

PEABODY ENERGY CORP
Form SC 13D
October 24, 2016

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
SCHEDULE 13D
(RULE 13D - 101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO 13d-1(a) AND AMENDMENTS
THERE TO FILED PURSUANT TO 13d-2(a)

(Amendment No.)*

Peabody Energy Corporation

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

704549203

(CUSIP Number)

Christopher P. Davis, Esq.

Kleinberg, Kaplan, Wolff & Cohen, P.C.

551 Fifth Avenue, New York, New York 10176

Tel: (212) 986-6000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

October 19, 2016

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box [].

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

The Mangrove Partners Master Fund, Ltd.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

971,058

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

971,058

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

971,058

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.2%

14. TYPE OF REPORTING PERSON

OO

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

The Mangrove Partners Fund, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or

2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

971,058

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

971,058

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

971,058

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)

EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.2%

14. TYPE OF REPORTING PERSON

PN

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

The Mangrove Partners Fund (Cayman), Ltd.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

971,058

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

971,058

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

971,058

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.2%

14. TYPE OF REPORTING PERSON

OO

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Mangrove Partners

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

971,058

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

971,058

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

971,058

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.2%

14. TYPE OF REPORTING PERSON

OO

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Mangrove Capital

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Cayman Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

971,058

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

971,058

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

971,058

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.2%

14. TYPE OF REPORTING PERSON

OO

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Nathaniel August

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a)

(b)

3. SEC USE ONLY

4. SOURCE OF FUNDS

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6. CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

971,058

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

971,058

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

971,058

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.2%

14. TYPE OF REPORTING PERSON

IN

The following constitutes the Schedule 13D filed by the undersigned (the "Schedule 13D").

Item 1. Security and Issuer.

This statement relates to the Common Stock, par value \$0.01 per share (the "Shares"), of Peabody Energy Corporation, a Delaware corporation (the "Issuer"). The address of the principal executive offices of the Issuer is 701 Market Street, St. Louis, Missouri 63101.

Item 2. Identity and Background.

(a) This statement is filed by The Mangrove Partners Master Fund, Ltd., a Cayman Islands exempted company (the "Master Fund"), The Mangrove Partners Fund, L.P., a Delaware limited partnership (the "US Feeder"), The Mangrove Partners Fund (Cayman), Ltd., a Cayman Islands exempted company (the "Cayman Feeder"), Mangrove Partners, a Cayman Islands exempted company ("Mangrove Partners"), Mangrove Capital, a Cayman Islands exempted company ("Mangrove Capital"), and Nathaniel August. Each of the foregoing is referred to as a "Reporting Person" and collectively as the "Reporting Persons." Each of the Reporting Persons is party to that certain Joint Filing Agreement as further described in Item 6. Accordingly, the Reporting Persons are hereby filing a joint Schedule 13D.

As the two controlling shareholders of the Master Fund, each of the US Feeder and the Cayman Feeder may be deemed to beneficially own the Shares owned by the Master Fund. Mangrove Partners is the investment manager of each of the Master Fund, the US Feeder and the Cayman Feeder. Mangrove Capital is the general partner of the US Feeder. Mr. August is the director of each of Mangrove Partners and Mangrove Capital. By virtue of these relationships, each of Mangrove Partners, Mangrove Capital and Mr. August may be deemed to beneficially own the Shares owned by the Master Fund.

(b) The principal business address of the US Feeder, Mangrove Partners, Mangrove Capital and Nathaniel August is 645 Madison Avenue, 14th Floor, New York, New York 10022. The principal business address of each of the Master Fund and the Cayman Feeder is c/o Maples Corporate Services, Ltd., PO Box 309, Umland House, South Church Street, George Town, Grand Cayman, Cayman Islands KY1-1104. The officers and directors of the Master Fund, the Cayman Feeder, Mangrove Partners and Mangrove Capital and, to the extent that such persons are not also Reporting Persons, their principal occupations and business addresses are set forth on Schedule A and incorporated by reference in this Item 2.

(c) The principal business of the Master Fund is acquiring, holding and disposing of investment securities. The principal business of the US Feeder is investing in the Master Fund. The principal business of the Cayman Feeder is investing in the Master Fund. The principal business of Mangrove Partners is serving as the investment manager of each of the Master Fund, the US Feeder and the Cayman Feeder. The principal business of Mangrove Capital is serving as the general partner of the US Feeder. The principal occupation of Mr. August is serving as a director for each of Mangrove Partners and Mangrove Capital.

(d) No Reporting Person, nor any person listed on Schedule A annexed hereto, has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) No Reporting Person, nor any person listed on Schedule A annexed hereto, has, during the last five years, been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Each of the Master Fund, the Cayman Feeder, Mangrove Partners and Mangrove Capital is organized as a limited liability exempted company under the laws of the Cayman Islands. The US Feeder is organized as a limited partnership under the laws of the State of Delaware. Nathaniel August is a citizen of the United States. The citizenship of the persons listed on Schedule A, who are not Reporting Persons, is set forth therein.

Item 3. Source and Amount of Funds or Other Consideration.

A total of approximately \$7,121,051 was paid to acquire the securities reported as beneficially owned by the Master Fund. The funds used to purchase these securities were obtained from the general working capital of the Master Fund, including margin account borrowings made in the ordinary course of business, although the Reporting Persons cannot determine whether any funds allocated to purchase such securities were obtained from any margin account borrowings.

Item 4. Purpose of Transaction.

The Reporting Persons purchased the securities of the Issuer reported herein based on their belief that such securities are undervalued and represent an attractive investment opportunity. Depending upon overall market conditions, other investment opportunities available to the Reporting Persons, and the availability of securities of the Issuer at prices that would make the purchase or sale of such securities desirable, the Reporting Persons may endeavor (i) to increase or decrease their respective positions in the Issuer through, among other things, the purchase or sale of securities of the Issuer on the open market or in private transactions or otherwise on such terms and at such times as the Reporting Persons may deem advisable and/or (ii) to enter into transactions that increase or hedge their economic exposure to the Shares without affecting their beneficial ownership of Shares.

The Reporting Persons are in the process of retaining legal and financial advisors to assist them in seeking the formation of an official equity committee and to preserve and realize on the substantial value of the Shares. In addition, the Reporting Persons intend to contact and speak with other holders of the Shares for the foregoing purposes.

No Reporting Person has any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon or in connection with completion of, or following, any of the actions discussed herein. The Reporting Persons may take positions regarding or make proposals with respect to, or with respect to potential changes in, the Issuer's: operations, management, certificate of incorporation and bylaws, composition of the Board, ownership, capital or corporate structure, dividend policy, potential acquisitions or sales, businesses or assets, strategy and/or plans of the Issuer as a means of enhancing stockholder value. The Reporting Persons may change their intention with respect to any and all matters referred to in Item 4. The Reporting Persons intend to review their investment in the Issuer on an ongoing basis and may from time to time in the future express their views to and/or meet with management, the Board, other stockholders or third parties, including, potential acquirers, service providers and financing sources, and/or may formulate plans or proposals regarding the Issuer, its assets or its securities. Such possible plans or proposals may include one or more plans or proposals that relate to or would result in one or more of the changes referred to herein, or any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D.

Item 5. Interest in Securities of the Issuer.

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 18.5 million Shares outstanding, which is the total number of Shares outstanding as reported in the Issuer's Quarterly Report filed on Form 10-Q with the Securities and Exchange Commission (the "SEC") on August 8, 2016.

As of the date hereof, the Master Fund beneficially owned 971,058 Shares, including 75,558 Shares issuable upon conversion of the 4.75% Convertible Junior Subordinated Debentures due 2066 of the Issuer held by the Reporting Persons, constituting approximately 5.2% of the Shares outstanding. By virtue of their respective relationships with the Master Fund discussed in further detail in Item 2, each of the US Feeder, the Cayman Feeder, Mangrove Partners, Mangrove Capital and Mr. August may be deemed to beneficially own the Shares owned directly by the Master Fund. Each Reporting Person, as a member of a "group" with the other Reporting Persons for the purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, may be deemed the beneficial owner of the Shares directly owned by the other Reporting Persons. Each Reporting Person disclaims beneficial ownership of such Shares except to the extent of his or its pecuniary interest therein.

(b) Each of the Master Fund, the US Feeder, the Cayman Feeder, Mangrove Partners, Mangrove Capital and Mr. August has shared voting and dispositive power over the Shares owned directly by the Master Fund.

(c) Schedule B annexed hereto lists all transactions in securities of the Issuer during the past 60 days by the Reporting Persons.

(d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

On October 24, 2016, the Reporting Persons entered into a Joint Filing Agreement (the "Joint Filing Agreement"), in which the Reporting Persons agreed to the joint filing on behalf of each of them of statements on Schedule 13D with respect to the securities of the Issuer to the extent required by applicable law. The Joint Filing Agreement is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

The Reporting Persons currently own 4.75% Convertible Junior Subordinated Debentures due 2066 of the Issuer in the principal amount of \$64,779,000.

Other than as described herein, there are no contracts, arrangements, understandings or relationships among the Reporting Persons, or between the Reporting Persons and any other person, with respect to the securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

99.1 Joint Filing Agreement, dated October 24, 2016, by and among The Mangrove Partners Master Fund, Ltd., The Mangrove Partners Fund, L.P., The Mangrove Partners Fund (Cayman), Ltd., Mangrove Partners, Mangrove Capital and Nathaniel August.

SIGNATURES

After reasonable inquiry and to the best of its knowledge and belief, each of the undersigned certifies that the information with respect to it set forth in this statement is true, complete, and correct.

Dated: October 24, 2016

THE MANGROVE
PARTNERS MASTER
FUND, LTD.

MANGROVE
By: PARTNERS,
as Investment Manager

By: /s/ Nathaniel August
Name: Nathaniel August
Title: Director

THE MANGROVE
PARTNERS FUND, L.P.

MANGROVE
By: CAPITAL,
as General Partner

By: /s/ Nathaniel August
Name: Nathaniel August
Title: Director

THE MANGROVE
PARTNERS FUND
(CAYMAN), LTD.

MANGROVE
By: PARTNERS,
as Investment Manager

By: /s/ Nathaniel August
Name: Nathaniel August
Title: Director

MANGROVE PARTNERS

By: /s/ Nathaniel August
Name: Nathaniel August
Title: Director

MANGROVE CAPITAL

By: /s/ Nathaniel August
Name: Nathaniel August
Title: Director

/s/ Nathaniel August
NATHANIEL AUGUST

SCHEDULE A

Directors and Officers of each of The Mangrove Partners Master Fund, Ltd. and The Mangrove Partners Fund (Cayman), Ltd.

| Name and Position | Principal Occupation | Principal Business Address | Citizenship |
|--------------------------------|--|--|------------------------|
| Nathaniel August * Director | | | |
| David Bree Director | Mr. Bree is an employee of dms Management Ltd., a company that provides administrative services to Cayman Islands private investment companies. | DMS Offshore Investment Services dms House, 20 Genesis Close George Town P.O. Box 314 Grand Cayman KY1-1104 Cayman Islands | Cayman Islands |
| Kevin Phillip Director | Mr. Phillip is an employee of dms Management Ltd., a company that provides administrative services to Cayman Islands private investment companies. | DMS Offshore Investment Services dms House, 20 Genesis Close George Town P.O. Box 314 Grand Cayman KY1-1104 Cayman Islands | Trinidad and Tobago |

Directors and Officers of each of Mangrove Partners and Mangrove Capital

Name and Position Principal Occupation Principal Business Address Citizenship

Nathaniel August *
Director

* Mr. August is a Reporting Person and, as such, his information called for by Item 2 of Schedule 13D is set forth therein.

SCHEDULE B

Transactions of the Reporting Persons Effected During the Past 60 Days

Date of Purchase/Sale Shares of Common Stock Purchased Price Per Share (\$)

The Mangrove Partners Master Fund, Ltd.

| | | |
|----------|---------|------|
| 10/07/16 | 20,000 | 1.61 |
| 10/17/16 | 100,000 | 1.95 |
| 10/18/16 | 389,500 | 2.78 |
| 10/19/16 | 386,000 | 3.34 |

EXHIBIT 99.1

JOINT FILING AGREEMENT

The undersigned hereby agree that the statement on Schedule 13D with respect to the Common Stock, \$0.01 par value, of Peabody Energy Corporation dated as of October 24, 2016 is, and any further amendments thereto signed by each of the undersigned shall be, filed on behalf of each of the undersigned pursuant to and in accordance with the provisions of Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended.

Dated: October 24, 2016

THE MANGROVE
PARTNERS MASTER
FUND, LTD.

MANGROVE
By: PARTNERS,
as Investment Manager

By: /s/ Nathaniel August
Name: Nathaniel August
Title: Director

THE MANGROVE
PARTNERS FUND, L.P.

MANGROVE
By: CAPITAL,
as General Partner

By: /s/ Nathaniel August
Name: Nathaniel August
Title: Director

THE MANGROVE
PARTNERS FUND
(CAYMAN), LTD.

MANGROVE
By: PARTNERS,
as Investment Manager

By: /s/ Nathaniel August
Name: Nathaniel August
Title: Director

MANGROVE PARTNERS

By: /s/ Nathaniel August
Name: Nathaniel August
Title: Director

MANGROVE CAPITAL

By: /s/ Nathaniel August
Name: Nathaniel August
Title: Director

/s/ Nathaniel August
NATHANIEL AUGUST