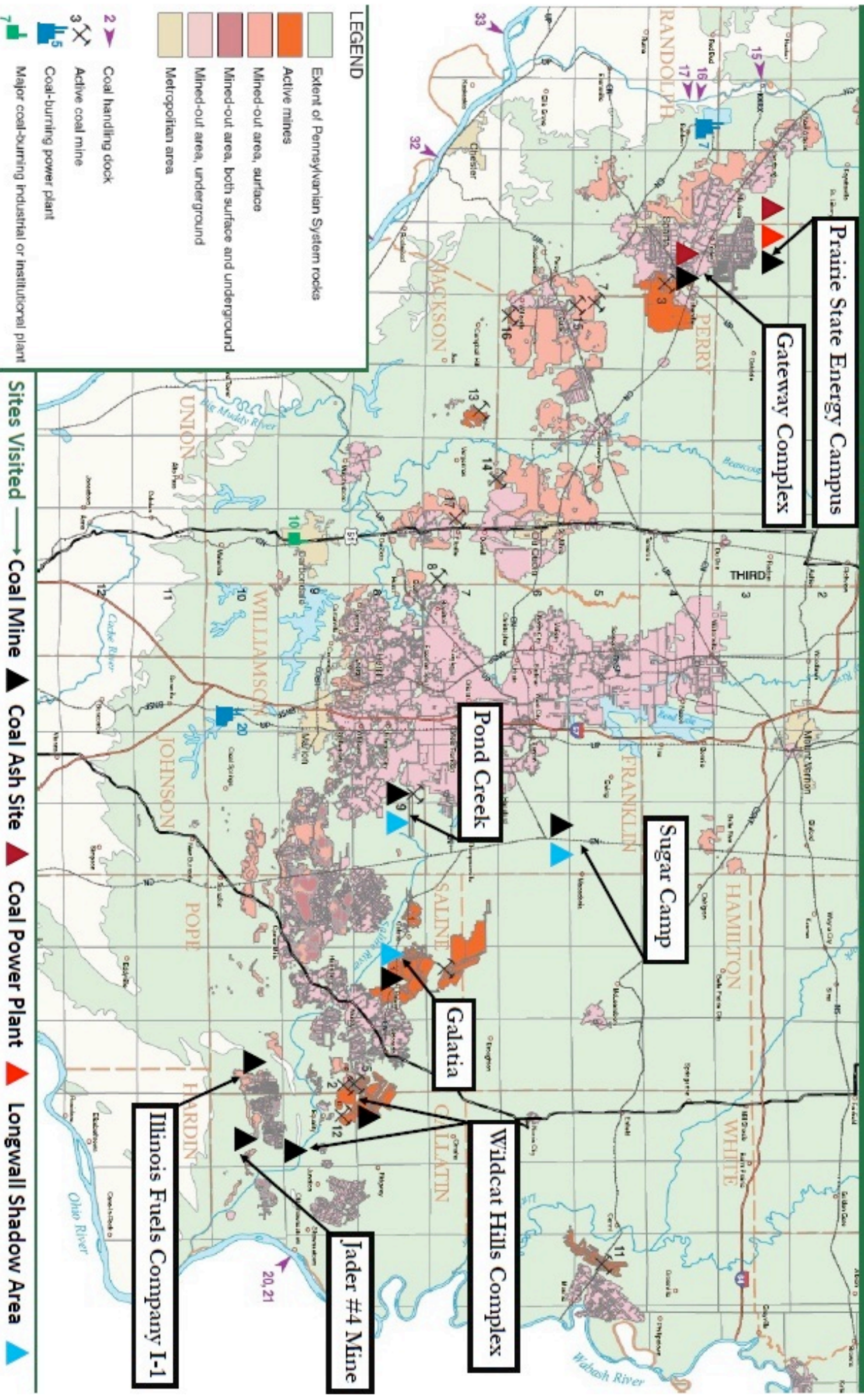


Heartland Coalfield Alliance Southern Illinois Coalfields

April 30th - May 1st, 2011



PEABODY OPERATIONS

Gateway Mine

Mine Type: Underground – room and pillar

Owner: Peabody Energy

Location: Randolph County

Production: 3.3 M tons in 2009, proposed north portal could increase production to 6-7M tons/yr.

Coal preparation: Onsite washing.

Waste disposal: Coal waste, coal slurry and coal ash disposed onsite in unlined impoundments.

Of note: The north portal proposed is situated adjacent to a new county nursing home, will require filling in streams and wetlands, and will cause pollution to run into a tributary of Coulterville's community drinking water reservoir. Neighbors near the existing facility are already impacted by fugitive coal dust and potential groundwater contamination.

Prairie State Energy Campus: Prairie State Generating Station, Lively Grove Mine and Randolph/Jordan Grove Coal Ash Disposal Site

Owner: Peabody Energy

Location: Washington County

Power plant: 1,600-megawatt pulverized coal power plant

Mine Production: New mine projected to produce 6 M tons/yr. Coal is not washed.

Waste Disposal: Over 60 million tons of coal waste and coal ash will be disposed of at two old coal mine sites - Randolph and Jordan Grove. Coal ash will cover over 4,000 acres and the piles could reach as high as 160 feet.

Of note: Lively Grove Mine is currently operating. The multi-billion power plant is still under construction with an expected start date of early 2012. Cost overruns have now more than doubled the projected cost of \$3.9B for the project with Peabody now owning less than 5% of the investment risks. The plant is being built between the Wabash seismic and New Madrid fault lines, site of the 'Big Shake' of 1811. A report published in Nature magazine in 2005 and confirmed by the U.S. Geological Survey found there is a 90 percent chance that a magnitude 6 or 7 earthquake will occur in the New Madrid seismic area within the next fifty years, raising concerns of plant damage and contamination.

ILLINOIS LONGWALL MINES

Sugar Camp Mine

Mine Type: Underground – longwall. Two longwall units proposed, with speculation of up to four.

Owner: Sugar Camp Energy (subsidiary of Cline Coal)

Location: Franklin County

Production: New mine projected to extract up to 7.5M tons/yr. for 30-50 years per panel. With both panels operating, extraction could be up to 15M tons/yr. Reserves expand 37,000 acres. Double coal seams including Harrisburg No. 5 and Herrin No. 6 are very deep and between 585-815 feet underground.

Coal preparation: Onsite washing. Preparation plant designed to service coal from multiple longwall panel operations at once.

Waste disposal: Coal waste and coal slurry disposed of onsite in aboveground impoundments with clay liners.

Of note: Over 10,000 acres of farmland, streams, roads and homesteads in the currently permitted shadow area will be subsided by 4-6 feet. Much of the mining operation is situated within a state-designated Resource Rich Area.

Pond Creek

Mine Type: Underground – longwall. One longwall unit.

Owner: Williamson Energy Development (subsidiary of Cline Coal)

Location: Williamson County

Production: Currently producing between 5-7 M tons/yr

Coal preparation: Onsite washing

Waste disposal: Coal waste and coal slurry disposed of onsite in aboveground impoundments. No liners.

Of note: First Cline Coal longwall mining operation in Illinois. Area has depopulated since opening.

Galatia

Mine Type: Underground - two longwall units

Owner: American Coal Company (subsidiary of Murray Energy)

Location: Saline County

Production: Producing 7M tons/year. Reserve of 125 million tons and in 2007, was the fourth largest coal produced in the US.

Coal preparation: Onsite washing.

Waste disposal: Coal waste and coal slurry disposed of onsite in aboveground impoundments. No liners.

Of note: Since 2005, the Galatia mining complex in Saline County, Illinois has incurred over 2,700 citations and \$2.4 million in proposed fines

EAGLE CREEK AND SALINE RIVER MINES

I-1 Mine

Mine Type: Surface and underground mines

Owner: Illinois Fuel Co.

Location: Eagle Valley, Saline and Gallatin Counties

Production: ~125K tons/yr in 2009

Of note: Serious noncompliance with water pollution discharge permit for last 12 of 12 quarters for sulfates, chlorides, total suspended solids, iron and manganese.

Jader #4 Mine

Mine Type: Surface mine

Owner: Jader Fuel Co.

Location: Eagle Valley, Saline County

Production: N/A

Of note: Serious noncompliance with water pollution discharge permit for last 11 of 12 quarters for total suspended solids and iron.

Wildcat Hills Mine Complex

Mine Type: Surface and underground mines

Owner: Peabody Energy / Arclar Co., LLC

Location: Eagle Valley, Saline and Gallatin Counties

Production: ~ 3M tons/yr since opening in 1997. Coal is washed at Peabody's Willow Lake Preparation Plant, also in Saline County.