Peabody Announces Termination Of Previously Announced Tender Offers And Concludes Current Refinancing Activities

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ST. LOUIS, Sept. 19, 2019 - Peabody (NYSE: BTU) announced today that it has concluded its current refinancing activities. As part of these actions, the company has terminated its previously announced cash tender offers (the "Offers") to purchase (i) any and all of its $500,000,000 in outstanding aggregate principal amount of 6.000% Senior Secured Notes due 2022 (the "2022 Notes") and (ii) any and all of its $500,000,000 in outstanding aggregate principal amount of 6.375% Senior Secured Notes due 2025 (the "2025 Notes" and, together with the 2022 Notes, the "Notes"). The termination of the Offers also includes the termination of the related consent solicitations in respect of the Notes.

The company noted that, at this particular time, the debt markets do not accommodate a path toward completing the offers and achieving the company's refinancing objectives in an economic fashion. The company intends to pursue alternative means to accomplish its longer-term objectives in a manner that adds value to the enterprise.

"Peabody set out several weeks ago evaluating an opportunistic refinancing with some key requirements and a robust set of objectives," said Peabody Executive Vice President and Chief Financial Officer Amy B. Schwetz. "We were successful in upsizing and extending our revolver and obtaining needed amendments to the credit facility, as a necessary step to enable our pending joint venture with Arch Coal. Peabody continues to be bolstered by a strong balance sheet, high liquidity, healthy margins and an asset base and set of strategies that are designed to create maximum value."

Peabody successfully completed an upsizing of its revolving credit facility with additional commitments of $215 million (aggregate facility size of $565 million) and extended the maturity date for $540 million of the facility to 2023. Additionally, the credit facility was amended to permit the company's pending PRB/Colorado joint venture.

As a result of the termination, none of the Notes that have been tendered in the Offers will be accepted for purchase and no consideration will be paid or become payable to holders of the Notes who have tendered their Notes in the Offers. All Notes previously tendered and not withdrawn will be promptly returned or credited back to their respective holders. In addition, the previously announced supplemental indentures with respect to the 2022 Notes and the 2025 Notes will not become operative, and the existing terms of the Notes will remain in effect.

"Peabody appreciates the response of bondholders to the tender offers," said Schwetz, "and we intend to continue to evaluate the capital markets with a disciplined approach."

Each Offer was subject to the conditions, which have not been satisfied, set forth in the Offer to Purchase and Consent Solicitation Statement dated August 28, 2019. These conditions included, among others, the satisfaction of a financing condition whereby Peabody would complete one or more new debt financings on terms satisfactory to Peabody, with sufficient net proceeds to pay the applicable consideration for all tendered Notes.

This press release confirms the formal termination of the Offers. Peabody reserves the right to initiate a new tender offer or offers at a later date, but it is under no obligation to do so. Holders of Notes with questions regarding the termination of the Offers may direct such questions to Global Bondholder Services Corporation, the tender agent and information agent for the Offers, by calling (866) 807-2200 (U.S. toll-free), (212) 430-3774 (banks and brokers) or by emailing contact@gbsc-usa.com.

This press release does not constitute an offer to purchase securities or a solicitation of an offer to sell any securities or an offer to sell or the solicitation of an offer to purchase any securities, nor does it constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is unlawful.

Peabody (NYSE: BTU) is the leading global pure-play coal company and a member of the Fortune 500, serving power and steel customers in more than 25 countries on six continents. The company offers significant scale, high-quality assets, and diversity in geography and products. Peabody is guided by seven core values: safety, customer focus, leadership, people, excellence, integrity and sustainability.

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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 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, 2018 and most recent quarterly report on Form 10-Q, as well as additional factors we may describe from time to time in other filings with the SEC. 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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