Peabody Energy Acquires Equity Interest in Calera Corporation

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Peabody Energy today said it has reached an agreement to purchase a $15 million equity interest in Calera Corporation, which has proprietary technology that converts carbon dioxide (CO_2) into green building materials. Every ton of Calera building material is expected to store as much as a half-ton of CO_2.

The technology captures CO_2 emissions from coal- or gas-fueled power facilities, cement plants and refineries, and converts it into solid carbonates that can be used as building materials in the form of aggregates or other cement-type materials. Because Calera's process removes minerals and other constituents from water, it also acts as a freshening system to produce fresh water, which can benefit areas of the world that need clean water.

"Peabody is a global leader in clean energy solutions and is advancing more than a dozen projects and partnerships to commercialize low-carbon technologies," said Peabody Senior Vice President Fredrick D. Palmer, who leads the company's Btu Conversion activities. "Calera's emerging technology represents an innovative solution to advance our energy, environmental and economic goals by recycling carbon dioxide into beneficial building products."

California-based Calera recently completed a demonstration project near Moss Landing, Calif., which used the emissions stream from a natural gas-fueled power plant. The Calera technology mixes CO_2 with water from a variety of sources, causing the minerals to bond and release as synthetic limestone.

"We are pleased to partner with Peabody to advance development of clean energy technologies," said Calera Chief Executive Officer Dr. Brent Constantz. "We believe that the CO_2 used in our process for producing materials could exceed the current generation rate of CO_2 from all global industrial and utility sources. The potential is enormous."

Peabody's clean coal initiatives include serving as the only non-Chinese equity partner in China's GreenGen power project; a founding member of the U.S. FutureGen Alliance; and a founding partner of Australia's COAL21 low-carbon project.

The company also is a founding member of the Global Carbon Capture and Storage Institute; the U.S.-China Energy Cooperation Program; the Asia-Pacific Partnership for Clean Development and Climate; the Consortium for Clean Coal Utilization; the National Carbon Capture and Storage Center; and others.

Calera Corporation's process converts CO_2 from the combustion of fossil fuel into carbon negative building materials, enabling the production of clean power, cement, fresh water and other products to promote sustainable growth. The company was founded in 2007 by CEO Dr. Brent Constantz, and is based in Los Gatos, Calif. Visit www.calera.com.

Peabody Energy is the world's largest private-sector coal company, with 2009 sales of 244 million tons and $6 billion in revenues. Its coal products fuel 10 percent of all U.S. electricity generation and 2 percent of worldwide electricity. Visit www.PeabodyEnergy.com.

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