Tier 1 Met Coal Acquisition Update - BMO Webcast

January 14, 2025

Peabody

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Transaction Summary

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Premium hard coking coal acquisition from Anglo American

- Four mines; 11.3 million tons of expected met coal production in 2026
- Vast majority of the output is premium hard coking coal

$2.32 billion cash consideration

- $1.695 billion at closing and $625 million in time-deferred cash
- Up to $1.0 billion contingent consideration on Grosvenor & capped revenue sharing arrangement (generally above $240/tonne for HCC)

Financing process underway

- $2.075 billion bridge commitment in place, expected to be replaced by permanent financing

Targeted to close next quarter

- Progress underway for regulatory approvals, pre-emptive rights, and customary closing conditions
- Regulatory approval received from China, Brazil and Slovak Republic

Transaction Delivers Strategic and Financial Benefits

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Transforms Peabody into leading met coal producer

- Potential favorable re-rating of the company's valuation over time

Attractive valuation & cash flow accretive

- Implied 3.1x EBITDA acquisition price positions acquisition for substantial value creation

Tier 1 assets near the world's strongest steel markets

- Advantaged to serve world's largest and fastest growing steel markets

Enhances margins and through-cycle performance

- $65 to $70 per ton EBITDA[1] margins at $225 per metric ton benchmark pricing

Significant synergies identified

- $100M of annual cost savings and synergies through corporate and operational efficiencies

Enables continued shareholder returns

- Stronger, more durable platform with significant value upside to enhance shareholder value

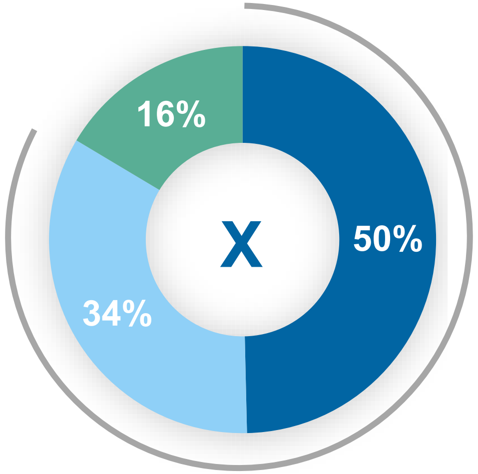
[1] Refer to Non-GAAP Measures on page 11, note 2.

Transformation of Peabody to Metallurgical Coal Reweighting

2026E EBITDA by Coal Type

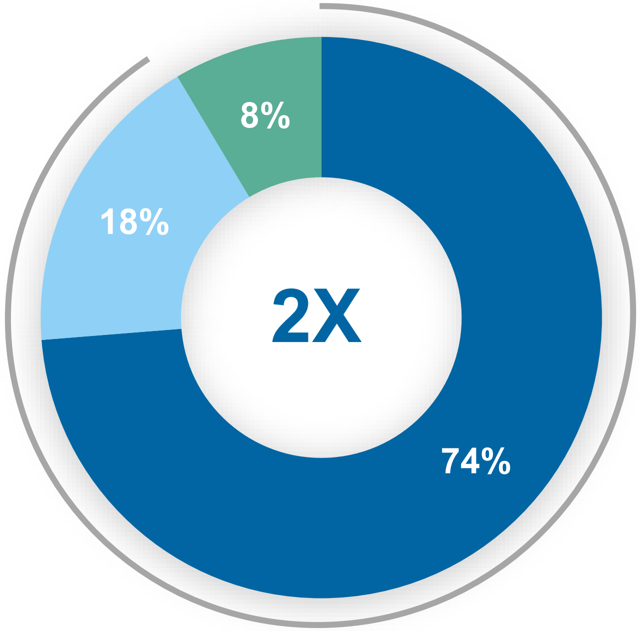
Peabody Standalone[1]

84% Seaborne Coal



Peabody Pro Forma

92% Seaborne Coal



Seaborne Metallurgical Coal | Seaborne Thermal Coal | U.S. Thermal Coal

2026 EBITDA potentially 2x greater than Peabody standalone

Source: Peabody and Peabody Pro Forma estimates based on internal estimates.
(1) Refer to slide 11, note 1; Corporate G&A allocated in proportion to segment EBITDA.

Snapshot of Acquired Assets

(Short Tons in Millions)

Asset	Moranbah North	Grosvenor	Aquila	Capcoal[2]
Ownership/ Partners	88% Peabody 6.25% NSSMC 4.75% Mitsui 0.5% JFE 0.5% Kobe Steel	88% Peabody 6.25% NSSMC 4.75% Mitsui 0.5% JFE 0.5% Kobe Steel	70% Peabody 30% Mitsui	70% Peabody 30% Mitsui
Product type	PHCC	PHCC	PHCC	PHCC, PCI and Other
2026 Projected Production[1]	5.6	N/A	2.2	3.4
Reserves[1]	147	61	21	77
Resources[1]	387	470	63	337

Represents decades of premium hard coking coal production

(1) Reserves and resources are quoted on an attributable basis.

(2) Capcoal OC consists of the Lake Lindsay and Oak Park mining areas. Anglo has an effective ownership interest of 79.5%, based on a 70.0% interest in the Capcoal JV (Lake Lindsay; responsible for mining at both areas) and an 86.4% interest in the Roper Creek JV (Oak Park), determined using the proportion of the saleable tonnes in each mining area.

Note: As per Anglo American Ore Reserves and Mineral Resources Report 2023 converted from metric tons into short tons at a conversion factor of 1.10231. Reserves and resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012).

Mine Output Progressing Toward 2026 Targets

- Peabody forecasts 11.3 million tons of output from acquired assets in 2026, the first full year of ownership
- Also targeting average costs[1] (including royalties) of $130 - $140 per ton
- Initiatives to return Moranbah to historic production levels progressing well
- Targeting $200 - $250 million per year in capital spending for first three years tapering to maintenance capital of approximately $150 million per year
- Improvements already initiated by Anglo American
- Grosvenor Mine continues to represent future optionality – no consideration due until restart

Key Drivers of Operational Performance	
Moranbah North	▪ Anticipate strong recovery of performance to return to historical production levels driven by three primary upgrades: – Refurbishment and improved maintenance on the existing longwall shields – Purchase of second longwall to eliminate production gaps from lengthy longwall moves and enable greater maintenance – Future operations will sequence between the North and South with fit-for-purpose equipment, two longwalls allow for WOWO continuity and proper maintenance
Aquila	▪ Reaching run rate following beginning of longwall mining in 2022
Capcoal	▪ Re-opening of Oak Park pit, extending strike length, planning upgrade to haul truck fleet, and adding contract mining of overburden removal

(1) Refer to Non-GAAP Measures on page 11, note 3

Process Underway Toward Permanent Financing

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Bridge Financing

$2.075 billion bridge facility commitment led by Jefferies, KKR, and Deutsche Bank

- Upfront cash consideration
- Reclamation funding
- Stamp duty and transaction costs

Permanent Financing

Bridge facility to be replaced with permanent financing at targeted leverage of up to 1.5x EBITDA

- Substantial debt capacity to fill out major financing component
- Process underway to explore potential additional investment by existing JV partners
- Other financing to supplement as needed

Timeline – Next Steps

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Regulatory Approvals

+

Clearance of
Pre-emption Rights

+

Customary Closing
Conditions

+

Permanent
Financing

=

Targeted
Close
Q2 2025

Appendix

Note on Non-GAAP Financial Measures

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1) EBITDA refers to Adjusted EBITDA which is a non-GAAP financial measure defined as income from continuing operations before deducting net interest expense, income taxes, asset retirement obligation expenses and depreciation, depletion and amortization. Adjusted EBITDA is also adjusted for the discrete items that management excluded in analyzing each of its segment's operating performance. Adjusted EBITDA is used by management as the primary metric to measure each of its segment's operating performance and allocate resources. The estimates presented previously within these materials are forward-looking measures. Due to the volatility and variability of certain items needed to reconcile these measures to their nearest GAAP measure, no reconciliation can be provided without unreasonable cost or effort.

2) EBITDA Margin per Ton refers to Adjusted EBITDA Margin per Ton which is an operating/statistical measure equal to Adjusted EBITDA by segment divided by segment tons sold. Management believes Adjusted EBITDA Margin per Ton best reflects controllable costs and operating results at the reporting segment level. The estimates presented previously within these materials are forward-looking measures. Due to the volatility and variability of certain items needed to reconcile these measures to their nearest GAAP measure, no reconciliation can be provided without unreasonable cost or effort.

3) Costs refers to Costs per Ton which is an operating/statistical measure equal to Revenue per Ton (which is equal to revenue by segment divided by segment tons sold) less Adjusted EBITDA Margin per Ton. Management believes Costs per Ton best reflects controllable costs and operating results at the reporting segment level. The estimates presented previously within these materials are forward-looking measures. Due to the volatility and variability of certain items needed to reconcile these measures to their nearest GAAP measure, no reconciliation can be provided without unreasonable cost or effort.