Peabody Energy Names Richard A. Navarre President and Chief Commercial Officer

PRNewswire-FirstCall
ST. LOUIS

Peabody Energy Chairman and Chief Executive Officer Gregory H. Boyce today announced that Richard A. Navarre has been named President and Chief Commercial Officer of the company.

Navarre Named President and Chief Commercial Officer

In his new role, Navarre has executive responsibility for Peabody's global sales and trading; business development; strategic planning, generation and Btu Conversion initiatives; resource development opportunities; international growth initiatives including China; business performance and investor relations and corporate communications. Navarre also will remain Chief Financial Officer until a successor is named.

"Rick Navarre has been a key member of the team that has added significant value to Peabody over the last 15 years. Specifically, he led the company's financial and capital market initiatives through the company's leveraged buyout, initial public offering and shaping of the capital structure, directed Peabody's largest acquisitions, and led our initiatives to serve the fast-growing China market," said Boyce. "I look forward to working with Rick as we continue to focus on creating outstanding shareholder value. Rick possesses an excellent ability to think strategically and act decisively, coupled with a proven record of driving complex high-value projects to successful completion."

Navarre has been Chief Financial Officer since 1999 and has 25 years of varied financial and business management experience. He has held a series of increasingly responsible positions with the company, including executive responsibility for departments as diverse as Sales, Marketing, Trading and Transportation; Legal; Information Technology; Materials Management; and Post-Mining Reclamation.

"It is an honor to be named president of Peabody at an extraordinary time in the history of the energy industry and the company," said Navarre. "Coal continues to raise its profile as the fastest-growing fuel in the world, global coal demand is rapidly expanding, clean coal technologies are being advanced around the world, and leading countries and companies are aggressively pursuing all energy resources. I look forward to working with the best team in the global coal industry to continue our intense focus on industry leadership and value creation."

Navarre has been recognized as America's Best CFO in the Metals and Mining Sector by Institutional Investor Magazine. He is a member of the Hall of Fame of the College of Business at Southern Illinois University Carbondale, a member of the Board of Advisors of the College of Business and Administration and the School of Accountancy of Southern Illinois University Carbondale; a member of the International Business Advisory Board of the University of Missouri - St. Louis; a Director of the United Way of Greater St. Louis; a Director of the Missouri Historical Society; a member of Financial Executives International and the Civic Entrepreneurs Organization; and a former chairman of the Bituminous Coal Operators' Association.

Reporting to Navarre will be: President of COALSALES Bryan A. Galli; President of COALTRADE International Paul T. Demzik; President of Peabody China Tayeb Tahir; Senior Vice President of Business Development Robert L. Reilly; Senior Vice President of Resource Development Terry L. Bethel; Senior Vice President of Investor Relations and Corporate Communications Vic Svec; Vice President of Business Performance Christopher J. Hagedorn; and Senior Vice President of Btu Conversion and Strategic Planning Rick A. Bowen. In addition to the company's Generation Development, Coal-to-Gas and Coal-to-Liquids functions, Bowen will now also have Vice President of Strategic Planning Daniel Jaouiche reporting to him.

Additional Organizational Changes

Chairman and Chief Executive Officer Greg Boyce also announced several additional organizational changes.

Executives reporting to Greg Boyce, in addition to Navarre, are:
-- Executive Vice President and Chief Operating Officer Eric Ford, with continued responsibilities for Safety, U.S. Operations, Australia Operations, Operations Planning, Operations Improvement, and

Engineering and Technical Services;
-- Executive Vice President and Chief Administrative Officer Sharon D. Fiehler. In addition to responsibilities for Compensation, Benefits, Organizational Development; Information Technology and Flight Operations, Fiehler will now have Vice President of Procurement Lance N. Throneberry reporting to her;
-- Executive Vice President Roger B. Walcott, Jr. Walcott has announced his plans to retire on June 1, 2008, following a successful 10-year career with Peabody. For the balance of his time at Peabody, he will be focused on the transition of Australian operations leadership, as well as implementing a shared services structure for Australian operations;
-- Executive Vice President and Chief Legal Officer Alexander C. Schoch;
-- Senior Vice President of Government Relations Fredrick D. Palmer; and
-- An Executive Vice President and Chief Financial Officer position to be named.

Peabody Energy is the world's largest private-sector coal company. Its coal products fuel approximately 10 percent of all U.S. electricity generation and more than 2 percent of worldwide electricity.

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