ALLEGIANCE COAL
LIMITED

24 October 2017

Allegiance Coal Limited

CLEANSING NOTICE UNDER SECTION 708A OF THE CORPORATIONS ACT

This notice is given by Allegiance Coal Limited ACN 149 490 353 (ASX code: AHQ) (**Allegiance**) under section 708A(5)(e) of the Corporations Act 2001 (Cth) (Corporations Act). As outlined in Allegiance's announcement of 24 October 2017 (**Announcement**), Allegiance completed a placement of 33,899,285 fully paid ordinary shares (**Placement Shares**) to sophisticated and institutional investors at an issue price of $0.03 per share on 24 October 2017.

In accordance with section 708A(6) of the Act, Allegiance confirms that:

1. The Placement Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act.
2. This notice is being given under section 708A(5)(e) of the Corporations Act.
3. As at the date of this notice, Allegiance has complied with:
   (a) the provisions of Chapter 2M of the Corporations Act as they apply to Allegiance; and
   (b) section 674 of the Corporations Act.
4. As at the date of this notice, there is no information that is 'excluded information' (within the meaning of sections 708A(7) and 708A(8) of the Corporations Act).

Signed for and on behalf of Allegiance Coal Limited ACN 149 490 353.

Jonathan Reynolds
Company Secretary

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