ST. LOUIS, Aug. 22, 2016 /PRNewswire/ -- Peabody Energy announced today it has reached agreement with the Illinois State Department of Natural Resources regarding financial assurances in support of coal mine restoration.

The company has reached a superpriority settlement agreement with Illinois, a state in which Peabody has self-bonding obligations. The agreement follows agreements with Wyoming, New Mexico and Indiana that were approved by the bankruptcy court Aug. 17.

The superpriority agreements provide the relevant state authorities with the ability to receive cash first in priority as additional assurance for Peabody's performance before distribution to any lender or other pre-petition creditor, up to the full amount of the company's $200 million bonding accommodation facility.

Illinois and the three other states are entitled to a percentage of the company's $200 million bonding accommodation facility based on their proportion of self-bonding relative to the company's total obligation as of April 12, 2016. The motion for the Illinois agreement is expected to be heard by the court Sept. 15 and is available online at http://www.kccllc.net/Peabody.

Peabody's $800 million Debtor-in-Possession financing facility, which includes the bonding accommodation facility, provides financing for up to 18 months during the Chapter 11 process as described further in the company's SEC filings on Form 8-K on April 13 and May 24, 2016.

Land restoration is an essential part of the coal mining process. Over the past decade, Peabody has spent approximately $185 million to restore 48,000 acres. As of June 30, the company had approximately $1.14 billion of self-bonding and $320 million of surety bonds supporting reclamation activities outstanding.

Peabody has three surface and underground operations in Illinois that employ approximately 500 workers and injected more than $715 million into the region in direct and indirect economic benefits last year.

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 and has earned more than 90 environmental honors since 2000. For further information, visit PeabodyEnergy.com.

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