



1 February 2021

ALLEGIANCE APPOINTS EXPERIENCED COAL MINING EXECUTIVE, MR BERNIE MASON, TO THE BOARD OF DIRECTORS

Allegiance Coal Limited (**Allegiance** or **Company**) is pleased to announce the appointment of Mr Bernie Mason to the Board of Directors as a Non-Executive Director.

Chairman and Managing Director, Mr Mark Gray commented:

“Bernie has exceptional experience in US coal mining from the coal face through to the boardroom. His operational experience and boardroom wisdom will be extremely valuable to our company as we transition from being a developer to a producer in a jurisdiction within which he, and fellow Director Larry Cook, are very well accustomed. I am extremely delighted to announce his appointment to our Board and look forward to working with Bernie and my fellow directors to build our company into a successful business with the commencement of mining at New Elk, together with the continued development of our Tenas Project.”

Mr Mason, a geologist, together with Mr Amon Mahon, a coal mining engineer and who in late 2020 was appointed the New Elk Mine Chief Operating Officer, sourced the New Elk Mine and introduced it to the Company, assisted with the high-level due diligence, brokered the acquisition agreement with Cline Mining Corporation, and have been providing leadership and supervisory roles for the Company during the Feasibility Study and re-commissioning of the Mine.

Mr Mason obtained a degree in Geology from Morehead State University, Kentucky, and has worked across many minerals although predominantly in US coal for more than 40 years. In more recent times he has assumed executive management positions in some very large and significant producers of coal in the United States including:

- President and CEO of Xinerdy Ltd producing up to 3Mtpa of metallurgical and thermal coal;
- Chief Operating Officer of Appalachian Fuels, LLC. managing a workforce of 600 employees and producing 8Mtpa of metallurgical and thermal coal from five surface mines and three underground mines; and
- Vice President of Technical Services and Business Development of AEI Resources, Inc. which operated surface and underground coal mines producing in excess of 54Mtpa.

Mr Mason will be paid a Directors fee of US\$30,000 per annum.

Mr Mason will also assist in the commissioning of the New Elk Mine and assume initial responsibility for overseeing the production and delivery of Pratt seam coal by Mays Mining, Inc., loaded and barged to Convent Marine Terminal for blending with New Elk Blue seam. The role will be for a term of six months commencing 1 February 2021 by which time the Board intends to appoint a full time employee to manage the relationship with Mays Mining, develop new relationships with other mine owners, as well as managing the logistics chain of delivering coal to port. Mr Mason will be paid a retainer of US\$10,000 per month.

Authorised for release by Chairman and Managing Director, Mark Gray.

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About Allegiance Coal

Allegiance Coal is a publicly listed (ASX:AHQ) Australian company based in Vancouver, BC Canada, and is focussed on developing and mining metallurgical coal projects in North America and Western Canada. The Company is developing the Tenas metallurgical coal project, located in northwest British Columbia, in partnership with Itochu Corporation. The Tenas Project has a completed definitive feasibility study and is now in the permitting process targeting H2 2022 for the commencement of production. In October 2020, the Company completed the acquisition of the New Elk hard coking coal mine, a fully permitted and constructed mine located in southeast Colorado, US. The Company is targeting to return the New Elk mine to production in 2021.
