

GATEWAY MINE

Gateway Mine in Randolph County near Coulterville, Ill., opened in March 2005 and started production in July of that year. In 2015, the mine sold 1.3 million tons of steam coal, primarily to industrial and major utility customers such as Northern Indiana Power Service Company (NIPSCO), Progress Energy and Tennessee Valley Authority. The mine has 6 million tons of recoverable coal reserves.

The mine operates five days a week, year-round, with three production shifts per day on 2.5 supersection units that extract coal from the Herrin No. 6 seam. The coal goes from the mine via a 1,200-foot beltline to temporary storage and then travels by overland belt 1.4 miles to the preparation plant. The mine has a workforce of approximately 145.

The preparation plant cleans the coal using heavy media cyclones. After cleaning, it is stored in a 10,000-ton silo and a 100,000-ton above-ground storage and loadout facility before shipping to customers. Coal bound for NIPSCO is shipped in 125-car unit trains. Coal sold to Progress Energy travels via train to a Mississippi River dock, where it is transloaded onto barges. Gateway also annually ships approximately 70,000 tons via semi-truck.

In 2014, the Gateway Mine injected about \$34 million into the regional economy, which represents an implied economic benefit of more than \$137 million.

Peabody Energy (OTC: BTUUQ) is the world's largest private-sector coal company and a Fortune 500 company. The company serves metallurgical and thermal coal customers in 25 countries on six continents.