

Peabody Announces Receipt Of Requisite Consents With Respect To Its Tender Offers And Consent Solicitations For Its 6.000% Senior Secured Notes Due 2022 And 6.375% Senior Secured Notes Due 2025

ST. LOUIS, Sept. 11, 2019 /PRNewswire/ -- Peabody (NYSE: BTU) announced today that, as of 5:00 p.m., New York City time, on September 11, 2019 (the "*Consent Payment Deadline*"), as reported by the tender agent, it had received tenders and consents from holders of approximately \$495.3 million, or 99.06 percent, of the principal amount of its outstanding 6.000% Senior Secured Notes due 2022 (the "*2022 Notes*"), and it had received tenders and consents from holders of approximately \$481.0 million, or 96.21 percent, of the principal amount of its outstanding 6.375% Senior Secured Notes due 2025 (the "*2025 Notes*" and, together with the 2022 Notes, the "*Notes*"), in connection with its previously announced tender offers (the "*Offers*") and consent solicitations (the "*Consent Solicitations*") in respect of the 2022 Notes and the 2025 Notes, respectively.

On September 11, 2019, Peabody executed a supplemental indenture with respect to the 2022 Notes that would (i) eliminate substantially all restrictive covenants, certain events of default applicable to the 2022 Notes and certain other provisions contained in the indenture governing the Notes (the "*Indenture*") and (ii) release the collateral securing the 2022 Notes and eliminate certain other related provisions contained in the Indenture (the "*2022 Supplemental Indenture*"). On September 11, 2019, Peabody also executed a supplemental indenture with respect to the 2025 Notes that would (i) eliminate substantially all restrictive covenants, certain events of default applicable to the 2025 Notes and certain other provisions contained in the Indenture and (ii) release the collateral securing the 2025 Notes and eliminate certain other related provisions contained in the Indenture (the "*2025 Supplemental Indenture*"). The 2022 Supplemental Indenture and the 2025 Supplemental Indenture, however, will not become operative until Peabody has purchased at least 66-2/3% in principal amount of the 2022 Notes and the 2025 Notes, respectively, pursuant to the terms of the Offers.

Peabody's obligation to accept for purchase, and to pay for, any of the 2022 Notes and the 2025 Notes, respectively, pursuant to the Offers is subject to a number of conditions that are set forth in the Offer to Purchase and Consent Solicitation Statement, dated August 28, 2019, including the satisfaction of a financing condition whereby Peabody would complete one or more new debt financings with sufficient net proceeds to pay the applicable consideration for all tendered 2022 Notes and 2025 Notes.

Subject to the satisfaction or waiver of the remaining customary conditions to the Offers, Peabody expects to pay to all holders who validly tendered their 2022 Notes prior to the Consent Payment Deadline, and did not withdraw them prior to 5:00 p.m., New York City time, on September 11, 2019 (the "*Withdrawal Deadline*"), the total consideration of \$1,032.50 per \$1,000 principal amount of 2022 Notes, which includes a \$30.00 consent payment, on or before the final settlement date described below. In addition, subject to the satisfaction or waiver of the remaining customary conditions to the Offers, Peabody expects to pay to all holders who validly tendered their 2025 Notes prior to the Consent Payment Deadline, and did not withdraw them prior to the Withdrawal Deadline, the total consideration of \$1,047.50 per \$1,000 principal amount of 2025 Notes, which includes a \$30.00 consent payment, on or before the final settlement date described below.

The Offers are scheduled to expire at 11:59 p.m., New York City time, on September 25, 2019, unless extended or earlier terminated (the "*Expiration Time*"). Holders who validly tender their 2022 Notes or 2025 Notes after the Consent Payment Deadline but before the Expiration Time will be eligible to receive on the final settlement date only the tender offer consideration, which is \$1,002.50 for each \$1,000 principal amount of 2022 Notes and \$1,017.50 for each \$1,000 principal amount of 2025 Notes, neither of which includes a consent payment. The final settlement date is expected to be September 27, 2019.

Holders whose 2022 Notes or 2025 Notes are purchased in the Offers, respectively, will also receive accrued and unpaid interest from the last interest payment date to, but not including, the applicable settlement date.

The Withdrawal Deadline has passed, so previously tendered 2022 Notes or 2025 Notes, as the case may be, may no longer be withdrawn, and holders who tender their 2022 Notes or 2025 Notes, as the case may be, thereafter will not have withdrawal rights.

The complete terms and conditions of the Offers are described in the Offer to Purchase and Consent Solicitation Statement, dated August 28, 2019, copies of which may be obtained from Global Bondholder Services Corporation, the tender agent and information agent for the Offers, by calling (866) 807-2200 (U.S. toll-free), (212) 430-3774 (banks and brokers) or by emailing contact@gbsc-usa.com.

Peabody has also retained Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC as the dealer managers for the Offers and solicitation agents for the Consent Solicitations. Questions regarding the terms of the Offers may be directed to Goldman Sachs & Co. LLC by calling (212) 902-6941 (collect) or (800) 828-3182 (US toll-free) or to J.P. Morgan Securities LLC by calling (212) 834-3424 (collect) or (866) 834-4666 (US toll-free).

None of Peabody, its board of directors (or any committee thereof), the dealer managers, the tender agent, the information agent, the trustee for the Notes or their respective affiliates is making any recommendation as to whether or not holders should tender all or any portion of their Notes in the Offers.

This announcement is not an offer to purchase or sell, a solicitation of an offer to purchase or sell or a solicitation of consents with respect to any securities. The Offers are being made solely by the Offer to Purchase and Consent Solicitation Statement dated August 28, 2019. The Offers are not being made to holders of Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction.

Peabody (NYSE: BTU) is the leading global pure-play coal company and a member of the Fortune 500, serving power and steel customers in more than 25 countries on six continents. The company offers significant scale, high-quality assets, and diversity in geography and products. Peabody is guided by seven core values: safety, customer focus, leadership, people, excellence, integrity and sustainability.

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Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the securities laws. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words or variation of words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "projects," "forecasts," "targets," "would," "will," "should," "goal," "could" or "may" or other similar expressions. Forward-looking statements provide management's current expectations or predictions of future conditions, events or results. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. They may include estimates of revenues, income, earnings per share, cost savings, capital expenditures, dividends, share repurchases, liquidity, capital structure, market share, industry volume, or other financial items, descriptions of management's plans or objectives for future operations, or descriptions of assumptions underlying any of the above. All forward-looking statements speak only as of the date they are made and reflect the company's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance or events. Furthermore, the company disclaims any obligation to publicly update or revise any forward-looking statement, except as required by law. By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Factors that might cause such differences include, but are not limited to, a variety of economic, competitive and regulatory factors, many of which are beyond the company's control, that are described in our Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2018 and most recent quarterly report on Form 10-Q, as well as additional factors we may describe from time to time in other filings with the SEC. You should understand that it is not possible to predict or identify all such factors and, consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

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