



White Energy Company Limited



White Energy and Peabody Energy Enter Into Clean Coal Development Agreement Covering North America and China

St. Louis and Sydney, Australia, May 14, 2009 – Peabody Energy (NYSE: BTU) and White Energy Company Limited (ASX: WEC) (OTCQX: WECFY) today announced they have signed an agreement to pursue development of a coal upgrading plant that would be sited at a Peabody operation in the Powder River Basin.

Under terms of the agreement, Peabody also has the first right to participate in new coal upgrading development projects that White Energy undertakes in North America and China. Peabody further has a right to acquire a nearly 15 percent equity interest in White Energy.

The coal upgrading plant would utilize White Energy's patented coal briquetting technology, a mechanical process that upgrades lower Btu coals. The process increases the coal's overall energy content by approximately 35 percent. The resulting product is higher quality, more efficient and cleaner, with lower carbon and other emissions. The upgraded coal can be used interchangeably with high rank thermal coal for a number of applications, including power generation, industrial processes and Btu Conversion, such as coal-to-gas and coal-to-liquids.

"We view this technology as a way to unlock further value in our reserves in the Powder River Basin and at other locations to create new marketing opportunities for U.S. or export customers," said Richard A. Navarre, Peabody's President and Chief Commercial Officer. "Coal has been the fastest-growing fuel for each of the past five years and will continue to be the world's primary source of electricity. We are pleased to be partnering with White Energy to develop a coal product with expanded market reach."

Peabody and White Energy are proceeding with engineering design and permitting activities for the first plant that are expected to require up to 24 months. The plant would be built in phases, with the first phase expected to produce more than 1 million tons of upgraded coal per year. Subsequent phases could increase plant capacity ultimately to more than 20 million tons annually. Peabody expects substantial global growth opportunities using this technology that will initially focus on applications in North America and China.

John Atkinson, Chief Executive Officer of White Energy said, "The United States is a significant consumer of coal, and public sentiment supports that we move to a market with viable clean coal options as soon as possible. Peabody, as the world's largest private-sector coal company, is rightfully taking a leadership position in this initiative. White Energy is delighted to be partnering with Peabody to build a significant clean coal business in the United States and also to work together to develop opportunities in the China market. Today's agreement with Peabody complements projects we have done in other key coal markets around the world and represents another important step for White Energy in positioning itself as one of the world's leading providers of clean coal solutions."

-End-

About Peabody Energy

Peabody Energy (NYSE: BTU) is the world's largest private-sector coal company, with 2008 sales of 256 million tons and \$6.6 billion in revenues. Its coal products fuel approximately 10 percent of all U.S. electricity generation and 2 percent of worldwide electricity. Visit PeabodyEnergy.com.

About White Energy Company Limited

White Energy Company Limited, a Sydney-based company, (ASX: WEC) (OTCQX: WECFY) and the parent of White Energy Coal North America, is the exclusive worldwide license holder of the Binderless Coal Briquetting process, which upgrades lower rank coal to significantly increase its energy efficiency and lower emissions. More information can be found on White Energy's website. Visit whiteenergyco.com.

Contacts:

For White Energy Company Limited

John Atkinson, Chief Executive Officer
+ 61 2 9959 0000

For Peabody Energy

Beth Sutton, Director Corporate
Communications
(928) 699-8243

Meg Gallagher, Manager Corporate
Communications
(314) 342-7963

For White Energy Coal North America

Ed Trissel /Annabelle Rinehart/Jim
Shaughnessy
Joele Frank, Wilkinson Brimmer Katcher
(212) 355-4449

Judy Tanselle, President
(301) 917-6700

This press release contains forward-looking statements that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. In some cases, you may identify forward-looking statements by words such as "may," "should," "plan," "intend," "potential," "continue," "believe," "expect," "predict," "anticipate" and "estimate," the negative of these words or other comparable words. These statements are only predictions. One should not place undue reliance on these forward-looking statements. The forward-looking statements are qualified by their terms and/or important factors, many of which are outside the Company's control, involve a number of risks, uncertainties and other factors that could cause actual results and events to differ materially from the statements made. The forward-looking statements are based on the Company's beliefs, assumptions and expectations of our future performance, taking into account information currently available to the Company. These beliefs, assumptions and expectations can change as a result of many possible events or factors, including those events and factors described in "Risk Factors" in the prospectus, not all of which are known to the Company. Neither the Company nor any other person assumes responsibility for the accuracy or completeness of these statements. The Company will update the information in this press release only to the extent required under applicable securities laws. If a change occurs, the Company's business, financial condition, liquidity and results of operations may vary materially from those expressed in the aforementioned forward-looking statements.