December 24, 2020

To the beneficial owners, or duly authorized representatives acting on behalf of beneficial owners (or on behalf of persons who are considering becoming beneficial owners), of the following securities issued by Peabody Energy Corporation (the “Notes”):

<table>
<thead>
<tr>
<th>Title of Series</th>
<th>CUSIP Numbers</th>
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</thead>
<tbody>
<tr>
<td>6.000% Senior Secured Notes due 2022</td>
<td>70457L AA2 (144A)</td>
</tr>
<tr>
<td></td>
<td>U7049L AA6 (Reg S)</td>
</tr>
</tbody>
</table>

We are undertaking a transaction with respect to the Notes, which will not be registered under the Securities Act of 1933, as amended (the “Securities Act”), and accordingly will be conducted in reliance upon exemptions from the registration requirements of the Securities Act. In order to receive documents relating to the transaction, beneficial owners (or persons that are considering becoming beneficial owners) of the Notes must confirm that they are Eligible Holders.

“Eligible Holders” are beneficial owners (or persons who are considering becoming beneficial owners) that certify that they are: (a) in the United States and (i) qualified institutional buyers (as defined in Rule 144A under the Securities Act) (“qualified institutional buyers”) or (ii) institutional “accredited investors” (within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act) or (b) outside the United States and (i) persons other than “U.S. persons” (as defined in Rule 902 under the Securities Act) or (ii) “non-U.S. qualified offerees.” The definitions of “qualified institutional buyer,” “accredited investor,” “U.S. person” and “non-U.S. qualified offeree” are set forth in Annex A.

If you are a beneficial owner, or a representative acting on behalf of a beneficial owner, of Notes that is an Eligible Holder (as described below), please complete the attached Eligibility Letter and return it to Global Bondholder Services Corporation at the address set forth in the Eligibility Letter.

RESPONSES MUST BE RECEIVED NO LATER THAN 5:00 P.M., NEW YORK CITY TIME, ON JANUARY 25, 2021.

This letter neither is an offer nor a solicitation of an offer with respect to the Notes nor creates any obligations whatsoever on the part of Peabody Energy Corporation to make any offer or on the part of the recipient to participate if an offer is made.

COMPLETED FORMS MUST BE FAXED TO THE ATTENTION OF GLOBAL BONDHOLDER SERVICES CORPORATION, THE INFORMATION AGENT FOR THE EXCHANGE OFFER, AT (212) 624-0294. You may direct any questions about the eligibility process to Global Bondholder Services Corporation, Attention: Corporate Actions, at 65 Broadway, Suite 404, New York, New York 10006, telephone: (866) 470-4500 (Toll-Free) or (212) 430-3774 (Collect).

[Signature to follow]
Very truly yours,

PEABODY ENERGY CORPORATION

By: __________________________
Name: Scott T. Jarboe
Title: Chief Legal Officer and Corporate Secretary
“qualified institutional buyer” means:

(1) Any of the following entities, acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least $100 million in securities of issuers that are not affiliated with the entity:

(a) Any insurance company as defined in Section 2(a)(13) of the Securities Act of 1933 (the “Securities Act”);

(b) Any investment company registered under the Investment Company Act of 1940 (the “Investment Company Act”) or any business development company as defined in Section 2(a)(48) of the Investment Company Act;

(c) Any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958 or any Rural Business Investment Company as defined in section 384A of the Consolidated Farm and Rural Development Act;

(d) Any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees;

(e) Any employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974;

(f) Any trust fund whose trustee is a bank or trust company and whose participants are exclusively plans of the types identified in subparagraph (d) or (e) above, except trust funds that include as participants individual retirement accounts or H.R. 10 plans;

(g) Any business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940 (the “Investment Advisers Act”);

(h) Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation (other than a bank as defined in Section 3(a)(2) of the Securities Act or a savings and loan association or other institution referenced in Section 3(a)(5)(A) of the Securities Act or a foreign bank or savings and loan association or equivalent institution), partnership, limited liability company, or Massachusetts or similar business trust;

(i) Any investment adviser registered under the Investment Advisers Act; and

(j) Any institutional accredited investors, as defined in Rule 501(a) under the Securities Act, of a type not listed above or below, including those entities formed for the purpose of acquiring the securities being offered;

(2) Any dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934 (the “Exchange Act”), acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least $10 million of securities of issuers that are not affiliated with the dealer, provided, that securities constituting the whole or a part of an unsold allotment to or subscription by a dealer as a participant in a public offering shall not be deemed to be owned by such dealer;

(3) Any dealer registered pursuant to Section 15 of the Exchange Act acting in a riskless principal transaction on behalf of a qualified institutional buyer;
Any investment company registered under the Investment Company Act, acting for its own account or for the accounts of other qualified institutional buyers, that is part of a family of investment companies which own in aggregate at least $100 million in securities of issuers, other than issuers that are affiliated with the investment company or are part of such family of investment companies. “Family of investment companies” means any two or more investment companies registered under the Investment Company Act, except for a unit investment trust whose assets consist solely of shares of one or more registered investment companies, that have the same investment adviser (or, in the case of unit investment trusts, the same depositor), provided that:

(a) Each series of a series company (as defined in Rule 18f-2 under the Investment Company Act) shall be deemed to be a separate investment company; and

(b) Investment companies shall be deemed to have the same adviser (or depositor) if their advisers (or depositors) are majority-owned subsidiaries of the same parent, or if one investment company’s adviser (or depositor) is a majority-owned subsidiary of the other investment company’s adviser (or depositor);

(5) Any entity, all of the equity owners of which are qualified institutional buyers, acting for its own account or the accounts of other qualified institutional buyers; and

(6) Any bank as defined in Section 3(a)(2) of the Securities Act, any savings and loan association or other institution as referenced in Section 3(a)(5)(A) of the Securities Act, or any foreign bank or savings and loan association or equivalent institution, acting for its own account or the accounts of other qualified institutional buyers, that in the aggregate owns and invests on a discretionary basis at least $100 million in securities of issuers that are not affiliated with it and that has an audited net worth of at least $25 million as demonstrated in its latest annual financial statements, as of a date not more than 16 months preceding the date of sale under the rule in the case of a U.S. bank or savings and loan association, and not more than 18 months preceding such date of sale for a foreign bank or savings and loan association or equivalent institution.

For purposes of the foregoing definition:

(1) In determining the aggregate amount of securities owned and invested on a discretionary basis by an entity, the following instruments and interests shall be excluded: bank deposit notes and certificates of deposit; loan participations; repurchase agreements; securities owned but subject to a repurchase agreement; and currency, interest rate and commodity swaps.

(2) The aggregate value of securities owned and invested on a discretionary basis by an entity shall be the cost of such securities, except where the entity reports its securities holdings in its financial statements on the basis of their market value, and no current information with respect to the cost of those securities has been published. In the latter event, the securities may be valued at market for purposes of this section.

(3) In determining the aggregate amount of securities owned by an entity and invested on a discretionary basis, securities owned by subsidiaries of the entity that are consolidated with the entity in its financial statements prepared in accordance with generally accepted accounting principles may be included if the investments of such subsidiaries are managed under the direction of the entity, except that, unless the entity is a reporting company under Section 13 or 15(d) of the Exchange Act, securities owned by such subsidiaries may not be included if the entity itself is a majority-owned subsidiary that would be included in the consolidated financial statements of another enterprise.

(4) “Riskless principal transaction” means a transaction in which a dealer buys a security from any person and makes a simultaneous offsetting sale of such security to a qualified institutional buyer, including another dealer acting as riskless principal for a qualified institutional buyer.

* * * * *
“accredited investor” has the meaning as set forth in Rule 501 of the Securities Act, pursuant to provisions (a)(1), (a)(2), (a)(3) and (a)(7), as set forth below:

(a)(1) Any bank as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Exchange Act; any insurance company as defined in Section 2(a)(13) of the Securities Act; any investment company registered under the Investment Company Act or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(a)(2) Any private business development company as defined in Section 202(a)(22) of the Investment Advisers Act;

(a)(3) Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000; or

(a)(7) Any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of the Securities Act.

* * * * *

“U.S. person” means:

(1) Any natural person resident in the United States;

(2) Any partnership or corporation organized or incorporated under the laws of the United States;

(3) Any estate of which any executor or administrator is a U.S. person;

(4) Any trust of which any trustee is a U.S. person;

(5) Any agency or branch of a foreign entity located in the United States;

(6) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

(7) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

(8) Any partnership or corporation if:

(a) Organized or incorporated under the laws of any foreign jurisdiction; and
(b) Formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.

* * * * * *

The following are not "U.S. persons":

(1) Any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;

(2) Any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if:

(a) An executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and

(b) The estate is governed by foreign law;

(3) Any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person;

(4) An employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;

(5) Any agency or branch of a U.S. person located outside the United States if:

(a) The agency or branch operates for valid business reasons; and

(b) The agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and

(6) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

* * * * * *

“Non-U.S. qualified offeree” means:

(1) In relation to each member state of the European Economic Area and the United Kingdom:

(a) any legal entity which is a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, or superseded) (the “Prospectus Regulation”); or

(b) any other entity in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no offer of Peabody or Peabody subsidiary debt securities shall require Peabody, Peabody subsidiaries or any other person to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation;
(2) in relation to the European Economic Area and the United Kingdom, not a “retail investor.” For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation;

(3) in relation to the United Kingdom, in addition to (a) and (b) above, qualified investors (as defined in the Prospectus Regulation) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (the “Financial Promotion Order”), (ii) who are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Promotion Order, or (iii) are persons to whom an invitation or inducement to engage in investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000 in connection with the issue or sale of any securities may otherwise lawfully be communicated or cause to be communicated; or

(4) any entity outside the United States, the United Kingdom and the European Economic Area to whom the offers related to the Notes may be made in compliance with all other applicable laws and regulations of any applicable jurisdiction (including, without limitation, the laws and regulations of Canada and its provinces).

* * * * * *

Eligibility Letter

To: Peabody Energy Corporation  
c/o Global Bondholder Services Corporation  
65 Broadway – Suite 404  
New York, New York 10006  
Email: info@gbsc-usa.com  
Facsimile: (212) 624-0294  
To Confirm: (866) 470-4500 (Toll-Free)  
or (212) 925-1630 (Collect)  
Attention: Corporation Actions

Ladies and Gentlemen:

The undersigned acknowledges receipt of your letter dated December 24, 2020. Capitalized terms used and not defined in this letter shall have the meanings set forth in your letter (the “Letter”).

The undersigned hereby represents and warrants to Peabody Energy Corporation and its affiliates (“Peabody”) as follows:

(1) it is the beneficial owner, or is acting on behalf of a beneficial owner, of the following securities issued by Peabody (the “Notes”):

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<td>6.000% Senior Secured Notes due 2022</td>
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<tr>
<td></td>
<td>U7049L AA6 (Reg S)</td>
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; and

(2) it is, or in the event that the undersigned is acting on behalf of a beneficial owner of Notes, the undersigned has received a written certification from such beneficial owner (dated as of a specific date on or since the close of such beneficial owner’s most recent fiscal year) to the effect that such beneficial owner is (please indicate below):

- a “qualified institutional buyer,” as that term is defined in Rule 144A under the Securities Act or an institutional “accredited investor” within the meaning of Rule 501(a)(1), (a)(2), (a)(3) or (a)(7) of the Securities Act;
- a person other than a “U.S. Person,” as that term is defined in Rule 902 under the Securities Act or a person other than a “non-U.S. qualified offeree” (as defined in the Letter).

The undersigned understands that it is providing the information contained herein to Peabody solely for purposes of Peabody’s consideration of a transaction with respect to the Notes. This letter neither is an offer nor a solicitation of an offer with respect to the Notes nor creates any obligations whatsoever on the part of Peabody to make any offer or on the part of the undersigned to participate if an offer is made.
The undersigned agrees (1) not to copy or reproduce any part of any materials (except as permitted therein) received in connection with any transaction Peabody may undertake, (2) not to distribute or disclose any part of such materials or any of their contents (except as permitted therein) to anyone other than, if applicable, the aforementioned beneficial owners on whose behalf the undersigned is acting and (3) to notify Peabody if any of the representations the undersigned makes in this letter cease to be correct.
Dated: ____________________________

Very truly yours,

Aggregate Principal Amount of:

6.000% Senior Secured Notes due 2022
CUSIP No. 70457L AA2 (144A): $___________
CUSIP No. U7049L AA6 (Reg S): $___________

By: ____________________________
   (Signature)

________________________________
   (Name and Title)

________________________________
   (Institution)

________________________________
   (Address)

________________________________
   (City/State/Zip)

________________________________
   (Phone)

________________________________
   (Facsimile)

________________________________
   (E-Mail Address)