

PEABODY ENERGY CORP
Form 8-K
February 22, 2017

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

Form 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): February 22, 2017

PEABODY ENERGY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware 1-16463 13-4004153

(State or Other Jurisdiction (Commission (I.R.S. Employer
of Incorporation) File Number) Identification No.)

701 Market Street, St. 63101-1826
Louis, Missouri
(Address of Principal (ZIP Code)
Executive Offices)

Registrant's telephone number, including area code: (314) 342-3400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure

As previously disclosed in Peabody Energy Corporation's (the "Company" or "Peabody Energy") Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, Peabody Australia Mining Pty Ltd, one of the Company's Australian subsidiaries, entered into a definitive share sale and purchase agreement, dated as of November 3, 2016, for the sale of all of the equity interests in Metropolitan Collieries Pty Ltd (the "Transaction"), the entity that owns Metropolitan coal mine in New South Wales, Australia and the associated 16.67 percent interest in the Port Kembla Coal Terminal, to South32 Aluminium (Holdings) Pty Ltd, a subsidiary of South32 Limited ("South32"), a global mining and metals company with operations in Australia, Southern Africa and South America. Also as previously disclosed, the closing of the Transaction is conditional on receipt of approval from the Australian Competition and Consumer Commission (the "ACCC").

On February 22, 2017, the ACCC issued a Statement of Issues in relation to the Transaction, noting that the ACCC is continuing to review the Transaction. The Company continues to work toward a successful closing of the Transaction and does not expect the ultimate outcome of the Transaction to impact the expected timing of the Company's emergence from bankruptcy.

Nothing contained herein is intended to be, nor should it be construed as, a solicitation for a vote on the Debtors' Second Amended Joint Plan of Reorganization filed with the Bankruptcy Court on January 27, 2017 (as amended, the "Plan"). The Plan will become effective only if it is confirmed by the United States Bankruptcy Court for the Eastern District of Missouri (the "Bankruptcy Court"). There can be no assurance that the Bankruptcy Court will confirm the Plan or that the Plan will be implemented successfully.

The information set forth in and incorporated into this Item 7.01 of this Current Report on Form 8-K is being furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any of Peabody Energy's filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing. The filing of this Item 7.01 of this Current Report on Form 8-K shall not be deemed an admission as to the materiality of any information herein that is required to be disclosed solely by reason of Regulation FD.

Cautionary Note Regarding Forward-Looking Statements

This Current Report contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements that relate to the intent, beliefs, plans or expectations of Peabody Energy or its management at the time of this Current Report, as well as any estimates or projections for the outcome of events that have not yet occurred at the time of this Current Report. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements include expressions such as "believe" "anticipate," "expect," "estimate," "intend," "may," "plan," "predict," "will" and similar terms and expressions. All forward-looking statements made by Peabody Energy are predictions and not guarantees of future performance and are subject to various risks, uncertainties and factors relating to Peabody Energy's operations and business environment, and the progress of its Chapter 11 Cases, all of which are difficult to predict and many of which are beyond Peabody Energy's control. These risks, uncertainties and factors could cause Peabody Energy's actual results to differ materially from those matters expressed in or implied by these forward-looking statements. Such factors include, but are not limited to: those described under the "Risk Factors" section and elsewhere in Peabody Energy's most recently filed Annual Report on Form 10-K and subsequent filings with the SEC, including its Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016 and June 30, 2016, which are available on Peabody Energy's website at www.peabodyenergy.com and on the SEC's website at www.sec.gov, such as unfavorable economic, financial and business conditions, as well as risks and uncertainties relating to the Chapter 11 Cases, including, but not limited to:

Peabody Energy's ability to obtain bankruptcy court approval with respect to motions or other requests made to the bankruptcy court, including maintaining strategic control as debtor-in-possession, in connection with

the chapter 11 cases of the Company and a majority of the Company's wholly owned domestic subsidiaries, as well as one international subsidiary in Gibraltar (collectively, the "Debtors") which are being jointly administered under the caption In re Peabody Energy Corporation, et al., Case No. 16-42529, in the United States Bankruptcy Court for the Eastern District of Missouri (the "Chapter 11 Cases");

Peabody Energy's ability to negotiate, develop, confirm and consummate the Plan;

the effects of the Chapter 11 Cases on Peabody Energy's operations, including customer, supplier, banking, insurance and other relationships and agreements;

bankruptcy court rulings in the Chapter 11 Cases as well as the outcome of all other pending litigation and the outcome of the Chapter 11 Cases in general;

the length of time that Peabody Energy will operate under Chapter 11 protection and the continued availability of operating capital during the pendency of the proceedings;

risks associated with third-party motions in the Chapter 11 Cases, which may interfere with Peabody Energy's ability to confirm and consummate a plan of reorganization and restructuring generally;

increased advisory costs to execute a plan of reorganization;

the impact of the New York Stock Exchange's delisting of Peabody Energy's common stock on the liquidity and market price of Peabody Energy's common stock and on Peabody Energy's ability to access the public capital markets;

the likelihood that Peabody Energy's common stock will be cancelled and extinguished upon confirmation of a proposed plan of reorganization with no payments made to the holders of Peabody Energy's common stock;

the volatility of the trading price of Peabody Energy's common stock and the absence of correlation between any increases in the trading price and Peabody Energy's expectation that the common stock will be cancelled and extinguished upon confirmation of a proposed plan of reorganization with no payments made to the holders of Peabody Energy's common stock;

Peabody Energy's ability to continue as a going concern including its ability to confirm a plan of reorganization that restructures Peabody Energy's debt obligations to address liquidity issues and allows emergence from the Chapter 11 Cases;

the risk that the Plan may not be accepted or confirmed, in which case there can be no assurance that the Chapter 11 Cases will continue rather than be converted to chapter 7 liquidation cases or that any alternative plan of reorganization would be on terms as favorable to holders of claims and interests as the terms of the Plan;

Peabody Energy's ability to use cash collateral;

the effect of the Chapter 11 Cases on Peabody Energy's relationships with third parties, regulatory authorities and employees;

the potential adverse effects of the Chapter 11 Cases on Peabody Energy's liquidity, results of operations, or business prospects;

Peabody Energy's ability to execute its business and restructuring plan;

increased administrative and legal costs related to the Chapter 11 Cases and other litigation and the inherent risks involved in a bankruptcy process;

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the cost, availability and access to capital and financial markets, including the ability to secure new financing after emerging from the Chapter 11 Cases;

the risk that the Chapter 11 Cases will disrupt or impede Peabody Energy's international operations, including its business operations in Australia;

competition in the coal industry and supply and demand for Peabody Energy's coal products, including the and other risks and uncertainties. Forward-looking statements made by Peabody Energy in this Current Report, or elsewhere, speak only as of the date on which the statements were made. New risks and uncertainties arise from time to time, and it is not possible for Peabody Energy to predict all of these events or how they may affect it or its anticipated results. Peabody Energy does not undertake any obligation to publicly update any forward-looking statements except as may be required by law. In light of these risks and uncertainties, readers should keep in mind that the events referenced by any forward-looking statements made in this Current Report may not occur and should not place undue reliance on any forward-looking statements.

The Plan provides that Peabody Energy equity securities will be canceled and extinguished following confirmation of the Plan by the Bankruptcy Court, and that the holders thereof would not be entitled to receive, and would not receive or retain, any property or interest in property on account of such equity interests. The Plan also sets forth the proposed recoveries for Peabody Energy's other securities. Trading prices for Peabody Energy's equity or other securities may bear little or no relationship during the pendency of the Chapter 11 Cases to the actual recovery, if any, by the holders thereof at the conclusion of the Chapter 11 Cases. In the event of cancellation of Peabody Energy equity securities, as contemplated by the Plan, amounts invested by the holders of such securities would not be recoverable and such securities would have no value. Accordingly, Peabody Energy urges caution with respect to existing and future investments in its equity or other securities.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**PEABODY ENERGY
CORPORATION**

February 22, 2017 By: /s/ A. Verona Dorch

Name: A. Verona Dorch

Title: Chief Legal Officer

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