11 filings on the company's relationships with third parties, regulatory authorities and employees; the potential adverse effects of the Chapter 11 process on the company's liquidity, results of operations, or business prospects; the company's ability to execute its business and restructuring plan; increased administrative and legal costs related to the Chapter 11 process and other litigation and the inherent risks involved in a bankruptcy process; risks associated with third-party motions in the Chapter 11 proceedings, which may interfere with the company's plan of reorganization and restructuring generally; our ability to successfully consummate the planned divestiture of our interest in the Prairie State Energy Campus; the cost, availability and access to capital and financial markets, including the ability to secure new financing after emerging from the Chapter 11 process; the risk that the Chapter 11 filing will disrupt or impede our operations in Australia; our ability to appropriately secure our obligations for reclamation, federal and state workers' compensation, federal coal leases and other obligations related to our operations, including our ability to utilize self-bonding and/or successfully access the commercial surety bond market; customer procurement practices and contract duration; the impact of alternative energy sources, including natural gas and renewables; global steel demand and the downstream impact on metallurgical coal prices; lower demand for our products by electric power generators; the impact of weather and natural disasters on demand, production and transportation; reductions and/or deferrals of purchases by major customers and the company's ability to renew sales contracts; credit and performance risks associated with customers, suppliers, contract miners, co-shippers, and trading, bank and other financial counterparties; geologic, equipment, permitting, site access, operational risks and new technologies related to mining; transportation availability, performance and costs; availability, timing of delivery and costs of key supplies, capital equipment or commodities such as diesel fuel, steel, explosives and tires; impact of take-or-pay arrangements for rail and port commitments for the delivery of coal; successful implementation of business strategies, including, without limitation, the actions we are implementing to improve our organization and respond to current market conditions; negotiation of labor contracts, employee relations and workforce availability, including, without limitation, attracting and retaining key personnel; changes in postretirement benefit and pension obligations and their related

funding requirements; replacement and development of coal reserves; effects of changes in interest rates and currency exchange rates (primarily the Australian dollar); effects of acquisitions or divestitures; economic strength and political stability of countries in which the company has operations or serves customers; legislation, regulations and court decisions or other government actions, including, but not limited to, new environmental and mine safety requirements, changes in income tax regulations, sales-related royalties, or other regulatory taxes and changes in derivative laws and regulations; our ability to obtain and renew permits necessary for our operations; litigation or other dispute resolution, including, but not limited to, claims not yet asserted; any additional liabilities or obligations that the company may have as a result of the bankruptcy of [Patriot Coal Corp.](#), including, without limitation, as a result of litigation filed by third parties in relation to that bankruptcy; litigation, including claims not yet asserted; terrorist attacks or security threats, including, but not limited to, cybersecurity threats; impacts of pandemic illnesses; and other risks detailed in the company's reports filed with the SEC. The company does not undertake an obligation to update its forward-looking statements except as required by law.

[1] Including the following international entity: Peabody Holdings (Gibraltar) Limited.

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