

MARKET RELEASE

14 September 2016

Allegiance Coal Limited

TRADING HALT

The securities of Allegiance Coal Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Friday 16 September 2016 or when the announcement is released to the market.

Security Code: AHQ

Mauro Piccini

SENIOR ADVISER, LISTINGS COMPLIANCE (PERTH)



ASX Limited
20 Bridge St SYDNEY NSW 2000
AUSTRALIA

14 September 2016

Request for trading halt: Allegiance Coal Limited (ASX:AHQ)

We request a trading halt to be applied to our securities under ASX Listing Rule 17.1 and set out below details of the request as per the rules of the ASX.

We would like the trading halt to commence immediately.

Reasons for trading halt: Entering into an agreement for a material acquisition.

How long we want the trading halt to last: 12 pm Friday 16 September 2016.

The event we expect to happen that will end the trading halt:Execution of the agreement.

We confirm that we are not aware of any reason why the trading halt should not be granted.

Yours sincerely

David Deitz

Director