

Peabody Energy Chairman and CEO Calls China 'An Economic Miracle Powered by Coal'

PRNewswire-FirstCall
BEIJING

Peabody Energy Chairman and Chief Executive Officer Gregory H. Boyce today delivered the keynote address at Coaltrans China in Beijing, observing that: "There is no more fitting backdrop to demonstrate the power of coal to lift societies and the power of technology to change the color of coal."

Boyce said it is no coincidence that China is the world's largest coal user. "The world's fastest-growing coal market is accomplishing what no other nation has... navigating industrialization, urbanization and modernization all at once. More than any other nation in the world... China is an economic miracle that is powered by coal."

Boyce also noted that China is participating in the global technology revolution to develop advanced coal plants like GreenGen for low-carbon economies. Ultimately these plants will be virtually emission-free, which Boyce calls "making black the new green."

Through greater use of green coal, nations can secure their energy supplies, strengthen economies and advance their environmental goals... the 'Three Es.' "Every day, we must use more coal... more cleanly... to benefit the world's people and economies," Boyce said.

The global population will grow 25 percent to more than 8 billion people by 2030, and the world's energy needs will increase 40 percent. This growth comes at a time when more than half the world's population lacks adequate access to electricity.

"So we have the dual challenge of providing electricity to the 3.6 billion people who aren't properly connected and expanding infrastructure to another 2 billion people who will be added to the grid."

Says Boyce: "The most pressing global crisis we face is the energy crisis affecting billions who lack adequate access to a basic necessity. The opportunity? More green coal. Coal is the only large-scale, sustainable fuel capable of meeting the demands of the world's major economies... and technology is the right path to accomplish our energy, economic and environmental goals."

Boyce also commented on coal-based solutions to achieve each of society's 'Three E' goals:

Energy Security

"Coal is the future fuel to provide electricity at scale: Coal demand will continue to outpace other energy sources and is forecast to grow 53 percent by 2030... which is more than 1.5 times the combined growth rate of all other energy sources including oil, gas, nuclear and hydro.

"The world has trillions of tons of coal, which comprise 60 percent of our global energy resources... And we will use them all! Reserves are large and geographically diverse, spanning nations on every major continent."

Economic Progress

"250 gigawatts of coal-fueled generation are under construction worldwide. This represents 950 million tonnes of incremental coal demand per year, along with 4.5 million jobs and \$1 trillion in economic benefits from construction."

Environmental Solutions

"More clean coal is essential for satisfying our energy needs. As we continue increasing our use of coal, we must do more to achieve the parallel goal of a cleaner environment, working toward near-zero emissions, which includes carbon management. The multi-step path includes:

1. Building supercritical combustion plants with improved efficiencies, which in the United States typically have carbon dioxide emissions that

- are 15 percent below the existing fleet;
2. Demonstrating carbon capture and storage (CCS);
 3. Completing large-scale CCS demonstrations;
 4. Advancing coal to gas with CCS;
 5. Deploying Integrated Gasification Combined Cycle technology with CCS on a commercial scale; and
 6. Retrofitting the world's existing coal fleet with CCS technologies."

Peabody Energy is the world's largest private-sector coal company and a global leader in clean coal solutions. With 2009 sales of 244 million tons and \$6 billion in revenues, Peabody fuels 10 percent of U.S. power and 2 percent of worldwide electricity, lighting cities on six continents. Peabody is energizing the world, one Btu at a time.

CONTACT:

Vic Svec
+1 314-342-7768

Beth Sutton
+1 928-699-8243

First Call Analyst:
FCMN Contact: cmiller@peabodyenergy.com

SOURCE: Peabody Energy

CONTACT: Vic Svec, +1-314-342-7768, or Beth Sutton, +1-928-699-8243,
both for Peabody Energy

Web Site: <http://www.peabodyenergy.com/>
