



4 March 2022

MR JONATHAN ROMCKE APPOINTED CHIEF EXECUTIVE OFFICER DESIGNATE

Allegiance Coal Limited (**Allegiance**) wishes to announce the appointment of Mr Jonathan Romcke as both the Chief Executive Officer, and a Director of Allegiance.

Chairman and CEO Mr Mark Gray commented:

"It has always been in our planning to appoint a mining industry professional to lead Allegiance through the post start-up phase of New Elk and the post ramp-up phase of Black Warrior, into stability, growth, and asset optimisation of our portfolio. To this end we undertook a process in the second half of calendar 2021 to engage a leader and are very pleased to announce the appointment of Jon Romcke as our Chief Executive Officer designate. On Jon's commencement with the Company, I will relinquish that responsibility and remain Chairman of Allegiance."

"Jon's CV and reputation in the industry speaks for itself. As a mining engineer with almost 40 years' experience, most of which he enjoyed in underground coal mines in New South Wales with BHP, Oakridge and Xstrata, he brings to our organisation a depth of knowledge and management discipline critical to achieving the growth targets in front of us. I welcome Jon to the company, and to the Board".

Mr Romcke holds a Bachelor of Engineering (Mining) Honours, from the University of Wollongong, Australia; and Coal Mine Managers', Undermanager's and Deputy's Certificates of Competency. Mr Romcke is a Member of the Institute of Engineers Australia, the Australian Institute of Mining and Metallurgy and the Mine Managers Association of Australia.

For most of his career he worked in underground coal in New South Wales with BHP, Oakridge and Xstrata, rising to the role of Group Manager Business Development, Queensland Coal, for Xstrata. This quickly led to Jon taking a leading role in the development of Xstrata's iron ore business and ultimately becoming the Head of Iron Ore Assets. After a brief period with Anglo Coal he joined Stanmore Resources, was interim Chief Executive Officer for a period, and currently holds the position of General Manager Development.

Mr Romcke will serve a two month notice period with Stanmore Resources following which his role with the Company and appointment to the Company's board will commence. Mr Romcke will relocate to the US with his wife. The material terms of Mr Romcke's employment agreement are provided in Appendix A.

Authorised for release by Chairman and CEO, Mark Gray.

For more information, please contact:

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Appendix A

Material Terms of Employment Agreement between Jonathan Romcke and Allegiance Coal Limited for the role of Chief Executive Officer

Commencement date	~28 April 2022																		
Term	No fixed term, employment will be ongoing until terminated by either party in accordance with the agreement. No probation period applies.																		
Fixed Remuneration	US\$420,000																		
Other benefits	The Company will provide US\$36,000pa for US accommodation costs, a company vehicle, comprehensive medical insurance and other benefits usual in the case of expatriate employment.																		
Short term incentive (STI)	The executive's maximum STI opportunity as a % of total fixed remuneration ("TFR") is 45%. The STI performance targets for the CEO include production, sales and operational factors and shareholder return factors.																		
Long Term Incentive (LTI)	<p>Subject to shareholder approval Mr Romcke will be awarded 2 million performance rights and 1 million 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 border="1"> <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>400,000</td> <td>200,000</td> </tr> <tr> <td>Sales of 2Mtpa</td> <td>400,000</td> <td>200,000</td> </tr> <tr> <td>Sales of 3Mtpa</td> <td>400,000</td> <td>200,000</td> </tr> <tr> <td>Sales of 4Mtpa</td> <td>400,000</td> <td>200,000</td> </tr> <tr> <td>Sales of 5Mtpa</td> <td>400,000</td> <td>200,000</td> </tr> </tbody> </table>	Upon the company achieving	Performance rights	Options	Sales of 1Mtpa	400,000	200,000	Sales of 2Mtpa	400,000	200,000	Sales of 3Mtpa	400,000	200,000	Sales of 4Mtpa	400,000	200,000	Sales of 5Mtpa	400,000	200,000
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Notice	The employment agreement may be terminated by either party by giving 6 months' notice or in the case of termination by the Company, pay in lieu of notice.																		