



# **ALLEGIANCE COAL LIMITED**

## **Kilmain Project**

Collaborative opportunities in Queensland for exploration, resource development and investment with JOGMEC

Presentation

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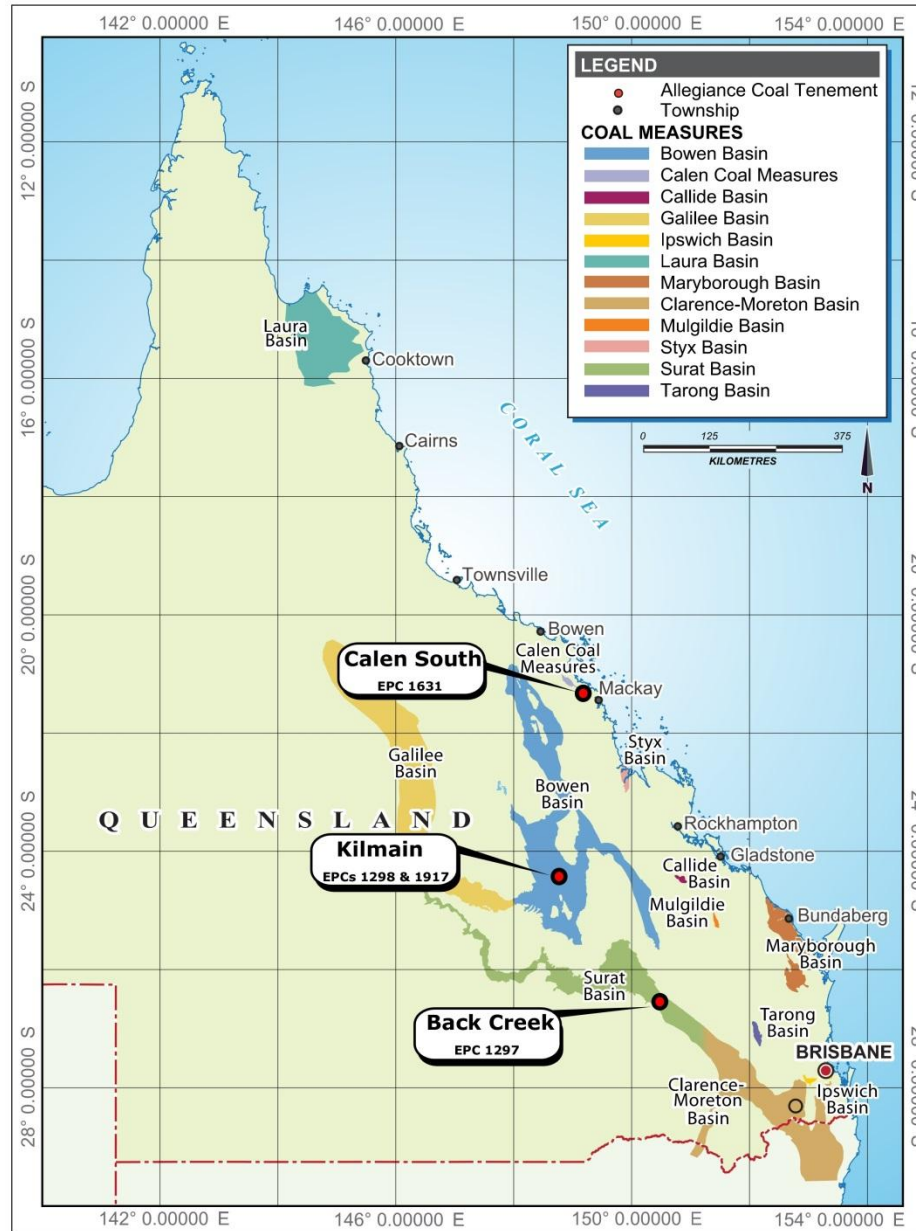
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# Allegiance Coal Limited



- Queensland coal explorer and developer
- Listed ASX 28 May 2012 (177million shares issued)
- Market Cap \$4.07 million ( 2.3 cents per share 16<sup>th</sup> Feb )
- Cash at bank \$1.35 million ( 31/12/2014)
- Projects - Bowen Basin, Surat Basin and Calen Basin
- Bowen Basin - Kilmain Project - Joint Venture with JOGMEC
- Surat Basin – Back Creek Project 98Mt JORC Inferred Resource
- Calen Basin - Calen Project - Joint Venture with Square Resources
- Relinquished all other tenements to focus on its three projects
- Actions taken in 2013 and 2014 to retain cash

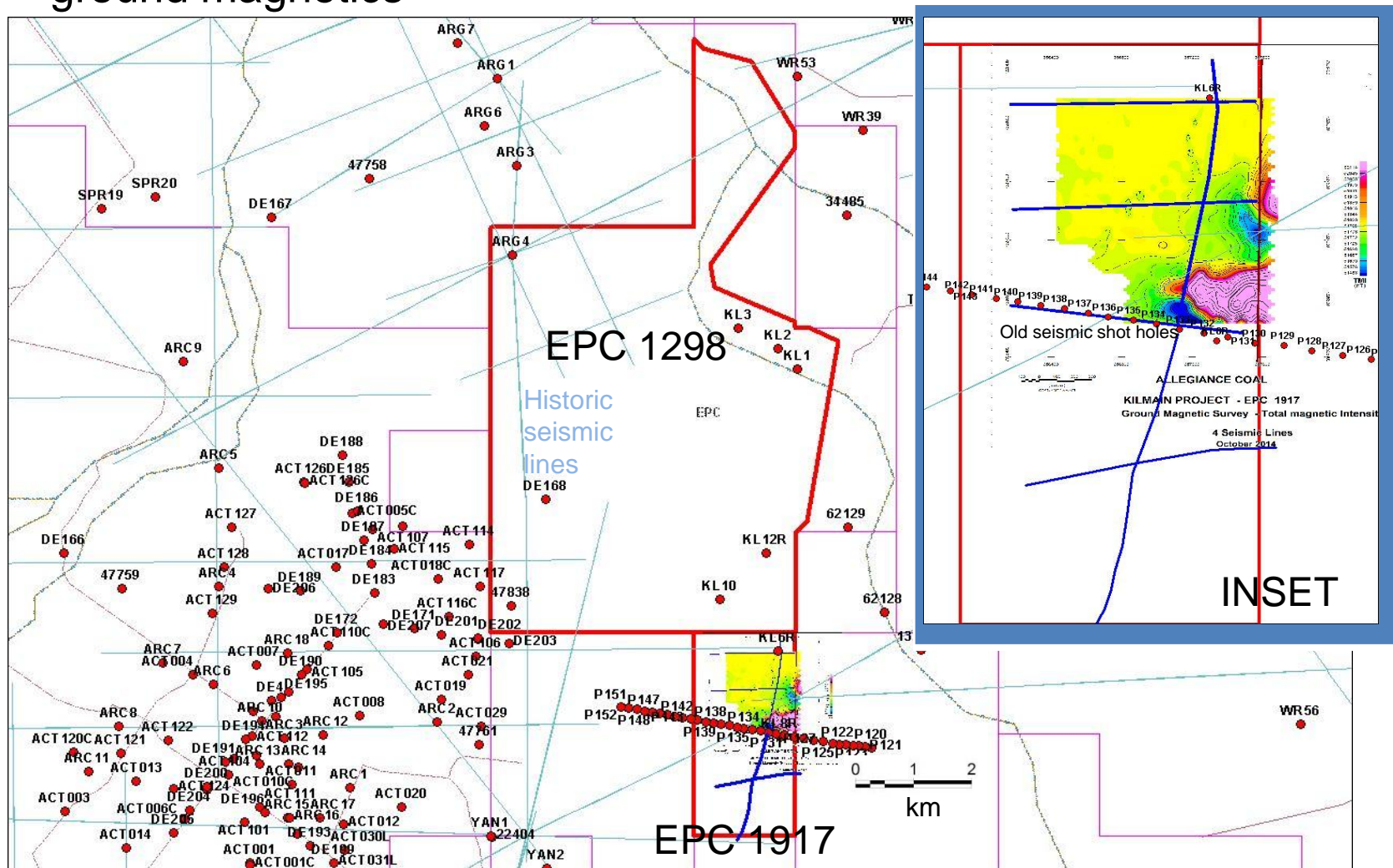
# Map of Queensland showing the tenements



- Japan Oil, Gas and Metals National Corporation (JOGMEC) -Japanese Government funded organisation
- September 2013 – Signed MOU with State of Queensland for exploration of resources within Queensland
- 8<sup>th</sup> December 2013 - Approached Allegiance Coal (AHQ) regarding Kilmain project
- 24<sup>th</sup> December 2013 Provided with detailed exploration plan for Kilmain
- 14<sup>th</sup> July 2014 – concluded JEA with AHQ for expenditure of \$3M within Kilmain
- 29<sup>th</sup> August 2014 - FIRB granted approval for JEA with AHQ
- September 2014 commenced on site works at Kilmain
- Can earn a 40% share in Kilmain for expenditure of \$3m over 3 years
- To call tenders in Japan for Japanese company to take over the 40%

# JOGMEC funded works to date

- Map showing drill holes, seismic lines and ground magnetics
- Inset map shows EPC 1917 seismic lines and color contoured ground magnetics



# Site works within Kilmain with JOGMEC



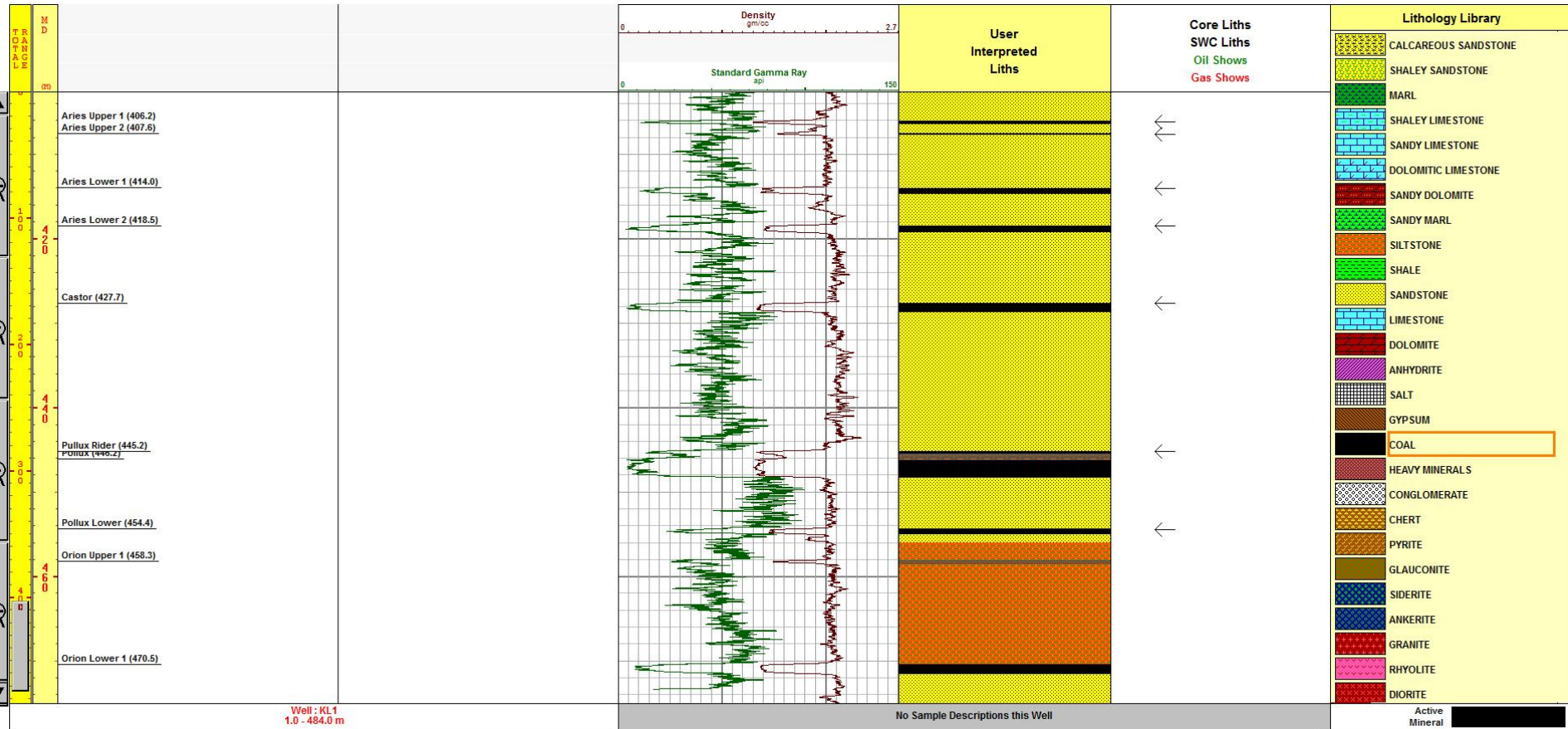
## Since September 2014

- 25km of ground magnetometer surveys to identify extent of basalt flow
- 11.25 km of seismic surveys using Vibraseis to define Rangal Coal Measures
- Drilled KL006, KL008, KL010 and KL012
- 1941m of open hole drilling
- 414.66m of cored hole drilling
- Rangal Coal Measure seam intersections from three cored holes being tested for thermal and coking coal properties
- Access and Compensation agreements concluded with additional two landowners bringing to three agreements in place
- Negotiations with additional four landowners underway



# Typical Rangal Coal Measures

- Log from KL001 showing coal seams intersected in the Rangal Coal Measures





# Allegiance Coal – Company Strategy



## Company Strategy

**“To develop projects with Joint Venture partners who have long term requirement for coal.”**

This strategy is the culmination of the nearly 50 years experience, in the Australian coal industry, of Allegiance Coal Limited’s Managing Director Colin Randall.