

29 August 2022

SECOND TRAIN SET PULLED BY UNION PACIFIC SUCCESSFULLY LOADS NEW ELK COAL

Allegiance Coal Limited (**Allegiance or the Company**) is pleased to announce that last Thursday the New Elk team successfully completed the first loading of the second unit train, leased by New Elk Coal set up and pulled by Union Pacific (**UP**) locomotives. UP subsequently crewed up the train and pulled out of the Jansen rail loading facility near Trinidad Friday morning.

As Allegiance has previously advised, including in the ASX announcement dated 15 August 2022, the train cycle times between Jansen and Mobile have severely impacted the business, and the plan to commission the second set of rail cars and initiate the rail haulage contract with UP mitigates the associated risks.



Figure 1: UP locomotives pulling the Second Unit Train being loaded at Jansen rail Load out facility



Figure 2: Second Unit Train being loaded at the New Elk Jansen rail Load out facility

Allegiance thanks UP, our local contractor CWC, and the surface crew at New Elk for their efforts in successfully sourcing, assembling and loading the first of our second unit trains.

Authorised for release by Jonathan Romcke, Chief Executive Officer.

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About Allegiance Coal

Allegiance Coal is a publicly listed (ASX:AHQ) Australian company focused on the development, operation and supply of steel making coal to the seaborne market. With operating mines in southeast Colorado, central Alabama, as well as a development project in northwest British Columbia, Allegiance is well placed to supply steel making coal to both the Pacific and Atlantic markets.