

A
S
X

R
e
l
e
a
s
e

28th October , 2015

ASX Code : AHQ

ACN 149 490 535
Level 2
49-51 York Street
Sydney NSW 2000
Australia

Tel : +61 2 9299 5007

www.allegiancecoal.com
info@allegiancecoal.com

Kilmain Project Drilling Stage 2

We are very pleased to announce that the second Farm-in period commenced on 1st June 2015 and continues until 31st March 2016.

As part of Stage 2, further drilling has commenced on the Kilmain project. The programme plans to drill 2 holes this season and a further hole next year. Each cored hole will be preceded by a pilot chip hole.

The total metres to be drilled will be approximately 1500 metres.

Under the Joint Exploration Agreement , the Stage 1 programme commenced in late August 2014 and concluded just prior 16 June 2015.

Kilmain JV Project with JOGMEC

On 29 August, 2014 the Australian Government's Federal Investment Review Board approved of the Joint Exploration Agreement in which **Japan Oil, Gas and Metals National Corporation (JOGMEC)** will provide up to \$3 million of exploration expenditure to Allegiance Coal over a 3 year period for the Kilmain Coal Project in three stages.

JOGMEC, a Japanese government owned corporation, will earn up to a 40% economic interest in the Kilmain Project .

Contacts :

For further information please contact:

Mr David Deitz
Director