

Peabody Statement on North Goonyella Mine

Sept. 19 – About two and a half weeks ago during a scheduled longwall move, an area of the North Goonyella Mine in Australia began registering higher gas levels. The mine also has recorded slightly elevated temperatures caused by low-level oxidation of some coal. These types of events do occur from time to time in underground mines.

Mine management quickly assessed the facts, took appropriate steps, removed people from underground, contacted the Queensland Mines Inspectorate and industry experts, and began mobilizing resources to correct the situation.

Steps taken have included pumping nitrogen near the face to reduce levels, with recent indications that process is yielding success with current gas levels below their peak.

“The health and safety of employees is always the number-one priority at Peabody. Our gas monitoring and safety systems are designed specifically for these types of events and detected the elevated levels of gas in a timely manner,” said Peabody President – Australia George Schuller. “We will continue to conduct our response efforts in a safe and sustainable way, with our employees returning underground when it is safe to do so.”

Peabody is well over halfway through the two-month longwall move at this point, with the majority of major equipment already transferred and 78 shields remaining to be moved. Services such as power, ventilation and normal water management activities in the mine continue, and the mine is shipping from inventories.

The longwall move, which was expected to be completed in September, is now targeted for completion in the early part of the fourth quarter. Prior to this time, the company had been trending to the upper end of its 2018 metallurgical coal sales volume targets, and those targets have not been revised. The company will continue to communicate progress as it occurs.

Cautionary Statement Regarding Forward-Looking Statements

This statement 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. Such factors are described in our Annual Report on Form 10-K, as well as additional factors we may describe from time to time in other filings with the SEC. You may get such filings for free at our website at www.peabodyenergy.com. 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.
