



4 April 2022

MR PAUL VINING APPOINTED NON-EXECUTIVE CHAIRMAN DESIGNATE

Allegiance Coal Limited (**Allegiance**) wishes to announce the appointment of Mr Paul Vining as Non-Executive Chairman designate of Allegiance.

Chairman and CEO Mr Mark Gray commented:

"I am very pleased to announce the appointment of Paul Vining as the Non-Executive Chairman designate of Allegiance. Paul will commence in the position on 16 May 2022, two weeks after Jon Romcke commences as our Chief Executive Officer. Paul is one of the most recognised and respected coal mining executives in the US. He and Jon will form a powerful leadership duo for Allegiance as it grows its two producing mines, Black Warrior and New Elk, and develops the Short Creek underground mine."

Mr Vining holds two Bachelor of Science degrees, in Mineral Engineering and in Chemistry, and a Master of Science degree in Extractive Metallurgy. He is currently the Non-Executive Chairman of Westmoreland Mining LLC, a thermal coal producer in Canada and the US with 25Mt of annual production.

Mr Vining's professional career spans 40 years. For the first 20 years he worked predominantly in coal sales including as Executive Vice President of Coal Sales and Trading for Peabody Energy.

For the last 20 years he has acted variously in President/CEO roles with some of the largest coal producers in the US including:

- Magnum Coal, a privately owned coal mining company with 18Mtpa of production and 1,800 employees;
- Patriot Coal - 35Mtpa of production and 4,000 employees;
- Alpha Natural Resources - 90 operating mines and 11,000 employees; and
- The Cline Group, a private company owned by the late Chris Cline, the founder of Foresight Energy, at the time one of the largest privately owned coal producers in the US.

The material terms of Mr Vining's engagement are provided in Appendix A.

Mr Gray will step down as CEO and Chairman of Allegiance on the commencement of Mr Romcke and Mr Vining respectively. Mr Gray will remain an executive director of Allegiance responsible for non-production activities including sales and marketing, investor relations and the Texas Environmental Assessment review.

Authorised for release by Chairman and CEO, Mark Gray.

For more information, please contact:

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Appendix A

Material terms of engagement between Paul Vining and Allegiance Coal Limited for the role of Non-Executive Chairman

| Commencement date | 16 May 2022 | | | | | | | | | | | | | | | | | | |
|----------------------------|---|----------------------------|--------------------|---------|----------------|---------|---------|----------------|---------|---------|----------------|---------|---------|----------------|---------|---------|----------------|---------|---------|
| Fixed Remuneration | US\$120,000 pa | | | | | | | | | | | | | | | | | | |
| Other benefits | <p>Subject to shareholder approval Mr Vining will be awarded 500,000 performance rights and 500,00 options under the Company's Employee Securities Incentive Plan. The performance rights shall have an exercise price of \$nil and the options shall have an exercise price of \$1.40 each (subject to adjustment for dilution arising from the issue of shares). The performance rights and options shall have an expiry date of 31 December 2026 and shall vest as set out below:</p> <table><thead><tr><th>Upon the company achieving</th><th>Performance rights</th><th>Options</th></tr></thead><tbody><tr><td>Sales of 1Mtpa</td><td>100,000</td><td>100,000</td></tr><tr><td>Sales of 2Mtpa</td><td>100,000</td><td>100,000</td></tr><tr><td>Sales of 3Mtpa</td><td>100,000</td><td>100,000</td></tr><tr><td>Sales of 4Mtpa</td><td>100,000</td><td>100,000</td></tr><tr><td>Sales of 5Mtpa</td><td>100,000</td><td>100,000</td></tr></tbody></table> | Upon the company achieving | Performance rights | Options | Sales of 1Mtpa | 100,000 | 100,000 | Sales of 2Mtpa | 100,000 | 100,000 | Sales of 3Mtpa | 100,000 | 100,000 | Sales of 4Mtpa | 100,000 | 100,000 | Sales of 5Mtpa | 100,000 | 100,000 |
| Upon the company achieving | Performance rights | Options | | | | | | | | | | | | | | | | | |
| Sales of 1Mtpa | 100,000 | 100,000 | | | | | | | | | | | | | | | | | |
| Sales of 2Mtpa | 100,000 | 100,000 | | | | | | | | | | | | | | | | | |
| Sales of 3Mtpa | 100,000 | 100,000 | | | | | | | | | | | | | | | | | |
| Sales of 4Mtpa | 100,000 | 100,000 | | | | | | | | | | | | | | | | | |
| Sales of 5Mtpa | 100,000 | 100,000 | | | | | | | | | | | | | | | | | |