Peabody Energy Acquires Equity Interest in GreatPoint Energy

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Peabody Energy today announced that it has reached an agreement to become a minority investor in Cambridge-based GreatPoint Energy, Inc. GreatPoint Energy is commercializing its proprietary bluegas™ technology that converts coal, petroleum coke and biomass into ultra-clean pipeline quality natural gas while enabling carbon capture and storage. As part of the agreement, Peabody and GreatPoint Energy will evaluate the potential for development of joint coal gasification projects using Peabody reserves and land.

GreatPoint Energy uses a single-stage catalytic gasification process to create natural gas that is 99.5 percent pure methane and can be transported throughout North America utilizing the existing natural gas pipeline infrastructure. They are developing the technology for commercial-scale use for power generation, residential and commercial heating and production of chemicals. GreatPoint Energy has completed highly successful testing in a pilot facility in Des Plaines, Ill., and is commencing engineering for the first commercial project.

"Using GreatPoint Energy's technology to turn coal into natural gas while capturing carbon will provide a clean coal-based alternative to expensive natural gas imports, while using Peabody's industry-best reserve position," said Rick A. Bowen, Peabody Senior Vice President of Btu Conversion and Strategic Planning. "Peabody is advancing technology-based solutions around the world for greater use of coal to build energy security, drive economic growth and create environmental solutions."

Peabody is pursuing coal-to-gas projects to help build energy security and ease reliance on expensive natural gas imports. The company also is leading technology initiatives around the world to achieve near-zero emissions from coal with carbon capture and storage through voluntary partnerships including FutureGen in the United States, GreenGen in China, Coal21 in Australia and the Asia-Pacific Partnership.

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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