

Peabody Earns Five Major Awards for Environmental Excellence and Sustainability From the U.S. Department of the Interior

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Peabody Energy affiliates have earned five of 10 major awards for sustainability and stewardship at the 2007 U.S. Department of the Interior's Excellence in Surface Coal Mining Reclamation Awards ceremony in Washington, D.C. The awards recognize innovative efforts to reclaim mined lands for productive rangeland and wildlife habitat, high-yield farmland and wetlands.

Peabody received Silver and Bronze Good Neighbor Awards, which are among U.S. Interior's highest honors for sustainable practices. The company also earned three National Excellence in Surface Mining and Reclamation Awards for environmental stewardship. Recipients include:

Somerville Central Mine
Silver Good Neighbor Award and
National Excellence in Surface Coal Mining Reclamation Award
Gibson County, Ind.

Caballo Mine
Bronze Good Neighbor Award
Gillette, Wyo.

Twentymile Mine and former Seneca Mine
National Excellence in Surface Coal Mining Reclamation Award
Hayden, Colo.

Gibraltar Mine
National Excellence in Surface Coal Mining Reclamation Award
Central City, Ky.

"Peabody's leadership in sustainable practices is core to our mission," said Peabody Energy President and Chief Executive Officer Gregory H. Boyce. "We have an innovative team of engineers, scientists and reclamation specialists who are constantly recognized for achieving the highest and most enduring benefits from our mining and reclaiming activities."

Peabody operations have earned more than 60 state and national awards for stewardship and sustainability since 2000, which include five major awards for stewardship from the U.S. Department of the Interior in 2006. The company reclaimed more than 5,400 acres, planted nearly 600,000 trees and recycled more than 22,600 tons of metals, petroleum products and other materials in 2006.

An expert panel from U.S. Interior's Office of Surface Mining annually selects mining operations from around the nation for sustainable programs to reclaim mined lands and demonstrate community involvement and social responsibility.

Peabody Energy is the world's largest private-sector coal company, with 2006 sales of 248 million tons of coal and \$5.3 billion in revenues. Its coal products fuel approximately 10 percent of all U.S. electricity generation and more than 2 percent of worldwide electricity.

Editor's note: A description of each award follows, and images depicting each of these projects can be downloaded at PeabodyEnergy.com.

Use of the words "Peabody", "the company" and "our" relate to Peabody, our subsidiaries and our majority-owned affiliates.

PEABODY ENERGY
U.S. DEPARTMENT OF THE INTERIOR
2007 EXCELLENCE IN SURFACE COAL MINING RECLAMATION AWARDS

Silver Good Neighbor Award
Excellence in Surface Mining and Reclamation National Award
Somerville Central Mine, Indiana
Peabody's Black Beauty Coal Company

The Somerville Central Mine was honored with both a Silver Good Neighbor Award and an Excellence in Mining and Reclamation National Award for its innovative, community-based approach to reclamation. U.S. Interior credited the mine for partnering with area landowners to revitalize productive farming and pastureland and for supporting local recreational, civic, and educational institutions.

The mine also earned honors for its work restoring waterways, seasonal wetland and wildlife habitat and for partnering with the American Chestnut Foundation to reintroduce a hardy chestnut hybrid on reclaimed lands. Once the pride of Eastern U.S. forests, the chestnut tree was all but wiped out by a lethal fungus in the late 19th century. Peabody's efforts will help restore a blight-resistant species, returning an important part of America's heritage to the Eastern woodlands.

Bronze Good Neighbor Award
Caballo Mine, Wyoming
Peabody's Powder River Coal Company

The Caballo Mine received a Bronze Good Neighbor Award for its collaboration with local ranchers to preserve Wyoming's traditional Western heritage. U.S. Interior recognized the mine for working with ranchers to double the productivity of area range for grazing and assisting with conservation projects adjacent to the mine.

Caballo's efforts included working cooperatively with neighbors to help conserve water by building and repairing reservoirs, irrigation pipelines and groundwater wells. Caballo Mine is among the nation's most productive surface mines and has a long history of stewardship, winning five state and national reclamation awards during the past 10 years.

Excellence in Surface Mining and Reclamation National Award
Twentymile Mine and the former Seneca Mine, Colorado
Peabody's Twentymile Coal Company and Seneca Coal Company

The Twentymile and former Seneca mines were honored for reclaiming superior wildlife habitat that has become the home to large populations of Columbian sharp-tailed grouse. The restored wildlife habitat is so pristine, the grouse migrated onto reclaimed lands, a rare occurrence in the wild and a key reason the operations were honored.

The land is now home to so many of these rare birds that some have been transplanted from reclaimed lands back into native range. In addition to ensuring the survival of ecologically important wildlife like the grouse, mine reclamation and environmental staff has worked for 25 years to develop reclamation best practices that restore native range and wildlife habitat hardy enough to endure harsh winters in Northwest Colorado.

Excellence in Surface Mining and Reclamation National Award
Gibraltar Mine, Kentucky
Peabody Coal Company

The former Gibraltar Mine was honored with a National Excellence in Mining and Reclamation Award for reclaiming highly productive farmland, pastureland and wildlife habitat. The company also was recognized for working with the University of Kentucky to restore sustainable forests.

The mine collaborated with local farmers to develop prime farmland and pastureland and created a diverse landscape of native grasses, forests and waterways. The mine also partnered with the American Chestnut Foundation to reintroduce hybrid, blight-resistant American Chestnut trees to the Eastern United States.

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