

Exhibit A

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2012

or

() TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-16463



Peabody Energy Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

701 Market Street, St. Louis, Missouri
(Address of principal executive offices)

13-4004153

(I.R.S. Employer Identification No.)

63101
(Zip Code)

(314) 342-3400

Registrant's telephone number, including area code

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class

Name of Each Exchange on Which Registered

Common Stock, par value \$0.01 per share

New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes (X) No ()

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes () No (X)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes (X) No ()

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes (X) No ()

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. (X)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer (X)

Accelerated filer ()

Non-accelerated filer ()

Smaller reporting company ()

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes () No (X)

Aggregate market value of the voting stock held by non-affiliates (shareholders who are not directors or executive officers) of the Registrant, calculated using the closing price on June 30, 2012: Common Stock, par value \$0.01 per share, \$6.6 billion.

Number of shares outstanding of each of the Registrant's classes of Common Stock, as of February 15, 2013: Common Stock, par value \$0.01 per share, 269,630,757 shares outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's Proxy Statement to be filed with the Securities and Exchange Commission in connection with the Company's 2013 Annual Meeting of Shareholders (the Company's 2013 Proxy Statement) are incorporated by reference into Part III hereof. Other documents incorporated by reference in this report are listed in the Exhibit Index of this Form 10-K.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This report includes statements of our expectations, intentions, plans and beliefs that constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and are intended to come within the safe harbor protection provided by those sections. These statements relate to future events or our future financial performance, including, without limitation, the section captioned “Outlook” in Management’s Discussion and Analysis of Financial Condition and Results of Operations. We use words such as “anticipate,” “believe,” “expect,” “may,” “project,” “should,” “estimate” or “plan” or other similar words to identify forward-looking statements.

Without limiting the foregoing, all statements relating to our future operating results, anticipated capital expenditures, future cash flows and borrowings and sources of funding are forward-looking statements and speak only as of the date of this report. These forward-looking statements are based on numerous assumptions that we believe are reasonable, but are subject to a wide range of uncertainties and business risks and actual results may differ materially from those discussed in these statements. Among the factors that could cause actual results to differ materially are:

- global supply and demand for coal, including the seaborne thermal and metallurgical coal markets;
- price volatility, particularly in higher-margin products and in our trading and brokerage businesses;
- impact of alternative energy sources, including natural gas and renewables;
- global steel demand and the downstream impact on metallurgical coal prices;
- impact of weather and natural disasters on demand, production and transportation;
- reductions and/or deferrals of purchases by major customers and ability to renew sales contracts;
- credit and performance risks associated with customers, suppliers, contract miners, co-shippers and trading, banks and other financial counterparties;
- geologic, equipment, permitting and operational risks related to mining;
- transportation availability, performance and costs;
- availability, timing of delivery and costs of key supplies, capital equipment or commodities such as diesel fuel, steel, explosives and tires;
- impact of take-or-pay arrangements for rail and port commitments for the delivery of coal;
- successful implementation of business strategies;
- negotiation of labor contracts, employee relations and workforce availability;
- changes in postretirement benefit and pension obligations and their related funding requirements;
- replacement and development of coal reserves;
- availability, access to and the related cost of capital and financial markets;
- effects of changes in interest rates and currency exchange rates (primarily the Australian dollar);
- effects of acquisitions or divestitures;
- economic strength and political stability of countries in which we have operations or serve customers;
- legislation, regulations and court decisions or other government actions, including, but not limited to, new environmental and mine safety requirements and changes in income tax regulations, sales-related royalties or other regulatory taxes;
- litigation, including claims not yet asserted;
- terrorist attacks or security threats;
- impacts of pandemic illnesses; and
- other factors, including those discussed in "Legal Proceedings," set forth in Part I, Item 3 of this report and "Risk Factors," set forth in Part I, Item 1A of this report.

When considering these forward-looking statements, you should keep in mind the cautionary statements in this document and in our other Securities and Exchange Commission (SEC) filings. These forward-looking statements speak only as of the date on which such statements were made, and we undertake no obligation to update these statements, except as required by the federal securities laws.

TABLE OF CONTENTS

	<u>Page</u>	
<u>PART I.</u>		
<u>Item 1.</u>	<u>Business</u>	2
<u>Item 1A.</u>	<u>Risk Factors</u>	19
<u>Item 1B.</u>	<u>Unresolved Staff Comments</u>	28
<u>Item 2.</u>	<u>Properties</u>	29
<u>Item 3.</u>	<u>Legal Proceedings</u>	37
<u>Item 4.</u>	<u>Mine Safety Disclosures</u>	37
<u>PART II.</u>		
<u>Item 5.</u>	<u>Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	39
<u>Item 6.</u>	<u>Selected Financial Data</u>	40
<u>Item 7.</u>	<u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	42
<u>Item 7A.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	68
<u>Item 8.</u>	<u>Financial Statements and Supplementary Data</u>	70
<u>Item 9.</u>	<u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	70
<u>Item 9A.</u>	<u>Controls and Procedures</u>	70
<u>Item 9B.</u>	<u>Other Information</u>	73
<u>PART III.</u>		
<u>Item 10.</u>	<u>Directors, Executive Officers and Corporate Governance</u>	73
<u>Item 11.</u>	<u>Executive Compensation</u>	73
<u>Item 12.</u>	<u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	73
<u>Item 13.</u>	<u>Certain Relationships and Related Transactions, and Director Independence</u>	74
<u>Item 14.</u>	<u>Principal Accounting Fees and Services</u>	74
<u>PART IV.</u>		
<u>Item 15.</u>	<u>Exhibits, Financial Statement Schedules</u>	74

Table of Contents

Note: The words “we,” “our,” “Peabody” or “the Company” as used in this report, refer to Peabody Energy Corporation or its applicable subsidiary or subsidiaries. Unless otherwise noted herein, disclosures in this Annual Report on Form 10-K relate only to our continuing operations.

When used in this filing, the term “ton” refers to short or net tons, equal to 2,000 pounds (907.18 kilograms), while “tonne” refers to metric tons, equal to 2,294.62 pounds (1,000 kilograms).

PART I

Item 1. Business.

Overview

Peabody Energy Corporation is the world’s largest private-sector coal company. We own interests in 28 active coal mining operations located in the United States (U.S.) and Australia. We have a majority interest in 27 of those coal operations and a 50% equity interest in the Middlemount Mine in Australia. We also own a noncontrolling interest in a mining operation in Venezuela. In addition to our mining operations, we market and broker coal from our operations and other coal producers, both as principal and agent, and trade coal and freight-related contracts through trading and business offices in China, Australia, the United Kingdom, Germany, Singapore, Indonesia, India and the U.S.

History and Development

We were incorporated in Delaware in 1998 and became a public company in 2001. Our history in the coal mining business dates back to 1883. Over the past decade, we have made strategic acquisitions and divestitures to position our company to serve U.S. and international coal markets with the highest demand. Acquisitions and divestitures of note include the following.

- In 2004, we acquired coal operations from RAG Coal International AC, expanding our presence in both Australia and Colorado.
- In 2006, we further expanded our presence in Australia with the acquisition of Excel Coal Limited.
- In 2007, we spun off Patriot Coal Corporation (Patriot), which included mines in West Virginia and Kentucky and coal reserves in the Illinois Basin and Appalachia, through a dividend of all outstanding Patriot shares.
- In 2011, we acquired Macarthur Coal Limited (PEA-PCI), an independent coal company in Australia, which included two operating mines, a 50% equity-affiliate joint venture arrangement and several development projects.

Our core strategies to achieve long-term growth and generate positive returns on investment are:

- 1) Execute the basics of best-in-class safety, operational efficiency and marketing;
- 2) Capitalize on organic growth and development opportunities as warranted by global coal market conditions; and
- 3) Expand our presence in high-growth global markets.

In 2012, we advanced multiple growth and development projects in Australia and, to a lesser extent, the U.S., that involved the expansion and extension of existing mines and the development of future mines. We also initiated projects to convert our Wilpinjong and Millennium mines in Australia from contract mining to owner-operated sites and completed the integration of PEA-PCI operations into our Australian platform.

In response to near-term challenges in global coal markets, we plan to limit our 2013 capital spending to predominantly maintenance capital necessary to preserve the productive capacity of our existing mines and the selective advancement of certain late-stage growth and development projects in Australia. Those projects we plan to advance include the completion of the conversion of our Wilpinjong and Millennium mines to owner-operated sites, the initiation of the conversion of our Wambo Open-Cut Mine to an owner-operated site and equipment and facility upgrades at our Metropolitan and North Goonyella longwall mining operations, in Australia.

We will continue to explore opportunities to extend our presence in the Asia-Pacific region, such as through joint mine development partnerships with other companies and governments to leverage our experience in managing safe and reliable coal mining operations.

[Table of Contents](#)

Segment and Geographic Information

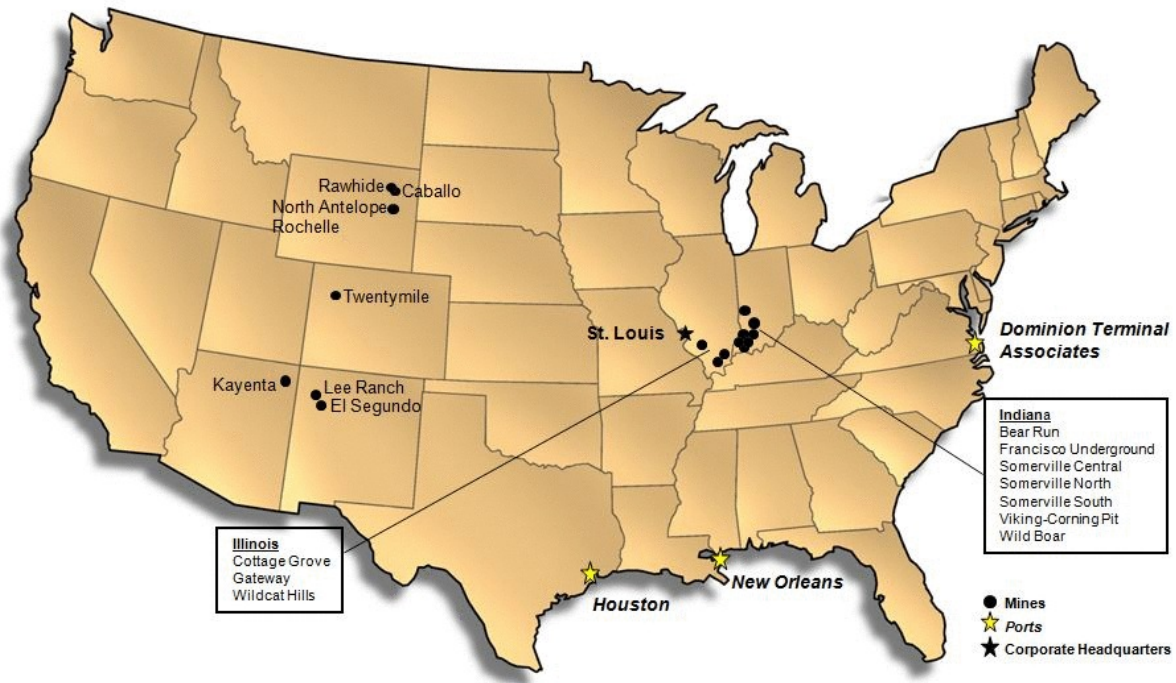
We conduct business through four principal segments: Western U.S. Mining, Midwestern U.S. Mining, Australian Mining and Trading and Brokerage. Our fifth segment, Corporate and Other, includes mining and export/transportation joint ventures, activities associated with certain energy-related commercial matters, Btu Conversion, the optimization of our coal reserve and real estate holdings and costs associated with past mining obligations.

Segment and geographic financial information is contained in Note 26. "Segment and Geographic Information" to our consolidated financial statements and is incorporated herein by reference.

Mining Segments

The maps that follow display our active mine locations as of December 31, 2012, excluding mines held for sale. Also shown are the primary ports we use in the U.S. and in Australia for coal exports and our corporate headquarters in St. Louis, Missouri.

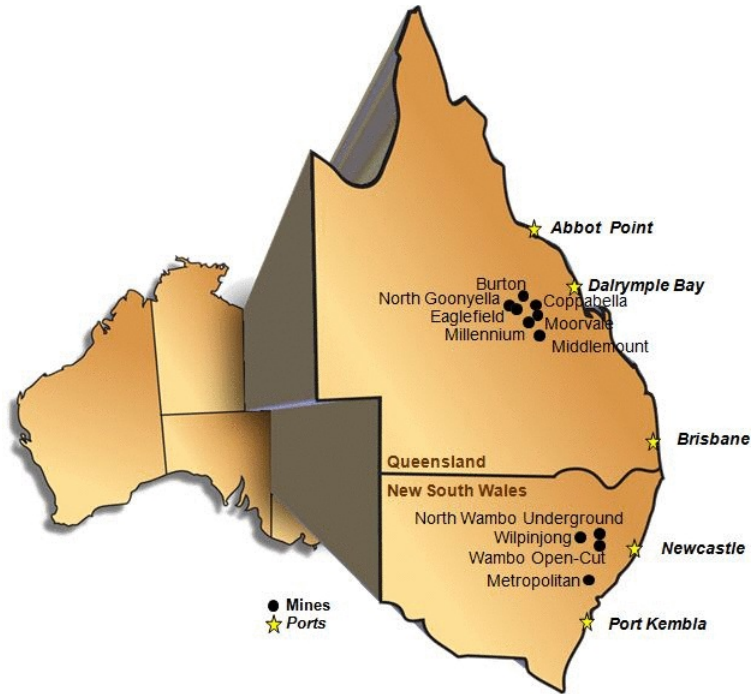
U.S. Mining Operations



The principal business of our Western and Midwestern U.S. Mining segments is the mining, preparation and sales of thermal coal, which is typically supplied to U.S. electricity generators and industrial customers for power generation, with a portion sold into seaborne export markets. Our Western U.S. Mining segment is comprised of our Powder River Basin, Southwest and Colorado mining operations. The mines in that segment are generally characterized by surface mining extraction processes and coal with a low sulfur and Btu content. Our Midwestern U.S. Mining segment includes our active mining operations in Illinois and Indiana, which are characterized by a mix of surface and underground mining extraction processes and coal with a high sulfur and Btu content. Customer transportation costs associated with our Western U.S. Mining coal products are generally higher than those of our Midwestern U.S. Mining segment due to comparatively longer shipping distances.

[Table of Contents](#)

Australian Mining Operations



Our Australian Mining segment operations consist of our mines in Queensland and New South Wales, Australia. The mines in that segment are characterized by both surface and underground extraction processes for the mining of various qualities of metallurgical and thermal coal. Metallurgical coal qualities produced by that segment include hard coking coal, semi-hard coking coal, semi-soft coal and pulverized coal injection (PCI) coal. PCI coal is generally used by steel producers as a partial replacement for coke made from coking coal. The acquisition of PEA-PCI in the fourth quarter of 2011 increased our proven and probable reserves of low volatile PCI (LV PCI) coal, coking coal and thermal coal. Our Australian Mining segment operations are primarily export focused with customers spread across several countries, while a portion of our coal is sold to Australian steel producers and power generators. Revenues from individual countries generally vary year by year based on demand for electricity and steel, global economic conditions and several other factors, including weather, governmental policies, economic conditions and other items, specific to each country.

Table of Contents

The table below summarizes information regarding the operating characteristics of each of our active mines (excluding mines classified as discontinued operations) in the U.S. and Australia. The mines are listed within their respective mining segment in descending order, as determined by tons sold in 2012.

Segment/Mining Complex	Location	Mine Type	Mining Method	Coal Type	Transport Method	2012 Tons Sold (In millions)
Western U.S. Mining						
North Antelope Rochelle	Wright, WY	S	DL, T/S	T	R	107.7
Caballo	Gillette, WY	S	D, T/S	T	R	16.8
Rawhide	Gillette, WY	S	D, T/S	T	R	14.7
El Segundo	Grants, NM	S	T/S	T	R	8.4
Twentymile	Oak Creek, CO	U	LW	T	R, T	8.3
Kayenta	Kayenta, AZ	S	DL, T/S	T	R	7.5
Lee Ranch	Grants, NM	S	DL, T/S	T	R	0.8
Other ⁽¹⁾	—	—	—	—	—	1.0
Midwestern U.S. Mining						
Bear Run	Carlisle, IN	S	DL, D, T/S	T	T, R	7.7
Gateway	Coulterville, IL	U	CM	T	T, R, R/B	2.8
Francisco Underground	Francisco, IN	U	CM	T	R	2.8
Somerville Central	Oakland City, IN	S	DL, D, T/S	T	R, T/R, T/B	2.5
Cottage Grove	Equality, IL	S	D, T/S	T	T/B	2.1
Wild Boar	Lynnville, IN	S	D, T/S	T	T, R, R/B	2.0
Somerville South ⁽²⁾	Oakland City, IN	S	D, T/S	T	R, T/R, T/B	1.5
Wildcat Hills Underground	Eldorado, IL	U	CM	T	T/B	1.5
Viking — Corning Pit	Cannelburg, IN	S	D, T/S	T	T, T/R	1.3
Somerville North ⁽²⁾	Oakland City, IN	S	D, T/S	T	R, T/R, T/B	1.1
Other ⁽³⁾	—	—	—	—	—	2.1
Australian Mining						
Wilpinjong *	Wilpinjong, New South Wales	S	D, T/S	T	R, EV	12.5
North Wambo Underground ⁽²⁾	Warkworth, New South Wales	U	LW	T/P	R, EV	3.5
Wambo Open-Cut * ⁽²⁾	Warkworth, New South Wales	S	T/S	T	R, EV	3.0
Millennium *	Moranbah, Queensland	S	T/S	M/P	R, EV	3.0
North Goonyella	Glenden, Queensland	U	LW	M	R, EV	2.6
Coppabella ⁽⁴⁾	Moranbah, Queensland	S	DL, D, T/S	P	R, EV	2.6
Metropolitan	Helensburgh, New South Wales	U	LW	M	R, EV	2.1
Moorvale * ⁽⁴⁾	Moranbah, Queensland	S	T/S	M/P	R, EV	1.9
Burton *	Glenden, Queensland	S	T/S	T/M	R, EV	0.9
Eaglefield *	Glenden, Queensland	S	T/S	M	R, EV	0.9
Middlemount ⁽⁵⁾	Middlemount, Queensland	S	T/S	T/M/P	R, EV	—

Legend:

S	Surface Mine	R	Rail
U	Underground Mine	T	Truck
DL	Dragline	R/B	Rail and Barge
D	Dozer/Casting	T/B	Truck and Barge
T/S	Truck and Shovel	T/R	Truck and Rail
LW	Longwall	EV	Export Vessel
CM	Continuous Miner	T	Thermal/Steam
*	Mine is operated by a contract miner	M	Metallurgical
		P	Pulverized Coal Injection

⁽¹⁾ “Other” in Western U.S. Mining primarily consists of purchased coal used to satisfy certain coal supply agreements.

⁽²⁾ Represents mines in which we have non-controlling ownership interests.

⁽³⁾ Represented 2012 tons sold from our Willow Lake Mine, which commenced closure activities in November 2012. Refer to Note 3. "Asset Impairment and Mine Closure Costs" to our consolidated financial statements for additional details.

⁽⁴⁾ We own a 73.3% undivided interest in an unincorporated joint venture that owns the Coppabella and Moorvale mines.

⁽⁵⁾ We own a 50.0% equity interest in Middlemount Coal Pty Ltd., which owns the Middlemount Mine. Because that entity is accounted for as an unconsolidated equity affiliate, 2012 tons sold from that mine have been excluded from the table above.

[Table of Contents](#)

Changes in Internal Control Over Financial Reporting

We periodically review our internal control over financial reporting as part of our efforts to ensure compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002. In addition, we routinely review our system of internal control over financial reporting to identify potential changes to our processes and systems that may improve controls and increase efficiency, while ensuring that we maintain an effective internal control environment. Changes may include such activities as implementing new systems, consolidating the activities of acquired business units, migrating certain processes to our shared services organizations, formalizing and refining policies and procedures, improving segregation of duties and adding monitoring controls. In addition, when we acquire new businesses, we incorporate our controls and procedures into the acquired business as part of our integration activities. There have been no changes in our internal control over financial reporting that occurred during the three months ended December 31, 2012 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Management is responsible for maintaining and establishing adequate internal control over financial reporting. Our internal control framework and processes are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Because of inherent limitations, any system of internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management conducted an assessment of the effectiveness of our internal control over financial reporting using the criteria set by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control - Integrated Framework. Based on this assessment, management concluded that the Company's internal control over financial reporting was effective to provide reasonable assurance that the desired control objectives were achieved as of December 31, 2012.

Our Independent Registered Public Accounting Firm, Ernst & Young LLP, has audited our internal control over financial reporting, as stated in their unqualified opinion report included herein.

/s/ Gregory H. Boyce

Gregory H. Boyce
Chairman and Chief Executive Officer

/s/ Michael C. Crews

Michael C. Crews
Executive Vice President and
Chief Financial Officer

February 25, 2013