

PEABODY ENERGY CORPORATION
AUDIT COMMITTEE CHARTER
(as amended January 21, 2016)

Organization

This charter governs the operations of the Audit Committee ("Committee"). The Committee shall be appointed by the Board of Directors on the recommendation of the Nominating and Corporate Governance Committee and shall comprise at least three directors, each of whom shall meet the independence and experience requirements established by applicable laws, regulations and stock exchange rules, including without limitation the requirements of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules and regulations promulgated by the Securities and Exchange Commission (the "Commission"). One member of the Committee shall be appointed as its Chairperson by the Board of Directors. The Board of Directors shall have the power at any time to replace any member or fill any vacancy on the Committee. A Committee member may resign by giving written notice to the Board of Directors and may resign Committee membership without resigning from the Board of Directors.

All Committee members shall be financially literate, or shall become financially literate within a reasonable period of time after appointment to the Committee, and at least one member shall be an "audit committee financial expert" as defined by the Commission. Committee members shall not simultaneously serve on the audit committees of more than two other public companies (as defined by the New York Stock Exchange).

Statement of Purpose

The Committee shall provide assistance to the Board of Directors in fulfilling its oversight responsibility to the shareholders, potential shareholders, the investment community, and others with respect to (i) the quality and integrity of the Company's financial statements and financial reporting processes, (ii) the Company's systems of internal accounting and financial controls and disclosure controls, (iii) the independent auditor's qualifications and independence, (iv) the performance of the Company's internal audit function and independent auditor, and (v) compliance with legal and regulatory requirements, and codes of conduct and ethics programs established by management and the Board of Directors. In so doing, it is the responsibility of the Committee to maintain free and open communication between the Committee, the independent auditor, the internal auditors and management of the Company.

Relationship With Independent Auditor

The Committee shall have the sole authority and responsibility to appoint and, where appropriate, replace the Company's independent auditor. The Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Committee.

The Committee shall pre-approve all auditing services, internal control-related services and permitted non-audit services (including the terms thereof) to be performed for the Company by its independent auditor, subject to the *de minimis* exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act that are approved by the Committee prior to the

completion of the audit. The Committee shall review and discuss with the independent auditor any documentation supplied by the auditor as to the nature and scope of any tax services to be approved, as well as the potential effects of the provision of such services on the auditor's independence.

Authority

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and its advisors. In this regard, the Committee shall have authority to retain outside legal, accounting or other advisors for any purpose deemed necessary or appropriate by the Committee, including the authority to approve the fees payable to such advisors and any other terms of retention. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report or performing other audit, review or attest services for the Company and to any advisors employed by the Committee, as well as funding for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Meetings

The Committee shall meet at least quarterly, or more frequently as circumstances dictate. As part of its goal to foster open communication, the Committee shall periodically meet separately in executive session with each of management (including the chief financial officer and chief accounting officer), the internal auditors and the independent auditor and have such other direct and independent interaction with such persons from time to time as the members of the Committee deem appropriate. The Committee may request any officer or employee of the Company or the Company's outside legal counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Chairman of the Board or any member of the Committee may call meetings of the Committee. Special meetings of the Committee may be held telephonically. The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate; provided that any decision taken by a subcommittee to pre-approve audit and permitted non-audit services shall be presented to the full Committee at its next scheduled meeting.

The Chairperson (or acting chair) may direct appropriate members of management and staff to prepare draft agendas and related background information for each Committee meeting. The draft agenda shall be reviewed and approved by the Chairperson (or acting chair) in advance of distribution to the other Committee members. Any background materials, together with the agenda, should be distributed to the Committee members in advance of the meeting. All meetings of the Committee shall be held pursuant to the Company's bylaws with regard to notice and waiver thereof, and written minutes of each meeting, in the form approved by the Committee, shall be duly filed in the Company records.

Responsibilities and Processes

The Committee's specific responsibilities in carrying out its oversight role are delineated in the attached Audit Committee Responsibilities Checklist. This checklist will be updated from time to time as appropriate to reflect changes in regulatory requirements, authoritative guidance and evolving oversight practices.

While the Committee has the responsibilities and powers set forth in this charter and the accompanying checklist, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and fairly present in all material respects the financial condition, results of operations and cash flows of the Company in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent auditor.

One of the primary responsibilities of the Committee is to oversee the Company's financial reporting process on behalf of the Board of Directors and report the results of its activities to the Board. Management is responsible for preparing the Company's financial statements, and the independent auditor is responsible for auditing those financial statements. The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The Committee should take the appropriate actions to set the overall corporate "tone" for quality financial reporting, sound business risk practices, and ethical behavior.

The Committee shall make regular reports to the Board of Directors. Such reports shall address, without limitation, any issues that arise (i) with respect to the quality or integrity of the Company's financial statements, (ii) the Company's compliance with legal or regulatory requirements, (iii) the performance and independence of the Company's independent auditor, or (iv) the performance of the internal audit function.

The Committee shall annually review the Committee's own performance.

The Committee shall prepare the report required by the rules of the Commission to be included in the Company's annual proxy statement.