



ALLEGIANCE COAL LIMITED

20 September 2016

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 16 September 2016 (**Announcement**), Allegiance completed a placement of 26,400,000 million fully paid ordinary shares (**Placement Shares**) to sophisticated and institutional investors at an issue price of \$0.005 per share on 20 September 2016. The Placement Shares are to be consolidated in the manner detailed in the Announcement.

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.

David Deitz

Company Secretary

Allegiance Coal Limited

Allegiance Coal Limited

ABN: 47 149 490 353

Ph: (02) 9397 7555

Level 2, 49-51 York Street, Sydney NSW 2000