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RESEARCH REPORT BY INDEPENDENT INVESTMENT RESEARCH RELEASED

Allegiance Coal Limited (Allegiance or the Company) advises that Independent Investment Research has issued a research report on the Company's Telkwa metallurgical coal project for distribution to its network.

A full copy of the report is available on Allegiance's corporate website under Investor Information Analyst Coverage and Research - www.allegiancecoal.com.au.

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About Allegiance Coal

Allegiance Coal is a publicly listed (ASX:AHQ) Australian company fast tracking a metallurgical coal mine into production in British Columbia, Canada. The Telkwa metallurgical coal project (Project) is the Company's flagship project comprising 148Mt of JORC compliant coal resource of which 134Mt is in the Measured Category. The Project has been the subject of extensive historical exploration and most recently of a pre-feasibility study declaring 43Mt of proven and probable reserves, and positioning the Project in the lowest five percentile of the global seaborne metallurgical coal cost curve.