Exhibit C

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): **October 22, 2007**

Patriot Coal Corporation

(Exact name of registrant as specified in its charter)

Delaware	**001-33466**	**20-5622045**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

12312 Olive Boulevard, Suite 400 St. Louis, Missouri	**63141**
(Address of principal executive offices)	(Zip Code)

Registrant’s telephone number, including area code: **(314) 542-2109**

Not Applicable

Former name or former address, if changed since last report

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 8.01. Other Events.

Attached as Exhibit 99.1 to this Current Report on Form 8-K is the Information Statement (the “Information Statement”) of Patriot Coal Corporation (the “Company”) dated October 22, 2007 that will be distributed in connection with Peabody Energy Corporation’s distribution to its stockholders of all the outstanding shares of common stock of the Company. As indicated in the Information Statement, the record date for the distribution is October 22, 2007.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit No.	Description of Exhibit
99.1	Information Statement of Patriot Coal Corporation, dated October 22, 2007.

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.

PATRIOT COAL CORPORATION

By: */s/ Joseph W. Bean*
Name: Joseph W. Bean
Title: Senior Vice President, General Counsel & Corporate Secretary

Dated: October 24, 2007

Exhibit Index

Exhibit No.	Description of Exhibit
99.1	Information Statement of Patriot Coal Corporation, dated October 22, 2007

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Peabody Energy Corporation
701 Market Street
St. Louis, Missouri 63101-1826

October 22, 2007

Dear Peabody Energy Corporation Stockholder:

We are pleased to inform you that on October 10, 2007, the Board of Directors of Peabody Energy Corporation (Peabody) approved the spin-off of Patriot Coal Corporation (Patriot), a wholly-owned subsidiary of Peabody. Following the spin-off, Patriot's assets and business will consist of coal operations and reserves in Central Appalachia, Northern Appalachia and the Illinois Basin.

The spin-off of Patriot will occur on October 31, 2007 by way of a pro rata distribution of Patriot's common shares to Peabody's stockholders. In the distribution, each Peabody stockholder will receive one share of Patriot common stock for every ten shares of Peabody common stock held at 5:00 p.m., New York City time, on October 22, 2007, which is the record date of the spin-off. The dividend will be paid in book-entry form and physical stock certificates will be issued only upon request. Stockholder approval of the spin-off is not required, and you are not required to take any action to receive your Patriot common stock.

We believe that the separation of Patriot from Peabody will provide a better structure for each company to pursue the most appropriate long-term growth opportunities and business strategies by allowing them to focus on their own distinct businesses, opportunities and markets. In addition, we believe that the two companies, each with unique financial characteristics, may appeal to different investor bases.

Following the spin-off, you will own shares in both Peabody and Patriot. Peabody common stock will continue to trade on the New York Stock Exchange under the symbol "BTU". Patriot common stock has been authorized for listing on the New York Stock Exchange under the symbol "PCX".

We intend for the spin-off to be tax-free for stockholders. To that end, we have received a favorable ruling from the Internal Revenue Service with respect to the spin-off and a favorable opinion of Ernst & Young LLP, confirming the spin-off's tax-free status, but any cash you receive instead of fractional shares will be taxable to you. The spin-off is also subject to other conditions, including necessary regulatory approvals. We recommend, of course, that you consult your own tax advisor as to the particular consequences of the spin-off to you.

The enclosed information statement, which is being mailed to all Peabody stockholders, describes the spin-off in detail and contains important information about Patriot, including its financial statements.

We look forward to your continued support as a stockholder of Peabody. We remain committed to working on your behalf to build long-term stockholder value.

Sincerely,

Gregory H. Boyce
President and Chief Executive Officer

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Patriot Coal Corporation
12312 Olive Boulevard
Suite 400
St. Louis, Missouri 63141

October 22, 2007

Dear Patriot Coal Corporation Stockholder:

With great pleasure, we welcome you as a stockholder of Patriot Coal Corporation.

Patriot is a leading producer of coal in the eastern United States and a leading U.S. producer of metallurgical quality coal. In 2006, we sold 24.3 million tons of coal, including 77% for electricity generation and 23% for steel production. We control 1.2 billion tons of proven and probable coal reserves for use in existing and future operations. Our operations and reserve holdings are located in Central Appalachia, Northern Appalachia and the Illinois Basin.

We believe our diversified product line and sourcing capabilities, coupled with our well-trained, experienced and dedicated work force, position us to excel as a stand-alone entity. Our three core strategies are to:

- maintain and enhance our operational performance through a continued emphasis on safety, productivity, cost control and environmental stewardship;
- maximize customer satisfaction, while also optimizing profitability; and
- pursue value-enhancing growth opportunities within our areas of expertise through organic growth, acquisitions and joint ventures.

Our management team will bring the experience and capability to execute these strategies, based upon our operational, commercial and transactional background with Peabody Energy Corporation.

Patriot Coal Corporation common stock has been authorized for listing on the New York Stock Exchange under the symbol “PCX”. We invite you to learn more about Patriot by reviewing the enclosed information statement. We look forward to our future as a separate publicly-traded company and to your support as a holder of Patriot common stock.

Sincerely,

Richard M. Whiting
President and Chief Executive Officer

INFORMATION STATEMENT

PATRIOT COAL CORPORATION

Common Stock
(par value $0.01 per share)

This information statement is being furnished in connection with the distribution to holders of common stock, par value $0.01 per share, of Peabody Energy Corporation (Peabody) of all of the outstanding shares of common stock, par value $0.01 per share, of Patriot Coal Corporation (Patriot).

We are currently a subsidiary of Peabody. Following the spin-off, our assets and business will consist of coal operations and reserves in Appalachia and the Illinois Basin.

Shares of our common stock will be distributed to holders of Peabody common stock of record as of the close of business on October 22, 2007, which will be the record date. These stockholders will receive one share of our common stock for every ten shares of Peabody common stock held on the record date. The spin-off of the Patriot shares will be made in book-entry form, and physical stock certificates will be issued only upon request. The spin-off will be effective at 11:59 p.m., New York City time on October 31, 2007. On September 26, 2007, Peabody received a letter ruling from the U.S. Internal Revenue Service to the effect that the spin-off will be tax-free to Peabody and its stockholders for U.S. federal income tax purposes, except for any cash received in lieu of fractional shares.

No stockholder approval of the spin-off is required or sought. We are not asking you for a proxy and you are requested not to send us a proxy. Peabody stockholders will not be required to pay for the shares of our common stock to be received by them in the spin-off or to surrender or exchange shares of Peabody common stock in order to receive our common stock or to take any other action in connection with the spin-off.

Currently, there is no trading market for our common stock. However, we expect that a limited market, commonly known as a “when-issued” trading market, for our common stock will develop on or shortly before the record date for the spin-off, and we expect that “regular way” trading of our common stock will begin the first trading day after the spin-off. Our common stock has been authorized for listing on the New York Stock Exchange, under the symbol “PCX”.

In reviewing this information statement, you should carefully consider the matters described under “Risk Factors” beginning on page 12 for a discussion of certain factors that should be considered by those receiving our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this information statement is truthful or complete. Any representation to the contrary is a criminal offense.

This information statement does not constitute an offer to sell or the solicitation of an offer to buy any securities.

The date of this information statement is October 22, 2007.

This information statement was first mailed to Peabody stockholders on or about October 24, 2007.

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This information statement is being furnished solely to provide information to Peabody stockholders who will receive shares of our common stock in the distribution. It is not, and is not to be construed as, an inducement or encouragement to buy or sell any of our securities or any securities of Peabody. This information statement describes our business, the relationship between Peabody and us, and how the spin-off affects Peabody and its stockholders, and provides other information to assist you in evaluating the benefits and risks of holding or disposing of our common stock that you will receive in the distribution. You should be *aware of certain risks relating to the spin-off, our business and ownership of our common stock, which are described under the heading "Risk Factors."*

You should not assume that the information contained in this information statement is accurate as of any date other than the date set forth on the cover. Changes to the information contained in this information statement may occur after that date, and we undertake no obligation to update the information, except in the normal course of our public disclosure obligations and practices.

Unless the context indicates otherwise, all references in this information statement:

- *to Patriot, us, we or our include Patriot Coal Corporation and its subsidiaries; and*
- *to Peabody are to Peabody Energy Corporation and its subsidiaries, other than Patriot and its subsidiaries.*

The transaction in which Patriot will be separated from Peabody and become a separately-traded, public company is referred to in this information statement as the "distribution" or the "spin-off."

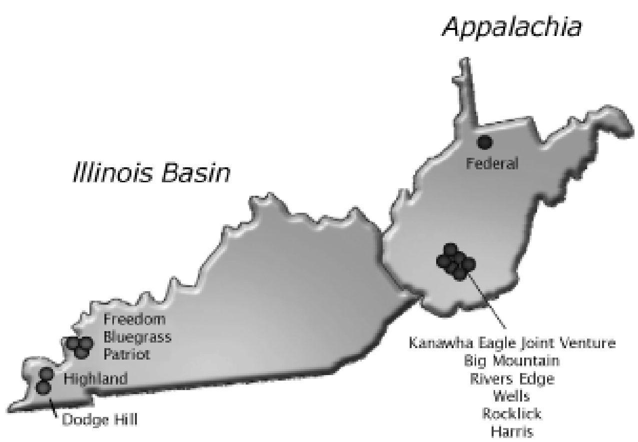
EXECUTIVE SUMMARY

We are a leading producer of coal in the eastern United States, with operations and coal reserves in Appalachia and the Illinois Basin. We are also a leading U.S. producer of metallurgical quality coal. We and our predecessor companies have operated in these regions for more than 50 years. In 2006, we sold 24.3 million tons of coal, of which 77% was sold to domestic electric utilities and 23% was sold to domestic and global steel producers. In the first six months of 2007, we sold 11.1 million tons of coal, of which 79% was sold to domestic electric utilities and 21% was sold to domestic and global steel producers. We control approximately 1.2 billion tons of proven and probable coal reserves. Our proven and probable coal reserves include premium coking coal and medium and high-Btu steam coal, with low, medium and high sulfur content. We believe we are well-positioned to meet customers' increasing demand for various products, given the diverse coal qualities available in our proven and probable coal reserves.

Our operations consist of eight company-operated mines, two joint venture mines and numerous contractor-operated mines serviced by eight coal preparation facilities, with one in northern West Virginia, four in southern West Virginia and three in western Kentucky. We ship coal to electric utilities, industrial users and metallurgical coal customers via Patriot-controlled loading facilities and multiple rail and river transportation routes.

Our mining operations and coal reserves are as follows:

- *Appalachia.* In southern West Virginia, we have three company-operated mines, two joint venture mines and numerous contractor-operated mines, serviced by four coal preparation plants. These operations and related infrastructure are located in Boone and Kanawha counties. In northern West Virginia, we have one company-operated mine, serviced by a preparation plant and related infrastructure. These operations are located in Monongalia County. We sold 15.3 million tons of coal and 7.2 million tons of coal in the year ended December 31, 2006 and the six months ended June 30, 2007, respectively. As of December 31, 2006, we controlled 502 million tons of proven and probable coal reserves in Appalachia, of which 188 million tons were assigned to current operations.
- *Illinois Basin.* In the Illinois Basin, we have four company-operated mines, serviced by three preparation plants. These operations and related infrastructure are located in Union and Henderson counties in western Kentucky. We sold 9.0 million tons of coal and 3.9 million tons of coal in the year ended December 31, 2006 and the six months ended June 30, 2007, respectively. As of December 31, 2006, we controlled 741 million tons of proven and probable coal reserves in the Illinois Basin, of which 137 million tons were assigned to current operations.



For the year ended December 31, 2006, we generated $1.15 billion of revenues, incurred a net loss of $13.5 million and generated $126.8 million of Adjusted EBITDA (as defined below). In the first six months of 2007, we generated $525.9 million of revenues, incurred a net loss of $17.8 million and generated

$35.1 million of Adjusted EBITDA. In connection with the spin-off, Peabody has agreed to pay certain of our retiree healthcare liabilities. Peabody has also agreed to increase the price paid to us under a major existing coal sales agreement to be more reflective of anticipated long-term market pricing for similar quality coal. On a pro forma basis, after giving effect to the spin-off and these and other related transactions as if they had occurred on January 1, 2006, we generated $1.18 billion of revenues, $60.9 million of net income and $222.7 million of Adjusted EBITDA for the year ended December 31, 2006 and $539.5 million of revenues, $15.9 million of net income and $85.5 million of Adjusted EBITDA for the first six months of 2007. Our results for the year ended December 31, 2006 and for the six months ended June 30, 2007 reflect $78.6 million and $81.0 million, respectively, of net gain on disposal of assets. For a reconciliation of net income (loss) to Adjusted EBITDA, see page 11.

Our Strengths

We believe the following competitive strengths position us for continued operating success and profitability:

- *We have a large and attractively located base of proven and probable coal reserves.* We control approximately 1.2 billion tons of proven and probable coal reserves, making us one of the largest reserve holders in Appalachia and a major reserve holder in the Illinois Basin, based on publicly available information. Our proven and probable coal reserves are located within a 500 mile radius of the majority of U.S. electricity generating plants and steel producers. We believe our location and scale position us as an attractive supplier to existing and new coal-fueled power plants.
- *We are a leading U.S. producer of metallurgical coal.* For the year ended December 31, 2006 and the first six months of 2007, we sold 5.6 million tons and 2.3 million tons of metallurgical coal, respectively, or 23% and 21% of our total coal sales volume, respectively, to steel mills and independent coke producers. Approximately 30% of our metallurgical coal volume was sold to international customers, primarily in Europe and Brazil. In recent years, metallurgical coal has commanded a premium price to steam coal. This premium is principally due to (i) metallurgical coal’s value as a raw material in the steelmaking process and (ii) the limited availability of coal reserves and production with the specifications needed to produce steelmaking coke.
- *We believe our diversified product line and sourcing capabilities make us an attractive supplier to utility customers.* We produce medium and high-Btu coal, with low, medium and high sulfur content, from our operations in Appalachia and the Illinois Basin. We believe this product diversification positions us as an attractive supplier to utility customers with installed sulfur dioxide emissions control devices (scrubbers), as well as utilities that will continue to use lower sulfur coal as part of their means to meet emission standards. We utilize our large scale preparation plants to blend coal produced at our mines, as well as coal produced at contractor-operated mines and coal purchased from third parties. We have the ability to ship coal to our customers by rail, barge or truck as they require. Through our diverse sourcing alternatives, blending capabilities and transportation options, we are able to offer multiple delivered cost alternatives to our customers.
- *We are well-positioned to be a consolidator in Central Appalachia.* Our proven and probable coal reserves and operations in Central Appalachia are contiguous or in close proximity to numerous small- and medium-sized operators. The breadth of our proven and probable coal reserves creates opportunities for growth through acquisitions, reserve transactions and joint ventures involving those operators who seek to monetize their holdings. We believe our ability to take advantage of these opportunities is supported by: (i) our scale and our ability as a public company to access the capital markets; (ii) the location of our current proven and probable reserve holdings; (iii) our long history of operations in all coal market conditions; and (iv) our strong management team and its extensive acquisition and joint venture experience obtained with Peabody.
- *We have a well-trained, experienced and dedicated work force.* We employ well-trained, experienced miners whose tenure averages 18 years with our company. Approximately 61% of our employees as of December 31, 2006 at company operations were members of the United Mine Workers of America

(UMWA), most of whom are employed under a five-year labor contract that became effective January 1, 2007. As a critical component to recruit and retain a talented workforce, we operate a dedicated training center to educate new employees and our existing workforce in safety, current mining techniques, equipment operation and maintenance. We operate both union and non-union mines and we have a track record of good cooperation with our employees.

- *Our management team has a proven track record of success with Peabody.* The seven members of our executive management team have a combined 142 years of experience in the mining industry. All key members of management originated from our previous parent company, Peabody, and inherited Peabody's best practices in the areas of safety, operations, reclamation and sales. Members of our management team have completed numerous value-enhancing acquisition, joint venture and divestiture transactions during their tenure with Peabody. We will endeavor to build on our management team's strong track record in these areas to create value for our stockholders.

Our Strategy

Our principal objective is to enhance stockholder value. Our management team will make sound and timely decisions on operational and commercial matters consistent with our short and long-term strategies to create value. Our three core strategies are to:

Maintain and enhance operational performance. We intend to maintain and enhance our operational performance through a continued emphasis on safety, productivity, cost management and environmental stewardship.

- *Safety.* Safety is our highest operational priority and the cornerstone of our relationship with all of our employees. Our average incidence rate has improved nearly 40% in the last five years, and we intend to continue employing best practices in emergency preparedness, communications, training, and behavior to drive world-class safety performance. We have received 16 awards for safety since 2000, five of them in 2006. Our focus on safety has resulted in 2005 and 2006 being the safest years on record for our operations.

- *Productivity and cost management.* We intend to develop strong and focused underground and surface engineering capabilities to optimize planning and capital deployment, proactively driving sustainable cost control and continuous improvements in all aspects of the production process. We plan to meet production and cost targets by utilizing a combination of our experienced, productive workforce, process improvement initiatives and state-of-the-art equipment. We also will seek to enhance productivity and lower costs by working closely with suppliers and equipment manufacturers to develop new technologies to extract and process coal.

- *Environmental stewardship.* We will continue to be good stewards of the land on which we operate. We believe our operations and their surrounding communities will benefit from our responsible, effective environmental practices. We intend to build on our track record of success that has resulted in 14 awards for reclamation excellence and outstanding stewardship received since 2000.

Maximize customer satisfaction. We will seek to maximize customer satisfaction by taking advantage of our diverse production and sourcing capabilities.

- *Sourcing flexibility.* We intend to utilize our production capabilities and efficient preparation facilities to process a diverse range of steam and metallurgical coal products to satisfy our customers' needs. Our multiple coal qualities, blending capabilities and transportation alternatives enhance our ability to reliably deliver product on time, within specifications and at competitive delivered costs.

- *Innovative contracting techniques.* We will work closely with our customers to employ innovative coal supply arrangements to address physical, financial and commercial needs of both parties.

- *Coal brokerage.* As another means to meet certain customer requirements, we intend to use our sales contract portfolio, market presence, coal handling facilities and transportation flexibility to expand purchase and resale of third-party coal.

Pursue value-enhancing growth opportunities. We intend to pursue growth opportunities through an opportunistic acquisition strategy, as well as through organic growth.

- *Acquisitions, reserve transactions and joint ventures.* We intend to pursue value-enhancing acquisition, reserve transaction and joint venture opportunities. Coal production in Central Appalachia is highly fragmented. Our proven and probable coal reserves and operations are contiguous or in close proximity to numerous small- and medium-sized operators, potentially creating acquisition and joint venture opportunities for us.
- *Organic growth.* We will evaluate opportunities to exploit previously untapped reserves through increased production from our large and diverse base of proven and probable coal reserves in Appalachia and the Illinois Basin. We will target surface and underground opportunities in close proximity to our existing preparation facilities where we believe we can generate appropriate profitability and return on capital to add stockholder value.

Risks Related to Our Business and Strategy

Our business and our ability to execute our strategy is subject to numerous risks. We have not previously operated as an independent company. Our profitability could decline due to changes in coal prices or coal consumption patterns, as well as unanticipated mine operating conditions, loss of customers, changes in the ability to access our coal reserves and other factors not within our control. We operate in a heavily regulated industry, which imposes significant actual and potential costs on us. Future regulations applicable to us could increase our costs or limit our ability to produce coal. Future regulations applicable to our customers could adversely affect the demand for coal. For additional risks relating to our business or this offering, see “Risk Factors” beginning on page 12.

The Industry

Coal is one of the world’s most abundant, efficient and affordable natural resources whose primary use is fuel for electricity generation. In the United States, coal has consistently comprised 50% or more of the electricity generation fuel mix since 1980. Between 1990 and 2005, U.S. coal consumption increased 25% to 1.1 billion tons, driven by increased electricity demand. The Energy Information Administration (EIA) projects that annual coal consumption will increase by 57% between 2005 and 2030, to 1.8 billion tons per year, even as electricity generators are required to reduce their levels of emissions under current regulations.

Coal is the dominant fuel for electricity generation because of its relative low cost and availability throughout the United States. Fuel is the largest variable cost component involved in electricity generation. EIA estimates relative delivered cost of oil, natural gas and coal as $7.85 per million Btu, $6.97 per million Btu and $1.67 per million Btu, respectively, during 2006.

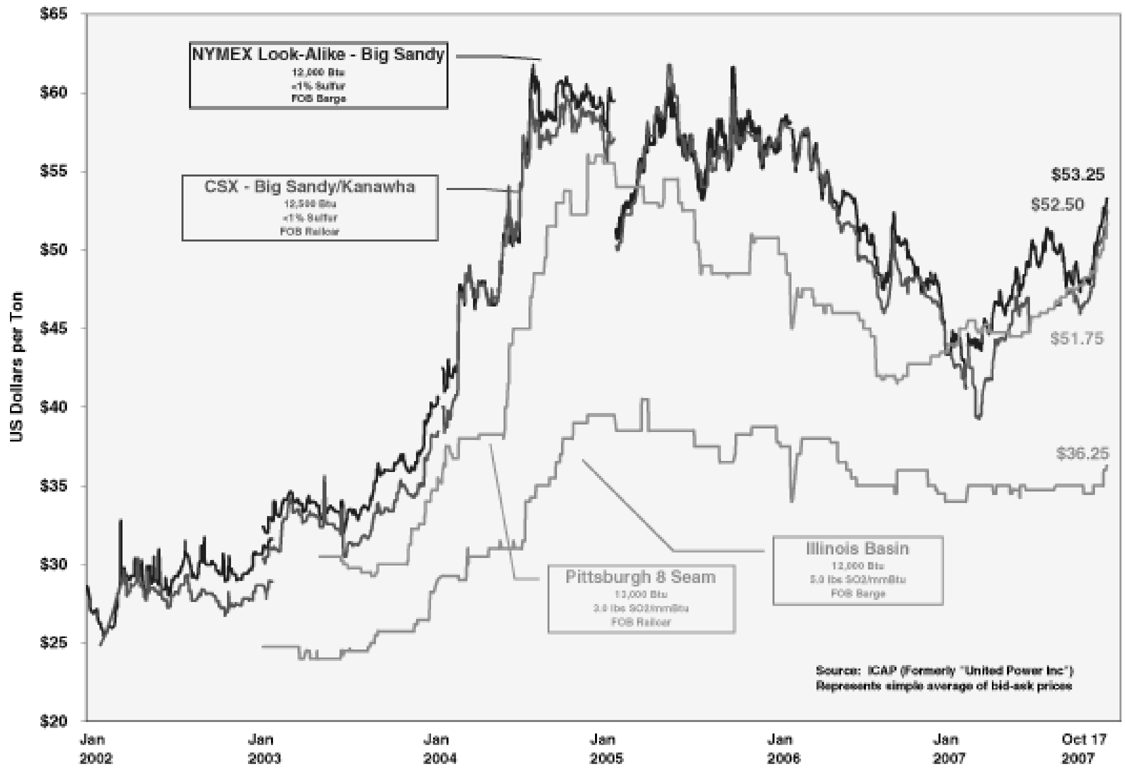
Growth Outlook. We believe growth in the demand for coal will be driven by several factors:

- Near-term growth through increased utilization of existing coal-fueled electricity generating facilities and increased global steel production;
- Mid-term growth via construction of new coal-fueled generating facilities; and
- Long-term growth through the commercialization of coal conversion technologies.

Market Prices. Steam coal prices were essentially flat between 1995 and 2000. As long-term contracts for many producers began to expire in 2000 and beyond, new contracts reflecting then-current market demand and operating conditions were put in their place. Coal prices increased significantly between 2000 and 2006 in the regions where we operate. Concurrent with the improving fundamentals for steam coal, demand for metallurgical coal also grew, drawing coal with metallurgical qualities away from steam coal markets and back to metallurgical markets. During 2006, mild weather conditions experienced across the United States led to reduced electricity demand and higher coal inventory levels, resulting in a decline in spot steam coal prices. U.S. electricity generation through June 2007 has increased 3% versus the same period in 2006. During the first six months of 2007, coal production in Appalachia declined by 5% versus the same period in 2006. Prices increased early in 2007, moderated lower during mid-year, before strengthening to new highs for 2007 in recent weeks.

Historical Steam Coal Prices for Selected Regions. The following table shows the price (in dollars) per ton for selected steam coal traded products in the eastern United States between January 2, 2002 and October 17, 2007.

Historical Steam Coal Prices for Selected Products
Over-the-Counter Prices for Future Year Delivery
January 2, 2002 through October 17, 2007



Production Costs. In recent years, coal producers have faced increasingly difficult geological conditions, particularly in Appalachia, where underground operations are in many cases mining thinner coal seams than in the past. Surface operations are typically mining reserves with higher overburden-to-coal ratios than in the past, similarly adding to production costs. These geological factors, coupled with increased costs of labor, materials and supplies, capital equipment and compliance with safety and environmental regulations, have led to a major rise in production costs for many eastern U.S. producers. These rising costs contributed to recent decisions by certain producers to suspend or close marginal operations.

Air Quality Standards. Between 1990 and 2005, permitted levels of emissions of sulfur dioxide and nitrogen oxide were reduced 32% and 53%, respectively. Coal-fueled electric power generators are currently required to comply with emissions requirements through the use of lower sulfur coal, either exclusively or by blending with higher sulfur coal, the installation of pollution control devices to reduce emissions from higher sulfur coal, the purchase or trade of emission credits or the reduction of electricity generating levels. The 2005 Clean Air Interstate Rule (CAIR) will further lower sulfur dioxide emission levels in 2010, and again in 2015. Nitrogen oxide emission levels will be reduced in 2009 and 2015. The Clean Air Mercury Rule (CAMR), issued by the U.S. Environmental Protection Agency (EPA) in March 2005, imposes requirements to reduce mercury emission levels by 2010 and 2018. These new standards are expected to result in broader installation of pollution control devices, which will further expand markets for higher sulfur coal products.

Summary of the Spin-Off

The following is a summary of the terms of the spin-off. Please see “The Spin-Off” beginning on page 26 for a more detailed description of the matters described below.

Distributing company	Peabody Energy Corporation, a Delaware corporation
Distributed company	Patriot Coal Corporation, a Delaware corporation and an existing subsidiary of Peabody with principal executive offices at 12312 Olive Boulevard, St. Louis, Missouri, 63141.
Distribution ratio	Each holder of Peabody common stock will receive a dividend of one share of Patriot common stock for every ten shares of Peabody common stock held on the record date.
Securities to be distributed	Approximately 26,500,000 shares of Patriot common stock and accompanying preferred share purchase rights, which will constitute all of the outstanding shares of Patriot common stock immediately after the spin-off. The number of shares that Peabody will distribute to its stockholders will be reduced to the extent that cash payments are to be made in lieu of the issuance of fractional shares of Patriot common stock, as described below.
Fractional Shares	Fractional shares of Patriot common stock will not be distributed. Fractional shares held by owners of record will be aggregated and sold in the public market by the distribution agent. The aggregate net cash proceeds of these sales will be distributed ratably to those stockholders who would otherwise have received fractional interests. These proceeds may be taxable to those stockholders.
Record date	The record date is the close of business on October 22, 2007. In order to be entitled to receive shares of Patriot common stock in the spin-off, holders of shares of Peabody common stock must be stockholders as of the close of business on the record date.
Distribution date	The distribution date will be on or about October 31, 2007.
Relationship between Patriot and Peabody after the spin-off	Following the spin-off, Peabody and Patriot each will be an independent, publicly-traded company. However, we will enter into agreements with Peabody that will facilitate our transition into an independent, publicly-traded company. For example, Peabody will continue to provide certain administrative services for an agreed number of months following the spin-off. We will continue to supply coal to Peabody and its affiliates on a contract basis, so they can meet their commitments under pre-existing customer agreements sourced from our operations. We will sublease from Peabody certain mining equipment currently used in our operations. Peabody will assume certain retiree healthcare liabilities pursuant to liability assumption agreements. Patriot will administer the retiree healthcare benefits assumed by Peabody pursuant to an administrative services agreement. We will enter into a throughput and storage agreement with Peabody providing us with access to a coal transloading facility. For additional information regarding our relationship with Peabody after the spin-off, see “Our Relationship with Peabody After the Spin-Off” beginning on page 108.

Description of our credit facility	We anticipate entering into a $500 million, five-year revolving credit facility, for which we entered into a commitment letter on September 24, 2007, in order to provide for our working capital requirements, including the issuance of letters of credit, and for other corporate purposes, including the financing of acquisitions. We expect that our credit facility will be utilized to replace certain Peabody letters of credit and surety bonds currently in place with respect to Patriot obligations. We currently estimate that this initial usage will be approximately $275 million. We expect that borrowings under our credit facility will be secured by a first lien on substantially all our assets, including, but not limited to, certain of our mines and coal reserves and related fixtures and accounts receivables. We expect that the terms of the credit facility will contain certain customary covenants, including financial covenants, as well as events of default which will give the banks the right to accelerate payments of outstanding debt in certain circumstances. Please see "Description of Indebtedness" beginning on page 128 for a more detailed description of the expected terms of our credit facility.
Dividend policy	We do not anticipate that we will pay cash dividends on our common stock in the near term following the spin-off. The declaration and amount of future dividends, if any, will be determined by our Board of Directors and will depend on our financial condition, earnings, capital requirements, financial covenants, regulatory constraints, industry practice and other factors our Board deems relevant.
Payment of intercompany indebtedness	Substantially all intercompany debt between Peabody and Patriot will be settled prior to the completion of the spin-off, subject to limited exceptions, as described under "Our Relationship with Peabody after the Spin-Off" beginning on page 108.
Anti-takeover provisions	Provisions of the Delaware General Corporation Law and certain provisions of our certificate of incorporation and by-laws, including our staggered Board of Directors composed of three classes, may have the effect of discouraging, delaying or preventing a change of control of Patriot not approved by our Board. Such provisions may also have the effect of discouraging third parties from making proposals involving an acquisition or change of control of Patriot, although such proposals, if made, might be considered desirable by a majority of our stockholders. Such provisions could further have the effect of making it more difficult for third parties to cause the replacement of our Board. In connection with the spin-off, we will adopt a stockholder rights plan which also could have the effect of discouraging, delaying or preventing a change of control of Patriot not approved by our Board. Certain provisions of the tax separation agreement to be entered into between Peabody and Patriot that are intended to preserve the tax-free nature of the spin-off may also have the effect of discouraging third parties from making proposals involving an acquisition or change of control of Patriot. See "Our Relationship with Peabody After the Spin-Off — Tax Separation Agreement" and "Description of Our Capital Stock" beginning on pages 111 and 121, respectively.

Corporate Information and Structure

Pursuant to the spin-off, we will be separated from Peabody and become a separate publicly-traded company. The spin-off and our resulting separation from Peabody involve the following steps:

- Before our separation from Peabody, we will enter into a Separation Agreement, Plan of Reorganization and Distribution (Separation Agreement) and several ancillary agreements with Peabody to effect the separation and provide a framework for our relationship with Peabody after the spin-off. These agreements will provide for the allocation between us and Peabody of the assets, liabilities and obligations currently owned by Peabody (including retiree healthcare, pension obligations, workers' compensation and tax-related assets and liabilities) attributable to periods prior to, at and after our separation from Peabody. Other ancillary agreements will provide for, among other things, the sale of our coal to Peabody, the sublease from Peabody of certain mining equipment currently used in our operations, the granting of a software license to us, access to a coal transloading facility pursuant to a throughput and storage agreement with Peabody, and cooperation on certain litigation matters. For more information on these agreements, see "Our Relationship with Peabody After the Spin-Off" beginning on page 108.
- In addition, before the separation, our Board of Directors and Peabody, as our sole stockholder, will adopt certain benefit plans and approve various actions related to the spin-off as described in this information statement. We will not assume Peabody's obligations under its current defined benefit pension plan applicable to our employees.
- The Securities and Exchange Commission, or the SEC, has declared effective under the Securities Exchange Act of 1934, as amended (Exchange Act), the registration statement of which this information statement is a part, and Peabody will mail this information statement to its stockholders.
- On September 26, 2007, Peabody received a ruling from the IRS to the effect that the spin-off will qualify as a tax-free transaction under Section 355 of the Internal Revenue Code (Code), and on October 4, 2007, Peabody received a favorable opinion from Ernst & Young LLP as to the satisfaction of certain required qualifying conditions for the application of Section 355 to the spin-off.
- On or prior to the distribution date, certain assets related to our business will be transferred from Peabody to us or our relevant subsidiaries via a series of distributions among various Peabody subsidiaries, Peabody will assume certain retiree healthcare liabilities related to our business and Peabody will distribute 100% of the shares of our common stock pro rata to all of its stockholders of record as of the record date.
- Following the separation, we will operate as a separate publicly-traded company and we expect that our common stock will begin trading on the NYSE on a regular way basis under the symbol "PCX" on the first trading day following the distribution date.

For a further explanation of the spin-off, see "The Spin-Off" beginning on page 26.

Summary Combined Financial Data

The following tables set forth our summary combined financial data. The summary income statement and statement of cash flow data for each of the three years in the period ended December 31, 2006 and the balance sheet data as of December 31, 2006 and 2005 are derived from our audited combined financial statements included elsewhere in this information statement, which have been prepared in accordance with generally accepted accounting principles in the United States. The summary income statement and statement of cash flow data for the six month period ended June 30, 2007 and the balance sheet data as of June 30, 2007 are derived from our unaudited condensed combined financial statements included elsewhere in this information statement, which have been prepared in accordance with generally accepted accounting principles in the United States.

The following table also presents our summary unaudited pro forma combined financial information, which has been derived from our unaudited pro forma combined financial information included elsewhere in