

Peabody Energy Opens New Indonesian Office In Balikpapan

ST. LOUIS, Jan. 11 – Peabody Energy (NYSE: BTU) today announced the opening of an office in Balikpapan, Indonesia, a seaport city in the East Kalimantan province. The move further expands the company's presence in the world's largest supplier of seaborne thermal coal.

Peabody's Balikpapan office complements ongoing sourcing and business development activities in Indonesia and supports an office in the capital city of Jakarta. Indonesia is the fastest-growing supplier of thermal coal to both China and India, and Peabody is positioning itself to assist local suppliers in moving Indonesian coal throughout the Pacific Rim. The company has secured multiple term offtake agreements from resource-rich East Kalimantan.

Yosef Setiawan, Director of Engineering – Indonesia, will lead the office and has responsibility for supporting business development and structured transactions. Setiawan brings extensive experience in mining engineering, technical services and business development from his tenure at BHP Billiton in Australia and Indonesia. He reports to Keith Downham, Vice President of Resource Development – Indonesia.

Peabody Energy (NYSE: BTU) is the world's largest private-sector coal company and a global leader in clean coal solutions. With 2010 sales of 246 million tons and nearly \$7 billion in revenues, Peabody fuels 10 percent of U.S. power and 2 percent of worldwide electricity.

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